

with great anticipation, about the WCO high level agenda in facilitation and compliance. CAI will also host Ms Brenda Brockman Smith, Executive Director, Office of Int'l Trade U.S. Customs and Border Protection (CBP), who will be discussing United States Customs and Border Protection Trade Policy Initiatives. Register today:

www.eiseverywhere.com/ehome/23377/Register/

Exhibit Planning, Ordering & Management

<https://ordering.ges.com/Show/022004929>

*****Argentine Blockade** as on Aug. 21 the U.S. government requested consultations with the Argentine government under the dispute settlement provisions of the World Trade Organization (WTO) concerning restrictive trade measures applied to all goods imported into Argentina. These measures include the broad use of "non-transparent" import licensing requirements that have the effect of unfairly restricting U.S. exports. In addition, the Office of the U.S. Trade Representative said Argentina further disadvantages U.S. exports by requiring importers to agree to export as much as they import or undertake other burdensome commitments in exchange for authorization to import goods. Japan has also requested WTO consultations with Argentina on this matter, while the European Union requested consultations in May.

*****Thin Loyalty?** as globally, but especially in Europe, the number of 3PL users not renewing more than half of their contracts has increased considerably since the last time Eyefortransport conducted its "3PL Selection & Contracts Renewal" study in 2009. While 73% of 3PL users renew more than half of their 3PL contracts, 83% did so in 2009. In other words, over a quarter of users did not renew more than half of their contracts in 2012, as opposed to just under a sixth in 2009. The biggest reason users do not renew existing contracts is due to cost "creep." Only 10% of 3PL users renew their 3PL contracts for longer than 3 years. The majority of renewals are focused between the 1-3 year period, much the same as in 2009. The study also found that, based on the 3PLs included in their requests for proposals (RFPs), customers in Europe are more likely than their counterparts in other parts of the world to be attracted to niche or specialist service providers.

*****Join The Movement** as on Aug. 23, 2012, the U.S. Dept. of Transportation (DOT) announced creation of a Freight Policy Council, which will focus on improving the efficiency of freight movement and help states enhance their freight strategy. DOT explains "the recent transportation bill, Moving Ahead for Progress in the 21st Century, or MAP-21, signed by President Obama last month, established a national freight policy and called for the creation of a National Freight Strategic Plan. DOT's Freight Policy Council will implement the key freight provisions of the legislation." The chair of the Council will be Deputy Transportation Secretary John Porcari, and other members will include management from highways, rail, ports and airports, as well as advisors from the freight and logistics industry, consumers and other interested parties.

www.dot.gov/affairs/2012/dot9812.html

*****Email Export** as U.S. Customs & Border Protection (CBP) will begin expanding the pilot project to have export ocean manifests filed via e-mail into the Document Imaging System (DIS) in place of the physical paper document being presented at the port. Current pilot participants may immediately begin filing export ocean manifests via e-mail into DIS at all Florida and Gulf Coast ports to Brownsville, Texas and Puerto Rico. Please refer to the attached notice for more details on the expansion and contact information for ocean carriers who are interested in participating in the export manifest pilot.

http://apps.cbp.gov/csms/docs/18899_462250328/Export_Manifest_Expansion_Notice.pdf

*****Happy 105th !!** as nineteen-year-old Jim Casey had an idea. So, this week in 1907, he and a friend borrowed US\$100. With it, they started the American Messenger Service in Seattle. By 1913, they had their first vehicle, a Ford Model T, and switched from messages to packages. By 1919, the firm expanded beyond Seattle. Soon, the growing United Parcel Service painted its trucks a rich brown. Today, UPS trucks are still brown. It is the largest package delivery company, serving more than 200 countries around the world. In the U.S., the delivery of small packages is a highly competitive, more than US\$74Bn a year business, with UPS and Federal Express trucks seen throughout the country.

*****Gibson Guitar Corp.** as the music leader has entered into a criminal enforcement agreement with the United States to resolve an investigation into allegations it violated the Lacey Act by illegally purchasing and importing ebony wood from Madagascar, and rosewood and ebony from India. The agreement defers prosecution for criminal violations of the Lacey Act and requires Gibson to pay a US\$300,000 penalty. It further requires a community service payment of US\$50,000 to the National Fish & Wildlife Foundation to promote conservation, identification and propagation of protected tree species used in the musical instrument industry and the forests where those species are found.

http://en.wikipedia.org/wiki/Lacey_Act_of_1900
www2.gibson.com/Gibson.aspx

*****NRF Initiative For Export** as the National Retail Federation (NRF), in partnership with its member companies, has launched an Integrated Mobile Initiative (IMI), which it bills as a first-of-its-kind initiative to act as a single source of information around challenges and opportunities that exist within mobile retailing, including shipping & logistics operations around fulfillment.

www.nrfmobile.com/
www.shop.org/home

*****Kerry Logistics Expands East** as it has continued its push into Asia with the launch of new offices in Burma and Sri Lanka. The two new facilities will complement the logistics provider's existing cargo network in Vietnam, Thailand, India and Bangladesh.

*****UPS Seals The Deal With A Ring On The Finger** as it has begun deploying a new type of wearable scanning system to help employees in its package sorting centers load packages into vehicles faster and to speed the delivery of visibility information to customers. The hands-free "ring" imager, made by Motorola Solutions, is worn on a finger and communicates via a small terminal worn on the employee's wrist or hip. The imager automatically scans based on label-sensing technology, allowing UPS employees to more quickly image barcodes compared to the "point and shoot" method.

www.barcodesinc.com/motorola/rs507.htm

*****Olfactory Crime** as French police say US\$1.2M worth of Givenchy perfume has been recovered after it was stolen by masked thieves from a warehouse in the middle of the night. The scented bounty was taken a week ago from Beauvais, near Paris, and was discovered on July 31, according to local police official Jean-Marie Salsat. Salsat, who revealed details of the perfume heist Aug. 3, said the bottles were found unused, with the stoppers still in. The Sipa news agency, quoting unnamed police sources, reports several robbers had overpowered a perfume warehouse night watchman. They later loaded trucks with fragrances produced by the French house Givenchy, part of fashion giant LVMH. The thieves are still at large.

*****Tiger Tangles**as imagine being stuck in a cage for two months while going through customs. That's the border limbo 16 tigers and lions have faced in Paraguay

because Argentine officials refuse to approve their paperwork for re-entry. The 9 Bengal tigers and seven African lions belong to an Argentine circus that performs in the Paraguayan capital each August. Their owner, Oswal Wasconi, brought them back for this year's circus only to learn that a new law in Paraguay bans live animal acts at circuses. With no chance of performing, Wasconi tried to ship his big cats back to Argentina. But then they got stuck at the border. Estela Gomez, director of Paraguay's wildlife agency, said the animals all have good-health certificates, but their entry to Argentina was blocked by officials demanding more information about the protected species. Aides to Argentina's quarantine office director, Raul Castelli, said he was in a meeting and could not explain the holdup. After inquiries from The Associated Press on Aug. 24 about the cats' plight, Gomez said her ministry decided to move the big cats two by two to the Asuncion zoo, "so that they can live in some comfort and not in a strange area." Furthermore, she said "Wasconi has promised to provide them with food and liquid because these animals are physically quite large. In the next few days we will continue investigating the true reasons why the Argentine authorities aren't authorizing their return," she said. "I can't anticipate whether these beasts will remain forever in Paraguay or eventually go to Argentina."

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2. **The Cargo Letter** Financial Page _____

****AP Moller-Maersk** (parent company of the world's largest container shipping carrier Maersk Line). **DOWN** as 2nd-quarter net profit falls to US\$965M from US\$1.57Bn in the same period last year, drawn on a 1% decrease in revenues to \$15.3Bn.

****APL. UP** as 2nd quarter operating profit - without extraordinary items - came in at US\$7M against last year's quarterly loss of US\$53M. Revenue stood at US\$2 Bn up 7%, derived from a 750,000 FEU throughput, an increase of 3% with revenue per box averaging US\$2,615, up 3% year on year.

****Cathay Pacific Airways. DOWN** with a huge operational loss of US\$38.7M half-year loss, marking the airline's first unprofitable half since 2008.

****CEVA. UP** with 2nd quarter revenue of US\$2.2Bn U.S., up 5.5% annually.

****Deutsche Post - DHL UP** with a 20% 2nd quarter profit increase to EUR137 US\$166.7Bn.

****Japan Airlines. UP** as net income soared 111.2% in 1st quarter of fiscal 2012, from April 1 to June 30, compared to the same period a year earlier to US\$343.53M.

****Lufthansa Cargo. DOWN** as it suffered a 60% fall in 2nd quarter operating profit to US\$34.4M year on year.

****Matson, Inc. UP** with net income for the 2nd quarter ended June 30, 2012 of US\$7.8M, or \$0.18 per diluted share.

****Virgin Atlantic Cargo. UP** with a fiscal-year 2011-2012 revenue surge of 7%, year-over-year, to US\$378.8M, the highest annual revenue Virgin Atlantic Cargo has ever seen in its 28-year history.

****Sinotrans. UP** with a year-on-year 9.7% decline in 1st half net profit to US\$78.7M, drawn on revenues of US\$3.6Bn, up 12.4%.

****Wilh. Wilhelmesen Holdings. UP** with perating profit for 2nd quarter was US\$71M, an increase of 94% compared with the 2nd quarter of 2011 and up 31% from Q1 of 2012.

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OUR "B" Section: FF World Air News***

3. Freight Forwarder World Air Briefs _____

*****Join With Us To Experience History On Sept. 20** as after logging nearly 123 million miles in space, retired Space Shuttle Endeavour will finally be on her way back home to California. Endeavour will fly across the country on the back of a specially modified Boeing 747 Shuttle Carrier Aircraft, arriving at LAX (weather permitting) on Sept. 20, 2012. Upon arrival, Endeavour will spend a few weeks at a United Airlines

hangar undergoing preparations for transport and display. Then, Endeavour will travel through city streets on a 12-mile journey from the airport to the California Science Center, arriving in the evening on Oct. 13, 2012. This will be the first, last and only time a space shuttle will travel through urban, public city streets. It is truly a national treasure! We will post specific details as the date approaches.

Watch the arrival on our Countryman & McDaniel Live LAX Runway

Webcams (further details posted when available):

www.cargolaw.com/lax_webcam.html

www.cargolaw.com/lax_webcam2.html

*****Market Over Capacity And A Downward Blip?** as Nomura's air cargo volume index, which correlated with global industrial activities with correlation at 0.84, is pointing to another decline after a positive blip in June. The latest reading of Normura's air cargo indicator showed a 6.1% decline in July compared to the same month a year earlier, after improving from a year-on-year decrease of 7.6% in May to a drop of 2.5% year-on-year in June. A report by Business Insider added that China's capacity utilisation has dropped to 60%, demonstrating there is overcapacity in the market.

*****FedEx Faces Hazmat Sting** as the U.S. Federal Aviation Administration has accused FedEx of violating U.S. Dept. of Transportation Hazardous Materials Regulations at facilities throughout the U.S. from Aug. 2, 2010 to Aug.12, 2010, an offense the agency deemed worthy of a US\$681,200 fine. FedEx has 30 days to respond to the FAA's allegations. According to the FAA, FedEx employees "improperly accepted" dozens of shipments containing hazardous materials for flight in August 2010. The agency discovered the safety breach after delving through records and inspecting FedEx facilities in or around Los Angeles. This wasn't the first time the FAA accused FedEx of improperly handling hazardous goods, however. In July 2011, the FAA proposed a US\$689,800 fine against FedEx for breaching HAZMAT regulations at the company's Bradley International Airport-based facility in 2009.

*****U.S. Aircraft Deliveries Up** as during the 1st half of 2012 by 5.9% year on year with value of deliveries up 13.2% to US\$8.2Bn, according to the latest figures from Washington-based General Aviation Manufacturers Association. Deliveries by category show business jets grew 13% and turboprops 10.5%, while piston engine deliveries declined 1.6%. Total global deliveries across all models were up during second quarter at 504 from 465 in same period 2011.

*****The Price Fixing Penalties Continue ..** as 8 airlines, including British Airways and Chile's LAN Cargo, have obtained final court approval for a settlement in a six-year-long class action lawsuit by shippers over the carriers' involvement in a cartel that fixed fuel surcharges for air cargo. Under the agreement approved by a New York court, British Airways will pay US\$89.5M and LAN US\$66M. Air Canada, El Al, Emirates, Saudi Arabian Airlines, South African Airways and Malaysia Airlines will pay a combined US\$27.5M. This is the third settlement in the lawsuit and brings total payments so far to US\$485M. The lawsuit followed criminal investigations in the U.S., the European Union, Canada, South Korea, Australia and New Zealand into an alleged global price-fixing cartel in 2000-2006 involving more than 24 airlines.

*****Good Bye Comair** as Delta Air Lines has announced its subsidiary Comair will cease operations after September 29, as part of a plan to reduce the number of regional jets in its network from approximately 350 to 125 or fewer.

*****United Airlines First 787 Dreamliner.....** as it has completed its first production flight as aircraft manufacturer Boeing makes final preparations for delivering it to the carrier at the end of Sept. The aircraft took off from Boeing's Paine Field in Everett, Washington, and its pilots flew the 787 around Seattle for 3 hours as part of planned

tests of the aircraft's controls and systems. This first flight was part of a series of work the manufacturer performs after each 787 comes out of its paint hangar and before airlines take delivery of the planes. The work also includes fuelling, systems tests, engine runs and taxi tests.

*****Bad Dream** as investigation is underway by the U.S. federal aviation authorities into an engine failure on a Boeing 787 Dreamliner plane built for Air India during a pre-delivery taxi test in Charleston, South Carolina. As a result of the failure, the engine reportedly left debris on the active runway at Charleston International Airport and caused a brush fire.

*****Major Maintenance Fine** as the Federal Aviation Administration (FAA) is seeking up to an unprecedented US\$162.4M in fines against American Airlines for safety violations going back years, reports The Associated Press. The biggest fine is US\$39.3M against American for allegedly failing to fix wiring work on its Boeing 757 aircraft in 2009. Federal specifications are designed to prevent electrical arcing and fires. The FAA said that before the jets were inspected and repaired up to standard, American used 113 of them to make 1,480 flights. The FAA is seeking US\$28.8M for American allegedly failing to follow the manufacturer's recommended procedure for overhauling the main landing gear on about 30 Boeing 777 jets. FAA officials in Texas suggested a US\$1.9M fine, but officials in Washington increased the amount. The FAA proposes a US\$27.6M fine over work on the engines of Boeing 767 jets. American sought and received permission from Boeing for an alternative fix, but before getting that approval it used four planes on 2,118 flights in 2008, according to court documents.

*****Airbus Mystery** as United Flight 731 climbed out of Newark with 107 people & cargo aboard, the pilot & 1st officer were startled to find screens that display crucial navigational information were blank or unreadable and radios were dead. They had no way to communicate with air traffic controllers or detect other planes around them in the New York City area's crowded airspace. "I made a comment to the captain about steering clear of New York City, not wanting to get shot down by USAF fighters," first officer Douglas Cochran later told investigators. He wasn't joking: "We both felt an extreme urgency to get this aircraft on the ground as soon as possible." Within minutes, Cochran and the captain had turned around and safely landed the Denver-bound Airbus A320 at the Newark airport. Cochran later told investigators clear weather might have been the only thing that saved them from a crash. The Jan. 2008 emergency was far from the first such multiple electrical failure in what is known as the Airbus A320 family of aircraft, and it wasn't the last, according to records reviewed by The Associated Press. More than 50 episodes involving the planes, which first went into service more than two decades ago, have been reported. While no accidents have been blamed on the problem, the pilots union in the U.S. wanted the FAA to give airlines just two years to comply, but the FAA rejected that. Aviation safety consultant Douglas Moss said the FAA should have acted a lot more quickly. France-based Airbus told NTSB investigators in 2008 that 49 electrical failures similar to the Newark emergency happened on its planes in the U.S. and abroad before that episode. Nearly half involved the loss of at least 5 of 6 cockpit displays. It isn't known how many of the 633 A320-series jets operated by U.S. carriers are flying without the required modification because airlines do not have to notify the FAA about each one.

*****Panalpina's Cool Plan** as the Swiss logistics company is introducing new technology to better monitor temperature-controlled air freight. Most of that cargo is health care-related, though the company said temperature-controlled cargo can include chemicals, dangerous and hazardous substances, semiconductor wafers, and even printing machines and test or prototype automobiles. If requested, each temperature-controlled shipment can be equipped with radio-frequency identification (RFID) sensors,

from the moment of pickup to final delivery, if required, so cargo temperature can be monitored not only in the air, but at transit warehouses and while being transported by road. Temperature is recorded every 15 minutes, and in case of temperature deviations, Panalpina can intervene to fix the problem. Other parameters, such as relative humidity, shock, light exposure, air pressure and location can also be recorded. Panalpina has also wet-leased two new Boeing 747-8 freighters to help build a global cool-chain network. It has dubbed these "cool planes" and says they can maintain cargo at different temperature ranges at the same time, for example, cold-chain cargo at 2 to 8 degrees Celsius and controlled room temperature cargo at 15 to 25 degrees Celsius.

*****Mobile Protection** as Irish flag carrier Aer Lingus, says it's now accepting consignments that contain the SENTRY 400 FlightSafe device which enables customers to GPS track and monitor conditions of their cargo door to door. The airline says this option enables greater collaboration and proactive response effort between Aer Lingus Cargo, freight forwarders and shippers and the result is a highly effective and near real-time view of the cargo with the option of tailored alerts while the consignment is in transit. GPS tracking and data gathering of consignments in transit is increasing in importance for many of Aer Lingus Cargo's customers, particularly pharmaceutical manufacturers. The device has gone through extensive tests prior to acceptance by the Irish Aviation Authority (IAA), which has given Aer Lingus approval for the SENTRY device under rules for Carriage of Approved Tracking Devices on its Airbus A330 and A320 aircraft. The SENTRY 400 FlightSafe is manufactured by OnAsset Intelligence and is a tracking device that provides GPS location, light, temperature, humidity, and vibration data transmitted on the ground using the worldwide GSM / GPRS wireless network. The device is small in size and can be easily placed with handheld packages, palletized or containerized freight.

www.onasset.com/sentry-flightsafe.aspx

*****Hunt For New Fuels** as Boeing and the Commercial Aircraft Corp. of China have opened a facility in Beijing intended to push forward the development of alternative fuels & other aviation technologies. Employees of the newly minted Boeing-COMAC Aviation Energy Conservation and Emissions Reductions Technology Center will first tackle recycling cooking oil into biofuel. Participants in the facility include Chinese universities & research institutions. According to a press release announcing the collaboration, China consumes 29 million tonnes of cooking oil annually, and Chinese planes use about 20 million tonnes of jet fuel.

<http://english.comac.cc/>

******"Hiding" On The Flight Deck** as a passenger official described as "distraught" when he shoved past crewmembers Aug. 22 and locked himself in a cockpit surrendered to authorities who cut the power so he couldn't start the empty airplane. Andrew Alessi forced his way past two American Eagle agents and ran down the jet way to the aircraft around noon, half an hour before it was scheduled to start boarding, said Baton Rouge Metropolitan Airport spokesman Jim Caldwell. "He stayed there for several hours while police and FBI negotiated with him. He eventually came out voluntarily," Caldwell said. Alessi bought his ticket at the airport shortly before boarding, cleared security with a piece of carry-on luggage and didn't have any weapons, he said. The flight, which was headed to Dallas/Fort Worth, was canceled and passengers were being accommodated, he said. No other flights were delayed. FBI spokesman Kyle Hanrahan said Alessi, of Baton Rouge, likely will be charged with interfering with a flight crew. "I think he was distraught. I don't know specifically why he did what he did," Hanrahan said. A Baton Rouge Police Dept. spokesman said Alessi is in federal custody and will be booked into the East Baton Rouge Parish Prison when they are done with their investigation. No one answered the phone at a number listed for Alessi and the voicemail box was full. American Airlines spokesman Matt Miller said the airline will be reviewing their security procedures going forward.

*****A Chili Day At Work**as more than 100 employees at the FedEx hub in Memphis were treated at the scene after a forklift punctured a barrel of concentrated chili pepper extract. Memphis fire officials say the five-gallon container was damaged outside the building early Aug. 16 morning and 117 employees were being evaluated and decontaminated. Authorities identified the substance as liquid capsaicin, a chili pepper component that's also an active ingredient in pepper spray. Company spokesman Chris Stanley says this batch was destined for hot sauce. A 53-year-old man and a woman in her 20s were hospitalized as a precaution. A FedEx safety team is investigating the incident, which caused the evacuation of dozens of employees. The spill took place in the "international heavyweight area," a covered outdoor area designed for large palletes. The container was labeled a dangerous good, causing the shipping giant's "dangerous goods specialists" to jump into action. Once the chemical was discovered to be food grade, it made the cleanup much easier. The Memphis hub is the largest for FedEx globally, with about 11,000 people on both day and night shifts.

*****Deadly Flight** as the body of a man has been discovered inside the landing gear of a British Airways 747 jet Aug. 23 at London's Heathrow Airport. The Boeing 747 arrived at Heathrow from Cape Town, South Africa in the early morning hours and the body was discovered around 6:25 AM local time. A spokesman said: "This is a very rare and sad event and our thoughts are with the individual's family." He continued: "We are liaising with the South African authorities and Cape Town airport after a body was found in the landing gear bay of one of our aircraft. They are investigating how this incident took place, which involved a Boeing 747 which arrived this morning from Cape Town. Reports say the man could be the same person who was spotted at Cape Town Int'l Airport. The man was spotted scaling a fence in to the airport. 'An ACSA spokesman said: "The airport immediately responded and, as a security patrol officer attempted to apprehend the man, he ran in the direction of a British Airways aircraft already in its holding pattern ready for take-off. For safety reasons the security officer could not approach the aircraft. A search of the airfield was immediately conducted but the person was not found.

*****Volumes >>> Air France-KLM's** cargo traffic stalled 5.5%, year-over-year, last month, on a capacity reduction of 1.6%. The carrier's load factor also contracted in July, sliding 2.5%, year-over-year, to 61.6%. >>> **Amsterdam Airport Schiphol**, Europe's 3rd largest cargo airport, handled a total of 729,174 tons of cargo in the 1st six months of 2012, down 3.2% year-on-year. >>> **Frankfurt Airport** saw cargo volumes drop 9.9% during the first half of 2012 and the airport saw an overall tonnage stall of 9% from the first six months of 2011. >>> **Hong Kong Int'l Airport** (HKIA) has posted a 1.6% decrease in July air cargo volume to 335,000 tons year on year >>> **LAN Cargo** capacity decreased 4.5% when compared to the same period in 2011. >>> **United Cargo** carried 200,637 tons in July, a 6.2% drop when compared to July 2011's tonnage total.

*****Ugly Cargo** as Virgin Atlantic Cargo says another four-legged celebrity, an 8-year-old Chinese Crested rescue dog from Peterborough, England, has been given the full star treatment on a flight to California, where Mugly was competing for the title of "The Ugliest Dog in the World". Ugly Mugly was flying out to compete against 29 other rivals looking to claim the prize at the Sonoma-Marin Fair in Petaluma. This year's show marked the 24th year of the annual contest and "when it came to choosing the ugliest in show everyone agreed that Mugly was clearly top dog", a statement from the carrier said.

www.uglymugly.co.uk

*****Well, We Found West Virginia** as a Silver Airways pilot making one of the Florida airline's first flights to the North Central West Virginia Airport in Bridgeport

mistakenly landed his Saab 340 at a tiny airport in Fairmont, but officials said Aug. 9 that no one was injured. "Obviously, it was a mistake," said Jake Wilburn, manager of the Fairmont Municipal Airport-Frankman Field, which is less than 5 miles by air from the Bridgeport airport. The No. 5 runway at Fairmont is just under 3,200 feet long and 75 feet wide. According to Silver's website, its Saab aircraft have a wingspan of about 70 feet wide and carry 34 passengers. The landing occurred late Aug. 8 night during Silver's first week of service to the Bridgeport airport.

http://en.wikipedia.org/wiki/Silver_Airways

*****Passing The Pilot's Hat** as an emergency layover in Syria's capital was bad enough, but then passengers on Air France Flight 562 were asked to open their wallets to check if they had enough cash to pay for more fuel. The plane, heading from Paris to Lebanon's capital, diverted amid tensions near the Beirut airport on Aug. 15. Low on fuel, it instead landed in Damascus, the capital of neighboring Syria, where a civil war is raging. An Air France spokesman explained Aug. 17 that the crew inquired about passenger cash only as a "precautionary measure" because of the "very unusual circumstances." Sanctions against Syria complicated payment for extra fuel. He said Air France found a way to pay for the fill-up without tapping customer pockets and apologized for the inconvenience. He wouldn't say how the airline paid, or how much. One woman aboard said the passengers had rounded up 17,000 euros. The Boeing 777, carrying 185 people, took off for an overnight layover in Cyprus, then landed safely in Beirut on Aug. 16. The layover was awkward for Air France, the flagship carrier for a country whose government toes a hard line against Syrian President Bashar Assad - and warns all its citizens to avoid or leave Syrian soil. While it was the first time Air France said it had resorted to a request for passenger cash, it wasn't the first airline to do so. Hundreds of passengers traveling from India to Britain were stranded for 6 hours in Vienna last year when their Comtel Air flight stopped for fuel, and the charter service asked them to kick in more than US\$31,000 to fund the rest of the flight to Birmingham, England.

*****There's A Pole On My Flight** as the Vietnamese government has fined budget airline VietjetAir VND20 million (US\$956) for allowing five Hawaiian-themed bikini-top dancers, all in a beauty contest, to perform a three-minute dance on board without prior permission. Nguyen Trong Thang, chief inspector of the country's civil aviation body, was cited by BBC news as saying that the airline "had violated the local aviation regulations by organising an unapproved show on a plane". "Once passengers stepped on board they were met by flight attendants dressed in beach holiday attire [who] performed a sexy Hawaii dance," it said.

www.youtube.com/watch?v=hZstD6CGVHs

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OUR "C" Section: FF World Ocean News***

4. FF World Ocean Briefs

*****India Joins The Gun Club** as it has issued guidelines for deployment of armed security contractors aboard Indian ships, clearing the way for shipowners to deploy them, reports Newark's Journal of Commerce. Other steps the government has taken to address piracy in the Gulf of Aden include naval patrols, participation in the Contact Group on Piracy off the coast of Somalia and other international gatherings, and creation of an inter-ministerial forum to deal with hostage situations that may arise. India's Daily News and Analysis (DNA) said pirate attacks off Somalia dropped to zero for the first full month since armed guards were deployed. This marks the longest unbroken stretch of peaceful transit through the waters off Somalia, and was attributed to the increased use of armed guards on ships and international naval patrols, reports DNA. More than 30 warships from the Royal Navy, the US Navy, the EU and NATO countries, Russia, China and India currently patrol the sea off the Horn of Africa,

covering more than one million square miles. The new tactics involve helicopter gunship attacks on pirate logistics bases onshore for the first time, and targeting teams in "pirate action groups". Ships' masters have been taught how to accelerate to evade attack. Hulls are now festooned with barbed wire and powerful water hoses to deter pirates who try to climb aboard. Remember, in modern times, no armed vessel has ever been taken by pirates.

*****Improved Throughput Forecast** as major retail container ports in the United States are expected to record a combined increase in import cargo volume of 6.3% in Aug. compared with the same month last year. The whole of 2012 is forecast to see import cargo volume rise 4.8% over last year, according to the National Retail Federation's monthly Global Port Tracker report. U.S. ports surveyed in the report handled 1.41 million TEU in June, the latest month for which figures are available. That was up 4.7% from the previous month, and 10.7% compared with June 2011. In July, it is estimated the ports will record combined container throughput of 1.39 million TEU, up 2.6% from last year. August's collective throughput is forecast at 1.44 million TEU, up 6.3% year-on-year. Actual results show the nation's ports handled in total 7.6 million TEU in the 1st half of 2012, representing an increase of 3.8% compared with the same period last year. For the full year, 2012's result is expected to total 15.9 million TEU, up 4.8% from 2011.

*****Gathering Storm** as on August 22, 2012, the Journal of Commerce (JOC) published an article announcing a halt in negotiations for the Int'l Longshoremen's Assn. (ILA) contract with the United States Maritime Alliance (USMX), which would cover dockworkers at the East and Gulf coast ports. The current contract is scheduled to expire on Sept. 30, and Harold Daggett, President of the ILA, cautioned a strike may be likely after the expiration date. Negotiations were scheduled to take 3 days - Aug. 22 through Aug. 24. On the night of Aug. 28, the Int'l Longshoremen's Association said 700 members of Local 1804-1, the largest local in the union, unanimously gave its president authority to recommend a strike. Meeting at a Ramada Inn in Newark, N.J., the members gave Dennis A. Daggett, "the authority to recommend and call for a strike if that action becomes necessary when the current Master Contract expires on Sept. 30, 2012." ILA Local 1804-1 was holding its August monthly meeting where its president mainly spoke of current contract negotiations. Local 1804-1, whose members do maintenance and repair work, is a key local for the union. In an Aug. 29 letter to ILA President Harold Daggett and USMX Chairman and CEO James Capo, National Retail Federation President and CEO Matthew Shay said that the NRF is urging both parties to immediately resume contract negotiations, with the Sept. 30 deadline creeping up.

*****More Cans** as the container equipment fleet grew by 8.5% during 2011, despite demand significantly tailing off from the second quarter through the rest of the year, according to a new report from Drewry Maritime Research. The report, Container Census 2012 – Survey and Forecast of Global Container Units, projects that up to 70% of 2011 net additions to the global container fleet were made in the first six months of the year. The fleet at the end of 2011 was 31.3 million TEUs. The effect of high utilization is that container-to-slot operating levels have dropped to historic lows, from two-to-one at the end of 2008 to close to 1.8-to-one in 2010/11.

www.drewry.co.uk/

*****Fixing The Price** as Crowley Liner Services pleaded guilty and was sentenced to pay a US\$17 M criminal fine for its role in a conspiracy to fix prices in the trade between the U.S. mainland and Puerto Rico, the U.S. Justice Dept. said. According to a felony charge filed in the U.S. District Court for the District of Puerto Rico, Crowley Liner Services engaged in a conspiracy to fix base rates for ocean transport of certain freight between the continental United States & Puerto Rico from as early as Jan. 2006 until at least April 2008. On Dec. 20, 2011, Sea Star Line was sentenced to pay a US\$14.2M

criminal fine for price fixing in this trade lane, and on March 22, 2011, Horizon Lines was sentenced to pay a US\$15M criminal fine.

*****Danish Sealift Command** as U.S. flagged Maersk Line Ltd has acquired on undisclosed terms 3PSC, a privately held ship operator of the U.S. Navy's Sealift Command, based in Cape Canaveral, Florida. Maersk Line Ltd., a unit of Copenhagen-based AP Moller-Maersk, will take over 3PSC's current contract for the operation and maintenance of the navy's special mission ships with plans to merge its operations into those of its Norfolk, Virginia company by 2013. 3PSC, founded in 2002, has about 20 employees who operate and manage vessels for the Military Sealift Command.
<http://3pscsite.com/site/vessels/oceanographic-ships>

*****Stricken Giant** as the 6,732-TEU [M/V MSC Flaminia](#), which was badly burnt after a mid-Atlantic explosion on July 14 and then beset with difficulties in finding a place to dock, is now likely to be allowed to enter Germany, where the ship is registered. The ship, owned by Reederei NSB and chartered by the world's second largest container carrier Mediterranean Shipping Co (MSC), was being pulled to British waters for an onboard inspection before being towed to an unnamed German port, reports London's Containerization International. Reederei NSB said the vessel had been already assigned to the German Central Command for Maritime Emergencies in Cuxhaven for further coordination. The ship was on its way from Charleston to Antwerp with 2,876 containers at the time of the explosion, and it is estimated that about 1,000 containers may be destroyed. A general average was declared on Aug. 8, and Hamburg-based Schlimme & Partner has been appointed as average adjusters in association with Rogers Wilkin Ahern in London. The [Countryman & McDaniel](#) lawyers are currently addressing issues relating to cargo aboard the vessel.

*****Temporarily Less Mighty** as the Coast Guard has closed an 11-mile stretch of the Mississippi River because of low water levels, causing a backlog of almost 100 boats and barges, according to the Associated Press. The severe drought has caused water levels to sharply recede on the Mississippi this summer and the stretch near Greenville, Miss., has been closed off and on since Aug. 11. The Army Corps of Engineers is trying to dredge the river channel in areas to keep commodities flowing, but many shippers complain they have to ship lighter loads to ensure vessels don't hit bottom.

*****Throughput >>> Santos**, Brazil's 2nd largest port, posted an 8% first half increase in container volume year on year to 1.5 million TEU as overall cargo throughput went up 3.1% to 47 million tons. >>> **South Korean** container volumes through its ports edged up 0.4% to 1.9 million TEU in July year on year because of a 4.7% increase in transshipments, which offset a decline in imports and exports. >>> **Shanghai Port** throughput reached 2.84 million TEUs in July, down from 2.77 million in June. >>> **Taiwan's** int'l ports handled a total of 6.81 million TEU, representing an increase of 2.9% compared to the same period last year, reaching a new high since 1985 despite volatile global economies.

*****This Month In U.S. Navy History**
1864 - Rear Adm. David Farragut's squadron captures Fort Morgan at Mobile Bay, winning control of Mobile Bay.
1944 - [USS Stingray](#) (SS 186) lands men and supplies on Luzon, Philippines, to support guerilla operations against the Japanese.
1945 - Japan agrees to surrender; last Japanese ships sunk during World War II, Aug. 15.
1958 - Massive concentration of Pacific Fleet in Quemoy-Matsu area prevents invasion of islands by China.
1958 - In Taiwan Straits Crisis, units of the 7th Fleet move into Taiwan area to support

Taiwan against Chinese Communists.

1959 - [USS Thetis Bay](#) (LPH 6) completes six-day humanitarian operation after floods in Taiwan.

1963 - The first satellite communications ship, [USNS Kingsport](#) (T-AG 164) in Lagos, Nigeria, connected President John F. Kennedy with Nigerian Prime Minister Balewa who was aboard for the first satellite (Syncom II) relayed telephone conversation between heads of state.

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5. The Cargo Letter Cargo Damage Dispatches
****Back By Popular Demand****

We're sorry, but there were so many sinkings, explosions, pirate attacks, fires, cargo mishaps, battles on the water & other disasters at sea that we do not have room to print even the highlights this month. **Many people lost their lives at sea this month!!**

But you can read all this month's disaster news at our special Internet web feature which provides full details of each event -- our **Vessel Casualties & Pirate Activity Database**. Bookmark the site and visit every day! Updated twice daily.

www.cargolaw.com/presentations_casualties.html

SPECIAL NOTE: Please view the dramatic new pictures at our special "**Gallery of Cargo Loss**" website feature.

www.cargolaw.com/gallery.html

See our new feature for Aug. 2012: "**Battling The Ocean Breeze**" [M/V Ocean Breeze](#)

www.cargolaw.com/2012nightmare_ocean_bre.html

See our newest photo feature "**Singles Only**" - Transportation Disasters Told In A Single Photo!

www.cargolaw.com/2000nightmare_singles.only.html

Daily Vessel Casualties as we don't want you to miss the excitement of our 24 hour reports of the dramatic events at sea each day -- stories of casualties & pirates --- almost none of which are carried on your local news. Edited daily by **Christoph Wahner, Esq.** of **Countryman & McDaniel**.

www.cargolaw.com/presentations_casualties.php

NOTE: The historic dangers of carriage by sea continue to be quite real. **Shippers must be encouraged** to purchase high quality marine cargo insurance from their **freight forwarder or customs broker**. It's dangerous out there.

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OUR "D" Section: FF in Cyberspace***

6. The Cargo Letter "Cyber Ports Of Call"

Here are our suggested world wide web sites of the week for your business, your information and your amusement.....

Cargo & Trade>>>>>>

Eddie Rickenbacker - Survivor of Ditching At Sea

www.maritimeprofessional.com/Blogs/Maritime-Musings/August-2012/Eddie-Rickenbacker.aspx

ICAO Technical Instructions For The Safe Transport of Dangerous Goods by Air (Doc 9284)

www.icao.int/safety/DangerousGoods/Pages/technical-instructions.aspx

Key Strategies for Automating the Import Supply Chain

http://info.amberroad.com/ILeBlast82312ImportWP_LandingPage1.html?det=IL%20eBlast%208/23/12%20-%20Import%20WP

Must-Have Guide: 20 Brand New Logistics Algorithms Revealed

<https://rapidrequest.emediausa.com/4/?3014070.BKTOXIDC.125971>

National Customs Automation Program (NCAP) Test For Simplified Entry

http://apps.cbp.gov/csms/docs/18879_295075368/SimplifiedEntryExpansion_8_14_2012.pdf

OFAC Global Advisory to the Maritime Industry Regarding the Islamic Republic of Iran Shipping Lines

www.treasury.gov/resource-center/sanctions/Programs/Documents/ofac_irisl_advisory_07192012.pdf

Temperature-Controlled Transportation Report

<http://rwi-trans.com/resources/whitepapers.asp>

U.S. Coast Guard Legacy Vessels' Declining Conditions Reinforce Need for More Realistic Operational Targets

www.gao.gov/products/GAO-12-741

WCO-EAC Trade Facilitation Program

www.wcoeac-tfp.net/

What It Takes to Trim Supply Chain Expenses: 10 Latest Tips

<https://rapidrequest.emediausa.com/4/?3014070.BKTOXIDC.126329>

PRODUCTS>>>>>>>>>

Berlingieri on Arrest of Ships, 5th Edition

www.researchandmarkets.com/publication/q7nx56/berlingieri_on_arrest_of_ships_5th_edition

Mobile Locate..... keep track of employees & vehicles from mobile device

www.mobilephonelocate.com/

SkyVector new world wide charts. Years in development, these charts will be refreshed every 28 days with updated aeronautical data.

<http://skyvector.com/forum/skyvector-conquers-world>

EVENTS>>>>>>>>>

Transport Events

www.transporevents.com/

Trade Shows, Exhibitions, Conferences & Business Events Worldwide

www.eventseye.com/

World Trade Organization Events

www.wto.org/english/news_e/meets.pdf

2012 FIATA World Congress 8-12 Oct. 2012, Hyatt Regency Hotel, Los Angeles

www.fiata2012.org/ehome/index.php?eventid=23377&

Fake Driver's License
www.secure-license.org/

Flying Over Americacool!
www.youtube.com/watch_popup?v=KcuDdPo0WZk

Mars Science Laboratory Curiosity Rover Animationhow did they do this?
www.youtube.com/watch?v=P4boyXQuUlw&feature=youtube_gdata_player

Plane Crash Video From Inside Cockpit
www.liveleak.com/view?i=835_1344412426

'Queen of Mississippi' to be Christened, Set Sail
www.marinelink.com/news/mississippi-christened347182.aspx

Russian Aircraft Carrier Recommissioned
www.marinelink.com/news/recommissioned-aircraft347193.aspx

Russia's First Borey-class Subs for Pacific Deployment
www.marinelink.com/news/boreyclass-russias346854.aspx

SpaceX's Dragon To Return Americans To Space
www.youtube.com/watch?v=MZJk4CrxtQ&feature=youtu.be

X-51A Hypersonic Scramjet USAF NASA Waverider How Works HD an engine with no moving parts, flying faster than 1 mile per second
www.youtube.com/watch?feature=player_embedded&v=gvt3jSD9VO4

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OUR "E" Section: The Forwarder/Broker World***
7. New U.S. Transport Related Legal Cases _____

*****Motor Cargo Brokers, Continue To Be Warned.....**as the United States District Court for the Eastern District of Pennsylvania denied CH Robinson's motion to dismiss a Carmack case against it on 31 July 2012. CHR claimed it acted in the limited capacity of a broker and hence had no carrier liability under the U.S. Carmack Amendment. The Court, however, ruled there were triable issues of fact for such determination. In particular, the Court noted the bills of lading - prepared by the shipper and never seen by CHR - designated CHR as carrier thus indicating the shipper perhaps reasonably believed CHR was acting as a carrier. The Court was unimpressed that CHR represented to the shipper "all of our carriers have a minimum 100k insurance," ruling such a statement "*in no way precludes CHR from acting as a carrier because it offers no indication that its only role was to secure a third party to ship [the] goods.*" The Court held that "*CHR arguably painted itself as one-stop shipping for [the shipper's] needs and in so doing could be viewed as personally taking responsibility for transporting the goods.*" **Pelletron Corp. v. C.H. Robinson**, 11-6944 (E.D. Penn, 31 July 2012) Brokers are reminded to dot their *i*'s, and cross *t*'s, and to consider contingent cargo and auto liability insurance. For more information, contact the lawyers of **Countryman & McDaniel**.

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Written from wire stories, the Associated Press, Reuters, Hong Kong Shipping News Lloyds & other world sources.

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