



Law Offices of Countryman & McDaniel

**THE CARGO LETTER [499]**

Air & Ocean Logistics - Customs Broker News

25 July 2013



Good Thursday Morning from our Observation Deck.....overlooking the officially designated "Cargo City" area and..... Runway 25-Right, at **Los Angeles International Airport**, voted "**Best Cargo Airport in North America.**"

**The Cargo Letter** is now perfectly designed to be enjoyed on your **iPad**. Access all our internet links directly from your device.

**Here is what happened in our industry during the Month of July 2013.**

To help you find what you need -- **FAST** -- there's now a transport search engine installed at our [www.CargoLaw.com](http://www.CargoLaw.com) website!

Contribute your knowledge, stories & company information.....by e-mail to **The Cargo Letter**. We strive to bring you useful information which is timely & topical. Be sure to visit our website.....<http://cargolaw.com>

Archive of **The Cargo Letter** ..... [www.cargolaw.com/cl-archives.php](http://www.cargolaw.com/cl-archives.php)

Michael S. **McDaniel**, Editor, Countryman & McDaniel, forwarder/broker, hull & machinery attorneys at LAX.

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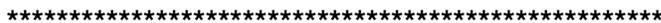
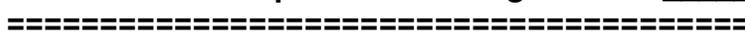
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**OUR "A" Section: Trade, Financial & Inland News\*\*\***

- 1. Freight Forwarder Trade Briefs \_\_\_\_\_

**\*\*\*U.S. Export Goal Somewhat Short** ..... as President Barack Obama's 2010 target of US\$3.15 trillion by 2015 will fall short of its target at current growth

rates by almost 20 years, according to Drewry Maritime Research. U.S. exports increased by 17 per cent in 2010, but fell to 14.5% in 2011 and dropped to 4.6% in 2012. Most recent data shows that after five months of 2013 growth slowed to 1.9%. The National Export Initiative (NEI), set up to meet the president's target in 2010, works to assist the bulk of U.S. exporters - SMEs - by offering them advocacy, improved access to credit and markets. "The failure of President Obama's export initiative emphasises how difficult it is to centrally engineer a recovery and it has not reduced the US container imbalance between exports and imports," said Drewry. Despite its reputation as a global consumer, the US is ranked by the World Trade Organisation (WTO) as the world's second largest exporter behind China, overtaking Germany in 2010. True, the U.S. Census Bureau reported a number of U.S. firms exporting goods in 2011 reached a new record of 302,260 (98% of them SMEs), an increase of 9% since 2009. While Boeing and Caterpillar-scale companies continue to dominate in dollar volume, SMEs were responsible for a third of all US goods exports with revenues in 2011 of US\$440.1%, up 42% up on 2009. President Obama's export initiative has spurred growth, but U.S. 2009-12 export growth of 46% was only on par with global trends and well down on China's 70.5%.

**\*\*\*China's GDP Growth Slowed.....** as in the 2nd quarter to 7.5% year-on-year as weak overseas demand weighed on output and investment, lining up a test of Beijing's resolve to revamp the world's second-biggest economy in the face of deteriorating data. Other figures showed industrial output in June rising slightly less than forecast compared with a year earlier, but retail sales increasing more than had been expected. The latest year-on-year economic growth reading compared with the median forecast in a Reuters poll of 7.5% and showed the pace of economic activity easing from 7.7% annual growth in January-March. Last week, customs data showed China's exports fell 3.1 percent in June against forecasts for a rise of 4%, while imports dipped 0.7% versus an expected 8.0 percent rise. The customs administration added that the outlook for July to September was "grim."

**\*\*\*Study Shows Growth in Number of Companies Utilizing 3PLs .....** as a recent study of client/3PL relationships just issued by Armstrong & Associates offers some interesting insights about how customers are utilizing 3PLs. Most customers use 3PLs for their Transportation Management Systems, and more retailing and industrial businesses are turning to 3PLs than ever before. The report "Trends in 3PL/Customer Relationships – 2013" leverages Armstrong & Associates' proprietary database of 6,398 3PL customer relationships to provide detailed information on the top outsourcers to 3PLs, trends in service demand and 3PL market size by vertical industry segment from 2005 through 2013. According to the report, General Motors, Procter & Gamble, and Wal-Mart each use 50 or more 3PLs. The report also quantifies the Global Fortune 500 3PL market at US\$250.2Bn, a 67% increase since 2005. Within the Global 500, "Technological" industry 3PL customers spent US\$66.8Bn with 3PLs in 2012 and are on track to spend US\$71.1Bn in 2013. The compound annual growth rate for

Technological 3PL revenues was 9.3% from 2005 to 2012. "Electronics, Electrical Equipment" companies led all Technological industry sub segments with over US\$25.7Bn in 2012 3PL spend.

**Read The Armstrong & Associates Report**

[www.3plogistics.com/PR\\_3PL\\_Customers-2013.htm](http://www.3plogistics.com/PR_3PL_Customers-2013.htm)

[www.3PLogistics.com/](http://www.3PLogistics.com/)

**\*\*\*Japan Imports & Exports Surge .....** as both rose in value by 10% in May 2013 compared to the same month last year, according to Japan's Ministry of Finance. Imports increased by 10.1% in May to reach US\$68.7Bn, which marked their highest value in 2.5 years and the seventh consecutive month of year on year import growth, reports the Journal of Commerce. On a month to month basis, import value was up 1.6% from April's US\$67.7Bn. In the first five months of 2013, the total value of imports rose by 8.8% compared to the same period a year earlier to US\$330.8Bn.

**\*\*\*The Call to Renew GSP .....** as the program is set to expire on July 31, 2013. On July 17, 2013, The Congressional Committee on Ways and Means issued a press release announcing the introduction of a new legislation to the House to renew the Generalized System of Preferences (GSP) program through September, 2015.

**Read The GSP Renewl Bill**

[www.gpo.gov/fdsys/pkg/BILLS-113hr2709ih/pdf/BILLS-113hr2709ih.pdf](http://www.gpo.gov/fdsys/pkg/BILLS-113hr2709ih/pdf/BILLS-113hr2709ih.pdf)

<http://renewgsptoday.com/>

**\*\*\*EU Makes First WTO Complaint Against Russia .....** as in what marks Moscow's first dispute at the global trade body since it joined in August 2012. At issue in the case (DS462) is a vehicle recycling fee, which Brussels claims discriminates unfairly between imports and their domestic equivalents. The controversial recycling fee entered into force in September of last year, shortly after Russia's WTO accession. The fee ranges from €420 to €2700 for new cars, and a €2600 to €17,200 fee for cars older than three years. Other vehicles, such as certain mining trucks, face fees up to €147,700, the EU says. Russian vehicles, along with those from customs union partners Belarus and Kazakhstan, are exempted from the fee if they meet certain conditions. The EU, however, is not eligible for exemptions. The 28-country bloc argues that this distinction discriminates between foreign goods and their domestic counterparts, and is therefore in violation of WTO rules.

**What Is The WTO?**

[www.wto.org/english/thewto\\_e/whatis\\_e/whatis\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/whatis_e.htm)

**\*\*\*United States Steel Exports Jump.....** as they increased in May over April by 11.6%, as per the latest data released by the American Institute for International Steel (AIIS). "Exports of American made steel increased in May primarily due to improved shipments to our NAFTA partners and other countries in the Western Hemishpere," said David Phelps, president, AIIS. Total steel

exports in May 2013 were 1.163 million tons compared to 1.041 million tons in April 2013, an 11.6% increase, and a 7.9% decrease compared to May 2012. According to year-to-date figures, exports decreased 11.3% compared to 2012, or from 6.106 million tons in 2012 to 5.418 million tons in 2013.

**\*\*\*Israel's Glittering Export Stabilizes** ..... as statistics provided by Economy Ministry Diamond Controller revealed that polished diamond exports, during the first half of 2013, fell 2% year on year to US\$3.233Bn. Trading of rough and polished diamonds stabilized during the six months compared to the first half of 2012, despite the global economic crisis and the internal crisis in the industry..Trends at the recent Las Vegas and Hong Kong shows, where Israel hosted a large contingent of exhibitors, indicated stability in global activity and a slight recovery trend in the local industry.

**\*\*\*Game Changing Trends In The Supply Chain** .....a presentation of the University of Tennessee

**Watch The Webinar**

[www.youtube.com/watch?v=5wnizCDqTvE&feature=player\\_embedded](http://www.youtube.com/watch?v=5wnizCDqTvE&feature=player_embedded)

Webinar PDF Slides

[www.supplychain247.com/images/pdfs/Game\\_Changing\\_Trends\\_in\\_Supply\\_Chain\\_slides.pdf](http://www.supplychain247.com/images/pdfs/Game_Changing_Trends_in_Supply_Chain_slides.pdf)

**\*\*\*U.S. Federal Motor Carrier Safety Administration HOS** ..... as the new hours-of-service rules, which regulate the amount of break time truckers need to take during a shift, among other things, have gone into full effect as of July 1.

**Here Is A Complete Briefing On The HOS Rule Change**

[www.fmcsa.dot.gov/rules-regulations/topics/hos/index.htm](http://www.fmcsa.dot.gov/rules-regulations/topics/hos/index.htm)

**\*\*\*Spotlight On Commercial Driver Fatigue** ..... as the American Transportation Research Institute (ATRI) has launched a commercial driver fatigue management website. The North American Fatigue Management Program site provides free information on screening sleep disorders, fatigue management technologies and how to develop corporate culture to reduce driver fatigue.

[www.nafmp.com/en/](http://www.nafmp.com/en/)

FMCSA Launches Interactive Driver Fatigue Management Tool To Prevent Fatigue-Related Crashes

[www.fmcsa.dot.gov/about/news/news-releases/2013/NAFMP.aspx](http://www.fmcsa.dot.gov/about/news/news-releases/2013/NAFMP.aspx)

**\*\*\*Gone In 60 Seconds** ..... as it took a while after the invention of the gas-powered automobile by Karl Benz in Germany in 1886 for someone to steal the wheels. The first stolen car is said to be of a French aristocrat's Peugeot in Paris in 1896. In this country, the first auto theft is believed to have occurred in St. Louis in 1905, but this slow beginning has become an all-too-robust present. With July & August being the peak months for automotive thefts, this is National Vehicle Theft Prevention Month. The goal is to raise public awareness of the

danger, and remind drivers to above all take their keys and lock their vehicles. Nearly three-quarters of a million cars, trucks and busses are stolen annually, with the average loss for owners valued at nearly US\$6,500. Commerical truck crime now ranks in the billions of dollars, with many insurers excluding coverage for unlocked or unattended vehicles.

### **Vehicle Theft Prevention: What You Should Know**

[www.nhtsa.gov/Vehicle+Safety/Vehicle-Related+Theft/Theft+Prevention](http://www.nhtsa.gov/Vehicle+Safety/Vehicle-Related+Theft/Theft+Prevention)

Anit-Theft Devices

[www.nhtsa.gov/DOT/NHTSA/Vehicle%20Safety/Articles/Associated%20Files/anti-theft.pdf](http://www.nhtsa.gov/DOT/NHTSA/Vehicle%20Safety/Articles/Associated%20Files/anti-theft.pdf)

California Cargo Theft Interdiction Program

[www.chp.ca.gov/programs/ctip.html](http://www.chp.ca.gov/programs/ctip.html)

**\*\*\*Geofencing Goes From Terror To Theft** ..... as the ability to use tracking or communications systems to alert carriers if a truck goes off its specified route, originally was touted for its anti-terrorism potential. The idea was that if terrorists captured a tank truck carrying a flammable, explosive or poisonous load, carriers could alert authorities when the truck left its designated route. However, there has been little or no opportunity to use that capability, so carriers deploying the systems are finding other ways to use their systems, some related to security concerns such as cargo theft, others to improving operational efficiency to obtain a CDL in the State of issuance. However, if the employer intends to assign the driver a vehicle necessitating the doubles/triples or tank vehicle endorsement, the employer must administer the road test under. Now, with incidents of stolen cargo rising, according to the latest report by the National Insurance Crime Bureau (NICB), the theft-prevention aspect of geofencing becomes more critical. NICB reported cargo thefts increased to 1,215 in 2011, up 17% from 2010. A recent FBI Web commentary on cargo theft portrayed it as a "gateway crime" to even bigger problems that could include terrorism. "In many instances, a cargo theft investigation will turn into a case involving organized crime, public corruption, health care fraud, insurance fraud, drug trafficking, money laundering or possibly even terrorism," according to the FBI commentary. The newer technologies are trying to find ways to hide the device or find ways of keeping crooks from disabling it," Chandler said. "In the last few years, they've moved it from the tractor to the trailer and then hidden it in the cargo. But even with these advances the industry still has a way to go before technology is able to thwart the most skilled thieves. Aside from helping to keep trucks secure, other aspects of geofencing also are generating interest, from maintaining efficient routes to alerting fleets to possible accidents.

**\*\*\*For Want of A Handbrake** ..... as it is the railroad industry's ultimate fail-safe mechanism. It is supposed to help avert disasters like the one that engulfed a Canadian town on July 6, when a runaway train loaded with oil hurtled downhill, derailed and exploded, leaving 50 people dead or missing. The railroad initially blamed the catastrophe on the failure of the train's pneumatic airbrakes after an engine fire, but the company acknowledged on Wednesday that the train's

engineer did not apply an adequate number of handbrakes to hold the train in place, and failed to comply with regulations. A Reuters review of Canadian and U.S. regulations found that rail operators are given considerable leeway to decide how many handbrakes are sufficient for any given train, depending on track conditions and the weight of the cargo. Operators are only required to apply enough of the handbrakes - one is found on every railcar - to ensure the train will not move even if other safety features, such as air brakes, falter. The issue of handbrakes is likely to prove central to how blame is apportioned for the deadliest North American railroad disaster in at least two decades, experts said. At least three independent railroad industry experts contacted by Reuters said they would have opted to apply at least 20 brakes and as many as 30 on a similar heavy train parked at a grade of 1.2%, which is the slope of the track where the runaway train had been parked. At 1 a.m. on July 6, the unmanned train was speeding toward Lac-Mégantic, Quebec, around 7 miles (11 km) downhill from its parking spot in the municipality of Nantes.

**\*\*\*Squaring Up With The Cold** .....as two U.S. companies are marketing a less-than-truckload cold transport unit that keeps products at cool to cold temperatures (-30F/-34C) for five days in ordinary dry vans, reports the American Journal of Transportation of Plymouth, Massachusetts. "With the Critical Cube, shippers no longer need to wait for a reefer LTL carrier to consolidate loads or pay for a dedicated truck," said the joint statement from Chicago's CarrierDirect and Los Angeles-based One Stop Critical. The Critical Cube, good for pharmaceuticals, chemicals and foodstuffs, is available for intra-California shipments, and will be introduced elsewhere in the US later this year. The unit has 75-cubic feet (22.8 meters) of loadable space, making it large enough to fit any standard pallet up to 60 inches tall (1.5 meters), but compact enough to move two units side-by-side in a trailer, said the statement. Using liquid CO2 and a digital controller, it is suitable for a coast-to-coast North America move, is environmentally friendly and made of FDA- and USDA-approved insulations, fiberglass & stainless steel.

**Watch The Critical Cube Video**

[www.youtube.com/watch?v=brbC12QALxw](http://www.youtube.com/watch?v=brbC12QALxw)

**\*\*\*Going To The "Gas" Station** ..... as Ryder System has opened two natural-gas fueling stations in California to the public. Each station, located at Ryder fueling and maintenance facilities in Orange and Fontana, has two compressed natural gas pumps and a liquefied natural gas pump. The stations are Ryder's first to be open to the public, as well as the company's lease and maintenance customers. The company also said it has deployed 202 heavy duty natural gas-powered trucks in the region. The stations are part of a public/private partnership between Ryder and the San Bernardino Associated Governments as well as the U.S. Dept. of Energy and the California Energy Commission.

**\*\*\*Kerry Logistics Expands In Brazil** ..... as the Hong Kong-based forwarder has acquired a majority stake in Braservice, a leading Brazil-based

logistics and customs brokerage company, with a domestic network of seventeen offices throughout the country, including Sao Paulo, Rio de Janeiro and Brasilia. Founded in 1991, Braservice has developed into a leading provider of supply chain solutions focused on the Brazilian and Latin American markets, with a special focus on FMCG, automotive, fashion and lifestyle.

**Read More About Braservice**

[www.braservinet.com.br/v3-en/home.php](http://www.braservinet.com.br/v3-en/home.php)

**\*\*\*The Evil Trade** ..... as Kenyan officials seized 775 pieces of elephant ivory weighing 1.3 tons in the port city of Mombasa hidden under fish for export and destined for Malaysia from Uganda, they said. Poaching has risen in recent years across sub-Saharan Africa, where well-armed criminal gangs have killed elephants for tusks and rhinos for their horns that are often shipped to Asia for use in ornaments and some medicines. John Changole, deputy commissioner at the Kenya Revenue Authority in charge of port operations, said they had also impounded six bags with polished ivory pieces, all in a 20-foot container that was recovered in a private yard before being taken to the port. A Kenya Wildlife Service (KWS) official put the street value of the ivory at US\$342,000. KWS said in a report in June that poachers had so far this year killed 137 elephants and 24 rhinos in the country's game reserves, the highest number in a single year.

**\*\*\*Kittens & Kustoms** .....as Thai customs say they have rescued about 90 famished cats that they believed had been headed to Vietnam. They declined to say what fate they had rescued the felines from, but cats are considered a delicacy in their intended destination. Col. Sakchai Sadmaroeng said July 11, his men stopped a pickup truck at a checkpoint and found six plastic cages full of cats in northeastern Nakhon Phanom province. The driver was arrested and faces charges including animal cruelty and illegal transportation of animals. The Thai driver told police he received 2,000 baht (US\$63) to drive the cats to the Mekhong River, near the Thai-Laotian border. Cat meat is offered in many restaurants in Vietnam. Dogs also have been smuggled there from Thailand for their meat.

**\*\*\*US\$100M Customs Sting -- Convicting Our Own** ..... as U.S. District Court Judge Michael M. Anello sentenced the former president of the San Diego Customs Broker Association, Gerardo Chavez, to a 37-month prison term for evading duties on over US\$100M in imports of clothing & tobacco products. The court also seized his property in Tecate, California, and Chavez's corporation, International Trade Consultants, was sentenced to 5 years of probation, reports the Journal of Commerce. The customs broker was caught after wiretap investigation by U.S. Immigration and Customs Enforcement's Homeland Security Investigations, the U.S. Food and Drug Administration's Office of Criminal Investigations and U.S. Customs and Border Protection. During 2007 and 2012, while serving as president of the San Diego import-export trade group, Chavez, as well as other co-conspirators, shipped Chinese-made apparel and Indian cigarettes to Long Beach, disguising consignments as tax-exempt

transshipments for Mexico. Before the goods entered the U.S., he directed other members of the conspiracy to prepare false paperwork and make erroneous entries into a government database so it appeared the goods were being transshipped tax free. But the cargo was delivered to warehouses in southern California instead and sold locally for less than competing items offered by tax-paying rivals, the report said. Said National Customs Brokers and Forwarders Assn. spokesman Darrell Sekin: "We support the removal of bad actors from the international trade community, whether they be customs brokers, customs officials, or any others who seek to illegally introduce articles into the commerce of the United States."

### **Read The U.S. Attorney & ICE Press Releases**

[www.ttb.gov/press/fy13/chavez-press-release-sentencing.pdf](http://www.ttb.gov/press/fy13/chavez-press-release-sentencing.pdf)

[www.ice.gov/news/releases/1211/121115sandiego.htm](http://www.ice.gov/news/releases/1211/121115sandiego.htm)

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### **2. The Cargo Letter** Financial Page \_\_\_\_\_

**\*\*AA Cargo. DOWN** for 2nd quarter with US\$167M in revenue, a 4.3% decline from the same period in 2012.

**\*\*CSX Corp. UP** with a 4.4% increase in second quarter profit to US\$535M year on year, drawn on slightly increasing revenues of US\$3.1Bn.

**\*\*Forward Air. DOWN** as Q2 net income declined to US\$13.8M, or 45 cents a share, from US\$14.2M, or 48 cents, a year ago.

**\*\*Hub Group. UP** as Q2 net income rose to US\$18.6M, or 50 cents per share, from US\$17M, or 46 cents, a year ago. Revenue rose 8% to US\$837M.

**\*\*J.B. Hunt Transport Services. UP** with net income rose to US\$87.7M, or 73 cents a share, from US\$80.5M, or 67 cents, in last year's second quarter.

**\*\*Kuehne + Nagel. UP** with a 3.3%, year-over-year revenue increase during the first half of 2013, ending the period at US\$10.94M.

**\*\*OOCL. DOWN** as revenue as a whole fell 3.7% year-on-year in the first half to US\$2.7Bn

**\*\*Union Pacific. UP** for Q2 with net income of US\$1.1Bn during the second quarter — US\$100M rise over 2012's 2nd-quarter results

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

### **3. Freight Forwarder World Air Briefs** \_\_\_\_\_

**\*\*\*Excuse Me? The Pilot Can't Actually Fly? .....**as a potentially telling revelation in the wake of the Asiana Airlines Boeing 777 crash landing at the San Francisco airport on July 13: Asiana pilots have little training on manual flying and visual approaches, according to three pilots Bloomberg spoke to who have either flown for Asiana or helped train Korean crews. One of the three recalls preparing to land an Asiana jet at LAX and asking his Korean co-pilot to make a visual approach. The co-pilot couldn't do it, forcing the American captain to take over in order to avoid an accident. The co-pilot's explanation to him afterward: "I don't need to know this. We just don't do this." Explains the U.S. captain, "You will never hear an Asiana pilot request a visual approach." Since the Asiana

pilots in the San Francisco incident were forced to use a visual approach due to the airport's closed glide slope, their manual flying skills are a focus for crash investigators. While hand-flying skills are integral in U.S. pilot training, many experts say not just Korean pilots but other foreign pilots are deficient in that area, particularly since heavily automated planes are now the norm and many international flight crews spend most of their time on autopilot. More than 180 of the 307 passengers and crew were injured when the aircraft hit a seawall short of the runway, shearing off the tail section and setting the plane ablaze.

### **Read More About Korean Pilot Training Experiences**

[www.newser.com/story/171044/korean-pilots-rely-on-autopilot-aviators.html](http://www.newser.com/story/171044/korean-pilots-rely-on-autopilot-aviators.html)

**\*\*\*U.S. Issues Enhanced Training Standards** ..... as co-pilots will need more than six times more flight hours before flying domestic cargo and passenger airlines at 1,500 hours total time as a pilot, according to the Federal Aviation Administration (FAA). The latest change to the Airline Transport Pilot (ATP) certificate requirements raises the bar from 250 hours and includes additional training and testing specific on aircraft flown for both pilots and co-pilots. It also includes the requirement for a pilot to have a minimum of 1,000 flight hours as a co-pilot in air carrier operations before acting as a captain for an American airline.

### **Read More About Airline Transport Pilot (ATP) Certificate Requirements**

[http://en.wikipedia.org/wiki/Airline\\_Transport\\_Pilot\\_Licence](http://en.wikipedia.org/wiki/Airline_Transport_Pilot_Licence)

**\*\*\*Mode Vulnerability?** ..... as smugglers are finding air freight more porous than seafreight as it offers faster and more permissive transport, according to two senior White House officials, reports the National Journal of Washington DC. "Compared to maritime shipments, where states may have days or weeks to develop interdiction courses of action, in the air domain, time is truly of the essence," said Deputy Assistant Secretary of Defence Rebecca Hersman, who is in charge of countering weapons of mass destruction. Speaking at a meeting of the Center for Strategic and International Studies marking the 10th anniversary of the creation of the Proliferation Security Initiative, she said:

### **So What Is The Proliferation Security Initiative?**

[www.state.gov/t/isn/c10390.htm](http://www.state.gov/t/isn/c10390.htm)

[www.armscontrol.org/factsheets/PSI](http://www.armscontrol.org/factsheets/PSI)

**\*\*\*Whew !! It Wasn't The Batteries**..... as at approximately 1550 hrs UTC on 12 July 2013 a Boeing 787-8 of Ethiopian Airlines, registration ET-AOP, suffered an event at London Heathrow whilst the aircraft was parked on stand, with no persons on board. The initial witness and physical evidence shows that this event resulted in smoke throughout the fuselage and extensive heat damage in the upper portion of the rear fuselage, a complex part of the aircraft, and the initial investigation is likely to take several days. However, it is clear heat damage is remote from the area in which the aircraft main and APU (Auxiliary Power Unit) batteries are located, and, at this stage, there is no evidence of a direct causal relationship.

**\*\*\*Say Hello To Western Global Airlines** ..... as it aims to begin operations in September, first with an MD-11 freighter, to which three more aircraft of this type will be added during its first year of operation. Registered in Florida, the airline will provide wide-body cargo capacity on a leased ACMI basis, according to an application made to the U.S. Dept. of Transportation dated May 14. Western Global Airlines said the DOT is still processing the company's application, reported Atlanta area Air Cargo World. Air cargo veteran James Neff, who also founded U.S. Turbine Engine Corp, Southern Air and Neff Air, is starting the new company.

[www.westernglobalair.com/#](http://www.westernglobalair.com/#)

DOT Application of Western Global Airlines, L.L.C.

[www.noticeandcomment.com/Application-of-Western-Global-Airlines-L-L-C--fn-38223.aspx](http://www.noticeandcomment.com/Application-of-Western-Global-Airlines-L-L-C--fn-38223.aspx)

**\*\*\*Independent Pilots Assn. (IPA) Goes Global** ..... as the U.S.-based labor union representing 2,600 UPS airline pilots has joined International Transport Workers' Federation (ITF) a global labor federation with official status at United Nations transport agencies. The ITF unites 700 transport trade unions in 150 countries, and represents 4.5 million union members. It also has a representative role at the UN's International Civil Aviation Agency (ICAO), as well as at its International Labour Organisation (ILO) and its International Maritime Organization (IMO). As such, the ITF has sources of detailed corporate information from supply chain and logistics companies such as UPS, FedEx, DHL, TNT, and DPD/GeoPost.

**\*\*\*Mriya Hauls** ..... as Chapman Freeborn and Air Cargo International (ACI) have completed an Antonov AN-225 charter to fly five giant compressors weighing 140 tons from South Korea to France this month, the first time the world's largest aircraft has been used for an operation to EuroAirport Basel-Mulhouse-Freiburg.

**Meet The Antonov An-225 Mriya**

[http://en.wikipedia.org/wiki/Antonov\\_An-225\\_Mriya](http://en.wikipedia.org/wiki/Antonov_An-225_Mriya)

**Aloha Air Cargo Wants You** ..... as Hawaii's biggest inter-island air freight carrier, is hiring as many as 50 new cargo agents in preparation for the opening of its new cargo facility at Honolulu International Airport in first quarter 2014. Aloha appears well out of the woods, 5 years after its near-death experience when it shut down cargo operations after the sale to Seattle-based Saltchuk was nearly derailed because the pilots union insisted its old contracts be honoured. The US\$10.5M deal was rescued when a bankruptcy judge approved a motion to avoid the company's union contracts.

**\*\*\*Volumes >>>** Hong Kong Int'l Airport (HKIA) posted a 2% increase in air freight to two million tons in the first half year-on-year, while flight movements rose 5.1% to 180,650. >>> Lufthansa Cargo airlifted 0.8% less cargo and mail in

June 2013 than in the same month last year while in the first half cargo volumes dropped 3.5% to 839,000 tons. >>> Moscow Domodedovo Airport has announced that air freight volumes in June 2013 rose by 2.5% compared to the same month a year earlier to 16.7 thousand tons.

**\*\*\*Tragic Bagram Cargo Crash To Court** ..... as death lawsuits are arising in Chicago from the April 29, 2013 crash of a 747 freighter that took seven lives, alleging that the 747 Boeing manuals lacked sufficient limitation of cargo loads. The suit, filed in a U.S. District Court in Chicago, also alleges the aircraft was unfit for the transport of high density, rolling cargo and that Boeing also lacked sufficient warnings related to the transport of such cargo. The suit further alleges that the aircraft's cargo restraint system was faulty, improperly assembled by Boeing during its conversion from a passenger to a cargo aircraft and the instructions on the use of the cargo restraint system were inadequate. The plane was flying five armored vehicles on pallets weighing 80 tons and U.S. Government investigators have reported that a shift in the cargo from one of the vehicles breaking loose resulted in the crash.

#### **The Tragic Video**

[www.youtube.com/watch?v=7GXzkruPYjQ](http://www.youtube.com/watch?v=7GXzkruPYjQ)

About National Airlines

[www.nationalairlines.aero/](http://www.nationalairlines.aero/)

About The Bagram Loss

[www.nationalairlines.aero/news.asp](http://www.nationalairlines.aero/news.asp)

**\*\*\*Around The World In 80 Days -- Cut To Seven** ..... as an aviation milestone was achieved in this month 80 years ago, as famed pilot Wiley Post landed his Lockheed monoplane on Long Island, New York, completing the first solo flight around the world. In a feat of endurance, he made the trip in 7 days, 18 hours. His plane is now displayed in the National Air and Space Museum. Post, blind in one eye, was an aviation pioneer who held many high-altitude records, and discovered the jet stream. He was killed, along with humorist Will Rogers, in a 1935 crash. Today, round-the-world flights are commonplace. In the U.S., over 700 million passengers board the nation's airliners each year. That averages well over two annual flights per American.

**\*\*\*Moon Express Announces New Home** ..... as the lunar resource company has announced the opening of a Propulsion Development Facility in Huntsville, Alabama, that will be key to landing the world's first commercial spacecraft on the Moon. Moon Express won a \$10M commercial lunar contract from NASA in 2010 and is a leading contender in the \$30M Google Lunar XPRIZE competition for the first private team to land a robot on the Moon.

#### **Read More About MoonEx**

[www.moonexpress.com/](http://www.moonexpress.com/)

**\*\*\*Cutting Down On Paperwork** ..... as a Long Island man was washing his van outside his home on June 27, when a metal clipboard filled with aviation

paperwork plummeted from the sky, landing just feet away from him. Gus Binos, of Shirley, was left shaken by the bizarre incident that took place at around 3.30pm when he heard something hit the ground in his driveway about 20 feet from where he was standing. 'Wow, what if I got hit with it?' Binos told the station NBC New York. 'It is a very sharp piece of metal. I mean, with the velocity that it was coming down, it would have stuck a hole in my head.' The unusual projectile, believed to belong to a pilot, contained a stack of documents, including flight patterns and navigation guidelines for flying through New York City's Hudson River corridor and around the Statue of Liberty. A spokesman for the FAA stated that pilots are required by law to report if a part of the plane loosens or breaks off, but they are not obligated to notify the agency if they lose a personal item mid-flight.

**\*\*\*Taking Aim On New Drone Goals?.....** as normally, if you shot down an aircraft owned by the federal government, you'd be in trouble. But a small Colorado town is looking to carve out an exception, proposing a US\$100 bounty to any hunters who shoot down unmanned drones that appear to be "owned or operated by the United States federal government." The ordinance would also require a drone-hunting license, issued after a background check and a US\$25 fee. The town of Deer Trail, Colorado, has drafted the ordinance to create hunting licenses specific to drones and put a bounty on downed UAVs. A resident named Philip Steel (seriously) has been quoted by ABC as saying, "We do not want drones in town. They fly in town, they get shot down." Unfortunately, there was no accompanying clip of Steel saying this while cocking his gun and smoking a cigar with the ruins of previously downed UAVs smoking gently in the background. Maybe someday. There is some disagreement among the townsfolk, however, as to the purpose of this ordinance. While Steel initially proposed it as a serious statement against what he considers is becoming a "surveillance society," others want to vote in favor just for the novelty, and potential money to be made, of the thing. To get one of these permits, you would have to be at least 21, fluent in English, and literate. The motion will be voted on August 6th.

#### **Watch The Drone Bounty Story**

[www.youtube.com/watch?v=K80\\_-JAvwiY](http://www.youtube.com/watch?v=K80_-JAvwiY)

Move: Supply Chain Drones on the Horizon

[http://mhlnews.com/powerd-vehicles/move-supply-chain-drones-horizon?NL=LT-02&Issue=LT-](http://mhlnews.com/powerd-vehicles/move-supply-chain-drones-horizon?NL=LT-02&Issue=LT-02_20130715_LT_02_245&YM_RID=mcd@cargolaw.com&YM_MID=1408152&sfvc4enews=42)

[02\\_20130715\\_LT\\_02\\_245&YM\\_RID=mcd@cargolaw.com&YM\\_MID=1408152&sfvc4enews=42](http://mhlnews.com/powerd-vehicles/move-supply-chain-drones-horizon?NL=LT-02&Issue=LT-02_20130715_LT_02_245&YM_RID=mcd@cargolaw.com&YM_MID=1408152&sfvc4enews=42)

**\*\*\*No Laughing Matter .....** as the National Transportation Safety Board issued a press release acknowledging that a summer intern had erroneously confirmed four fake Asiana pilot names to Bay Area TV station KTVU. The release corroborates KTVU's claims that an NTSB official had confirmed that "Ho Lee Fuk" and "Sum Ting Wong," "We Tu Lo" and "Bang Ding Ow," had been manning Asiana flight 214, which crashed near San Francisco on July 6.

## Listen To The KTVU Report

<http://gawker.com/ktvu-reports-asiana-air-pilots-were-sum-ting-wong-and-759185714>

New Video of The Accident

[www.cnn.com/video/data/2.0/video/us/2013/07/19/sot-asiana-plane-crash-coroner-presenter.ktvu.html](http://www.cnn.com/video/data/2.0/video/us/2013/07/19/sot-asiana-plane-crash-coroner-presenter.ktvu.html)

Asiana Flt 214 Recreation

[www.youtube.com/watch?v=shF\\_2neUyFM](http://www.youtube.com/watch?v=shF_2neUyFM)

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

### **4. FF World Ocean Briefs**

**\*\*\*Somali Piracy Continues Welcome Slide** ..... as it is on the deepest decline since 2006, and while the Gulf of Guinea the latest hotspot, global figures still show a decline of total acts of piracy. According to the Int'l Maritime Bureau (IMB) report, the first 6 months of this year showed 138 Somali attacks compared to 177 in same period 2012, of which there were four reported incidents off the coast of Somali compared to 44 in the previous year. Of these figures, seven were hijacking, compared to 20 the previous year, in which 127 seafarers were taken hostage against 334 in the first 6 months of 2012, according to the IMB Piracy Reporting Center. The decline has been attributed to the presence of international navies, preventative measures and the deployment of shipboard armed guards. "Somali pirates are 'sleeping', they have not gone away," said BBC Africa editor Mary Harper. "The threat from pirates, which over the last few years has seen a number of major vessels seized, remains. Somali pirates are waiting for the west to relax its guard. If shipping organisations become complacent, it is likely the pirates will strike again." The spread of attacks from the Gulf of Guinea westward from Benin to neighbouring Togo has seen an increase in 31 incidents and four hijackings so far this year, with attacks off Nigeria accounting for 22 of the incidents.

**\*\*\*Drewry Study Sparks Real Cost Concern** ..... as United Nations rules, subject to little legislative review by environmentally friendly governments, are raising alarm in the supply chain as new eco compliance costs threaten to raise fuel bills 51%, which is more than 50% of voyage costs. At issue in the Nordic states are clean air sulphur limits hatched by diplomats at the UN's International Maritime Organization (IMO) that will soon cover the Baltic Sea and its approaches and the entire coast line of North America. Not only do shipowners worry about "Emission Control Areas" due to be enforced in large parts of Europe in January 2015, when sulphur exhaust limits will be cut from 1% to 0.1%, importers and exporters will have to bear the costs in increased rates. Another costly compliance option are "scrubbers" to clean the sulphur content of ships exhaust gas. In 2020, a global limit on sulphur emissions, outside the designated Emission Control Areas will be cut from 3.5% to 0.5%.

## Read More About Drewry

[www.drewry.co.uk/](http://www.drewry.co.uk/)

**\*\*\*Foreign NRA Allowed .....** as the U.S. Federal Maritime Commission has voted to allow foreign non-vessel-operating common carriers to enter into negotiated rate arrangements (NRAs), a move designed to ease their administrative burden and bring consistency to the tariff filing process.

### **Watch This Explanation of Negotiated Rate Arrangements (NRAs) - YouTube**

[www.youtube.com/watch?v=-wBtqUGtYBM](http://www.youtube.com/watch?v=-wBtqUGtYBM)

FMC Guidance for NVOCCs on How to Use Negotiated Rate Arrangements

[www.fmc.gov/news/negotiated\\_rate\\_arrangement\\_exemption.aspx](http://www.fmc.gov/news/negotiated_rate_arrangement_exemption.aspx)

**\*\*\*First M/V Costa Concordia Convictions .....** as five employees of an Italian cruise company for **M/V Costa Concordia** shipwreck that killed 32 crew and passengers were convicted in an Italian court on Saturday after it accepted their plea bargains. The longest sentence went to the crisis coordinator for Costa Crociere SpA, the cruise company, who was sentenced to two years and 10 months. Concordia's hotel director was sentenced to two years and six months while two bridge officers and a helmsman got sentences ranging from one year and eight months to one year and 11 months. Handled separately from the plea bargains is the trial of Costa Concordia Capt. Francesco Schettino, which opened this week. Schettino is charged with manslaughter for causing the January 2012 shipwreck off the Tuscan island of Giglio and abandoning the vessel with thousands aboard.

**\*\*\*They Might Be Giants .....** as Shipping Consultants managing director Andrew Penfold says 22,000-TEU ships are coming in a few years and 24,000-TEUers won't be far behind, according to economies-of-scale research done with Lloyd's Register and two unidentified shipping lines. Speaking at the recent TOC Container Supply Chain conference in Rotterdam, Mr Penfold said: "If you take the analysis up to 24,000-TEU vessels, you will see there are further cost savings to be made. If we go to 18,500-TEU size and then put another couple of bays in the ship you are pretty soon getting to 22,000 to 24,000-TEU size." Drewry's top analyst Neil Davidson agreed, reported London's Loadstar. "I think it's only a question of time before we see the next upsizing - you might even see 22,000-TEU ships as early as 2018." Said Mr Penfold: "There is no technical reason why we cannot build 24,000-TEU ships, and if you're going to build 18,000-TEU ships, why not go to 20,000-plus TEU ships?" Researchers concluded that while an 18,000-TEU vessel is expected to incur daily costs at sea of US\$197,198, a 22,000-TEU vessel would run-up US\$220,892 a day and a 24,000-TEU ship would incur costs of US\$229,693 per day. At the same time, the per slot cost plunges with an 18,000-TEU ship incurring a cost of US\$10.96 per TEU per day at sea; while a 22,000-TEU vessel would cost US\$10.04 per TEU per day at sea, and a 24,000-TEU ship comes in at US\$9.57 per TEU per

day at sea, said the report. Lloyd's Register research shows a 24,415-TEU ship would likely have a beam of 64 meters and a length of 479 metres. Today, the biggest Maersk 18,000-TEUers are 399 meters long and 59 meters abeam.

**\*\*\*MIGs At The Ditch** ..... as Panama called on the U.N. Security Council to investigate a North Korean ship caught smuggling arms from Cuba, piling more pressure on Pyongyang over a possible breach of U.N. sanctions. Panama stopped the ship on July 14 and seized its cargo after a stand-off with the North Korean crew in which the captain tried to slit his own throat. Authorities discovered missile equipment, MiG fighter jets and other arms aboard that Cuba said were "obsolete" Soviet-era weapons being sent to North Korea for repair. According to Cuba, the weapons on the ship included two anti-aircraft missile batteries, nine disassembled rockets, two MiG-21 fighter jets and 15 MiG-21 engines, all Soviet-era military weaponry built in the middle of the last century. "It's going to be transferred to the U.N. Security Council. They will decide what to do," Panamanian Security Minister Jose Raul Mulino said in Panama City. Separately, IHS Fairplay, which monitors the movement of ships, said it had found another North Korean-flagged vessel made a similar journey to Chong Chon Gang last year. The M/V O Un Chong Nyon Ho docked in Havana during May 2012, IHS said.

**\*\*\*What If Middle East Situation Closes The Canal?** ..... as London-based firm Drewry has published an analysis of how a Suez Canal closure would affect the container industry in the latest issue of its Container Insight Weekly. According to Drewry's calculations, there is enough spare vessel capacity to absorb most of the shock of sailing from the Far East to Europe via the Cape of Good Hope simply by increasing vessel speeds, which means that closure of the Suez Canal tomorrow would not be a train wreck. Drewry said if the Suez Canal was suddenly closed, container vessel schedules between Asia and Europe could be immediately adjusted to minimize delays by simply increasing speeds to 22 knots in each direction and sailing around the Cape of Good Hope. However, hefty surcharges would be expected. To help put the importance of the Suez Canal into perspective, its two-way trade between the Far East and Europe accounted for approximately 20.1 million teu last year, compared to 5.2 million teu between the Indian Subcontinent/Middle East and Europe, and 688,000 teu between Australasia/Oceania and Europe.

**Read The Drewry Report**

<http://ciw.drewry.co.uk/features/what-if-the-suez-canal-was-shut/#.Ue3n10bPTEM>

**\*\*\*STX PanOcean Bankrupt** ..... as South Korea's biggest commodities shipping line, filed for Chapter 15 bankruptcy protection on June 20, according to court records. The company, based in Seoul, South Korea, listed both debt and assets of more than US\$1Bn in documents filed today in U.S. Bankruptcy Court in Manhattan. Chapter 15 protects foreign companies from U.S. lawsuits and creditor claims while a company reorganizes abroad. STX Pan is asking the U.S.

court to recognize the proceeding pending before Seoul Central District Court, Fifth Bankruptcy Division, as a "foreign main proceeding," according to court papers. STX Pan filed for court receivership under the Korean Rehabilitation and Bankruptcy Act in June after a drop in shipping rates left it unable to pay its debts.

### **Visit STX Pan Ocean**

[www.stxpanocean.com/eng/default.aspx](http://www.stxpanocean.com/eng/default.aspx)

[http://en.wikipedia.org/wiki/STX\\_Pan\\_Ocean](http://en.wikipedia.org/wiki/STX_Pan_Ocean)

\*\*\***M/V Maersk Mc-Kinney Moller** On Maiden Voyage ..... as Maersk Line's first of twenty 18,000-TEUers, named after the late son of the parent company's founder, has left the port of Busan, South Korea on its maiden voyage. The Triple E ship is designed to carry 11% more than the previous largest ship and Maersk believes it will significantly reduce operating costs per container. Each of the 20 vessels ordered by Maersk cost US\$190M and can be operated by a 13-man crew. From Busan the Triple E will head to a port in Malaysia, then on to several European ports.

### **Watch Construction of M/V Maersk Mc-Kinney Moller**

[www.youtube.com/watch?v=gbUmOLCxH4U](http://www.youtube.com/watch?v=gbUmOLCxH4U)

\*\*\***Meet P3** ..... as there is a new super-sized vessel sharing agreement that the world's three largest box lines, Maersk, Mediterranean Shipping Company (MSC) and CMA CGM, hope to form is not a "done deal", according to MSC vice president Diego Aponte, who said talks are still underway to seek clearance from regulators. The carriers announced plans to form a long-term alliance in the three main east-west trades, called the P3 network and together they will operate 2.6 million TEU of capacity, deploying 255 ships on 29 loops. It will have a market share of more than 40 per cent in the Asia-Europe trades, said Mr Aponte. In the Asia-Europe trades, MSC and CMA CGM have a vessel sharing agreement covering services to northern Europe, and Maersk and CMA CGM work together in the Mediterranean trades.

\*\*\***Port Accidents Said Avoidable** ..... as transport & logistics insurer TT Club's latest analysis of 9,500 claims over the past 7 years, valued at US\$400M, confirmed an ongoing trend in avoidable damaging events that resulted in claims. The study showed that the majority (68%) were due to poor operations, and processes and a further 14% resulted from maintenance related issues. Only 18% were caused by weather related issues, seemingly out of the control of the operator, but an amount of these could have been avoided through more adequate preparation. The main area of risk, unsurprisingly, was in the operation of mobile equipment, such as quay cranes, lift trucks, rubber-tyred gantry cranes and straddle carriers. These make up two-thirds of the operational claims by value. For example, quay crane boom-to-ship collisions are common at 236 incidents in the past 7 years worth US\$15M and representing 31% of quay crane claims. TT Club suggests these accidents could be greatly reduced by fitting boom anti-collision sensors.

**\*\*\*Smugglers Get Stuck** ..... as the U.S. Customs and Border Protection's Port of Baltimore seized a shipment of 2,400 switchblade knives and 1,200 butterfly combs from China on June 18 for violating the federal Switchblade Knife Act. CBP's Baltimore Trade Enforcement Team unloaded the shipping container June 11 at its Centralized Examination Station and examined the container's contents. On June 14, CBP officers detained the metal combs and knives that were shipped from China. The combs were constructed in such a way that allows easy removal of the comb and insertion of a knife blade. Moreover, officers determined that the sharp metal teeth of the combs could be potentially harmful to users if left as a comb.

**Read About The Switchblade Knife Act**

<http://en.wikipedia.org/wiki/Switchblade>

**\*\*\*2012 Port Report** ..... as Zepol Corporation, a trade intelligence company, says its latest study that analyses of the trade activity at the top 20 ports in the United States shows the top port by a landslide is the Port of Los Angeles. The LA port surpassed all other ports by handling over one million TEU and over 500,000 shipments in 2012, a report posted on Marketwire said. Based on TEU volume, 11 of the top 20 ports posted positive growth from 2011 to 2012. The highest growth level in 2012 was achieved by the Port of Tacoma, with a TEU increase of 29% from 2011.

**Read The 2012 Top Ports Report**

[www.zepol.com/BLOG/post/2013/04/23/Zepol-Releases-2012-Port-Report.aspx](http://www.zepol.com/BLOG/post/2013/04/23/Zepol-Releases-2012-Port-Report.aspx)

**\*\*\*Indian Port Slide** ..... as 12 major ports suffered a 4% first quarter year-on-year decline in box volume in fiscal 2013-2014 to 1.87 million TEU while overall tonnage fell 7% to 28.6 million tons. From April through to June, ports registered total cargo tonnage decline of one per cent to 137.15 million tons from 138.5 million tons a year earlier, according to figures released by the Indian Ports Association. The highest tonnage was seen at Kandla with throughput of 23.3 million tons followed by Paradip, at 17 million tons, Nehru, at 15.6 million tons, Visakhapatnam at 14.6 million tons, Mumbai at 13.3 million tons and Chennai at 12.8 million tons.

**\*\*\*Throughput >>>** Port of Antwerp's container traffic declined 1.7% to 4.29 million TEU in the first half, but overall cargo throughput increased two per cent to 95.7 million tones year on year. >>> South Carolina Ports Authority(SCPA) has announced container throughput at the **Port of Charleston** was up 9% in the fiscal year that ending June 30, with 1.56 million TEU handled during the 12-month period. >>> **Hong Kong** port handled 1.82 million TEU in June, representing a year-on-year decline of 3% from 1.87 million TEU in June last year. >>> Port of Long Beach posted a 1.8% year-on-year increase in container volume in June to 565,476 TEU, while the **Port of Los Angeles** reported a loss of 7.2% to 646,650 TEU, attributed to the loss of a shipping service. >>> The **Philadelphia Regional Port Authority** handled 2,519,967

metric tons of cargo in the first six months of this year, or a 13.62% increase over the same period in 2012. >>> **Singapore's Maritime and Port Authority** reported a 0.5% increase in container movement in June, having handled 2.73 million TEU compared to 2.71 million TEU in June last year. >>> **Port Saint John**(largest port in the Canada's eastern province of New Brunswick) saw container tonnage double in the first half 2013 from 129,125 tons to 258,055 tons or 38,762 TEU, up 72% year-on-year. >>> Port of Virginia has reported a 10% increase in volume over its 2013 financial year (ending in July), taking its container throughput to 2.165 M TEU.

### \*\*\*This Month In U.S. Navy History

1813 - Lt. John Gamble, the first Marine to command a ship in battle -- prize vessel [Greenwich](#) in capture of British whaler [Seringapatam](#).  
1853 - Commodore Matthew Perry lands and holds first meeting with Japanese at Uraga, Japan.  
1882 - Sailors and Marines from four U.S. ships land to help restore order at Alexandria, Egypt.  
1916 - [USS North Carolina](#) is first Navy ship to carry and operate aircraft.  
1934 - [USS Houston](#) takes Franklin Delano Roosevelt on first visit of a U.S. president to South America.  
1943 - Gunfire from U.S. cruisers and destroyers stop German and Italian tank attack against Army beachhead at Gela, Sicily  
1945 - U.S. warships bombard Kamaishi, Japan; first naval gunfire bombardment of Japanese Home Islands.  
1950 - U.S. Marines sail from San Diego for Korean Conflict.  
1990 - Commander Rosemary B. Mariner becomes first woman to command an operational aviation squadron (VAQ-34).

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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](http://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](http://www.cargolaw.com/gallery.html)

See our historic feature from ten years ago in Nov. 2003: "**Stepping In It**"  
[www.cargolaw.com/2003nightmare\\_la.blimp.html](http://www.cargolaw.com/2003nightmare_la.blimp.html)

See our newest photo feature "**Singles Only**" - Transportation Disasters Told In A Single Photo!  
[www.cargolaw.com/2000nightmare\\_singles.only.html](http://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](http://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**>>>>>

2013 Top 50 Global & Top 30 Domestic 3PL's  
[www.supplychain247.com/article/2013\\_top\\_50\\_global\\_top\\_30\\_domestic\\_3pls](http://www.supplychain247.com/article/2013_top_50_global_top_30_domestic_3pls)

Advice For Seafarers Using Lawyers  
[www.seafarersrights.org/seafarers\\_subjects/using\\_lawyers](http://www.seafarersrights.org/seafarers_subjects/using_lawyers)

An Overview of Irish Export Controls  
[www.worldcr.com/wp-content/uploads/John-Menton-World-Export-Controls-Review-Reprint.pdf](http://www.worldcr.com/wp-content/uploads/John-Menton-World-Export-Controls-Review-Reprint.pdf)

Congressional Hearing: Threat, Risk And Vulnerability: The Future of the TWIC (Transportation Worker Identification Credential) Program - 18 June 2013  
<http://homeland.house.gov/hearing/subcommittee-hearing-threat-risk-and-vulnerability-future-twic-program>

**The Dangers of A Longshoreman's Daily Work**  
[www.longshoreshippingnews.com/tag/waterfront-accidents/](http://www.longshoreshippingnews.com/tag/waterfront-accidents/)

Hong Kong Maritime Museum  
[www.hkmaritimemuseum.org/media/fck/files/July-2013-Museum-Log.pdf](http://www.hkmaritimemuseum.org/media/fck/files/July-2013-Museum-Log.pdf)

Maritime TV Minute of Madness

[http://maritimetv.com/FeaturedContent/FeaturedVideos.aspx?VID=maritime/130712\\_MinuteOfMadness.mp4#anchor](http://maritimetv.com/FeaturedContent/FeaturedVideos.aspx?VID=maritime/130712_MinuteOfMadness.mp4#anchor)

Michigan State University 100% Online Master Certificate in Strategic Global Management

[www.michiganstateuniversityonline.com/lp/strategic-global-management/career/all\\_noborders\\_t08\\_1305/?mcguid=7c428036-f23a-4606-bd65-2209fd3a835d&mcid=24737](http://www.michiganstateuniversityonline.com/lp/strategic-global-management/career/all_noborders_t08_1305/?mcguid=7c428036-f23a-4606-bd65-2209fd3a835d&mcid=24737)

Move: Supply Chain Drones on the Horizon

[http://mhlnews.com/powered-vehicles/move-supply-chain-drones-horizon?NL=LT-02&Issue=LT-02\\_20130715\\_LT-02\\_245&YM\\_RID=mcd@cargolaw.com&YM\\_MID=1408152&sfvc4enews=42](http://mhlnews.com/powered-vehicles/move-supply-chain-drones-horizon?NL=LT-02&Issue=LT-02_20130715_LT-02_245&YM_RID=mcd@cargolaw.com&YM_MID=1408152&sfvc4enews=42)

President Barack Obama Announces New Trade Africa Partnership

[www.whitehouse.gov/the-press-office/2013/07/01/fact-sheet-trade-africa](http://www.whitehouse.gov/the-press-office/2013/07/01/fact-sheet-trade-africa)

Reminder: Full Enforcement of Importer Security Filing Began July 9

[www.cbp.gov/xp/cgov/newsroom/news\\_releases/national/06072013\\_6.xml](http://www.cbp.gov/xp/cgov/newsroom/news_releases/national/06072013_6.xml)

**Shanghai: Portrait of A Port City**

<http://vimeo.com/63635193>

Subsea Volcanos: Unseen Sculpters of The Seabed

[www.marinelink.com/news/sculpters-volcanos-unseen356272.aspx](http://www.marinelink.com/news/sculpters-volcanos-unseen356272.aspx)

U.S. Consumer Product Safety Commission (CPSC) Final Rule For Exclusion From Lead Limits For Children's Toys

<http://www.gpo.gov/fdsys/pkg/FR-2013-07-10/pdf/2013-15944.pdf>

U.S. Dept. of State & Dept. of Commerce Final Rules as part of the Export Control Reform

[www.ofr.gov/OFRUpload/OFRData/2013-16145\\_P1.pdf](http://www.ofr.gov/OFRUpload/OFRData/2013-16145_P1.pdf)

[www.gpo.gov/fdsys/pkg/FR-2013-07-08/pdf/2013-16238.pdf](http://www.gpo.gov/fdsys/pkg/FR-2013-07-08/pdf/2013-16238.pdf)

U.S. Export Control Reforms For Categories of The U.S. Munitions List

[www.gpo.gov/fdsys/pkg/FR-2013-07-08/pdf/2013-16145.pdf](http://www.gpo.gov/fdsys/pkg/FR-2013-07-08/pdf/2013-16145.pdf)

**PRODUCTS**>>>>>>>>>

**Drewry's Container Freight Rate Insight** ..... rates on over 600 int'l trade routes as well as several aggregated indexes.

[www.drewrycfri.co.uk/?utm\\_campaign=LEB+July+2013&utm\\_source=emailCampaign&utm\\_medium=email&utm\\_content=](http://www.drewrycfri.co.uk/?utm_campaign=LEB+July+2013&utm_source=emailCampaign&utm_medium=email&utm_content=)

**SUDS** ..... as cloud software maker CargoSphere is offering SUDS (Smart Upload and Diagnostics Solution), a confidential rate mesh system for the ocean and air carriers, and logistics providers reads external rate data from any carrier contract format and loads it into a database. SUDS automates the time-consuming, tedious tasks of managing and processing carrier contracts as well as numerous contract amendments and speeds processing of large volumes of external freight rate data, the company said.

[www.cargosphere.com/SUDS.html](http://www.cargosphere.com/SUDS.html)

## **EVENTS**>>>>>>>>>

### **Transport Events**

[www.transportevents.com/](http://www.transportevents.com/)

Trade Shows, Exhibitions, Conferences & Business Events Worldwide

[www.eventseye.com/](http://www.eventseye.com/)

World Trade Organization Events

[www.wto.org/english/news\\_e/meets.pdf](http://www.wto.org/english/news_e/meets.pdf)

4th Annual Marine Tech Summit-2013 .....23-25 Sept., Hangzhou, China

[www.bitconferences.com/mts2013/default.asp](http://www.bitconferences.com/mts2013/default.asp)

2nd Annual World Congress of Ocean-2013 ..... 23-25 Sept., Hangzhou, China

[www.bitconferences.com/WCO2013/default.asp](http://www.bitconferences.com/WCO2013/default.asp)

6th Optimising Port Development Conference ..... 4-5 Dec. 2013, London

[www.wplgroup.com/aci/conferences/eu-mpc6.asp](http://www.wplgroup.com/aci/conferences/eu-mpc6.asp)

9th IATA Cargo Claims & Loss Prevention ..... 19 - 21 November, 2013, Limerick, Ireland

[www.cvent.com/d/Keb2VZzWmkmTNk0S1HSaRA/nn4d/P1/1Q?](http://www.cvent.com/d/Keb2VZzWmkmTNk0S1HSaRA/nn4d/P1/1Q?)

Asia Pacific Rail 2014 .....18-20 March 2014, Hong Kong

[www.terrapinn.com/conference/asia-pacific-rail/index.stm](http://www.terrapinn.com/conference/asia-pacific-rail/index.stm)

Air Cargo & Logistics Asia Conference and Exhibition ..... 16-18 Oct. 2013, Singapore

<http://atwonline.com/events/air-cargo-logistics-asia-conference-exhibition-1212>

Cargo Logistics Canada Expo + Conference ..... 29-30 Jan. 2014, Vanouver, Canada

[www.bettermail.ca/ct/1177/763349/283687549/2c0a496742cce33fd448475cee6a9f38](http://www.bettermail.ca/ct/1177/763349/283687549/2c0a496742cce33fd448475cee6a9f38)

European International Freight Conference 2013 ..... 21-23 Nov. 2013, London  
<http://fnceuropeconference.com/>

FIATA World Congress 2013 in Singapore ..... 16-19 Oct. 2013  
[www.fiata2013.org/site/](http://www.fiata2013.org/site/)

Intermodal Europe 2013 .....8-10 Oct. 2013, Hamburg Messe, Hamburg  
Germany  
[www.worldcargonews.com/htm/ex20130416.220127.htm](http://www.worldcargonews.com/htm/ex20130416.220127.htm)

**Intermodal Asia 2014** .....1-3 April 2014, Shanghai World Expo Center,  
Shanghai  
[www.intermodal-asia.com/](http://www.intermodal-asia.com/)

Marine Insurance Association of Seattle 2013 Golf & Bowling Tournament and  
Banquet ..... Oct. 7 2013  
[https://mias.memberclicks.net/index.php?option=com\\_mc&view=mc&m](https://mias.memberclicks.net/index.php?option=com_mc&view=mc&m)

Transport Security Expo 2013 .....13-14 Nov. 2013, Olympia, London UK  
[www.transec.com/page.cfm/Link=1/t=m/goSection=14](http://www.transec.com/page.cfm/Link=1/t=m/goSection=14)

UK Truckfest 2013 ..... 18 Aug. at Balmoral Park  
[www.truckfest.co.uk/](http://www.truckfest.co.uk/)

Western Cargo Conference (WESCCON) ..... 17-20 Oct. 2013, Racho Las  
Palmas Resort, Rancho Mirage, CA  
[www.wescon.com/Section.asp?article\\_id=1150](http://www.wescon.com/Section.asp?article_id=1150)

[Apps For That - iPhones & Droids>>>>>>>>](#)

Trucker SOS ..... to help you know how to properly place warning devices in  
the event you have to stop your truck on the shoulder.

**uDrove** ..... replaces in-cab paperwork and delivers the data instantly to a web  
account – allowing you to manage your trucking business faster, smarter and  
more cost effectively  
[www.udrove.com/Splash/Default.aspx](http://www.udrove.com/Splash/Default.aspx)

[General Interest>>>>>>>>](#)

**American Memory from the Library of Congress - Browse Motion Picture  
Collections**  
<http://memory.loc.gov/ammem/browse/ListSome.php?format=Motion+Picture>

Angel Flight

[www.youtube.com/watch\\_popup?v=70lkj1hZDnw&feature=related](http://www.youtube.com/watch_popup?v=70lkj1hZDnw&feature=related)

As Glacier Melts, Secrets of Lost Military Plane Revealed

<http://news.yahoo.com/glacier-melts-secrets-lost-military-plane-revealed-120221443.html>

Heineken Asks Travelers at JFK to Drop Everything, Fly to Mysterious Location

<http://mashable.com/2013/07/18/heineken-departure-roulette/>

History of Los Angeles In Pictures (151 pages)

[www.jalopyjournal.com/forum/showthread.php?t=446547&page=1](http://www.jalopyjournal.com/forum/showthread.php?t=446547&page=1)

No Engine Starter? No Problem!

[www.youtube.com/watch?v=82-1FqeCDqo](http://www.youtube.com/watch?v=82-1FqeCDqo)

Nolo's Free Dictionary of Law Terms And Legal Definitions

[www.nolo.com/dictionary](http://www.nolo.com/dictionary)

Northrop Unmanned Systems

[www.northropgrumman.com/Capabilities/Unmannedsystems/Pages/default.aspx](http://www.northropgrumman.com/Capabilities/Unmannedsystems/Pages/default.aspx)

San Francisco KTVU Reports Asiana Air Pilots Were "Sum Ting Wong" And "Ho Lee Fuk"

<http://gawker.com/ktvu-reports-asiana-air-pilots-were-sum-ting-wong-and-759185714>

Terror At 11,000 Feet

[http://flightaware.com/squawks/view/1/24\\_hours/new/35553/](http://flightaware.com/squawks/view/1/24_hours/new/35553/)

Why Russians Use Dash Cams, (dashboard cameras) - Truly Amazing!

[www.youtube.com/embed/5RAaW\\_1FzYg?autoplay=1&modestbranding=1&rel=0&showinfo=0](http://www.youtube.com/embed/5RAaW_1FzYg?autoplay=1&modestbranding=1&rel=0&showinfo=0)

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**OUR "E" Section: The Forwarder/Broker World\*\*\***

7. New U.S. Transport Related Legal Cases \_\_\_\_\_

### ***CSX Transportation, Inc. v. Alabama Dept. of Revenue***

Eleventh Circuit U.S. Court of Appeals

The court held on July 1, 2013 that Alabama's imposition of sales and use tax on diesel fuel purchased by rail carriers violates the Railroad Revitalization and Regulatory Reform Act of 1976 ("4-R Act"). This is the second time that the case has been before the Circuit Court. An earlier decision of the Circuit Court holding that a rail carrier could not challenge its competitors' exemptions from sales and use tax under the 4-R Act was reversed by the U.S. Supreme Court on February 22, 2011. CSX said the tax is discriminatory because fuel purchased by interstate



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&  
**TRANS-CAMS**  
[www.cargolaw.com/cameras.html](http://www.cargolaw.com/cameras.html)

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>>>>>>[www.cargolaw.com/cl-archives.php](http://www.cargolaw.com/cl-archives.php)<<<<<<<

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