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ASIAN SHIPPER
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Tuesday, January 9, 2007

Tianjin port foreign trade value rises to US$100b

THE value of foreign trade handled by the Port of Tianjin has for the first time surpassed the US$100 billion mark in 2006, an increase of 24.6 per cent year on year.

This makes Tianjin the fourth busiest seaport on mainland China, after Shanghai, Shenzhen and Guangzhou's Huangpu, reports Xinhua News Agency.

The latest statistics from Tianjin customs show that overseas firms dominate the trade in foreign goods passing through Tianjin port, with the value of their imports and exports surging 27.6 per cent to $45.23 billion during January to November

2006.

The US, European Union and Japan remain the top three trading partners for Tianjin port, with the value of the total trade between Tianjin and these three economic giants reaching $44.29 billion during the first 11 months of last year.

Trans Asia Line adds service to Central Asia and Afghanistan

TRANS Asian Line has commenced a service to Central Asia and Afghanistan with its counterpart in Malaysia, Trans Asia Line (M), also accepting cargo to these destinations.

The destinations are Yereven, Armenia Islam Qala, Afghanistan; Baku, Azerbaijan; Doshanbeh, Tajikistan; Ashkabad, Turkmenistan; Charjo, Turkmenistan; Cheleken, Turkmenistan Farab, Turkmenistan; Torkamanbashi, Turkmenistan; Mary, Turkmenistan and Tashkent, Uzbekistan.

China Shipping loses Korean suit, must pay US$12.6m

CHINA Shipping Development must pay 11.7 billion won (US$12.6 million) to three South Korean companies after losing a lawsuit over a charter agreement with Korea's bankrupt Huron Company in 2003.

The mainland Chinese shipping company reported 1.3 billion yuan (US$166.4 million) profit in the first six months of this year, down 19 per cent from the same period last year.

"This might have negative impact on the profit of the company and its subsidiaries for the current financial year," China Shipping said in a Hong Kong stock exchange announcement, reported in Logistics Management magazine.

The legal battle arose after Huron chartered two China Shipping tankers, the Dinhe and the Daqin 74 to deliver oil to Korea. Huron settled transport fees from China Shipping but the Korean firm went into liquidation in January 2004 and did not redeem the bills of lading from the banks.

Then Kookmin Bank, Woori Bank and National Federation of Fishery Co-operatives filed a lawsuit in Korea against China Shipping in September 2004, claiming compensation of 11.97 billion won.

Retail traffic growth expected to drop at US ports in '07

EXPERTS are predicting that the growth in retail imports through the major container ports in the US will be slower in 2007 compared to last year, according to the findings of the monthly Port Tracker report released by the National Retail Federation and researchers at Global Insight.

"Overall trade growth is expected to be positive but slower compared with the monthly rates we saw in the first half of 2006," Global Insight economist Paul Bingham said. "Nonetheless, each month is still expected to see a new record volume for that month."

Container traffic is expected to grow at rates ranging from 4.6 to 7.3 per cent from March through May 2007, down from growth ranging from seven per cent to 17.9 per cent during the same months last year.

These predictions come as the ports of Los Angeles/Long Beach, Oakland, Tacoma and Seattle on the West Coast, and New York/New Jersey, Hampton Roads, Charleston and Savannah on the East Coast handled 1.36 million TEU, down 6.6 per cent from October 2006.

Ports surveyed are expected to handle 1.32 million TEU in December and 1.27 million TEU in January, followed by 1.2 million TEU in February. The slow winter months will give way to expect volume increases starting from March, which is forecast at 1.3 million TEU, up 4.8 per cent from March 2006.

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India gears up for a string of port development works

INDIAN Shipping Minister Thiru Baalu has called on operators at the nation's busiest ports to prepare to implement plans to increase cargo handling capacity.

The call to raise the capacity of India's leading ports comes as they handled 296 million tonnes of traffic until November in the 2006-07 fiscal year, representing an increase of almost eight per cent over the corresponding prior year period. This comes on the back of higher vessel turnaround times and shorter pre-berthing times.

Mr Baalu also demanded that the Dredging Corporation of India take immediate steps to bolster its capacity by raising the number of dredgers and self propelled barges and upgrading its equipment to meet requirements to facilitate development works.

Moves are also afoot to standardise documents used during tender processes for port works to avoid delays to tendering procedures, a report by Mumbai's Daily News said.

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Containers loading grain from US, up 110pc over three years

AMERICAN farmers are loading containers with corn, soy beans and distillers dried grain for Asia at rates 44 per cent higher in September year on year and 110 per cent above the three-year average, according to a recent report from US Department of Agriculture, Reuters reports.

During 2005, five per cent of grain exports to Asia and four per cent of all grain exports went in containers, up from three per cent and two per cent respectively, according to US Government data.

A sheet of cardboard and wooden planks is all that is needed to turn an empty FEU into a box for grain, said Jeff Grzya, project manager at the Elburn Co-operative in Maple Park, Illinois, 60 miles west of Chicago.

"It gets easier the more containers we load. we've had up to 30 containers a day in the past few weeks, so I've had no shortage of practice," Mr Grzya said, as he built a wooden bulkhead and poured 23 tons of soybeans into the FEU. Containers leave the Elburn Co-op by truck and train, taking advantage of the empties accumulating or returning to Asia without cargo.

"But when [bulk] rates go down, container shipments tail off significantly," countered Bo DeLong, head of the grain division at Clinton, Wisconsin-based grain transport company DeLong Co. "This market will remain volatile. Bulk shipping is more convenient and involves less paperwork."

But Bob Zelenka, the Minnesota Grain & Feed Association's executive director, said: "Containers enable farmers to contract with the end user and eliminate the middleman. They can even load containers on farms and save money."

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MSC appoints two vice presidents

MEDITERRANEAN Shipping Company (USA) has made two executive promotions at the company's New York headquarters.

Barry Indig has been promoted to vice president of Global Accounts, and Paolo Magnani has been promoted to vice president of Quality Control.

Barry Indig began his maritime career in 1968 with Hellenic Lines where he worked in their Bulk Tank division and also in documentation. In 1970 he joined MOL, followed by Zim America Lines, and later worked for a marine agency, Tilston Roberts, before joining Gydnia America Line, where he became a senior vice president.

Mr Indig joined Mediterranean Shipping Company (USA) in 1999 as an assistant vice president and was named assistant vice president of Global Accounts in 2003. In his new position as vice president, Global Accounts, he will be responsible for interface and customer service, a company statement said.

Paolo Magnani came to MSC in 1996 in the export documentation department. He was then promoted to assistant manager of the departments two years later. In 2002, he accepted the position of assistant manager of Customer service, followed by manager of VIP Services. At the end of 2002, Mr Magnani was named general manager of the VIP, Customer Service and Export Documentation departments.

In his new role as vice president of Quality Control, he will continue his responsibilities with VIP, Customer Service and Export Documentation along with management of the company's branch offices in the US.

"Both individuals, through their hard work, experience and dedication, have assisted in making MSC the company it is today, and we support them in their new endeavours," said Allen Clifford, executive vice president.

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Kerry-Lynden JV to strengthen Europe-India service

LYNDEN Air Freight, a Lynden International and Kerry Logistics joint venture, plans to provide logistics and freight forwarding services to Europe and India, adding 30 new locations and quadrupling the number of offices of the Seattle-based JV.

"This expansion is part of our ongoing strategy to respond to customers needs," said Lynden International president Dennis Patrick. "By providing service in more locations worldwide, our customers can also expand their own operations and services in new geographic areas."

Said Kerry's Joint managing director Vincent Wong: "Our customers prefer to trade with a single global entity instead of multiple agent partners, so we have expanded into new major world markets like India to further streamline their experience with us."

Kerry-Lynden is a large third-party logistics (3PL) firm offering supply chain management, including contracted logistics, freight forwarding, warehousing, transportation and distribution. Its resources include warehousing, distribution centres, a seaport, container yards, container freight stations and air cargo and rail terminals in 15 countries.

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DHL wins big contract from Saudi oil producer, Aramco

DHL Exel Supply Chain, the logistics arm of Deutsche Post World Net, has landed a 10-year multi-million-dollar contract from leading crude oil producer, Saudi Aramco.

Without giving a specific figure, the German company described the deal as one of the largest ever clinched by DHL Exel Supply Chain in the region, and subsequently expects the contract to substantially strengthen the group's position in the Middle East.

"Working with the world's leading energy provider is a fantastic opportunity for us," said John Allan, the board member at Deutsche Post World Net in charge of the logistics business. "This win is testament to the fact that we are the premier logistics provider to the oil and gas sector in the Middle East."

Starting from the beginning of the New Year, DHL has been tasked with developing the oil giant's national logistics infrastructure. This encompasses the provision, management and operation of four material distribution centres or cross-docks in Dammam, Riyadh, Jiddah and Yanbu, a fleet of vehicles, as well as 14 material service centres, which are collectively staffed by over 400 employees.

DHL is also setting up a system to enable the customers of Saudi Aramco to track the transport of their orders in real time over the Internet.

"DHL Exel Supply Chain in Saudi Arabia will replace the current fragmented logistics arrangements with an integrated supply chain service. We are delighted to embark on this long term and important commercial relationship with DHL, in the knowledge that their logistics expertise represents a perfect strategic fit with our Kingdom-wide business," said Mohammed Otaibi, manager of Material Logistics at Saudi Aramco.

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