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Ocean Fast Facts

Which one of the below is not considered one of the Port of Shanghai's 5 major working harbor zones?

- A. Yangshan Deepwater Port
- B. Yangtze River Estuary
- C. Man Yan Lee Deepwater Harbor
- D. Waigaoqiao

[Click here to see the answer!](#)

Correct Answer: C. Man Yan Lee Deepwater Harbor

The Man Yan Lee Deepwater Harbor is not one of the 5 major working harbor zones in the Port of Shanghai. The 5 working zones in the Port of Shanghai are:

- Yangtze River estuary
- Huangpu River mouth at Wusongkou
- Waigaoqiao in Pudong
- Yangshan deep water port (Hangzhou Bay & East China Sea)
- Pudong coastline (East China Sea)

The Port of Shanghai remains among the world's top ocean freight ports in terms of tonnage handled and contains both a deep-sea port and a river port. Beginning on May 1, Shanghai will be hosting the Shanghai World EXPO.

Sources: http://en.wikipedia.org/wiki/Port_of_Shanghai
<http://www.portshanghai.com.cn/en/>



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BUZZ WORD

Knot

A unit of measurement of speed of a vessel in water, or an airplane in equal to one nautical mile per hour (or 6,082.66 feet per hour).

Source: *Dictionary of International Trade, Edward G. Hinkelman, 7th edition, 2006.*

Ocean freight: getting tied up in knots...?

The term "knot" has often been associated with nautical verbiage - sailors are generally experts in tying bowline loop-knots, and then there's the traditional sailor's knot, or "anglers" knot. Steamship lines have also recently become experts in another kind of "knot," which has been widely used in a majority of the shipping news circulated in the past year.

This month's ocean "buzz" word has been appearing in many headlines as vessel operators and steamship lines are making several cost cutting measures to hedge record losses posted during 2009. While speedy transit times have been sacrificed, the environment has benefited from reduced CO2 emissions. Carriers have been getting increased attention over the past year as they have implemented "slow steaming" programs which increase vessel transit times.

With knots comes "loops." For example, during the early part of 2010, the ocean carrier Hanjin announced they would start slow steaming on an all-water "loop," or port rotation service, between Asia and the U.S. east coast. In an effort to both save money and cut carbon (CO2) emissions, Hanjin slowed their vessels to 20 knots from 25 knots. While this doesn't seem to be a large difference in terms of speed, a vessel transit time significantly increases over the large distance when only a small sacrifice in speed is used.

A perception exists with some shippers that slow steaming is only a ploy for carriers to cut costs; however, carriers like Hanjin have formed "green teams" in an effort to reduce CO2 emissions by 15% until 2015. Shippers who also require quicker transit times on the ocean have been critical of the plan, since transit times have increased an average of 2 days between Asia ports and the United States east and west coast ports.

Source: <http://www.joc.com/maritime/hanjin-slow-steam-all-water-loop>

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Piracy risk remains high

Customers should be reminded that cargo transiting the Gulf of Aden and the areas from Oman to the Suez Canal remain at high risk for piracy.

Maritime Executive Magazine reported on Thursday, April 22, that four vessels had been hijacked in a one week period. While no container ships were reported as part of the latest round of hijackings, international merchant vessels remain at high risk throughout the region. Please also be mindful that in addition to the risk of piracy, many major ocean lines are charging Piracy Risk Surcharges for shipments on board vessels that transit the region. As an example, one type of charge the lines are charging is called the "Gulf of Aden" surcharge.

<http://www.maritime-executive.com/article/2010-4-22-somali-pirates-hijacked-fourth-vessel-week/>

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The Shanghai World EXPO 2010

A global event of phenomenal proportions is due to start May 1st in Shanghai. The long anticipated Shanghai EXPO begins on Saturday, May 1, 2010 and goes through October. The Shanghai region has spent billions of dollars (CNY) in preparation for this global exposition, which includes events, venues and pavilions highlighting Chinese cultural, environmental, scientific, technical and business advancements.

The EXPO also has dozens of pavilions which include venues for countries from all around the world. In anticipation of the event, six pavilions have already opened in April to allow a sneak peak for exposition visitors. Shanghai will be a "buzz" over the five months as the exposition is hoping to reel in millions of visitors from around the world.

For more information, visit <http://en.expo2010.cn/> or <http://en.expo2010.cn/pavilions/hqzg.htm>



A sign of the times: the global containership fleet is growing?

Whether they like it or not, it seems shippers are becoming more and more accustomed to hearing "no vessel space" or "no equipment for the next sailing."

Well, signs are pointing to new capacity being made available not only in the U.S. import and export markets, but on a global scale. In an April 16, 2010 IFW-Net article, it is reported that the active global containership fleet is expected to grow by 12% by the end of the year and 25% by the end of 2011. This data is derived from research conducted by container leasing firm SeaAxis.

At the recent Global Liner Shipping Conference sponsored by Containerisation International, Philippe Hoelinger, Vice President at SeaAxis, said the current global fleet stood at 13 million TEU with 1.6 million TEU idle. By the end of 2010, Hoelinger said the fleet would be 13.6 million TEU active, but less than one million TEU laid-up.

According to Hoelinger, by the end of 2011, almost all the total fleet of 14.4 million TEU would be active, which translates into fleet growth of 25% by the end of 2011. Hoelinger also believes containership owners and operators would not start ordering vessels again until 2011.

The article continues on to say that ship orders hinge on global GDP growth factors (of 4%), a decrease in ships on order to 20% of the total fleet as well as the idle fleet reaching 200,000 TEU; western GDP growth reaching 2%; and the gap between supply and demand closing. Hoelinger believes these factors could be realized by the third quarter of 2011, when global GDP growth would reach 4%, supply and demand should balance and the order-book would reach 20%.

These statements point to optimism that supply and demand are in balance, providing further evidence that the global economy is stabilizing. With this stabilization, the rates and cargo flows in global trade should steady as well. It is one sign of the times that the economy is on a path of recovery - and hopefully the recovery for shippers who have taken the brunt of the recent rate and service instability.

Source: <http://www.ifw-net.com/freightpubs/ifw/index/global-boxfleet-growing/20017768376.htm>

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ARGENTINA: New Customs regulations effective May 3, 2010

Customers should be advised that Argentina is implementing new Customs regulations for cargo arriving on or after May 3, 2010. On that date, all bills of lading must now contain the consignee's CUIT number (unique tax identification code), as well as the first six (6) digits of the NCM number (otherwise known as harmonized code) for each commodity shown on the bill of lading. Without this information, cargo will not be permitted to be registered with Customs and will be blocked instead. This will cause delays and potential fines to the account of the cargo.

Additionally, for non-commercial shipments, household goods, or personal effects that may be consigned to an individual who is a resident of Argentina, one of the following forms of ID must be presented:

- Clave de Identificacion (CDI)
- Codigo Unico de Identificacion Liboral (CUIL)

For cargo consigned to non-resident individuals of Argentina, Argentina Customs requires the manifest to be completed with personal information of the person (i.e., passport number, country of issue).

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General Market Conditions: Imports from Asia

Contract season is in full swing in the Asia to USA trade. Observations at this time report that while the lines are pushing for a May 1 GRI of \$800 per 40' container, other sizes per formula for west coast and IPI routings and the proposed GRI level via the east coast is \$1000 per 40'.

The ERC that was announced and charged by the lines in January will be canceled by most of the lines by May 1. As reported in last month's edition of the AIT eNewsletter, additional capacity is coming into May, but most of this capacity is likely to correspond with the historical peak volumes, so there is no significant reason to believe this



additional capacity will offset the proposed GRI entirely. There are signs, however, that the additional capacity will help to stabilize recent rate increases imposed by the lines.

Throughout the month of April, vessel capacity and equipment availability was at maximum utilization, especially out of North China. The lines are still planning on implementing Peak Season Surcharges by August 1st. The proposed level is \$400 per 40', other sizes per formula.

Throughout April, vessel space throughout Asia remained tight and this will most likely continue into May; even after the start of the GRI and "cancellation" by most lines of the ERC. AIT continues to recommend forecasting as early as possible until further notice, allowing 3 to 4 weeks while capacity remains tight from Asia. Existing and new customers can minimize "rolled" freight if shipment (container size and type) forecasting is used and can speak with their AIT representative to best assess their needs to ensure cargo gets loaded on the scheduled ship in order to make a required ETA. Finally, conditions on rates and services are also subject to change so speak with your AIT representative to evaluate current market situations that may impact your freight movement.

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Ship trivia - China!

Here's a little bit of trivia that reflects the role of China as a maritime "powerhouse," aside from being a powerhouse in the area of exporting consumable goods. Did you know that China's shipbuilding activity accounts for over 40% of the world total? According to the April issue of Maritime Executive Magazine, China's shipbuilding orders have increased in the first quarter of 2010.

The Ministry of Industry and Information Technology in China stated during the period from January to March, China's output of completed ships surged 128% during the same period from 09' to 10' and now accounts for 41% of the world's total shipbuilding activity. While the country's overall orders for ships amounted to 184.1 million DWT at the end of March 2010, this represented a decrease of 2.2% less than at the end of 2009.

Of the total orders for ships, 88% are export orders and represent 37.3% of the world's total. In terms of dollars, it is reported that during January and February of 2010, China exported US\$6.72 billion worth of ships, boats and floating structures, an increase of 65.8% over the same period in 2009.

<http://www.maritime-executive.com/article/chinas-2010-shipbuilding-activity-accounts-48-world-total/>

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Shanghai Expo resulting in hazardous cargo restrictions

The 2010 World Expo being held in China will force restrictions on the movement of hazardous cargo to and from Shanghai commencing in mid April through October 31, 2010. The restriction of hazardous material during this time applies to nearly ALL hazardous classes. Speak with your AIT representative if you have questions about the movement of hazardous materials to and from Shanghai now through October.

The following list includes the key hazmat restrictions that apply during the Shanghai Expo. This list is subject to change, so contact your AIT representative should you have any questions:

- All Class 1
- Class 2.3
- Class 3 - Anything with ACETONE
- Class 5.1 - UN1511, UN2014, UN2015, UN2984, UN3149 and any of the above as components in other UN#'s
- All Class 5.2
- All Class 6.1
- All Class 7
- Class 8 - UN1786, UN1789, UN1798, UN1796, UN1830, UN1826, UN1831, UN1832, UN2031
- UN2032, UN2976 and any of the above as components in other UN#'s

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May Congestion Alert!

At press time, the following port locations were reporting congestion:

- China = World EXPO begins May 1

- Jamaica (Kingston) = for transshipment / relay and direct cargo
- Colombia (Buenaventura)
- North African Ports (Tripoli / Algiers)
- Venezuela Ports (Puerto Cabello/Guanta) - Venezuela shipments require prior approval
- West Africa (Luanda / Angola)
- Nigeria (Tincan/Apapa)
- Haiti (Port au Prince) - Limited port operations are handling goods in addition to relief goods at this time.

Be advised that ocean carriers may temporarily enact "Port Congestion Surcharges" in times of peak volumes, so please speak with your AIT representative in the event of any questions.

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Have you signed up for AIT's automated ocean rate request feature?

Have you registered yet? Earlier this year, AIT announced a new technology solution that allows AIT Ocean customers the ability to submit rate requests in an automated format using the CargoSphere online rate quote system. AIT customers can now request rates and receive automated rate quotations complete with quote numbers and quotation validity dates, making the process more timely and efficient.

If you haven't yet signed up for access to CargoSphere, click on the following link and start automating your rate quotation process today!

<http://www.cargosphere.net/ait/ptrade/jsp/CustomerAgentRateRequest.jsp>

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The Parting "Wave"

Whether hunting for rates, equipment, vessel space and all combinations thereof, the month of April certainly kept the AIT ocean team busy. It certainly has been a challenging time with full vessels and limited space availability. The flurry of business activity that AIT has been experiencing appears to be a sign that 2010 will end stronger than 2009. Hopefully, rates and service levels will start to stabilize as demand and capacity are equalized in the global sea freight trade lanes.

AIT Ocean had a successful April despite the global challenges that keep our operations and pricing teams hard at work getting freight on board vessels or delivered to customers. The entire team would like to thank you for keeping us "busy" during April and we hope to be of assistance as Peak Season approaches.

Preview June 2010 AIT Ocean eNewsletter:

A Middle Eastern Port

If you have any questions or comments regarding the Ocean eNewsletter, please contact [Kevin Krause](#) from the AIT Ocean Department.

AIR

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Volcanic Eruption in Iceland

The volcanic eruption which occurred on April 17 underneath the Eyjafjallajökull glacier in Iceland grounded most flights for up to six days throughout Europe. The European air traffic control organization, Eurocontrol, confirmed that the lack of wind meant the very dense ash cloud was moving eastwards at a very slow pace. Several US-Europe flights had to double back.

According to an Associated Press report published on Wednesday, April 21, airlines announced that they had lost at least \$1.7 billion as a result of the economic fallout and travel shutdown caused by the volcanic eruption.

A news release issued by the AP estimates that the entire aviation industry suffered losses in the amount of \$3.3 billion as a result of the closures.

Giovanni Bisignani, head of the International Air Transport association, said in a news conference that airlines lost an estimated \$400 million each day during the first three days of grounding as a result of the European government's fear of the risk that volcanic ash could pose to airplanes.

Bisignani called the airspace closure crisis "devastating" in pointing out that the aviation industry lost \$9.4 billion last year and was forecast to lose a further \$2.8 billion in 2010.

The eruption has had more impact on European aviation than any event in history, including 9/11. Longhaul Far East carriers including Korean Airlines, Singapore Airlines and Malaysia Airlines were forced to cancel flights to Europe.

The highly abrasive material in volcanic ash causes the aircraft engine to shut down. Smoke and ash also sticks to the aircraft windows and threatens visibility. The ash cloud rose to critical altitudes of 20,000 to 40,000 feet.

As of press time, Germany airspace restrictions had been lifted and on Monday, April 26, Iceland's main airport reopened after a three-day closure.

Scientists say the volcano is still spewing ash, but the plume is not high enough to reach jet streams.

Sources: *Air Cargo World* 4/16/10
Associated Press, 4/21/10
Los Angeles Times,
4/26/10

Along with shutting down the European skies for nearly a week and causing general havoc, the volcano blast and ashes also disrupted the Asia link to the global supply chain.

Freight forwarding firms and exports faced stalled delivery of goods typically sent via airfreight, including mobile phones, high-tech consumer electronics, luxury fashion items and advanced Asian electronic components critical to production lines in Europe.

Japan's Fujitsu said its notebook PC shipments to Europe had been temporarily disrupted, but European inventory stocks were providing a buffer. Japan's No. 3 automaker, Nissan Motor, said it was halting production for a day on three lines at two Japanese factories due to parts shortage.



Taiwan's biggest electronics parts maker, Hon Hai Precision Industry, said their production has been set back by up to three days. Being a key part of the global technology chain, Taiwan has so far reported around \$6 million in losses from grounded cargo. The losses are a fraction of last year's total exports of \$204 billion in Taiwan.

In South Korea, a trade association said the economic cost of lost exports was an estimated \$112 million. Over 3,000 tons of air cargo was grounded at Seoul's Incheon Airport, which is one of the world's top air cargo hubs. These export losses are also only a fraction of Korea's exports from last year of \$363 billion.

Source: Cargonews Asia 4/21/10

Air France CEO says future response to ash clouds will be different

European airlines will respond differently to ash clouds from volcanoes in the future, according to Air France-KLM's chief executive, Dow Jones reported.

Pierre-Henri Gourgeon's comments follow the grounding of aircraft after the eruption of a volcano in Iceland more than a week ago.

"We were taken by surprise. The experience we've had means things will be dealt with differently in the future," Pierre Henri said.

He noted the US response to volcanic ash is better as airlines and authorities have more experience in dealing with eruptions.

In particular, European airlines only had information about where the ash cloud finished completely and not at what point planes might have been able to fly through the ash, the head of the Franco-Dutch airline said.

"After the event I think all those concerned by what happened are saying that we should have started flights sooner," Gourgeon added.

Source: Cargonews Asia 4/26/10

Closing the skies and grounding flights for five days in Europe has not only caused a tremendous backlog in the Far East, but some carriers stopped accepting cargo due to lack of warehouse space. Generally, shippers are accustomed to seeing capacity shortages in the run-up to Labor Day, but that problem will be compounded as a result of flight operations returning to normal to get the stranded volcano cargo moving first. It is anticipated that the carriers will push for an increase in the airfreight rates to offset their losses and try to get caught up to schedule. Despite offering charters at higher rates, it is still estimated that there will be a serious backlog in Hong Kong and other Far East points of 2 to 3 weeks.

Where there's a will, there's a way. In Europe, many of the logistics companies and express parcel operators resorted to trucking cargo to minimize the delay in deliveries. Normally within Europe, express shippers rely on cargo planes for shipments to destinations more than 300 miles from their logistic hubs, but now trucks are being used, for example to take packages from Belgium to Italy and Russia. A large proportion of the cargo that is usually flown was stored for movement after the sky cleared.

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Peak Season India

We are reminded by our extensive network of overseas partners that the space situation in India has further deteriorated. The backlog keeps building up and the capacity to manage the demand is insufficient. As of April 12, the backlogs in main airports are as follows:

- Delhi: 2,000 - 2,300 tons
- Chennai: 1,000 - 1,200 tons
- Bangalore: 300 - 400 tons
- Mumbai: 200 - 300 tons



Airlines are giving preference to express cargo and most of the space is allocated for express and high rated cargo and high density shipments.

Volumetric shipments are given least priority and most carriers do not entertain volumetric cargo. AIT's offices and partners are making block bookings well in advance in order to up life our customer's shipments on schedule. Please alert us to your booking needs well in advance to avoid undue delays in transporting your cargo.

To avoid shipments being misplaced or damaged, our agent has deployed additional staff, which will monitor cargo at the airport to ensure shipments are handed over to bonded areas of carriers. All

possible steps towards safeguarding your cargo are currently being taken.

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NEW REGULATIONS

Shipping Lithium Batteries

An article from E-Cargonews Asia (3/15/10) indicates that carriers are charged up over calls for a lithium battery ban. US authorities are determined to further tighten restrictions on shipping these batteries via airfreight.

The proposed new rules threaten to hamper airlines' ability to carry such traffic and force shippers to make far-reaching changes in how they move this traffic.

Last year, a fire was discovered on a FedEx freighter which was apparently started by a shipment of battery-powered devices. In another incident, UPS workers unloading a freighter found a lithium battery in a burned package. This commodity has already been banned from passenger aircraft. After these incidents, the Airline Pilots Association pushed US lawmakers and aviation authorities to ban such batteries from all planes and now both the US Department of Transportation and Capitol Hill lawmakers have moved in this direction.

The DOT has proposed a new rule that would classify lithium batteries as hazardous cargo, requiring FAA approved containers for their transport by air and the House of Representatives has passed similar language in a legislative effort. Both initiatives carry the requirement that shipments must be accessible by flight crews at all times, which would effectively bar use of passenger airlines.

The ruling covers not only bulk shipments; it extends to all such shipments, including electronics that are equipped with these batteries. Shawn McWhorter, President of the Americas at Nippon Cargo Airlines, pointed out that there is so much embedded in computers, laptops and many other electronic devices which make it sound like the batteries would have to be taken out of the commodities and shipped separately. The restrictions could extend to temperature monitoring devices that are equipped with lithium batteries. Temperature loggers are used to monitor temperature-sensitive cargo on a regular basis by one of the most lucrative business segments for the air cargo industry - the pharmaceutical and bio-medical sector.

Brandon Fried, Executive Director of the US Airforwarders Association, warns restrictions would have severe repercussions for the electronics industry. He urged all interested parties - from airlines and forwarders to shippers - to oppose the proposed rules, by targeting the US Senate and most especially the DOT since the DOT is "more malleable" in its rule-making.

Source: Cargo News Asia 3/15/10

Shanghai Expo 2010: Special Security Measures on Cargo Acceptance

Please be aware that the World Expo will be hosted and held in Shanghai this year from May 1 - October 31 and will occupy large areas of the Shanghai CBD on both sides of the Huangpu. As with the Olympics, it is expected that this event will result in many special security measures, including cargo restrictions and special procedures over the duration of the event.

AIT has not yet been fully informed of all measures from our overseas partners, but so far the authorities have announced the following restrictions and adjustments, which will take effect beginning midnight on the 15th of April 2010:

1. Additional inspections, resulting in possible delays, for both inbound and outbound air cargo.
2. X-ray scanning required for all cargo and any oversized cargo (exceeding 1.5m x 1.5m x 1.65m) will need to manually be checked.
3. Cargo requiring 24-hour refrigeration will not be accepted.
4. PVG Police and Security Bureau will carry out random inspections for explosives and all oversized cargo. All oversized cargo will need to be inspected.
5. According to the notice from PVG Public Security Bureau, agents need to provide original road transportation passes for toxic chemicals besides related documents when doing the delivery/pick-up of toxic chemicals (mainly class 2.3 and 6.1). Agents also need to provide original transportation passes of radioisotopes during the Shanghai Expo besides related documents when doing the delivery/pickup of radioisotopes.
6. Ocean carriers calling both Waigaogjao and Yanshan ports will not accept the following DG:
 - o Catalogue 2.1 : UN1038, 1049, 1978, 3374, 3478, 3479
 - o Catalogue 2.2 : UN1073, 1977
 - o Catalogue 3 : UN1302

- o Catalogue 4.1 : UN2556, 2557, 3097, 3474
- o Catalogue 4.2 : UN1369
- o Catalogue 4.3 : UN1402, 1403, 3476
- o Catalogue 5.1 : UN1450, 1461, 1462, 1482, 1873, 2626, 2627, 3210, 3211, 3213, 3214
- o Catalogue 6.1 : UN1541, 1580, 1613, 1642, 1680, 1809, 3294
- o Catalogue 8? UN1818, 2280, 2576, 3477

We will keep you informed of any additional measures planned during this period.

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[UP, UP, AND AWAY - AIRLINE UPDATES](#)

Boeing delivered two brand new Boeing 777 freighters to **Thai Airways International** at the end of March. Up until now, Thai could only carry belly cargo on its passenger flights. This new purchase will now allow Thai to further develop its air cargo business.

Source: Cargonews Asia 3/31/10

The cooperation between **Austria Cargo** and **Lufthansa Cargo** will be good news for shippers and forwarders alike. The vast global network of Lufthansa cargo will be strengthened because of the 109 continental and 9 intercontinental destinations served by Austrian Airlines. Lufthansa will market all Austrian Cargo capacity and freight will move under the 020 airway bill. Cargo can be e-booked and LH's TrackIT engine will be used for tracking cargo.

Lufthansa pilots canceled their threatened four-day strike scheduled for April 13-16. The dispute over wages and job security had been growing for several months.

The initial walk-out by pilots in February cost Lufthansa US \$64 million before the company managed to persuade the German courts that the strike was illegal.

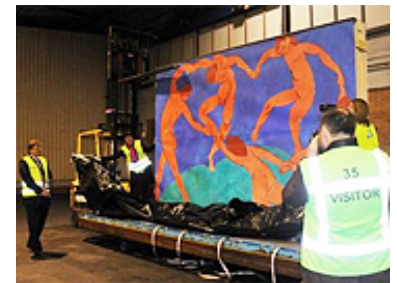
Both parties will now enter mediation.

Source: Air Cargo News 4/8/10

Air France - KLM cargo traffic increased by 2.1% in March, according to Reuters. The load factor rose by 9.9% to 72.5%.

Source: Cargo Asia 4/9/10

The special cargo handling unit of **KLM** has shipped Matisse's "The Dance" from the Hermitage museum in St. Petersburg to Amsterdam. According to the museum, it is one of the icons of art history and is rarely loaded out. "The Dance" (second version) is a 14 ft x 10 ft decorative panel painted in 1910 for a Moscow mansion of Russian businessman and art collector Sergei Shchukin.



Andre Mulder, AF-KL Cargo VP - Special Cargo, commented they have accumulated a wealth of experience when it comes to transporting artwork worldwide but this was still a special occasion since it is a masterpiece from one of the most famous museums in the world.

The Museum of Modern Art in New York now houses a paler version that Matisse painted a year earlier - in 1909.

Source: Air Cargo World 4/9/10

The merger between **British Airways** and **Iberia Airlines** which was originally agreed upon in November 2009 is now expected to be completed by December 2010, subject to approval from regulators and shareholders.

One stumbling block could be BA's combined deficit of GBP 3.7 billion in their pension fund. If all goes well, the merger is expected to save the airlines approximately USD \$533 million. The new company name will be International Airlines Group, but both carriers will work under BA & IB. Headquarters will be in London with BA retaining 55% ownership for its shareholders.

The merged group will have 408 aircraft and will serve 200 destinations. BA will gain better access to Latin America.

Source: BBC News 4/8/10 and Air Cargo World 4/9/10

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Giovanni Bisignani, Director General of the **IATA**, has said more airline mergers are essential in order to cut costs and improve competitiveness in an industry that has seen combined losses of US \$2.8 billion this year.

He calls for regulatory support for barrier-free mergers across borders because the present legal frameworks are hindering extensive global industry consolidations involving, for example, USA and European airline. Bisignani would make no comment on a possible merger between United Airlines and US Airways.

Source: *Cargonews Asia 4/12/10*

Aryan Cargo Express (ACE), the Indian all-cargo carrier, will launch its international services with China and Hong Kong set to be its first destinations.

ACE was awarded its Air Operator's Certificate earlier in April and is presently in the process of obtaining slots at additional airports in Japan, Thailand, the UAE and Italy. Executive Director Singh Dungarpur said the plan is to connect international destinations with Delhi, Mumbai and Chennai. ACE is aiming to establish hubs in Bangkok and Sharjah to allow expansion into Europe and Africa.

Source: *Air Cargo World 4/1/10*

Qantas Freight is joining the Cargo 2000 airfreight quality management program as an associate member. According to Theo Triantafillides, head of commercial, by joining a quality management system like Cargo 200, Qantas is ensuring their internal processes are aligned with the industry's preferred quality measures. Membership means Qantas Freight will report and receive monthly performance updates and benchmark data showing how it is performing against competitors.

Source: *Air Cargo World 4/1/10*

Singapore Airlines has begun daily A380 services to Zurich. This new service is the carrier's third A380 European destination joining London Heathrow and Paris Charles de Gaulle. The airline also has increased its Munich/Manchester service to five times a week with B777-300ER aircraft.

Munich is SIA's second destination in Germany. Frankfurt is linked with two daily flights from Singapore, one of which continues to New York. SIA, in a related move, has acquired a 1.18% stake in Chilean carrier LAN Airlines. In 2011, the Santiago-based company will become the first airline in the Western Hemisphere to get the B787. SIA is also scheduled to receive its first B878s next year.

Source: *Air Cargo World 4/1/10*

In an effort to turn itself around after filing bankruptcy protection on January 19, **Japan Airlines** has planned withdrawal from dedicated cargo flights. This decision is causing concern for forwarders and other industry insiders, who are now considering forming ties with other carriers.

Earlier this year, the carrier had looked to integrate its cargo operations with Nippon Cargo Airlines but the talks fell through. Ending the cargo flights is expected to reduce JAL's freight transport capacity by around 25%. This decision will be problematic, as it will make it difficult to transport large items since passenger flights contain limited cargo space.

Source: *Cargonews Asia 4/12/10*

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AIRPORT UPDATES

Al Maktoum International Airport (also known as **Dubai World Central**) should open at the end of June but it remains unclear which carriers, if any, will move operations to it. The grand and hugely ambitious plans for a giant complex and six-runway airport were delayed due to the economic downturn until now.



Because of commercial confidentiality, Andrew Walsh, the airport VP of Cargo and Logistics, cannot reveal what type of carriers are interested in operating out of the airport.

One possible target could be sea-air operators. Walsh said sea to air transfers will be possible in four hours at the new airport, compared to 16-24 hours in the current one.

Source: *Air Cargo News 4/1/10*

Having received planning permission to develop 120,000 sq meters of land for a new logistics center, **Budapest Airport** expects the first phase will conclude with a new 5,000 sq meters facility for Magyar Posta (Hungarian Post Office) that will open in October. Kam Jandu, Director of Aviation at Budapest Airport, expects the expanded facilities will provide a huge potential to grow new cargo traffic, especially from Asia and other long haul destinations.

Source: Air Cargo World 4/9/10

Opening up [Port-au-Prince, Haiti airport](#) after the January 12th earthquake has now allowed international aid to be delivered. For instance, the Japanese Self-Defense force has provided earthmoving equipment. Volga-Dnepr Airlines, the Russian airline, has completed 36 humanitarian aid flights on behalf of the Japanese government - from Sendai and Sapporo and on behalf of the Canadian government from Quebec and Trenton. The initial cost of recovery from the earthquake that claimed more than 220,000 lives and left 1.3 million people homeless has been estimated at \$11.5 billion.

The International Federation of Red Cross and Red Crescent Societies have pledged \$300 million towards long-term recovery and reconstruction.

One of the latest donors, U.S. regional carrier SkyWest Airlines, has collected \$184,000 for the American Red Cross in less than a month. With over 10,500 employees, SkyWest operates Embraer and Bombardier jets for Delta, United and AirTrans to 146 cities in the US, Canada and Mexico.

Source: Air Cargo World 4/9/10

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PREPARING FOR TAKEOFF: A THOUGHT TO PONDER

Not the cry, but the flight of the wild duck, leads the flock to fly and follow.

- Chinese proverb

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If you have any questions or comments regarding the Air eNewsletter, please contact [Kathleen Lally](#) from the AIT International Air Department.

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GOING GREEN

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AIT Worldwide Logistics Receives 2009 Annual Climate Profile

Having recently reported its annual environmental commitments and waste management activities in 2009, AIT Worldwide Logistics has received a Climate Profile from the Environmental Protection Agency's WasteWise program.

Focusing on three key elements of waste reduction - waste prevention, recycling, and buying or manufacturing recycled content products - the WasteWise voluntary partnership program was designed by the EPA in 1994 to help organizations implement practical methods for reducing municipal solid waste.

Each year, WasteWise develops an individualized and fully customized report for every partner that submits annual data to the program.

AIT has been a part of the U.S. Environmental Agency's WasteWise Program since November of 2008.

"Since our rewarding partnership with WasteWise began, AIT has continually been implementing organizational methods for reducing municipal solid waste and encouraging internal recycling initiatives," said Ralph Obenauf, compliance coordinator for AIT.

This report translates annual waste prevention and recycling data into greenhouse gas (GHG) emission reductions and equivalency statements in order to assist AIT in quantifying the impact of its waste reduction program on the organization's overall climate footprint.

AIT's 2009 data conversions are presented in the following chart:

2009 GHG Emission Reductions by Commodity

<i>Commodity</i>	<i>Amount of Waste prevented, recycled and composted (pounds)</i>	<i>GHG Reductions (MTCO2E)</i>
Other	7,000.00	88.64
Metals	800.00	5.48
Organics	0	0
Paper	60,000.00	103.98
Plastics	600.00	0.48
TOTAL	68,400.00	198.58

AIT has made considerable progress in its environmental efforts this year, as evidenced by the data compiled in this report. The organization has cut down significantly on the municipal solid waste disposed in 2009 - because of the company's waste prevention activities, 2.5 tons less ended up in landfills this year. Additionally, AIT recycled 8.85 tons more aluminum cans, batteries, e-waste, electronics, corrugated boxes and mixed office paper this year. In total, AIT generated \$8,000 in savings this year through employee's combined efforts, which is \$5,000 more than AIT's 2008 grand total.

"In practically every section and area of the data report sent to Wastewise, AIT has made improvements. No matter how large or small, we are quite confident that collectively, these changes have made a huge impact on our day-to-day business activities and the environment in which we work," said Obenauf. "The ongoing support and guidance the EPA has extended to our organization

has allowed us to continue our ongoing commitment to reducing our carbon footprint through conserving natural resources, reducing energy expenditure, recycling and promoting a greener global supply chain."

GHG emissions are emitted at nearly every stage of a product's lifecycle, including during waste management. For more information about the connection between solid waste and GHG emissions, please refer to the Climate Change and Waste Website:

<http://www.epa.gov/climatechange/wycd/waste/generalinfo.html>

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If you have any questions or comments regarding the Going Green eNewsletter, please contact the [AIT Marketing Department](#).

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For Immediate Release: April 15, 2010

Business Only Broadband Provides Bandwidth for AIT Worldwide Logistics

Westmont, IL – Business Only Broadband (BOB) today announced that they are providing AIT Worldwide Logistics, global transportation and logistics provider, 50 Mbps wireless broadband Metro Ethernet connectivity for the company's headquarters in Itasca, IL.

Business Only Broadband's wireless networks are completely diverse from the existing Telco, CLEC, and cable providers' infrastructure and provide highly reliable and cost-effective network connectivity.

"AIT saw the value of the diverse, cost-effective bandwidth BOB could deliver to meet their growing bandwidth requirements," said Alan Rosenberg, CEO of Business Only Broadband.

Because AIT provides fully customized applications to its extensive customer base, dependable network connectivity has become an imperative element to the organization's day-to-day operations.

"Networks are more critical to our business than ever before," said Dan Chesler, Manager of Systems Administration and Support for AIT Worldwide Logistics. "Providing reliable and consistently available applications helps AIT to build and sustain our customer relationships."

According to Chesler, BOB became the best option for a second connectivity route when AIT's fiber optic carrier couldn't deliver a diverse alternative.

"BOB helped us implement BGP, which enables us to load balance our network across theirs and the other carrier's network," he explained. "BOB provides a higher degree of reliability with better key performance metrics and response times than the fiber optic carrier."

Business Only Broadband owns and operates the largest, most reliable, high speed, low latency fixed wireless broadband networks in Chicago and New York.

For more information on Business Only Broadband, phone (877) 627-5262, email sales@BusinessOnlyBroadband.com, or visit www.BusinessOnlyBroadband.com.

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About Business Only Broadband

Chicago area-based Business Only Broadband provides carrier class, 100 percent diverse wireless Metro Ethernet data network solutions to the financial, healthcare, education, government and large enterprise sectors. Business Only Broadband owns and operates the largest fixed wireless broadband network in Chicago and New York City. Led by a veteran industry management team, the company offers 100 percent diverse service with no common point of failure with the LEC or CLEC networks in addition to QOS, MPLS, Metro Ethernet, Private Networks and City to City connections. Visit www.BusinessOnlyBroadband.com for more information.

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About AIT Worldwide Logistics:

Incorporated in 1979, AIT Worldwide Logistics, Inc. is a global transportation and logistics provider headquartered in Itasca, IL. Spanning a network of 37 global locations and over 180 global service centers, AIT dedicates itself to building customized transportation solutions and highly specialized services for more than 5,800 active accounts. The privately-held corporation enhances supply chain efficiencies for vertical markets including perishables, consumer electronics, home delivery, pharmaceuticals and all branches of the government. For more information about AIT, please visit www.aitworldwide.com.

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