

### ~ HIGHLIGHTS ~ NEWS ~ ARTICLES ~ DEPARTMENTS ~

# **OCEAN** - the Fall Season Line Up



#### **Ocean Committee EVEY HWANG**

Arrested Development: Since the August 30, 2016 bankruptcy of Hanjin Shipping Company, the Hanjin's situation is slowly settling - with lawyers and/or fees. Of some 95 vessels arrested at start, the Hanjin Group made good on resolving two thirds of these vessels. Oakland berthed Hanjin Greece September 14<sup>th</sup> and with the Hanjin Boston discharged September 18th, Port of Oakland saw the last of Hanjin vessels for Oakland. Hanjin vessels are just starting to discharge on East Coast and hopefully the remaining one third vessels will discharge soon. However reports of NVOs and other stakeholders worldwide paying tens of thousands to settle discharges will contribute to the fallout costs of the Hanjin bankruptcy. For extended outlook on and concerns on equipment, check AqTC (www.agtrans.org) as well as Federal Maritime Commission. http://www.fmc.gov/NR16-19/ The overcapacity issue appears to be continuing topic of interest with more than one source citing Hanjin may not be the only casualty after and how the post-Hanjin market will adjust. New failures, new alliances, GRIs or not; the market will adjust. Learned at the Truck Work Group, a new transpacific service through K-Line/Wah Hai/PIL, CALCO C will start calling Oakland (OICT/SSA) November 6, 2016. The weekly service will connect Vietnam, China and California ports, and is said to add 30,000 twenty TEUs annually.

**The Good Place:** It's the Roundhouse Yard for Oakland! Effective September 22<sup>nd</sup>, OICT Round House Yard (adjacent to OICT/SSA) will be receiving Hanjin empty containers. <u>http://www.portofoakland.com/press-releases/port-oakland-eases-worry-bankrupt-shipping-line-boxes/</u> As notified through eModal, the OICT Round House Yard at 1195 Middle Harbor Road Oakland will receive for 20DR; 40DR; 40DH and 45DH with prefixes "HJCU" "HJSU" "SENU". To their credit, most leasing companies had stayed off charging on chassis related to Hanjin containers since its bankruptcy. However this week TRAC Intermodal announced they will start billing trucking companies for outstanding leased chassis by end September. LA/LB reportedly has 7000+ chassis tied to unwanted Hanjin empties. LA/LB and other ports will need their own local solutions very soon before the supply chain becomes severely impacted. <u>So much appreciation to Port of Oakland and SSA being in a Good Place for our local solution alleviating chassis shortage and liability worries.</u>

**Nightline:** Night Gates at OICT are here to stay. At recent Port Efficiency Task Force, the Port brought together Ed DeNike, Susan Ransom and Jim Rice with SSA with Port stakeholders including CBFANC for assessment of the three month trial extended gates program at OICT/SSA. Ed DeNike announced that the \$30 gate fee was sustainable and promised a 90 day notice for changes. <u>http://www.portofoakland.com/press-releases/port-oaklands-largest-terminal-says-night-gates-stay/</u> Questions on Night Gates can be directed to <u>OICTNightGates@ssamarine.com</u>

**48 Hours:** SSA will keep appointment system at current 48 hours start. At PETF meeting, CBFANC added support to number of trucking companies to advocate for more open and dynamic system. However SSA offered stats of only 4% missed appointments and schedule control as main reason in wishing to keep their appointment system (at 48 hours start). Ed DeNike stated that SSA have allocated enough day appointments and would extend Last Free Days if necessary. Ed DeNike reiterated his commitment to working with Port stakeholders with saying no one will be forced to use night gates due to LFD. Any specific concerns can be directed to Susan Ransom, Client Relations & Customer Support Manager <u>susan.ransom@ssamarine.com</u> General information on night gates and other concerns to <u>https://b58.tideworks.com/Forecast</u>

**The View:** Earlier in September, Port of Oakland's PETF sent an Extended Gate Survey to some 1270 Port Stakeholders and asked range of questions relating to night gates. Results shows slight increase for night gates from earlier survey in May as well gave feedback from respondents on hours of service and other restrictions limiting use of night gates. Discussed at the PETF meeting, all agreed the night gates will adjust over time just as the LA/LB night services had its own issues, with Pier Pass still controversial ten years later. While most prefer no fee, OICT/SSA's \$30 provides for the terminal's night operations as well as staggered work schedules for day shifts. The no breaks in transtrainer activity is positive for day productivity and apparently improved labor relations. The positive dialogue on system fixes between OICT Tideworks and eModal spoke to level of SSA's commitment to Oakland Port. Extending full service hours for exports receiving and imports which may welcome in dividends for Port of Oakland in the long term.

For comments or suggestions to CBFANC Ocean Committee: info@cbfanc.org



# Industry News & Port Happenings...

# Hanjin Tells Major Retailers That Vessels Won't Stop in the US Courtesy: Ari Ashe, Transport Topics www.ttnews.com

Hanjin Shipping Co. won't allow containerships anchored at sea to complete their journeys to the United States, according to an e-mail obtained by Transport Topics.

The e-mail was sent from Hanjin on Sept. 22 to Wal-Mart, Target, Lowe's, Home Depot, Hewlett-Packard and the holding company that owns HomeGoods, Marshalls and T.J. Maxx. It was also sent to Medline, a supplier of medical, surgical and pharmaceutical products to hospitals, nursing homes, and doctors.

"As you are aware, due to legal and financial constraints under Korean court receivership, many service operations have been impacted and in many cases altered or even halted. For vessels which have been halted, we have exhausted all means to secure alternative options to complete final delivery to the final destination. To our sincere regret, we are unable to perform the intended delivery," it reads.

Four vessels on the list were scheduled to unload containers on the West Coast. The Hanjin Yantian was due to call the ports of Los Angeles and Oakland. The Hanjin Rio De Janiero was scheduled to berth at the Port of Long Beach, and the Hanjin Geneva was due to go to the Port of Seattle and Tacoma.

Hanjin wrote in the e-mail that most of the vessels will return to Pusan, South Korea, to discharge, and the retailers will have to find another way to get their cargo to the United States. Other vessels will discharge in China, Singapore or Japan.

The National Retail Federation already has written a letter, along with 120 interest groups, to U.S. Commerce Secretary Penny Pritzker about how the consequence of the uncertainty could be devastating on the small and medium-size companies.

"For some, there is added confusion about the location of cargo, where cargo will be unloaded and how the cargo will be transported. The trade community is also facing steadily increasing freight charges as they look for new transportation options as well as concerns about fees assessed on cargo," according to the retailers' letter.

The federation told TT that several members had cargo on the Hanjin Switzerland, which was sitting near the Suez Canal, unable to pay the toll to cross.

The developments could mean that the containers might not arrive in the United States in time to be available for Black Friday.





### PRESS RELEASE

#### FOR IMMEDIATE RELEASE

#### Port of Oakland's largest terminal says night gates here to stay

Three-month trial over; data shows daytime crowding eases, cargo moving faster

Oakland, Calif. – Sept. 20, 2016: Night gates are here to stay at the Port of Oakland's busiest marine terminal. The Port said today that Oakland International Container Terminal will make evening operations permanent following a successful three-month trial.

The decision makes Oakland one of the few U.S. ports open late for container pick-up or delivery. The Port said night gates will continue to take pressure off busier daytime operations.

"This is an important step," said Maritime Director John Driscoll. "We're making it easier for customers to do business with us by saving time and improving efficiency."

Oakland International Container Terminal launched night gates June 27. They're open Monday-through-Thursday, 6 p.m. to 3 a.m., for truck drivers to haul cargo. According to data compiled by the terminal and the Port, here's the difference they're making:

- About 1,300 container transactions nightly have migrated from day to evening.
- The average transaction time for truck drivers has dropped from 96 minutes in August to 79 minutes last week.
- Thirty percent of trucking companies at the port have reduced congestion surcharges assessed to customers for picking up containers.

The Port said it surveyed cargo owners and found that 74 percent of those queried use Oakland night gates. The reason: there's less terminal crowding at night. Sixty-five percent said transaction times have improved thanks to night gates. That's important because cargo owners have lobbied hard for faster container-handling, the Port said.

"The system is working and customers are paying less," said Scott Taylor, CEO of GSC Logistics, one of the largest trucking companies at the Port. "Things are better and we're saving time."

Oakland International Container Terminal said it will continue to charge customers a \$30 fee to finance night gates. The terminal assesses the levy on all loaded import and export containers. About 6,000 trucks pass through the terminal's gates daily, making it one of the busiest in the U.S. It handles 70 percent of the containerized cargo in Oakland.

A neighboring Oakland marine terminal, TraPac, said it's experimenting with night gates. The trail continues tonight and next Monday and Tuesday. There's no word yet on whether TraPac will institute regular night hours.

#### Port of Oakland eases worry over bankrupt shipping line boxes

Truckers allowed to return empty Hanjin-owned containers, will free up chassis

Oakland, Calif. – Sept. 21, 2016: A potential supply chain meltdown resulting from Hanjin Shipping's bankruptcy has been averted at the Port of Oakland. The Port said today it will receive empty containers owned by the ocean carrier, which filed for bankruptcy protection Aug. 31.

The announcement means cargo owners and truckers won't have to find storage space for the unwanted boxes after they're emptied. It also means empties can be removed from chassis, freeing up the scarce equipment to transport new loads. Storage space is needed worldwide because Hanjin Shipping has said it won't accept empty containers on its vessels.

"There's still a lot of uncertainty regarding Hanjin's bankruptcy filing," said Port of Oakland Maritime Director John Driscoll. "With this move, we can at least eliminate the worry about storage and prevent a potentially crippling chassis shortage."

The Port said empty Hanjin-owned containers can be returned to its Roundhouse property on Middle Harbor Road. The site is adjacent to Oakland International Container Terminal, where Hanjin ships are loaded and unloaded. The Port said containers identified by the prefix HJCU will be received. It advised truckers to contact Hanjin to ensure that the empty containers are Hanjin-owned and not leased.

The Port said the terminal will process empties and remove them from chassis. It added that truck drivers will then be required to return the chassis through the main gates at Oakland International Container Terminal.

The Port said harbor truck drivers can begin returning Hanjin-owned boxes Sept. 22. They'll be accepted between 7 a.m. and 5 p.m. weekdays.

Hanjin's filing for bankruptcy protection has disrupted the global supply chain. Many of the carrier's ships are stranded at sea, forbidden to berth at ports. Two Hanjin ships have arrived in Oakland to discharge cargo since the filing was announced.

The Port said operations haven't been hampered by Hanjin's predicament. It added, however, that the empty container problem threatened to inhibit cargo flow in and out of Oakland. It expected the newly designated storage property to avert that outcome.

Customs Brokers & Freight Forwarders Association of Northern California is now on Twitter!

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### WESCCON 2016 Golf Tournament

Start thinking about some FUN in the SUN at the WESCCON Golf Tournament in beautiful San Diego, Thursday October 13, 2016. Make sure to reserve your hotel room starting Wednesday night, October 12. For Los Angeles and San Diego-based players driving down early morning, plan to arrive for an 8:30 a.m. Shot Gun start.

Bus riders will meet in the lobby of the Loews Coronado Bay Hotel at 6:30 a.m., departing at 6:45 a.m. sharp.

Our gracious host, **Bob Haydari - BOBAC CFS Corp**., has once again picked an awesome and gorgeous course, and is covering green fees, cart rental, unlimited range usage and a delicious lunch following play. Don't forget to look for Rene's traditional "wake and warm me up surprise".

Looking to set up a Foursome? Great, contact Rene with the names of your group. Be sure to check with your players to make sure they haven't committed to another group.

I'm looking forward to seeing you in beautiful San Diego for WESCCON 2016.

Rene Romero WESCCON Golf Coordinator <u>rromero@am-mex.com</u> (619) 661-6677

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This year's host hotel is the Lowes Coronado Bay in San Diego, CA. WESCCON is pleased to offer a discounted rate of \$209/night. You must be registered for WESCCON to receive this special rate. Click here to register for WESCCON 2016, so you can book your hotel room as soon as possible.

#### WESCCON 2016 Program

The WESCCON 2016 Working Agenda is now online. Click here to view it!

Stay tuned for more updates . . .

If you have questions about WESCCON or any registration problems, please contact info@WESCCON.com, or call 202-783-3333.

www.WESCCON.com info@WESCCON.com

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