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## ASIAN SHIPPER

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### Northport Malaysia to launch US\$147m expansion in '07

MALAYSIA's Northport, owned and operated by Northport (Malaysia), will roll-out a MYR500 million (US\$147 million) expansion plan this year that will further enlarge its container handling capacity.

In a statement from Northport (Malaysia) Bhd, the company said the expansion will ensure the port maintains its lead over other gateways in the country. The expansion

will also meet the needs of bigger and faster ships in long haul trades from Europe to Asia, offering connectivity to global ports.

Northport, with its MYR800 million annual turn-over, is linked more than 200 ports worldwide, including an extensive feeder network to local harbours that makes it a major regional hub, handling nearly 1 million TEU a year in transhipments alone.

The port operating company, with a shareholders fund exceeding MYR1 billion, owns and operates 15 other dedicated berths for handling breakbulk, dry bulk and liquid bulk cargoes, in addition to the 13 container berths at Port Klang.

The expansion, to be funded by an internally-generated fund, will be spent over the next two to three years on a 350 metre container berth that will bring the total container quay length to 3.6 kilometres.



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### **South African minister announces new CT near Port Elizabeth**

A NEW ZAR8 billion (US\$1.13 billion) government-owned container terminal on South Africa's east coast at Coega near Port Elizabeth should be up and running by 2009, said Public Enterprises Minister Alec Erwin in a Reuters report.

Mr Erwin told media in Cape Town that the facility could have four landing berths and handle six million containers a year, more than twice its original capacity.

South Africa is rapidly modernising ports, with plans to invest ZAR78 billion over the next five years to improve terminals and other infrastructure and revamp rail lines that lead to ports.

Mr Erwin said it was crucial that the terminal be ready in two years time so that supplies could be shipped to a projected Alcan aluminium plant in the Coega industrial zone. Construction on the Alcan plant will begin in 2008.



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### **Hand stacking containers a false economy, argues conveyor maker**

TOO many shippers hand stack containers to maximize the cube without considering the much higher costs incurred de-stuffing the boxes at the other end, argues Australian conveyor systems maker Adept Conveyor Technologies in Queensland's Supply Chain Review magazine.

"There is the desire to reduce shipping costs per item by packing the container to the roof, while at the same time trying to balance it against the costs of unloading, sorting and putting away," says Adept's sales chief Paul Johnson.

Mr Johnson, whose interest is selling his company's pallet-friendly cargo conveyor, the X-10der, said many companies opt to hand stack rather than palletise cargo to maximize cube use and cut packing costs.

While there are advantages to hand stacking, he conceded, such as not needing pallets, more manpower is required to de-stuff boxes. "Casual staff is sometimes hired to empty the containers by hand which involves additional charges and lengthy delays," he said.



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### **Savi QuickStart e-seal gains RFID patent licensing**

SAVI Technology, a provider of RFID-based total asset management solutions, has announced that its "QuickStart" licensing programme for its intellectual property (IP) has now been incorporated into ISO 18185, the new standard for electronic cargo seals (e-seals).

Savi Technology, a Lockheed Martin company, is optimistic that licensing its IP for tag-to-reader communication requirements in ISO 18185 will accelerate the worldwide use of e-seals, improve interoperability among RFID networks, and lower the costs of basic e-seals, a company statement said.

Savi Technology's IP licensing programmes are designed to energise market momentum around the deployment of active RFID e-seals based on international standards for both government and commercial applications, said a company statement.

Approved in mid-April, the ISO 18185 standard addresses technical and application standards for e-seals, which ISO describes as "non-reusable freight container seals" that "electronically evidence tampering or intrusion through the container doors."



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### **Qantas chairwoman Margaret Jackson to resign**

QANTAS chairwoman Margaret Jackson has announced she will be retiring from the group's board later this year.

In addition to Ms Jackson, James Packer will also be resigning from the board after the group's annual general meeting later this year.

"The board will spend the next few months considering my succession and a replacement for James," said Ms Jackson in a company statement.

The pair's decision to resign from the board follows the failure of a bid by Airline Partners Australia to take over Qantas, a move supported by Qantas' senior

management. Her announcement was made at the start of a two-day Qantas board and management strategy session for the direction of the airline group over the next three years.

Ms Jackson said the past eight months had been particularly hard and coupled with her 15 years on the board and seven years as chairwoman, she felt it was a good time to move on and not stand for re-election.

"I greatly value what Qantas has achieved over the past seven years, culminating in the largest takeover offer for an airline in aviation history," she said.

She said the board has endorsed the leadership of Geoff Dixon as chief executive officer and his senior management team, noting that Mr Dixon was committed to staying on as chief executive officer until at least July 2009.



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### **Cathay Pacific marks 10th anniversary of Handover with decal**

CATHAY Pacific Airways is celebrating 10th anniversary of the Hong Kong Handover to China with an official anniversary decal added to three of its aircraft.

The 10th anniversary decal has been placed on both sides of the fuselage of three of the airline's Airbus A330-300s that fly on regional routes. The logo highlights that as Hong Kong's home carrier Cathay Pacific is committed to further cementing the city's status as one of the world's leading aviation hubs.

The logo will remain in place on the aircraft throughout the Hong Kong Special Administrative Region's 10th anniversary year.

Said Cathay CEO Philip Chen: "We are pleased to be able to show our commitment to the Hong Kong Special Administrative Region, and to share in its 10th anniversary celebration, by adding the logo to our aircraft. As Hong Kong's home carrier we are delighted to be able to carry the SAR anniversary message to different destinations around the region."



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### **Lufthansa-Jade team up on Shenzhen-Frankfurt cargo run**

LUFTHANSA Cargo Group, which partly owns Jade Cargo International, are co-operating together to provide direct airfreight flights between Frankfurt and Shenzhen from July 1.

The thrice-weekly, non-stop service to Europe's largest air cargo hub from the heart of a major industrial centre in Asia will utilise a new Boeing 747-400ER freighter owned and operated by Jade.

Jade Cargo is due to take delivery of its fourth B747-400ERF at the end of this month which will be deployed on this Shenzhen-Frankfurt service. Two more aircraft of this type that make up a total order placed with aircraft manufacturers' plant in Seattle are due for delivery in August and January 2008, respectively. The Jade Cargo International fleet is based at Baoan International Airport in Shenzhen.

"This close co-operation is strengthening the Lufthansa Cargo Group. With Jade Cargo International, we can harness excellent growth opportunities arising from a thriving Chinese airfreight market returning two-digit growth rates," said Lufthansa Cargo CEO Carsten Spohr.

Jade Cargo International and Lufthansa Cargo will be sharing the total carrying capacity on each flight which amounts to around 100 tonnes of cargo.

"Jade Cargo International is augmenting the Lufthansa Cargo network with its new service perfectly. With it, we will be offering our customers faster transport times, excellent quality, competitive rates and optimally coordinated flight schedules to the fast-growing Pearl River Delta in south eastern China."



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### **Xiamen handles CKYH Alliance ship on new Asia-US east coast run**

XIAMEN International Container Terminals (XICT) welcomed the commencement of the new US east coast service (AWG) operated by CKYH Alliance, with the inaugural call of the Hanjin Philadelphia, the first of eight vessels deployed by Hanjin and "K" Line on this service.

The AWG service will call at XICT on Tuesdays and follows a port rotation of Xiamen, Hong Kong, Yantian, Ningbo, Shanghai, Busan, Savannah, Norfolk and Charleston. This new direct call service reduces the transit time from Xiamen to Savannah by two days to 28 days, said a XICT statement, adding that the westbound run from US East Coast to Xiamen takes 24 days.

Said XICT general manager Raymond Chan: "We are pleased to be the first port of call of CKYH Alliance's new eastbound service. The new service will cope with the growing trade between southeast China and the US. With our recent expansion in cargo handling capacity, we are strengthening Xiamen Port to become the preferred transshipment hub in the region."



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### **WTSA to raise rates for hides across Asia-US trade**

SHIPPING lines participating in the Westbound Transpacific Stabilisation Agreement (WTSA) have announced that they will be increasing freight rates on the US-Asia trade for animal hides.

From July 1, rates for hides will be raised by US\$200 per FEU and \$160 per TEU on inland point intermodal (IPI) cargo, and by \$50/FEU and \$40/TEU for port-to-port shipments.

In addition to addressing higher overall inland transport, equipment and cargo handling costs, especially higher rail and truck charges from interior US locations, WTSA lines said in a statement they are hoping to recover a greater share of operating costs in the movement of containerised animal hides, from providing container liners and tri-axle chassis to container cleaning at destination.

WTSA members include APL, HMM, Coscon, "K" Line, Evergreen Marine Corp., NKY Line, Hanjin Shipping, OOCL, Hapag Lloyd, and Yang Ming Marine Transport Corp.



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### **Port of Wenzhou sets TEU record in April with 40pc rise**

THE port of Wenzhou set a new monthly container handling record in April of 31,525 TEU, an increase of 40.5 per cent compared to the same month a year ago.

Within this total, foreign trade cargo made up 10,097 TEU. From January to April, the port registered a year-on-year throughput rise of 41 per cent to reach 101,123 TEU.



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### **Official sees privatisation wave for US container ports**

A DEMAND for ready cash and a desire to subtract the public from needed but controversial harbour expansion projects will likely trigger a wave of privatisation of port facilities in the United States, predicts Jeff Keever, deputy executive director of the Virginia Port Authority.

Speaking to a New York conference organised by Australia's Macquarie Bank, Mr Keever said publicly-owned US harbour commissions would find the option of selling terminals increasingly attractive, reported The Financial Times of London.

Many US container ports need investment in the next few years both in terminals to handle higher volumes of cargo and to accommodate larger ships, involving expensive dredging and other work.

Port authorities, he said, were not only recognising that privatisation could help them find money for improvements, but that it might also reduce public opposition to port expansion.

"If it's a private company doing the improvement, its takes the burden off the state,

whose precious resources can be used for a more important project. People can understand highways; they cannot understand ports," he said.

Mr Keever said a Port of Virginia privatisation could set a precedent for other large public terminal operators on the US east and Gulf coasts such as those governing the ports of Savannah, Georgia; Charleston, North Carolina and Houston, Texas.



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