



TRADE FACILITATION COMMITTEE NEWS

A compendium of discussion at the monthly meeting by the Trade Facilitation Committee of the MARINE EXCHANGE of the San Francisco Bay Region – Fred Hosking, Chair. For further information or comments, call 415-441-6600, fax 415-441-3080 or visit www.sfmex.org.
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July 2004

CHAIR - A hearty welcome to a new member of the TFC, Barbara Cassens, our local District Director of the FDA. We are pleased to have her as a important part of this forum and look forward to her future participation especially in view of the FDA Prior Notice rules and regulations unfolding. Reviewed various items of the previous meeting and addressed issues of mutual concerns with updates from the floor – SCAC Code issues re vessel manifest files; Security level; LA nightside gates; update on trucking/work disruption in port area; status of Pier 80 container cargoes; CBFANC special dinner meeting in August; APHIS solid wood packaging requirements

CBP & FDA Related issues –

FDA fines will be assessed through CBP since FDA is not a revenue generated agency; later in the year details will come forward. SCAC code issue on 3171's for vessels entering the port has been resolved and is not an issue in the eyes of CBP. Emphasis on inspection portals for the various pier locations is taking center stage. FDA to address CBFAC on August 25, 2004 – truly Barbara's introduction to the brokerage community at large. FDA is manned by only 800 persons nation wide with this port area accounting for only 188 of those.

PORTS

Night side trucking will not be a reality in the Port of Oakland at this juncture as costs cannot be justified

against volumes – Los Angeles definitely will move forward in September. Some considerations for setting up CY's in Stockton for some of the larger importers to contribute to lessening the dayside traffic. Lengthy discussion concerning nightside vs dayside hours. The southern ports are considered to be the busiest in the nation and it is anticipated will see even greater throughput creating more congestion. Hopefully some of the cargo overflow will be moved through Oakland.

COAST GUARD –

Security level, elevated.

BANKING –

New L/C rule writing taking precedence over daily trade operations; US banks are setting up off shore processing centers so old methods are often side stepped. There remains a heavy dependency on the Chinese manufacturing base with regard to letters of credit.

CARRIERS - SCAC Code issues addressed elsewhere in this text. For vessels calling Pier 80, carriers all report vessel anticipated activity one week in advance. This in response to a request by CBP. LA congestion +/- July 4th very bad/slow production. Coast Guard inspections taking 3-4 hours, but no work interruptions. Confusion over who has cargo details – to be raised with USCG at another time. Terminal security issues remain an important issue

CBFANC – Of special note and with special thanks to CBP for opening on the Regan funeral day. Additional comments/discussion as to the

CBFANC's mission(aries) to Washington. One important point that came to light with our visiting Peter Freidmann, was that CBFANC is held to a higher power, that being a model for the other organizations to follow. A notable achievement. There continues to be a high level of concern and anxiety over the Prior Notice implementation of the various Phases.

Wescon update/reminder, October 14-17, 2004 in San Diego. CBFANC educational programs are being maintained with Textiles scheduled for August 18. CBFANC has secured a new Select Site which will house lock boxes for the brokers giving way to more efficient document distribution.

LEGISLATIVE -

Keep in eye on Senator Hollings 5 day rule... new phase of P/N and implementation of penalties/fines...

Next meeting:

**Tuesday, August 24, 2004
San Francisco World Trade Club**

Attending:

Alan Steinbrugge, Marine Exchange; Barbara Cassens, FDA; Gerhard Jacob, Columbus Line; Ted Rausch, Ted L. Rausch; John P. Leyden, CBP; Louis Andrade, The Mechanics Bank; Clement Chin, Port of Oakland; Deanna Behr, Hoyt Shepston, Marine; Diane Weldon – CBFANC; Jeremy Potash, Potash & Co.; Chaired by Fred Hosking, Hoyt Shepston, Inc.