



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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September 2004

CHAIR - Reviewed various items of the previous meeting and addressed issues of mutual concerns with updates from the floor. New manifest rules for truckers/border crossing; carriers extending peak season surcharges; even greater congestion in the LA basin; FDA/CBFANC dinner success last month; CBFANC Product Code Seminar. Also of significant note, a compliment to the Customs Brokerage segment from CBP that “all is going well with no problems...” Thank you.

CBP & FDA Related issues –

As previously discussed, FDA fines will be assessed through CBP – CBP now awaiting for FDA to sign off on internal instructions as to procedures/parameters; radiation monitors at Pier 80 up and running with no problems noted. Of a sad note (for us), Kay Fike will be retiring next month (much too young and not nearly harried enough...) A long term friend to many in the trade community, she has brought a level of sensibility to ABI, and has bridged CBP and the brokerage community. In the process she has made many many friends in the community outside of her CBP affiliations. She will be sorely missed leaving poor Randy to fill some big boots which we're certain he'll do with ease. On behalf of the SFMX, we wish her well...

PMSA

Expect continued congestion issues in the LA basin through end of 2004. Diversion to night/weekends appears to be delayed until January 1, 2005 due primarily to lack of labor to handle the traffic. While the Waterfront Coalition has been working towards open gates in nighttime hours with day use/peak hour fee surcharges, they need the additional labor to make it work, even more so to make it work smoothly. Numbers are still that 30% could be moved to nightside deliveries and that all 14 terminals in LA will operate on the new schedule multiple days-evenings/weekends. There will be a Port Congestion forum at WESCON...

COAST GUARD –

Security level, elevated.

Port security plans remain a major focus in the region with elections coming up in the next months. Vessel advance notice of arrival still an issue with the 96 or more hour window for first port calls that must be adhered to; exceptions being from LA north to Bay area where only 24 hours required. USCG continues to work very closely with the SFMX; USCG grants were distributed over the last month.

BANKING –

ICC working on changes to Letter of Credit terms/articles. Transport articles are influencing some of the changes, but expect more to come

due course. The NICTD is involving them selves in this process.

CARRIERS - LA congestion – confirmed that carriers will begin assessing \$20 TEU/\$40 FEU for daylight handling of container traffic called “Pier Pass” with a committee organized to handle. Given the thousands of containers passing through those portals, its quick to calculate this new revenue opportunity. FarEast carriers have warned of transit delays of 8-9 days due to “gridlock” that will easily take more than a year to fix.” Expect 10-12% growth in the trade for 2005, and more congestion in LA. Peak Season Surcharge in the Far East Trade extended through November 30th. This week there were 80 ships in port, 30 at anchor, with 23 more arriving in the next 48 hours. Not a good outlook.

CBFANC – WESCON is on the horizon – October 14-17 in San Diego! Bigger and better than ever!

Next meeting:

Tuesday, October 26, 2004
San Francisco World Trade Club

Attending: Louis Andrade, Mechanics Bank; John Berge, PMSA, John Leitner, WJ Byrnes; CDR Gordon Loebel, USCG; Ted Rausch, Ted L. Rausch; Fransean Rible, CBP; Kaitlin Ortega, SFMX; Chaired by Fred Hosking, Hoyt Shepston, Inc.