



## **“SHAP” TALK**

**October 2011 Issue No. 114**

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## SHAPIRO WEBINAR

### Registration is Now Open for Shapiro's Customs Audit Webinar!

Don't miss our fall webinar on October 25<sup>th</sup>! Our topic is "How to Prepare for (and Survive) a Customs Audit."

Are you prepared if you receive a phone call from Customs advising you have been selected for a Customs audit? A Focused Assessment can be highly disruptive to your business. In this webinar we will tell you what happens in a Focused Assessment and how you can best prepare. Any size company can be subject to a Customs inquiry. We will cover what Customs looks for in an audit and review best practices for an import compliance program.

The webinar will be hosted and presented by Jane Taeger, Shapiro's Director of Compliance and a licensed broker since 1987. Taeger has over 25 years of experience and has assisted numerous companies through Focused Assessment audits.

Before the webinar, you will receive a link with instructions on how to access the class and presentation. One registration allows you to have your entire team participate as long as one computer/phone line is used.

Registration will end Friday, October 21st.

Hope to talk to you then!

**Date:**

Tuesday, October 25<sup>th</sup>, 2011

**Time:**

1:00-2:30 EDT

**Cost:**

\$45.00

**How to register:**

Online at our website: <http://www.shapiro.com/html/2011AuditWebinar.html>

By phone: Jane Taeger at 800-695-9465, ext. 290

By E-mail: [seminars@shapiro.com](mailto:seminars@shapiro.com)

## **TRADE NEWS**

### **GSP & MPF Update**

The reinstatement of GSP in 2011 is inching closer to reality. The initial legislation passed the House and moved to the Senate. The Senate amended the bill and passed it. The legislation is back in the House since the House and Senate must pass identical versions of the bill in order for it to be signed into law.

In order to “pay for” GSP, the legislation includes an increase in the Merchandise Processing Fee (MPF) from .21% to .3464%. The minimum MPF for formal entries will remain at \$25.00. The maximum remains at \$485.00. Importers planning their 2012 budgets need to keep the MPF increase in mind.

It is possible the bill to reinstate GSP and increase the MPF will be passed in October.

### **Free Trade Agreements Update**

Legislation to implement the free trade agreements (FTA) with Korea, Panama, and Colombia has been submitted to Congress by President Obama. The bill for the Colombia FTA includes a provision for retroactive reinstatement of the Andean Trade Preference Act/Andean Trade Promotion and Drug Eradication Act (ATPA/ATPDEA). The bills will be considered jointly with the legislation to reinstate GSP and increase the MPF. The Korean president is scheduled to visit the United States in mid-October, so passage of the FTA legislation could symbolically coincide with his trip.

### **Paper Courtesy Notices of Liquidation to Cease**

U.S. Customs and Border Protection will cease mailing courtesy notices of liquidation after September 30, 2011. Customs instituted this measure to save money on postage and handling costs. Notices of liquidation extension and suspension will continue to be mailed to importers.

Samuel Shapiro & Company, Inc. can send automated liquidation information to our customers. Please contact us at [compliance@shapiro.com](mailto:compliance@shapiro.com) to sign up for this free service.

Importers can also retrieve liquidation information through the ACE portal.

ACE Portal application information:

[http://www.cbp.gov/xp/cgov/trade/automated/modernization/ace\\_app\\_info/](http://www.cbp.gov/xp/cgov/trade/automated/modernization/ace_app_info/)

ACE Portal reports information:

[http://www.cbp.gov/xp/cgov/newsroom/fact\\_sheets/trade/ace\\_factsheets/ace\\_portal\\_reports.xml](http://www.cbp.gov/xp/cgov/newsroom/fact_sheets/trade/ace_factsheets/ace_portal_reports.xml)

ACE liquidation report information:

[http://apps.cbp.gov/csms/viewmssg.asp?Recid=18474&page=&srch\\_argv=11-000226&srctype=all&btype=&sortby=&sby=](http://apps.cbp.gov/csms/viewmssg.asp?Recid=18474&page=&srch_argv=11-000226&srctype=all&btype=&sortby=&sby=)

## **BIS Publishes “Best Practices” for Exporters**

On August 31, 2011, the Bureau of Industry and Security (BIS) published New “Best Practices” for Industry to Guard Against Unlawful Diversion through Transshipment Trade. BIS solicited comments from U.S. industry, including Samuel Shapiro & Company, Inc., to develop these “best practices” to help guard against the diversion of dual-use items being shipped to a country that was not intended to receive the dual-use export.

Transshipment is a routine and growing part of legitimate world trade with logistical benefits, but also can be used illegally to disguise the actual country of ultimate destination. Transshipment practices may also create a risk that items are diverted to unauthorized end-users or end-uses.

“These new best practices provide a formidable tool to help secure trade through transshipment hubs,” said Assistant Secretary for Export Administration Kevin J. Wolf. “BIS is committed to working with industry to adopt best practices critical to safeguarding U.S. national security interests.”

The following new best practices will help exporters, re-exporters, freight forwarders and other parties to comply with U.S. export control regulations and laws and augment BIS’s Export Management and Compliance Guidelines. BIS is encouraging industry to:

- Pay heightened attention to BIS’s Red Flag Indicators and communicate red flag concerns internally.
- Seek to utilize only those trade facilitators and freight forwarders that administer sound export control management and compliance programs that include transshipment trade best practices.
- Obtain detailed information on the credentials of foreign customers to assess diversion risk.
- For routed transactions, establish and maintain a trusted relationship with parties to mitigate risks.
- Communicate export control classification and destination information to end-users and consignees on government and commercial export documentation.
- Provide the ECCN or the EAR99 classification to freight forwarders for all export transactions and report the classifications in the Automated Export System (AES), if applicable.
- Use information technology to the maximum extent feasible to augment “know your customer” and other due-diligence measures in combating the threats of

diversion and increase confidence that shipments will reach authorized end-users for authorized end-uses.

The entire entry for each 2011 “Best Practice” can be found on the BIS website: <http://www.bis.doc.gov/complianceand enforcement/bestpractices.htm>

This set of best practices, aimed at U.S. industry, supports one of ten best practices suggested by the State Department’s Bureau of International Security and Nonproliferation to foreign governments at the Global Transshipment Seminar in Dubai, United Arab Emirates in March 2011. That best practice suggestion encouraged industry to develop stronger internal compliance programs, conduct focused outreach, and raise awareness of export control obligations.

The ten “best practices” suggested by the Department of State as the basis upon which we can build effective international transshipment security measures:

1. First to have a transparent and interagency-coordinated legal and regulatory system that comprehensively controls items for export, re-export, transit and transshipment that extends fully to activities within free trade zones, and is consistent with the guidelines and lists of the four multilateral regimes and relevant Security Council Resolutions.
2. Ensure for listed items that licenses are required for the transshipment of all munitions and nuclear items, and for all exports of other listed items at least to countries and end-users identified as being of proliferation concern or those endeavors acting on their behalf. Coordination with the exporting country, as appropriate, to ensure that transshipments of listed items are consistent with the intent of the exporting country.
3. Ensure catch-all authority controls all items in transit and transshipment where there is a reasonable suspicion that the items are intended to be used in WMD, their related delivery systems, or conventional arms.
4. Adopt internationally endorsed requirements for manifest collection in advance of the arrival of all controlled goods, regardless of their end destination. This would provide the governments the ability to vet transactions against known end users of concern and for inconsistencies that raise suspicion, and do it in time to stop and seize the transaction utilizing catch-all controls if necessary. The WCO SAFE Framework provides a multilaterally accepted data model to simplify for shippers how this information can be selected, formatted, and transmitted.
5. Encourage industry to develop stronger internal compliance programs, and conduct focused outreach to manufacturers, distributors, brokers, and freight forwarders to raise awareness of their export control obligations and the potential penalties for non-compliance. A robust government-industry partnership in the context of transit, transshipment, and re-export is essential to effectively safeguard circumstances of transshipment trade from proliferation related activities.
6. Provide adequate resources and training for customs and enforcement officers so that they can identify proliferation-related items, including increasing

cooperation between enforcement agencies and licensing authorities and other sources of technical assistance.

7. Fully use inspection authorities for cargos of potential concern, and adopt and deploy appropriate screening technologies—both non-intrusive inspection and radiation detection.
8. Make full use of authorities to seize and dispose of cargos of proliferation concern. Limit enforcement officials' personal liability for the conduct of routine investigations of shipments.
9. Institute effective penalties sufficient to punish and deter proliferation-related transshipment activities. Prosecute transshipment violations to the full extent of the law and publicize prosecutions as a deterrent.
10. Establish and maintain information sharing exchanges with counterparts in other countries and ensure timely replies to inquiries for assistance.

### **New FDA Fees Begin October 1<sup>st</sup>**

The Food & Drug Administration's (FDA) Food Safety Modernization Act requires the agency to collect fees to cover costs of import re-inspections, facility re-inspections, and recall activities associated with noncompliant companies in the food and feed industries. Initial product and facility reviews and inspections are not subject to the fees.

The rates will be \$224 per hour if no foreign travel is required, or \$325 per hour if foreign travel is required.

Import re-inspections are required to determine if original product non-compliance has been rectified and include the following actions:

- FDA's action on a reconditioning request including their review and approval of the request, and supervision of the reconditioning operations performed.
- Review of evidence to seek admission of a detained product. Exceptions to the fee would include an assessment of an adulterated or misbranded food product which is not covered under an import alert that was found not to be adulterated or misbranded, or food products under an import alert which were found to be in compliance.
- Action to remove a product from an import alert including review of the request and any subsequent examination required related to the request. Fees in this case would only apply where the requester is the noncompliant entity covered in the import alert.
- FDA's review, approval of a request to destroy inadmissible product and its supervision of the destruction.

Foreign and domestic re-inspections are required to determine if original noncompliance has been rectified through corrective and effective measures to ensure food safety. Although the Food Safety Modernization Act does not include a definition of re-inspection of foreign facilities, the FDA defines it as the fulfilling of the mandate

to assess and collect fees from the U.S. agent of a foreign facility where an inspection discovers noncompliance materially related to a food safety requirement, which in turn causes subsequent inspections to determine whether compliance has been achieved in satisfaction with FDA requirements. FDA will not consider technical violations such as incorrect font sizing on a food label to be materially related to the food safety requirement; although determining what noncompliant circumstance is materially related to safety will depend on the particular situation and significance of the violation. FDA is considering issuing guidance on what circumstances may be considered materially related or significant to the food safety requirement.

Fees will be required on activities related to noncompliance with a recall order. Noncompliance can include ignoring an FDA ordered recall, not conducting the recall as ordered by FDA, and not providing FDA with requested recall information. Fee assessment will be required on activities including recall audit checks and results review, reviewing and analyzing periodic status reports, conducting inspections and travel associated with inspections, and the monitoring of product dispositions. Fees will be assessed on the party that receives the recall notice.

The fees for import reinspection activities (such as addressing a request to remove an item from Import Alert, or to release a detained article) are being delayed as FDA is evaluating comments received. However, the fees for food facility reinspections and FDA recall activities are in effect.

Additional information on the fees implementation can be viewed by visiting the FDA website at:

<http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/GuidanceDocuments/FoodSafety/ucm274176.htm>

### **ITA September 2011 International Trade Update**

The "International Trade Update" is published monthly by the U.S. Department of Commerce's International Trade Administration. Highlights from this month's newsletter include:

- The MAGIC of New Trade Opportunities and Partnerships: After being buffeted by fierce competition in recent years, the U.S. textile and apparel industry is positioning itself for success in the 21st century. Ample evidence could be found at a recent trade show in Las Vegas.
- Just One Place to Go to Learn the Basics of Exporting: With the recent re-release of *A Basic Guide to Exporting*, the Department of Commerce's indispensable how-to book for U.S. exporters has been rebooted. All businesses, but most especially small and medium-sized enterprises, will want to take a look.
- New Videos Highlight Priority Markets for U.S. Exporters: Emerging and "next-tier" markets will be crucial to the growth of U.S. exports during the coming

years. Six of those markets are the subject of a series of new videos now available online.

- Listing of Upcoming Events for October and November 2011

View or download this issue on the ITA website located at:  
<http://trade.gov/publications/ita-newsletter/0911/>

### **FDA Issues Guidance for Importation of Medical Devices**

The Food and Drug Administration has issued guidance to importers of medical devices with specific recommendations to facilitate the import entry review process for medical and non-medical radiation emitting electronic products. The guidance document describes the Affirmation of Compliance (AofC) codes that can be provided at the time of entry to help expedite the admissibility process. Appropriately submitted AofC codes will increase the likelihood that the shipment will be held for further FDA review.

The September 6, 2011, Letter to Industry about Import Entry Review Process is available at:

<http://www.fda.gov/MedicalDevices/ResourcesforYou/Industry/ucm271180.htm>

### **Commerce Removes Bond Option for Antidumping/Countervailing Investigation Period**

The Department of Commerce has issued a final rule eliminating the use of bonds during the provisional measures period in antidumping and countervailing duty investigations. Effective with investigations initiated on or after November 2, 2011, importers will be required to pay the ADD/CVD as a cash deposit (that is, pay the ADD/CVD with the entry summary).

The new regulation will better ensure that importers bear full responsibility for any future ADD/CVD they may owe. This change will help to ensure the U.S. government collects the full amount of duties owed should an investigation result in the imposition of an antidumping or countervailing duty order. The provisional measures period lasts, at most, six months. The Department of Commerce considers this to be a relatively short period and notes that importers will receive the cash deposit back in full if the imports at issue are not dumped or not found to benefit from a countervailable subsidy (or the International Trade Commission issues a negative injury finding). If the margin calculated for the final determination ends up lower than the margin calculated at the preliminary determination, the law requires that the difference be refunded to the importer.

The final rule may be found at:

<http://www.gpo.gov/fdsys/pkg/FR-2011-10-03/pdf/2011-24666.pdf>



## **TRANSPORTATION UPDATE**

### **October 2011 Update**

#### **INDUSTRY NEWS:**

##### **Important Alerts:**

Carriers will suspend some vessel services from October 1-7, in honor of the National Day Holiday in China; with suspensions expected to continue up through the third week of October to compensate for the weak market. For specific details on how this will impact shipments, please contact your Shapiro representative.

##### **NVO's Share of U.S. Import Container Cargo Increases**

A report issued by Journal of Commerce's sister company PIERS has documented the steady growth of Non-Vessel Operators' (NVO) share of U.S. import container cargo, indicating that between 2006 and 2010, total U.S. inbound container volume declined an average of 2.8 percent, while during the same period, cargo moving under NVO bills of lading grew an average of 4.2 percent annually. PIERS reports, "total volume handled by NVO's grew from 4.85 million TEU's, (28% of the inbound container market), to 5.7 million TEU's-just under 33 percent."

The report offers several explanations for this growth, including an increase in the volume of start-up carriers entering the trans-Pacific with high concentrations of NVO cargo, and more importantly the 2010 capacity levels- seemingly non-existent with carriers- which forced shippers to tap into NVO capacity.

Despite higher rates, newly created relationships between shippers and NVO's reveal the recent progress NVO's have made over the years in their ability to provide reliable, sophisticated, full- service, multimodal, technology-based logistics services. These value-added services enable shippers to tap into the NVO's expertise in sourcing trucking, warehousing, access to state of the art information systems, and air cargo.

Shippers who formerly negotiated exclusively with ocean carriers now reserve a portion of their cargo to NVO's, generating a permanent increase in the NVO market share. According to Dick Armstrong, president of Armstrong and Associates, "The increase in TEU's moving under NVO agreements would be due simply to the flexibility and ease of the negotiations and arrangements for those shipments."

While not all carriers view the NVO's as adding much value, carriers such as Mediterranean Shipping, see NVO cargo as an integral part of their business model. According to PIERS, NVO-friendly carriers such as MSC and CMA CGM have been among the fastest growing lines, and with giant ships dominating major trade lanes, carriers need utilization rate of at least 85 percent to make money, so what becomes key is filling the ship, and not who controls the cargo.

### **Strong Import Growth Projected by Port Tracker**

The National Retail Federation and Hackett Associates in their monthly Global Port Tracker report said that import cargo volume at the busiest U.S. container ports, such as Los Angeles, Long Beach, Oakland, Seattle and Tacoma on the west coast, New York and New Jersey, Virginia, Charleston and Savannah on the East coast, and Houston on the Gulf Coast, is beginning to “ramp up after a flat summer.” The ports tracked in the reports handled 1.32 million TEUs in July, up 6 percent from June but down 4 percent from July 2010, and August was expected to be flat with 2010 at an estimated 1.42 million TEUs.

The report looked at year-over-year comparisons believed to be “skewed” by higher than normal shipments in the summer of 2010, but note year over year growth beginning to resume in September with predictions of a rise of 11.8 percent to 1.5 million TEUs, October at 1.48 million TEUs up 9.5 percent, November at 1.33 million TEUs up 8 percent, and December at 1.2 million TEUs up 4.5 percent. January 2012 forecasts 1.19 million TEUs down 1 percent from January 2011. The total for 2011 is forecast at 15.4 million TEUs up 4.3 percent from 2010, with last year’s 14.7 million TEUs a 16 percent increase over the low numbers in the recession year of 2009.

Ben Hackett, citing the impact of the seasonal nature of cargo flow and volume, advises, “We should not be lulled into too much confidence by the relatively strong import volumes of August and September,” linking these to “low levels of inventory needed to be raised to meet return-to-school and post-Thanksgiving sales.” He cautions that the “third quarter will be positive for the ocean carriers and retailers but that will turn into negative growth for the next two to three quarters thereafter.”

Journal of Commerce Economist Mario O. Moreno slashed his full year forecast for U.S. containerized imports to 2.7 percent from 4.7 percent, citing difficult economic conditions. Moreno also forecasts that volumes in the eastbound Trans-Pacific, the highest volume U.S. trade lane, “will post a year-over-year decline of 2.4 percent in the third quarter and rise just 0.9 percent in the fourth quarter.

### **Weak Euro Increases European Exports to North America 9.4 Percent**

The weaker euro influenced an increase in Europe’s July exports to North America 9.4 percent to 311,000 TEUs.

According to Container Trades Statistics, exports to Europe also saw a 6.4 percent year-over-year increase to 231,800 TEU’s, down 2,500 TEU’s from June when trade contracted by 1.1 percent year-over-year.

Container Trades Statistics also reported growth in trade with Asia with exports from Europe up 6.7 percent year-over year to 506,800 TEUs and imports climbing 7.65 percent to 1.3 million TEU’s, the highest monthly total since January.

“All major trades remain more solid than a year ago”, the analyst added, with “exports from Europe on all seven trades [monitored] are up on June except India/Middle East, and imports to Europe down on all trades except Asia.”

### **NYK No Longer Providing Chassis at Ports of NY-NJ**

In the latest series of moves by container lines to stop providing chassis to truckers and other equipment users, NYK Line, effective November 14<sup>th</sup>, will no longer be providing free intermodal chassis in the Northeast Region, including the Port of New York and New Jersey.

It was initially Maersk Lines which began the shift away from ocean-carrier provided chassis when in 2009, the carrier transferred its chassis to newly formed Direct ChassisLink, a company which rents chassis to truckers by the day.

Carriers expect that the transfer of responsibility, to truckers and other equipment managers, “will reduce costs, [and] provide truckers with more flexibility, and reduce congestion and turnaround times at terminals.” The change is also viewed as a way to, “build efficiencies, [while minimizing], the environmental impact” of having to store and move large numbers of chassis that are used intermittently.

The U.S. is the only major country where ocean carriers have routinely provided free chassis, a policy that began in the 1950s when container shipping was marketed as a domestic service in competition with trucks.

### **OCEAN FREIGHT:**

#### **Hapag Lloyd Ends Service to Congested Nhava Sheva Port**

Continued congestion and operational problems have led the German carrier Hapag Lloyd to suspend its call to Nhava Sheva (Jawaharlal Nehru Port), to instead call on the privately owned port of Mundra.

The carrier will change to its Asia-Black Sea Express Service, connecting the Indian Subcontinent, China and the Far East, effective mid-October. The Zim Kingston will call on Mundra October 24, and the Zim Dalian, the last ABX vessel to call Nhava Sheva will be arriving October 19.

Revised port coverage will be: Mundra, Colombo, Port Kelang, Da Chan Bay, Ningbo, Shanghai and Busan.

Mundra has two container facilities - Mundra International Container Terminal operated by DP World and Adani Container Terminal operated by port developer Adani Group.

#### **Evergreen Announces Rate Hikes for U.S. Exports**

Evergreen has announced a general rate increase for exports from the U.S. and Puerto Rico in the trans-Atlantic trade. The following increases will apply to all commodities, effective October 10, 2011:

From the United States and Puerto Rico to Europe:

US\$240 per 20' container  
US\$300 per 40', 40' high-cube container, and 40' high-cube reefer container

From the United States and Puerto Rico to destinations in the Mediterranean and Black Seas:

US\$240 per 20' container and 20' equivalent size  
US\$300 per 40' container and 40' equivalent size, 40' high cube container and 40' high-cube refrigerated container.

### **Maersk Commits to Compensating Shippers for Late Cargo**

In an effort to compensate for the “lack of on-time delivery costs” to shippers, and to improve “frequency and reliability”, Maersk Lines CEO Elvind Kolding announced the implementation of a service plan that will pay shippers an unspecified compensation if delivery is late.

The carrier is setting a standardized cut-off time for cargo being loaded onto vessels in its Asia-Europe service areas, and has announced its “Daily Maersk” service which will have a daily cut-off time for all of its 70 vessels operating between four ports in Asia (Ningbo, Shanghai, Yantian, and Tanjung Pelepas), and three ports in Europe (Felixstowe, Rotterdam, and Bremerhaven).

Through the establishment of “Daily Maersk,” the carrier hopes to put an end to customer frustrations at having to “adjust their production schedules and supply chains to accommodate shipping lines.”

According to Kolding, the new daily cut-off time will allow customers to ship cargo immediately after production without having to pay for storage. “Companies have to make up for an unreliable supply chain; they are forced to build a buffer in their supply chains and lose income when goods are not on time.”

### **More “Robust” Bookings Seen After Mid-August Peak Surcharge Implementation**

Transpacific Stabilization Agreement Executive Administrator Brian Conrad says that TSA carriers are seeing “favorable marketing signals,” and more “robust forward bookings,” since implementation of the peak surcharge in mid-August.

Rates on the Drewry Shipping Consultants' Container Rate Benchmark jumped 21 percent after TSA implementation of \$400 surcharge on 20-foot container equivalent units despite doubts by key Asia-based analysts and forwarders that the surcharges would be enforceable.

## **AIRFREIGHT:**

### **IATA Reports Ocean Carriers Holding on to Market Share**

As air freight rates increase over declining ocean rates, the gap between the two transport modes is widening, giving ocean freight greater control of the market share.

According to the International Air Transportation Association (IATA), stagnating air cargo, shrinking 0.4 percent in July from a year ago, is in contrast to ocean container traffic, expected to grow by about 10 percent this year, with a 20 percent decline in container rates versus a single digit rise in air freight rates, doing little to close the gap between the costs of shipping by air compared to ocean.

The consumer demand for electronics has remained strong, pushing more cargo into planes, but this demand, according to IATA, has been offset by falling semiconductor prices pushing more shipments to ocean carriers.

IATA advises though that, "Economic growth is slowing but it is expected to remain more robust than it did following the 2008 oil price spike, [suggesting] that cargo markets and cargo profitability will be squeezed further but should be able to stay in profit this year."

### **Air France-KLM Initiates Cost Cuts**

The European airline group, Air France-KLM, in an effort to preserve profitability, launched cost cuts that include a hiring freeze and cuts in capacity designed to reduce cargo belly space on its passenger services in the coming winter season and the next summer season.

Already downsizing its freighter operation by transferring several 747 freighters to its Amsterdam-based subsidiary, the French-Dutch carrier hopes to swing out of a \$20.2 million operating loss in the second quarter, primarily due to the impact of Japan's earthquake and tsunami, which is in sharp contrast to the company's second quarter profit a year earlier of \$15.8 million.

CEO Pierre-Henri Gourgeon said that the Airline plans to achieve \$705million in savings in 2011 from improvements.

## **DOMESTIC:**

### **Toll Increases for NY Container Terminal Access**

Toll increases for bridge and tunnel crossings in the NY/NJ areas will take effect September 18, 2011. All import/export loads moving via New York container Terminal (NYCT, Staten, Island, NY will be subject to these toll increases. Surcharges for tandem axle loads will increase to a minimum of \$85 up to \$104, depending on the carrier. For further information, please contact your Shapiro representative.

### **Union Pacific Forecasts Late ‘Compressed’ Peak Season**

Speaking at the Credit Suisse investors conference in New York on September 8<sup>th</sup>, Union Pacific Railway Chief Financial Officer Robert Knight said that “international intermodal volume has been recently weak, [but] customers expect to compress the peak season for boxed loads into September and October.”

According to the Association of American railroads, intermodal volume rose 0.4 percent from August 2010 to nearly 1.18 million units. Average weekly volume last month reached 235,968 containers and trailers, the most since October 2007, and the volume grew 32 percent from July to August.

## **SAMUEL SHAPIRO & COMPANY, INC. NEWS**

### **Shapiro Promotes Kathleen Robie to Atlanta Branch Manager**

Samuel Shapiro & Company, Inc. recently announced the promotion of Kathleen Robie from Project Manager to Branch Manager of its Atlanta, Georgia office.

Kathleen, a licensed Customs broker, brings over 13 years of experience with Fritz/UPS. While at Fritz/UPS, she held various managerial positions such as Global Accounts Customer Service Manager, National Solutions and Sales Support Manager, and Global Air Freight Solutions Manager. Robie brings extensive knowledge in large scale project management for multimillion strategic accounts, global pricing for import, export and domestic opportunities, as well as IT, and sales & marketing.

In this new position, Robie’s main objective will be to aggressively grow the branch’s business and presence while maintaining outstanding levels of customer service. “With the fastest growing and 4<sup>th</sup> largest container port in Savannah and the world’s largest international airport in Atlanta, I am excited about all of the opportunities to grow our Atlanta Branch Operations for Samuel Shapiro & Company,” noted Robie. “We have a great core group of logistics professionals and I am encouraged by their enthusiasm and willingness to work together to groom and train the next generation.”

“We are very excited and fortunate to have Kathleen transition into this role,” said Margie Shapiro, Samuel Shapiro & Company, Inc.’s President and CEO. “With her strong leadership skills, focus on customer service, and background in both compliance and transportation, we are well positioned to further build our Atlanta operation.”

### **Shapiro Contributes to American Shipper AES article**

Samuel Shapiro & Company, Inc. recently contributed to an American Shipper article, “Making a better AES.” The article, written by Chris Gillis, discusses potential changes to how export data is filed through the Automated Export System (AES). Margie Shapiro, Shapiro’s President & CEO, provides insight into the challenges exporters and forwarders currently face and how the proposed changes will impact the industry.

To access the article, please visit the American Shipper website directly at <http://www.americanshipper.com> or view the article on Shapiro's website at <http://www.shapiro.com/docs/MakingABetterAES-AmericanShipperSept2011-MargieShapiro.pdf>.

### **Employee of the Month**

As previously featured in "Shap" Talk, Samuel Shapiro & Company, Inc. has been sharing with you the names of employees who have been recognized for their exceptional efforts and contributions to our Company. At Shapiro, we continually work to develop, challenge, and inspire all of our employees to grow individually and with the Company. This month, we would like to recognize Garrett Frankford, Import Manager in Philadelphia, for his outstanding performance and contributions.

We encourage you to provide us with employee feedback! Please email us at [hr@shapiro.com](mailto:hr@shapiro.com).

### **WE WANT TO HEAR FROM YOU!**

Do you have suggestions for an article? Is there a topic you'd like us to cover in a future issue? Please let us know! Send your feedback to [shaptalk@shapiro.com](mailto:shaptalk@shapiro.com).