

SUNDAY SPOTLIGHT

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SEAINTEL MARITIME ANALYSIS

WANT A QUOTE? USE A PORTAL

Much easier to get quotes from forwarders through shipping portals than direct from carriers

We have previously in the SeaIntel Sunday Spotlight analyzed the experience a new customer would get from attempting to obtain a rate quote from carriers as well as from forwarders.

Our results have been that the response rate from carriers as well as large forwarders is quite low – although with a few exception. However, we found a very high response rate from smaller forwarders.

This time we decided to ask for a rate quote from one of the shipping portals. These portals are basically bulletin boards where a shipper can post his shipment need, and then forwarders (or carriers) can respond to him with a quote. The question is which experience we would get in this case.

where provision of a rate quote should be very simple.

We did not ask for a quote on behalf of SeaIntel, but rather under the cover of a different shipper. The volume we wanted to ship was in the 5-10FFE range for a single shipment.

In order to test whether conditions in the market had changed since our last test, we decided to approach carriers directly on a China to US service, as well as on a China to Europe Service. Then we used one of the portals to ask for a quote from China to Europe.

For the carrier approach, we got confirmation that the carriers to a large extent are quite unresponsive. Our request was completely ignored by 9 out of 18 carriers on China-Europe and we were

THE END OF THE LINE?

Shipping conferences – or rightfully cartels – were first allowed in the 1800's for a variety of reasons. Then during the later part of the 1900's they became more tightly regulated in order to prevent some of the negative aspects of allowing cartels. Finally, only a few years ago, they were entirely abolished in the EU, but still exist in other parts of the world. However, the current behavior of the carriers seems to indicate that some are now willing to abandon all notions of collaboration. As we outline today, a few very large players appear to actually sustain the current rate downturn in order to obtain a strategic advantage. Clearly this is the logical end point for cartels and conferences – the immediate future appears to

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