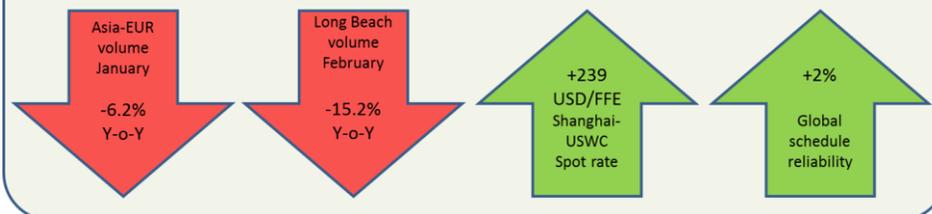


Indicators from the week 12 Mar - 18 Mar. 2012



TIME AT SEA VERSUS AT PORT

CKYH alliance has most efficient network

There is an old saying in the shipping industry: "A ship makes it money at sea, not in port". Clearly, a carrier gets paid to move a container from point A to point B - not to sit idle in a port. The opposite is then also true – the more time a ship spends its time sailing, the higher the revenue.

Of course, time at sea can be spent for two different purposes – either to increase the number of round trips per year – and thereby the volume of paying cargo, or to decrease the vessel speed and save on bunker costs.

With the emergence of the new G6 alliance as well as the expanded CKYH alliance, the question is whether such alliances results in a less efficient network. One could have the hypothesis that a network designed to please 6 carriers might result in more port calls, and hence more time at port versus at sea.

We decided to analyze this hypothesis based on the newly published schedules from the involved carriers. Our findings do not support the hypothesis – in other words, the new larger alliances did not necessarily result in more inefficient networks.

However, we also know from our schedule reliability database, that the

Unpaid bills?

This week we experienced a convergence of two topics we have often covered in this newsletter. One being the financial woes of the carriers, the other being the often abysmal experiences smaller shippers have when approaching the carriers. A call to a local Wan Hai office (number listed on their website) resulted in the simple message: 'Your call has not been put through because the callee has not paid the fee'. Given the fight for business, we are simply amazed that no efforts are seemingly spent even checking if customers can physically call in.

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