

THE PORTAL

VOLUME XXXIX The Journal of the Household Goods Forwarders Association of America, Inc.

JULY/AUGUST 2007

Technology in the Industry **What's New, What Works . . .** **And What's Coming?**



PRESIDENT

Terry R. Head

CHAIRMAN

Georgia Angell
Dell Forwarding Inc.

VICE CHAIRMAN

Randall Groger
Air Land Forwarders, Inc.

MEMBERS AT LARGE

Jeffrey Coleman
Covan International, Inc.

Jan Moore
BINL, Inc.

Michael Richardson
Senate Forwarding Inc.

Mario Rizzo
Gateways International, Inc.

ASSOCIATE MEMBERS' REPRESENTATIVE

Jackie Agner
Global Transportation Services

ASSOCIATE MEMBERS' REP. AT LARGE

Douglas Finke
Sterling International Inc.

YP-35 REPRESENTATIVE

Stephan Geurts, Jr.
Gosselin World Wide Moving NV

GENERAL COUNSEL

Alan F. Wohlstetter
Denning & Wohlstetter

ASSOCIATE MEMBERS MANAGEMENT BOARD

AFRICA

Mathiew Dunod
AGS Frasers

Eric Beuthin
Worldwide Movers Uganda Ltd.

CENTRAL & SOUTH AMERICA & CARIBBEAN

Cliff Williamson
Transpack Argentina, S.R.L.

Rafael Moreno
Moreno International S.A. de C.V.

EASTERN & SOUTHEASTERN ASIA

Yogesh Thakker
21st Century Relocations

Chad Forrest
Santa Fe Beijing

EUROPE

Marc Smet
Gosselin World Wide Moving NV

Robin Hood
Arrowpak International

MIDDLE EAST & NEAR ASIA

Ajay Bhalla
Leader Freight Forwarders

Eran Drenger
Ocean Company Limited

NORTH AMERICA

Glenn Stephenson
Prudential Relocation, Inc.

Edward T. Wickman
Wickman Worldwide Services, Inc.

OCEANIA

Marilyn Sargent
Aloha International Moving Services, Inc.

George Cooper
Australian Vanlines

TABLE OF CONTENTS

FEATURES

4 PORTAL FOCUS: TECHNOLOGY IN AN EVOLVING INDUSTRY

Contributing Members: Don Robinson/Boris Populoh (4) • J. D. Morrissette (5) • Max Kreyenin (6) • Joe Semel and David Sonigo (7) • Boris Populoh (8) • Yaniv Risman (9) • Serguei Tcheiguine (10) • Evan Drenger and Michael Vaknin (11) • Pier Gauchat (13) • Joe Bippin (14) • Adi Shaked (15) • Don Robinson (16) • Gadi Binness (17) • David Mazafi (18) • Guy Drary (18) • Jon Dalzell (19) • Jeff Berman (20)

23 AMMB Outlook: Technology: Its Challenges and Impacts / George Cooper

24 Security

27 Military/Government Update

35 HHGFAA 45th Annual Meeting

37 Maritime/Ocean Shipping

40 Air Cargo/Air Travel

42 Small Business

43 TechNotes

44 Trucking and Intermodal Services

COMMENTARY

2 HeadLines / Terry R. Head
"Man vs. Machine (Technology)"

59 Washington Update
Jim Wise / PACE-Capstone

DEPARTMENTS

30 YP-35 Page

47 Industry News

56 Welcome New Members

58 Price List for HHGFAA Publications

62 Portal Advertising

63 Advertisers' Index

64 Industry Calendar

About our cover: The transportation industry is finding innovative ways of using technology to streamlining the way it does business and responds to challenges in a changing era. Our focus begins with member and staff contributions on page 4. Cover: Accalim Images.

THE PORTAL is published bimonthly by the Household Goods Forwarders Association of America, Inc. (HHGFAA), 5904 Richmond Hwy., Suite 404, Alexandria, VA 22303. Phone: (703) 317-9950. Fax: (703) 317-9960. E-mail: hhgfaa@aol.com. Website: www.HHGFAA.org. Send subscriptions, advertising and editorial material, and changes of address to: Household Goods Forwarders Association of America, Inc. (HHGFAA), 5904 Richmond Hwy., Suite 404, Alexandria, VA 22303.



President: Terry R. Head

General Manager:
Belvian W. Carrington, Sr.

Director of Programs and Education:
Boris A. Populoh

Director of Government and Military Relations:
Charles L. White

Membership/Circulation Manager:
Jean Mathis

Administrative Assistant:
Jamila Kenney

Layout/Design/Editor: Joyce Dexter



By Terry R. Head
HHGFAA President

Man vs. Machine (Technology)

Man vs. Machine is a recurring theme in literature, movies, and other art forms that place a character against machines or - more often in the last two decades—against technology.

Frankenstein is considered the classic exposition of this theme, with a scientifically created human becoming a destructive monster. It is also a common theme in science fiction, with films such as 2001: A Space Odyssey, The Terminator, and The Matrix, to offer a few popular examples.

When I first got into the moving business in the late 1960s, computers were very new to most small businesses and, at least at that point, they were being used by only a handful of companies for limited tasks, such as preparing invoices and calculating payroll. The machines themselves were massive, taking up a whole room, and were very slow, loud, and temperamental. It seemed that the computers were down and broken much more often than they were up and running. Moreover, there were typically only one or two employees (the original “geeks”) who were knowledgeable about computers, but even they usually had to call in the experts to fix the darn things.

Whether or not you “speak computer,” computers and other forms of technology now have become very commonplace. As technology becomes more sophisticated, we tend to take the advantages it brings for granted—at least until our servers go down or we lose our Internet connection or cell phone coverage. Then we wonder what we ever did without it. We now see high-tech gadgets—from calculators to Palm Pilots—as our friends, but that hasn't always been the case.

I can recall hearing many a dire prediction that these newfangled machines were going to “take over the world” and do away with all our jobs. I can also remember the challenges I faced as a manager in getting people to use the computers, when they preferred to stick with what was familiar to them, the older technologies like typewriters, telex machines, and mimeograph machines—which some younger Portal readers may have never heard of. I can still remember the day I actually took all typewriters away from my staff just to force them to learn to use the computers on their desks.

Now our industry is firmly grounded in the 21st Century. Yet, to some extent we are still wedded to 20th Century technologies. Everything our industry has done to incorporate “the machines” into our business processes has been reactive and almost forced upon us; we have accepted technological advances often grudgingly, primarily either to remain competitive or because our clients and accounts have demanded that we adopt the newer systems. Although it is we who still move people’s “stuff,” our customers now demand 24/7 access to information about where their belongings are at every stage of the move. Indeed, such access has become an important tool not only to keep us in control of the shipments, but to win our customers’ confidence that their belongings are safe and will arrive at destination on schedule.

Our technological capabilities and how we manage them can no longer be internally focused. Our industry as a whole must continue to address an important ongoing challenge—that of continually developing and expanding our means of transmitting and sharing data with a increasingly broad range of shippers, accounts, agents, and service providers, as well as enforcement and regulatory agencies.

In this issue of **The Portal** you will find a number of articles submitted by HHGFAA members and staff that speak to the need to develop and adopt a common ground for a set of technology and communication standards to guide or govern the way necessary information is shared among us, our partners, and our customers.

Your Association is now in the preliminary stages of positioning itself as the central figure driving the development and implementation of those standards through the establishment of a “Technology Partnership.” The HHGFAA leadership believes this is the proper direction and role for us to take in order to maintain a level playing field for everyone, rather than allowing a handful of self-serving entities to dictate to the entire industry how business and data sharing are to be conducted. I feel confident that HHGFAA members will support the Association’s efforts in this regard. We look forward to providing more information on this initiative in future publications and during HHGFAA’s 45th Annual Meeting in October.

Technology in the International Household Goods Industry: Laying the Groundwork for Standards

By Don Robinson and Boris Populoh

In the second half of the 20th century when business started to implement technical and electronic, or computerized, solutions to speed business process they were faced with several challenges, chief among those at the time was a lack of resources to aid in their utilization of technology. One hurdle that was not difficult for an individual business to overcome was the one requirement that all technology implementations require: the need for standards.

Standards for such things as part numbering, data format, data communications, and interfacing within their own organization were relatively easy to define. But when it became necessary to communicate with the systems of customers and suppliers and others they did business with it became more of a challenge. In order to enable these electronic communications industries developed shared standards which enabled “electronic data interchange” In almost all cases it has been the industry trade associations that led the way in these efforts to develop standards to enable data interchange. Those over a certain age can remember when an airline would accept the paper ticket issued by another airline as payment for travel. After the International Air Transport Association (IATA) developed standards for data format and codes, airlines could use technology to communicate fare and ticket information between each other and the need for paper to be exchanged between airlines went away.

The international households goods industry has the same challenges that the airlines and many other industries have faced, and needs to develop common industry standards that will allow for the exchange of data between agents, forwarders, customers and government security and inspection agencies. There are several US government initiatives that indicate that we must act soon in order to enable our membership to meet forthcoming requirements for electronic submittal of shipment and contents information. Perhaps the most significant issue relating to standards, their values and imminent requirements for them is that history has shown that unless we take the lead then others, particularly government accounts, and oversight agencies, will make the decisions for us.

HHGFAA is forming a “Technology Partnership,” with numerous technology companies to explore the development of standards to facilitate the utilization of technology, and exchange of data, for all members and the industry as a whole. There are a number of reasons for doing this at this time, chief among them Congressional action which is expected to result in requiring “electronic” manifests on all shipments entering the United States, as is already a scheduled requirement for shipments entering by truck.

The Association has tasked the Technology Partnership with defining standards, applications and communications systems that will not only meet known requirements the industry faces but be able to respond to future requirements. The five underlying objectives for this effort are keeping a level playing field for the member companies, providing better customer service for the person moving, thus enhancing the reputation of the industry, putting the industry in a position of leading the definitions of standards and technology, and thus of controlling requirements rather than responding to ill conceived or costly demands of government accounts and agencies, and perhaps the most significant of the objectives being to provide standards which will

provide all members the potential of reducing the high clerical and administrative costs involved in a shipment.

The standards being developed will cover numerical codifications for items in household goods shipments as well as exceptions. There are a number of considerations that must be taken into account, such as interfacing with Customs’ systems and those of other government agencies, US and foreign, with port security responsibilities. The codification standards developed for international also will be able to easily interface with those being rapidly implemented by the majority of US domestic van lines.

It is anticipated that the development of such standards will provide many additional benefits to the membership. The use of such standards will enable members to use electronic inventory systems at

The standards being developed will cover numerical codifications for items in household goods shipments as well as exceptions.

origin and provide the data to the destination agent who will be able to utilize it to obtain electronic proof of delivery and claims information. Codification standards will also allow packers to select their native language for entering inventory and immediately be able to translate it to the customer’s language for signature and printing the receipt. All hardware and software vendors that deal with the industry will be able to obtain the coding standards so that they are not device or system dependent.

An example of the capabilities that such standards would provide agents and forwarders would be a shipment with an origin in Germany and the destination in Japan, for an American transferee. The packer at origin would be able to enter the inventory in his native language, be it German, Italian, Turkish or any other. The customer would receive the inventory listing immediately, for review and signature form in American English. The inventory and shipment data would be provided to the destination agent in Japanese and the forwarder could view the listing in the language appropriate to them.

Exactly what are the standards we are talking about here? The short answer is that they are numeric codes that represent items in a household goods shipment, codes for items and for exceptions, additionally they are the format of fields in shipment header information. Another question that gets asked is “how will they impact me?” The answer to that is not at all. They only come into use when inventory data is captured electronically, and even then they aren’t seen since they are internal to the systems being used.

The foundation of any communications is a common language and that is what the standards represent, a common language that will provide the foundation for all future electronic data exchange within the industry, with customers and with government agencies.

Don Robinson is president of DJ Robinson & Associates and Boris Populoh is HHGFAA’s director of programs and education.

Electronic On-Board Recorders: Vital to Safety on Our Highways

By John D. (JD) Morrissette

There's a lot of debate in the industry about the effectiveness and usefulness of electronic on-board recorders (EOBRs). Can they work? The Federal Motor Carrier Safety Administration (FMCSA) thinks so.

In January, the FMCSA proposed a ruling to get more trucks and buses in compliance with the Federal hours-of-service (HOS) regulations by implementing innovative technologies, like these on-board recorders. The idea that this will lead to improved safety on our nation's roads is the right thinking. Most see value in having another way to ensure that our roads are as safe as they can be - and mandating that trucking companies use these devices to monitor their activities can keep them on track. But there's also the very real position of financial reality. How can companies afford to equip their fleets or trucks with this expensive equipment?

Since the recent proposed mandate by the FMCSA, commercial truckers and bus companies are evaluating how they can comply in order to improve highway safety. The FMCSA is proposing incentives like the examination of a random sample of drivers' records and partial relief from HOS supporting documents requirements as part of a compliance review to encourage carriers to voluntarily install EOBRs.

For the majority of carriers, like Interstate Van Lines, a division of Interstate Worldwide Relocation, the use of EOBRs would still be voluntary because compliance with Federal HOS regulations is not an issue for them. However, for companies that are habitual violators of the regulations, the EOBRs would provide tremendous technology benefits including preventative maintenance monitoring; on-board electronic logs; real-time asset tracking; monitoring speeds, rapid stops or diagnostic warnings; reconstruction of accidents with black box data; and electronic safety monitoring.

The reality of this ruling is that not every company needs to be in compliance with this particular order because they already have adequate or high safety ratings. Although every company will someday have this technology, right now installation is still considered cost prohibitive by many. The compliant companies are taking steps outside on-board monitoring to ensure they have safe, competent drivers including assessing the safety risk of driver applicants; extensive driver training practices; encouraging and reinforcing safe driving behavior; managing and monitoring driver activities; and managing vehicle maintenance. They see the value in not only being compliant, but being good citizens on the roads.

The companies that are habitual violators of the HOS regulations, and thus being mandated to implement EOBRs, are the ones that need this type of overseeing technology, but unfortunately they are the least likely to be able to afford it. With an estimated minimum cost range of \$1,000 to \$5,000 per EOBR per truck, depending upon level of technology, many companies could not begin to find the financial resources to become compliant. The FMCSA estimates that within the first two years the rule is enforced, 930 carriers with 17,500 drivers with serious HOS violations would fall under this requirement.

As a commercial carrier, Interstate Van Lines supports the FMCSA in their proposal to provide incentives to those non-compliant companies that voluntarily install EOBRs, but we are concerned that without financial assistance this will be too great a burden for these companies to undertake alone. We strongly believe that there needs to be a financial incentive like a tax break or financial aid provided to those who voluntarily install EOBRs. We would like to call upon our friends in Congress to support the FMCSA ruling and to also allocate the financial support to help companies obtain the technology they need to become compliant.

As an industry, and really as a country, we need to develop solutions that not only make every truck and bus on the road safer, but are also financially available to all. The FMCSA ruling is critical to reducing accidents and increasing highway safety. Additionally, we hope that the federal government will step in to not only support this proposal, but to also financially assist those carriers that step up to comply. Without financial support there is no way a carrier company will be able to shoulder this burden.



John D. (JD) Morrissette is senior vice president at Interstate Worldwide Relocation in Springfield, Va.

SOURCE: Transport Topics

Electronic Code Standardization for International HHG Electronic Inventories: Let's Make It Happen!

By Max Kreymin

We live in the world of electronic standards and we enjoy them without ever stopping to recognize their importance. We turn off our GSM mobile before boarding the plane in Canada, turn it back on after landing in Russia, and it just works. When we need to share a document with somebody, we send it as a Word file because we know that our correspondent will be able to open it. We don't care whether that person uses MS Office on Windows, Apple, or StarOffice on Linux—Word format is an open standard and everyone can read it.

Interestingly enough, when it comes to packing inventory, the most fundamental document of the household goods industry, there are no electronic standards to speak of! Some companies send faxes with handwritten inventories in pseudo-English (something like 1-30 buks; 31 rirfadgrator); some prefer Excel or Word files. Those movers who happen to use the same software system (be it Voxme, TechMate, Adeena, etc.) can exchange inventory files among themselves in a format that is specific to the software package.

A typical conversation we would have with all our customers goes along these lines: "OK, I'm using your system, and it produces an electronic inventory file, so can I send it to my destination agents and expect them to perform barcode-based Bingo checking?" So we say, "Well, if they use Voxme or are willing to support our format, then yes." At this point the mover typically says, "Well, I guess we'll just produce a Word version of the inventory and e-mail it to the agents who don't use your system." Another typical scenario that we have run into many times is a large company trying to convince its agents to use their electronic inventory standard. The immediate reaction from the agents is, "I like your standard and I see the benefits, but I'm working with 50 companies like yours around the world and they all have their own proprietary standards. I don't have the budget or the resources to support 50 different standards. So

with all due respect, if you want my business, you're going to have to accept my nice PDFs."

Now imagine the world with a standard electronic inventory file format called something like HHGI or whatever. All of a sudden all software packages and companies speak the same "language" so the issue of software or hardware inter-operability disappears once and for all. The origin agents would send the inventory files in a standardized electronic code format and the destination agents would "open" it in their software of choice and then decide on the best format and language to print it off for the delivery crew or on the best scanning solution for Bingo checking. And if the above wasn't convincing enough, consider this: All signs are pointing to the US government mandating the submission of electronic inventories for all International household goods shipments entering the United States (as they are already doing for all truck shipments entering the US via land ports). The existence and adoption of an industrywide standard for electronic inventories by software and hardware vendors would go a long way towards moving the international household goods industry to the next level. The industry will need to reach this level of sophistication to meet the challenges and take advantage of the opportunities that will present themselves as global supply chains continue to grow in complexity and become even more interconnected.

The time has come to turn the dream into reality and we're excited to see HHGFAA lead the way. We are looking forward to joining forces with HHGFAA to define and support a common electronic inventory and manifest code standard that would benefit all international HHG movers around the world. We hope that all household goods software vendors and movers who have developed their systems step up and contribute to this initiative.

Max Kreymin (e-mail: max@voxme.com) is general manager at Voxme Software Inc.

Technology: Impressive and Efficient

By Joe Semel and David Sonigo

When we first received handheld computers with a survey and management system (from Toronto-based Voxme Software) I was very skeptical; but today, 18 months later, I can't imagine working without it.

First, the handheld Dell, which I use to survey the customer's home during the estimate, saves time. It also shows the customer our professionalism and seriousness. At the office, I download the information (yes, it is a Windows application) into my computer. When I send a customer his or her price quote, I attach a printed survey summary showing the items he plans to send, their volume, special items, and even custom crates, if required. This gives the customer an advance outline of what to expect on packing day and helps prevent misunderstandings and arguments once packing is completed and actual volume is determined.

Second, management reports are a very important part of the Voxme system. The Sales Management report allows us to analyze each salesman by the number of sales calls in a particular period and break it down to closed, pending, and lost deals. To help us market and advertise more effectively, the system tracks the source of inquiries, such as newspaper ads, Internet, referrals, repeat customers, etc.

Third, the technology's success in the sales process and its flexibility to suit our needs prompted us to take on labeling and packing list modules. With these modules we print numbered and barcoded labels for each job with the client's name, tracking number, origin, and destination. We can even print additional numbered stickers at the client's home (also from Voxme).

Our crews are equipped with a handheld and a mobile printer that allows them to record an inventory in English, French, Russian, or almost any other major language and print it at the residence in English, as Voxme automatically translates into most major languages. This critical feature is key to closing the deal when Customs officials in the destination country require that the packing inventory be in the native language.

Our crews now e-mail wirelessly the inventory or packing list directly from the customer's home—and that really helps our operations and export department and speeds up the export procedure. Imagine that, the packing list is in the office before the truck leaves the client's home. That's fast!

I can thank Voxme for helping me close more deals due to a more professional presentation, a quicker survey, and transparency because we share surveys with the client.

David Sonigo is general manager and Joe Semel is a sales representative at Sonigo International in Israel.

Get Maximum Bang for Your Ad Buck!

Your ad will receive extra attention when you place it in the 45th Annual Meeting issue of **The Portal**. In addition to the regular mailed copies that are sent out to every HHGFAA member, additional copies will be made available at the Annual Meeting in New York. It's a great opportunity to maximize your exposure among the industry executives who make and influence decisions at their companies.

For rates, specifications, and other information, contact

Bel Carrington
bel.carrington@hhgfaa.org

RFID Infrastructure: Backbone for Container Tracking Solutions

By Boris A. Populoh

In the spring of 2005 Savi Technology, a leading provider of active Radio Frequency Identification (RFID) supply chain solutions, and Hutchison Port Holdings, a leading port developer and operator, announced the launch of a new company to build the infrastructure necessary to operate an active RFID-based network to track and manage the flow of containerized cargo throughout the global supply chain.

Since then a lot has happened. In June 2006, Savi was purchased by Lockheed Martin, and Savi Networks, LLC, as the joint venture between Hutchison and Savi is known, embarked on a highly ambitious project to build and establish a ubiquitous commercial system of RFID infrastructure.

Savi Technology's involvement with RFID implementation dates back to the early 1990s, when, during the wars in the Balkans and Yugoslav secession, the US Department of Defense began using RFID to keep track of strategic assets during its journey into the conflict zone. Today, the network that is being established by Savi Networks handles 25,000 to 35,000 conveyances daily with the help of more than 2,700 fixed and hand-held readers, known as nodes, in over 30 countries.

According to Savi, its joint venture with Hutchison Holdings has the potential of allowing the company to track and manage 20% to 40% of all US Containerized Cargo Trade by virtue of the fact that it passes through ports either managed or owned by Hutchison Holdings. Furthermore, during a recent media open house held at its Washington, DC, governmental sales headquarters, Savi indicated that it had also negotiated "right of way" for implementation of its RFID network at a total of 90 ports, including those controlled by Hutchison.

The system being developed by Savi Networks is designed to allow private shippers to monitor the status and security of cargo containers in their care, through the use of systems and infrastructure built by the company. The business model can be compared to that of the mobile phone industry, wherein individuals can purchase or lease equipment to use the existing infrastructure of cellular phone towers for a fee without the need to buy their own cell phone tower infrastructure.

While Savi's RFID solution implementations have focused primarily on the military arena in the past, through work with the US Department of Defense, NATO, the United Kingdom Ministry of Defense, the Danish Army Material Command, and other allied military agencies worldwide, the company recently launched a new project aimed at expanding the company's involvement in the private sector.

In early June, Savi Networks, in conjunction with the Georgia Ports Authority (GPA) and Shanghai International Port Group (SIPG), announced their intention to implement and operate an RFID-based network that is capable of automatically tracking the security and location of containerized cargo during its journey between the Port of Shanghai in China and the Port of Savannah in Georgia.

As the RFID infrastructure grows, the envisioned network will allow Savi to provide system participants, and possibly governmental

agencies such as US Customs and Border Protection (CBP), information on the identity, location, and status of ocean cargo containers as they pass through RFID enabled ports. Shippers, logistics service providers, and transportation companies will be able to connect to the network by installing compatible equipment at their own locations to further improve the efficiency, effectiveness and security of global supply chains.

This article was originally written for Marine Digest & Cargo Business News by Boris Populoh, HHGFAA's director of programs and education, in his role as Washington, DC, correspondent for the magazine. HHGFAA members are eligible to receive a free subscription to Marine Digest. For more information about the magazine or to subscribe, please visit www.marinedigest.com.

RFID Market Nears \$7 Billion

Strong demand for tracking of assets and people and refinements in technology are driving growth in the radio frequency identification device (RFID) market. Excluding cell phone modules, the total market will be worth \$7.07 billion in 2007, according to research by United Kingdom consultant IDTechEx.

Until now, the vast majority of the 614 million active RFID tags sold were for car remotes. But active tags for new functions will likely account for a quarter of the market this year.

The new functions derive from strong market demand for tracking, locating and monitoring assets and people. Rapid development is also reducing cost and size of tags and systems, helping to make the technology more readily available. Real-time location systems and ubiquitous sensor systems such as Smart Active Labels are driving the growth. Conventional active RFID used where passive solutions are inadequate and RFID modules for mobile phones will make up the rest, said IDTechEx.

In 2007, the recently released research suggests, almost two-thirds of the money spent on active RFID will be on the system rather than the tags themselves. Reader, network, installation and software account for a larger proportion of cost as the number of tags per application increases. By 2017, less than half of the total market will be for tags.

IDTechEx analyzed 75 active RFID case studies from 18 countries. The large majority of those projects were in the logistics industry. Nearly half as many were in the air industry, automotive/transportation and healthcare. Tagged items include containers, vehicles, conveyances and people.

SOURCE: Thomas L. Gallagher, writing in Traffic World

Acquiring Modern Inventorying Technology To Serve a Modern Art Legend

By Yaniv Risman

We've been using Web as an efficient sales and marketing tool and successfully employed a moveware system for a while, but a recently completed "once in a lifetime" project has taken us to the whole new technological level. What was so unique about the project? Well... everything, starting with the shipper—one of the most famous modern Russian artists, who's decided to move within 20 days from a huge estate in New York state to an even bigger chateau in France.

Our pre-move survey showed that it'd take 16 x (!) 40' high cube (HC) containers to carry the content of five buildings (one of them being off-premises self-storage warehouse turned into a painting studio) that hosted various painting, sculpture and ceramic studios. The total container count quickly ran up to 19 x 40' HC units after the artist has nonchalantly decided that we also need to ship a huge collection of cast iron bollards (1- to 3-ton dock cleats used for docking commercial ships), numerous 6-foot bronze statues and sculptures scattered all over the estate.

And then there was a fine arts collection to deal with. The requirement was that Sea & Air International, Inc. produce an electronic fine arts inventory with each piece of art numbered (and labeled), photographed and described in great detail (item name, collection subcategory, title, author, year and notes). The final inventory (which looked more like a gallery catalog) would have to be printed and handed over to the shipper right away. We had to decide quickly how we're going to handle this because the art tenders (had to get the crew that works with Sotheby's and leading Manhattan galleries to satisfy the customer) couldn't touch the artwork prior to its getting labeled, photographed and inventoried. The alternatives were to either hire a highly specialized fine arts inventorying company or acquire the right technology to do the job. But what would that mysterious right technology be, if it existed at all?

We asked around and were referred to Toronto-based Vox-



Left: Part of the high-value shipment.



Artist Michail Chemiakine and Max Kreynin (general manager at Voxme) have found common language.

me Software. It appeared as if they had exactly what we needed, which is on-site labeling, a handheld that allows to record detailed packing inventory with pictures and, most important, on-site training and presence. So we've decided to get the system and learn on the job, which meant that Voxme would dispatch their member to do the on-site training and help our staff record the fine arts inventory. The initial estimate of the collection size, provided by the artist, was around 400 pieces so we figured that one and a half days would be enough. Well, it took four very long days and the final inventory count stood at 1725 (well, almost—the artist asked to print off 100 more labels for some more collectibles that his wife would bring from their Soho studio, photograph and send the pictures and the description to the office to add to the inventory). Thanks to the continuous on-site presence of Max Kreynin from Voxme and the endless dedication of our staff, we got it done. The artist looked genuinely shocked when we handed him the CD with the inventory in the requested format (item description with a small picture next to it, clicking on the small picture would display its full size version) the next day.

That's how we've acquired labeling and fine arts inventory technology (along with invaluable logistics experience and exposure to Michail Chemiakine's art). Do we stop our development here? Well, apparently Voxme has just the right in-residence survey tool...

Yaniv Risman is vice president and co-owner of Sea & Air International, Inc. in New York. E-mail: yaniv@sea-air.net

From Warehouse Barcoding to Global Tracking and On-Demand Electronic Shipment Manager

By Serguei Tcheiguine

Technology is now at the core of our business. Until 2001 most of our systems were operated on a manual basis. With the merger of the international forwarding divisions for import and export and the domestic long distance and warehousing divisions, the very first thing apparent was that the only way to become and stay competitive was to employ a robust electronic shipment management system.

We then started development of an infrastructure that would allow our warehouse to label each piece of the shipment, whether it came from a groupage, LCL or FCL container, with a unique barcode and scan that barcode into a “shipment file” in the database. No shipment would leave the warehouse unless fully “scanned out.” Message on the computer screen and audible alarm prevent shipment release in case of discrepancies.

To close the loop, we’ve developed a scan-out application for a hand held unit that the drivers use at delivery addresses in order to control unloading of each piece from the delivery vehicle. The hand held units were equipped with GPS and navigation software that would “guide” the driver through the route planned and uploaded by our dispatchers.

The next “big” thing we embarked on was the Internet. We’ve developed an on-line system that allow clients and agents to quickly estimate the volume of household goods, choose an appropriate mode of transportation and level of service, get the quote right away, book the job, set up packing and pick-up date and download all relevant documentation. Since the on-line system is fully integrated with our in-house management software, the information entered through the Web would immediately become available to our staff without any manual intervention or additional data entry.

The success of the on-line offering and the increased volume of import and export shipments have brought up the next set of challenges—global tracking and efficient shipment information exchange. We’ve teamed up with Voxme Software to develop a global system (the On Demand Electronic Shipment Manager) that would allow the movers and forwarders around the world to easily and securely submit and receive shipment information in a consistent format, update shipment status and make that status visible to the agents and the shipper, thus providing a comprehensive tracking mechanism. The agents will have the ability to upload/download shipment info and provide/receive status update via Web, Voxme applications or in-house moveware (such as Contour management system, which currently is being integrated with the global system). The shipper will be given a tracking link on the global or mover’s Website to follow the status of his shipment in addition to status updates and instructions e-mailed by the system in real time. The system will be released to general public during the HHGFAA convention in New York in October 2007.

Implementation of this system in the operational and administrative areas of our business enables us to improve customer service, response times, control internal costs, and significantly increase our competitiveness.

Serguei Tcheiguine is general manager at Contour Logistics (USA). Website: www.contour-usa.com

Using Information IT: Challenges and Impacts on the International Forwarding and Storage Industry

By Eran Drenger and Michael Vaknin

In a globalized business environment, firms must learn to manage increasingly complex networks of subsidiaries, partners, customers and suppliers. In the digital market age, information technology (IT), support this effort by providing supply chain information, facilitating communication among supply chain partners and managers decision when coordinating the network.

Any organization exposed to competition must develop the ability to define its business information technology and systems needs, identify appropriate resources, filter the information, digest it, and use it to its advantage. Information technology systems play a critical role in all growth strategies, from helping to achieve results to coping with the expanded scale of the organization.

The adoption of technology is no longer merely a question of advertising strategy or the acquisition of modern equipment. Today, technology is responsible for a significant part of a company's competitive capacity, its ability to innovate, to produce and its ability, not just to expand, but also to continue to operate successfully within the market.

With multiple facilities in multiple locations, a firm needs its partners and employees to have consistent and secure access to the same business critical applications at every point within and outside of the organization. Additionally, these applications need to be available from a variety of devices and across multiple connection and networks types.

The search for quality and increased productivity is rapidly becoming a top priority concern for companies seeking to maintain or expand their market share despite the increased international competition to which they are exposed today.

The development of automatic sensors, monitoring equipments, control and surveillance systems and other technology tools (e.g., alarm systems, video surveillance cameras, CCTV, x-ray, RFID, biometrics, etc.), together with company-wide information systems, provides a new Challenges and opportunities for developing the monitoring capability. Moreover, security standards such as C-TPAT (Customs-Trade Partnership Against Terrorism) or CSI (Container Security Initiative), along with other international security requirements, open new dimensions in the business competition and push firms to achieve more technology capabilities.

The firm's technology capabilities benefits—tangibles and intangibles—can be summarized by the “six C's,” a benefits framework suggested by Senn (1995):

1. **Cost reduction:** Using information systems and technology to reduce firm's cost and to be more efficiency.
2. **Capability:** Build new capabilities to specific product and services for customers based on information systems and technology.
3. **Communications:** Improve internal and external communication network with stakeholders, employees, partners, customers and suppliers.
4. **Customer service:** Can be improved by introducing “customer-facing” systems which are used directly by customer or in their presence.
5. **Control:** Improved information can be delivered for management decisionmaking and assist control.
6. **Competitive advantage:** Reduced time to market and improved build quality can be delivered trough automation.

In international moving and forwarding industry the most important advantage is by achieving a cycle partnership of partners and stakeholders with different or common information requirements and constrains, but with collective sight, by using global databases via information systems and technology. Partners, can use IT for shipment and inventory tracking, global billing and payments, finance and logistic transactions using technologies such EDI, extranet, e-commerce and e-business. Of course, it can help also to businesses efficiency by reducing costs and investment on acquiring information products. Moreover, those partners and stakeholders can act as a united group in connection with customers by one global common information systems, exchange information, knowledge and experience for different goals and purposes, although there is a competition among them. Using call center, help desk, or central Web sites technologies can be good examples for this purpose. Examples for this Kind of partnership we can find in other groups and industries such as banks, hotels, traveling, car leasing, insurance, couriers, etc.

Companies can find another important advantage concern with global interactive distance learning (IDL) and professional training. Those companies can use a global and common IT infrastructure for this purpose. This kind of training and learning help them to reduce costs and exploiting employee's time more economically.

However, there are still some challenges and questions which have been raised by managers and researchers for the last decade, concern with the business value of information technology (IT) and return on investment (ROI), which is not settled yet. Firms invest a lot of money in IT products and tools and expect to improve their business performance. Some firms fail to improve their business performance, while others succeed. The overall value of IT varies enormously from one firm to another. Computerization does not automatically create business value, but it is one essential component that should be coupled with organizational changes such as new strategies, new business processes and new organizational structure.

These IT systems can represent a significant cost, and there are many choices in terms of the hardware, software, networks, tools and services that we can use. We also have to balance the needs of business today with those that we forecast in the future. Budget constraints will always affect the path chosen and the speed with which we can advance.

Making the right technology decisions takes a combination of experience and understanding. The experience that comes from having done it successfully before, and the understanding of the particular business opportunity we have.

Making the wrong IT decisions can mean having system breakdowns that impact business for hours or even days. It can mean ending up with poor communications, lack of visibility to critical business information, or being vulnerable to security risks. A competitor who is exploiting a relevant technology better can get ahead of you.

The punch line is that only global common Information systems and technology can put together in one pool companies, partners, and stakeholders from different countries, languages, cultures, and climates to achieve the same goals with different needs in united infrastructures.

References

- Biehl M. 2007. "Success factors for implementing global information systems." Communications of the ACM 59 (1): 52-58.
- Laudon KC, Laudon JP. 2004. Management Information Systems. Englewood Cliffs (NJ): Prentice Hall International, Inc.
- Senn J. 1995. Information Technology in Business Principles: Practices and Opportunities. Englewood Cliffs (NJ): Prentice Hall.
- U.S. Customs and Border Protection (www.cbp.gov/xp/cgov/home.xml).

Eran Drenger is president and CEO and Michael Vaknin is a quality assurance and operation manager at Ocean Company Ltd. in Israel.

Standardization: A Critical First Step

By Piet Gauchat

International shipping is rife with miscommunication. These communication issues are manifested in a number of areas; including language barriers, metric versus US measurements and a lack of cohesive standards for inventories and manifests. In light of heightened security following 9/11, and the increasing scrutiny of our ports, the US government is debating measures that would further regulate the way that information regarding containerized shipments is generated and accessed.

With such changes on the horizon, it would behoove all of us to consider putting a set of standards in place with respect to the inventory process, as the ability to properly define and record the contents of a particular shipment is of critical importance to all parties concerned (including Homeland Security and other governmental monitoring agencies). From a practical standpoint, this would mean a common set of items, locations, exceptions, descriptive terms and symbols, translated into numerous languages.

While such standards might be difficult to mandate unilaterally, they could certainly be implemented as part of a voluntary compliance program. In this way, it would be in the financial interest of the majority of companies to participate.

Aside from the implicit benefit of enhanced communications, such an initiative would also serve to demonstrate to Homeland Security that the international household goods shipping and forwarding industry is actively considering security as a factor in defining operational processes. This development should also result in expediting the flow of information through the shipping life cycle.

Perhaps one of the biggest (and least recognizable) benefits, however, would be realized from a technical perspective. Without a set of international standards in place, and owing to the fractured nature of our business, it will be almost impossible to build, deploy and support the requisite technical infrastructure (software and hardware) for our future.

The Internet already plays a critical role and, going forward, will likely play an ever-larger role in the way that we operate. A set of uniform standards would allow for critical information to be seamlessly transferred between and across different software solutions and platforms. Practically speaking, this would mean that a shipment picked up in Paris could be inventoried in French, and the shipment information could then be digitally converted to English and electronically submitted to a forwarder and destination agent in Australia. With a common set of parameters, "paperwork" could simply mean pushing and pulling digital files and data over the Web, yielding better communication, improved billing cycles (cash flow) and a reduction in claims.

Although our industry has been relatively slow to adopt new technology, investments in software and hardware will often generate the quickest returns in relation to the bottom line. It is undoubtedly just a matter of time before RFID (Radio Frequency Identification Device) is pervasive throughout the forwarding and relocation industries, following the wholesale adoption by the retailing giant Wal-Mart. RFID promises to radically transform our business, as it will be possible to know exactly where an item is at any given time during the shipping process without ever having to manually record or "scan" a barcode. In theory, anyone involved in a shipment should be able to communicate to the customer exactly where an item is at a particular moment in time.

While the combination of Internet, electronic data transfer and RFID is potentially extremely powerful, it cannot be realized without some commonality in the way that inventories and manifests are produced. In effect, we *all* need to be speaking the language of "relocation," and standardization represents a critical first step toward automation that promises to catapult our industry forward.

Piet Gauchat manages the East Coast office for TechMate International. For more information on the company and its product offerings, visit www.techmateinternational.com or call (888)TechMate.

Electronic Inventory: Value Beyond What Meets the Eye

By Joe Bippen

A number of vendors have offered electronic inventory systems to companies involved in domestic and international household goods moving for several years. There hasn't been much interest in them until recently. Why a surge in interest, and where the value is, seem to be questions that most are interested in learning the answers to.

In the United States the major van lines are all implementing "driver inventory" systems, which are electronic systems for both entering the inventory and associating it with bar codes on the items. The US domestic van lines are finding that after a driver is trained on the systems and gets a certain "comfort level," meaning having utilized it for a number of packing jobs, that they won't even consider going back to doing hand written inventory. What has been most surprising to the van lines is that they are all able to reduce the cost per shipment for doing the listing by approximately \$1.30 CWT.

In addition to the efficiencies gained at the point of origin there is a very positive impact on the customer service side by having the ability to print out, at the customers old residence, a neat, legible inventory listing which the customer can review and then sign the approval on screen of the hand held device that was used for entering the inventory. The van lines are also finding that by having bar codes on the items that the delivery and proof of delivery process is made faster and is more accurate at destination. Claims can also be handled electronically and are able to be transmitted to the office from the destination residence in many cases thus speeding up the claims process procedure.

Internationally the same benefits of electronic inventory that American van lines are getting are realized, with several additional ones as well. Electronic inventory for international shipments will provide immediate translation capability and perhaps most importantly the ability for US Customs and Border Protection to have legible manifests and even provide electronic interface with the customs systems, something that is expected to be a requirement just as it is now being required for trucks entering the United States to have electronic manifests. These additional capabilities, those required by government agencies, and those desired for efficiencies of operations, for international use of electronic inventory, necessitate vendor-independent standards [see page 11 of this issue].

Those van lines and independents that have implemented electronic inventory find the benefits go well beyond their initial anticipated value. They also find that the most important part of implementing the use of the devices and inventory systems is training and allowing the packers time to get used to them. In all cases when implemented the drivers and packers wouldn't consider going back to hand writing inventory and they get the job of listing inventory done quicker, and more accurately, thus improving profitability. One of the best stories illustrating this point was the long-term employee driver for a US van line who was 65 years old and was more than a little resistant at the idea of using a handheld electronic inventory system. That resistance started to fade when his 9-year-old grandson picked the device up and asked "Grandpa" what it was for. The grandson was able to work with his grandfather to figure out how it was used and Grandpa now had a new motivation for learning to use the device. Grandpa reports today that he now saves several hours per move in the time it takes to list the inventory.

The value of electronic inventory is real, and the necessity for having it to interface with US, and other nations' customs and security systems is getting close to being a requirement. For this reason HHGFAA is working to develop standards that will provide the most value to the membership in the approach to the next major change the industry faces.

Joe Bippen is president of Asset Controls, Inc., in St. Louis, Mo.

Technology in Transportation

By Adi Shaked

This year we've finally decided that we must get the right technology for the busy summer because doing everything manually is something we could no longer afford.

We wanted to get a system that would address multiple tasks and computerize all our activities from the first stage of the contact with the customer and to the very ending of each moving process. We felt it was necessary to integrate on-site equipment such as electronic in-residence surveys and on-site printing of shipment labels and inventories.

The idea was to have the data captured on-site and then feed it into the office software and produce all standard documents. Preparing documents such as survey reports, quotations, contracts, insurance forms, packing inventories, agent manifests, bingo sheets, dock receipts, etc., occupies precious office hours that can easily be reduced by employing a computerized system.

**Preparing documents such as contracts,
insurance forms, packing inventories, etc.,
occupies precious office hours that can easily be
reduced by employing a computerized system.**

We decided to purchase a system called MightyForwarder by Voxme. It took some time to adjust to it and adapt it to our needs (and that is why we bought it during the off session). However, after using it for five months, I am more satisfied with it than I could have ever imagined.

What we came to realize is that once the data is recorded, there's no manual paperwork or typing that needs to be redone—again and again and again! We press the button and out comes the document that once could take hours to produce. Now all shipment information is organized and easily accessible. We no longer need to search for a piece of paper with a survey from two months ago or look for an e-mail from an agent with a delivery day.

Sound pretty ambitious? Well, we purchased this system from Richmond Hill (Toronto)-based Voxme. Aggressive as we sound, it was comforting to have the technology provider just 10 minutes up the street.

So what did we learn after four months? Probably the most important lesson is that it pays to spend the little extra time that it may take to capture the data electronically. What's interesting is that the customers actually like to see our staff use the handheld units for survey and packing inventories. Sure, it projects the right image of our company, but more important, people have come to trust "the computers" more than a sheet of paper.

The bottom line: Technological investment has allowed us to be more efficient, make fewer mistakes, and project the right company image—and it freed up a lot of time and resources we can use to grow our business.

Adi Shaked is president of Orbit International Moving Logistics in Thornhill, Ontario, Canada.

Technology for Tracking and Security of International Household Goods Shipments

By Don Robinson

In most countries domestic household goods moves do not face the same challenges for security and tracking that international moves do. One company, and one driver, usually has responsibility for the shipment from origin to destination. The security of the shipment and its location are therefore under the control, and management of a single entity. Even with that being the case in the United States all major van lines have equipped their trailers with satellite tracking devices so that they, and the customer, know exactly where the shipment is at any time.

Internationally there is no such “easy” solution available. The shipments are handled by several different companies and crews, and the use of satellite, or GPS technology isn’t possible because the shipments utilize numerous different transport organizations, vehicles and even multiple modes of transportation. One of solutions to being able to provide automated tracking and security for international shipments is RFID, or radio frequency identification. The HHGFAA “Technol-

The HHGFAA “Technology Partnership” continues to work to define and develop the potential for the association’s global membership.

ogy Partnership” has done some work in this area and continues to work to define and develop the potential for the association’s global membership.

RFID has the capacity and potential to be a international tracking solution, but it is not the answer to tracking all types of items, even Wal-Mart and DOD, two of the leaders in its utilization, are finding it has limitations and in some applications isn’t at all suited. Utilizing RFID for the tracking of international shipments, and the security of the high value contents of shipment, has proven to be a technically sound and cost effective approach for international household goods shipments.

The Association’s technology partners, in an initiative sponsored by American Red Ball, worked with local and port agents, and SDDC

to test RFID on several international shipments both ways between US Army bases in Germany and the West Coast of the United States. Low-cost “passive RFID tags,” those that do not require battery and are essentially electronic bar codes were used. These tags were placed on high-value items by the packers as well as on the lift vans. The packers used a small handheld device to electronically read them at the time they were placed on the items.

At the local and port agents, antennas (known as readers) were mounted on dock doors to enable the reading of the signals from the tags on the lift vans and the high value items. These shipments were “read” when they entered and exited the agents’ facilities. A shipment that transited through two port agents, as well as the origin and destination agent would be read a total of eight times, once upon arrival and again upon being dispatched from an agent’s facility.

The read rate on the test shipments was virtually 100%. The reason that these tests resulted in such a high capability for reads is that they didn’t include liquid or metal packed in such a way as to shroud the tags. There were relatively few high-value tagged items per lift van and they were not blocked by metal or liquid for 360 degrees like a carton in the middle of a pallet load comprised of metal or liquid products would be, like much of what is received by both Wal-Mart and DoD.

This was an “alpha” test designed to test the efficacy of using RFID for international household goods. American Red Ball is planning on expanding the base for the use of RFID with further installations and several other forwarders are investigating its applicability to their operations from a cost-effectiveness standpoint.

It is anticipated that the use of RFID will represent an effective, and cost efficient, approach to providing real time in transit visibility for HHG shipments while greatly enhancing the security of the contents. It should also be noted that there is precedence in both the commercial and DOD supplies operation for RFID being the foundation for legal proof of delivery. American Red Ball, and a few other companies that are planning on implementing this solution, believe not only that cost can be reduced for claims but that it will provide a significant advantage in the commercial marketplace.

Don Robinson is president of DJ Robinson & Associates.

Online Technology Revolutionizes Insurance Buys For International Relocations

By Gadi Binniss

In the global business environment of today, no business can advance and profit without the benefit of technology. Whether it is for the way it expedites communication with the public, or for the benefit of internal processes, technology is the driving force behind innovative and successful businesses today.

As CEO of MovingInsurance.com, I put special emphasis on ways to differentiate our company from the other insurance providers in our marketplace. At the time our company was launched, the industry was designed in a manner that involved tremendous paperwork and long processes, while going through many insurance carriers. These processes were quite confusing, time consuming and slowed the quote or policy binding time.

Our goal was to revamp the moving insurance industry by offering a technological solution that would streamline and improve the relocation insurance process. With this in mind, we developed the idea of providing online moving insurance. By offering online moving insurance policies we became the pioneering paperless and technologically advanced insurance agency for all relocation needs, domestic and international.

Early on we realized people all over the world utilize our system to obtain moving insurance, and as a service provider with this large scope, our product needs to be available all day, every day. Our users vary from those looking for general information to the actual customer purchasing coverage. We offer a broad range of information and organize it logically so all visitors can find the information they need.

To respond to these needs we have developed a system which provides exclusive, real-time information from top insurance providers, through which customers are able to purchase insurance policies 24 hours a day from anywhere in the world. The entire process is easy, quick, and self-explanatory. At its conclusion, a policy is purchased online, a proof of purchase and a certificate of insurance is issued, the insurance carrier and the moving carrier are informed of the policy, and—most important—the customer is insured!

Our programs incorporate all door-to-door services, from packing to pick-up to transport and ultimately delivery, as well as any storage needs in between. We provide coverage for any country to country relocation and intra-country moves around the globe as well. Our company is a multi-lingual agency and while communicating via the Internet, every customer has only one point of contact the entire time; from purchasing of insurance through claims management, our Website IS this one point of contact.

Along with our customers, the individual and families insuring their goods, international relocations agents are now also able to go online and within minutes, any time of day or night (no matter what time zone you are in), make sure that their customers are safe, secure and insured.

Gadi Binniss is CEO of MovingInsurance.com.

Easing Customer Stress with Technology

By David Mazafi

As CEO of NY International Shipping, I've seen first-hand the stress that is inherent in any relocation process. When the relocation is overseas, that stress level is ten-fold.

At NY International Shipping we pride ourselves on our customer service and our commitment to streamlining the relocation process. Through our increasingly advanced technology, our ability to constantly upgrade has guaranteed an entirely more efficient system. Overall, the complexity of a cross-continental move has been eased by the use of advanced software applications and the rampant use of e-mail; downtimes are eliminated, operations are more user-friendly, and customer stress is significantly reduced.

By simply visiting NYShipping.Com, customers can logon and get an accurate online quote in less than 24 hours. Additionally, customers can track their shipments online through any available Internet connection in real time. Agents are directed to their own "Online Agent Center," which allows them to request rates online with a few clicks of the mouse. Such conveniences that were once unthought-of are now standard in a demanding, growing global market.

At NY International Shipping, technology's greatest impact has been in disentangling the bureaucratic complexities of moving abroad. The amount of official forms, procedures, customs, declarations, and red tape has never been more of a potential burden to our clients. Nevertheless, although the formalities of relocating overseas may be arduous, the process on our clients end is virtually painless. Thanks to advanced information systems in the hands of our stellar staff, NY International Shipping is moving closer and closer to a completely paperless work environment.

NY International Shipping has always believed that a well-informed customer is a happy customer. With technology's help, NY International Shipping is able to process the massive quantity of data involved in an international move, keep our customers informed, and always manage to stay ahead of the curve.

David Mazafi is CEO of NY International Shipping in New York City.

A Digital Relocation

By Guy Drari

Technology has a way of making the world a smaller place. Communication between people in many different countries has never been easier, which allows international relocations to run smoother than ever before. In an industry that relies heavily on the relationship between agents worldwide, it is important to stay on top of all the innovative technologies that continue to revolutionize the field by simplifying the way people across the globe interact.

Two simple tools developed over the past decade have really made a huge impact on the way Meyer's Van Lines interacts with agents all over the world. These innovations have made cooperation and coordination between all parties involved in an international relocation so much more convenient and stress-free for vendors and customers alike. These technological wonders are the digital camera and e-mail.

You may be thinking those are two very random advancements to modernize international relocations. Well, the digital camera makes it easy for agents to coordinate quotes with other agents in other questions. Simply by taking pictures one can easily determine the size of a move, the quality of the possessions being shipped, and the necessary manpower to handle that particular move. By sending pictures back and forth, Meyer's Van Lines and their agents are all essentially in your home determining your moving needs together.

E-mail, on the other hand, has totally replaced the need for large conference calls. By CC-ing everyone involved in the relocation through e-mail, Meyer's can have all the agents involved understand, access and review their duties and responsibilities in writing at all times. It eliminates confusion that can develop over a multi-person phone call as well as give each vendor more time to articulate and explain any questions or comments they may have about their part in the relocation.

Before e-mail, Meyer's Van Lines had lengthy, confusing interactions with vendors worldwide. Now, with the advent of digital cameras, we can put each of these vendors up close and personal with the move in moments, no matter how many thousands of miles away it is.

Guy Drari is president of Meyer's Van Lines in Bronx, New York.

Technology and the Development of International Moving

By Jon Dalzell

Advances in technology have changed Isaac's Moving and Storage and the industry of international moving in ways that make it almost unrecognizable to former systems. Moving a customer around the world no longer requires an international synchronization of phone calls and faxes, which was once a logistics nightmare. Today, the business of international relocation benefits from a cutting-edge revolution in communications and development of new technology.

One innovation that has changed the business of international moving for not only Isaac's but the entire world is e-mail. E-mail allows coordinators of intricate operations to simultaneously communicate with all the invested parties in real-time. By simply clicking the "send" button, contractors can send virtually unlimited information in an instant to anywhere in the world. The copy/scanner machine, which is standard office equipment, eliminates the long, drawn-out process of faxing documents by converting this into a streamlined process of completely accurate document sending. No longer do we have to wait by the fax machine counting pages to make sure a critical document hasn't been lost in the shuffle.

The widespread use of the cell phone and most recently the Blackberry now allows the coordinators of a potentially complex move not only to communicate verbally but also to exchange printed data and messages through this portable e-mail receiver/sender. This entire process can take place today without any of the involved parties having to be physically located in an office. This innovation has had a major impact on the proficiency of the entire moving process, especially involving different time zones.

Another technological breakthrough is the recent development of the GPS tracking and navigational systems. Isaac's was a pioneer in this field when in 1998 we installed our first GPS tracking device in one of our moving trucks. The GPS tracking software allows dispatchers of an international move to pinpoint the exact location of the trucks even when no other communications devices are available (such as in remote areas with little or no cell phone reception). This allows for complete synchronization among all the involved parties and allows us to notify our customer as to the exact time of the truck's arrival, down to the minute. Today every truck in the Isaac's fleet is equipped with this GPS tracking system.

The GPS navigational device enables the driver to develop the most time-efficient truck route and allows for continual updates, which gives the driver preemptive information regarding any potential traffic delays. Thus, the driver can avoid delays before he arrives to a troubled stretch of road. The GPS also indicates to the driver addresses in new locations that do not yet appear on any available maps. Recently this GPS navigational system has been installed in every truck in the our fleet.

Our system of barcoding has made the process of international moving much more efficient. Isaac's Moving and Storage can now hold more in its storage facilities, thus allowing international movers to handle more volume at a much higher efficiency level, while remaining completely organized.

The Port Authority now operates much more efficiently, thanks to the VACIS (for Vehicle and Cargo Inspection System) machine, which has the ability to "see" the contents of containers without having to physically open them. This has tremendously simplified customs processing.

All of these technical developments have led Isaac's and the international moving business into the modern era of professional moving. These innovations benefit customers by providing them with more specialized care, while allowing the international moving company the opportunity to process more business effectively in much less time.

Jon Dalzell is director of sales at Isaac's Moving and Storage in Boston, Mass.

Improving Global Trade Management a Priority for Shippers

By Jeff Berman

Improving trade compliance and global supply chain visibility are the top two drivers for shippers in terms of their global trade management initiatives, according to a survey of 200 shippers conducted by the Aberdeen Group, a Boston-based supply chain and logistics research firm.

Aberdeen's report, *Global Trade Management Strategies: Surviving Growing Complexities in 2007*, states that best-in-class shippers are nearly three times as likely than their peers to be currently using a global trade management technology platform that can result in reduced total landed costs, shorter lead times and lead time variability, and increases customs clearance speed.

According to Viktoriya Sadlovska, Aberdeen research analyst and author of the report, these platforms also provide shippers with speed and process improvements that are now crucial in building efficiency into global supply chain operations. "One thing that makes a difference is how good and how granular data feeds are," says Sadlovska. "If [shippers] can include this granular level of data—such as advance

Best-in-class shippers are much more likely to be using a global trade management technology platform that can result in reduced total landed costs, shorter lead times and lead time variability, and increases customs clearance speed.

shipment notices created, customs clearance events, and order acknowledgement—it will give them more order and control of [global] supply chain operations and enable them to be more agile."

A key benefit to the GTM platform, says Sadlovska, is the ability to upgrade visibility data quality by adding service level agreements in contracts with shippers and logistics partners that focus on accurate and timely delivery of documents and deadlines. Another shipper benefit of using visibility technology on a global basis is that it enables them to make core corrections to their international shipments and schedule changes that may reduce lead times and lead-time variability.

Greg Hines, senior manager trade compliance with Symbol Technologies (Motorola), agrees that global supply chain visibility plat-

forms can directly impact how successful a shipper is—or not—when it comes to centralizing trade compliance processes.

"Companies that take a centralized approach with only a few platforms, or just one, are better able to manage imports and exports with a quicker turnaround in customs," says Hines. "And this gives them the ability to make sure they're taking advantage of a special trade program. If you get a customs audit, and can show customs that you have a system[s] in place, that helps mitigate risk."

Aberdeen data—based on shipper feedback—further validates how important trade compliance has become, with 58% of report respondents saying improving processes in this area is a high priority in 2007. The top trade compliance initiatives mentioned by shippers in the report include: improving total landed cost calculations (58%); strengthening C-TPAT compliance (55%); and actively using global trade management knowledge to engineer lower total landed costs on products (41%).

For Donnie Barnes, customs compliance manager for BMW Manufacturing Co. LLC, global trade management software has enabled her to eliminate the cumbersome, paper-based process that was formerly used to handle import and export processes.

Now, for things like C-TPAT compliance, she says BMW utilizes an electronic system that contacts suppliers via e-mail with a log-on ID and password; in turn, suppliers can complete a questionnaire and attach required documents.

"This allows us to review their responses, slice and dice the information and compare it with what other suppliers are doing in order to determine risk," says Barnes. "The [former] process took hours of labor to accomplish a review that is not as thorough as what we can do now in a matter of minutes...and leaves us with more time to assist the suppliers in making improvements if necessary."

While global supply chain visibility and trade compliance are front and center for shippers, the familiar mantra of cost reduction is not to be ignored, according to the report.

"Best-in-class shippers need to show more improvement in cost reduction[s] while also maintaining a high customer service level," says Sadlovska.

Jeff Berman is senior editor of Global Logistics magazine, in which this article appeared.

Technology Expedites Load-Planning

By Susan L. Hodges, Special to Transport Topics

Eight years ago, a busy day for load planner Rick Demitruk of Express-1 Expedited Solutions Inc. meant dispatching 20 to 30 loads and shepherding them through to delivery. Now, Demitruk might talk with 20 drivers in a single hour while dispatching and monitoring at least one-fourth of the 225 loads his company handles during a typical 24-hour period.

And, oddly enough, he likes his job better than ever.

"I think technology has made my job easier," said this veteran driver-turned-dispatcher.

Dispatchers for Express-1, Buchanan, Mich., are equipped with a Web-based application that includes a fully integrated Global Positioning System setup.

Before Express-1 acquired the system, Demitruk had to remember the location of each truck on the road and where and when it would empty. He also had to memorize the names and base locations of about 40 drivers.

Now, he can "ping" (seek by computer signal) a truck and in two minutes or less obtain its exact location and load status. He can talk to drivers via cellphone and even dispatch loads with a text message.

"It's a little like Wall Street," he said. "There are four of us here working loads, and our screens refresh every time a load is booked, and pop-up windows show when a load is available. We yell out who's covering what, since we try to keep them moving constantly."

So productive have good dispatchers become that Demitruk said four of them now can handle as many drivers as once required 16 dispatchers. But top-notch dispatching professionals are scarce, and the ones who can keep their heads while juggling driver schedules, customer needs and a plethora of road conditions often qualify for bonuses in addition to company recognition.

John McKenna, a regional operations manager for New England Motor Freight, said that the best dispatchers in trucking possess three important qualities: They're cool under pressure, have an outstanding ability to communicate detailed information and are excellent planners.

NEMF, a regional less-than-truckload and expedited carrier, is part of the Shevell Group, Elizabeth, N.J., which ranks No. 57 on the Transport Topics 100 list of the largest US and Canadian for-hire carriers.

"You can have really good operations people who are unable to work as dispatchers, because they can't control their emotions," McKenna said.

Dispatcher Mike McCready might be described as the essence of cool. When NEMF's Portland, Maine, terminal was closed for a precautionary investigation of a small liquid discharge, McCready and his team made adjustments to distant areas and were still able to dispatch more than 200 shipments and make the majority of the deliveries.

"We could have decided to unload the trucks and start again the next day," McCready said, "but through teamwork with my supervisors and our drivers, we completed 75% of our loads in about five hours."

So confident in McCready is terminal manager Steve Aims that, when Aims hears from a new customer who needs a 2,000-pound pickup on short notice, "I go ahead and tell them we can do it," Aims said, "because I know Mike will figure something out."

As a daytime dispatcher, McCready each morning is handed a load list from which he creates an action plan. But his job is more difficult than it would be if Maine had a full build-out of cellular base stations.

Because cells are sparse north of Augusta (in central Maine), McCready must use a virtual Whitney dispatch board to assign loads. The same technology deficit also prevents him from receiving real-time information on delivery times and customer signatures.

Even so, he and his team make every pickup and delivery, every day. McKenna said, "Mike's tenacity to communicate with drivers and work with customers has led to almost flawless execution from Portland."

Taking into consideration the pressures drivers face makes such success all the more noteworthy. In at least one segment of trucking - household moving - the rising cost of fuel has combined with high loading-labor costs and growing discounts to slash owner-operators' pay by up to \$15,000 annually.

"A lot of companies that move household goods are losing drivers right now," said John Leppell, a dispatcher with Star Moving Co., a Seattle-based affiliate of United Van Lines. It's no wonder: A driver who has taken a pay cut and is still on the road for days at a time "can go drive a dump truck for the same money and be home every night," Leppell explained.

Yet, a dispatcher who is compassionate as well as capable can make the difference between a driver who quits and one who not only stays on but also becomes committed to the company's customers.

"I like to learn their personalities and their schedule preferences," Leppell said. "I have some who'll run 365 days a year and others who like to be home long enough to get the 'honey-do' list done and have

the dog stop biting them.”

Leppell, whose tools include a trailer-tracking system, will network with other United Van Lines agents to find additional loads for drivers who want them or to have loads on the road picked up if a driver has an emergency.

“You try to build a reputation with other agents so they know if they have a problem, you’ll help them out, too,” Leppell said.

He takes the same approach with drivers, always striving to be honest and personable.

“You’re building relationships, so it’s important to always tell the truth,” he added. That approach can mean telling drivers when return loads will not be available or that only shorthauls are available for the next several days.

“I can look on our screen to see what tonnage is available and where, and [if drivers are in the dispatching office] I’ll show them the screens, too,” he explained.

On the other hand, Leppell and other good dispatchers become creative during slow periods, calling their counterparts around the country when necessary to try to find work for their drivers.

But as Express-1 dispatcher Gina McFalls noted, not every truck or driver is appropriate for every available load.

“You have to pay attention to the size of the load booked,” McFalls said. Some trucks may be too small for larger loads, and some drivers may not have enough legal hours to complete the assignment.

And because not all drivers call in with their hours, McFalls must check their schedules to learn how long they have already driven. Federal law limits a driver to 11 hours on the road and 14 hours total in service in a 24-hour period.

Once you find a driver available to take an assignment, though, he or she may have to be cajoled into taking it. Some dislike going to Chicago because of the numerous tolls or to Detroit because of frequent highway construction. And most drivers try to steer clear of short loads, because pay is by the mile.

But “if you’re upbeat and honest, you can get drivers to do just about anything—as long as it’s legal,” McFalls said. “Once they know you’re watching out for them and trying to be fair, they’ll take a load they might otherwise turn down.”

Along with Demitruk, McFalls credits the tools Express-1 has given its dispatchers to do their jobs faster and better. “At the click of a mouse, you can get anything you want about any load,” she said. “We can even search out other trucks that don’t drive for us, if we don’t have one available, and maybe partner with someone else.”

A status-planning feature in the Global Positioning System setup his company uses also allows dispatchers to enter notes about a driver’s planned events so that, at a glance, McFalls or other dispatchers know if a certain driver is available.

Such information can be especially important during deer-hunting season, said Steve Fether, a dispatcher with petroleum carrier Kenan Advantage Group: “We’ve got guys who’ll work Christmas before they’ll work the first day of deer hunting.”

Companies that work 24/7 demand a lot of their drivers and nearly as much of their dispatchers. Although Fether usually works five days on and two days off, he said he has to be flexible, because “You never know what those hours will be.”

He remembers 9/11, when his office shut down for 72 hours straight. By the time everyone returned to work, the gasoline shortage had risen to near panic levels. Fether worked more than 12 hours without a break, guiding truckers to stations that had not run out of gasoline.

In some cases, he said, these stations had such long waiting lines that the fuel trucks themselves had to wait to deliver their loads.

“But in the end, the job got done, as it so often does—by committed drivers and an outstanding dispatcher,” Fether said.

SOURCE: Transport Topics

Technology: Its Challenges and Impacts on Our Industry

By George Cooper

To consider its challenges and impacts, positive or negative, we must first define technology. According to Ayn Rand in her book, *The Ayn Rand Lexicon*, “Technology is applied science, i.e., it translates the discoveries of theoretical science into practical application to man’s life.” Since man lives according to his own values he must exist for his own sake, neither exploiting others nor allowing others to exploit him; the pursuit of one’s own rational self-interest and of his own happiness is the highest moral purpose of his life.

We therefore see that technology in and of itself can have neither a positive or negative impact on our industry. It has neither cognitive function nor free will to impose any sort of positive or negative effect. Man, however, *does* have cognitive function—and thus free will—so it is the way technology is applied that makes it positive or negative.

We use technology in a positive manner to make processes more streamlined and efficient, to pass along information to speed up activities such as clearances. We use software programs to conduct our business; they produce reports that enable us to use the information in a way that gives us better control and helps us to establish long-term goals. All of us are in business to earn a profit, and we use technology not only to make money but also to retain more of that money. These are some of the positive aspects of technology, but certainly not all of them.

Unfortunately, not all people have their self-interest in mind and this is where technology creates challenges. Surely there will always be a group of people using technology trying to take advantage of

something or someone. Some people will try to get the upper hand and make money that truly is not due them. One example is swindlers who use a mobile phone, a laptop, and a slick Website that makes them appear to be a legitimate company with worldwide offices, but who prey upon an unknowing public.

Further and to the extreme, in recent years billions of dollars have been spent on technology for our protection and in trying to thwart the people who wish us harm. A great deal of money has been poured into improving security at our ports and airports, where the movement of freight, which for the most part is harmless, has been

Although screening is intended to have a positive impact on our industry, in truth it is employed only to preclude and counter the negative.

closely regulated through the advancements in technology. There is more screening of containers through x-rays and advance notification of arriving freight, affording us greater opportunities to detect things that are meant to do us harm. Although such screening is intended to have a positive impact on our industry, in truth it is employed only to preclude and counter the negative.

George Cooper, an AMMB Representative for Oceania, works in export operations at Australian Vanlines NSW Pty Ltd. in Sydney, Australia.

Lack of Coordination May Have Undermined US Anti-Terror Efforts

By Nick Juliano

A 73-page government report has found a lack of coordination among US law enforcement agencies that in at least one case may have “compromised” efforts abroad to fight international terrorism. The report found more money is being spent fighting the war on drugs than the war on terror.



The Government Accountability Office found that agencies tasked with combating terrorism had largely failed to implement formal policies that would guide and measure their progress against terror groups abroad. The GAO found that America’s law enforcement community shifted its focus to fighting terrorism in the wake of domestic terror attacks on Sept. 11, 2001, but little has emerged to guide and measure that shift in focus.

“While the national strategies have articulated this change in direction and emphasis,” the report says, “they have not provided specific roles, objectives, resources or mechanisms for determining success.”

GAO investigators visited four US embassies abroad, although the countries visited were not disclosed for national security reasons. Embassy personnel told the GAO that “despite counterterrorism being the embassy’s highest priority, they received little to no guidance” on how to pursue those goals.

“For example,” the report notes, “in one country we visited, the lack of clear roles and responsibilities between two US LEAs [law enforcement agencies] may have compromised several joint operations intended to identify and disrupt potential terrorist activities....”

In the countries GAO visited, the US government was dedicating more money to “combat illegal drugs and criminals than to combat terrorism,” according to the report. Between 2002 and 2006, the the State Department spent more than \$220 million on anti-drug efforts and less than \$35 million on anti-terrorism assistance in one country visited.

The report was requested by Rep. Chris Shays (R-CT), who is the ranking member of a House subcommittee in charge of oversight of national security and foreign policy.

The report recommends the National Counterterrorism Center and National Security Council articulate a clearer strategy for cooperation among US and foreign law enforcement agencies and establish a protocol to measure progress in fighting terrorism.

US efforts are not having intended effects in fighting terrorism abroad, and the lack of communication and coordination among agencies is sowing confusion in the global terror-fight, noted CNN homeland security correspondent Jeanne Meserve.

“...host governments are confused,” Meserve said, and “don’t know which one [agency] to turn to when they’re dealing with a specific terrorist threat.”

SOURCE: The Raw Story (adapted from a CNN report)

New Zealand to Certify Exporters for C-TPAT

US Customs and Border Protection has recognized New Zealand's supply chain security program as meeting US standards and will reward imports from accredited New Zealand companies with fewer security inspections at ports of entry, CBP officials said.

The World Customs Organization's global framework of security and trade facilitation standards encourages customs agencies to establish cargo security partnerships with industry with the goal that membership in one program would qualify for customs benefits in another country.

Under the cooperative arrangement with the United States, New Zealand Customs will verify that exporters have met standards for securely packing containers without any smuggled goods and transporting them to the port. It will share the results for companies that have applied for the voluntary program with CBP, which will grant those boxes low-risk status and make them eligible to bypass inbound inspection.

CBP specialists have conducted joint training and validations of local exporters with New Zealand Customs, and CBP is confident it follows the same methodology for verifying companies and has strong processes in place to secure their freight shipments, Todd Owen, head of cargo and conveyance security at CBP, said.

CBP's acceptance of New Zealand's Secure Export Partnership Scheme as equivalent to its own Customs-Trade Partnership Against Terrorism (C-TPAT) is the first time a country has mutually recognized another's supply chain security program, although the recognition is only partial at this time since there is no C-TPAT component for tightening security practices for US exports.

CBP initially said it would grant reciprocal status to New Zealand's supply chain security program. CBP is likely to soon recognize Jordan's "Golden List" supply chain security program as well. Both New Zealand and Jordan are very small trading partners with the United States, but CBP views them as good test cases for the concept of mutual recognition.

In other developments, CBP said it will soon augment the C-TPAT program by opening new C-TPAT offices in Buffalo, N.Y., and Houston, raising to seven the number of field offices where supply chain security specialists interact with importers in the voluntary program.

CBP hopes to bring on board 40 additional auditors by the end of the year using new funding from Congress, bringing the C-TPAT force to 196 officers.

CBP also plans to open up new industry enrollment sectors, including Mexican highway carriers that operate within the country, foreign terminal operators and third-party logistics providers. Mexican trucking companies that shuttle goods across the border are already allowed to apply for C-TPAT status.

CBP hopes to have security criteria in place covering 3PLs by the end of the summer, but the process is more difficult because the logistics industry uses so many subcontractors. CBP will then turn its attention to setting requirements and opening the program to bonded warehouses and Foreign Trade Zones by the fall.

SOURCE: American Shipper+ Shippers' NewsWire

Ridge: Keep Politics Out of Security

Security needs must be balanced with the needs of commerce if they are to be successful, according to Tom Ridge, a key architect of the US strategy on homeland security.

Addressing the Homeland Port Security Conference sponsored by the US Naval Institute, Ridge, the first secretary of the Department of Homeland Security, admonished national industry, intelligence, and military leaders not to allow politics to cloud their decisionmaking, as he said it did when Congress derailed the buyout of P&O Ports' US holdings by Dubai Ports World.

"This was a classic example, where politics, not security, resulted in an outcome that I frankly don't think was good for this country.... We missed some real opportunities there with a modern Muslim country," Ridge said.

He said communities need the energy and that security and economic concerns need to be considered together. "We must find the right balance."

Security Upgrades Cost Canadian Transportation Companies up to \$2.6 Billion, Analysis Finds

Domestic and United States security measures implemented after the Sept. 11, 2001, terrorist attacks cost the Canadian transportation sector as much as \$2.6 billion, according to a new report. The economic analysis, submitted by a consultant in May to Transport Canada, examined the financial impact on Canadian air carriers, airports, rail carriers, marine port authorities, shipping lines, and trucking companies. Among the findings:

- Direct and indirect operating cost impact on the entire industry was estimated at \$315–\$549 million per year from Sept. 11, 2001, to April 2005, with an additional \$511–\$608 million in capital costs accumulated over the same time period.
- While the federal government initiated numerous initiatives to bolster security at border crossings and airports following 9/11, it was stringent US measures that accounted for 86% of the higher cost. The numbers are based on 56 in-depth interviews with major transportation companies and almost 1,000 mail-out surveys.
- The cross-border trucking industry was hit hardest on the operating side, the economic analysis suggests. Much of the cost was related to delays at crossings, where long lines and new regulations forced carriers to pre-file invoices with information about truckloads meant, meaning an average one-hour increase in wait times.
- **The report estimates that wait times alone cost \$231-\$433 million per year**, with millions more spent on administration to comply with the US Customs and Border Protection’s post-9/11 “Pre-Arrival Processing System.” Additional spending was related to training drivers on security measures, getting them approved to cross the border, security surcharges, computer system improvements, etc.
- Since Sept. 11, 2001, the United States and Canada worked on various cross-border initiatives to speed crossing. The report notes queue times at the border have decreased significantly since late 2004. While the Canadian government touted security investments in all of its post-9/11 budgets, the analysis suggests almost all of the increased operating costs were borne by industry. Federal funding reportedly covered less than 1%. Instead, politicians directed available money at more tangible capital costs.
- Airports felt the brunt of capital expenditures related to security improvements, such as adding additional space and modifying areas, ceding valuable retail area to government and law enforcement, improving computer systems and security equipment. This cost an estimated \$328-\$355 million in costs, with the federal government contributing up to 89% of that. Much of it was related to accommodating the creation of the Canadian Air Transport Security Authority, which took over responsibility for passenger and cargo screening following 9/11.
- Of the estimated \$511-\$608 million spent on capital costs across all transportation industries, the Canadian government covered about 60%.
- Airlines, hit hard by passenger declines following the attacks, also felt the effects of at least 22 new aviation-specific security measures, procedures, and resource requirements (e.g., installing reinforced cockpit doors, giving up seats to air marshals, collection and maintenance of passenger screening data, increased information technology requirements, and US aviation security fees).
- The impact on staffing hours was significant, such as in instances where passengers gave suspicious and “stupid” responses, requiring substantial staff time to alert security officials and resolve the issue. The overall economic impact on airlines likely was about \$112 million for the years in question.
- The cost impact represents a small fraction of revenues, but may have a major impact on air carrier profitability. Compared with the aviation and trucking industries, the security cost impact on railways, port authorities, marine facilities and shipping companies were negligible.

[Many of these studies will emerge in the months to come as those in the transportation sector grow more concerned about the number of new security regulations working their way through the US Congress. It has been noted by many companies that the cost of security compliance has grown and there is still significant confusion as what the liability may be for failing to comply with some of the new recommendations and regulations.]

SOURCE: Ottawa Citizen and Roadway Business Intelligence

Late Funding Delays Base Closure Projects

By Gina Cavallaro

The Army's long wait for money from Congress has pushed back some of the base closure projects officials had planned to complete in fiscal 2007.

"There were 75 projects, 39 of them we couldn't begin to start until we got the supplemental [funding]," said Lt. Gen. Robert Wilson, assistant chief of staff at the Installation Management Command.

"You can keep pushing things to the right, but eventually it's going to pile up on you," he said. Compounding the backup of projects, he noted, are delays caused by operational requirements for the war in Iraq, such as the three-month extension for deployed units. Those delays will have a ripple effect on the timing of moving families to posts where some brigades will re-flag when they redeploy.

"The 15-month deployment versus the 12-month deployment is causing changes in movement. The extensions and the surge have a cause and effect on our plans. That's just something we deal with every day," said Wilson.

Installation Management Command, he said, has to balance the Army's resources and needs with those of soldiers and their families, school schedules, jobs, permanent change-of-station moves and the effect of extended deployments.

"All of that has a stress effect on families and we're working hard to lessen that stress," he said.

IMCom manages \$14 billion annually for 154 Army installations worldwide.

In addition to the 2007 projects, 89 projects are slated for fiscal 2008, 86 for 2009, and 83 for 2010, at which point, by law, all the projects must be complete under the 2005 Base Realignment and Closure provisions.

That includes returning 50,000 soldiers and their families to the United States, closing eight leased facilities, closing 13 installations and realigning others.

SOURCE: Army Times

TRANSCOM Changes Sealift Contract Policy

US Transportation Command has had a policy favoring using more expensive commercial sealift over military sealift, costing the military additional millions.

A new report from the Pentagon's inspector general investigated and dismissed several hotline allegations that USTRANSCOM was deliberately choosing higher cost commercial vessels instead of military cargo when large amounts of equipment and people have to be moved.

It found, instead, that USTRANSCOM was not looking at cost comparisons at all; its policy favors commercial vessels in wartime whenever practical.

In one case—the movement of a brigade of the 25th Infantry Division from Hawaii to the National Training Center in California by commercial vessel—the USTRANSCOM policy may have cost the military an excess of \$3.2 million over the cost of using a Navy ship.

The commercial ship from Hawaii to California cost USTRANSCOM \$6.7 million. The ride back on a naval vessel cost \$3.5 million.

"The current USTRANSCOM surface business model does not require planners to consider the use of an activated government-owned vessel before selecting a commercial vessel. Thus, it is inconsistent with (Pentagon) guidance, which requires a cost analysis when multiple shipping options exist," the IG report said.

USTRANSCOM maintains that the selection of a commercial vessel to move the brigade in question was intentional: It was "a conscious decision involving the need to demonstrate whether commercial partners could execute a time-sensitive move of one of three new United States Pacific Command (Stryker) brigades," according to the report.

USTRANSCOM has agreed to change its policy to compare the cost of both private and military sealift options before deciding which to use.

SOURCE: United Press International

Group Advocates Shielding Contractors' Revenue, Employee Counts

By Jenny Mandel

An association representing federal contractors has requested that key data related to company size be withheld from the public, a measure that watchdog groups say would restrict access to important information.

The Professional Services Council, an Arlington, Va., group, made the request in response to a notice of the pending release of information on all companies included in the Central Contractor Registration database. Undisclosed parties sought the release of the information under the Freedom of Information Act, according to the notice.

In its comments, PSC asked that three fields—annual revenue, a company's number of employees and a company-specific identification code—be excluded from publication, along with other fields such as bank account and routing numbers that the Defense Department office managing the registry has said are exempt from disclosure.

(EDITOR'S NOTE: *This disclosure of information would impact the household goods industry, as registration in the Central Contractor Registration database is a prerequisite to participating in the DoD Personal Property Program and many other government transportation programs.*)

DoD Announces More Germany Closings

By Jim Tice

Soldier communities at Darmstadt, Hanau, Buedingen, Gelnhausen and Mannheim, Germany, are the focus of more drawdown actions for US Army Europe. Under a plan announced three years ago by the Pentagon, USAREUR is moving toward a force of 28,000 soldiers in Germany and Italy. That is a reduction of 40,000 soldiers below the previous manning level. The exact timing of the drawdown is not final because of budgeting delays related to the construction of new facilities in the United States, but officials expect that most of the major moves will be completed by 2010–2011.

The moves announced July 10 by USAREUR headquarters in Heidelberg are in addition to other restationing plans announced early this year.

The new data show that facilities in Darmstadt and Hanau will be returned to the German government in early fiscal 2009, and Turley Barracks in Mannheim by this October. Also, the Army will return facilities in Buedingen and Gelnhausen to the Germans following the impending inactivation of the 1st Armored Division's 1st Squadron, 1st Cavalry Regiment. Facilities marked for closure include Armstrong Barracks, Armstrong Village Family Housing Area, Buedingen Ammunition Area, Buedingen Army Heliport and Tiergarten Training Area in Buedingen and Coleman Family Housing Area in Gelnhausen.

SOURCE: ArmyTimes.com

Army, Air Force Go on Offensive in Cyber War

By Bob Brewin

In an unusual act of candor, both the Army and Air Force in the past two months have issued solicitations asking the computer industry to provide technologies the services can use to wage offensive cyberattacks against enemy computer systems.

The Army's Communication and Electronics Command last month released an announcement asking the IT industry to present technologies that it could use to infiltrate enemy computer networks and communications systems. The military refers to such cyberattacks as "offensive information operations," or OIO.

The Army acknowledged in the announcement that it already has waged cyberattacks on enemy networks and communications platforms, but provided no details. But it wants to "leverage innovative technologies" to improve its cyberattacks "and prevent enemy forces from detecting and countering efforts directed against them," according to the announcement. "Technologies designed to interrupt these modern networks must use subtle, less obvious methodology that disguises the technique used, protecting the ability whenever possible to permit future use."

A Friend of Industry Retires

Col. Terry J. Kinney, a great friend and true partner to the DoD HHG community, recently retired from the United States Air Force. Col. Kinney's last assignment as the Commander at JPPSO San Antonio was one that saw him as one of the Air Force's key implementers of cutting-edge changes in the Personal Property arena. The implementation and expansion of Air Force's "Joint Overlay to TOPS" (JOLT), Regionalization, and the Air Force's new initiative, the Joint Personal Property Center (JPPC), are just a few of the programs that Col. Kinney was instrumental in bringing to fruition. Col. Kinney's frankness and openness when addressing issues endeared him to the industry. Never one to shy away from issues, Col. Kinney was quick with praise when warranted but he could also admonish when it was deserved. A real leader in every sense of the word, he will be



Col. Terry Kinney, USAF (Ret.) and his wife, Bev, at Col. Kinney's retirement ceremony.

sorely missed by the DoD HHG community. Col. Kinney's replacement at JPPSO-SAT is Col. Tony Pounds. It is anticipated that Col. Pounds will have a short stay at JPPSO-SAT, as he will be taking over as the Commander of the new JPPC later this year.

Army 4-Star to Head AfriCom

By William H. McMichael, Army Times

The deputy commander of US European Command has been nominated to become the first-ever commander of Africa Command.

Defense Secretary Robert Gates announced that President Bush has nominated Army Gen. William Ward for re-appointment to the rank of general and the top job at the new command.

"Kip" Ward, who must be confirmed for the job by the U.S. Senate, was commissioned as an infantry officer in 1971. His military service has included overseas tours in Korea, Egypt, Somalia, Bosnia, Israel, two tours in Germany and, most pertinent to the "AfriCom" assignment, Somalia.

Ward's long list of staff assignments includes a posting that should also prove valuable in his new job, should he be confirmed: Chief of the Office of Military Cooperation, at the U.S. Embassy in Egypt.

The command will begin life in October as a "sub-unified" command with "initial operating capability," headquartered in Stuttgart, Germany, and operating under European Command. It is to become a fully operational, separate unified command no later than October 2008. The ultimate headquarters location—officials say there could be more than one—is still being determined.

The administration's goal for AfriCom is "to help build the capacity of African nations and African organizations like the African Standby Force to promote peace and security and respond to crises on the continent." The command will also, according to DoD, "coordinate DoD support to other U.S. government programs for Africa in the areas of diplomacy and development to help make those efforts more effective."



Young Professionals

“Leadership Through Innovation”

YP-35 Members Reflect on Technology

Technology for Tremendous Changes in African Commerce

By Samson Befekadu

Access to information and communication technologies is becoming increasingly significant for the African community’s participation in all perspectives of life at national and international levels. Advances in electronic communication networks have created enormous business opportunities for countries in Africa.

Many African nations have already made progress in establishing Internet links that have allowed them to join the network mainstream. Technology is affecting our region vastly, and many believe that the use of technology can make improvements in management. In the transportation and logistics industry, it is widely used to help reduce and control costs, monitor traffic, respond to customers’ needs, and communicate efficiently, thanks to the Internet and its attributes, telecom, GPS tracking, EMS technologies, and so forth. The ability to connect with our colleagues both within Africa and outside the continent, and to jointly define work issues and concerns, and develop research agendas and share information is greatly enhanced by the availability of some of the new information technologies.

Technology itself is evolving for the better, and getting connected and staying up-to-date with the technological resources available to us is the now most important occupation in the business sector of the African commerce.

YP-35 Board member Samson Befekadu is with GREEN International Logistic Services PLC in Addis Ababa, Ethiopia.

We look forward to welcoming all YP-35 members to New York City!

Real Solutions for a Changing Industry

By Brian Crowley

Today’s real-time world needs real-time solutions. Over the past 20 years, communications technology has continuously evolved. Each new generation of technology has provided speedier and more efficient communication. From “snail mail” we progressed to overnight delivery, then to online document storage and distribution systems. Real-time communication evolved from telephone to telex, telex to fax, fax to e-mail and automated data exchange.

Many businesses in the transportation sector have not only profited from the basic capabilities of these new technologies in terms of internal efficiencies, but they have also found innovative ways to use them to provide ancillary services that dramatically increase business leverage, capacity, and volume. Where would UPS, FedEx, DHL, and many others be today had they not invested huge amounts of money and time developing IT-based ancillary services such as tracking and online customer tools? Where would the airline industry be today without the ability to reach out and deal directly with both established and prospective customers?

The greatest technological breakthrough in the past 10 years is without a doubt the Internet. High-speed access is now available practically worldwide. The days of installing special programs or modifications and performing daily backups at each computer are over. Internet-enabled software requires only a normal computer with no specialized software. All data is centrally stored on a server connected to the Internet. Ever wished you could access shipment data and documents from an Internet cafe, airport lounge or even hotel room? Well you can, or at least should be able to do so.

If you are not into IT, you simply are not in business.

Many sectors within the transportation industry have not been able to fully utilize new technology for true commercial gain. The limiting factors that inhibit progress are:

- **Segmented business roles.** Moving a shipment from point A to point B more often than not requires the services of several

continued on next page

Website: www.yp-35.org

An organization within the HHGFAA for Young Professionals 35 years of age and under



ATTENTION YP-35 MEMBERS: Please check your contact details and e-mail address on the YP-35 Website (www.yp-35.org) and let us know if any corrections need to be made so that we may properly contact you and keep you informed. Make sure that your birth date is listed! If you have difficulty accessing the Website, or if you have questions or ideas concerning YP-35, please e-mail pcolmenares@portan.com

Crowley

from previous page

business partners: local agents, trucking companies, port agents, and carriers. Although each organization within the chain developed their own IT capabilities to provide efficiencies within their organizations, their efforts did not extend beyond.

- **Software design limitations.** The software in use today by the majority of transportation providers is severely limited, either by use of legacy software that was simply not designed for new requirements or by critical database design flaws. In many cases both factors weigh in.
- **Lack of standardized data exchange protocols.** We can move the shipment, but we can't move the data. Few if any data and document exchange standards exist that fully meet industry requirements. Our IT systems typically cannot talk with each other, forcing use of slower, less efficient, and more costly communication technology.

The costs of IT are high, in terms of not only money but time as well. Inaction, however, can be even costlier. A good example is evident in the military sector, where the inability of industry to meet customer demand for real-time information has forced the customer to take bold and costly steps forward by providing their own solution that is not tailored to the needs of industry. Not only will this burden industry with drastic changes in workflow and additional costs, but it also poses the question of whether or not real-time data necessary to “drive” this system can even be provided by industry.

Any effective IT solution must overcome all the hurdles listed above simultaneously. Anything less simply will not work. The requirements are that they:

- must overcome traditionally segmented business practices by allowing access to all organizations in the transportation chain;
- must reflect state of the art technology and sound database design principles;
- must be able to accept and provide shipment data and documents while maintaining a high level of business integrity and security;
- must be affordable and efficient and fully tested; and

- must conform to industry work flow and practices—built by industry, for industry.

A daunting task? You bet it is. Even so, a few have risen to meet this challenge.

Several carriers and general agents have developed information portals and data entry facilities for local and port agencies that work directly with them. Unfortunately, proprietary software solutions often create additional administrative workload instead. A good example is a local moving and storage company working with several carriers. Double or even triple data entry into different software programs may be required.

Military Move Management is likely one of the most advanced systems available today that overcomes limitations of proprietary systems by allowing access to all interested parties. Built on the philosophy that the most important and critical information is provided by local and port agents, it provides all administrative features needed to process shipments and distribute documents electronically via the Internet. This system is currently being used by 25 agents throughout Europe, Guam, and Korea, and has been in service over 5 years. Automated data exchange services are also provided to carriers and general/port agents. Interested parties can contact support@milmove.info for details.

The ability to communicate and exchange data in real time with customers and business partners is rapidly becoming the most critical aspect of the transportation industry. The question is no longer “Can we afford to?” but rather “Can we afford not to?”

Brian Crowley is a YP-35 member in Belgium.



A Market-Driven Technology That Raises Expectations

By Victor Castañon

The evolution of the moving industry over the last 20 years provides an intriguing example of how global technologies can change markets and how markets can drive technology. It also provides important and useful insights into how technological advances affect the way work is done, not only in the transportation industry, but also in many other industries.

Historically, technology, and markets have been in a constant state of push and pull, with first one leading, then the other. Sometimes it is technology that drives major market changes; sometimes markets drive technology development. Technology breakthroughs change markets, but then the market adapts, and market forces push the new technology to respond for competitive advantage.

In today's high-tech society it is easy to do business without having to ever having face-to-face contact with your clients. With the inventions of Internet, Instant Messenger, and even virtual conference rooms, it is now possible to do business from practically anywhere.

There are some businesses, such as the airline JetBlue, that realize significant savings by having many employees work from home.

As technology improves, customers' expectations also become higher. They want things done faster and better than before and also at a lower cost. This increases supply and demand and therefore the competition.

Markets are value-driven; "faster, cheaper, better" have become the watchwords.

Businesses today are going global; it's no longer just an option. They need global vision, capabilities, and reach to take advantage of the international opportunities that result from international competition. Competing globally, of course, requires knowledge of local regulations, standards, practices, and customs. An understanding of international standards and practices is crucial.

Working in an environment of continuous, rapid change requires businesses to foster creativity. Changing technology requires continuing personal development and lifelong learning. Employees need to accept new challenges to build their technical competence and maintain the currency of their knowledge, as well as to augment their technical capabilities with strong skills in business, management, and finance. Associated skills that may need to be developed include computer literacy, communications skills, and the management of virtual teams and organizations.

But learning skills is not enough. Managing career and development in a broader sense requires seeking out challenge and opportunity, not only to demonstrate skills but also to make them grow further. So, people, you need to get involved with technology.

YP-35 Board member Victor Castañon works at Relocation & Moving Solutions (RE-MOVE), Mexico City.

AFWSF Helped HHGFAA Staffer Pursue Master's Degree

The Household Goods Forwarders Association of America, Inc. is pleased to announce that **Boris Populoh**, the Association's Director of Programs and Education, has recently been awarded a Master's degree in Transportation Policy, Operations and Logistics (TPOL) from George Mason University in Fairfax, Va.

The TPOL program is a multi-disciplinary approach to transportation, emphasizing policy, economics, law, finance, as well as operations and logistics, to provide transportation professionals with an in-depth understanding of today's logistically integrated intermodal transportation industry.

During his studies, Boris took advantage of the Alan F. Wohlstetter Scholarship Fund, which assisted him financially in obtaining his degree. Boris noted that "having the opportunity to apply for and ultimately being awarded the Alan F. Wohlstetter Scholarship was a great honor" and provided him a direct connection to the industry in which he has already spent nearly 20 years.

ALAN F. WOHLSTETTER SCHOLARSHIP UPDATE

The Alan F. Wohlstetter Scholarship Fund is the cornerstone for the HHGFAA Scholastic Assistance Program, which is aimed at promoting and supporting individuals engaged in higher education involved in the areas of transportation and logistics. Donations (by major annual giving levels) to the Alan F. Wohlstetter Scholarship Fund received in the last 12 months are as follows:

Platinum (\$5,000 or more)

Matson Navigation Company
San Francisco Hilton & Towers
Tri Star Freight Systems, Inc.

Gold (\$2,500–\$4,999)

*ABBA International
Continental Van Lines
P & F Safepac Company Ltd.
Royal Hawaiian Movers

Silver (\$1,000–\$2,499)

All American Moving Group, LLC
American Vanpac Carriers Inc.
Approved Forwarders
Arpin International Group, Inc.

Blonde International Services, Inc.
Cartwright International Van Lines, Inc.
*Covan International

Evergreen Forwarding, Inc.
Horizon Lines
*Interstate Worldwide Relocation
National Forwarding Company, Inc.
National Van Lines, Inc.
The Pasha Group
World International Forwarding Inc.

Bronze (\$500–\$999)

7M Transport, Inc.
Axis International
Dell Forwarding
Gateways International Inc.

Terry R. Head
M. Dyer & Sons, Inc.
North & South Logistics, Inc.
*S&E Transportation, LLC
The Day Companies, Inc.
The Trilogy Group
True North Relocations

In Kind or Other

Jackie and George Agner
American Fast Freight
American World Forwarders Inc.
Belvian and Gloria Carrington
Doug Finke
*Henry Harsch HH AG

*Denotes contributions received since the previous issue of **The Portal** was published.

Boldface type denotes repeat donors (within the 12-month period of September 1, 2006–September 30, 2007.)

Join this prestigious list of contributors by sending your contribution TODAY! For more information on how to donate, please go to www.afwscholarship.org. Make checks payable to Alan F. Wohlstetter Scholarship Fund.

Alan F. Wohlstetter Scholarship Fund
5904 Richmond Highway, Suite 404 • Alexandria, VA 22303
Phone: (703) 317-9950 • Fax: (703) 317-9960

The Board of Directors of the Alan F. Wohlstetter Scholarship Fund urges you to consider a contribution or donation to the Scholarship Fund as part of your year-end tax strategy or as you formulate your company budgets for next year. Please advise your employees that scholarships are available to qualified candidates of any HHGFAA company worldwide. For further information, visit www.afwscholarship.org.



Is someone in your company attending college?

**BECAUSE EDUCATION IS THE CORNERSTONE
OF OUR INDUSTRY,**

**The Household Goods Forwarders Association of America
and the “Young Professionals” (YP-35) organization,
through the auspices of the**

Alan F. Wohlstetter Scholarship Fund

offers to qualifying individuals

5 Annual Scholarships

in areas of academic study relating to

**Transportation • Physical Distribution
Logistics • Information Technologies
Business • Accounting and Finance**

\$2,000 Scholarships

Available to Students Worldwide

**For more information, visit www.afwscholarship.org
or www.YP-35.org**

Popular Song-and-Dance Man Lends Star Power to 2007 Annual Meeting

HHGFAA is pleased to announce that actor and stage personality Ben Vereen will be the Keynote Speaker during the 45th Annual Meeting. In keeping with the meeting's location in New York City and our Broadway-based theme, "All the World's a Stage," Vereen will speak and perform during the primary luncheon scheduled for Tuesday, Oct. 16. Vereen's remarks and performance will take the audience on a "Trip to Broadway" and demonstrate how music is the universal language and how it ties us all together.

Emmy and Tony Award winner Ben Vereen is loved by millions around the globe. From Broadway's "Chicago" to television's "Roots" (in which he created the unforgettable Chicken George) to his triumphant return to the stage in the hit musicals "Pippin" and "Wicked," he has proven himself one of the world's most talented and versatile performers. Vereen is also known for training and mentoring such performers as Outkast, Big Boi, and Usher.

Perhaps his greatest victory, however, is his miraculous recovery from a truck accident that nearly took his life. Buoyed by the support

Our Keynote Speaker: Ben Vereen

of friends and family, and an outpouring of love from his fans around the world, Vereen simply refused to give up. Today, he is a smiling symbol of all that faith and will can accomplish in the face of overwhelming adversity.

At the lecture podium, Vereen's one-of-a-kind charm, candor, and presence are receiving raves and applause from audiences around the nation. Whether he is addressing his personal struggles and triumphs, or celebrating African-American history with a look at the ongoing journey from slavery to contemporary race relations, he is a moving speaker, natural storyteller, and consummate entertainer.

Vereen has left his mark on the Broadway stage, the concert and lecture circuit, and in film and television. His enduring success results from his unique ability to blend rare talent, artistic mastery, and discipline with a strong sense of social consciousness. That winning combination has enabled him to take on impressive musical, comedic, and dramatic roles with finesse and excellence. Many will recall Vereen's unforgettable portrayal of Chicken George in the Emmy Award-winning presentation of Alex Haley's "Roots." Vereen also recently starred opposite Terrence Howard and Outkast in the feature film "Idlewild," produced by Universal and HBO pictures.

His film work also includes roles in "All That Jazz," "Funny Lady" (which received a Golden Globe nomination), "Why Do Fools Fall in Love?" and "The Painting." Vereen's television credits include the Showtime feature "Feast of All Saints," "Touched By an Angel," "The Nanny," "Star Trek: The Next Generation," "Intruders: They Are Among Us," "The Jamie Foxx Show," "Promised Land," "Ellis Island," and "The Jesse Owens Story," as well as his own television series "Tenspeed" and "Brownshoe."

Although he has had many film and television roles, it is on stage



that Vereen has made his biggest impact as a performer. His live theatre credits include "Fosse," "Chicago," "A Christmas Carol," "I'm Not Rappaport," "Sweet Charity," "Hair," "Jesus Christ Superstar," and "Pippin." Vereen's role in "Pippin" earned him both the Tony award for Best Actor in a Musical and a Drama Desk Award. Live audiences remain Ben Vereen's first love, and the magic he created on Broadway provided the perfect springboard for his concert tours.

The American Guild of Variety Artists awarded Vereen three of its highest honors—Entertainer of the Year, Song and Dance Star, and Rising Star—making him the first performer to win these three awards in one year. With his one-man show, he continues to headline with major symphonies and on showroom stages, in Las Vegas, Los Angeles, and throughout the world. He currently resides in San Diego, Calif.

Fine Dining Awaits In the Big Apple

New York is known worldwide for its exciting theater district as well as for its vast selection of excellent restaurants. If you're planning an excursion to the Broadway theater district, here are just a few options to consider. But please note that you must make reservations well in advance. Check the Web sites for prices, addresses, phone numbers, and reservation instructions.

- **Bar Americain**, owned by celebrity Bobby Flay, serves contemporary American food. www.baramericain.com
- **Barbetta**, an ornate 18th-century palazzo-themed dining room, takes you back in time. Traditional Italian food. www.barbettarestaurant.com
- **Chez Josephine** is for lovers of jazz and features live piano nightly. www.chezjosephine.com
- **Esca** is a first-rate casual Italian seafood restaurant. www.esca.nyc.com
- **Joe Allen** is a casual, brick-lined tavern. www.joellenrestaurant.com
- **Le Bernardin**, which very well may be the best seafood restaurant in America, caters to a stylish crowd. www.le-bernardin.com
- **Osteria del Circo**, done up in a circus theme, offers outstanding Italian food in a relaxed atmosphere. www.osteriadelcirco.com
- **Tintol**, a Portuguese wine bar, serves delicious tapas (hors d'oeuvres). www.tintol.com

FMC Adds Info Requirements for OTI License Applicants

The Federal Maritime Commission has announced additional information requirements for the FMC-18 form—the Ocean Transportation Intermediary (OTI) license application. Currently, the application form requests applications to explain any prior bankruptcies. However, new language added to the FMC-18 form will expand the information required to include prior tax liens and legal judgments rendered for debts. The FMC will require this additional financial information from not only qualifying individuals, but also from all partners, directors, officers and shareholders.

The FMC requires persons or businesses wishing to operate or advertise as Ocean Freight Forwarders (OFF) or Non-Vessel Operating Common Carriers (NVOCC) in the United States to obtain OTI licenses before they begin advertising or operating.

All OTI license applicants are subject to rigorous investigation by the FMC's Bureau of Certification and Licensing (BCL) to determine if they have the necessary experience and character to render OTI services in compliance with the Shipping Act and FMC regulations. With this newly added language the FMC is emphasizing the need for OTIs to have sound financial backgrounds. The FMC issued a Notice and Request for Comments on this matter on June 8, 2007. Comments regarding this Notice must be submitted to the FMC by August 7, 2007. For the full notice and further information regarding OTI license requirements please visit the FMC website at www.fmc.gov.

Congested European Ports Turn Back Container Ships

Europe's busiest port of Rotterdam, Hamburg in Germany, and Felixstowe and Southampton in Britain all had to turn back container ships this year due to lack of docking space, say industry officials.

Europe's biggest ports are facing serious congestion as they have failed to expand quickly enough to handle booming container imports from Asia. Barge operators are facing delays in Rotterdam and Europe's second biggest port of Antwerp in Belgium, while the waiting in the Netherlands now is over two days. Trucks that carry containers inland queue for hours in Rotterdam.

Industry officials believe that the only remedy for congestion is to expand terminal capacity to cope with the booming exports of manufactured goods from China. But expansion projects are not moving fast enough to keep up with the trade flow. According to data from Europe's association for transport, logistic and Customs services CLECAT, container shipping is expected to grow 7.8% per year between 2005 and 2011, while European port

capacity is expected to rise by only 4.2%.

Congestion at west European ports was not as alarming as in some US, Asian or Russian ports, CLECAT said, but warned that the trend was unlikely to slow in the near future because of expected traffic increase.

In the first quarter of 2007, 73% of container ships arrived late in European ports, up from 45% in the same period last year, according to data from Drewry Shipping Consultants.

MARAD Issues Port Finance Survey

MARAD has released its new *Public Port Finance Survey FYs 2004 & 2005*. This report is the only one of its kind in the industry that covers US and Canadian ports. It is used by port authorities, federal and state policymakers, industry associations, and others interested in the marine transportation industry.

The Public Port Finance Survey FYs 2004 and 2005 contains financial data on maritime activities at ports, including the income statement, balance sheet, outstanding bonds, debt service, sales offices, and cargo tonnage. Two additional sections cover (1) data on contributions, donations, and grants received in fiscal years 2004 and 2005, and (2) ratio analyses.

This report is the result of a cooperative effort between the Maritime Administration and the American Association of Port Authorities (AAPA). It was prepared by MARAD's Office of Intermodal System Development, using financial information furnished by AAPA and compiled for 27 years first by AAPA or a member port and now, for the eighth year, by MARAD. The survey data were obtained by AAPA from its US and Canadian corporate membership, the US members, public port agencies, represent virtually all the major US deep-draft coastal and Great Lakes ports.

View the report at www.marad.dot.gov/index.html

SOURCE: *MarineLink*

A.P. Moller-Maersk Forms New Forwarding Division

A.P. Moller-Maersk has combined the former forwarding arm of P&O Nedlloyd with a unit of Maersk Logistics to act as the Danish shipping group's global forwarding arm. The new company, to be called **Damco**, was formed by merging Damco Sea and Air, the former forwarding division of P&O Nedlloyd, with DSL Star Express, a part of the Maersk Logistics Group.

Damco Sea and Air has traditionally been a strong forwarder in the Asia-to-Europe and Europe-North America trades, while DSL has focused primarily on the eastbound trans-Pacific trade. The new unit, which will have more than 300 offices in 55 countries, will be one of the largest transportation organizations in the world, offering a full range of services, including ocean freight, airfreight and forwarding from almost any origin to virtually any destination in the world. It will also provide landside services such as customs clearance, trucking and documentation.

Simon Preisler, vice president of international transport management North America for Maersk Inc., will be the new head of Damco USA. Bo Anderson will be the head of the global organization, which will have its headquarters in Copenhagen. [The new company is a restructuring effort for Maersk Logistics, which had earlier announced that they would be cutting back on their offerings in the US. The new company will become one of the largest forwarders in the world and will have some very significant buying power. It remains to be seen what the arrangements will look like once product encounters land transportation.]

SOURCE: *Journal of Commerce and Roadway Business Intelligence*

Maersk Swells Fleet

A.P. Moller-Maersk has taken delivery of a number of new vessels in the last few weeks with five new containerships alone delivered since mid-May.

A.P. Moller Singapore has received three 6,500-TEU ships named *Maersk Seletar*, *Maersk Sentosa*, and *Maersk Serangoon*, delivered on May 18, May 23, and May 31, respectively. On May 28 the company accepted a 6,200-TEU ship, *Maersk Kushiro*, from another Korean shipyard.

In Europe, Maersk's Volkswerft Stralsund Shipyard in Germany on June 2 named the fifth in a series of seven 4,170-TEU box ships, *Maersk Buffalo*. All of the ships in the series are to be owned by the London-based Maersk Co. Ltd. and will fly the British "Red Ensign" flag.

Meanwhile, Maersk named its newest ship, a 16,500-ton chemical/product tanker that was built at the Jiangnan shipyard. The vessel, *Nordby Maersk*, and her five sister ships will sail under the Danish flag and will be part of Swift Tankers, Maersk Tankers' chemical/product tankers pool-cooperation with Teekay.

SOURCE: American Shipper

Hamburg is Germany's Primary Container and Universal Port

With the total volume of sea-borne cargo transshipments expected to exceed 140 million t and container handling in the order of 9.5 million TEU for the year 2007, the Port of Hamburg is further consolidating its position as Germany's biggest seaport in an impressive manner. As well as the continuing growth in bulk cargo handling, today it is primarily the double-digit growth rates for containerized general cargo handling that shape developments in the Port of Hamburg. Among the world's container ports, Hamburg is now ranked in eighth position. In Hamburg's traditional core markets, for example, China and Asia generally, South America and the Baltic region, the Elbe river port has managed to extend its leading position further in recent years.

The Port of Hamburg's strong standing as a distribution hub for container traffic in northern Europe is based on the high proportion of local cargo on the one hand, and on the superb transport infrastructure linking the port to the German and European hinterland on the other. For transports carried by road, rail, feeder ship or inland-waterways vessel, the vital networks in place for moving cargo to and from the seaport are what makes Hamburg the transport hub of choice for sea-borne foreign trade in northern Europe. Of every 100 containers imported via the Port of Hamburg, an average of 10 are unpacked in the port, 30 are transported to destinations in the German and European hinterland, 30 containers originate in, or are destined for, the Hamburg economic region, and a further 30 boxes go to destinations in the neighboring Baltic region.

The movement of goods over distances of up to 200 km is clearly dominated by road transport. For overland transportation over greater distances, the railway performs a key function. Some 180 container trains are processed at the Port of Hamburg every day. Rail alone carries more than 1.5 million TEU per year from and to Hamburg. In addition to the economic centers in Germany, neighboring countries are increasingly among the major destinations. Container trains link the port to Poland, the Czech Republic, Slovakia and Hungary on a daily basis. There are also container train connections from and to Austria, Switzerland and Scandinavia. Inland waterways vessels carrying bulk and general cargo can access all the terminals in the Port of Hamburg and so provide links between the seaport and cargo handling facilities along rivers and canals throughout the hinterland. About 35 daily sailings by feeder ships to and from Hamburg's container and multipurpose terminals play an important role in the distribution of cargo.

Transport Congestion Seen Imperiling Global Economy

Inadequate transportation infrastructure and congestion will negatively affect worldwide economic growth in the years ahead, and urgent action is required globally to accelerate the pace of infrastructure development, warned Ron Widdows, CEO of Singapore-based APL, one of the world's top 10 container shipping lines.

Widdows told the European Conference of Ministers of Transport (ECMT), the continent's leading transportation officials, "If our transport infrastructure can't keep pace with the rate of growth, then big question marks hang over the continuation of the kind of economic prosperity that's been delivered this decade."

The 54-year-old ECMT, created to focus on Europe's transport issues, met in Sofia, Bulgaria, to consider a single issue for the first time: "Congestion: A Global Challenge."

Taking a global approach

Acknowledging that transportation and congestion are global concerns, the ECMT acted to expand its scope by launching the International Transport Forum. In addition to European Union and other European country ministers, ministers from Canada, Mexico and Japan, other non-European countries as well as the US Department of Transportation and the United Nations were represented at the conference.

Widdows said it was "encouraging that ministers from so many countries are meeting to discuss how best to address the impact that congestion has on global trade and economic growth. The initiative to focus on the problem as a global issue is to be commended."

This was the latest in a series of high-level alarms sounded by APL and Widdows to warn against overcrowding at seaports, highways, and railways worldwide. It was his first major opportunity to address European and other major government ministers on the impact of supply chain congestion, following a series of engagements with the US Department of Transportation and the Bush Administration's Domestic Policy Council in 2006.

Trade growth outpacing infrastructure expansion

Widdows said that transportation infrastructure can't keep pace with global growth in trade. By 2010, he said, global container volumes will be double the level of 2000. But in many of the world's key markets, he added, the transportation infrastructure won't be able to handle the load without negative impact to the flow of goods.

Massive investments are needed to modernize and expand the transport system, Widdows said. Otherwise, congestion will slow future economic growth rates, add enormous costs to global supply chains, and could lead companies to reconsider their sourcing strategies.

To illustrate the problem, Widdows said that in the first quarter of 2007, only 46% of container vessels globally arrived at ports on time—the lowest level on record. At the port of Rotterdam, only 35% of vessels arrived on time. At European ports overall, less than 30% of vessels arrived on time.

Widdows said the problem is caused by transport bottlenecks around the world. For example:

- Emerging economies in India and Vietnam urgently need to build and expand ports and inland road and railway infrastructure.
- The leading consumer economies—Europe and the United States—need expansion and greater efficiency at ports.
- Europe in particular must find a means for rail transport to play a larger role since trucks continue to be the primary mode for inland transport, creating greater congestion on the roads and a negative impact to the environment.

"Because of the highly interconnected and integrated nature of the systems that today service international trade, we need a consistent worldwide approach to implement solutions," said Widdows. "Congestion in any major part of the world's supply chain has global reverberations."

Need for "expedited, environmentally sensitive response"

Widdows called for an expedited, but environmentally sensitive response to the problems of congestion. He urged governments, shippers, and transportation industry executives to collaborate on solutions.

"Everyone with a stake in global trade has a role to play," he said. "Governments, shippers, transportation providers—we must all do, and pay, our fair share. We must all contribute ideas. And we must expect that it will take a long time."

DHS Waives WHTI Passport Requirement

Citing a significant backlog in approving passports, the US Department of Homeland Security (DHS) June 7 waived the requirement that airline travelers to Western Hemisphere countries produce a passport, provided they have proof of a passport application and a valid photo ID. This waiver will be in effect until Sept. 30, 2007.

“Common sense prevails,” said Roger Dow, president and CEO of the Travel Industry Association (TIA). “This will allow travelers to make summer plans and enter the United States while our passport officials have time to address the backlog of passport applications in an effective way.”

According to the current Western Hemisphere Travel Initiative (WHTI) regulations, travelers to Mexico, Canada, or the Caribbean are required to use their passport or an acceptable alternative identification document when crossing the land or sea border by June 2009. DHS wants to fully implement WHTI by January 2008, but recently acknowledged that technology problems will likely push back that schedule.

RFID Baggage Tagging Taking Off in the UK

London’s Heathrow Airport, one of the world’s largest and busiest, is set to begin an RFID baggage tracking trial later this year, according to vnunet.com. The trial will see RFID printers deployed at check-in desks, where bags will be tagged before being scanned as they enter into the handling system.

BAA, the airport operator corporation that will install the infrastructure, will pay close attention to the read rates of RFID versus those of the existing barcode infrastructure. “This will allow us to compare the success rate of RFID technology against our existing system,” a BAA spokeswoman said.

Peter Harrop of British research firm IDTechEx observed that the trial is a positive sign for wider RFID baggage tracking adoption in that it represents endorsement by a high-profile international airport and could induce others to follow suit. “If the biggest airport involved can prove the financial case,” he said, “others will follow.” The converse might also be true, which means that a lot is riding on Heathrow’s successful implementation of the technology. If it proves unsuccessful, other airports might decide that since Heathrow cannot make it work, neither can they.

Harrop also stated that baggage-tracking deployments should be funded by the airports because they are more financially stable than airlines. The question of who foots the bill—airlines or airports—has proved a barrier to wider adoption of the technology. The fact that airport operator BAA is installing the infrastructure at Heathrow is consistent with the European practice of airport operators undertaking the responsibility; in the United States, it is more typically the airlines.

In further evidence of the UK airport industry’s interest in RFID, Manchester Airport wrapped up a six-month passenger tracking trial in April. The airport used RFID tags to track 50,000 passenger volunteers as they moved throughout the facility with the goal of measuring and improving the efficiency of airport operations. If the trial is ultimately deemed a success, similar ones will be deployed at other airports around the UK, including Heathrow.

Private Export of Relics Earlier Than 1911 Not Allowed Outside of China

Lewis Turner, general manager, Asian Tigers K. C. DAT (China) Ltd., Beijing office, advises fellow HHGFAA members that any actual or potential customers moving now or in the future to Mainland China should be aware of a recent change to the export regulations from the Relics Bureau. The following is condensed from a newspaper article and the company is awaiting official wording from the Relics Bureau itself. Thus, the following may still be subject to change, but the new regulations are already being enforced. So you may need to alert any shippers with goods already on the water.

The 60th reigning year of the Qianlong Emperor in the Qing Dynasty (1795) was the previous standard for relics being exported from China. All relics made or produced before that year were and still are prohibited from being exported. However, this standard has been changed to 1911. “1911” will replace “1795” as the new time standard for relics being exported out of China.

Furthermore, for those important relics, the year limit is set to 1949; and for important relics and fine arts by the ethnic minorities, the limit is 1966.

Relics restricted in this revised regulation will include porcelainware, goldware, silverware, copperware, and some other metal wares; jade ware, lacquerware, glassware, carvings, and sculptures of all materials; furniture, handwritings, calligraphies and paintings, rubbings, books, documentations, weaves, and embroideries, cultural equipment, postage stamps, currencies, appliances, handicrafts and fine arts, etc.

Any customers wishing to import into China items of Chinese origin that could fall under the new regulations, must register them with the authorities prior to customs release. Anyone not doing so may have great difficulty in later re-exporting these items when they leave China.

Passenger Info Sharing Plan Moves Forward

A new airline passenger information sharing agreement between the European Union and the United States aimed at thwarting terrorism will likely go into effect yet this summer following concessions from both sides, according to the Associated Press.

The EU’s 27 nations reached a “basic political understanding” on the new deal, which was struck by EU and US negotiators. Less data on passengers would be exchanged under the new agreement, but the US would be able to hold the information for longer. Washington says it needs more information to help fight terrorism.

The agreement would replace an interim deal that expired in July. Washington warned that airlines failing to share passenger data under its anti-terror screening rules faced the loss of landing rights and fines of up to \$6,000 (€4,450) per passenger.

Differences on how to balance security and passenger privacy led to protracted negotiations after a 2004 deal on data sharing was voided last year on technical reasons by an EU court.

Under the new deal struck by German Interior Minister Wolfgang Schaeuble, EU Justice Commissioner Franco Frattini, and US Homeland Security Secretary Michael Chertoff, the number of pieces of information transferred to US authorities will be reduced from 34 to 19.

That information—such as passenger names, addresses, seat numbers, and credit card and travel details—are transferred to US authorities within 15 minutes of a flight’s departure for the United States under Washington’s anti-terror screening rules.

Data can be kept for up to 15 years, but after the first 7 years it will become “dormant” and can be accessed only on a case-by-case basis under strict rules.

Particularly sensitive data—defined as anything that could reveal a passenger’s race, religion, political views, or sexual preferences—would automatically be filtered by the US and deleted. The only exception would be when the data in question “could save the life of the passenger or somebody else’s,” diplomats said.

The Association of European Airlines described the agreement as “a very welcome development.”

SOURCE: Adapted from an article by Jan Sliva, The Associated Press

Inexpensive, But Effective Fraud Prevention

Small practices and businesses are more vulnerable to fraud and have more to lose than their corporate cousins, but a few inexpensive changes can do much to prevent workplace fraud.

Robert Kardell, a fraud prevention lecturer, forensic accountant and former special agent with the FBI, tells small firm owners to consider this: The median loss suffered by organizations with fewer than 100 employees was \$190,000 per scheme, which is higher than the median loss in even the largest companies, according to the Association of Certified Fraud Examiners (ACFE). Kardell says small businesses suffer 1,000 times the loss per employee than large companies.

Kardell, a managing consultant with BKD, LLP Forensics & Dispute Consulting in Omaha, Neb., says small firms can implement three inexpensive and effective fraud prevention techniques.

- **Encourage employees to report suspicious behavior.** Once a fraud is uncovered, Kardell often finds that some employees were suspicious, but didn't want to "rock the boat" by going public. An anonymous tip line, e-mail reporting system or even a simple drop box at the boss' office door gives employees a safe way to report their concerns. Kardell said most frauds are uncovered by accident or through employee tips. Fraud hotlines limit losses as well. According to the ACFE's 2006 Report to the Nation on Occupational Fraud and Abuse (www.acfe.com/fraud/report.asp), organizations with hotlines had a median loss of \$100,000 per scheme and detected their frauds within 15 months of inception. By contrast, organizations without hotlines suffered twice the median loss - \$200,000 - and frauds took 24 months to detect.
- **Bring fraud education to the workplace.** Kardell doesn't go into the specifics but describes the "symptoms"—an employee who is overly protective of his work, who comes in at odd hours or suddenly drives a fancy car (invariably bought with "inherited" money). "It's interesting when you give fraud awareness talks to see the lights go on over people's heads," Kardell says. Fraud education has many effects: For one, fraudsters are less likely to commit wrongdoing if they know they're being watched, and for another thing, "You've now got everyone looking out for fraud, so management doesn't have to be everywhere at once."
- **Conduct surprise audits.** Management can examine areas of the business that are susceptible to fraud—travel expense reimbursement for example—by letting the employees know that at some point a surprise audit will be done of expense reports. Regular audits are helpful, of course, but Kardell has seen fraudsters take a break from their fraudulent activities if they know documents are going to be examined at a certain time of year. The ACFE report says surprise audits are effective at preventing fraud, but not commonly used.

It's important for firm management to send the message that fraud prevention covers everyone at the company, from top to bottom. "Let them see that you're all in the same boat, that you're all in it together." If employees are the only ones being reviewed, management runs the risk of inadvertently creating more fraud because employees begin to resent the company.

Small practices and firms can also examine the internal control policies they already have in place. Oftentimes, they look good on paper, but don't work well in reality, Kardell says. For example, one company required two signatures on checks. The problem was that signer No. 1 had a master key that unlocked signer No. 2's desk, where he kept his signature stamp.

Small businesses suffer 1,000 times the loss per employee than large companies.

Separation of duties can be a challenge in small businesses too. While the policy may state that the same person who makes bank deposits should not be the same one reconciling the bank account, the rule can go out the window in case of extended absences, such as a maternity leave.

Kardell says some small business owners are reluctant to implement fraud prevention techniques if they haven't experienced problems in the past. "All the statistics show that fraud most likely is going to happen at some point," he says. An ACFE study estimates that companies lose 5% of their annual gross revenues to fraud. That's why Kardell recommends spending 2-3% of a company's gross revenues on fraud prevention.

Fraud can't be stopped completely. "It's always going to happen, but the best that you can do is come up with a good plan to deal with it when it happens, have some good fraud training and try to prevent it in the first place," he says.

SOURCE: *AccountingWEB.com*

TAXING MATTERS AT THE IRS INTERNATIONAL BUSINESS PAGE

US International Taxation Information
www.irs.gov/businesses/international/

As one wag said, the US tax code "is about ten times the size of the Bible—and, unlike the Bible, contains no good news." The U.S. isn't alone in collecting taxes, of course, and anyone engaged in international business is going to have taxes to pay, probably to multiple countries. A good resource for keeping up with U.S. tax news is the IRS International Business page (www.irs.gov/businesses/international/). There are links here to forms and schedules, articles about international taxation, tax treaties, lists of IRS offices around the world, news and events, and more.

This item was copied from the newsletter Really Useful Sites for International Trade Professionals, a free, bi-weekly email publication of FITA—The Federation of International Trade Associations.

AlwaysTel Launches Crisis Communication Service in US

Hurricane Katrina and the December 2006 Asian tsunami are just two examples of disasters that disrupted voice and data communication. In the event of a disaster, will your phone and data communication systems function? How much will you lose if your system is down for a day or a week? You need to know that you will be up and running minutes, rather than days, after a disaster.

Terrestrial providers might need days or even weeks to restore wire line connectivity, depending on the disaster, says Gil Fried of AlwaysTel. But a satellite-based system cannot be affected by natural disasters, blackouts, roadwork, or security breaches arising from terrorist attacks. Communication satellites are geostationary, orbiting at about 22,000 miles above the equator and are therefore isolated from land-based catastrophes. Satellite systems operate independently of traditional networks to provide seamless end-to-end high-speed business continuity over the air, says Fried, whose company offers satellite service worldwide.

Website: www.alwaystel.com

Computers for Poor Children

A recent *Washington Post* article by Rob Pegoraro points out that personal computers don't need what most users consider basic accessories—a modem, a CD burner, even a hard drive—to make a world of difference to economically disadvantaged students.

Intel's Classmate PC, a 3.2-pound machine built for children, may look like a toy, but it's rugged and inexpensive: only about \$225 for this wireless-enabled laptop when bought in bulk. Intel hopes that the One Laptop Per Child project, begun by the Massachusetts Institute of Technology's Media Lab, will ultimately gain a following in US schools as well. For now, though, the MIT laptop offers a high-resolution screen with the capability to access the Internet from far-flung schools and villages. The MIT group is trying to offer its XO laptops for around \$175 initially but hopes eventually to get the cost down to \$100.

Intel's goal of providing very inexpensive computers, says Pegoraro, apparently forced the company "to think seriously about how much computer people really need."

The Classmate is a sturdy 1.75 inches thick, water-resistant, with a 7-inch, low-resolution screen and underside protected by padded blue plastic. A handle in the back allows one to carry it easily. The keys are smaller than those on a standard laptop keyboard, and some commonly used keys are missing, such as the right-hand shift key. (Users can also input information with a special digital pen.)

The Classmate offers very basic features and few bells and whistles. But as Pegoraro points out, "functioning as a simple Web

and e-mail device connected to a wired or wireless network ... the Classmate works."

(EDITOR'S NOTE: This story is relevant to HHG shipping and forwarding because, as technology takes hold around the world, our industry will need educated and computer-knowledgeable people, at all levels, within a company to ensure that HHGFAA members and their customers reap the benefits from the investments being made in technology today. It's one thing to have computers and software programs, but you're still going to need the people to operate them.)

Will You Be Ready for RFID?

Resellers and solution providers in RFID are ready with solutions, customers have been slow to embrace the technology. A survey by the Computing Technology Industry Association (CompTIA) found that 84% of technology resellers, solution providers, system integrators and consultants will or may offer RFID products and solutions in the next three years. Yet, nearly two thirds of respondents said their customers have yet to implement RFID solutions. Broader deployment of the technology has been challenged by equipment and tagging costs, unclear return-on-investment for supply chain applications, and a workforce skills shortage, said David Sommer, vice president of e-business and software solutions at CompTIA.

E-Notes

Global mobile phone use will pass the 3 billion mark—equivalent to half the world's population—for the first time in 2007 as cell phone demand booms in China, India and Africa, according to a recent survey.

From African farmers to Chinese factory workers, mobile operators will have notched up more than 3.25 billion mobile phone subscriptions worldwide by the end of the year, according to a report by UK-based telecoms analysis company The Mobile World.

Along with the Internet, the mobile phone has revolutionized communication. The mobile phone has spread from city whiz kids to third-world slum dwellers.

More than 1,000 new customers are effectively signing up for mobile phones every minute around the world, the survey showed.

"It took over 20 years to connect the first billion subscribers, but only 40 months to connect the second billion," said The Mobile World Co-Founder John Tysoe. "The three billion milestone will be passed in July 2007, just two years on."

SOURCE: *Kirstin Ridley, Reuters*

**GET CUSTOMS INFO FROM THE WORLD CUSTOMS ORGANIZATION
Links to Most Customs Authorities Worldwide
www.wcoomd.org/ie/En/CustomsWebSites/customswebsites.html**

There's more to trade than just shipping your products overseas, of course. Once your products arrive, they have to get through Customs—and that's what can really make or break you. There are different Customs requirements for different countries, and you need to know them to navigate your way successfully. You'll find lots of useful information about this subject at World Customs Organization (WCO) Customs Website (www.wcoomd.org/ie/En/CustomsWebSites/customswebsites.html). Here you'll find links to the Customs agencies for hundreds of countries, where you can read news and alerts, download forms, and find out what the latest requirements are. You can also read articles at the WCO site about the Harmonized Tariff System, Cross Border Crime, and other topics. There are also useful links, a schedule of WCO events, a bookshop, a magazine, and more.

This item is copied from the newsletter Really Useful Sites for International Trade Professionals, a free, biweekly e-mail publication of FITA—The Federation of International Trade Associations.

NAFTA Surface Trade Breaks Record

A surge in imports carried by truck added \$1 billion to total trade using surface transportation between the United States and its North American Free Trade Agreement partners Canada and Mexico in March. Overall surface trade amounted to \$69.8 billion, the highest monthly level ever recorded, according to the Bureau of Transportation Statistics of the US Department of Transportation. Year over year, the value of trade was up 2.3%. [Trade increases between NAFTA partners is likely going to continue to rise over the next several years as manufacturers open some facilities up “closer to home.” There are already a number of companies either fully shifting manufacturing from the US to Mexico, or some are opening additional facilities (in some cases re-opening facilities that had been “moth-balled”).]

SOURCE: Roadway Business Intelligence from Traffic World

Panel: Challenges for Small Carriers Numerous, but Not Life-Threatening

Despite significant regulatory and competitive challenges from the federal government and big trucking companies, small carriers are here to stay, two industry representatives told attendees of the CCJ Spring Symposium in Tuscaloosa, Ala., on June 5.

“We have 400 entities a week applying for authority,” said Dave Owen, president of the National Association of Small Trucking Companies. Owen was joined in a panel discussion—moderated by CCJ editorial director Avery Vise—by Jeff Wilmarth, president of Silver Arrow Express of Rockford, Ill.

Wilmarth stressed the small trucking company’s ability to attract and retain drivers at a local level, offering a family atmosphere and personal connection. “They want to be able to come in the door and you know them by name,” Wilmarth said. It’s that relationship that is traditionally a significant advantage for small trucking companies, but Owen said he sees that advantage as increasingly under attack. He cited as prime evidence the speed-governor petitions currently before the Federal Motor Carrier Safety Administration and the National Highway Traffic Safety Administration. Those petitions are sponsored by the American Trucking Associations and Road Safe America, in league with nine large motor carriers.

“That proposal comes from a group that supports very large carriers, who have found it economically feasible to govern trucks,” Owen said. “The tradeoff of that is they can’t find drivers who want to drive a governed truck.” Wilmarth agreed, citing numerous rear-end collisions in Silver Arrow’s home state of Illinois resulting from split 55/65 mph speed limits on many interstates.

Among other challenges to small carriers discussed were:

- **Hours-of-service rules**, particularly with regard to the expiration of the split-rest period for solo and team-driver situations, to which reaction was mixed. Wilmarth cited an improved safety record in his fleet since implementation of the new rules, but Owen said that safety eventually would be found to have been compromised by the split-rest expiration, with drivers pushed to the limit of the 14-hour window.
- **Congestion and highway privatization**. Owen proposed that, rather than lease roads and impose tolls or raise the diesel tax, the federal government should take an active role in reducing the “pork, waste and corruption” in the system. “That’s at the state and federal level. The bridge to nowhere, the big hole in Boston—it’s ridiculous how much money is wasted. Very little of it, in my opinion, gets to the highways.”
- **Electronic onboard recorders**, which Owen called “a bone the industry has thrown to the regulators to let them feel like they’ve won something or have gotten a little more control.”
- **Competition from private fleets and less-than-truckload carriers for drivers**. Wilmarth spoke of the rapid aging of the driver population among LTL and private carriers that have been luring drivers away from his fleet. “As the economy’s upturned and rates have increased dramatically,” private carriers have been “rethinking things because of the rate increases,” said Wilmarth, who described a new hire he thought was happy but who left Silver Arrow after only three months to join a private fleet, citing a better benefits package as the chief lure.

SOURCE: eTrucker

Oakland Port Uses GPS to Track Cargo Trucks

The Port of Oakland has begun using GPS technology to track the flow of cargo trucks in the area, with the goal of moving goods more efficiently while reducing air pollution.

The fourth busiest port in the country pumps out some of the most polluted air in the Bay Area. But that will be reduced dramatically by cutting the waiting time of trucks which can idle an average of two and a half hours to pick up a single container, said Omar Benjamin, the port’s executive director.

The port has used other measures to reduce air pollution. Over the last few months, it has replaced dozens of old big rigs with low-sulfur diesel trucks under a \$9 million settlement made with West Oakland neighborhood groups that sued the port for polluting the area.

Increased Trade Spurs Growth In North American Freight Transportation

Freight Transportation between the United States and the other North American Free Trade Agreement partners—Canada and Mexico—continues to grow at a strong pace. In 2006, the US transportation system carried goods for export worth \$364 billion and imports worth \$502 billion in trade.

Tracking Mexican Trucks

Opposition to the Bush administration's plan to allow some Mexican truckers to operate in the United States is mounting on Capitol Hill and gaining ground across the country—at least according to a survey released recently by the plan's opponents. But the Department of Transportation sped past a June 28 deadline for comments on its cross-border demonstration project and the wheels aren't coming off its plans yet. At least one analyst says the program probably will keep rolling. [By most accounts this proposal is dead on arrival in Congress. There is no political capital left in the White House and given the emotion that has surrounded the immigration issue there is little room to move on opening up the borders to Mexican transportation.]

SOURCE: Traffic World and Roadway Business Intelligence

Logistics Costs Up 11% in 2006

A benchmark report released by the Council of Supply Chain Management Professionals (CSCMP) shows logistics costs in the United States increased \$130 billion over 2005 to \$1.305 trillion for 2006. "In 2006, US business logistics costs accounted for 9.9 percent of our Gross Domestic Product (GDP)," said Rick Blasgen, president and CEO of CSCMP. "It is the third year in a row that logistics costs have accounted for an increasing share of GDP." Transportation costs—spurred by rising fuel costs—rose 9.4% in 2006 and represent the largest component of logistics costs. Inventory-carrying costs increased even faster, 13.5%. Researchers cited higher interest rates and higher inventory in the system as the culprits.

INDUSTRY NEWS

A look at the people and events shaping HHGFAA member companies

APPOINTMENTS

Arpin International Group has hired **Sipa Sikaulu** as a director of business development.

Sikaulu will be responsible for selling corporate accounts, marketing and business development primarily in Washington, D.C., Virginia, Maryland, West Virginia, and Delaware. He will help establish the Arpin brand name in the Washington, D.C., corporate marketplace.

Sikaulu is a seasoned international relocation professional with 13 years of experience working with companies such as Crown Relocations and McCollister's Transportation Group. Originally from Zambia, he has worked in both Russia and the United States designing and implementing business sales and marketing strategies to acquire new corporate accounts. Sikaulu is knowledgeable about Asian and European cultures and speaks both Russian and French.



Bill Whaley has joined the **Crown Worldwide Group** as general manager for its San Francisco operation. Whaley has nearly two decades of relocation industry experience on the international level, having previously worked with Crown in its Dublin, Ireland, office before a temporary leave of absence in 2005. He rejoined Crown and the San Francisco staff as general manager on June 8.

After running his own relocation business in Atlanta, Whaley joined Crown Dublin in 2002 as general manager, becoming country manager by 2005. While there he was able to secure a successful team of Crown representatives still thriving in Ireland today.



Crown Relocations has appointed **Sherry Liu** as the new general manager of Crown Hong Kong. Liu has an extensive background with the Crown Worldwide Group, and since 1999 has held various positions throughout the Asian region, including her most recent role as group quality and training manager.

Liu began her career with Crown by heading up branch operations in Hanoi, Vietnam, in 1999. Shortly thereafter she took over as general manager in Taiwan, and in 2005 she became general manager of records management and logistics for the Crown Shanghai office.

As group quality and training manager at the Holdings office in Hong Kong, Liu successfully implemented a global customer relationship management system and developed quality and sales training programs for Crown's Records Management division.

Liu is able to speak in Mandarin Chinese, Vietnamese, and French.

EXPANSIONS

The New Haven Companies recently announced the acquisition of four new businesses and 12 additional experienced salespeople to help grow its corrugated, e-crate, and truck and trailer businesses, according to company Chairman **J. Paul Levine**.

In Atlanta, New Haven acquired the assets of **Pratt Packaging**, now being run by **Pete Martinelli**, an industry executive with many years of experience in the moving and storage industry. The sales staff now include Sales Manager **Tom Ellis**, as well as **Todd Scarborough, Mike Vestal, Sam Mekmouth, and Mike Schreiner**.

In Seattle, New Haven acquired the **Goodrich Trading Co.** Combining both operations, New Haven Seattle now owns 75,000 square feet in Kent, Wash., and is managed by **John McKillip**. Working with him are **Brian Woodwick, Lyle Cummings, and Jon Goodrich**.

In Hawaii, New Haven also purchased **Goodrich Trading Co.**'s Honolulu division, adding sales and distribution.

In Denver, New Haven acquired **Chriscott Supply Co.**, a large corrugated and rental supplier. New Haven/Denver will continue to be managed by **John Endres**. **Steve McClerran**, a 30-year industry veteran, will be in sales.

Additional sales hires were announced. In New England: **Craig Bogardus**, a 25-year-veteran of the moving and storage industry, most of that time spent with Wm B Meyers' O/I division. In Southern California: **Eric Major**, a 30-year veteran in the O/I field.

Website: newhaven-usa.com



TechMate International, Inc. has acquired **Adeena LLC**, according to **Lynn Peterson**, president and CEO of TechMate.

TechMate International, which has been providing moving software for the past 17 years and pioneered the concept of an electronic mobile sales tool in 1989, has more than 5,000 installations and customers in over 40 countries.

"We would never have considered moving forward [with this merger] unless we felt that this was in the best interests of our customers and employees," said former Adeena CEO **Piet Gauchat**, who will assume responsibility for sales and marketing for TechMate. "We merged two strong companies that shared a vision for the future of our industry. The combined resources and knowledge base of both teams will allow TechMate to enhance customer support by maintaining offices in both New Jersey and in California, allowing support to be provided from 8 am EST and 8 pm EST."

"I believe firmly that the easiest and least expensive way for moving companies to impact their bottom-line is through investments in technology," said Peterson. "The future of moving will be similar to the Fed-Ex model: one-time entry, immediate access to information at any point in the relocation process, wireless data transfer and communication. With our new product line, including a Pocket PC Windows Mobile 5 driver system, we will be able to deliver this reality."



Peterson



In an effort to accommodate **Inter-American Moving Services'** growth, the firm has moved to a 35,000-square-foot warehouse that will provide employees with a streamlined security system and enough space for additional staff members.

The new space has a state-of-the-art camera security system that will insure all shipments are well protected. Along with the upgraded security system, the new space will allow Miami-based Inter-American Moving Services the space to provide clients with more services in a more expeditious fashion.

"The move will give us more space, employees and upgraded security system. Now we have more resources, so we can offer our clients more services," said owner Terence Rignault.

In addition, the company has hired **JoAnn Gray Hughes** as the new office manager. Hughes will develop structures, contacts, and partnerships to do business globally that will facilitate clients' moves. She brings more than 20 years of experience in the field of moving, packing and shipping coupled with extensive managerial experience.

Gosselin Group Fast Moving Forward

Gosselin World Wide Moving NV has restructured the Gosselin business, effective July 1. Earlier this year, Gosselin's founder, Dolf Gosselin, passed away after overseeing the exponential growth of Gosselin from a small, local transport operation to a large international organization with multiple activities related to virtually all elements of the moving and logistics industry.

The company's rapid growth, which took place both internally and through multiple acquisitions, has outstripped its original organizational and management structure. Gosselin's management therefore undertook an in-depth review of both the company's growth potential and an assessment of the most promising markets for Gosselin's future sustained growth and expansion, ultimately concluding that the company must be substantially restructured in order to allow Gosselin to maximize its growth potential in its core business activities.

The business activities and related entities will be regrouped along functional lines in order to increase operational efficiencies, reduce costs, and improve cross-organization communication and transparency. Accordingly, effective July 1, all Gosselin business activities will be realigned into three functional divisions: Gosselin Moving Division, Gosselin Logistics Division, and Gosselin Support Division.

[Editor's Note: To view details on areas of functional responsibility and companies assigned to each division, visit www.gosselin.be or, to view the company's full announcement, [click here](#).]

Accordingly, as of July 1, 2007, Gosselin World Wide Moving NV ceased operations as an operating company, since the operational activities of Gosselin

Abels Helps Deprived Children in South Africa

Abels Moving Services, through its long-standing relationship with Stuttaford Van Lines of South Africa, has donated £1,190 to Bertrams Junior School, located in one of the most deprived neighborhoods in Johannesburg.

The school serves one of the city's poorest communities, which has many refugees who are continuing to stream from war torn countries north of South Africa's borders, like the Democratic Republic of the Congo. Unemployment, violence, hunger, and crime are everyday realities for the people living within the school's catchment area.

Bertrams Junior School provides a refuge for the community's children, giving them clothes, education, a decent meal every day and hope for the future.

So what is the link between Abels, an International Removal company based in the UK, and a South African school?

Philip Pertoldi, Abels' Group managing director, explained: "We have a long business association with Stuttaford Van Lines in South Africa and got to know about Bertrams Junior School through Stuttaford's Laura Wegener, who is our business coordinator and has started a campaign, called 'Hold My Hand,' to help support the school. I was very moved by the dedication of the school's staff and their incredible work in improving the lives of its pupils, who face extreme adversity and yet are so eager to learn.

"We decided to offer our support by not invoicing Stuttafords for our services for an import shipping container (a customer moving their household and personal possessions to the UK). We proposed that all the costs for clearing customs, port fees, container haulage, administration, and of course the removal team's hours would be absorbed by Abels—meaning Stuttaford's would not be charged one rand! Instead, we asked Laura to donate the total fees to the school."

After the cheque for £1,190 (or 16,878 rands) was presented to



Headmaster John Pantland with the check and pupils of Bertrams Junior School

Bertrams Junior School, Abels received a wonderful inspirational letter of thanks from the school's Headmaster, John Pantland. In the letter he thanked Abels and stated the very important benefits that this gift will help bring to the school's pupils and the neighborhood's increasing population of children needing its support.

So just what will this help fund? The urgent expansion of the school by the purchase of neighboring land, additional reading and textbooks, and school uniforms, as well as assist its very important pupil support program, which provides an island of security for the children.

For further information about Hold my hand, which among its supporters are Abels International, FIDI 35 Club, and Stuttaford Van Lines (South Africa), e-mail laura.wegener@stuttafordvanlines.com

ISA Membership Meeting

The Annual Meeting of the membership of the International Shippers' Association will be held on Monday, Oct. 15, 2007, at the New York Marriott (Times Square) Marquis Hotel in New York, N.Y. Place: "Astor Ballroom." Time: 2:30 p.m.–3:30 p.m.

Elections for the positions of Chairman, Vice Chairman and Treasurer on the ISA Board of Directors will be held during the meeting. If you are interested in running for one of the ISA Board positions, please contact one of the following members of the ISA Nominations Committee for this year's election **before the deadline of Sept. 1.**

Doug Finke, Sterling International (e-mail: doug@sterlinginternational.com)

Jim Gaw, Bekins International (e-mail: JGaw@Bekins.com)

Steven Leff, 7 M Transport, Inc. (e-mail: stevenleff@7m-transport.com)

Nominations will be accepted from the floor; however, all candidates must qualify under the terms of the ISA By-Laws. The ISA Board must include two Active and two Associate members of HHGFAA. The positions of Chairman, Vice Chairman, and Treasurer are voted upon in alternating years and all positions are for a two-year term. During this next term the position of Chairman must be occupied by an **Active** member of HHGFAA.

Santa Fe Installs ReloAssist In All Its Far East Offices

Santa Fe Relocations has implemented ReloAssist, the relocation IT package from Move-Assist International, in all its 32 offices in 13 countries throughout the Far East. The new system brings together all the company's relocation services into a single system to provide greater efficiency and quality of service for all Santa Fe's relocation customers.

ReloAssist is easy-to-use software that provides companies with all the controls they need to manage a successful relocation company. It can handle a single operation or a multi-site company such as Santa Fe, allowing operators to manage workflow; track correspondence; and produce accurate, consistent documentation to improve productivity and help keep prices competitive.

The company needed a relo IT package because of increasing demand for relocation services from its corporate customers who required total transparency, worldwide, in real time. The Relo-Assist product was chosen after a competitive tender. Ruth Lockwood is the group manager for relocation services for Santa Fe. "We needed a system that could cope with our multiple offices and allow assignee, HR and partners to view. So after reviewing we selected ReloAssist because we felt that, when configured for us, it would be a perfect fit," she explained.

Lockwood and her colleague, James Man, toured the continent from October 2006 until April 2007 setting up the system in the company's offices, making sure that the key people were fully trained in its operation, and ensuring that it was business as usual for the Santa Fe's customers throughout the process. Man and Lockwood obviously enjoyed the experience and were delighted with the ease with which the system could be integrated with existing systems. "The software was all installed by the developer who also gave us help with the installation of the hardware and other add-on tools," said Lockwood. "This made installation quite straightforward."

The first installation was in Hong Kong in August, with the company's other offices following rapidly and the final installation in Korea in April. Installation dates for other cities in China will be confirmed soon. Despite the different countries, cultures and languages involved, there were remarkably few difficulties experienced on set up. In fact most problems came from the different skill levels of the personnel concerned. "But the system is very intuitive and for staff with experience in IT and the internet there were no major difficulties in learning how to use the system," said Lockwood.

There were some problems with the infrastructure. For example in Manila there was a 'brownout' in the power supply on the first set-up morning. "It did mean that there was no air conditioning," said Lockwood, "and, gosh, it was hot!" Lockwood also explained that Jakarta in the rainy season is a bit of a challenge and going to China in the middle of winter might not have been such a clever idea. But, apart from these practical difficulties, ReloAssist coped well with the different local requirements, even in Vietnam, where Santa Fe have recently merged with HR2B and both IT systems had to be integrated at the same time.

One anticipated problem was that of language; however, this proved not to be an obstacle at all. "The system is multi-lingual but we use English as the common media," said Man. "But ReloAssist can easily handle local languages for individual fields for which English is inappropriate."

As might be expected, a project of this size was not all fun and frolic. There were some moments of high anxiety. Top of the list — especially for Man, it appears—was the visit to Thailand. Much to his surprise he and Lockwood were picked up from the train station by chaps wearing flip-flops and riding mopeds. They were then treated to a 20-cent, white-knuckle ride through the Bangkok rush hour traffic, sidesaddle with laptops firmly strapped to their knees. "Never again," he said, "not even for Santa Fe."

Robby Wogan, MoveAssist's chief executive officer, was delighted with the way the integration had gone. He explained that the system is designed to be infinitely flexible. "We use the latest technology so that ReloAssist can grow and adapt as a company's needs change and as new technologies emerge," he said. "It makes sure the system is always up to date."

For Greaves Associates, All Was Cricket At World Cup in Barbados

When **Michael Greaves Associates (Barbados) Inc. (M.G.A.)** was contracted to provide logistical expertise to the agents for the International Cricket Council (I.C.C.) Cricket World Cup (C.W.C.) host broadcasters' equipment, they had little idea what they would be faced with.

Like any world-class sporting event, the Cricket World Cup 2007, the 9th in its generic series, attracted much attention worldwide. Third in magnitude only to the Olympic Games and the FIFA Football World Cup, The I.C.C. Cricket World Cup drew principal participants from almost every part of the British Commonwealth. It saw the participation of such teams as Australia, Bangladesh, Bermuda, Canada, England, India, Ireland, Kenya, The Netherlands, New Zealand, Pakistan, Scotland, South Africa, Sri Lanka, Zimbabwe, and, of course, the West Indies, which played host to 2 billion people around the globe, both locally and via live television. Barbados, in the climax of this global event, had the privilege and coveted honor to be the ultimate global host of the riveting finale of this tournament.

In this region, where the passion for cricket is second only to devotion to faith, the preliminary group matches were played in such parts of the Caribbean as St. Kitts & Nevis, Trinidad and Tobago, St. Lucia, St. Vincent and Jamaica. The second round, or "super" matches, were played in Antigua and Barbuda, Guyana, Grenada and Barbados. These islands, in the initial stages, had the task of eliminating the weak from the strong, even though there were some surprises when two of the more formidable teams —India and Pakistan—were removed early in the competition by lesser mortals. As a result, these two powerhouses and fan favorites, never made it to the so called "super eight" stage, where the top eight teams vied for supremacy prior to "judgment day" in Barbados. The ultimate honor eventually went to the magnificently unbeaten Australian team.

Amid the flurry of activities, the urgent need to quickly and efficiently move several tons of broadcasting, television, electrical, electronic, technical and non-technical equipment arose and only one company was selected to provide the logistics solutions for this exercise: Michael Greaves Associates (Barbados) Inc.

In its 25-plus years of providing international freight forwarding services, M.G.A., the beautiful island of Barbados, and indeed the region had never seen anything of this magnitude. And so the journey toward a new frontier began. With the aid of its esteemed and allied counterparts in the other Caribbean islands M.G.A. had to call upon its excellent staff and their years of experience to take on the tasks of coordinating, customs brokering, receiving, dispatching, securing, palletizing, forwarding, reloading, couriering, delivering, transship-



Satellite dismantling.



CEO Michael Greaves (third from left) with staff.

ping, and re-transshipping this precious cargo, to and from the other Caribbean islands where matches were played. These items varied from TV crews' t-shirts to the hawkeye cameras used film the trajectory of the ball on the field. This would have been a large part of the "behind the scenes" operations that facilitated these matches being beamed worldwide.

M.G.A. employees had to psych themselves up for this monumental task, as they buffered their crews for the immensity and intensity of the challenge ahead. It was a challenge that would see CEO Michael Greaves co-ordinate the movement of nearly 150,000 pounds of broadcast equipment; their operations manager, Karl Greaves, given the responsibility of traveling with DHL to oversee the operations of collecting and delivering, assembling, and disassembling, and rigging and derigging of this equipment at the host venues in selected islands; their customs department process over 50 pounds of paperwork; their forklift drivers become well versed in the skill of satellite erection and dismantling; and two of their packers become riggers and literally run laps around the historic renovated Kensington Oval.

M.G.A.'s team of professionals and technicians, gifted though they are, had to learn fast to master the art of knowing and handling very complicated audiovisual and computer equipment. They gained expertise in assembling television broadcast apparatus, and organizing and laying out several kilometers of electrical and electronic cables. Throughout all of this they also had to be mindful of all the stringent security aspects of the exercise. In addition, one team was required to be on the grounds on every match day from 7 a.m. to as late as 10 p.m. at night, while M.G.A.'s larger crews worked through entire nights into the early mornings so that the critical movements of the equipment could be orchestrated, facilitated and executed from island to island, sometimes within a matter of hours. At no time was the team late or absent from any part of the assignment as their transportation and collaborative efforts worked smoothly.

"Operation C.W.C." provided an unmatched opportunity to expand M.G.A.'s horizons in the freight forwarding world as the dedication and determination of their excellent staff showed that 25 years of experience, technical expertise, and professionalism were adequate tools to guarantee maximum satisfaction in minimum time. This is the type of service for which Michael Greaves Associates (Barbados) Inc. will be remembered long after the passing of Cricket World Cup 2007.

Record NCMA Gathering in Las Vegas

The **National Council of Moving Associations** (NCMA) held its 39th annual meeting in Las Vegas June 10–11 with a record number of state and regional moving associations—22 associations and 20 states—represented and in attendance. The group discussed the growing use of containers for domestic moving and storage and concluded this offers professional movers the opportunity to provide full service moving and storage to their customers.

Council members also discussed new rules affecting collective ratemaking, state regulatory changes, association member services, and other topics of common interest.

NCMA also welcomed the American Moving and Storage Association's (AMSA's) new president and CEO, Linda Bauer Darr, who held a candid and open discussion with the group's members on exploring new partnership opportunities between AMSA and other moving associations, as well as the best ways to enhance the industry's image.

Officers elected for NCMA's 2007–2008 term included Pat McLaughlin, Illinois, Chair; Pam Stanley, North Carolina, Vice Chair; and Louis Campion, Maryland, Alternate.

NCMA will meet again next year in Las Vegas.

O'Neil Software Honors Strategic Partner

No one makes it to the top alone. That's why leaders partner with leaders.

O'Neil Software recently recognized Access Information Management for Achievement in Technical Excellence at its annual Strategic Partner Conference in Huntington Beach, Calif. The company was selected for this prestigious award from a pool of more than 500 record center candidates in the Americas region. This company ingeniously created Access Edge, a proprietary interface between O'Neil's RS-SQL® and its own accounting packages such as Quick Books and/or Great Plains.

Every year O'Neil recognizes companies who have met the challenges of the records storage management industry head-on. The Achievement in Technical Excellence recognizes an organization that has taken RS-SQL to its limits and used features in new and unique ways. RS-SQL is a flexible and feature-rich information management and record tracking software solution that allows users to easily and accurately manage, track, and monitor the activity of any storable item (boxes, file folders, documents, tapes) throughout a record center, from deposit to destruction, work order to invoice. The product lightens the load on internal staff and reduces the time and effort of accessing data.

In 2006, The Access Team, along with Steve Sweeney from Advanced Database Designs, created Access Edge as a way to aggregate the data from multiple locations for reporting while providing unified support to Access' clients. It allows Access to manage account receivable, billing, credits/debits and invoices directly out of RS-SQL while maintaining the original data. The system also allows field operators to access KPIs (Key Performance Indicators) out of RS-SQL by having Access Edge import activities and data from RS-SQL on a regular schedule.

DoD Isn't the Only One Putting "Families First"

After waiting in line for an hour and a half, **Executive Moving Systems' 6'7"** tall warehouseman, Frank Harris, was told that he was too tall to ride the Volcano Roller Coaster at Kings Dominion theme park in Northern Virginia. Feeling bad for Frank, Chuck Bailey, Executive's general manager, purchased an all-day pass for the Sky Flyer. The Sky Flyer is another form of bungee jumping but has more of a swing mechanism. So, as 20 or so employees fearfully watched the "life vest" being strapped on, Frank grinned from ear to ear and handed over his sunglasses. Seconds later he was being raised some 150 feet slowly... slowly... then the ride announcer counted down, "three... two... one," and the 350-pound warehouseman flew through the air. Frank came through fine but several of Executive Moving System's employees almost had a heart attack just watching!

Executive Moving Systems, which is a family owned and operated business serving the Washington, DC, Metro Area, took 170 of their employees and their families to enjoy a Family Fun Day at Kings Dominion theme park to kick off the summer. Executive believes in putting their Families First and they begin with their employees' families.

In a time when businesses are cutting benefits of their employees, Executive is trying to figure out how to give their staff more. From health and life insurance and retention bonuses, to matching 401K, Executive's

philosophy is to make their employees' lives better.

Last winter during training classes Chuck Bailey relayed to all of Executive's employees his vision. He wanted to change the mission statement to focus on the employees instead of the customers. Chuck's philosophy? "If we take care of our employees—make sure they're having a profitable and fulfilling life and if we make sure they are happy at home—then they will take care of the company's customers."

This year Executive Moving Systems will give five \$5,000 retention bonuses to employees who have been with the company for 15 years. One of the employees took the bonus and enjoyed a long week in Las Vegas, while another is taking a 30-day vacation in



Warehouseman Frank Harris gets fitted for a bungee jump at King's Dominion.

August to spend time with family and friends. All in all, this makes dreams come true that otherwise may go unfulfilled.

The Department of Defense's Families First program that starts in the fall will not be a difficult transition for Executive Moving Systems. If the company focuses on placing their employees' Families First, it will be easy for the company's employees to model this behavior by serving the families of our soldiers, as well as Executive's corporate clients.



Executive employees enjoy a family outing at Kings Dominion in Virginia.

Paxton Exec's Wizardry Gets Harry Potter to War Zone in Afghanistan

People in war zones want to read Harry Potter, too.

About 50 lucky foreigners working in Afghanistan got their hands on a copy of “Harry Potter and the Deathly Hallows” on its release date Saturday, beating many of their friends back home who live near more conventional bookstores.

“I sent several text messages to friends and none of them had it yet, and they all said ‘I can’t believe you’re in Kabul and you got the book before us,’” said Jayne Cravens, 41, of Henderson, Ky., a U.N. worker.

John Connolly, an executive with Paxton International, a Virginia-based logistics and moving company, bought 50 copies of the book in Dubai at the exact time of its release in London. He boarded a plane to Kabul a couple of hours later with the books on board.

“Harry Potter is released worldwide at the same time. As a logistics company based in Afghanistan for five years, we saw every reason to include Afghanistan,” said Connolly, who asked customers to donate a book to the American University in Kabul in exchange for the free shipping of the book. “It was not on the publisher’s list, that’s for sure.”

Connolly said customs agents in Kabul just smiled at the books and waved him through. Soon after, he called Cravens, who rushed to Paxton’s office and ran inside “like she was 9 years old on Christmas morning.”

“It was absolutely wonderful watching her jump up and down. She definitely got the bicycle she’d asked Santa for,” Connolly said. “That’s the kind of reaction we’re getting.”

Steve Landrigan, of Boston, Mass., called it a “great joy” to be able to read Harry on its release date in Afghanistan, a location where newly released books and movies are a rare treat.

“In Afghanistan you need to laugh and to have pleasant things happen, and I think this book is going to be one of those things,” he said.

Cravens said her computer broke down on Saturday with a virus, giving her ample time to read. She was on page 100 when a reporter called her several hours after she picked up her copy.

“I thought it was a great idea for the company to do this. I can’t believe it,” she said. “There are so many things you can’t get in Kabul, but you can get Harry Potter on the day it’s released.”

SOURCE: Associated Press

WELCOME NEW MEMBERS



Georgia Angell
President
Dell Forwarding
HHGFAA Chairman

On behalf of the Household Goods Forwarders Association of America, Inc., I want to extend a warm welcome to those who are new to our organization.

ACTIVE MEMBER

NEDRAC INC.

77621 Enfield Lane, Suite 3
Palm Desert, CA 92211
Tel: (760) 345-9621
Fax: (760) 345-9641
E-mail: dave@nedrac.com
Website: www.nedra.com
P.O.C: Dave Carden

ASSOCIATE MEMBERS

ABCO John Movers World Care Int'l (Pvt) Ltd.

23-1/14, Mathew Building, Canal Row
Colombo 1, Sri Lanka
Tel: (94) 11 575 8349
Fax: (94) 11 295 7142
E-mail: abcojohn@bellmail.lk
Website: www.abcojohn.com
P.O.C: John R. De Silva
Sponsors: Executive Moving Systems, Inc., VA
Advance Relocation Systems, MD

Aaltonen Removals & Storage

Barnagore, Ovens Cork
Cork, Ireland
Tel: (353) 21 487 2405
Fax: (353) 21 487 5795
E-mail: bernie@aaltonen.ie
Website: www.aaltonen.ie
P.O.C: Bernie McEvoy
Sponsors: Advance Relocation Systems, MD
Executive Moving Systems, Inc., VA

Ace Moving & Storage

1700 S. Eastern
Oklahoma City, OK 73129
Tel: (405) 672-4425
Toll-free: (800) 654-5815
Fax: (405) 677-3531
E-mail: davidh@aceatlas.com
Website: www.karec@aceatlas.com
P.O.C: Mr. David R. Howell and Mr. Ernie Dean

American Baggage & Box Transport, Inc.

236 Pleasant Street
Methuen, MA 01844
Tel: (978) 975-0142 • Toll-free: (800) 752-6773
Fax: (978) 975-0187
E-mail: harry@discount-shippi ng.net
P.O.C: Harry Gilbey
Sponsors: Falcon Freight Forwarders, India
Inter-Grace Movers (M) Sdn. Bhd., Malaysia

DSV Air & Sea Inc.

1300 N. Sam Houston Parkway East, Suite 300
Houston, TX 77032
Tel: (281) 590-5590
Fax: (281) 590-5511
E-mail: fritz.schult@us.dsv.com
Website: dsv.com/us
P.O.C: Fritz Schult
Sponsors: ITO, TX
Premier Logistics LLC, CA

end2end logistics global pvt. Ltd.

202, Darshan, 21 R.D. Street, Fort
Mumbai, M.S. 400001, India
Tel: (91) 22 4002 9449
Fax: (91) 22 4002 9450
E-mail: info@end2endglobal.com
Website: www.end2endglobal.com
P.O.C: Mr. Yatin Ganatra
Sponsors: Australian Vanlines, Australia
Orient Express Forwarding Pte Ltd, Singapore

Expedited World Cargo

107 Executive Drive
Dulles, VA 20166
Tel: (793) 318-0100
Toll-free: (877) 434-4567
Fax: (793) 318-0200
E-mail: dh@expeditedworldcargo.com
Website: www.expeditedworldcargo.com
P.O.C: Patrick Maritato
Sponsors: SEA Corp., NC
Star International Movers, VA

Golden Box Cargo And Movers

P.O. Box 4144
Abu Dhabi, UAE
Tel: (9712) 445 5587
Fax: (9712) 445 8883
E-mail: goldenboxmovers@yahoo.com
P.O.C. Mr. Sultan Salem
Sponsors: Executive Moving Systems, Inc VA
Advance Relocation Systems, VA

Housami International Transport and Clearance

Abou Shaer Building, Free Zone Damascus
Damascus, Syria
Tel: (963) 11 9389
Fax: (963) 11 212 70 84
E-mail: info@housami.net
Website: www.housami.net
P.O.C: Francesco Maddi and Roufan Loufti
Sponsors: Zuhail Pack, UAE
T.I.S. Transport Internationals, Srl, Italy

Irish Relocation Services Limited

Portgloriam, Clane Road, Kilcock
County Kildare, Ireland
Tel: (353) 1 675 7900 * Fax: (353) 1 675 7977
E-mail: patrick.oman@relocate.ie
P.O.C: Patrick Oman and Anita Collins
Sponsors: Aires, PA
Crown Worldwide Moving & Storage, CA

Kapio Shipping

56, 58 Residence Faidherbe 1Er Etage
Dakar BP 4358, Senegal
Tel: (221) 842 72 15 * Fax: (221) 842 75 35
E-mail: kapio@orange.sn
Website: www.kapioshipping.com
P.O.C: Mr. Mactar Diallo
Sponsors: Barrett Moving and Storage, WI
Executive Moving Systems, VA

Moving Strategies Pty Ltd

Level 17, 60 Castlereagh Street
Sydney NSW 2000 Australia
Tel: (61) 2 8901 0793 * Fax: (61) 2 8901 0794
E-mail: sophiedillon@movingstrategies.com.au
Website: www.movingstrategies.com.au
P.O.C: Ms. Sophie Dillon
Sponsors: Champion International Moving Ltd, PA
Delahaye Moving, France

Nedvan International B.V.

Anthony van Leeuwenhoekweg 50
2400 AN Alphen aan den Rijn, The Netherlands
Tel: (31) 172 440 930 * Fax: (31) 172 440 939
E-mail: g.scholten@nedvaninternational.com
Website: www.nedvaninternational.com
P.O.C: Gerard Scholten
Sponsors: TEAM, The Netherlands
KHZ Removals & Logistics, The Netherlands

Nucleo Solucoes Logisticas LTDA

Rua Maria Daffre, 234
Quinta DAS Paineiras
Sao Paulo SP 03150-020 Brazil
Tel: (55) 11 6215 1525 * Fax: (55) 11 6215 1525
E-mail: irany@nucleologista.com.br
Website: www.nucleologista.com.br
Sponsors: World Pack Int'l Van Lines, Spain
Juan Beretta Mudanzas Internacionales, Brazil

One Enquiry
60 Westney Road Mangere
Auckland, New Zealand
Tel: 64 09 257 4877 * Fax: 64 09 257 4879
E-mail: info@oneenquiry.com
Website: www.oneenquiry.com
P.O.C: Sarah Williams
Sponors: in2nz.com, The Netherlands
Budget Moving International, New Zealand

PT. Geodis
Wisma Indomobil 2, 7th Floor
JL. Mt. Haryono Kav. 9
Jakarta, 13330 Indonesia
Tel: (62) 21 857 9304 * Fax: (62) 21 856 4751
E-mail: iman@geodis.co.id
Website: www.geodis.com
P.O.C: Iman Gandi Miharja and Dony Firmansyan
Sponsors: Gamblin UTS, France
Abels Moving Services, England

Platinum Moving Systems, LLC
2 Cessna Court
Gaithersburg, MD 20879
Tel: (301) 591-3858 * Fax: (301) 760-7606
E-mail: info@platinum-moving.com
Website: www.platinum-moving.com
P.O.C: Raquel Fazio and Cesar J. Rizzoni
Sponsors: Union Cargo, Florida
Confianca Mudancas & Transportes Ltda, Brazil

Santa Fe Relocation Services Korea Co. Ltd.
401, Hannam Building, 737-37
Hannam-dong, Yongson-Ku
Seoul, Korea
Tel: (82) 2 797 3383 * Fax: (82) 2 797 3386
E-mail: korea@santaferelo.com
Website: www.santaferelo.com
P.O.C: Jamie Wong

SIR Move Services Pte Ltd.
9 Shenton Way, #08-07
068813, Singapore
Tel: (65) 6534 7345
Fax; (65) 6584 7348
E-mail: alk2us@sirmove.com
Website: www.sirmove.com
P.O.C: Charles W. Scott and Shyla Anne Mathews
Sponsors: Canyon Express Logisitcs, UAE
Rainier Overseas Movers Inc., WA

Statesboro Transfer & Storage Co. Inc.
309 Mathews Road
Statesboro, GA 30458
Tel: (912) 764-6011
Toll-free: (800) 224-3683
Fax: (912) 489-8585
E-mail: sbos@frontiernet.net
Website: www.statesborotransferandstorage.com
P.O.C: Adam S. Waters
Sponsors: Executive Moving Systems, VA
Advance Relocation Systems, VA

INDIVIDUAL MEMBERS

STUDENTS

Mr. Ian Scott Millikan
(George Mason University)
Midlothian, VA

Ms. Katherine Davis
(University of Washington)
Fircrest, WA

Ms. Laurie Hernandez
(San Jose University)
Martinez, CA

INDUSTRY VETERANS

Mr Roger E. Paul
Tigard, OR

Mr. Douglas Wester
Seattle, WA



METAL SECURITY SEALS FOR SALE

Members

Non-Members

**All orders should be faxed to
Bel Carrington at
(703) 317-9960**

Under 10,000	.08 each + shipping	Under 10,000	.12 each + shipping
Over 10,000	.07 each + shipping	Over 10,000	.10 each + shipping

• SEALS MUST BE ORDERED IN SETS OF 400 •

Price List for Selected HHGFAA Publications and Miscellaneous Items

TITLE	CONUS MEMBERS	OVERSEAS MEMBERS
2007-2008 HHGFAA Membership Directory	60.00	80.00
Additional Copies of The Portal (1-year subscription)	100.00	125.00
Defense Transportation Regulations Part IV (replaces the PPTMR)	120.00	150.00
Rate Solicitation I-18	120.00	150.00
Global Transportation & Related Business Terminology	45.00	75.00
Active Members Mailing Labels	20.00	25.00
U.S. Associate Members Mailing Labels	25.00	30.00
Overseas Associate Members Mailing Labels	45.00	55.00
Training DVD & Manual: Packing & Loading Military Shipments	25.00	50.00
Training DVD & Manual: Packing & Loading Commercial Steamship Containers	40.00	70.00
SDDC Personal Property Approved International Carrier Listing	10.00	15.00

ORDER FORM

Name _____

Company _____

Mailing Address _____

Phone () _____ Fax () _____

Enclosed is my check for \$ _____ . Please send the following:

Item	Cost
_____	\$ _____
_____	\$ _____

Please charge my VISA MasterCard American Express# _____

Name on card: _____ Exp. date _____

3- or 4-digit verification (security) code on front or back of card _____

Signature _____

All orders must include check/money order payable to HHGFAA or credit card information. Mail with this form to:

**HHGFAA • 5904 Richmond Highway, Suite 404 • Alexandria, VA 22303
OR, fax with credit card information to (703) 317-9960**

Budget and Appropriations Measures in Focus

A good deal of time in each Congress is spent with the budget and appropriations process. By law, the President submits his budget to Congress in February, both Houses of Congress pass a budget resolution conference report by April 15, and Congress passes the 12 separate appropriations bills by the end of the fiscal year on Sept. 30.

In reality, Congress has not passed all of the appropriations bills by October since 1994. In 2002, 2004, and 2006 the Congress failed to adopt a budget resolution altogether, thus allowing the appropriations bills to be considered without the fiscal discipline that a budget resolution is intended to provide.

The new Democrat Congressional majority promised to move the budget and appropriations process more efficiently than their predecessors, and at least in terms of the budget, they have succeeded. The Senate passed its FY 2008 budget resolution on March 23, and the House approved its version on March 29.

However, both versions increased discretionary spending above the level requested in the President's budget request; both rejected his recommended cuts in domestic programs; and both increased levels of so-called "mandatory" spending, or entitlements. Given the similarity of the provisions in the budgets passed by each House, the differences between them were reconciled and agreed to May 17.

The final 2008 budget calls for discretionary federal spending next year of \$954 billion—a 9% increase and \$23 billion over the amount requested by the President. For the five years covered by the budget, the increase in discretionary spending above the President's request climbs to \$205 billion. And although Medicare and Social Security are headed toward fiscal crisis, this budget not only does not propose any savings in these "mandatory" spending accounts, it increases Medicare spending by \$24 billion, or 6.6%.

While the new majority in Congress did complete the process, they fell far short of achieving a viable consensus on budget and spending priorities for the coming year. Every Republican Congressman, 13 Democratic Congressmen, all but two Republican Senators, and the President opposed it.

The President cannot veto the Congressional budget, but his signature is required on the individual spending bills, and his veto is expected on several of them. A contentious battle is expected when Congress sends them to the White House later this year. And an even bigger battle looms: The budget calls for massive tax increases, although Congressional leaders claim that it does not. For example:

- **Appropriations and earmarks.** Each fiscal year, as part of the budget process, Congress is supposed to enact 12 separate appropriations bills to fund federal departments and agencies. The committees with jurisdiction over these bills are so powerful that the Appropriations Committee chairmen are referred to (with little affection) as the Cardinals. Their power is derived from their ability to determine how much of the taxpayers' money will be sent to the various states and/or used to fund the individual spending requests, or earmarks, of their colleagues. But the power of the Cardinals is being challenged.

The separate spending bills today are rarely enacted, forcing Congress to resort to "omnibus appropriations" bills, rolling several spending bills into a single huge measure, or "continuing resolutions"

that maintain spending at the previous year's level without a separate bill.

Moreover, the number and scope of Congressional earmarks grew so dramatically over the last decade that the taxpayers took notice, and umbrage, tossing out of power last November the Republican majority that controlled Congress while the use of earmarks exploded.

It is too early to tell if the new majority will be successful in passing the individual appropriations bills by the Sept. 30 deadline. As of this writing none has been passed by the Senate and fewer than half have been passed by the House. Congressional action on the bills will not complete the process this year, however. The President has already threatened to veto three of the House-passed bills, demanded changes in another, and let Congressional leaders know that he will veto any bill they send him that exceeds his budget spending cap.

By Jim Wise PACE-CAPSTONE



House Republicans have garnered 147 signatures—more than the one-third of the House necessary—on a letter to the President promising to uphold his vetoes.

The handling of earmarks is even more dramatic. House Republicans, stung by their defeat at the polls last year and aware that their earmark excesses were in part responsible, vowed to insist on implementing the earmark reform they had enacted last September in an effort to retain their majority. The Democrats, highly critical of Republican earmarks in the past, attempted to circumvent those reforms.

Specifically, the new House rules required that the Chairman of the Appropriations Committee, Dave Obey (D-MN), and his staff weed out earmarks that were inappropriate, and that the authors of earmark requests be publicly identified. But Obey, claiming that there were far too many earmarks requests for him to review in a timely manner, announced that he would publicize the earmark requests AFTER the bills had passed the House, thereby removing any opportunity to review the earmarks and offer amendments to remove them.

The Republicans cried foul and used House rules to prevent passage of any of the appropriations bills until earmark reforms were reinstated. The Democrats capitulated, eventually agreeing to earmark reforms even tougher than those that Congress adopted last fall.

Congress and the White House want to get the spending bills completed and avoid the government shutdown that would result if they do not succeed. How they accomplish that remains to be seen.

- **Association/small business health plans.** Enactment of association/small business health plan (AHP/SBHP) legislation to permit the formation and multi-state operation of association-sponsored health plans has topped small business's health policy agenda for a decade. During that period, the House has repeatedly passed AHP/SBHP legislation only to see the issue stall in the Senate. The 109th Congress was no exception, and AHP/SBHP legislation is not likely to be considered in either house of the 110th Congress.

- **Value-driven health care.** Health insurance cost is a top concern of American employers. Double-digit increases in group health insurance costs have placed heavy burdens on all employers, leading many

to embrace strategies that shifted a greater share insurance coverage and costs to the employees themselves. A growing number of workers, particularly younger and healthier ones, rejected the higher insurance costs and there are now some 47 million medically uninsured Americans.

Recently, however, the cost of group health insurance programs has grown at a much slower pace—down to 6.1% in both 2005 and 2006. Many observers believe that consumers of health care products and services have become more discerning “shoppers” as their own economic responsibility for their health care has grown.

“Consumerism” in health care is aimed at bringing market forces to bear in making health care choices. Today, however, health care products and services provided to a consumer (the patient) are largely paid for by a third party (insurance) that is itself heavily subsidized by a fourth party (the employer).

For a market-driven approach to work, injecting the greatest degree of efficiency into the system is critical, as is informational transparency.

There is no larger consumer than the Federal Government through its various health programs such as Medicare, the Veterans Affairs health system, the Federal Employees Health Benefits Plan and others; and this led President Bush last August to sign an Executive Order committing the Federal Government to principles of “value-driven health care.”

- **Mental Health Parity.** Employers and health insurance industry have opposed bipartisan legislative efforts to expand the mental health parity requirements enacted in 1996 as part of the Health Insurance Portability and Accountability Act (HIPAA). But that changed, after the 2006 elections created a Democrat majority in Congress.

A compromise measure (S. 558, the “Mental Health Parity Act of 2007”) written by a bipartisan group of Senators has been endorsed by leading employer trade associations and several patient advocacy groups.

The House legislation has not evolved as has its Senate counterpart. H.R. 1367, the “Paul Wellstone Mental Health and Addiction Equity Act of 2007,” is pending in the Energy and Commerce, Ways and Means, and Education and Labor Committees.

There are key differences between the Senate compromise and H.R. 1367 that render the House bill unacceptable. S. 558 was approved by the Senate HELP Committee and could see floor action shortly.

- **ERISA Preemption.** The Employee Retirement Income Security Act (ERISA), enacted in 1974, includes a preemption provision (i.e., ERISA preempts virtually all state laws that “relate to any employee benefit plan”) that has facilitated employer-sponsored group health insurance plans. By enabling employers to operate uniform health insurance plans across state lines, employers and their employees enjoy the benefits of flexibility in plan design, and economies of scale that yield the lowest possible premium and administrative costs. Largely due to ERISA, today 160 million Americans receive health insurance coverage through employer-sponsored group plans.

There are now more than 45 million Americans, and the federal government has had difficulty responding to this crisis, but states have been working on the problem within their own jurisdictions.

Legislation to address this has been introduced in both houses of Congress: H.R. 506, the “Health Partnership Through Creative Federalism Act,” and S. 325, the “Health Partnership Act” both provide grants and ERISA waivers to states to facilitate state initiatives approved by a federal commission the Secretary of Health and Human Services is required to establish. The House Education and Labor Subcommittee on Health, Employment, Labor, and Pensions held a hearing in May on coordinating federal and state initiatives to cover the uninsured.

- **Alternative Minimum Tax (AMT).** This controversial tax was imposed more than 35 years ago to ensure that very wealthy individuals could not shield all of their income from income taxes. But by failing to “index” for inflation the income levels that trigger the tax, Congress set in motion a nightmare tax that now ensnares millions of middle-class Americans into a perverse parallel tax structure. Alas, Congress has become accustomed to the vast amounts of federal tax revenue that the AMT raises, so while they annually provide one year “patches” to prevent the tax from reaching even deeper in the middle class, talk of permanent and full repeal has remained just that—talk. But this year, the Democratic majorities in Congress have made repeal or serious reform of the AMT one of their top priorities. House Ways and Means Committee Chairman Charlie Rangel (D-NY) is working with Committee Democrats on AMT legislation which he says will protect the approximately 23 million middle-class taxpayers who will be subject to AMT if the law is not changed; reduce taxes for millions of other taxpayers; and comply with “pay-as-you-go” rules. The revenue implications of his proposal are uncertain, but serious reform of AMT would take a huge bite out of the federal treasury which pay-go would require be offset, so huge tax increases will be a necessary component of any Rangel bill. Among the proposals reported to be under consideration by the Ways and Means Democrats are:

- Increased tax rates on capital gains and dividends;
- Return to higher 2001 tax rates for the upper three tax brackets; and
- A 4.7% income tax surcharge on all incomes over \$500,000.

Committee Republicans are opposed to reforming AMT by imposing massive tax increases on individuals and businesses. Leading the opposition to tax increases to offset AMT is Senate Finance Committee Ranking Member Charles Grassley (R-IA), who with Committee Chairman Max Baucus (D-MT) has introduced legislation to completely repeal AMT. While Baucus says he would look for offsets for repeal, Grassley has repeatedly and emphatically insisted that no taxes should be increased to “pay for” repeal of AMT. He argues that AMT was never intended to affect the millions of middle-class taxpayers who might soon feel its bite—a proposition with which no one disagrees—and that Congress should not assume it can continue to receive and spend the revenue generated by the tax. Moreover, he argues that because the tax was never meant to be collected, pay-go rules should not apply to AMT reform/repeal and that taxes should not be increased to keep the government “whole” at the taxpayers’ expense. AMT legislation could be considered by the House Ways and Means Committee as early as July.

IRS Amendment Affecting Cargo Tax

The recently introduced Short Sea Shipping Promotion Act of 2007 amends the Internal Revenue Code to exempt from the harbor maintenance tax cargo contained in intermodal cargo containers and loaded by crane on a vessel, or cargo loaded on a vessel by means of wheeled technology, that is: (1) loaded at a US port and unloaded at another US port or a port in Canada located in the Great Lakes Saint Lawrence Seaway System; or (2) loaded at a port in Canada located in the Great Lakes St. Lawrence Seaway System and unloaded at a US port. Defines the "Great Lakes Saint Lawrence Seaway System" as the waterway between Duluth, Minnesota, and Sept. Iles, Quebec, Canada, encompassing the five Great Lakes, their connecting channels, and the St. Lawrence River.

The bill has been referred to the House Transportation Committee, which has not yet scheduled a hearing on the measure.

Bush OKs Foreign Investment Bill

President Bush has signed legislation to tighten national security reviews of proposed foreign investment. The new law ensures that high-level officials, including the director of national intelligence, participate in decisions concerning the security implications of direct foreign investment. It extends the scope of national security to cover deals involving critical infrastructure and energy, and requires a second-stage investigation of most proposed acquisitions by state-owned companies.

The bill has its origins in the strong congressional objections to federal approval, in January 2006, of the Dubai-owned DP World's running of six US ports. The deal fell through after lawmakers from both parties contended the Bush administration, and the agency responsible for reviewing security issues, made light of security concerns in signing off on the transaction.

The bill gives legal status to the little-known Committee on Foreign Investment in the United States (CFIUS), a multi-agency investigative group formed in 1975 to monitor US policy on foreign investment. A 1988 law gave the president authority to stop foreign acquisitions that pose a security threat.

Lawmakers had complained that CFIUS decisions were in the hands of lower level officials and that Congress was not kept informed. The measure requires more reporting to Congress and says the CFIUS chairman and senior officials in the lead agencies must sign all decisions.

The president must approve all transactions subjected to a second 45-day investigation after the initial 30-day review.

The director of national intelligence, who will not be a member of CFIUS or have a policy role, will be tasked with conducting threat analyses.

SOURCE: Associated Press

2008 Transportation Appropriations

The House Full committee has marked up the Transportation Appropriations bill, which addresses the challenges of keeping our transportation system safe and strong. The following are key points of the bill:

- **Highway infrastructure:** \$40.2 billion, \$1.25 billion above 2007 and \$631 million above the President's request, to improve and maintain the nation's highway infrastructure.
- **Airport modernization, safety, and efficiency grants:** \$3.6 billion, \$85.5 million above 2007 and \$850 million above the President's request, to ease congestion and prepare the nation's airport infrastructure to handle an anticipated 1 billion passengers by 2015.
- **Rail line relocation and improvement grants:** \$35 million, for a new initiative to relocate local rail lines that create problems for safety, motor vehicle flow, noise and economic development.
- **Essential air service:** \$110 million, \$600,000 above 2007 and \$60 million above the President's request, to continue essential air service to small and/or rural communities.
- **Small Community Air Service Development Program:** \$10 million, the same as 2007 and \$10 million above the President's request, to continue the DOT grant program to help small communities attract commercial air service.
- **Federal Aviation Administration inspectors:** \$1.08 billion, \$73 million above 2007 and \$20 million above the President's request, including \$16 million to continue funding 57 inspectors and certification staff hired in 2007 and \$4 million to hire additional critical safety staff to, for example, inspect airplane manufacturers/carriers to ensure that they meet high safety standards.
- **Highway safety grants:** \$599.3 million, \$11.5 million above 2007, to encourage safety belt use, prevent drinking and driving, improve child safety, motorcyclist safety, and other initiatives.
- **Increasing workforce diversity:** Requires FAA to produce plans to improve diversity in the controller and safety personnel workforce, including methods to attract underrepresented groups and establish benchmarks to measure plans effectiveness. FAA is required to produce a report on its efforts by Jan. 1, 2008, and annually thereafter.



IMPORTANT NEW INFORMATION CONCERNING PORTAL ADVERTISING RATES AND DIMENSIONS

Full Page \$ 2,550
7-1/2" wide x 10" high

1/2 Page \$ 1,350
• Horizontal format: 7-1/2" wide x 5" high
• Vertical format: 3-3/4" wide x 10" high

1/3 Page \$ 950
• Horizontal format: 7-1/2" wide x 3-1/4" high
• Vertical format: 2-1/2" wide x 10" high
• Box format 4-1/2" wide x 5" high

1/4 Page \$ 700
• Horizontal format: 4-1/2" wide x 3-3/4" high
• Vertical format: 3-3/4" wide x 5" high

1/6 Page \$ 425
• Horizontal format: 4-1/2" wide x 2-1/2" high
• Vertical format: 2-1/4" wide x 3" high

1/8 Page \$ 350
• Horizontal format only: 3-3/4" wide x 2-1/2" high

NOTE: Prices shown are the **total cost** for one year (six issues). For ads with color (electronic files must be supplied), add 25%.

Deadlines to receive new artwork:

September/October Issue **September 3, 2007**
(ANNUAL MEETING ISSUE)
November/December Issue November 12, 2007
January/February 2007 Issue January 22, 2008
March/April 2008 Issue March 12, 2008
May/June Issue May 21, 2008
July/August Issue July 16, 2008

IMPORTANT NOTICE ABOUT ELECTRONIC ADS

The Portal now accepts computer-generated files, graphics, and ads supplied on PC- or Mac-compatible Zip disks or CD-ROMs. **DO NOT SEND ADS BY E-MAIL.**

When providing electronically-generated advertisements, your disk **MUST** be accompanied by a printout showing what the ad should look like. **HHGFAA will not accept disks that arrive without a hard copy proof.**

In addition, advertisers must provide the following information along with the disk. Please use this checklist to ensure that you send everything that will be needed to accurately place your ad:

- Disk with ad (Zip or CD-ROM)
- Printout or hard copy proof
- ___ color ___ black-and-white
- Note format: ___ PC ___ Mac
- Note program used to create the ad
 - ___ Quark: specify version _____
 - ___ PageMaker: specify version _____
 - ___ Corel: specify version _____
 - ___ Illustrator: specify version _____
 - ___ Other (specify): _____

PLEASE NOTE: We do not accept ads created in Publisher.



**For further information about Portal display advertising,
contact Belvian Carrington at HHGFAA:**
5904 Richmond Highway, Suite 404 • Alexandria, VA 22303
Phone: (703) 317-9950 • Fax: (703) 317-9960 • E-mail: bel.carrington@hhgfaa.org

ADVERTISERS' INDEX

21st Century	48	Kontane	76
360 Relocations Ltd.	82	La Rosa del Monte	46
7M.....	56	La Vascongada, S.L.....	30
A Alternativa	30	Leader Pack.....	25
ABC	48	L&G Int'l Movers	45
Actus Flytt & Express	86	Magna	69
Advantage Prime Movers	46	McGimpsey.....	79
AE Worldwide.....	93	Milbin.....	69
AGS	4	Miracle Brokers	32
Air Animal	22	Move Management	87
A. J. Mauritzen & Company Ltd.	53	MoveOne.....	13
APA.....	91	MoveWell.....	87
Arrowpak Int'l	38	Mudanzas International.....	58
Ashoka	35	Mudanzas Mundiales	41
Asian Tigers	65,72	Mudanzas Trafimar	69
Budget Moving / Oneenquiry.com.....	57	Neer Service.....	68
Canal Movers & Logistics	62	New Haven.....	52
Careline International.....	34	Orbit	49
Carepack	24	Outaouais Moving.....	93
Confianza	44	Pac Global.....	60
Container Systems, Inc.	33	Pelichet	12
Covan	100	Penbroke Marine Services	55
Crystal Forwarding	29	Phoenix Transport Services.....	73
Davel.....	17	Planes Incorporated.....	19
Davi & Valenti	59	P.M. Relocations Pvt. Ltd.	78
Daycos.....	67	Premiere Van Lines	94
Delahaye	40	Raffles Movers Int'l.....	74
DeWitt Transportation Services	59	Red Ball International	23
DGM Veron Grauer SA.....	50	ReIMS	45
Door-to-Door	43	Renmer.....	16
Doree Bonner.....	27	Rex Movers	69
Eagles Worldwide	6	Rhema China.....	80
Empresa de Transportes Galamas	25	Rhema Movers Pte Ltd.	94
Euro Monde	58	Rosebrock	91
European Van Lines Int'l	90	Royal Hawaiian Movers	9
EUROUSA.....	70	Saleemson's.....	89
Executive Insurance Services	63	Santa Fe	36
Expat Movers	28	Schenker.....	81
Fidelity & Marine Int'l Insurance	5	Sea & Air.....	20
FOS International.....	95	SEM Movers	82
Freight International.....	10	Shore Porters Society	54
Fukuoka Soko	44	Simpsons	26
Gateways International	99	SIT Transportes	83
GEP	61	Sterling International Movers (UK).....	11
Gil Stauffer.....	92	Subalipak.....	73
Global Relocations Dubai	78	T.A. Mudanzas	23
Globe Moving & Storage.....	58	TG International.....	64
Gosselin.....	66	Toyopack.....	84
Grupo Amygo Spain	71	Trans-Link.....	21
Guyana Overseas Traders	61	Trans-Move.....	42
Harsch	2	United Professional Movers (UPM)	81
Horizon Lines	3	Universal Relocations	14
Interem Ltd.....	92	Viking Shipping	64
Intermove	90	Voxme	15
International Shippers Association	39	Walti-Furrer.....	77
Inters & R.....	51	Willis Corroon.....	65
Intra-Mar	18	Worldcare Pet Transport	37
ISS Worldwide	40	Worldmover/Brazil	46
Jacksonville Box	72	Zuhal Shipping & Clearing	75
JVK	85		

Industry Calendar

August 23–25, 2007

Australian Furniture Removers
Association Inc.
2007 Annual Conference
Denarau Island, Fiji

September 15–19, 2007

NDTA Annual Forum & Expo
Charleston, South Carolina

September 28–29, 2007

Michigan Movers Association
Fall Conference
Dearborn, Michigan

October 3–7, 2007

National Van Lines Agent Convention
San Mateo, California

October 4–6, 2007

Congress and General
Assembly of FEDEMAC
Córdoba, Spain

October 12–14, 2007

PAIMA General Assembly
New York, New York

October 14–17, 2007

HHGFAA 45th Annual Meeting
New York, New York

October 24–26, 2007

ERC Global Workforce Symposium
Denver, Colorado

November 1–4, 2007

FEDEMAC Congress
Florence, Italy

December 3–4, 2007

Canadian Association of Movers
2007 Annual Conference
Toronto, Ontario, Canada

March 9–12, 2008

FIDI Annual Conference
New Delhi, India

April 25–28, 2008

American Moving & Storage Assn.
Annual Meeting
Orlando, Florida

May 13–18, 2008

California Moving and Storage
Association 90th Annual Convention
Rancho Las Palmas, California

October 4–7, 2008

HHGFAA 46th Annual Meeting
Honolulu, Hawaii

October 10–13, 2009

HHGFAA 47th Annual Meeting
Orlando, Florida

September 29–October 2, 2010

HHGFAA 48th Annual Meeting
San Diego, California

September 12–15, 2011

HHGFAA 49th Annual Meeting
Denver, Colorado

EDITOR'S NOTE: Visit www.hhgfaa.org/calendar.html for an expanded list of meetings and events of interest to HHGFAA members.

Gosselin Group is fast moving forward

Gosselin World Wide Moving NV announces the complete restructuring of the Gosselin business, which will become effective beginning 1 July 2007. Earlier this year, Gosselin's founder, Dolf Gosselin, passed away after overseeing the exponential growth of Gosselin from a small, local transport operation to a large international organisation with multiple activities related to virtually all elements of the moving and logistics industry.

The Company's rapid growth, which took place both internally and through multiple acquisitions, has outstripped its original organisational and management structure. Gosselin's Management has therefore undertaken an in-depth review of both the Company's growth potential and an assessment of the most promising markets for Gosselin's future sustained growth and expansion. Based on this review, Management has concluded that the Company must be substantially restructured in order to allow Gosselin to maximize its growth potential in its core business activities.

Based on Management's review, the business activities and related entities will be logically regrouped along functional lines in order to increase operational efficiencies, reduce costs and improve cross-organisation communication and transparency. In today's fast-paced and fast-changing moving and logistics world, it will be essential to speed response-time, optimize flexibility and assure customer advantage and satisfaction.

Accordingly, beginning 1 July 2007, all of the Gosselin business activities will be realigned into three functional Divisions:

- **Gosselin Moving Division**
- **Gosselin Logistics Division**
- **Gosselin Support Division**

Each Gosselin entity will be assigned to the functional Division which best represents the principal activities of each entity. Beginning 1 July 2007 each Gosselin entity within the Gosselin Group of companies will become operating entities and as such will be directly responsible for its assigned activities, financial performance, management and for direct customer relations. This realignment will allow the Company not only to consolidate related activities, but will also simplify the management and execution of the work to be performed.

The **Gosselin Moving Division** will encompass, among other entities, the following key entities:

- *Gosselin Moving NV and Vivet Gosselin NV and Gosselin World Wide Moving GmbH* which will be responsible for handling of shipments in Western Europe transiting via the Port of Antwerp.
- *Corstjens International BV*, which will be responsible for removals throughout Eastern and Central Europe;
- *G.C.C.A. NV (Gosselin Caucasus & Central Asia)*, which will be responsible for removals throughout the Caucasus area and Central Asia.
- *Gosselin Italia SRL*, which will be responsible for removals throughout Italy, including Sardinia and Sicily.

KBC - BIC KREDBEBB
EUR 408-0515001-93
IBAN BE98 4080 5150 0193

ING - BIC BBRUBEBB
EUR 320-0551662-93
IBAN BE98 3200 5516 6293

FORTIS - BIC GEBABEBB
EUR 001-4422319-68
IBAN BE82 0014 4223 1968

GOSSELIN GROUP N.V.
Belcrownlaan 23
B-2100 Deurne - Belgium

www.gosselingroup.eu

T +32 (0)3 360 55 00
F +32 (0)3 360 55 79

RPR Antwerpen O 425 051 129
BTW BE 425 051 129
Vervoercommissair 2395-001

- *Gosselin Moving BV, (the renamed Hartman BV company)* which will be responsible for removals in The Netherlands;
- *Nedvan Intl BV*, a joint venture, renders moving and logistics services on behalf of large, multinational organisations relocating their personnel globally and in this connection provides full move management assistance tailored to the individual situation of each customer.

The **Gosselin Logistics Division** will encompass, among other entities and activities, the following key entities:

- *G.C.T. NV (Gosselin Container Terminal)* being an inland container terminal and operated as an extended gateway located along the Albert canal, thus also having direct access for barges, offers stuffing and stripping of containers, warehousing, container handling and – storage to the Gosselin Group members as well as to external customers.
- *N.A.S. NV (North Atlantic Services)* will provide ocean freight services to Gosselin Group members as well as to external customers.
- *A.R.T. NV (The Antwerp Rapid Transit Team)*, will provide freight forwarding and related services to Gosselin operating entities and to external customers.
- *G.A.D. NV (Gosselin Air Freight Division)*, will provide all air-freight and related services to Gosselin Group operating entities and to external customers.
- *FOCUS Transport Services NV* will provide all trucking and related transport services to all Gosselin Group entities and to external customers.
- *G.E.P. NV* will provide specialty crating and boxing to Gosselin Group operating entities and to external customers.
- *High Quality NV* will perform physical product distribution and related logistics services for High Value products;
- *W.W.R.S. NV* will manage and control all warehousing, and will provide warehousing services to Gosselin Group operating entities and to external customers.
- *C.M.C. NV (Customs Made Clearance)*, will be responsible for providing all customs clearance formalities in all areas of Europe permitted by EU regulations.

The **Gosselin Support Division** will be encompassed by the newly established *Gosselin Support Services NV* and will provide to the Gosselin Group companies, as well as to third parties within the transport industry, IT, accounting, administration, risk-insurance, human-resources, quality management and like services.

Accordingly, as of 1 July 2007 Gosselin World Wide Moving NV will cease operations as an operating company, since the operational activities of Gosselin will be carried out by operating companies within the Gosselin Group, consistent with the functional restructuring being announced today. This press release, together with an organisational diagram detailing the re-aligned corporate structure, has been posted today to Gosselin's website (www.gosselin.be) for further information.

The review undertaken by the Company's Management has concluded that Gosselin's future must continue to be tied to the rapid expansion of its commercial market opportunities, both in Europe, the Caucasus and in Central Asia. At the same time, the review by Management concluded that, due to the rapidly changing and increasingly unforeseeable US Government removals market, the Company's continuation as a direct participant in the US Government market would not be consistent

KBC - BIC KREDBEBB
EUR 408-0515001-93
IBAN BE98 4080 5150 0193

ING - BIC BBRUBEBB
EUR 320-0551662-93
IBAN BE98 3200 5516 6293

FORTIS - BIC GEBABEBB
EUR 001-4422319-68
IBAN BE82 0014 4223 1968

GOSSELIN GROUP N.V.
Belcrownlaan 23
B-2100 Deurne - Belgium

www.gosselingroup.eu

T +32 (0)3 360 55 00
F +32 (0)3 360 55 79

RPR Antwerpen 0 425 051 129
BTW BE 425 051 129
Vervoercommissieair 2395-001

with Gosselin's strategy for sustained commercial expansion, which is the principal goal of the Company's restructuring. Accordingly, Gosselin has decided to discontinue its direct involvement in the Government removals market, although the Company's restructured operating entities will offer to US Government market participants the underlying services on a competitive basis such as transport, ocean freight, port handling services, warehousing, customs clearance and the like.

In light of Management's decision to discontinue its direct participation in the US Government removals market, Gosselin has held discussions with several interested parties concerning the disposition of Gosselin's current business in this area. Two well-experienced members of the former US Management Team, established under the Administrative Agreement, which has recently expired, have terminated their employment with Gosselin. These former Gosselin management employees, each with long experience in the US Government markets, have become co-owners in a freight forwarding company in Antwerp of which the Managing Director has long-term US Government contracting experience. On 28 June 2007 this company was renamed Government Logistics NV (GovLog) and has hired from Gosselin several employees with substantial experience dealing with US Government moving and logistics in order to provide GovLog with able staff support.

GovLog, subject to any required Governmental approvals, has agreed with Gosselin to purchase Gosselin's US Government business interests. Under the purchase agreement with GovLog, Gosselin will carry out the current Government business under an appropriate transition agreement to assure the seamless performance of all requirements. Following the transition period, which is scheduled to conclude on 30 September 2007, GovLog will undertake the full performance of the Government business directly. Under separate Service Agreements with GCT, NAS, Focus, Gosselin Support Services NV and other Gosselin operating entities, GovLog will have available to it the complete range of services and facilities required for full satisfactory performance of all Government-related obligations.

In selling its direct engagement in the US Government removal business, the Company's restructured operating companies will be allowed to expand and more fully develop those skills and capabilities of which each is separately most capable in a growing commercial market setting within the sustained growth strategy established by Gosselin's Management. Thus, the restructuring of Gosselin being announced today will allow each functionally-aligned operational entity of Gosselin to be able to concentrate on both optimization of skills and cross-boundary sharing of information and opportunities within the entire organisation in order that Gosselin can provide to our customers the competitive edge of high quality performance combined with flexibility and cost-efficiencies in the years to come.

To emphasize the far-reaching nature of the changes being announced today, Gosselin has changed its corporate identity logo, which at the same time is a graphic representation of the logic and transparency of the new Gosselin Group organisation. The attachment to this announcement is the first public presentation of Gosselin Group's new organisational logo.

Marc Smet
CEO



KBC - BIC KREDBEBB
EUR 408-0515001-93
IBAN BE98 4080 5150 0193

ING - BIC BBRUBEBB
EUR 320-0551662-93
IBAN BE98 3200 5516 6293

FORTIS - BIC GEBABEBB
EUR 001-4422319-68
IBAN BE82 0014 4223 1968

GOSSELIN GROUP N.V.
Belcrownlaan 23
B-2100 Deurne - Belgium

www.gosselingroup.eu

T +32 (0)3 360 55 00
F +32 (0)3 360 55 79

RPR Antwerpen 0 425 051 129
BTW BE 425 051 129
Vervoercommissair 2395-001



GOSSELIN GROUP

BELGIUM

MOVING DIVISION

- Gosselin Moving Belgium
- Vivet Gosselin
- Gosselin World Wide Moving GmbH
- Corstjens International
- Gosselin Caucasus & Central Asia
- Gosselin Italia
- Gosselin Moving The Netherlands
- Nedvan International

LOGISTICS DIVISION

- Gosselin Container Terminal
- North Atlantic Services
- The Antwerp Rapid Transit Team
- Gosselin Airfreight Division
- Focus Transport Services
- Gosselin Export Packers
- High Quality
- World Wide Relocation Services
- Custom(s) Made Clearance

SUPPORT DIVISION

- Gosselin Support Services