

TRADE FACILITATION COMMITTEE NEWS

A compendium of discussion at the monthly meeting by the Trade Facilitation Committee of the MARINE EXCHANGE of the San Francisco Bay Region – Fred Hosking, Chair. For further information or comments, call 415-441-6600, fax 415-441-3080 or visit www.sfmx.org. Mail: Marine Exchange, Fort Mason Center, Bldg. B #325, San Francisco CA 94123-138

January 2005!

CHAIR As the year unfolds before us, we have many challenges facing the trade community. Through this committee and its participation of the various trade related entities and their respective commitment to our region, we are hopeful to see the continuance and success of trade facilitation to the benefit of the whole region, and in some cases beyond. We look forward to the continued support of our members and encourage those who have been absent to join us. We're fortunate to have access to this forum and to reap the success of the efforts of the group. Before us still have Oakland inspection issues. Vaccus/ terminal congestion; trucking congestion on terminals still a major problem some terminals being worse than others; top US port - LA/LB in terms of volume; LA congestion surcharges still in effect with port area clearing, but not on terminals; Australia Free Trade Agreement most notably MPF will not be applicable; CBFANC has put in place new Board of Directors.

CBP - Francean Rible, will take the retirement step end January the occasion 2005 marking February 1st at the Basque Center in SSF. She has been an asset to the local trade community, and of course CBP, but to the TFC a tremendous support to us all, both personally as well professionally. We wish her well. John P. Leyden will deliver his annual address on the "State of the Port" to the CBFANC audience on

January 26, 2005. We understand FDA will also be in attendance. Major issues of cargo releases this last month with significant delays and demurrage incurred.

<u>FDA</u> – In the absence of Barbara Cassens, Darla Bracy and Steven Gillenwater joined the table. We appreciate the continued support of FDA. New entry review station working very smoothly. FDA is very willing to take the necessary steps in solving issues of delays, but needs to have details of where/when to help out.

PMSA – PierPass goes into affect in LA/LB 5 nights per week in March 2005. There continues to be rumors that a similar system will be implemented in this region. LA/LB Terminals are still so congested that work is sluggish at best. Carriers still have in place the Congestion Surcharges, but hope is that they will be cancelled in the month(s) ahead. On the plus side, it has diverted some traffic from LA/LB through Oakland. COAST GUARD – Security level

One, yellow, elevated. Congratulations to Captain Swanson on his promotion, but for us a two fold win in that he will remain in the Bay area overseeing the region. Captain Swanson has been a dedicated member of the TFC and we are pleased that he will remain as a part of the Region.

<u>CARRIERS</u> -- Recent difficulties in the port for daytime loading of ship stores, terminal operations confusion over hours to cover, and end result of loss of support to other ports, ie, Vancouver B.C. In the end, loss of work for the ILWU, vessel stores/

purveyors, and local ship agents. More and more, crewing "agents" are now moving toward Chinese crews vs the former Pilipino crew preferences. Cost is likely the issue.

TRUCKING – Congestion inside terminal gates now at 4/5 hours on some, and in the end many not getting the intended loads out; Terminal 58 has been 4 strad carriers short; some truckers now refusing to p/u units at the SSA run terminal: rumors are that there may be surcharges put in place for some terminals... stay tuned... Appears timely for another Port/ ILWU/ Terminal Operator(s) meeting. Cargo moves north and so does the congestion.

CBFANC – The new Board of Directors appointments are out and the assignment of various committees underway. There was to be the first legislative meeting with CBFANC as we write. More to follow on that through the CBFANC monthly news. There will be a march on Washington again this year by the local Association. Details forthcoming.

Next meeting: Tuesday, February 22, 2005 San Francisco World Trade Club

Attending: Alan Steinbrugge; Steven Gillenwater, Darla Bracy, USFDA; Ted Rausch, Ted L Rausch; Tom Kearsley, Pacific Commodities: Captain Jerry Swanson, COTP, USCG; John Leitner, W. J. Byrnes/CBFANC; Laura Williams, PMSA; Gerhard Jacob. Hamburg Sud: Fred Hosking, Hoyt Shepston, Inc.