



# NEWS ALERT

FULLY INTEGRATED LOGISTICS PROVIDERS

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## WORLD CARGO ALLIANCE 2010

Last month, we had the pleasure and opportunity to send a delegate from our company to the World Cargo Alliance annual family gathering in Bangkok, Thailand. Camelot is a proud member of the WCA, a group of independent logistics providers. The group has representation in over 150 countries and over 2800 individual offices in nearly every key market. The group also features several sub-networks which specialize in cool chain and project cargo and plan to branch into even more specialties in the future.

The meeting features not just the opportunity to gather and socialize, but an aggressive, fast-paced series of one-to-one meetings between partners. We were fortunate enough to speak with business partners we work with already in markets such as India, Pakistan, Great Britain and Finland and are investigating new partners and markets in places like Spain, Israel, Thailand and France. We are cultivating these relationships for both import and export cargo, so if these are places your company plans to do business, we stand ready to assist.

During this trip, we also visited our long-time and much-valued partner Link Force Cargo in Hong Kong. Link Force manages our efforts in Hong Kong and China and has maintained remarkable continuity of staff over time and is a tremendous partner. They are probably one of our top three partners globally in terms of trust and reliability. We discussed the fluid market conditions of space and service and how we can insure we best represent our mutual customers' needs.

## INDIA: THE LAND OF OPPORTUNITY

We had the opportunity last week to make joint sales calls with Mr. Pawan Kakkar, the President and CEO of Quick Silver Freight, our partner in India. He was traveling the USA for approximately two weeks for joint calls with his partners in key markets. The weather kept him here for a little overtime and there was a frantic rush to get him to the airport to make his next destination at the last minute, but the visit was very successful.

Everyone who met Pawan came away with the feeling that he and his company have positioned themselves to represent US importers and their interests in India well. They have very competitive contracts from both the east and west coasts of India that allow for expeditious movement of cargo to the United States. We are also working together to develop an LCL program that would be devoid of the laundry list of handling fees and charges that seem to plague that trade lane. The goal is to create a box in which all the cargo can have entries filed prior to arrival at the first port of arrival, hopefully eliminating the need for

any type of security examination which adds time and cost to the supply chain. Pawan is also a member of several Chambers of Commerce and offered his expertise in sourcing manufacturers to several firms we visited that are looking to expand their offerings from his country. This is a growth market and one that we can offer very attractive rates and services from, so please do not hesitate to call for a quote or explanation of how the Indian market works.

## CHINA MARKET NEWS

We are very fortunate that one of our carrier partners provides us with weekly news on not just their services, but changes within the China marketplace, economic updates and intelligence. There were two pieces of information which stood out and we felt were newsworthy to share.

First, China will begin raising minimum wage levels in factories beginning in March by between ten and twelve percent. Jiangsu province will increase minimum wage levels from RMB 850 to RMB 960 to the same level as Shanghai and Hangzhou. Beijing will follow with a ten percent increase by April 1st. Depending upon the region of China, minimum wage is from RMB 580 - RMB 1000.

Secondly, infrastructure has always been a concern in getting goods to market. Two drivers of inexpensive rates are location and cost of production. Most of China's economic development has happened along the coast because of the lack of a national highway and railway system. The Ministry of Transport recently announced that China has 65,000 kilometers of highway across the nation, second in the world only to the United States. Their national plan calls for a highway network totaling 100,000 kilometers by 2020 which would equal the United States.

## ISF IS HERE. NOW.

We have talked about it and most everyone in our office has mention of it in their e-mail signature file, but the Importer Security Filing (ISF) requirement is now law. For companies who do not have a continuous bond, we must issue an ISF "Appendix D" bond at the time of submission as well as a single transaction bond for entry. Customs has said in public that the first several months will be spent on informed compliance and that what importers did (or did not do) during the test phase will not count against or for them; they will be looking at what happens now that the requirement is in place. So it is especially important that companies continue to be vigilant about insuring that their shipments are being filed on a timely basis and with correct information. We have a wealth of knowledge and materials on it and can provide you and your company with support to insure continued vendor participation and compliance.

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