

CONTAINER LEASING

XINES - making its mark

Established in April 2005, XINES GmbH is establishing itself as a growing container leasing company. After six months, its fleet size now stands at 20,000 TEU – a mixture of 20ft and 40ft standard units and 40ft hi-cubes – and it is planned to reach 30,000 TEU by the end of the year.

In addition to its Hamburg operational head office, the company has set up offices in Hong Kong, Shanghai, Taipei and Seoul. The company's president, Mark Wilkinson, has long experience of the container market, and has spent his last eight years working in a senior position in the container leasing industry and prior to that held a management position at a shipping line. He is also a founding Director of the Container Owners Association which XINES joined soon after formation.

According to Wilkinson, XINES's strategy is to expand at a steady, measured pace – and thereby develop a long-term presence in the market. One of the challenges for all lessors is to differentiate themselves, but Wilkinson believes that it will be the quality of the company's staff, its commitment to customer service, quality equipment and its determination to meet its commitments that will enable it to establish itself in the market.

"We have had a positive response from customers, suppliers and financial institutions alike," he reports. "Our containers are being leased to a variety of clients who recognize our philosophy of quality



The XINES fleet should reach 30,000 by the end of the year

equipment backed up by personal attention."

He continues: "It is a big challenge – but we are eager to take it on. World trade is growing at 7 percent, ship yards are fully booked until 2009, and all the forecasts are that mid-long term demand for containers in China will remain. The container is the undisputed mode of global transport, reducing the total cost of the transport chain, and demand will remain as shipping lines seek economies of scale."

Although the leasing market has slowed down in recent months, Wilkinson believes that this provides the opportunity for XINES to purchase well. In a buyer's market, manufacturers will have to reduce prices and focus on improved service coupled with flexibility.

"One of our fundamental strategies," he says, "is that XINES will not buy market share by offering rates below our cost and of course we are able to offer shipping lines the youngest fleet in the market." ■

OPERATIONS

Zim contracts with IAS

International Asset Systems (IAS) is to provide Zim Integrated Shipping Services Ltd with two of its asset management applications. IAS is deploying its CleanSource connectivity, container-event data management and integration application in several of Zim's operating regions. IAS is also deploying its equipment repair cycle services to streamline Zim's container maintenance and repair management activities worldwide.

"Our connectivity streamlines links to more than 200 Zim terminals and vendor facilities," noted Christopher Mazza, IAS senior vice president, "while our data management capabilities provide a clean and reliable source of container event information, enabling Zim to provide better service to its customers."

These capabilities enhance visibility of specific data points including vessel load and discharge, facility gate in and out, and cargo stripping and stuffing, among other container movement information. IAS connectivity provides validation and cleansing of data from Zim's vendors and facilities before integrating it into Zim's in-house systems. The IAS rollout is handling data from facilities in all seven districts in Zim's North American region, including Panama and the Caribbean.

As part its CleanSource solution, IAS designed an "error dashboard" which presents Zim

personnel a broad view of their data on a daily basis, and enables Zim and its container facilities to efficiently identify and correct exceptions.

Zim is presently increasing its geographic coverage and capacity. To help support business growth, Zim engaged IAS to implement an equipment repair module that streamlines and standardizes Zim's equipment repair approval process, while providing visibility of equipment status and readiness for cargo. IAS captures estimates from Zim vendors, validates them, and provides Zim with a complete Web-based M&R management program. IAS integrates the data into Zim's in-house system and provides a full suite of reports which track status, repairs and costs.

"A great benefit of IAS is its capability to considerably help us improve operational efficiency and reduce our maintenance and repair costs by standardizing reports, streamlining processes, and by attaining better asset management through better equipment visibility," noted David Sagie, Zim Director of Worldwide Inland Transportation. "Ultimately – we deliver clean error-free data about container and chassis events," said Mazza who continued, "we've connected about 150 Zim M&R facilities so far, giving Zim managers unprecedented visibility of their container data, equipment status and M&R process." ■

50TH ANNIVERSARY

HOC to celebrate container milestone

The History of

Containerization (HOC) Foundation, in conjunction with the Containerization & Intermodal Institute (CII), is to host the official gala honouring the 50th anniversary of containerisation on April 27, 2006 in Washington, DC

The event will take place exactly 50 years after Malcom P. McLean's historic inaugural ocean voyage of IDEAL X, the first vessel carrying containerised cargo, between the ports of New

York/New Jersey and Houston, Texas.

Honorary Chairpersons for all HOC and CII anniversary events are Charles G. (Chuck) Raymond, Chairman, President and CEO of Horizon Lines, LLC, the successor company to McLean's Sea-Land Service; and Mrs. Irena Z. McLean, widow of Mr. McLean.

The HOC Foundation was established this year by those involved with CII and other industry leaders as a non-profit

charitable organization to capture and preserve the history of the development and evolution of the sea-going shipping container and the industry it created, including the many individuals around the world who played a key role in containerization. The HOC Foundation intends to create a permanent exhibit for viewing by future generations.

The goal is to show how one simple idea of containerisation revolutionised ocean shipping and

dramatically expanded the pathways of global trade. The HOC history initiative will include the gala event and a permanent museum exhibition, along with CII's publication of a book on the first 50 years of containerisation. Other educational programs include a living history on video being produced by the Commonwealth Policy Institute Network (CPIN) and its director, Randolph G. Flood. ■