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Tanks only for liquid acids

France-based global shipping line CMA CGM says it is cracking down on poorly-packed shipments of some hazardous goods out of certain markets in a review of its safety policy. In one specific case the deepsea carrier now refuses to accept acids in liquid form unless shipped in tank containers.

In a notice to customers and local offices, the carrier stated that "following repeated incidents resulting from faulty packaging and subsequent leakages, CMA CGM has decided to take measures to restrict some dangerous good shipments".

The new measures include shipments of all acids in liquid form (IMO Class 8, corrosive substances)

from India which henceforth will "only be authorised if transported in tank containers".

Shipments of aluminium phosphide, UN 1397 Class 4.3 subsidiary class 6.1, from China are prohibited. Shipments of the same material from other countries remain authorised "under the condition that, in addition to the IMDG Code requirements, ref. the wording of the Special provision 932, the shipper provides a weathering certificate stating that packing operations were conducted void of any rain or liquid exposure". The note adds that Ukraine prohibits import of this class of aluminium phosphide wherever the origin.

Shipments of thalium nitrate, UN 2727 class 6.1 subsidiary class 5.1, from China are also prohibited due to the subsidiary risk 5.1.

"CMA CGM refuses to compromise with the safety and security of its staff and those of its partners and will therefore strictly enforce the above guidelines with immediate effect," the notice concluded.

For further information, customers are requested to contact their local CMA CGM office.

- In an unrelated development discussions have been held between the Chemical Distribution Institute (CDI) and the International Cargo Handling Co-ordination Association (ICHCA) over the drafting of a proposed CDI-mpc (marine packed cargo) audit scheme for container terminals.

ICHCA's International Safety Panel (ISP) members have been asked for their comments and these have been passed on to CDI. A final draft was presented to the ISP and the topic was discussed at a panel meeting earlier in the year in London. The ISP recommended the scheme for members of ICHCA International on a voluntary basis. This was referred to ICHCA International's board meeting in May, in Melbourne, where the panel's recommendation was endorsed.

The purpose of the scheme is to reassure



chemical companies and shippers that the terminals they are using are fit for purpose and satisfy minimum standards.

A statement from ICHCA Australia read: "Members are advised that the CDI-mpc Audit Scheme for Container Terminals is available for those members who wish to avail themselves of it (www.cdi.org.uk). The scheme is the last in a number of similar programmes which have been developed by CDI in consultation with trade and other bodies in the industry sector."

It went on to explain that IMPCAS scheme (the SQAS for marine packed cargo) is potentially the largest project of its kind in the world, with almost 200 auditors based in the major container handling ports.

"Developed to provide audit reports on each category of service provider involved in the distribution supply chain, the scheme extends to include: shipping companies, ships, tank container operators, container freight stations, freight forwarders, agents and container terminals.

"Recognising that marine packed cargo is not limited to the chemical industry, the IMPCAS scheme is open for participation by non-chemical companies. Following the transparency example of CDI-M, access to audit reports is extended to international authorities with a vested interest in verifying cargo security. The flexibility of the audit protocols allows for rapid amendment to include new elements."

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Biofuels about turn

The European Commission is looking to change the rules encouraging the use of biofuels following concerns that the policies may have contributed to deforestation and rising global food prices.

The changes will set a limit to the amount of transport fuels made from food crops that member states can use to achieve binding EU targets.

However, European companies that make biodiesel and other biofuels have expressed serious concerns because they have already made large-scale investments in the sector based on the target originally set by the European Commission.

Under the new proposals, being drafted by Gunther Oettinger and Connie Hedegaard, respectively, energy and climate commissioners, member states will only be allowed to meet half the 10 percent target through so-called first-generation biofuels – those derived from food crops. The rest will have to come from 'next-generation', ie, waste or agricultural residues that do not compete with food crops.

Member states will also receive less credit for fuels that score poorly on an assessment of their impact on land use and energy intensity. The commission is also suggesting that there will be no preference for food-based biofuels in any targets or policies beyond 2020.

"We are pushing biofuels that help us cut substantial CO₂ emissions, do not compete with food and are sustainable and green at the same time," the commissioners said in a joint statement.

The proposals must win approval from member states, including Germany and France, which have both been at the forefront of the biodiesel industry.

The plans also include a promise to end all public subsidies for crop-based biofuels after the current legislation expires in 2020, which some say effectively ensures the decline of a European sector now estimated to be worth €17 billion a year.

The policy u-turn comes after EU scientific studies cast doubt on the emissions savings from crop-based fuels, and following a poor harvest in



key grain growing regions that pushed up prices and revived fears of food shortages.

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Keeping tracks on containers

Tracking maintenance & repair operations improves asset utilisation, writes Blair Peterson

Disparate internal and external systems make tracking billions of dollars of equipment and transport event information challenging for intermodal companies, their trading partners and their customers. This lack of consolidated information can cause missed revenue opportunities and impact customer service. Lack of visibility into the location of assets and how long they were at a given location results in wasted time spent manually tracking down assets, which results in process inefficiencies and lost productivity.

To maximise profits and stay competitive in a demanding market, forward thinking intermodal companies must improve visibility into their operations to track their valuable assets, especially in maintenance and repair (M&R) operations. The faster a container or chassis is repaired and available for use, the quicker that asset can return to revenue-generating service.

Sophisticated tools are necessary to ensure successful and timely maintenance and repair (M&R) of intermodal assets. In today's world these tools must be automated and must include complete workflow management, estimate revisions and approvals, survey request and tracking, powerful search capabilities, estimate attachments, and comprehensive reporting. Equally important to the features of the system is its ability to integrate the workflow of the asset owners trading partners with the data that network generates. A comprehensive system captures the data, provides all network partners with visibility of what has occurred and what should happen next, and leverages collaborative tools to achieve asset management objectives.

Tracking assets in the M&R process leads to greater utilisation and revenues

Implementing an asset management programme begins with establishing your organisation's strategic objectives for managing its assets and identifying the specific measurable performance and service levels needed to meet those objectives. An asset management plan can then be developed that identifies where containers and chassis are located, what condition they are in, what is required to return them to service, as well as other critical data points. It is also important to collect information, such as chain of possession, and what condition it left and returned in. The collected data can be evaluated to inform decision-making on how specific assets should be maintained and managed.

In a successful maintenance and



Best practice should include managing and tracking M&R activity at all depots on a global basis

repair operation, automation ensures that repair estimates are created accurately and approved efficiently. As containers and chassis move through the M&R cycle, their locations must be tracked to ensure that assets are checked quickly and repairs executed promptly. If there are hang-ups in the M&R cycle, inefficiencies occur that can mean lost bookings and revenues. Automation and cycle-time metrics keep the asset moving through the process so that idle time is minimised. This efficiency improvement in the M&R process gets assets 'back on the road' to generate revenue.

Best practice

Best practices for managing containers and chassis within an M&R operations should include:

- Managing and tracking M&R activity at all depots on a global basis
- Checking incoming repair estimates against a standard tariff and automatically flagging discrepancies
- Gaining high-quality data feeds from all M&R vendors, no matter the size
- Identifying and eliminating process gaps and lag time in the equipment M&R cycle
- Managing by exception with automated alerts to potential problems
- Connecting the vendor/depot network, regardless of a vendor's technical sophistication
- Viewing estimate revision history and

variances between the original and approved estimates to better understand costs

- Eliminating manual processes (phone, fax, email and 'system jumping')

Global ocean carriers are improving equipment utilisation through automation

With an M&R system in place, equipment owners are able to automate communications with depot vendors, track equipment, and control costs. One large international ocean carrier, a market leader on the north-south container trades and in refrigerated logistics, implemented a web-based solution and communications hub to coordinate worldwide repairs for its entire container fleet. Managing the M&R process on over 400,000 TEU was problematic without automating the process.

The carrier was able to connect to its full network of over 300 repair and storage depot vendors and offices, regardless of technology capability. With improved data accuracy and process management, the company is able to apply consistent repair standards for its global container fleet. Having standard processes in place, combined with improved data transparency, the management teams are able to directly impact M&R costs and equipment turn times. Users can

instantly check the status of a repair, view past repairs, quickly identify any delays in the repair cycle, and even be alerted automatically to anomalies. The system also provides valuable feedback on container damages that enables improved monitoring of container safety issues and new equipment under warranty, as well as being used in the design stage of future equipment procurement.

In the demanding shortsea trades where containers may incur depot activity more than 10 times a year, keeping firm track on repairs and gate events plays an important role in controlling equipment costs and availability. A European ocean carrier is utilising a web-based system to track and control container M&R and gate in/out events across a network of more than 25 depots. The new system enables the carrier to capture all M&R data into a single database accessed by users in multiple offices, providing increased visibility into activity and measurements. The system allows the analysis of trends, including specific issues where the carrier might be spending more on repairs with a particular container type or design. This information can be used to identify improvements to the company's container designs that will reduce future repair costs.

Another European carrier was able to secure additional traffic simply by

having more equipment available due to shortened M&R turn times and better tracking of equipment. Previously, their complex repair process was administered manually and fraught with numerous errors, putting a heavy burden on administrators. From one single location, they may now access the status of containers at maintenance and repair facilities located around the world. They can view stock levels, get a quick inventory view, and can quickly and easily speed up the repair process when they need to provide containers for bookings. They are able to manage their container fleet to cover all bookings and avoid taking on additional equipment. The carrier is able to see average repair times and costs and can exert better control over the process, thus also improving customer service.

Tracking assets means investments used profitably

With shipping companies spending an average of US\$110 billion a year (*The Repositioning of Empty Containers*, Dr. Jean-Paul Rodrigue, Dept of Global Studies & Geography, Hofstra University) in the management of their container assets (purchase, maintenance, repairs), tracking the utilisation and improving the maintenance and repair operations will ensure their investments are administered profitably. Transportation asset management allows businesses to make optimal use of existing assets to maximize their performance.

Asset management is not merely the identification and inventorying of transportation equipment; it is the process of making the assets you own or control work most productively - and profitably - for the business. Poor asset management can be identified by lack of business controls for managing asset data, insufficient asset data quality, and an out of balance investment in people, process, data, and technology. It can lead to uncontrolled capital and expense budgets, under or over-utilised assets, increased operational costs and headcounts, and can ultimately degrade customer service delivery.

The solution is an established program that successfully and optimally aligns the on-going collection of data from the maintenance and repair process with customer service level requirements while tracking assets through all touch points. The result is improved productivity and efficiencies so that the right equipment is available to the right customer at the right time at the right location.

Blair Peterson is SVP of commercial for International Asset Systems.

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