

PREMIERE ERA

NEWSLETTER OCTOBER 2015

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**HAPPY
READING**

12 freight forwarders qualify for Lithium Battery Certification for Air Transport scheme

THE first batch of 12 freight forwarders has qualified as certified companies of the Supply Chain Security Association's (SCSA) Lithium Battery Certification for Air Transport (Li-CAT) scheme. Their achievement was recognised at an awards ceremony held by the Association in Hong Kong.

The Li-CAT scheme aims to regulate the professional practice code for air transportation of lithium batteries, enhance the industry-wide safety best practices, and establish an objective and impartial standard to enable sustainable industrial development.

The initiative was launched due to the fact that most lithium batteries are manufactured and shipped from China, and it comes amid concerns that dangerous goods are being inaccurately declared.

The situation is being made worse by the emergence of counterfeit or recycled lithium goods which can only be identified through laboratory examinations.

"Our company has improved in various ways during the application for the Li-CAT certification. In order to fulfil the Li-CAT documentation requirement and on-site validation, our internal procedures and safety and security measures have been further enhanced," said general manager Jonathan Lopes of DT Logistics (Hong Kong) Limited, one of the certified companies.

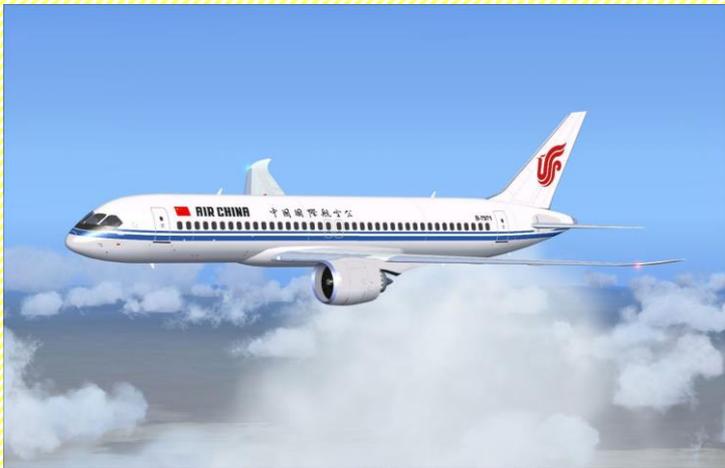
This certification can enhance the safety standard and awareness of the industry.

The Li-CAT certification has followed the association's high standard screening criteria."

Applicants will have to fulfil the certification requirement, at the same time demonstrate a good practice towards the industrial safety and economic interest.

"The Association hopes to initiate the establishment of a 'White List' mechanism, to strike a balance between industrial safety and the overall economic benefit. The 'screening out' mechanism, which has been used by the industry, is already outmoded. The screening process is time-consuming and not effective, which showed a hindering effect on the industrial development."

Air China launches services from Beijing to Sri Lanka, Malaysia and Pakistan



AIR China is to start a Beijing-Colombo service on Tuesday (October 27).

The new route is part of the airline's move to cement its global presence with its hub in Beijing and expand its route network serving South and Southeast Asia.

The tri-weekly service, CA873/4, will operate on Tuesday, Thursday and Saturday with the outbound flight departing from Beijing at 13:30 (Beijing time) and arriving in Colombo at 19:10 (local time). The return flight departs from Colombo at 21:10 (local time and arrives in Beijing at 07:00 the following day.

The airline is also starting a Beijing-Kuala Lumpur nonstop service tomorrow (October 25).

The 6.5-hour flight (CA871/872) from Beijing to the Malaysian capital will be operated four times a week on Tuesday, Thursday, Saturday and Sunday. The outbound flight departs from Beijing at 16:45 and arrives in Kuala Lumpur at 23:00 (local time). The return flight departs from Kuala Lumpur at 00:20 and arrives in Beijing at 06:45.

Air China's new Beijing-Islamabad - Karachi service will start on Monday (October 26) making it the first Chinese domestic carrier to offer an air link between the Chinese capital and Pakistan.

The CA945/6 flight will be operated three times a week on Monday, Wednesday and Friday. The outbound flight departs from Beijing at 8:30 and arrives in Islamabad at 21:30 (local time) and in Karachi at 00:50 (local time) the following day.

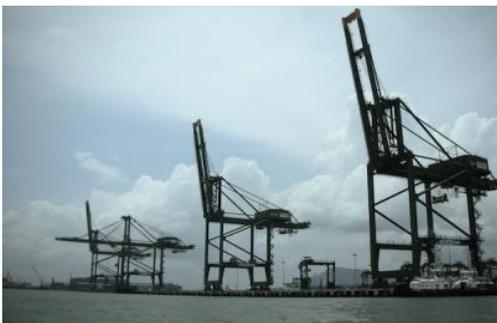
The return flight departs from Karachi at 02:20 (local time) and arrives in Beijing at 11:35.

SWEDEN: Maersk shipping giant issues rare profit warning as freight rates plummet



COPENHAGEN, Denmark - Maersk Line has cancelled a Middle East-Europe port rotation while parent company AP Moller-Maersk has issued a rare profit warning as freight rates on key trade routes continue to fall. Nils Andersen, chief executive of the Danish shipping and logistics giant, which owns the largest shipping line in the world, said profit expectations for 2015, had been revised to US \$600-million less, from an anticipated US \$4-billion to US \$3.4-billion. The previous expectation, which was announced in the Danish firm's Q2 report, was based on an underlying result contribution from Maersk Line above US \$2.2-billion. The group now expects an underlying result from Maersk Line of around US \$1.6-billion. "It is regrettable that we have to adjust our expectations for the 2015 result. All of our business units delivered a positive result in the third quarter, despite difficult conditions across our industries," said Anderson. "Maersk Line has over the years taken steps to ensure a cost-effective and resilient operation, but the current deterioration in the container shipping market is impacting our business," he added in a statement. The company said the container shipping market declined in September and October beyond its expectations, with little chance of recovery during the rest of the year. Fewer containers were carried than expected, with average freight rates 19 per cent lower than during the same period last year. Routes between Asia and Europe have been particularly weak, with Bloomberg Intelligence explaining that the World Container Index had hit a record low for a third consecutive week, with two of the eight biggest world trade lanes at all-time lows. The Asia-Europe routes are Maersk Line's most lucrative, but with the Chinese economy slowing and manufacturing data proving particularly weak, demand for shipping goods has suffered. In addition, the main trade routes, the Asia-Europe rotations in particular, are being hampered by oversupply as a result of shipping lines' adding ultra large container ships to their fleets to reduce the per-teu cost of transporting goods

Vietnam plans cargo limit to divert ships from HCMC to underutilised Cai Mep-Thi Vai



Vietnam Maritime Administration will submit a plan to the transport ministry relating to the diversion of cargoes from the congested Ho Chi Minh City port to the underutilised Cai Mep-Thi Vai deepwater port complex.

The plan proposes to limit the amount of goods that can pass through ports in Ho Chi Minh City, hence diverting some ships to the larger, nearby port complex.

The plan will then be handed to the National Assembly for approval, according to Bui Thien Thu, deputy chief of Vietnam Maritime Administration, cited by Saigon Times Online.

He said the transport ministry has been trying to encourage shipping lines to move to Cai Mep-Thi Vai, Vietnam's largest port complex opened in May 2009, but severely underutilised due mainly to the lack of connecting hinterland facilities.

The official said that the VND40trn (\$1.8bn) port complex consisting of seven container terminals has been operating at just 15% of its designed capacity since it opened in 2009. Each terminal can handle about 1m teu each year, giving the port complex an annual handling capacity of 7m teu.

At Ho Chi Minh City port, congestion is particularly glaring at Cat Lai in District 2, according to Thu, and the plan is expected to alleviate the problem.

The lack of deepwater draft at Ho Chi Minh City port is also a push factor for operators to divert to Cai Mep-Thi Vai, which can accommodate containerhips of up to 10,000 teu.

HOW SOCIAL MEDIA INFLUENCE BUSINESSES



Benefits of social media

If used wisely, social media can be a powerful business tool. Some of the opportunities and benefits of social media can include:

- **Revenue**

The most obvious opportunity is to generate revenue. This can be done through building a community or advertising your products or services within the social media platform. If you choose to advertise in social media, the ads can either link back to your business' social media page or sometimes to your website. This can mean that you're able to benefit from social media without needing to have a channel.

- **Brand development**

Using social media allows your customers to connect and interact with your business on a more personal level. If you already have an established brand, social media might be an opportunity to further develop your brand and give your business a voice.

- **Attracting customers**

Social media can be a good way of attracting new customers. For example, when considering social media campaigns, you could try to attract followers with promotions or giveaways. Once you have a good following you can focus on more personalized social media campaigns to encourage them to stay.

- **Research**

Even if you think social media is not suited to your business or that you don't have the time, simply logging on to see what your competitors are doing in this space, or finding out what your customers are saying about you might be a valuable exercise.

- **Networking**

Networking can be a valuable way to exchange ideas with like-minded people to improve the way you do business. Using online networking sites can also be valuable to your business, often for the purpose of knowledge sharing and word-of-mouth referrals.

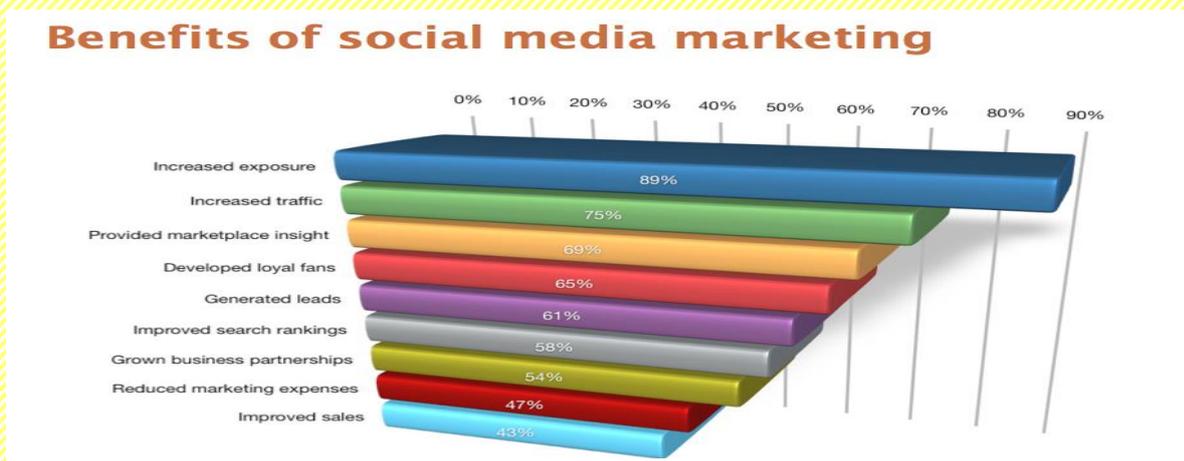
- **Recruitment**

Some organizations use social media to advertise vacant positions. Job networking sites like LinkedIn are dedicated to the job market and can help you use networks to attract skilled people

As social media continues to change the way people communicate, it has become an increasingly important resource and benefit for businesses today. The average person spends several hours a day on the internet and social media sites, so it's no question that there would be several benefits to joining the social media revolution.



There's an increasing importance in online presence these days, and how you are perceived online can either help or hinder your image. Managing your online image is essential because, like it or not, people will be talking about you regardless of whether or not you are part of the conversation. Social media for your business will give you more direct control over the way you want to present yourself online. They allow you to not only create an image, but create a personality as well.



One of the best parts about social media for your business is their cost. Traditional marketing can be expensive and social media can be used to distribute similar promotional materials in the form of videos, photos, articles and more. Most social media platforms are free to use, with the only cost being the time spent on updating profiles and interacting with your fan base. Therefore, marketing campaigns across social media platforms can be an incredibly cost-efficient way to speak directly to your target audience.

