

### EDITORIAL

Welcome back to Project Cargo Weekly! I hope that you entered the year of 2018 in style and that any subsequent hangovers have now subsided enabling you to take on the challenges of the new year.



I also entered the year well, #MeToo, as many as many women around the world say these days. I celebrated at home in Stockholm, Sweden where I also had the once a year chance to see all 6 of my children together at the same time. Seeing them reminds me that I'm getting older, the rest of the year I can continue to pretend like I'm young.

On the international scene, it seems like the media hasn't gone a day without reporting this or that about Donald Trump, I don't know about you, but it's starting to feel like they simply have nothing else to talk about. In my opinion, the world is bigger than any single individual, and although the US is important, the constant Trump bashing has become a bit boring.

For most people in the World, it is now back to normal, to work and try to improve the thickness of the wallet. In the western world especially we tend to buy a lot of stuff that we don't need during Xmas and then make empty new years resolutions... C'est la vie as the French say.

For the 1st issue of 2018, we start with interviewing a project freight forwarder based in California showing us that the state is much more than film stars, sun, and surf.

We then fly back to Europe to speak to a competent shipbroker and consultant in heavy lift shipping.

Finally, we talk with an experienced project forwarder who owns a company in the tiger economy that is Vietnam.

You are then pointed to an interesting article about the future of the Mekong River followed by a featured shipment, shipping news and the bright future of port development according to an international law firm. We finish off with a video, photo, proverb, and quote of the week.

Enjoy and welcome back!

Yours sincerely,

**Bo H. Drewsen**

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## AMERICAN EXPORT LINES

### MR. KASRA FERASAT MARKETING DIRECTOR

**Kasra, when was American Export Lines established and what is the company's main business focus?**

The company was founded in 1974 and the main focus is ocean imports/exports and warehousing. We handle air freight, but it accounts for 5-10% of our overall business. While the company started out in FCL exports and it still accounts for a large part of our business, we have focused more on developing our warehousing and distribution business including transloading as well as out of gauge (OOG) projects. We noticed in the last 5 years that our OOG shipments were increasing, so we decided to focus on continuing the growth in project shipments and develop friendly and long-lasting relationships with overseas agents so they can trust us with their business and vice versa.



Location of Kasra Ferasat's office in the USA

**Tell us about where your offices are located in the US and elaborate a bit on how you handle business to/from overseas. Are you a member of any networks or do you have well-established partners abroad from before?**

We have offices in Los Angeles, California and Newark, New Jersey. Our agent routed shipments are all handled by our Los Angeles office. We are members of the following international freight networks: CLC Projects and WCA. We have some established agents that were developed 30 years ago, but the majority of our agents were developed in the last 5 years, which has been a major focus for us since we are a small company and need to develop strong partners in all areas of logistics around the world.



American Export Lines and Unimasters Logistics co-operated on a project shipment of used machinery from Santa Paula, CA to Ruse, Bulgaria

### ***How about the competition in US freight forwarding these days?***

It is highly competitive as always, especially in large markets such as Los Angeles and New York/New Jersey. There is always someone who is either undercutting you or not telling the customer the truth about what services are included in their pricing or what other charges may arise, and that can cause us to lose some business. Nevertheless, we don't try to win all business that comes to us, we focus on the business where the customer truly values our customer-driven approach and prefers service over price. We don't want to be all things to all people, or else we can't continue to grow. Our approach is to focus on niche markets and customers who require standard operating procedures (SOPs) that are followed and continually improved upon.



Fuselage shipped for ITN Logistics from Arkansas to Los Angeles and transloaded to a 40'FR.

### ***I am not so familiar with freight forwarding in the US, but as a rule, how do the shipowners treat you? Do they treat bigger forwarders better than smaller forwarders or is it a matter of fixed rules relating to freight payment, b/l release etc.?***

The answer depends on which shipping line! The major liners that focus on containers are for the most part very friendly and try to develop business with us since we have relationships going back 40 years with at least 10 liners. There are a few shipping lines that are more BCO (beneficial cargo owner) focused compared to others and we stay away from them unless they cover a lane that we must use them for. When it comes to freight payment, b/l release, and other things, some carriers are very strict and don't offer flexibility. You have to have good credit, have a history with them and offer them volume to get any sort of flexibility, with those carriers volume is the name of the game.

The breakbulk/RORO carriers are all very friendly and quick to

respond and try to develop business with us when we send them inquiries. When it comes to things like freight payment, b/l release, unless you have a lot of volume with them, the BB/RORO carriers don't offer special terms. We do have RORO carriers that do work with us since we give them good volumes and it is very much appreciated.



Sparber Group, Thunderbolt Global Logistics, and American Export Lines arranged a critical delivery for a solar farm project in the USA.

### ***I understand that the FMC plays a major role in shipping in the USA. For those of us not familiar with the many rules governing US shipping and forwarding, what is the FMC, what purpose do they serve and does it affect your daily business?***

The FMC (Federal Maritime Commission) is a US federal agency that issues licenses and regulates ocean transportation intermediaries (OTIs) which are also known as international freight forwarders and NVOCCs, as well as shipping lines that engage in oceanborne international transportation. To learn more about the difference between a Freight Forwarder and an NVOCC according to FMC regulations, please read our [blog post](#).



The FMC's main purpose is to ensure proper regulation among ocean common carriers (aka shipping lines), marine terminals, freight forwarders, NVOCCs, US importers, US exporters and US consumers and prevent unfair and deceptive practices such as unfair rate increases. They follow the statutes under the Shipping Act of 1984, The Foreign Shipping Practices Act of 1988, Section

19 of the Merchant Marine Act of 1920 and Sections 2 and 3 of Pub. L. No. 89-777, 80 stat. 1350.

Many overseas agents do not know this, but any international ocean shipment to or from the US that has a House Bill of Lading requires the House Bill of Lading to be from an FMC licensed NVOCC.

The FMC more recently has been involved in hearing shipper's complaints about excessive demurrage and detention charges under a [petition filed by the Coalition for Fair Port Practices](#), arising from the port congestion and labor strikes of 2014. To read more about the port congestion that led to these upcoming hearings, [click here](#).

The FMC does affect our daily business because we have to follow their regulations, so do the shipping lines. When we enter into a service contract with a shipping line, that contract must follow FMC regulations and also must be filed by both us and the carrier. As an NVOCC, we must either file rates in our tariff, have an NSA (NVOCC Service Arrangement), or an NRA (NVOCC Negotiated Rate Arrangement) with our customer, which again must be followed according to FMC regulations.



Partnering with Tour Americal to re-export 40 classic cars from Los Angeles that were temporarily imported, toured throughout America with their owners and shipped back to Belgium.

#### ***Do you also organize inland transport via USWC ports?***

Yes, we arrange container trucking (drayage), truckload, LTL, Flatbed and OOG Trucking as well. We are a licensed DOT Freight Broker. All of our licenses and associations can be found [here](#).



Trucking of Macro paving Equipment from California to Houston, TX, and Transloading to 40' flatracks and ocean freight to Klaipeda, Lithuania.

#### ***Give us an overview of the ports available for container and project cargo on the US West Coast.***

Below are the major US West Coast container and project cargo ports. There are a lot of smaller ports such as Stockton, CA that handle Breakbulk that I won't mention. When I mention Breakbulk, I'm including bulk grains/ore/etc. I will list them from North to South.

- Seattle WA (Container/RORO/Breakbulk)
- Tacoma WA (Container/RORO/Breakbulk)
- Grays Harbor WA (Breakbulk, mainly grains, timber, soybean meal)
- Longview WA (Breakbulk, mainly grains, timber, soybean meal)
- Vancouver WA (Breakbulk)
- Portland OR (Container/RORO/Breakbulk)
- Oakland CA (Container/RORO/Breakbulk)
- Port Hueneme CA (Container/RORO/Breakbulk)
- Los Angeles CA (Container/RORO/Breakbulk)
- Long Beach CA (Container/RORO/Breakbulk)
- San Diego CA (Container/RORO/Breakbulk)

Some of these ports such as Portland and San Francisco are not major ports and many shipping lines do not call them on a regular basis.



Partnering with Tour Americal to re-export 40 classic cars from Los Angeles that were temporarily imported, toured throughout America with their owners and shipped back to Belgium.

#### ***What are your plans for 2018?***

Focus on developing new markets in project cargo and containerized shipments to Asia alongside our agents and continue to develop our warehousing business.

Interviewee:  
Kasra Ferasat  
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American Export Lines  
[www.shipit.com](http://www.shipit.com)



# HBB – HANSEATIC BREAKBULK GMBH HAMBURG, GERMANY

## MR. ANDRÉ MILSCHUS FOUNDER AND MANAGING DIRECTOR

**Andre, we met first many years ago in Shanghai, didn't we? What were you doing in Shanghai at the time? Tell us about your career up until establishing Hanseatic Breakbulk (HBB).**

That is indeed correct; we both met for the first time in person on board the mv "Leopold Staff", which was importing paper machinery from Europe to Ningbo. You were at the time working with Martin Bencher and I was doing my overseas internship with Chipolbrok Shanghai office.

The time in Shanghai followed by another 6 months in Hong Kong, was among the most crucial and direction paving experiences in my professional career, both were an integral part of my 4-year full-time B.Sc. course called "International Transport Management", that I finished in 2003. The basic knowledge and rules that I learned during my 2 ½ years pre-graduate apprenticeship as a shipbroker in Hamburg were a great foundation, whilst working abroad. Moreover, the cultural experiences that I gained and the feeling to establish oneself in an ever-changing environment made me gain confidence and knowledge day by day. I continued my career with a 4-year stay in Houston working for Rickmers-Linie in their line management department. I then returned to Hamburg in 2009 to set-up a European representative office for SE Shipping Lines Pte. Ltd together with a friend and colleague at that time.

At the end of 2011, I had the honor to work for a short period with Beluga Shipping in Bremen, leading quickly to the new startup of what is known today as Hansa Heavy Lift. To have a key role in setting up the commercial and operational structures of such a new company specialized on lifts of over 1000 metric tons u/w, gave me both satisfaction and extensive further [engineering] knowledge. All that finally led to the moment, when it was the right time to establish my own company Hanseatic Break Bulk on the banks of the river Elbe starting from 2015.

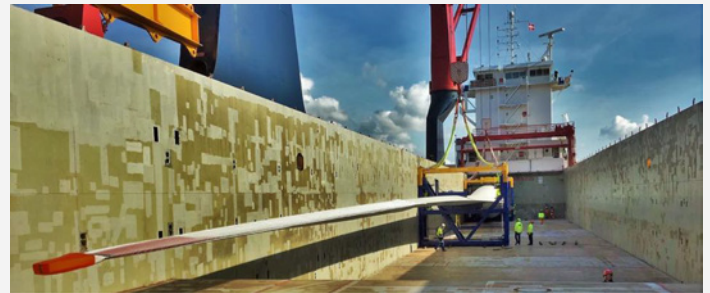


**What can you offer the potential customer, who is in need of a reliable broker & consultant and do you work worldwide?**

I always used to say, if you want to sell logistics services around the world, you must have first-hand experience! That means I do operate worldwide but try to focus on countries and areas where I have spent time working or have lived.

My team and I are considered brokers+ service providers for our customers. We do not work like traditional agents or brokers do. Each of our customers receives chief medical treatment for their

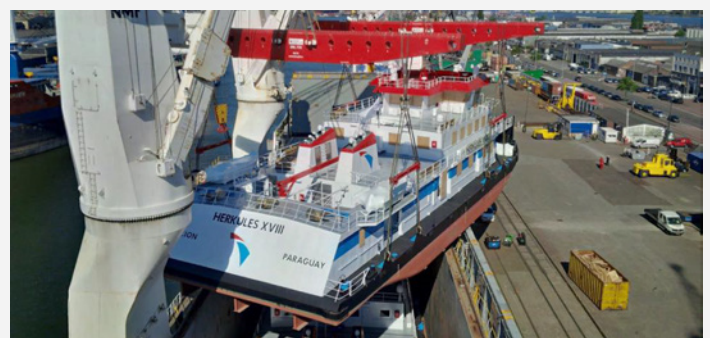
inquiries, a result of our small company size but a high degree of experience and specialization of our team. Our customers are carriers, forwarders as well as large international construction and offshore companies. They use HBB because they consider us a trusted and experienced part of their logistical team. We are small enough that we do not have a hidden agenda or a huge machine to feed. We simply do what we can do best, which is assisting in the execution of shipments and operating vessels of different types and lifting capacities, ranging from tug+barge concepts to 1000ts+ heavy-lift vessels. We help our customers find the best ship for their requirement and to point out eventual pitfalls in a logistic contract; all to avoid unnecessary stoppages, misunderstandings or detention situations along the transportation chain.



**Many shippers I believe or even freight forwarders sometimes believe they have skill enough on their own to deal with the shipowner or deal with a given charter party – tell us about your experience in this field. Is there a market for an independent consultant as well when shippers/forwarders believe they “know it all”?**

That indeed is a trend we also recognize. The answer is not quite so straightforward. The fact remains that the main skills of a good broker apart from negotiation are up-to-date market knowledge paired with experience. That includes an overview of different ship types, operators, trade-routes, freight rates, charter party terms and conditions, former rulings on legal disputes, recent market trends, a gut feeling for what can go wrong, etc. That knowledge is a result of many years, sometimes decades of being involved in and being responsible for exactly that one very specific business niche. We as brokers already need to focus on specific shipping niches and dedicate ourselves 24/7 for that purpose.

One wonders how carriers, shippers or freight forwarders can do the same thoroughly when their core jobs are described differently. Shipping always seems fascinating and much easier than it factually is, to pick and choose the best price is one part of it. It's crucial to understanding here is that the cheapest price is hardly ever the best price. Our customers give us trust and support to do the job for them because they would like us to find partners for long-term solutions and for building partnerships. At the very moment, something may not work out according to plan and ships delay, cargo not ready, port closed, cargo damaged, etc. An experienced broker can save all parties not only bags of money but also the relationships in between the parties concerned and consequently the fixture.



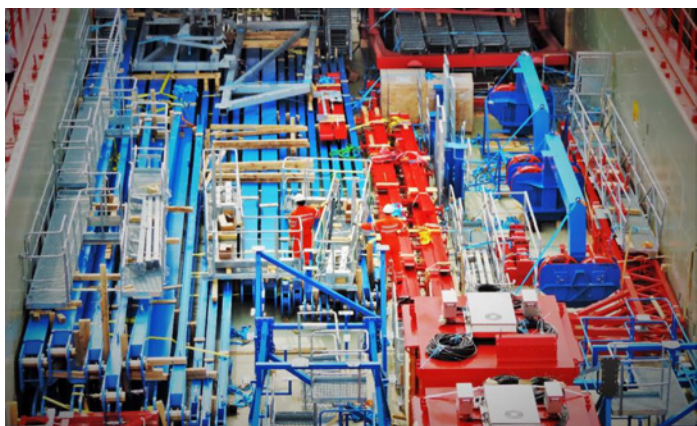
**Tell us if you can about some of the cargoes you have handled or projects that you have been involved in.**

In 2017, we worked mainly in three different vertical cargo markets.

First, we were involved in the transportation set-up for over 15 dismantled STS Container Gantry cranes, mainly from Europe to worldwide destinations.

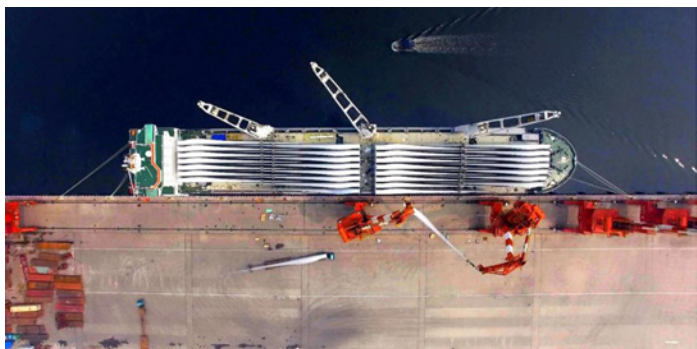
Our second focus is on the renewable industry, including the maritime logistics for several ultra long 82,5m offshore windmill blades for the Burbo Bank expansion project. Our onshore wind department also created an impressive milestone by fixing a total of 150 single framed blades, which represents the largest amount of windmill blades ever exported on deck of a single vessel leaving Asia at that time.

The third market that HBB focuses on is maritime transport of new or second hand floating equipment, such as large workboats, tugs, docks and casco barges. Our close connection to Engineering companies help us to even propose turn-key solutions including cradles, and seafastening services together with partners. In May 2017, we were involved in the shipment of an entire floating dock from Rotterdam to West Africa onboard of a heavyliifter.



**Do you have offices abroad Andre?**

No, we do not have any own physical offices abroad. We do, however, have very experienced strategic partners, whom we have known for many years in nearly every key market and can e.g. set-up project-related representative offices with them in a heartbeat, where/when needed. Additionally, since 2016 we do work in an alliance with our partners NEPA Shipping B.V. from the Netherlands, which has generated great synergies between the two companies.



**How do you view the shipping business if we focus on breakbulk owners currently? There has been steady speculation about the situation for some of the owners and we have seen that BBC/Jumbo has entered into a special agreement, Rickmers Linie has taken over Nordana/NPC and there have been various other “bedfellows” joining each**

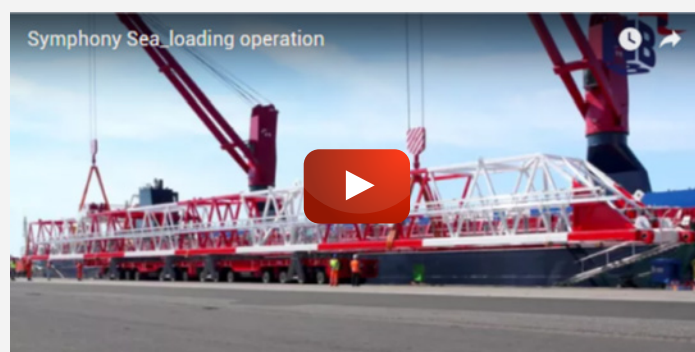
**other. What does that tell a specialist like yourself about the market? With container carriers increasingly accepting breakbulk cargoes, are they real competition for the breakbulk shipowners?**

Even though there are some signs of recovery, it remains to be seen whether they are in fact the forerunners of a sustainable upturn in 2018. The price of oil and gas seems to have bottomed out, thus one might experience fresh investments from the industry and more typical oil and gas equipment will need to be moved with MPP/heavy lift ships again. There is also some fresh potential spending in Africa and the Middle East as well as in renewables and particularly the wind industry.

The growth rates are, however likely to be modest in the immediate future since I do not expect the oil price to reach any of the previously absurd levels again, anytime soon. The direct and somehow painfully perceived competition from the container lines and bulk carrier owners seems to be easing as they find more attractive opportunities in their core markets.

In retrospect, it is also worth noting that the heavy-lift vessels sector showed a disparate picture. Older general multipurpose ships with a lifting capacity of up to 500mt barely cover OPEX, whilst modern ships that reach lifting capacities above 1000mt enjoy a more sound freight that is well above operating expenses.

We will likely see further consolidation in the industry to gain a brighter market share and to cut operational costs. It remains to be seen if that is the wisest move. One can expect that if the market indeed recovers sustainably in the near future, a good portion of these mergers and loose associations will fall apart again somehow.



**How does it feel to be owning a company yourself? Does it sometimes become stressful?**

Owning a company and having employees on the payroll is a great deal of responsibility. At the same time, it gives you a unique way to make your entrepreneurial ideas come true in the exact way you want them to. Looking back on the past 3 years, I can only say that I would do it all over again tomorrow and would not want to change a thing. The fact that one needs to be positive minded, proactive, visionary and possess the skills to continuously re-invent oneself are important aspects to remain successful. At the same time, it is crucial never to lose focus on a clearly defined product that your customers can remember.

In the long run, it's important to give something back to the next generation to save the industry. Ever since I started up HBB, I had students of the Universities of Applied Science Eindhoven and Bremen sitting next to me in my office. They gained profound knowledge in short periods of time and after completing their studies some of them stayed on our team. Regrettably and unlike other industries, shipping does not have a guild culture in which successful business players, ship owners or brokers give their experience willingly and patiently to a fresh generation. HBB has

taken the initiative to bridge that gap.

***With your skills and know-how, I am confident that some of our readers would like to get in touch with you. How can you be reached?***

Sure thing, anytime! Anybody interested to get in touch can do so by contacting us either by phone at +49 40 307 234 36 or by sending us an email to [hbb@hanseatic-breakbulk.com](mailto:hbb@hanseatic-breakbulk.com) - we'll be pleased to hear from you!

Interviewee:

Mr. André Milschus

Founder and Managing Director

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## **VN PROJECTS LTD HO CHI MINH CITY, VIETNAM**

**MR. JOHN TRUONG  
OWNER & CEO**

***Where are you from in Vietnam and what made you choose a career in freight forwarding and shipping?***

I was born in Da Nang City, in the middle of Vietnam but I grew up in Ho Chi Minh City. My background is in foreign trade and logistics. I graduated with a BA from the Foreign Trade University in Ho Chi Minh in 2005. I worked 2 years for a local forwarding company called AA Logistics in the junior positions of import trainee; import executive; export executive and then customs broker. From early 2007 I worked as a sales executive and then sales manager at DSV Vietnam. At the same time (from 2006-2008) I got the Master of International Business at the Foreign Trade University. I chose a career in freight forwarding and shipping because I studied and was trained in this industry.



***Tell us about VN Projects – who owns the company and what is your main line of business? There are many forwarders in Vietnam and not everyone is reliable, tell us what makes VN Projects special?***

VN Projects is a project freight forwarding company which specializes in handling breakbulk, heavy-lift, oversized cargoes and all types of containers. I own the company 100%.

VN Projects main line of business is:

- Chartering
- Pricing for all local transportation of oversized and heavy cargoes
- Pricing for international transportation of oversized and heavy cargoes

- Shipping all types of containers (FCL, FR, OT...)
- Feasibility studies for projects / Pre-transportation surveys
- Documentation/ Tax and duty exemptions
- Customs clearance and land transportation

Even though the company is only 1-year-old VN Projects has been approved as logistics vendor for large groups and global companies such as Posco, Lilama, Doosan, Petrovietnam, EVN, Bauer, etc.



***Elaborate a bit on the ports of Vietnam – what ports are the main ones for breakbulk cargo and what ports are the main ones for containerized cargo.***

The main breakbulk ports are:

- Lotus; Tan Thuan; Ben Nghe (Ho Chi Minh area)
- PTSC Phu My; SITV Phu My; ODA Thi Vai (Vung Tau)
- Hoang Dieu (Hai Phong)

The main container ports are:

- Cat Lai; VICT; SP ITC (Hochiminh)
- Cai Mep (Vung Tau)
- Dinh Vu; Nam Hai Dinh Vu (Hai Phong)
- Da Nang (Da Nang City)
- Quy Nhon (Quy Nhon City)



***Can you organize inland transport in Vietnam? Where does customs clearance take place in the port or at final destination?***

Yes. VN Projects can organize and professionally manage inland transportation in Vietnam. Customs clearance can take place at the port or at the final destination.



**Can you also arrange cross-border transport via Vietnam to Laos and Cambodia if needed?**

Yes. VN Projects can offer and arrange inland transport (cross-border) via Vietnam to Laos and Cambodia.



**Can you tell us a bit about some of the project cargoes that you have handled in VN Projects?**

- We chartered 2000 CBM of breakbulk cargo (biggest item: 70 metric tons) from Busan to Ho Chi Minh City in July 2017.
- We shipped a used crane (Capacity: 600 metric tons) from Batam to Ho Chi Minh City in April 2017.
- We handled two used cranes from Phu My to Chittagong in May 2017.
- We have transported many oversized shipments by SPMT from the port to the customer's factory and from customer's factory to the POL.



**How to contact you in case some of our readers would like to know more about you and get a quote?**

Readers are welcome to contact me at the following:

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Skype/ Gmail/ Facebook: johntruongvn  
Viet Nam Projects Transport Co., Ltd (VN Projects)  
[www.vnprojects.vn](http://www.vnprojects.vn)



## EDITOR'S NOTE - IS THE MEKONG RIVER SET TO BECOME THE NEW SOUTH CHINA SEA FOR REGIONAL DISPUTES?

The mighty Mekong River is famous around the world and what is more fitting than directing your attention to this article recently in the South China Morning Post. [Read more...](#)



## FEATURED SHIPMENT

**POLYTRA SHIPPED TWO 210MT TRANSFORMERS FROM BELGIUM TO OMAN**



Polytra Antwerp arranged the loading on a barge from Mechelen, Belgium and direct transshipment ex-barge Nebraska on board sea carrier "Rickmers Singapore" via vessel's crane in Antwerp port for 2 transformers 500 MVA each weighing 210 tonnes. Additionally, 2000 fwt pallet oil drums, cases, and crates with parts were loaded on Rickmers Singapore <http://www.polytra.be>

## SHIPPING NEWS

### MARITIME PIRACY AND ARMED ROBBERY REACHES 22-YEAR LOW, SAYS IMB REPORT

A total of 180 incidents of piracy and armed robbery against ships were reported to the International Chamber of Commerce's (ICC) International Maritime Bureau (IMB) in 2017, according to the latest IMB report. This is the lowest annual number of incidents since 1995, when 188 reports were received.

[Read more...](#)

## LEGAL NEWS

### 2018 SET TO BE "TRANSFORMATIVE YEAR" FOR PORT DEVELOPMENT, SAYS INCE & CO

Leading international law firm Ince & Co has advised port operators to expect a year of transformation in 2018. Shifting economic trends, trade flows and global demographic patterns, in tandem with changes in port ownership and ongoing investment in modernisation and expansion are all creating the conditions for what could be a defining year for the global ports industry.

[Read more...](#)

## VIDEO OF THE WEEK



Sunset from a 13,000 TEU container vessel in the Indian Ocean.

## PHOTO OF THE WEEK



Sunset in the Atlantic. A beautiful end to 2017 - let us all hope that 2018 will bring everyone luck and happiness.

## QUOTE AND PROVERB OF THE WEEK

**"DO NOT LET WHAT YOU CANNOT DO INTERFERE WITH WHAT YOU CAN DO"**

- John Wooden -

**"A WISE MAN MAKES HIS OWN DECISIONS; AN IGNORANT MAN FOLLOWS PUBLIC OPINION"**

- Ancient Indonesian proverb -

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*Joachim Jarck – Alliance Maritime*

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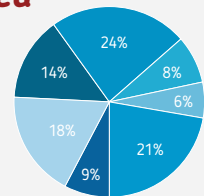
For editorial contributions contact [bo.drewsen@projectcargo-weekly.com](mailto:bo.drewsen@projectcargo-weekly.com)

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