

THE SHIPPING STANDARD

OUR EXPERTISE YOUR ADVANTAGE

VMA 2024 RECAP: MORE TARIFFS, SAME DIVERSIONS, LESS SPACE

ASK AHAB

COMIC STRIP

I AM KAI

NAUTICAL TATTOOS

FUN FACTS

ABOUT
OEC GROUP





VMA 2024: MORE TARIFFS, SAME DIVERSIONS, LESS SPACE.

VMA 2024 RECAP: MORE TARIFFS, SAME DIVERSIONS, LESS SPACE

The Virginia Maritime Association (VMA) recently held its annual conference in Norfolk, Virginia. The conference featured numerous panels and fireside chats that addressed many of the industry's most pressing concerns.

Two of the most talked about topics among attendees were the Red Sea diversions and the ILA Strike. During his panel discussion Federal Maritime Commissioner Carl Bentzel suggested that the only way to stop the yearlong attacks by Houthi rebels on merchant vessels was to find a diplomatic solution. Here was what he said:



“We have authority to implement penalties and restrictions, potentially. There’s two steps, we have to evaluate the area to see if conditions were created that were unfavorable in the US trade. Here, that’s evident. We have shipping not going through the red sea, going around Africa, and it’s costing more, impacting the world economy.”

While stakeholders across the shipping industry are hoping for an end to the Red Sea crisis, Vespucci Maritime CEO Lars Jensen offered that when the crisis ends a new problem, congestion, will become a problem when merchant vessels start going through the Red Sea and Suez Canal. Here is his take:



“The moment the Suez reopens, the first ships that go through the Suez will, quite literally, overtake the ships that are already halfway around Africa. This means, up in Europe, we’re going to have a period of a couple of weeks where there’s twice the number of vessels arriving at the same time, wanting to discharge twice the amount of containers we’re used to.”

And even when you do discharge twice the amount of containers, we don't have twice the amount of trucks and barges, so we're going to get inland congestion. For a lot of importers, the problem might be that they need to suddenly take twice the amount of inventory in delivery that their warehouse might not have the capacity to handle. This is a problem that cannot be solved, this is the consequence of suddenly shortening the supply chain by two weeks."

VMA attendees were also treated to hard-hitting insight from maritime shipping's movers and shakers. Among the most highly anticipated panels was a fireside chat moderated by OEC Group President Anthony Fullbrook and featuring the presidents of the three carrier presidents that call the Port of Norfolk: Takashi Masuda from ONE, Nissim Yochai from ZIM USA, and George Goldman from CMA CGM.

During their conversation, the carrier presidents discussed topics such as carbon neutrality, infrastructure development, and the changing alliance landscape. They also gave the audience privileged insight into the negotiations between the USMX and the ILA. C-M-A-C-G-M President George Goldman was not thrilled with how negotiations went. Here is what he said:



"The negotiations are USMX and ILA, we're part of the USMX. So, when you say negotiations with the White House, the first thing that has to happen is the White House has to stay out of it. Having said that, they can't, because it's political."

Other topics discussed at the conference included the strength of the U.S. economy, alliances, and automation. [Click here](#) to watch all the speeches, panels, and chats from VMA 2024.

ASK AHAB

-This month our resident advice columnist answers questions about the best way to deal with disruptions to rail schedules and how not to get caught off-guard by the next large scale labor threat.



Q: Dear Ahab: Between the Canadian railroad strike, the narrowly avoided strike at ports in India and the tumultuous couple of years in US port labor, I'm about ready to pull my hair out. How can I insulate myself against future labor action?

- Off The Rails

A: - Dear Off The Rails: Unfortunately, there is no way to prevent strikes from happening. However, you can insulate yourself by partnering with an experienced, well-connected logistics consultant. They will be able to help you plan ahead and, where needed, redirect your cargo to a new destination, and then piece together the final delivery route for your cargo. This is very similar to what happened during COVID. Remember, not all logistic consultants are the same. What you need is someone who has experience and who is able come up with a unique and personalized solution to ensure that your goods are delivered on-time.

Q: Dear Ahab: I've seen some serious disruptions to rail schedules since the strikes in August, how do I know I can trust the rails to move my cargo? At a larger level, should I be looking to disperse my cargo across trucks and trains in the wake of these disruptions? What is the best way for me to adjust my supply chain strategies?

Transcontinental Trust Issues

A: - Dear TTI: Generally speaking, you can trust the railroads. While disruptions happen, the reality is that there is no more efficient way to move large amounts of cargo across land. On a larger level, today's supply chain is highly sophisticated and nuanced work of art that can sometimes get thrown off by pandemics, hundred-year storms, and labor actions. When it gets thrown off it will never completely go back to working the same way. Instead, it will evolve into something different and you will have to adjust.

So yes, you should adjust and always be looking to disperse your cargo across all sorts of different delivery strategies. The best way to adjust your supply chain strategy to these inevitable changes is to work with a logistics consultant and talk to them a few times a year. They will intimately know and understand your business, and they'll be able to work proactively on your account to help you create a more resilient supply chain that will be able to withstand any future disruption.

Q: Dear Ahab: I've decided I'm not going to get caught off-guard by the next large-scale labor threat to hit the market. What should I be looking for in a strike-time logistics consultant?

- Seeking a Friend

A: -The main thing your logistics consultant should offer is a deep understanding of the market and significant market share, with contacts across the industry and across the globe. If your provider knows who to call, you'll be a step ahead of the competition.

A great logistics consultant will also offer creativity and global reach in your supply chain, because when ports are operating at limited capacity, or shut down altogether, it's ingenuity and relationships that wins out. When U.S. West Coast ports slowed down last year, sharp logistics consultants found alternative ports and devised creative overland shipping solutions to make sure that the cargo was delivered in the most timely manner possible. Believe it or not, many of these creative solutions actually saved time because they avoided congested ports. Therefore, the next time your supply chain is threatened by a strike, you'll want someone who is smart, creative, and connected.



HELLO 9-1-1. WHAT IS YOUR EMERGENCY?

THERE IS A STRANGE LIGHT IN THE SKY! IT'S JUST HOVERING AROUND! I THINK IT MIGHT BE A U-F-O AND THAT ALIENS MAY BE READY TO ATTACK!

WE ARE AWARE OF THE LIGHT. IT'S JUST THE U.S. NAVY CALLING ON KAI, THE LOGISTICS SUPERHERO, TO HELP DEFEAT A BAND OF GHOST PIRATES.

GHOST PIRATES!?! YEAH RIGHT! THAT'S WHAT YOU ALWAYS SAY!



LOOKS LIKE THE SIGNAL IS COMING FROM THE RED SEA. I WONDER WHAT THESE PIRATES ARE UP TO?



JUST KEEP FIRING THOSE CANNON BALLS AND GET AS MANY CONTAINERS TO FALL INTO THE SEA AS POSSIBLE. THEN BRING THOSE CONTAINERS ON BOARD. THEY LITERALLY CAN'T TOUCH US!



LOOK CAPTAIN! UP IN THE SKY AND HEADING OUR WAY ...



IT'S A BIRD!



IT'S A PLANE!



IT'S OVERDONE!



WELCOME ABOARD MATEY! YOU ARE ON THE GHOST SHIP EXPLORER

I CAN'T BELIEVE IT! THE GHOSTS OF DA GAMA, MAGELLAN, CABOT, COLUMBUS AND MARCO...

POLO! I WISH HE WOULD STOP DOING THAT!

HOW IS THIS POSSIBLE!?! WHAT DO YOU WANT?

A THOUGHT CAME INTO ALL OUR MINDS SUMMONING US TO THIS REALM TO ATTACK CONTAINER VESSELS AND PLUNDER THEIR CARGO

WHO IN THE WORLD IS CAPABLE OF DOING THAT?



TOM THAT IS AMAZING! HOW DID YOU KNOW THE COACH WOULD CALL THAT PLAY?

I KEEP TELLING YOU I CAN READ MINDS!

I CAN ALSO PUT THOUGHTS INTO PEOPLE'S MINDS AND MAKE THEM DO WHATEVER I WANT!

INCLUDING GHOSTS!

Fun Facts About Nautical Tattoos



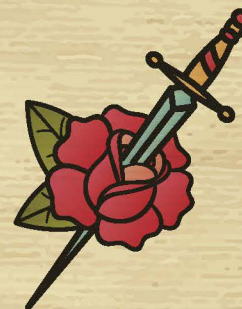
Only sailors that have sailed more than 5,000 nautical miles can get a tattoo of a swallow.



A tattoo of a three-masted sailboat is worn only by sailors who went around Cape Horn.



The Anchor Tattoo symbolizes protection and security.



A tattoo of a rose with a dagger through it is worn by sailors who are considered to be very brave.



The red devil tattoo is worn by anyone who worked in the engine room.



The compass tattoo symbolizes adventure and exploration.



The nautical star tattoo helps sailors find their way.



The kraken tattoo symbolizes power and strength.

A high-angle, close-up photograph of a ship's deck. The deck is covered with numerous stacks of cargo, including large blue and white cylindrical containers and wooden pallets. The perspective is looking down the length of the deck, with a blue sky and the sea visible in the background. A large blue curved graphic element is overlaid on the bottom right of the image.

ABOUT OEC GROUP

As an industry pioneer, OEC Group has become one of the world's leading logistics companies. We leverage in-house expertise, carrier partnerships, connections with ports and transportation hubs, and our network of offices in North America, Europe, Asia, India, South America, Australia, and the Middle East, to provide freight transportation, logistics, information, customs and brokerage, insurance, and technical services to over 50,000 customers of various sizes and industries.

We are also highly sought after for the advice we give shippers on how to optimally manage their supply chains. The guidance we provide is based on data analytics, best practices, and decades of industry knowledge.

We believe that relationships matter and treat your cargo as our own. Our experts are always investing in efficient, cost-effective, and cutting-edge services to evolve with the ever-changing market, address the complexities of any client's supply chain, and consistently perform at the highest level for our customers.

Our business is making our logistics expertise, your competitive advantage.