



Autumn 2013

With the wonderful weather we have been experiencing, except for the lack of water, we must remember that reality still exists and this year will see changes with Customs and MPI as outlined in this newsletter. All their costs will rise and we hope that we will see some kind of benefit with greater efficiencies and in some areas better attitudes.

carboNZero™

As the only New Zealand Freight Forward and Customs Broker to be certified carboNZero™ it is time for our annual independent audit. The mere mention of Climate change, colloquially called Global Warming, raises questions and discussion for which none of us have the answers. FOB does however provide a service to companies who are passionate about sustainability and "saving the planet." It is a subject that is often promoted, for example by Governments, but not followed up by positive action. If you know of someone who has a defined policy on sustainability and ecology, we may be their perfect partner into the future and we would welcome a referral.

Langdon Ingredients 160 years

In December we were delighted to be able to attend a celebration of 160 years of business for the Melbourne Headquartered (with an Auckland branch) company Langdon Ingredients. This company was formed in 1852 when Henry Langdon arrived in Melbourne and set about selling in the new colony. Now 5 generations along, Langdon Ingredients remains in private ownership supplying quality ingredients which we all indulge in as part of our everyday life.

A long history and a great company-FOB congratulate Langdon Ingredients and are proud to be their Customs Broker and Freight Forwarder on both sides of the Tasman.

Commerce Commission Criticism

An article in the NZ Shipping Gazette 23/2/13 criticizes the lack of action taken by the Commerce Commission into overcharging by a group of international forwarders. This came about following "a complaint under the Fair Trading Act by an importer against QUBE Logistics NZ (formerly POTA Global), ABBA Logistics and Access Freight Forward Company". The complaint was centered on an allegation that "the forwarders had not adhered to the Incoterms definition of CFR that the seller must pay the costs and freight necessary to bring the goods to the named port of destination" These forwarders are well known within the industry for adding a China surcharge on CFR freight. This is sent back to China to compensate for cheap freight rates given to obtain the business.

As part of the investigation two Commerce Commission investigators visited our office to get an independent view having been recommended by an

Importers Industry Group.

We deplore what is being done by these companies as it puts in question the integrity of all in the industry.

FOB has just lodged a complaint with the commission on behalf of a client whose import cost is being continually impacted by this.

Please contact us if you wish any clarification on any matters re Incoterms.

JBMS

The Joint Border Management System (JBMS) will be a set of modern, integrated information technology products that Customs and MPI will use jointly to manage risk at the border. It will allow border agencies to target risk more accurately and will therefore provide greater consistency and certainty in the end-to-end border clearance process for all goods.

JBMS will also ultimately provide a single channel for local and international traders and carriers to comply with New Zealand's border requirements (Trade Single Window). Industry will benefit from streamlined processes and reduced complexity as well as a reduction in the time spent submitting information to border agencies and waiting for responses.

Cabinet has agreed to fee increases to existing Customs transaction fees and the MPI biosecurity levy. Customs and MPI charge industry (and individuals) these fees for the processing of cargo reports and import and export clearances. These fees are being increased to cover the cargo industry's share of the costs of implementing the first stage of the Joint Border Management System.

Customs and MPI are intending to introduce the updated fees in July 2103 and the main ones are:

MPI Biosecurity Levy

was \$12.77 (GST incl) to be \$17.63 (GST incl)

Import Entry Transaction fee

was \$25.30 (GST incl) to be \$29.26 (GST incl)

Export Entry fee-SES

was \$10.22 (GST incl) to be \$12.01 (GST incl)

Export Entry (non SES)

was \$14.56 (GST incl) to be \$17.94 (GST incl)

*Importers whose goods are liable for duty and GST of NZ\$60 or more pay both the MPI biosecurity levy and the Customs import entry transaction fee. The combined fee will increase from \$38.07 (GST inclusive) to \$46.89 (GST inclusive).

Rail Transport

While New Zealand's rail network languishes a recent report on UK's railway system advises:

Spending since 1995 has been in excess of £1.5bn.

Freight moved 2011-2012 increased by 10% over the previous year

Rail produces 70% fewer carbon dioxide emissions than the equivalent road journey

A Gallon of diesel will carry a tonne of freight 395k by rail as opposed to 141k by road,

An average train can remove 60 long distance trucks from the roads.

(Kiwirail reports that an average train with their new DL locomotive can haul 2000 tonnes, the same capacity of 100 trucks)

36°50'28"S 174°46'06"E / 36.8412°S

At the heart of the city, Queens Wharf at the Port of Auckland in the Waitemata* Harbour (*Maori translation "Sparkling Waters") was built in the 1907 although there has been a wharf there since 1852 when the port area was reclaimed. The wharf covers an area of 2.9 hectares- 350 metres long, 85 metres wide. Its usage has gone from a busy working wharf as shown in the photo below from 40 years to a multi purpose civic area with the new cruise ship terminal to be built there.

As Bob Dylan wrote, "The times they are a-changin'"



Mid 1970s



February 2013

Drama in the 'hood

Our office is situated in a quiet suburban street with the Ellerslie Bowling Club as our neighbour. During February the peace was shattered by the wailing sirens of Police cars and the "Eagle" Police helicopter hovering about. While we worked away diligently, a drama was unfolding in the complex and we looked up and saw the constabulary escorting two suitably handcuffed young alleged offenders away from the area.



Is your cargo insured? -from our unbelievable file



Ever wondered how they transport many yachts-such as the super yacht-above left -across the world? They use specialised vessels-as above right- that partially sink then are raised after the vessels are loaded on board.

A number of super yachts and similar vessels recently left Auckland on a yacht carrier bound for the northern hemisphere. We shipped a 40' container of spares for the yacht to meet it at its destination. Imagine our disbelief when we received the email below

“The SY G.....t Yacht was hit by lightning and blew up on a carrier vessel. It is in pieces in the ocean now. The only thing leftover is the container. I am serious!”

The yacht was 122 feet long with a crew of 6 and according to emails has gone due to bolt of lightning when only a few days out of Auckland. As it was being transported no crew were on board to be injured.

Do you carry insurance if your cargo is damaged or lost? It does happen so please take the time to check out or contact us and we can arrange it for you

Export changes at Ports of Auckland

Ports of Auckland has undertaken a review of procedures for the handling of export containers. If a CEDO is not received 2 hours prior to the vessel's ETA, the container/s will be removed from the load list. The container may be reinstated onto the vessel if it is operationally feasible with a fee of \$250 per container (plus GST). If it is rebooked on a new vessel, demurrage of \$45 per TEU (plus GST) will apply after 7 days from the date of gate-in.

Seasonal quote

“I fear the day that technology will surpass our human interaction. The world will have a generation of idiots.”

Albert Einstein 1879-1955

(Was he predicting the introduction of emails and text messaging?)

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