



UFL

ISSUE 22 – OCT 2014

Making plans for the future

Welcome to the twenty-second edition of 'Service Without Boundaries', the U-Freight Group's (UFL) customer newsletter.

Recently, we held our annual conference in Taipei and celebrated the 30th anniversary of U-Freight Taiwan.



- Worldwide Conference 2014 in Taiwan

Over 150 senior managers from our offices and partners around the world were present to discuss how they intend to make further investment in our niche services, IT hardware and infrastructure.

The two-day event was a valuable opportunity to let all members of U-Freight's global network exchange the latest market information and strengthen corporate links.

With question marks still remaining about the progress of the global economic recovery, delegates gathered in Taipei to review developments and plan strategy for the next 12 months.



UFL

The annual conference coincided with a decision by the Taiwan Government to allow the country's freight forwarders to operate multi-destination export consolidations, which will allow U-Freight Taiwan and other forwarders to carry out the consolidation and transshipment, then re-export of cargoes to multiple countries overseas.

The new law is designed to help Taiwan to become one of the most competitive logistics hub in the world and we welcomed it when it was announced.

Its implications were discussed at our conference, which also saw delegates giving useful insight into ongoing office investments across our global network, service developments on the trans-Pacific; enhancements to existing cargo management software, as well as the development of niche operations.

This edition of 'Service Without Boundaries' includes some news about those developments; and some will be featured in future editions of our newsletter.

As always, I invite you read the contents of this issue, which I hope you find to be of use.



UFL

LATEST NEWS

U-Freight Taiwan celebrates 30 years

U-Freight Taiwan, our Taiwanese partner, is celebrating its 30th anniversary this year and was proud to host the U-Freight Group's annual global sales conference in Taipei last month.

■ [Read more](#)

U-Freight expands in Hong Kong

We are expanding the operations of our logistics subsidiary in Hong Kong and we have brought the operations of our airfreight import and export departments into one location in the Special Administrative Region.

■ [Read more](#)

Latin American presence strengthened

We have further strengthened our presence in Latin America by adding new agents in Ecuador and Colombia, following the confirmation of Rex Cargo as our exclusive partner in a number of Central America countries earlier this year.

■ [Read more](#)

U-Freight welcomes opportunity to offer multi-destination consols from Taiwan

We have welcomed Taiwan's decision to allow the country's freight forwarders to operate multi-destination export consolidations, which will allow them to carry out the consolidation and transshipment then re-export of cargoes to multiple countries overseas.

■ [Read more](#)

Spanish partner plans annual convention

Our partner in Spain, Tracosa Aduanas, will hold its annual convention in Barcelona from November 28-30, 2014.

■ [Read more](#)



UFL



TRADE SECTOR FOCUS

VALUE ADDED SERVICES

Although cargo shipment remains our core business, we offer a number of support operations that enable you to exercise greater control over your supply chain.

■ [Read more](#)

NOTA BENE

China now world's largest economy

The U-Freight Group notes that IMF data, based on 'purchasing power parity' (PPP), which makes adjustments for the fact that goods are cheaper in countries such as China relative to the USA, shows China has toppled America to become the biggest economy in the world.

■ [Read more](#)

Air cargo leaders call for collaboration

The air cargo industry must work closely with regulators to deliver safe, reliable, efficient global trade, delegates at The International Air Cargo Association (TIACA)'s Air Cargo Forum (ACF) heard recently.

■ [Read more](#)

Air freight recovery strengthens

The International Air Transport Association (IATA) announced August 2014 data for global air freight markets showing continued robust growth in air cargo volumes.

■ [Read more](#)

China partners with EU in joint Customs operation

Chinese Customs authorities have joined forces with the EU in a joint operation - Operation SNAKE - to target the undervaluation of goods at Customs.

■ [Read more](#)



UFL

US expands C-TPAT to exporters

On October 13, 2014, US Customs and Border Protection (CBP) announced the launch of the C-TPAT Export Entity, expanding the Customs-Trade Partnership Against Terrorism (C-TPAT) programme in order to allow “export only” companies to take advantage of its trade-facilitation benefits.

■ **Read more**

Anyone who has any questions about the items contained in this newsletter should get in touch with your local UFL office. Please visit our website on a regular basis for more items of breaking news.

www.ufreight.com



UFL



U-Freight Taiwan celebrates 30 years

[← Back to Index](#)



U-Freight Taiwan, our Taiwanese partner, is celebrating its 30th anniversary this year and was proud to host the U-Freight Group's annual global sales conference in Taipei last month.

The company has developed considerably since it was established in 1984 and is now a leading logistics service provider and freight forwarder to many Taiwanese companies.

Today, the company has office and warehouse facilities in in three cities in Taiwan and offers a multimodal portfolio of freight forwarding, warehousing and logistics services.

[← Back to Index](#)



U-Freight expands in Hong Kong

[← Back to Index](#)

We are expanding the operations of our logistics subsidiary in Hong Kong and we have brought the operations of our airfreight import and export departments into one location in the Special Administrative Region.

At the U-Freight Logistics facility in Tsing Yi, we have added a further 40,000 sq ft of warehousing to the 40,000 sq ft that we already have targeted at retail logistics, as well as pick and pack operations for the electronics industry.

U-Freight Logistics will also occupy the complete facility where it has a presence in Chuan Kei and plans to equip the 21,000 sq ft warehouse with full air conditioning, to serve the needs of the electronics industry, mainly.



- Gateway TS – Tsing Yi, Hong Kong

The additional warehousing adds further value to our full range of services, and is an important development for shippers moving cargoes that are dependent on the regulation and maintenance of ambient temperature and control of atmospheric conditions.

The outsourcing of logistics functions to specialist companies continues apace. By investing in two of our four dedicated logistics warehouses in Hong Kong, we are demonstrating our willingness to meet the needs of shippers engaged in looking for complete supply chain management solutions.

The Air Import Department of our forwarding subsidiary has moved into the same warehouse as its Air Export Department at the following address: Unit B, G/F, Golden Bear Industrial Centre, 66-82 Chai Wan Kok Street, Tsuen Wan, New Territories, Hong Kong.

Bringing together our airfreight import and export operations in Hong Kong, will deliver synergy benefits, enable us to streamline our operations and offer even more efficient airfreight consolidation services, inbound and outbound.

[← Back to Index](#)



UFL

Latin American presence strengthened

[← Back to Index](#)

We have further strengthened our presence in Latin America by adding new agents in Ecuador and Colombia, following the confirmation of Rex Cargo as our exclusive partner in a number of Central America countries earlier this year.

In Colombia, Servade Logistics is a leading logistics company with over 10 years experience in the market, and delivers flexible alternatives for freight handling and Customs transit through its seven offices across the country.

In Ecuador, our new partner is Ecuador Cargo System, which was established in 1989 and provides logistics services to move cargo by air, sea or land, as well as on a multimodal basis; handling a full range of dry cargoes, dangerous goods, and perishable products.

We continue to enhance the range of scheduled ocean, airfreight and sea-air services we offer, connecting China and other Asian countries, as well as North America and Europe, with the growing markets of South America, most of which are witnessing increased domestic demand for finished goods from the world's major manufacturing areas.

Our sea-air operation offers regular direct consolidation services from Asian ports across the Pacific to US West Coast ports, before transfer to airfreight services to the key gateways into the countries of South and Central America. Services over the US East Coast travel via Miami, the world's gateway into South America.

In addition to Rex Cargo, Servade Logistics and Ecuador Cargo System, U-Freight's other partners in Latin America include: Lynx Cargo International in Argentina; Yamaneco Yacon Carga Aerea in Brazil; Sosertrans in Chile; Mexico Air Cargo Systems in Mexico; Inter America Group in Paraguay; Beagle Shipping in Peru and SAF Sea Air Forwarders in Uruguay.

[← Back to Index](#)



UFL

U-Freight welcomes opportunity to offer multi-destination

consols from Taiwan

[← Back to Index](#)

We have welcomed Taiwan's decision to allow the country's freight forwarders to operate multi-destination export consolidations, which will allow them to carry out the consolidation and transshipment then re-export of cargoes to multiple countries overseas.

In the past, local forwarders could only consolidate goods from various cargo containers according to their destination in a foreign country.

For U-Freight Taiwan, the new law will help make its hub operations in Taiwan even more competitive, whereby the consolidation of goods in Taiwan and re-export of them to Europe and the Americas should increase efficiency and reduce costs.

It is perfect timing for us and we are looking at how we can capitalise on this opportunity for the benefit of our customers.

[← Back to Index](#)



UFL

Spanish partner plans annual convention

[← Back to Index](#)

Our partner in Spain, Tracosa Aduanas, will hold its annual convention in Barcelona from November 28-30, 2014.

Tracosa Aduanas says that the event is designed to help inspire its staff to develop new skills, foster team spirit and encourage the exchange of ideas and strategically define the course of the company.

Tracosa Aduanas

The event will include internal conferences and meetings, conducted jointly by staff from all the different areas in the company: operational from air and sea, marketing and sales.

[← Back to Index](#)



UFL

VALUE ADDED SERVICES

[← Back to Index](#)

Although cargo shipment remains our core business, we offer a number of support operations that enable you to exercise greater control over your supply chain.

Customs liaison and consultancy - we work very closely with national Customs authorities and can offer extensive advice on Customs procedures, rates of duty, as well as providing a full customs brokerage service.

Hazardous goods - legislation in many countries requires that all companies distributing goods by air, road, rail or inland waterways need to have designated safety advisors and we offer dangerous goods consultancy services to ensure that customers meet the legislative requirements.

Fiscal services - where necessary, we can provide full fiscal representation, market intelligence, and assist in product purchase and sales, including all documentation.

These are just some of the support services that we offer, enabling you to move your cargoes direct from origin through to final destination, with total peace of mind.

[← Back to Index](#)



China now world's largest economy

[← Back to Index](#)

The U-Freight Group notes that IMF data, based on 'purchasing power parity' (PPP), which makes adjustments for the fact that goods are cheaper in countries such as China relative to the USA, shows China has toppled America to become the biggest economy in the world.

The USA has been the global leader since it overtook Britain in 1872, but has now lost its status as top dog. The latest IMF figures show the Chinese economy is worth £11 trillion compared with £10.8 trillion for the USA.

China is expected to extend its lead; with the IMF estimating its economy will be worth £16.7 trillion in 2019. China would be 20 percent bigger than the US economy, which is forecast to be worth £13.8 trillion by then.

Without these adjustments for living costs, the Chinese economy is still smaller than that of the US, at £6.4 trillion.

Experts have described the toppling of America after nearly 150 years by China – even on the PPP measure – as a 'symbolic' moment for the global economy. China enjoyed three decades of double-digit growth before the global downturn. Its growth has slowed in recent years but remains strong by Western standards with the IMF forecasting expansion of 7.4 percent this year and 7.1 percent in 2015.

Readers are invited to contact any UFL network office around the world to find out more about our operations in China and the extensive portfolio of multimodal freight forwarding and logistics services that we offer there.

[← Back to Index](#)



Air cargo leaders call for collaboration

[← Back to Index](#)

The air cargo industry must work closely with regulators to deliver safe, reliable, efficient global trade, delegates at The International Air Cargo Association (TIACA)'s Air Cargo Forum (ACF) heard recently.

TIACA joined forces with the International Civil Aviation Organization (ICAO) and the World Customs Organization (WCO) to pledge closer collaboration at the opening session of the three-day Forum and Exposition.

“The industry is facing unprecedented challenges and unprecedented opportunities, we must face them together,” said Oliver Evans, TIACA Chairman.

“Collaboration is key. It is a long road, but it is an exciting one and one we can be proud of.”

ICAO Secretary General Raymond Benjamin added: “Airtrade is an essential enabler of global connectivity, but we need to forge practical partnerships and solutions.”

WCO Secretary General Kunio Mikuriya said “Getting information at an early stage, preferably pre-loading, is vital to deciding what approach is needed to high-risk cargo. That is why we have started working closely with the industry and ICAO and we are trying to find synergies to avoid duplication between supply chain partners.”

[← Back to Index](#)



Air freight recovery strengthens

[← Back to Index](#)

The International Air Transport Association (IATA) announced August 2014 data for global air freight markets showing continued robust growth in air cargo volumes.

Measured by freight tonne kilometres (FTKs), volumes rose 5.1 percent in August, compared to August 2013. Capacity grew at a slower pace of 3.4 percent from the previous year. This is the second strong month for cargo volumes in a row, following the 6.1 percent year-on-year rise recorded in July.

Carriers in all regions reported an expansion in volumes. Closely following improvements in world trade and business activity, airlines in the Middle East, North America and Asia reported the strongest growth in the 5-8 percent range. By comparison demand in Europe and Latin America lagged in the 1-1.5 percent range as a result of Brazilian economic weakness and EU sanctions on business with Russia, respectively.

"The outlook for air cargo is clearly getting better. However, there are some limiting factors on the extent of potential gains. Demand for air cargo is growing more slowly than global economic activity. Businesses are reported to have more confidence in the future, but the list of political and economic risks continues to moderate how that confidence translates into actual activity," said Tony Tyler, IATA's Director General and CEO.

Meanwhile, Boeing projects air cargo traffic will grow at an annual rate of 4.7 percent over the next 20 years, with global air freight traffic expected to more than double by 2033.

"We see strong signs of a recovery as air freight traffic levels continue to strengthen after several years of stagnation," said Randy Tinseth, vice president of Marketing, Boeing Commercial Airplanes. "The air cargo market is now growing at nearly the long-term rates."

Much of the weak air cargo growth in the previous years can be attributed to two principal causes — an under-performing world economy and lacklustre trade growth, particularly in those traditional commodities served by the air cargo industry.

The new Boeing forecast shows Asia-North America and Europe-Asia would continue to be the dominant world air cargo markets with the most traffic volume. Intra-Asia, domestic China and Asia-North America markets are expected to have the fastest rates of growth over the next 20 years.



UFL

The U-Freight Group has a strong presence in all of these trade lines and offers a large portfolio of expedited air freight consolidation services, as well as expedited express options, and full air logistics operations.

The World Air Cargo Forecast 2014/2015 is available at:

<http://www.boeing.com/boeing/commercial/>

[← Back to Index](#)



China partners with EU in joint Customs operation

[← Back to Index](#)

Chinese Customs authorities have joined forces with the EU in a joint operation - Operation SNAKE - to target the undervaluation of goods at Customs.

EU and national authorities prevented losses of over EUR80 million in Customs duties, during a major joint Customs operation (JCO) coordinated by the European Anti-Fraud Office (OLAF).

Over a one-month period, OLAF and its participating Customs authorities detected more than 1,500 containers where the declared Customs value was heavily undervalued. This included false descriptions of goods, false weights and quantities, and counterfeit goods.

In addition, Customs authorities succeeded in identifying several so-called missing traders and non-existent importers, triggering a number of criminal and administrative investigations in several countries.

The European Commission noted that undervaluation of imported goods causes huge losses to the EU and Member States' budgets every year. When goods are imported into the EU, they are subject to specific Customs duties, based on the real value of the goods. However, some criminals fraudulently declare a lower value on their goods, to the detriment of public budgets, in order to increase their profit margins.

Operation SNAKE was carried out to specifically target this type of fraud and generate increased intelligence, stronger cross-border cooperation and a more effective crack-down on undervaluation in the future.

The active phase of Operation SNAKE took place from February to March 2014, but all participating officials met from September 4-5 at OLAF's headquarters in Brussels to present the final results of the joint operation.

The European Commission and the General Administration of China Customs intend to continue this successful cooperation with further initiatives.

[← Back to Index](#)



US expands C-TPAT to exporters

[← Back to Index](#)

On October 13, 2014, US Customs and Border Protection (CBP) announced the launch of the C-TPAT Export Entity, expanding the Customs-Trade Partnership Against Terrorism (C-TPAT) programme in order to allow “export only” companies to take advantage of its trade-facilitation benefits.

Until now, C-TPAT importers that also export were eligible to receive export benefits with Japan and the European Union due to CBP’s Mutual Recognition Arrangements (MRAs) with those foreign counterparts.

US exporters will receive facilitation from foreign partners with which CBP has signed an MRA.

According to CBP, benefits include reduced examination rates and time, front of the line processing, access to an assigned C-TPAT supply chain security specialist, and eligibility to attend C-TPAT training and seminars.

It said an exporter that is responsible for the entire shipment of goods in a container or trailer, would be eligible to receive trade facilitation benefits.

Readers are invited to contact any U-Freight network office around the world to find out more about our operations in the USA and the extensive portfolio of multimodal freight forwarding and logistics services that we offer there.

[← Back to Index](#)