

December 2011

U.S. economy grew only 2% in 3Q (From American Shipper)

The Commerce Department on Tuesday revised downward its estimate of U.S. economic growth in the third quarter to 2 percent from 2.5 percent October. The new estimate of the nation's output of goods and services is based on more complete data. Productivity increases came from consumer spending, exports, federal government spending and non-residential fixed investment. Those gains were counteracted by a decreases in inventories, and state and local government spending, and an increase in imports. For more info, please go to

http://www.americanshipper.com/Main/ASD/US_economy_grew_only_2_in_3Q_47724.aspx

California supply chain transparency law effective Jan 1 (From our friends at Sandler Travis

California's controversial Transparency in Supply Chains Act will go into effect Jan. 1, 2012, requiring many retailers and manufacturers to begin posting on their Web sites disclosures of efforts they have taken to assess the risks of and eradicate human trafficking and slavery from their supply chains. Under the TSCA, retailers and manufacturers doing business in California that have worldwide gross receipts in excess of \$100 million must disclose their efforts to assess the risks of human trafficking and slavery in their international supply chain. Companies that do not have Web sites will be required to send written disclosure statements to anyone that requests them within 30 days of receipt of a request. Please contact us for more info.

FMC publishes proposed rate index use (From American Shipper)

The U.S. Federal Maritime Commission has published a proposed rulemaking to amend its rules to provide common carriers and their customers with certainty and flexibility if they decide to use long-term contracts that adjust based on a freight rate index that reflects changes in market conditions. The FMC has found that an increasing number of service contracts filed with the commission reference freight rate indexes. These

indexes include, for example, the China Containerized Freight Index (CCFI), the Shanghai Containerized Freight Index (SCFI), the Drewry Freight Insight Index, and the Transpacific Stabilization Agreement (TSA) Index. Ocean freight rates in these negotiated service contracts adjust in increments based upon the changes in the referenced index levels or their annual or quarterly averages. “It appears that some carriers and shippers in the ocean transportation industry are seeking stability through long-term contracts, while trying to preserve flexibility to adjust contract rates reflecting changes in market conditions,” the FMC said. For more info, please go to

http://www.americanshipper.com/NewWeb/news_page_SNW2.asp?news=205556

One-third shippers experienced cargo rolled (From American Shipper)

Nearly one in three eastbound transpacific shippers and Non Vessel Owning Common Carriers has had at least some cargo rolled in recent weeks, but most say it’s not happening often, according to a poll conducted mid-November by *American Shipper*. The poll found that 69 percent of respondents said they had no cargo rolled at all, while 28 percent said they had experienced rolls, but not often. Only 3 percent said rolls are happening at an increasing rate. The 120 shipper/NVO/3PL respondents clearly are concerned about capacity levels in the coming weeks. Forty percent of respondents said that capacity at present was just about right for demand, while 34 percent said there was more than enough capacity. Only 21 percent characterized capacity at present as tight or very tight. For more info, please go to

http://www.americanshipper.com/Main/ASD/AS_poll_One-third_shippers_with_cargo_rolled_47707.aspx

Renminbi (RMB) now available for trade transactions (From our friends at East-West Bank)

Recently, the RMB became available to some US banks for handling transactions in China. You can purchase RMB through select banks in the

US and pay your Chinese vendors with them. In many cases this can result in decreased costs to your vendors, and they may pass the savings on to you. If you are interested in more information, please contact us.

We wish you happy holidays & a prosperous 2012!

Please contact us with any questions.

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