

AllCovered NEWS

HIGHLIGHTS TO HELP YOU THIS WEEK

- Biz Planning For 2007 – Our multi-week planning guide
- US Recession Coming?
- Contractor Or Employee? 2007 May Decide
- End of Liner Conferences – What Does It Mean?

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PDF FORMAT: <http://www.allcovered.net/AC-News-PDF.htm>

NOTE: All links to stories in PDF version work – just click them

>> SMALL BUSINESS SECTION <<

NOTE: Each year Allcovered News works to bring you information to help you with your planning. Throughout December we will have stories to help you in 2007.

BIZ PLANNING 2007 – US RECESSION COMING?

There are several “market maxims” to consider when planning for 2007.

One: When everyone is scared and selling, the bottom is near... and the converse argument that if everyone is happy and feels secure, bad times are coming.

Two: There is an old joke among investors that economists predict “four out of every one recessions.” In other words, many times the fears of a downturn are unwarranted.

So which is it? How do you plan? The numbers paint a mixed picture.

US HOUSING:

- Housing & residential construction make up 15% of the US economy
- October Housing Permits to build were down 28% from October 2005
- October Housing Starts were down 27.4%
- October Existing New Home Sales were down 3.2%
- 3rd Quarter Sales of Existing Homes were down 12.7% - the first drop since 1991
- 3.3% of Home Loans made **this year** are already two months or more delinquent
- 33% of homes sold in the booming housing markets of California, Florida and Nevada the last three years were financed with Adjustable Rate Mortgages (ARMs) that must either be repaid or refinanced in 2007 and interest rates are now higher
- 38% of home loans made in 2006 were for the full value of the home
- 7% average drop in home prices reported in former boom markets like California in 3rd quarter
- Half of metro markets have seen home prices increase by an average of 4% this year.
- The price of a median home (half cost more, half cost less) was down 1.2% in October

MANUFACTURING:

- The Institute for Supply Management (ISM) Index fell to 49.5 last month.
- Any ISM Index under 50.0 notes contraction
- This is the first drop in 42 months
- There is strong correlation between ISM Index and GDP.
- US Gross Domestic Product rose only 2.2% on an annual basis in 3rd quarter
- Normally if ISM continues under 50.0 for three or more months a recession follows
- ISM Index showed new orders, production, employment, order backlogs and inventories down
- US Producer Price Index (measuring inflation at the wholesale level) down last two months

RETAIL SALES:

- Wal-Mart sales were down 1% in the first week after Thanksgiving holiday, the start of the “Christmas Season” gift buying
- 88% of Americans buy something at Wal-Mart at least once a month
- High-End stores selling more costly goods are seeing increased sales

Yourself and
Sell More

Air Cargo Up
More Ocean
Capacity Cuts

Port & Truck
Strikes

**JUST FOR
FUN:**

The Wrong
Email Adresse

NEXT WEEK

Biz Planning
for 2007:
Failure Is Not
An Option
Tech Ways To
Boost Biz

Links to source
stories at end of
excerpts

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- This disconnect is a sign of coming economic downturns 2/3 of the time
- Car & Truck sales are down and forecast lower for 2007

STOCK MARKETS & CURRENCIES:

- Remain at historically high levels
- Seem to be ignoring spate of bad economic news
- Markets traditionally reflect what economy will do six to nine months in future
- Bond Markets are seeing an "Inverted Yield Curve" which usually predicts an economic downturn an average of seven months in the future
- Dollar has fallen against other major currencies and is predicted to fall 15% more in 2007

ARGUMENTS AGAINST A 2007 RECESSION:

- Dollar has fallen making goods priced in US dollars cheaper for overseas buyers
- Dollar predicted to fall 15% in value in 2007
- Weaker dollar makes US made goods and services more competitive
- US manufacturers are struggling to find skilled labor
- US consumer has pulled the US economy, and through US economy the world economy since late 1990's and will find a way to continue
- US consumer spending makes up 2/3 of US economy

ARGUMENT FOR A 2007 US RECESSION

- While dollar may drop an average 15% in 2007, many leading US trading nations like China, Hong Kong, Singapore and others have their currency pegged to the dollar so the value of their currency will not rise as much, relative to the dollar, as a broad percentage drop in the dollar might indicate... limiting the beneficial effects of a US dollar drop on US output
- Today's bad economic news is usually reflected in markets in seven months... 2nd Quarter 2007
- Home sellers are always reluctant to cut asking prices for homes but as ARMs coming due in 2007 must be refinanced at higher interest rates there will be pressure either to sell at a lower price and eat the loss or face default on the loan
- Banks are rumored to be preparing for a jump in home loan defaults
- Stock markets traditionally fall 40% before and during a recession
- Most investors and markets seem to think things are fine. The herd is usually wrong.

SUMMARY:

It seems reasonable to expect that housing markets which rose the most in the last few years will see price drops in 2007. Whether this will lead to an overall downturn to the broader US economy is unknown.

While there is not a stock buying mania like the bubble of 2000 in stocks... and it appears the "housing bubble" of the past two years is losing air... there does seem to be a remarkable lack of concern about the clouds on the economic horizon.

Are the clouds nothing more than flashes of heat lightning and noise, or do they hold the promise of a storm?

Either way, as you make your business and personal financial plans for 2007 it seems more critical than in past years that you have three plans... one for each of three possible economies... worst case... expected... and best case.

BIZ PLANNING 2007 – SLOWER GLOBAL GROWTH

The Organization for Economic Cooperation and Development expects global economic growth to weaken in 2007.

Real growth in the gross domestic product in the US and Canada will be about a half a percentage point lower. Mexico is likely to continue strong.

The surprisingly strong domestic demand and broad economic expansion that boosted EU GDP growth by about three percent this year will become more moderate. OECD expects only Poland, Portugal, and the Slovak Republic will escape the EU's economic slowdown in 2007.

In Asia, Japan's robust growth will slow. Less buoyant external demand will hit exports, while the current robust business investment will lose pace "somewhat." While economic indicators point to a slowing of growth in South Korea, GDP growth will be at about four percent, the study predicted.

The Australian economy, driven by the commodity boom, shows no signs of slowing and will continue to grow at a rate of around 3.5%. Economic expansion in New Zealand that has lost momentum this year is likely to slow down further in 2007.

STUDY DETAILS: <http://www.biac.org/pubs/econ/biac-econ-review-3-2.pdf>

MORE: <http://www.joc.com/20061201/sections/trade/w62296.asp>

BIZ PLANNING 2007 – DON'T BLAME THE ECONOMY

--- Excerpted from an article by Scott Clark – Link at End ---

As we continue our multi-week look ahead to 2007, let's consider the "What If" if the economy slows.

Whenever the economy suffers an extended downturn, business failures increase. If the business owners had been managing wisely instead of blindly, they might have avoided failure. Here are five of the most common "reasons" for business failure in bad economic times. Yet these are not reasons at all, they are little more than excuses for poor management.

The economy is bad, so my business is bad. There is nothing I can do

This is a bury-your-head-in-the-sand approach. Your customers do not buy 'things': they purchase solutions for their wants and needs.

Even in a recession your customers still have wants and needs. Your job is to find a way to meet these wants and needs within the limits of their pocketbook. Offer new solutions, possibly some way the customer saves money by doing part of the work.

The key to this approach is not providing what YOU want to provide but rather providing what CUSTOMERS want to purchase.

The way out of this downturn is to slash my advertising budget

Without advertising, potential new customers won't learn what you have to offer, and existing customers will be lured away by competitors who continue to advertise.

Yet advertising dollars are the first budget cuts most companies make. If you maintain (or even slightly increase) your advertising budget in this environment, you should be able to increase your market share.

Be on the lookout for 'salvage space.' When an advertiser backs out at the last minute, the media suddenly needs a quick backup advertisement to run in its place. Typically they run public service messages. If you contact the media outlet in advance and have an ad ready to go on short notice, you should be able to pick up additional advertising spots for a fraction of the usual cost.

In bad times, the cheapest product or service will sell the most

This strategy is so tempting, yet so wrong. The best way to secure sales during an economic downturn is not to offer cheaper products but to offer solutions to customers' most pressing needs. Look for new customer challenges you can help them with and you have a new market for your talents, your staff, your services and your business.

If my sales in this market are drying up, I need to expand into as many new markets as possible

Specific markets are known as niches. Whenever you consider expanding into a new niche, there will always be up-front costs for Research about the niche... for Planning on how to take customers in that niche away from their current suppliers, and for Marketing to get your word out to those in the niche who do not know you.

All these added costs are the upfront cash hurdles that must be overcome to play successfully in a new niche market.

Therefore, whenever you are considering expansion into new niches, realize in advance the significant initial cost that will be required. Such an expansion is probably not a wise strategy if you are already stretched for cash in hard economic times.

I need to focus on the short-term rather than on the future

'Battening down the hatches' to ride out the economic storm is so tempting in poor economic conditions. Yet it actually increases the odds for failure.

When your business strategy shrinks to "how am I going to live day to day," it might be time to consider closing up shop. If cash is a problem and you can no longer secure bank loans, consider bringing in an equity partner to strengthen your cash position.

However, a far more viable strategy is to reduce your selling prices or throw in added services that are listed on your Invoice to customers but shown as "No Charge." (When the economy turns up again you can resume charging for these items).

Although you will be making less profit on each sale, you will be protecting, or even increasing, your market share.

Summary

When bad economic times loom, don't give up the ship.

Instead, craft a strategy to come sailing through the downturn as an even stronger company in an improved market position.

MORE: http://www.bizjournals.com/extraedge/consultants/company_doctor/2006/11/27/column541.html?hbx=e_sol

SMALL BIZ – SALES – BE A TRADESHOW STANDOUT

--- Excerpted from *Sales and Marketing Management* – Link at End ---

In 2007 make Trade Shows a standout venue for your marketing.

Here are some strategies to get your booth to attract prospects and hold their eye even in the most carnival-like atmosphere.

1)- The First Impression Is EVERYTHING:

Within three seconds, a prospect will decide whether or not to stop by your booth.

Make sure your booth can convey the message of your company and what it has to offer in 3 seconds. Graphics will do most of that work.

2)- Spotlight Your Salespeople

Your booth will be the stage for your salespeople. Give some attention to how they'll look together. Make sure the elements of your booth are the right height. You don't want your salespeople to look dwarfed or out of place.

3)- Get Some Appeal

Your booth has to have "hallway" appeal. Make it professional, clean and consolidated around one key idea. A jumble of themes will confuse people and discourage any potential interest. This applies to everything from literature to banners.

4)- Location, Location, Location!

Having a good location will get you your due share of traffic. It may benefit you to pay the main floor premium even if it means sacrificing special design extras.

5)- Make It Shine

Pay special attention to lighting to grab the average trade show attendee's eye. Great lighting will make your display pop out from the rest.

6)- Avoid Surprises

People expect a booth. Meet those expectations or else prospects may become hesitant and suspicious of what you have to offer. If you skimp on the booth, prospects may think you also skimp on your service.

7)- Effectively Represent

Remember, your clients and salespeople view the booth as a representation of your company. Current customers will also stop by your booth so you want to confirm that they made the right decision in choosing your company. So don't skimp on quality.

8)- Be Creative and Fun

Trade shows are for business, but they can be about fun as well.

To stand out, be creative, but don't make everything different and new. Rather, find one key aspect to enhance.

LINK TO SOURCE: http://www.managesmarter.com/msg/search/article_display.jsp?vnu_content_id=1003409668

NEXT WEEK: HOW TO GAUGE TRADE-SHOW CONTACTS

WANT MORE SALES HELP? – WE HAVE IT FOR YOU

Allcovered wants to help you grow.

We have sales help designed to make you better... From...

- Initial sales planning, to...
- Targeting your market, to...
- Developing better telephone sales skills, to...
- Creating better marketing materials, to...
- Evaluating how effective your marketing is...

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>>>> TRUCKING SECTION <<<<

TRUCKING 2007 – THE END OF “OWNER-OPERATORS?”

It has always been a gray area.

Will 2007 decisions in court and by regulatory changes end the Independent Contractor status of Owner-Operators?

Many trucking companies use “Owner-Operators,”... truckers who own their own trucks and sign on with a trucking company to carry freight for that company.

The questions of who can be classified as an Independent Contractor and whether or not Owner-Operator truckers can unionize will see much scrutiny in 2007.

The general view in trucking for many years has been that federal law allows employees to unionize, but not contractor owner-operators.

That assumption is under increasing scrutiny in recent months, thanks in part to the IRS, the National Labor Relations Board, the California Legislature and the Teamsters union.

On 8 November the National Labor Relations Board affirmed its 21 September staff decision that FedEx Ground drivers at two Wilmington, Massachusetts terminals were employees and not contractors, a victory for the Teamsters union.

Twice in the past two years, California’s Democrat-controlled Legislature passed a bill that would allow port owner-operators collective bargaining rights if they were one-truck operations. Governor Arnold Schwarzenegger, a Republican, vetoed both bills.

The American Trucking Associations reported in November that the Internal Revenue Service had withdrawn an attempt to reclassify owner-operators as employees at one Virginia fleet. The IRS had argued that payment per mile... common for owner-operators throughout the industry... indicated the carrier’s control of owner-operators’ routes. ATA countered that this was simply how the shippers paid.

MORE: <http://www.etrucker.com/apps/news/article.asp?id=56825>

Traditionally Owner-Operators have been treated as “Independent Contractors,” but one of the Internal Revenue Services’ guidelines for deciding who is, or is not, an independent contractor for tax purposes says if you can tell someone when and where to report for work, then they are an employee, not an independent contractor.

(See next story).

A trucking company tells an Owner-Operator when and where to pick up and deliver a load, so does that make the Owner-Operator an employee?

TRUCKING – CONTRACTOR OR EMPLOYEE?

Allcovered News first covered the question of who is an Employee and who is an Independent Contractor in 1999 and 2000.

It’s not a simple “If-Then” proposition... But the worker is either one or the other.

INDEPENDENT CONTRACTOR	EMPLOYEE
<ul style="list-style-type: none"> can earn a profit or suffer a loss from the activity furnishes the tools and materials needed to do the work is paid by the job works for more than one firm at a time invests in equipment and facilities pays his or her own business and traveling expenses hires and pays assistants, and sets his or her own working hours. 	<ul style="list-style-type: none"> can be told when, where, and how work what tools or equipment to use can be fired at any time by the hiring firm receives instructions from the hiring firm receives training from the hiring firm works full time for the hiring firm receives employee benefits has the right to quit without incurring liability, and provides services that are an integral part of the hiring firm’s day-to-day operations.

MORE: <http://www.irs.gov/govt/fslg/article/0,,id=110344,00.html>

MORE: <http://www.nolo.com/article.cfm/ObjectID/3BE13B50-D693-44AA-B3332888DC526A6B/catlID/561FF7A5-12CD-4059-8EA7DE4254733BE3/111/259/173/ART/>

TRUCKING – US DIESEL UP A NICKEL TO \$2.618:

MORE: <http://www.etrucker.com/apps/news/article.asp?id=56869>

BIZ PLANNING 2007 – END OF LINER CONFERENCES

--- Excerpted from an article by I-C-Liverpool – Link at End ---

Europe plans to put an end to shipping's price-setting system.

What does that mean for:

- Your freight rates?
- Your negotiations with carriers?
- Your budget planning?
- The risks Forwarders & Shippers face?
- The costs of insurance as risks rise?

This power play between shipowners and shippers will have many ramifications that not everyone may have thought through.

You need to plan for these.

--- WHAT IS HAPPENING ---

The European Union has proposed to end shipping's century-old "conference system", in which ocean carriers agree freight prices, from October, 2008, onwards.

Shipping's previous "block exemption" from EU competition rules (exemption from anti-trust laws in the US and elsewhere) is now considered to be no longer justified.

The change has been heralded in some quarters as "the biggest shift of power between shipowners and cargo owners in more than a century." But there is a risk that in a deregulated market it might prove harder for shippers to determine what are "correct" freight rates, and a risk for shipowners that their contract departments might be overwhelmed by a stampede of freight customers trying to negotiate new contracts.

What this overlooks is that much traffic is already negotiated on contract rather than conference terms. That means that the idea that the end of the conference system will bring lower freight rates is probably going to prove misguided. Freight rates are primarily decided by the market, something no one can predict, although admittedly rates are currently showing signs of softening due to the normal winter slow down in Asia and the Far East, which now account for 62% of seaborne trade.

--- MOVE TO END LINER CONFERENCES ---

Historically there was frequent friction between shipper and shipowner, but always in the end both recognized that they needed each other. Sadly, there is little evidence of such recognition of shared interest in the document prepared by the Freight Transport Association as a guide to the big changes that lie ahead. (Link to FTA paper at end).

The FTA guide describes the conference system as "essentially protectionist".

Nor is Brussels, home of the EU, showing signs of being supportive of shipowners. It is currently drafting guidelines for the future of the industry, and what they have heard so far about these has caused some shipowners to fear they will face a future in which they will risk being accused of collusion if they meet to discuss any subject at all.

Also suspicious is the ESC (European Shippers Council). It has accused shipowners of "looking for ways of reproducing the conference system."

--- WILL THIS ULTIMATELY HURT SHIPPERS? ---

European shippers have cause to be worried about lessening of competition. The number of shipowners looks set to drop sharply as the Top 10 continuing to eat up the smaller fry. It is arguable that the ending of the conference system will accelerate this trend as destabilization of freight rates will hit the smaller operators harder than the big ones. The big companies such as Maersk and MSC will have the resources to focus on survival with enlarged market share. They are less likely to need to focus on profits.

In January 2003 the Top 10 carriers had 44% of European traffic. By October this year the figure was up to 55%. And by 2010 the forecast is that it will be 70%.

--- THE ROLE OF P&I CLUBS ---

The FTA's new guide also argues that shipowners continue to "punch far above their real economic weight" in lobbying on all aspects of maritime law. It goes on to single out in particular the advantage the shipowners enjoy in maritime law cases thanks to the pool of expertise at their disposal through the various P&I clubs.

P&I stands for "Protection and Indemnity." There are 13 such big clubs. As mutual insurers, owned and funded by their shipowner members, they are able to keep down costs and do not need to rely entirely on outside re-insurance.

Admittedly the pooled expertise of these P&I clubs does indeed give the shipowners

an advantage in securing good insurance terms and also in legally defending shipowners against unjustified claims. However, the maritime regime is a fault-based one and it is up to the shipowner to show that he was not at fault when a claim is made.

--- CUSTOMIZED CHAOS? ---

Liability is also defined by international law based on the Hague Rules which go back to 1923. In practice most major trading states now apply the "Hague Visby Rules" which have a higher package/weight limit although the US Carriage of Goods By Sea Act 1936 is Hague-based and has a \$500 package limit.

(See HAGUE-VISBY RULES: <http://www.ius.uio.no/lm/sea.carriage.hague.visby.rules.1968/doc.html>)

What could be more worrying for shipowners is that the FTA guide also suggests the future presence of what it calls a "more level playing field" in discussing bill of lading terms will open the way for more frequent negotiation.

The thought that a vessel carrying up to 4,000 or even 10,000 containers might have separate bills of lading terms for each one opens a very big can of worms.

--- HISTORY AND GENERAL AVERAGE ---

There is a perception that the ending of the block exemption will lead to a new regime in which shipowners will have to bear more of the cost when things go wrong: collisions, engine failure, cargoes being diverted to the wrong port or containers washed overboard.

The problem with that is the long standing recognition in law that shipowner and shipper are jointly engaged in a risky business when a vessel sets out for sea. This is enshrined in a maritime concept known as "General Average," one that dates back as far as ancient Greece and Roman Law. (See definition of General Average below).

That was a period when on average one voyage in every sixty resulted in complete disaster, and there was frequent need to throw cargo overboard to prevent the ship from sinking or to get it away from grounding.

Today the ability of the shipowner to declare General Average is either excluded (leaving the liability for loss of cargo with the shipowner) or much restricted by conventions included in the Bill of Lading. But where General Average is declared, those who suffer loss incurred for the general good (to save the ship) have to be compensated by all other parties.

To cover this risk, shippers either have to put up security or show insurance cover in the form of a bond.

NOTE: Inexpensive ICC Clauses C Cargo Insurance covers General Average claims.

The FTA argues that GA is an expensive and time consuming business and that carriers will in time cease to enforce it, as a quarter of the costs can go in calculating the liability and by the time collection costs have been taken into account the costs can exceed the sums distributed.

HISTORY OF CARGO INSURANCE

Excerpted from Allcovered's "Logistics Guide to Insurance"
http://www.allcovered.net/AC-OM-Log_Guide.html

Depending on the source of information, the earliest known historical references to cargo insurance date back either to the Chinese, or to the time of the Phoenicians.

At first, merchants began managing risk through Reduction. Rather than load each of four ships headed to a similar destination with the entire cargo of different individual owners, 25-pct of each owner's cargo was placed on each ship. In this manner, the loss of any one ship would not result in any owner's total loss.

The concept of Sharing risk through General Average was developed by the Phoenicians 3,000 years ago. Under General Average, those whose cargo survives a voyage are assessed to repay the loss of another shipper whose cargo may have been jettisoned or lost for the protection of the vessel and the load remaining.

The Italians and the Lombard League first began insuring cargo in the sense we know it today in the 1200's.

In the 14th and 15th centuries this concept became more formal and more regular, led by members of the Hanseatic League.

During the 1700's individuals began insuring the risk to cargo of voyages. Voyages were written on a board in Lloyd's coffeehouse in London. Individuals willing to assume a portion of a voyage's risk would write their names under that voyage, and the percentage of the risk they were willing to accept.

Thus the term "Underwriter."

MORE: http://icliverpool.icnetwork.co.uk/business/news/tm_headline=europe-plans-to-put-an-end-to-shipping-s-price-setting-system&method=full&objectid=18176789&siteid=50061-name_page.html

FREIGHT TRANSPORT ASSOCIATION PAPER ON END OF LINER EXEMPTION

MORE: <http://www.fta.co.uk/information/keycampaigns/maritimereform/index.htm>

SO WHAT?

Forwarders and Shippers now face more risk... financial and legal.

As this power struggle between shipowners and shippers plays itself out, we face uncertainty. With no standard set of rules for liability and Bills of Lading it may be that many cases for damage could face a test in court as liability for payment is determined.

Lawsuits and court cases will take years to settle, slowing claims payments, greatly increase risks to shippers and forwarders, and result in a windfall for maritime lawyers.

More legal and financial exposure means Bill of Lading Legal Liability and Errors & Omissions insurance costs will have to rise to meet the added exposure.

The only sure way to be protected in case of loss is to have cargo insured... not just with the \$500 per box limit under Hague-Visby but with full cargo insurance.

Forwarders must protect themselves against shippers that refuse cargo insurance by having the refusal in writing, or face lawsuits as shippers attempt to collect more than the BOL / COGSAs \$500 per box limit in damage cases.

Forwarders must be sure they also explain the risk of General Average claims to their shippers...

since under General Average a shipper whose cargo survives a voyage can be assessed to pay for the losses of another shipper whose cargo did not make it.

GENERAL AVERAGE

Under General Average, those whose cargo survives a voyage are charged to repay the loss of another shipper whose cargo may have been jettisoned or lost for the protection of the vessel and the load remaining.

Any shipper whose cargo arrives intact when others' was lost may face a General Average charge. Insuring cargo under the minimum, "Institute Cargo Clauses C" will cover General Average claims.

EXAMPLE: You could ship \$5000 worth of waste paper yet be faced with a \$150,000 General Average claim for cargo lost by others. ICC Clauses C minimum insurance covers this.

PROTECT YOURSELF AND SELL MORE

Allcovered has a "Shipper's Guide to Insurance" video you can show your Shippers and those you are pitching for business that explains their risks, rights, and responsibilities... and a customized "Shipper's Guide to Insurance" booklet you can leave with them.

SEE VIDEO ONE HERE: <http://www.allcovered.net/AC-OM-TRAINING-Training-&-Help-Pages/AC-OM-Training.html>

--- SO WHAT? ---

With these new tools you are teaching your clients... partnering with them for protection... and not just another Bubba asking for their freight.

AND – You will then have proof in case of a lawsuit that you explained all these risks and limits to your Shippers.

--- YOU DESERVE IT – WE DELIVER IT! ---

Allcovered.net wants to help you grow.

You deserve to work with a company that does the extra things to help you.

www.allcovered.net **We have logistics Allcovered!**

AIR – NOVEMBER CARGO UP AT AMERICAN, CONTINENTAL & UNITED: American Airlines reports November cargo up 1.9%. Continental reports cargo up 3.8%. United Airlines reports cargo up 1.7%.

MORE: <http://www.joc.com/lede/20061206/sections/air/w40514.asp>

AIR – LH FORECASTS GOOD CARGO GROWTH: Lufthansa expects the global air cargo market will grow by 6% per year through 2012 led by Asian demand.

MORE: <http://news.airwise.com/story/view/1165403854.html>

AIR – OUTDOOR STORAGE USED AT KABUL AIRPORT: Globalink Logistics Group of Al Maty reports Customs Warehouse space at Kabul Airport in Afghanistan is full, so goods are being stored outdoors in fields at the airport. If you are moving goods by air to Kabul make sure they can withstand outdoor storage.

AIR – KAL BEGINS INCHEON-QINGDAO CARGO SERVICE: Korean Air Lines launched regular 4x weekly cargo flight operations between Incheon and Qingdao in China last week.
MORE: <http://www.logisticsmgmt.com/index.asp?layout=articleXml&xmlId=539257701>

AIR – LH FLYING FRANKFURT-KOLKATA 3X WEEKLY:
MORE: <http://www.atwonline.com/news/other.html?issueDate=12%2F5%2F2006>

AIR – ETIHAD BEGINS ABU DHABI – KL FLIGHTS 15 JANUARY:
MORE: <http://www.atwonline.com/news/other.html?issueDate=12%2F7%2F2006>

AIR – DHL BUYS 49% OF POLAR AIR CARGO:
MORE: <http://www.joc.com/lede/20061201/sections/air/w22421.asp>

AIR – DUBAI MAY CUT MEGA-AIR CARGO TERMINAL PROJECT: Dubai Cargo Village may abandon plans to construct two more terminals in the face of new facilities being built at the international airport and logistics zone in Jebel Ali. Cargo Village will complete the first of three planned mega terminals by January and make a final decision on more at a later date.
MORE: <http://www.joc.com/20061201/sections/air/w64757.asp>

AIR – AIRBUS A350 GETS GO-AHEAD: Airbus parent EADS' board has approved the A350 XWB, the first of which will enter service in 2013. The plane maker said the A350 XWB will be available in passenger and freighter versions. Boeing's 787 has no freighter variant.
MORE: <http://www.atwonline.com/news/story.html?storyID=7246>

AIR – A350 FUNDING MAY LEAD TO FUROR: Airbus did not rule out taking government development loans for its A350 XWB. Development cost is estimated at USD\$13.32 billion.
MORE: <http://news.airwise.com/story/view/1165236103.html>

AIR – BA WILL CONSIDER AIRBUS A350:
MORE: <http://news.airwise.com/story/view/1165269024.html>

AIR – AIRBUS SAYS A380 CUSTOMERS 'UPSET' BUT ONBOARD:
MORE: <http://www.atwonline.com/news/story.html?storyID=7276>

AIR – THAI WILL CANCEL A380 ORDER WITHOUT DELAY COMPENSATION:
MORE: <http://news.airwise.com/story/view/1165441797.html>

AIR – LEASING CO CHANGES A380 FREIGHTER ORDER TO PASSENGER VERSION: ILFC has changed its order for 5 A380 freighter versions to passenger versions. After FedEx's cancellation of its order for 10 A380 freighters only UPS remains as a confirmed A380 freighter customer.
MORE: <http://news.airwise.com/story/view/1165236706.html>

AIR – A380 FREIGHTER STILL PLANNED:
MORE: <http://news.airwise.com/story/view/1165318236.html>

AIR – BOEING 787 ON SCHEDULE:
MORE: <http://www.miami.com/mld/miamiherald/16177511.htm>

AIR – LUFTHANSA TO BUY 20 747-8 PASSENGER JETS:
MORE: http://www.usatoday.com/money/biztravel/2006-12-05-lufthansa-boeing-order_x.htm?csp=N008
MORE: <http://www.atwonline.com/news/story.html?storyID=7287>

AIR – AIRBRIDGE EYES 747-8F: Airbridge Cargo is said to be considering orders for the new 747-8 Freighter in a move to consolidate its position in the air cargo market.
MORE: <http://www.flightglobal.com/Articles/2006/12/05/Navigation/177210955/AirBridge+Cargo+poised+to+sign+deal+for+747-8Fs+to+supplement+Boeing+fleet+as+it.html>

AIR – US-AIR CONFIDENT OF MERGER WITH DELTA: US Airways is confident its proposed merger with bankrupt Delta Air Lines will win approval from Delta's creditors despite opposition from Delta management.
MORE: <http://news.airwise.com/story/view/1165353933.html>

AIR – OTHER AIRLINES WANT US-AIR BID FOR DELTA TO FLY: If US-Air wins a merger with Delta, then other airlines think overall capacity will shrink and they can raise fares.
MORE: <http://news.airwise.com/story/view/1165523641.html>

AIR – UNSECURED DELTA CREDITORS FORM GROUP TO PUSH MERGER:
MORE: <http://news.airwise.com/story/view/1165581640.html>

AIR – DELTA PILOTS OPPOSE US-AIRWAYS TAKE-OVER:
MORE: <http://news.airwise.com/story/view/1165405900.html>

OCEAN – MAERSK CUTS ATLANTIC CAPACITY: Maersk Line will cut its transatlantic capacity by 5% to 6% in January in order to push rates up in struggling trades.
MORE: http://www.americanshipper.com/SNW_story.asp?news=43706

OCEAN – FEFC DROPS BAF: The Far Eastern Freight Conference says its bunker adjustment factor applicable to the trade to and from the United Kingdom, northwest Continent, Mediterranean and Scandinavia will be \$235 per TEU (from \$248 per TEU). For the Baltic Sea region, the charge will be \$240 per TEU (from \$253 per TEU).
MORE: http://www.americanshipper.com/SNW_story.asp?news=43705

OCEAN – MUMBAI HIKES PORT CHARGES: The Tariff Authority for Major Ports, India's port regulator, has approved a proposal from the Port of Mumbai to increase cargo-related charges by 25% and vessel related charges by 8% effective 1 January.
MORE: <http://www.joc.com/20061205/sections/ocean/w16676.asp>

OCEAN – VANCOUVER STRENGTHENS BOX TRUCK RULES: The Vancouver Port Authority has announced more rigorous licensing, audit and enforcement for container truckers at the western Canada gateway. "Effective immediately, the VPA will only accept applications for new licenses from companies that transport containers to and from the lower mainland ports exclusively with company-owned equipment and employee drivers.
MORE: <http://www.joc.com/20061201/sections/logis/w86071.asp>

OCEAN – INTERMARINE OFFERS ON-DEMAND ASIA TO ARABIAN GULF HEAVY-LIFT:
MORE: <http://www.joc.com/lede/20061206/sections/ocean/w24272.asp>

TRADE – NEW US SECURITY BOX FEE COMING?: See "Security" section

TRADE – GREEK PORT PROTESTS CONTINUE: Containers continue to pile up as a protest by Greek dock workers is in its fourth week. Workers are refusing to work overtime or weekends to protest the government's plans to privatize container operations in the largest ports of Piraeus, near Athens, and Thessaloniki in northern Greece. Port truck lines have reached five miles, (8km) while more than 8,000 containers have piled up at the customs house in Perama awaiting shipment.
MORE: <http://www.joc.com/lede/20061205/sections/ocean/w55453.asp>

TRADE – STRIKE IN INDIA THURSDAY?: Port and dock workers of Visakhapatnam will join the all-India general strike called by five central federations on December 14. The Visakhapatnam Port Employees' Union demands include constitution of committee for wage revision effective from January 1, 2007, upward revision once in five years & implementation payment of productivity linked reward at 20% with retrospective effect from 2002-03.
MORE: <http://www.hindu.com/2006/12/05/stories/2006120513840300.htm>

TRADE – BANGLADESH TRANSPORT CHAOS CONTINUES: A crippling transport blockade in Bangladesh continues after a political activist was killed amid a lingering political stalemate threatening to disrupt coming elections. Thousands of protesters returned to the streets to block vehicle movement in the capital, Dhaka.
MORE: <http://www.taipetimes.com/News/world/archives/2006/12/05/2003339184>

TRADE – KOREAN TRUCKER STRIKE ENDS: South Korean truckers ended their five-day strike Tuesday. The Korea Cargo Transport Workers Union said the decision was made after the National Assembly's Construction and Transportation Committee agreed to review related legislation that favors the truckers next February.
MORE: http://english.hani.co.kr/arti/english_edition/e_business/176316.html
MORE: http://www.americanshipper.com/SNW_story.asp?news=43938

>>>>> JUST FOR FUN <<<<<

(These are shared by readers – Please share yours. Thanks. Mike)

A LESSON TO BE LEARNED FROM TYPING THE WRONG E-MAIL ADDRESS

A Minneapolis couple decided to go to Florida to thaw out during a particularly icy winter. They planned to stay at the same hotel where they spent their honeymoon 20 years before.

Because of their hectic schedules, it was difficult to coordinate their travel schedules. So, the husband left Minneapolis and flew to Florida on Friday, and his wife was flying down the following day.

The husband checked into the hotel, and unlike years ago, there was a computer in his room, and he decided to send an email to his wife.

However, he accidentally left out one letter in her email address, and without noticing his error, sent the email to the wrong address.

Meanwhile... somewhere in Houston... a widow had just returned home from her husband's funeral. He was a Minister who was called home to glory after suffering a heart attack.

The widow decided to check her email, expecting messages from relatives and friends. After reading the first message, she screamed and then fainted.

The widow's son rushed into the room, found his mother on the floor, and then glanced up and saw the computer screen which read:

To: My Loving Wife
Date: Friday, October 13, 2005
Subject: I have Arrived!

Dearest Love:

I know you are surprised to hear from me. They have computers here now, and you are allowed to send email to your loved ones.

I have just arrived and have been checked in. I see that everything has been prepared for your arrival tomorrow, and look forward to seeing you then.

Hope your journey is as uneventful as mine was.

PS Sure is hot down here

If you have curious, interesting, funny or thoughtful items to share in "Just For Fun", Email them to mike.miller@allcovered.net. Thanks.

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