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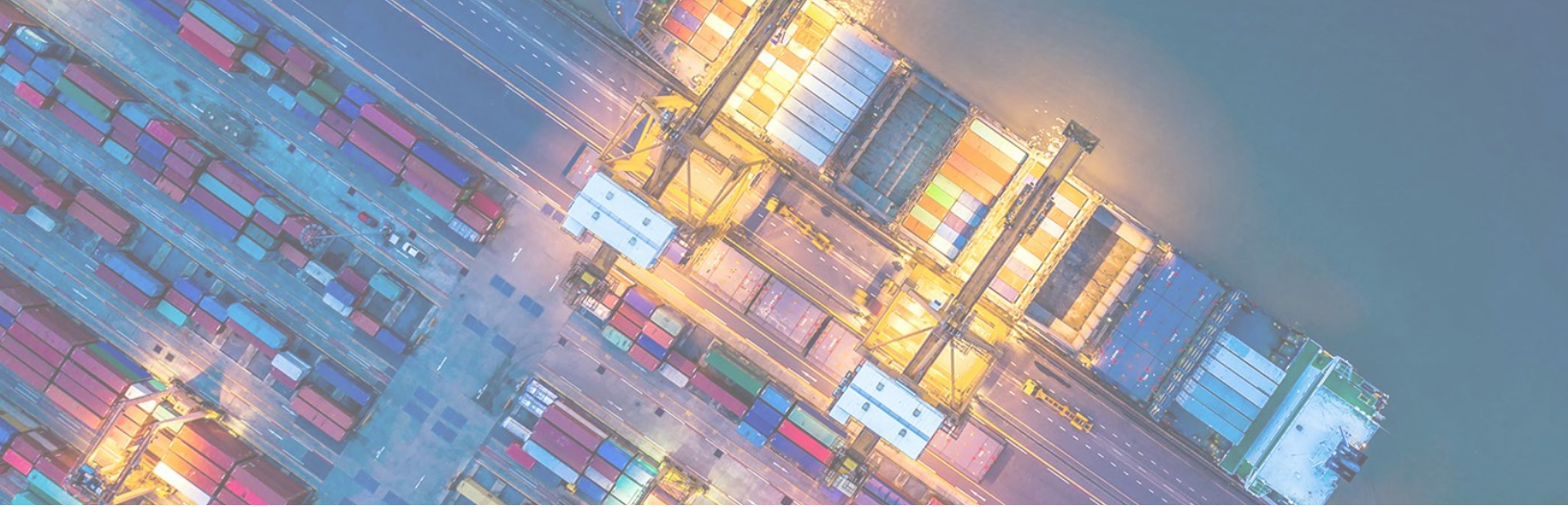
KEEPING AN EYE ON PORT EXPANSION

As each new generation of larger container ships comes to market, so does growing pressure on ports and terminals to accommodate their rising volumes quickly and effectively.



Ports around the globe have been busily improving their infrastructure to accommodate these ever-larger vessels, fulfill the changing needs of the industry, and maintain efficiency. Over the last year, Khalifa Port in Abu Dhabi, Jawaharlal Nehru Port Trust in India, and Deltaport Terminal in Canada's Vancouver Fraser Port all began work on large-scale expansion projects.

The United States has also seen numerous port expansion projects aimed at adapting to the new larger vessels. A recent example is the completion of the Turning Basin Expansion Project at the port of Wilmington in North Carolina. One of the main reasons for this project was to improve infrastructure by widening the turning basin and offering 2600 contiguous feet of container berth space to account for the established shipbuilding trend.



Additionally, the port of New Orleans recently acquired 1,100 acres to build a new terminal capable of handling more modern vessels and future growth. Georgia Ports are taking action as well, acquiring 145 contiguous acres for an expansion project in Savannah, which is enough land to accommodate an additional 1-million twenty-foot equivalent container units in annual capacity. Also, a vitally important ship channel dredging and berth widening project at the port of Houston has been approved for funding in a recent stimulus package.

“As our industry continues to shift toward larger and larger vessels, governments are realizing that when it comes to ports of call, size does matter,” said Anthony Fullbrook, president of OEC Group’s Northeast Region. “In order to accommodate coming generations of vessels, ports need to be able to efficiently facilitate their docking, unloading, and intermodal and road access. As a result, many ports around the world are expanding to accommodate ever increasing throughput.”

When completed, these expansion projects will increase efficiency and give shippers more options. Ports that are committed to planning for future growth by offering more berth space and enhanced transportation systems will be more desired and better positioned for the future. Clients know that their goods will be transported faster using modernized methods.

“Ports are the gateways to our global economy, and they need to grow,” said Mr. Fullbrook. “It is possible that terminals doing a better job expanding and modernizing could offer a significant advantage over the competition as preferred destinations. It is definitely something we will be keeping an eye on.”



FRANK COSTA

*OEC GROUP NEW YORK
VICE PRESIDENT OF SALES*

INTERVIEW WITH AN EXPERT

Frank Costa, OEC Group New York Vice President of Sales, is one of the company's foremost experts in shipping, having worked for both carriers and NVOs. He shares his views about CMA-CGM's new West Coast "Golden Gate Bridge Service" that help customers get their goods to their destination faster.

Q: CMA CGM recently introduced its "Golden Gate Bridge Service," which is designed to help customers avoid Southern California's severe port congestion by only making Oakland and Seattle its ports of call. Is this service helpful for clients moving goods into the U.S.?

A: Clients that move their cargo via rail to IPI will find this new route helpful. The congestion at L.A. – Long Beach has become untenable for any inventory that does not have a final destination in southern California. For many shippers who are transporting goods to other parts of the United States, Oakland may prove to be a more effective point of entry than Los Angeles.



Q: What do you think of the one-and-a-half-day rail dwell times being projected for the new service?

A: In this climate, where containers are dwelling for at least five days when they gateway via the port of L.A. – Long Beach, any shorter wait times will be a vast improvement for customers relying on IPI rail connection. Moving goods on even a marginally faster timeline will be vitally important in alleviating congestion and speeding up overall operations for all parties involved. Additionally, this new strategy is a way for CMA to maintain the integrity of their ocean priority products, which guarantee equipment and offer expedited service. These options have been extremely popular in the last few months.

Q: With this move to Oakland, will congestion simply spread amongst West Coast ports?

A: If more carriers operate exclusive Oakland call services any bypass LA-Long Beach, then you can expect to see congestion increase. However, this is unlikely due to the lack of available vessels for hire.

Q: In a recent State of the Port Address, the Director of the Port of L.A. stated that congestion was slowly clearing, and that it may be fully cleared sometime in the April – June range. What do you think about that prediction?

A: April is probably not realistic. I believe it's going to take a long time for this to get cleaned up. With more than thirty years of experience in the container shipping business, I know these things don't get cleaned up quickly. They come with various problems and ripple effects. It just takes time. I do think we may see some significant improvement by June, however, we forecast volumes to return to pre-Chinese New Year levels by mid-March. This may not be enough breathing room to make a significant dent in the congestion.

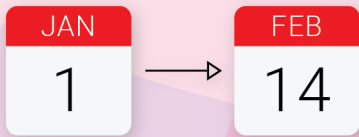


Conversation Hearts Fun Facts



It was first produced in 1866 by the New England Confectionary Company (NECCO)

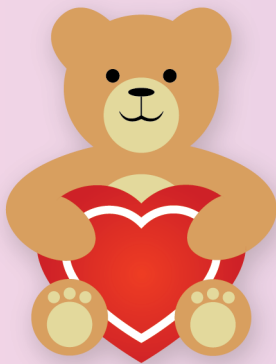
Before settling on the heart, the candy was offered in other shapes, including a horseshoe, a clover, and a baseball



Most conversation hearts are sold between January 1 and February 14



It's estimated that around 8 billion candy hearts are produced each year



The heart shape was perfected in 1902 to capitalize on the newly popularized holiday, Valentine's Day



More than 100,000 pounds of hearts are made every day

The most popular current sayings include "Tweet Me," "Text Me," "You Rock," and "Soul Mate"



ABOUT OEC GROUP

At OEC Group, we have demonstrated our commitment to customer service in trans-Pacific trade for more than 35 years. Founded in 1981, OEC Group had a vision to provide comprehensive logistics services to clients. Today OEC Group serves destinations throughout the world and has grown into one of the leading logistics providers in North America. With over fifty offices worldwide, we take pride in being close to your cargo at all times.

OEC Group is monitoring and adapting to the changing market. We are well positioned to make continuous improvements to your supply chain using the fastest, most efficient and cost-effective services available. We work tirelessly to stay on top of the ever-changing logistics industry with the goal of delivering the most current information and services to you, our customer.

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