



**TOMAX
NEWS**

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TOMAX CORPORATE MISSION

Our mission is to supply high quality, end-to-end supply chain solutions to our clients in a friendly, secure and supportive manner.



MARKET SUMMARY

- Hamburg-Sud has joined other major shipping lines to flag implementation of a Sydney container congestion charge - effective 1 October 2020 (for all trades except USA) and from 24 October 2020 for USA trade lanes. The fee will be USD350.00 per TEU and apply to both standard and reefer containers.

- Maersk have also flagged implementation of a Sydney container congestion charge - effective 1 October 2020 (for all trades except USA) and from 24 October 2020 for USA trade lanes. The fee will be USD350.00 per TEU and apply to both standard and reefer containers. At this stage there is no mention of whether they will continue to omit Sydney and discharge Sydney cargo in Melbourne.

- Freight rates on the China-Australia trade-lane continue to soar on the

back of the massive congestion at both Australian and Chinese ports. Rates for 40' containers may soon exceed USD 4,000 per 40'.

- Trade restrictions, duties, and embargoes continue to be implemented by various countries including China, the US and Australia as regional trade disputes grow.

- China's national holiday from 1st October is expected to cause further supply restrictions as lines contemplate blank sailings in order to ensure the demand v supply curve continues to weigh heavily in favour of shipping lines.

- LCL Services from N.E Asia will be subject to a USD 10 per CBM general rate increase from 1st October.

LATEST NEWS



WILL AUSTRALIA FOLLOW THE U.S WITH RESTRICTIONS ON XINJIANG COTTON?

The United States Customs Border Protection works diligently to prevent the import of goods which are manufactured by prohibited forms of labour. In order to release shipments subject to WRO/ findings, importers must submit a certificate of origin with a detailed statement proving that the merchandise was not produced with force labour.

The U.S announced restrictions on 5 separate Withhold Release Orders (WROs) including the import of cotton, apparel, hair products and computer parts, citing forced labour practices. Xinjiang's Lop Country Vocational Skills Education and Training Centre is one of numerous facilities the United Nations has identified as part of a series of detention camps detaining up to one million Uyghurs and other ethnic Muslims in Xinjiang. Within these detention camps, hold unjust labour practices and a violation to the rights of these ethnic minority groups.

Roughly, 85% of the China's cotton is produced in Xinjiang which accounts for 20% of the global cotton supply. Therefore, the imposed ban is predicted to impact greatly on the Chinese and Asian supply chains

The ban creates challenges in eliminating the supply chain of the fabric as it is almost impossible to trace whether

Xinjiang cotton is used in a garment. As there is a possibility that spinning mills can have cotton from 10 different countries spun together into one yarn, this raises elevated concerns and pressure, deeming the cotton industry a black hole.

Moreover, Customs and Border Protection commissioner Mark Morgan told reporters: "These are not the first WROs the US has issued on Chinese goods, and I can tell you I'm absolutely confident they're not going to be the last."

"But companies with linkages to Xinjiang are likely to face more pressure from governments, investors, consumers and civil society to act responsibly. Some firms might even be forced to withdraw from Xinjiang, though should be considered as the last option, as this in itself will not improve Uyghurs' human rights", said Surya Deva, an associate professor at City University of Hong Kong and member of the UN Working Group on Business and Human Rights, "Despite denials by China, it is clear that most of the companies operating in Xinjiang, or having suppliers there, face serious risks of being implicated in human rights abuses against Uyghurs. The recent WROs are just part of the broader range of push and pull factors at play."



To combat the risk of child and forced labour in your operations and global supply chains, you should have a comprehensive and transparent social compliance system in place. For more information, please speak to one of our licensed customs brokers at Tomax by contacting 1300 186 629 or via email imports@tomax.com.au

U.S CUSTOMS AND BORDER PROTECTION FACTS

Forced Labour Enforcement

CBP works diligently to prevent goods manufactured by prohibited forms of labour from being imported into the U.S. by enforcing the withhold release orders and findings of 19 U.S.C. 1307. To release shipments subject to WRO/findings, importers must submit a certificate of origin and a detailed statement showing the merchandise was not produced with forced labour.

Withhold Release Orders

When information reasonably but not conclusively indicates that merchandise within the purview of this provision is being imported, the Commissioner may issue withhold release orders (WROs), 19 C.F.R. § 12.42(e). CBP requires information that is reasonable but not conclusive for issuance of a WRO.

If your merchandise is withheld from release (detained) importers may export the detained shipments or contend that the goods were not made with forced labour. Shipments subject to WROs may be subject to exclusion.

To obtain release of shipments subject to WRO, importers must submit, within 3 months following the importation, a certificate of origin and a detailed statement demonstrating that the subject merchandise was not produced with forced labour, e.g. a supply chain audit report. Evidence will be evaluated on a case-by-case basis. If the proof submitted by the importer is deemed satisfactory, CBP will release the goods.

If the proof submitted does not establish the admissibility of the merchandise, or if none is provided, CBP will exclude the shipment.

Findings

If the Commissioner is provided with information sufficient to make a determination that the goods in question are subject to the provisions of 19 U.S.C. § 1307, the Commissioner will publish a formal finding to that effect in the Customs Bulletin and in the Federal Register, 19 C.F.R. § 12.42(f).

Findings require conclusive evidence, i.e., probable cause that the imported

goods are made with forced labour. If your imported merchandise is subject to a finding you may seek release by: submitting, within 3 months following the importation, a certificate of origin and a detailed statement demonstrating that the subject merchandise was not produced with forced labor, e.g., a supply chain audit report. Evidence will be evaluated on a case-by-case basis. If the proof submitted by the importer is deemed satisfactory, CBP may release the goods.

If the proof submitted does not establish the admissibility of the merchandise, or if none is provided, the merchandise shall be seized for violation of 19 U.S.C. §1307, for goods subject to a finding only.

Merchandise Subject to a WRO

The importer may export its merchandise to a location outside the United States within 3 months of the importation. The detained shipment will be excluded from entry if the importer fails to either re-export the detained shipment or timely furnish the required certificate of origin by the foreign seller or owner and a detailed statement demonstrating that the goods were not manufactured with forced labour. Another reason is if CBP determines the proof submitted by the importer does not establish the admissibility of the merchandise.

Merchandise Subject to a Finding

The importer must submit to the port director, within 3 months following the importation, a certificate of origin and a detailed statement demonstrating that the subject merchandise was not produced with forced labour. If the proof submitted does not establish the admissibility of the merchandise, or if none is provided, the merchandise is subject to seizure for a violation of 19 U.S.C. § 1307.

Amendment or Revocation of a WRO/Finding

WROs/findings stay in effect until revoked; they may be revoked or modified if evidence shows the subject merchandise was not made with forced labour, is no longer being produced with forced labour, or is no longer being, or likely to be, imported into the U.S. If the proof submitted to the Office of Trade is deemed satisfactory, CBP will modify or revoke the appropriate records.

Monitoring Your Supply Chain

CBP encourages stakeholders in the trade community to closely examine their supply chains to ensure goods imported into the United States are not mined, produced or manufactured, wholly or in part, with prohibited forms of labour, i.e., slave, convict, forced child, or indentured labour.

Source: U.S Customs and Border Protection
Fact Sheet Publication #0550-0816





ENVIRONMENTALLY FRIENDLY PCTC CONCEPT VESSEL

The Oceanbird, a concept ship designed by Swedish company Wallenius Marine, is a sustainable pure car and truck carrier (PCTC) vessel. The ship boasts a 7000 car capacity and is powered by wind, avoiding the release of detrimental emissions by over 90% compared to conventional PCTCs across the globe. From the mid 1990s, Wallenius Marine has designed and built north of 70 vessels focusing on sustainable shipping.

“Oceanbird shows that the maritime industry can bring about major change and that zero-emission shipping is possible, using wind as the main energy source. We are proud to present our third iteration of our design, which we have worked with for several years. Shipping is a central function in global trade and stands for around 90% of all transported goods, but it also contributes to emissions. It is critical that shipping becomes sustainable. Our studies show that wind is the most interesting energy source for ocean transports and with the 80-metre high wing sails on Oceanbird, we are developing the ocean-going freighters of the future.” - Per Tunell, COO at Wallenius Marine

The traditional sail system is replaced by a series of vertical blades which replicate the performance of aircraft wings. The wing sails extend the ship height above the waterline to approximately 105 metres. In addition, the design contains a rigging made of steel and composite materials which rotates 360 degrees to catch the wind during its optimum. A telescopic construction enables the rig to be lowered from 105 metres to 45 metres when passing under a bridge or if strong winds require a reduction in speed.

The team behind the design have commenced testing with 7 metre models in open water. The design will be open for orders in 2021 and is predicted to launch in 2024.

Source: Wallace, P. (2020). PCTC Concept Vessel Claims to Slash Emissions. Retrieved from https://www.thedcn.com.au/pctc-concept-vessel-claims-to-reduce-emissions-by-90/?utm_source=DCN+Daily+Newswire&utm_campaign=d416e598eb-EMAIL_CAMPAIGN_9_8_2020_COPY_482&utm_medium=email&utm_term=0_505d67c448-d416e598eb-143548541 on 18th September, 2020.

PATRICK INDUSTRIAL ACTION DELAYS

Last week, the Maritime Union of Australia (MUA) notified Patrick Terminals of its intention to take further Protected Industrial Action at Patrick Terminals – Fremantle and Brisbane in addition to Protected Action already notified. The details of this action are listed below.

BRISBANE

- 4-hour stoppages at 03:00 am, 11:00am and 07:00pm on Friday 25 September 2020;

FREMANTLE

- A ban on the performance of work on the Swan River Bridge for 31 hours commencing from 12:01 am Friday 25 September 2020;
- 24-hour stoppage of work commencing 07:00am Tuesday 29 September 2020;

PATRICK TERMINALS - MELBOURNE

- 24-hour stoppage of work commencing 06.00am Friday 18 September 2020.
- 1-hour stoppages at 6.00am, 2.00pm and 10.00pm every day for 14 consecutive days commencing on Monday 21 September 2020.
- 1-hour stoppages at 6.00am, 2.00pm and 10.00pm each day from Monday, 14 September 2020 for an indefinite period;
- A ban on the performance of overtime commencing from 06.00am from Monday, 14 September 2020 for an indefinite period;
- A ban on the performance of work on the vessel, Spirit of Auckland, for a period of 4-hrs commencing at 05.00am on Monday 14 September 2020.
- 8-hour stoppage of work commencing at 07:00 am on Monday 7 September;
- A ban on the performance of work on the vessel Maersk Semakau for a period of 8hrs commencing at 07:00 am from Monday 7 September 2020;
- Ban on performance of upgrades and/or work in higher levels from 07:00 am Friday 4 September 2020 for an indefinite period
- A ban on the working of shift extensions from 07:00 am Friday, 4 September 2020 for an indefinite period;
- A ban on performance of work on vessels that have been subcontracted or outsourced to Patrick by another stevedoring company from 07:00 am Friday 4 September 2020 for an indefinite period.

PATRICK TERMINALS - BRISBANE AUTOSTRAD

- 4-hour stoppages commencing at 07:00am Friday 11 September 2020 and 07:00am Friday 18 September 2020;
- 4 hour stoppages commencing at 07:00pm Friday 11 September 2020 and 07:00pm Friday 18 September 2020;
- A ban on the performance of shift extensions commencing at 07:00am Friday 11 September 2020 for an indefinite period;
- A ban on attending work on days an employee is rostered as “off/avail” from 07:00 am Friday 11 September 2020 for an indefinite period;
- A ban on attending work on days an employee is called into work after being placed on the standby list from 07:00am Friday 11 September 2020 for an indefinite period;
- A ban on attending for work after being called into work when not allocated from 07:00am Friday 11 September 2020 for an indefinite period;
- A ban on performance of work on vessels that have been subcontracted or outsourced to Patrick by another stevedoring company from 07:00 am Friday 4 September 2020 for an indefinite period.
- A ban on performance of upgrades and/or work in higher levels (except for Leading Hand Lasher) from 07:00 am Friday, 4 September 2020 for an indefinite period;

PATRICK TERMINALS - SYDNEY AUTOSTRAD

- A ban on the performance of overtime commencing at 06:00am Friday 11 September 2020 for an indefinite period;
- A ban on the performance of shift extensions commencing at 06:00am Friday 11 September 2020 for an indefinite period;
- Ban on performance of upgrades and/or work in higher levels from 06:00am Saturday 5 September 2020 for an indefinite period;
- A ban on the performance of work on Project SABRE (Port-side Rail Project) commencing at 06:00 am Friday 4 September 2020 for an indefinite period;
- 4-hour stoppage of work commencing at 12:00 midday on Friday 4 September;
- A ban on performance of work on vessels that have been subcontracted or outsourced to Patrick by another stevedoring company from 06:00am Friday 4 September 2020 for an indefinite period.

PATRICK TERMINALS - FREMANTLE

- Ban on the performance of work on the Margaret River Bridge for 32 hours, from 11:00pm Thursday 17 September 2020 to 07:00am Saturday 19 September 2020
- A ban on attending for work on days an employee is called into work after being placed on the standby list from 07:00am 17 September 2020 for an indefinite period;
- A ban on attending for work on days an employee is called into work when not allocated from 07:00am 17 September 2020 for an indefinite period;
- A ban on the performance of work on the vessel Swan River Bridge commencing at 12:01 am from Friday 11 September 2020 and continuing until 7:00am on Saturday 12 September 2020;
- Ban on performance of upgrades and/or work in higher levels from 07:00 am Friday 11 September 2020 for an indefinite period;
- A ban on attending for work on days an employee is rostered as “off/avail” from 07:00 am Monday 14 September 2020 for an indefinite period;
- A ban on the working of shift extensions from 07:00am Friday, 4 September 2020 for an indefinite period;
- A ban on the working of overtime from 07:00am Friday, 4 September 2020 for an indefinite period;
- A ban on the performance of work on the vessel Margaret River Bridge for a period of 24hrs commencing at 07:00am from Friday, 4 September 2020;
- 24-hour stoppage of work commencing at 07:00am Friday, 4 September;
- A ban on performance of work on vessels that have been subcontracted or outsourced to Patrick by another stevedoring company from 07:00am Friday, 4 September 2020 for an indefinite period.



SPOTLIGHT ON WAREHOUSING

Over the course of the last 20 years there has been a growing trend for Australian companies to engage 3PL services providers in order to obtain efficiencies and cost savings in their supply chain. Third Party Logistics (3PL) refers to outsourcing elements of a company's supply chain activities to external businesses. Utilising a 3PL provider's warehousing, distribution, and fulfilment services removes the burden of running in house systems.

Modern warehousing activities involve the use of ever increasing technological advances in the control, monitoring and movement of cargo. Warehouse Management Systems (WMS) are also improving in data capture, automation and reporting. These advances and systems cost money and time, and when applied to small warehousing operations it can often be hard to justify the expense, but difficult to avoid the necessity.

In order to take advantage of cost efficiencies, access to better systems, and comparative advantages over competitors, many companies are moving their warehousing requirements to 3PL operations. Efficiencies are gained by paying only for the services, space and activity that are required, rather than having staff with downtime and space under-utilised. Online access to stock control and monitoring platforms has also assisted in the move to outsourcing, as these web based portals remove the lag in information flow due to data being available in real-time.

3PL service providers are generally able to provide the warehousing, storage and distribution services at rate levels under what could be achieved by each individual company themselves, by pooling the resources across a vast range of clientele. Most 3PL warehouses operate in high clearance facilities where pallet storage can be maximised at often 7 or 8 pallets high

in the racking, and sometimes even using double-deep racking that reduces the need for wasting aisle space.

Tomax Logistics has been providing 3PL warehousing services around Australia for more than 10 years. Our national flagship warehouse is located in Dandenong South with the ability to store over 10,000 pallets. The new Tomax warehousing facility in Brisbane is located in Yatala with room for thousands of pallets to be stored. Both facilities operate dedicated Tomax controlled delivery services as well in order to provide in time and reliable delivery of freight to client locations. For more information on the 3PL services that Tomax can provide not only in Melbourne and Brisbane, but throughout the rest of Australia as well, please call Chris, Leigh or Akash on 1300 186 629.



Tomax Dandenong South Warehouse



New Tomax Brisbane Warehouse

FOOTY TIPPING WINNERS!

Congratulations to Tomax Staff members: Cameron McKenzie and Steven Greenslade and our clients: Peter and Greg who all finished the tipping comp with 111 points and will share the \$2000 prize, taking home \$500 each!!



STAFF SPOTLIGHT



MEET RAVI WARNA

**ACCOUNTS SUPERVISOR
TOMAX AUSTRALIA**

with wife, Sashika & daughter, Liyara



Q: WHAT YOU DO AT TOMAX?

I mainly work on the Accounts Payable side with both foreign and local currencies. I also serve in Accounts Receivable activities including detention, accounts queries, assisting with duty reports and refunds, and assisting with job finalisation.

Q: WHAT ARE YOUR FAVOURITE HOBBIES?

I like to watch movies and read books.

Q: ONCE BORDERS RE-OPEN, WHERE IS THE FIRST PLACE YOU'D LOVE TO TRAVEL TO?

Of course to Sri Lanka (my home country) because my 2nd child has yet to meet her grand parents and family.

Q: DO YOU PLAY/WATCH SPORTS? IF SO, WHICH SPORT IS YOUR FAVOURITE?

I don't play sports really, but I love watching cricket!

Q: IF YOU COULD HAVE A SUPER POWER WHAT WOULD IT BE AND WHY?

I would love to have the super power to find a vaccine for Covid 19 to prevent people from dying.

TOMAX STAFF IN ACTION!



Dynamic duo Geoff Davidson working the forklift and Geoff Lee driving the truck... we smell a bit of double trouble here in our new Brisbane warehouse!



Our Tomax trucks lined up, loaded and ready to rock and roll!



HEAVY CARGO CHALLENGE!

Outstanding customer service was provided by the dedicated team at Tomax Chicago who courteously arranged for the pick up of an enormous cargo from the port arranging all entry bookings, loading slot times and even lifting the incredibly heavy cargo smoothly via crane.

The crate was brought in from overseas by break bulk to the port of Baltimore MD with intentions of delivery to Ford City PA which is approximately 250 miles away.

The shipment was required to be delivered before the 23rd of September in Ford City PA to fit into the CNEE production schedule. Despite the 3-day delay of the ocean vessel due to challenging weather conditions and the weekend timing, Tomax Chicago was able to monitor the customs clearance and arrange a heavy truck delivery on the 21st of September- right on time and in full!

The truck was permitted to operate in PA from 9am until 6pm loaded under permit requirements. Once the cargo arrived at the plant, the offloading was accomplished with

2 overhead cranes combined with a lift capacity of 160,000 lbs (72,574 kgs)!

Overall, the Tomax team was pleased to hear that both the shipper and consignee were happy with their exceptional service. Across the globe, all teams strive to carry out the Tomax mission statement: 'supply high quality end to end supply chain solutions to our clients in a friendly and supportive manner.'



THE MAMMOTH CARGO

Monolith bed for a steel grinding machine

1 crate

410x104x65 inches

108,027.00 lbs (49,000 kgs)!

HEAVY CARGO CHALLENGE!

Witness the action below by our terrific Tomax Chicago Team!



FRIDAY FUNNIES

We can't guarantee these jokes will be funny but we hope this will ease you into another weekend of isolation life!

What's E.T short for?
Because he's only got little legs.

What do you call a fake noodle?
An impasta.

Don't trust atoms.
They make up everything!

I wouldn't buy anything
with velcro.
It's a total rip off!

I used to hate facial hair...
but then it grew on me.

What time did the man
go to the dentist?
Tooth-hurty.

Why can't a nose be 12
inches long?
Because then it would
be a foot.



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