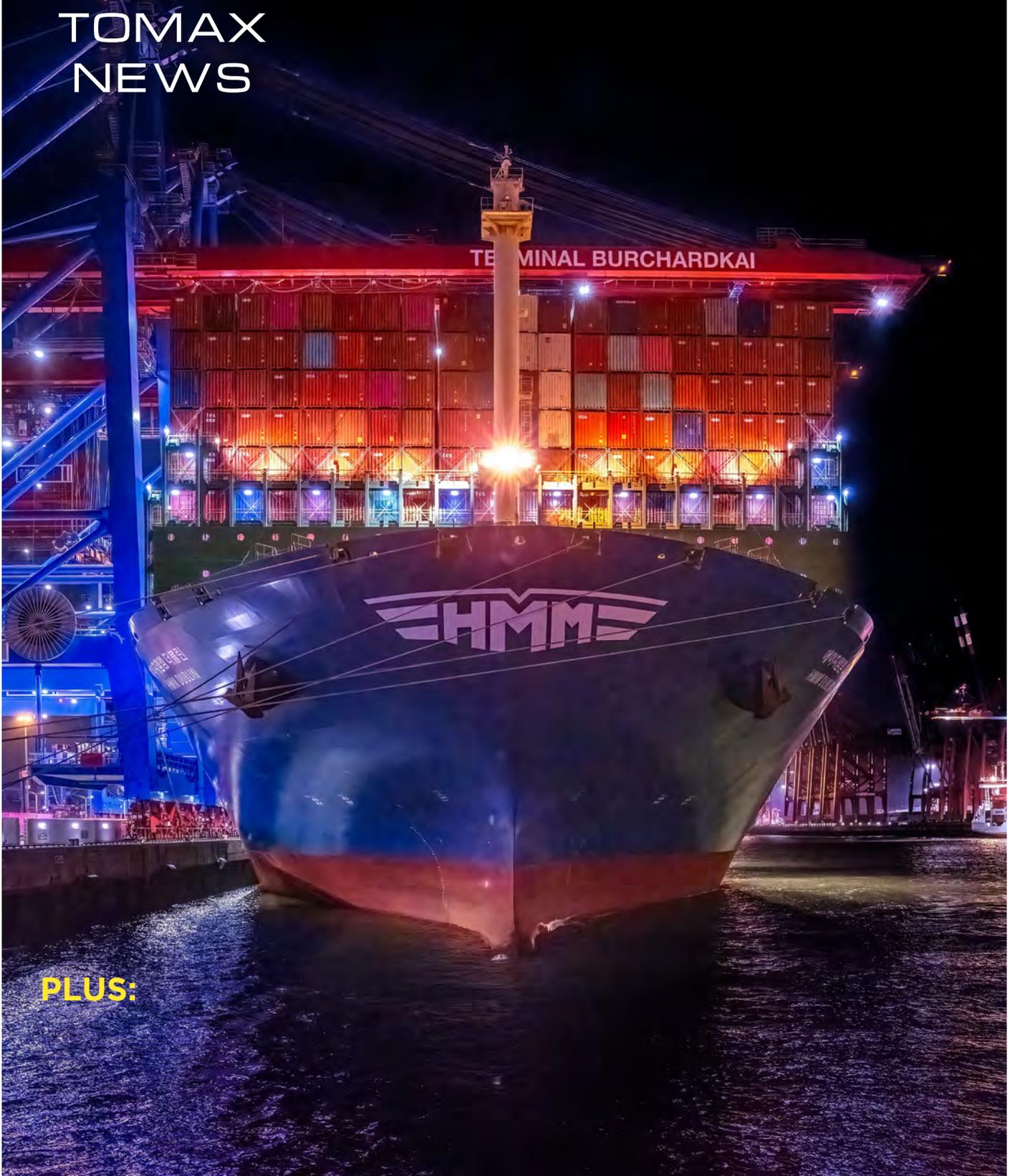




TOMAX
NEWS

Issue 101
14th October 2022



PLUS:

TARIFF CONCESSIONS GAZETTE (TC)

Tariff Concession Orders (TCOs) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods. The weekly Tomax Client Newsletter will contain a link to the latest Gazette document so that you can stay updated.

[CLICK TO VIEW LATEST GAZETTE](#)



LATEST NEWS



TASPORTS SUSPENDS OPERATIONS FOLLOWING SEVERE WEATHER

TasPorts has since suspended commercial shipping operations at the Port of Devonport on Thursday 13th October, due to the flooding risk at the Mersey River catchment zone.

The direction was made by the Tasmanian harbour master, who factored in the severe weather warnings issued by the Bureau of Meteorology and modelling advice that predicts severe flooding conditions.

Stephen Casey, TasPorts chief operating officer, said the company's priority was the safety of port users, vessels and port infrastructure. He said, "the bureau is forecasting conditions similar to what was experienced in 2016 when a major flooding event in the catchment caused significant disruption to port operations. The port was closed indefinitely during this flooding event when the Mersey River filled with debris."

On Thursday afternoon, the Bureau of Meteorology issued a major flood warning for the Mersey River stating, "in 24 hours to 3:00 pm Thursday, widespread rainfall totals of 50-80 mm have been recorded across the Mersey River catchment, with isolated totals up to 190 mm recorded around Lake Mackenzie. Further widespread rainfall totals of 60-110 mm are likely across the northern half of Tasmania

with isolated totals up to 180 mm over higher terrain during the remainder of Thursday and into Friday morning. Strong river level rises have occurred throughout the Mersey River catchment during Thursday. Major flooding is likely to develop at Kimberley and is possible at Latrobe Bridge. Moderate flooding may develop at Liena. With higher scenarios of forecast rainfall, additional river rises are possible."

TasPorts will continue to actively monitor the situation. Mr Casey added, "TasPorts is prepared for any emergency support and recovery operations that may be required. Planning is a critical form of risk mitigation, and the Devonport port users have been very supportive with their preparations for the suspension of operations."

Mr Casey advised the harbour master's direction would be implemented until Sunday 16th October when the weather conditions were expected to ease.

Ackerman, I. (2022). FLOOD WARNINGS PROMPT SHIPPING SUSPENSION AT PORT. Retrieved from <https://www.thedcn.com.au/news/ports/flood-warnings-prompt-shipping-suspension-at-port/> on 14th October, 2022.



PORT OF MELBOURNE WELCOMES RECORD BREAKING VESSEL

On the 8th October, Port of Melbourne welcomed the largest vessel (by capacity) to ever arrive at the port. The vessel, CMA CGM Estelle holds a capacity of 10,296 TEU, breaking a record previously held by CMA CGM's Ural (10,662 TEU in June 2020).

CMA CGM Estelle is deployed on MSC/CMA CGM's North Europe Mediterranean Oceania (NEMO) service, covering Europe, the Indian Ocean and Australia.

The vessel berthed at Victoria International Container Terminal (VICT) at Port of Melbourne's Webb Dock and departed on the 11th October. CMA CGM Estelle measures 299.9 metres long and was built in 2018. It has a 14.5-metre draught and is 48.2 metres wide.

Saul Cannon, Port of Melbourne CEO, welcomed the arrival of the ship, noting the larger vessels being deployed by the global shipping fleet. He said, "it's really exciting to see this vessel arrive at the Port of Melbourne. We are investing across the port to ensure we can accommodate the larger vessels that are calling at Melbourne. Port of Melbourne is well positioned to meet global shipping trends to serve the growing freight needs of Victoria

and south-eastern Australia now and into the future."

Tim Vancampen, VICT chief executive officer, highlighted the work being done to accommodate larger ships. Tim said, "VICT would like to congratulate the CMA CGM Group on their continued drive for efficiencies through deploying larger vessels with clear environmental benefits in the Oceania trades to support the demand of the economy and utilise the ability to increase economies of scale. In partnership with PoMC in the Webb Dock Development, we are committed to supporting the Victorian shipping industry with our \$235 million investment that will increase our ability to accommodate increasing vessel sizes."

Williams, A. (2022). BIG SHIP RECORD BROKEN AT PORT OF MELBOURNE. Retrieved from <https://www.thedcn.com.au/news/containers-and-container-shipping/big-ship-record-broken-at-port-of-melbourne/> on 12th October, 2022.



AUSTRALIA'S "SHIPPING BOOM" VERSUS NEW ZEALAND'S STRUGGLE

The total TEU capacity of ships arriving at Australian ports has hit a 2 year high, according to project44, a logistics technology company. Reaching a capacity of 1,671, 933 TEU in August, this marks the highest level in two years of the total TEU capacity of vessels which arrive in Australia. Since February this year, vessel volumes have increased rapidly, reflecting a 34% increase in vessel capacity.

Vice president of supply chain insights at project44, John Brazil, advised that the growth in container vessel volumes entering Australian ports highlighted the booming of businesses in 2022. He said, "however we are also seeing a slight drop of 6.5% in September, so it remains to be seen if the economic bounce back will continue as strongly in Q4."

The significant increase in shipping and importing activity during August contributed to the strong business turnover reported by the Australian Bureau of Statistics this week. On Monday, monthly figures published by the ABS indicated a majority of key industries grew their monthly revenue in August. Kate Lamb, ABS head of business indicators, said transport and warehousing were among the industries that saw the largest percentage of rise in business turnover in August, during a period where global supply chain issues continued to ease. Kate said, "the 8.2% rise in August was driven by shipping and logistics companies, as merchandise imports hit a record-high in the month."

Meanwhile, in contrast to Australia's "shipping boom", New Zealand is reportedly struggling with supply chain woes and port congestion. According to project44, New Zealand had been struck with severe shipping delays this year, resulting in shippers having to wait many weeks longer than their Australian counterparts. Some shipping companies have completely excluded New Zealand from their schedules due to the ongoing supply chain issues. In the first quarter of 2021, New Zealand's total vessel TEU volumes plummeted significantly and have since failed to make a meaningful recovery. A 10% decrease in total vessel TEU volumes from 2020 to 2022 was shown in New Zealand's September data.

Overall, project44 believe the ABS data highlights Australian businesses rebounding in the post-pandemic months and New Zealand continuing to struggle regaining shipping volume capacity to the country. Time-sensitive goods such as fresh produce, have seen few New Zealand shippers choosing air freight to mitigate export delays. In a market update for September, Maersk announced berthing windows across New Zealand were predicted to remain suspended until March 2023. Currently, wait times for Auckland remain at 4 or 5 days.

Williams, A. (2022). AUSTRALIA EXPERIENCES "SHIPPING BOOM" WHILE NZ PLAGUED WITH CONGESTION. Retrieved from <https://www.thedcn.com.au/news/containers-and-container-shipping/australia-experiences-shipping-boom-while-nz-plagued-with-congestion/> on 12th October, 2022.

TIKTOK TO ENTER E-COMMERCE FULFILMENT SPACE

An unlikely player, widely embraced by younger audiences, is preparing to enter the e-commerce fulfilment space, TikTok. TikTok is a social media platform known for its plethora of entertaining videos and is now recruiting managers in the US to set up a fulfilment operation not only for the US, but globally.

The online platform has a sales channel called TikTok Shop and has strong commercial ambitions to strengthen their fulfilment service. TikTok is on the hunt for candidates who can manage a free returns programme, plan inventory movement, develop the service in the US, create a fulfilment centre and build a global warehousing network.

“With millions of loyal users globally, we believe TikTok is an ideal platform to deliver a brand new and better e-commerce experience. By providing warehousing, delivery and customer service returns, our mission is to help sellers improve their operational capability and efficiency, provide buyers [with] a satisfying shopping experience and ensure fast and sustainable growth of TikTok Shop.”

According to the UK Financial Times, the company is exploring a live shopping feature in the US that could serve as a product recommendation tool for creators who use the platform.

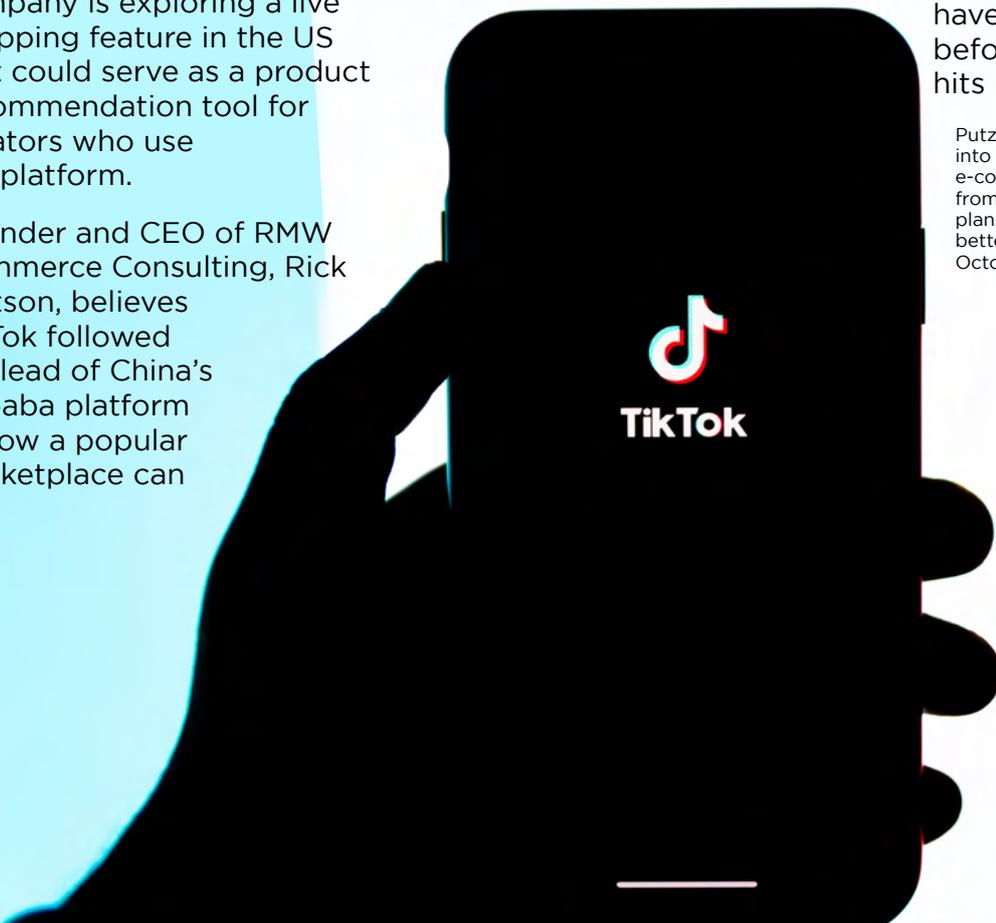
Founder and CEO of RMW Commerce Consulting, Rick Watson, believes TikTok followed the lead of China’s Alibaba platform in how a popular marketplace can

leverage brands in boosting promotional demand. He explained, “if a creator gains large popularity on a platform, there is the possibility to monetise this by creating branded products through a deal with a manufacturer.”

With a promising market, shopping on social media sites, known as ‘social commerce’, is a \$37 billion market in the US and Insider Intelligence predicts that an estimated 23.7 million US consumers will make at least one purchase through TikTok this year – either directly or via affiliated links. However, there is a low possibility for the company to build its own warehouses, fleets of trucks and airplanes in the short term. It is expected they will instead, strike up partnerships to establish its network of third-party warehouses, carriers and fulfilment providers. One partner could include Shopify, who TikTok struck an agreement with last August and has intensified moves this year to build up its own network of fulfilment centres. Mr Watson does not expect ‘Fulfilment by TikTok Shop’ to hit the market this year as it will likely launch operations in 2023 or 2024.

Currently dominating the social commerce game are Youtube and Facebook, who should have some breathing space before a new competitor hits its stride.

Putzger, I. (2022). TikTok plans foray into fulfilment, promising ‘a better e-commerce experience’. Retrieved from <https://theloadstar.com/tiktok-plans-foray-into-fulfilment-promising-a-better-e-commerce-experience/> on 13th October, 2022.



STAFF SPOTLIGHT

MEET MONIQUE HENRY CUSTOMS BROKER TOMAX LOGISTICS AUSTRALIA

What is your role at Tomax?

I just joined the Tomax Melbourne team this week as a Customs Broker.

What are your hobbies/interests?

I love to garden. I am currently completing a Diploma of Horticulture and I also volunteer in our local parklands monitoring threatened orchids species.

Are you a traveller? Which destinations have you been to or wish to go to?

Yes! I love to travel! I have been all over the world. My last trip was to Peru and Mexico in 2019.

I have never been to Spain and would love to visit one day!



Describe yourself in 3 words.

Mum. Explorer. Dependable.

What do you believe is the greatest invention of all time?

Noise cancelling headphones. I use them a lot!

A life motto you live by?

You don't know what you don't know until you know!

If you could only eat one thing for the rest of your life, what would it be?

Chocolate! Definitely chocolate. Dark Chocolate is my favorite, anything greater than 70%.



Settle the debate!

Does pineapple belong on pizza?

No way! Maybe if we lived in the tropics!



SPOT THE DIFFERENCES

Can you identify the 5 differences between the two images below? Answers will be revealed in next week's newsletter!



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