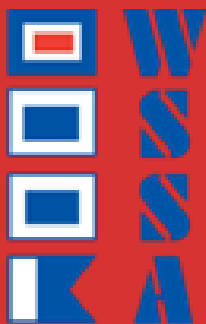


WSSA Grapevine

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Director's Corner

It has been a busy few months at WSSA as we continue to expand our operations and monitor the issues that affect your supply chain, from ocean freight service changes to trade agreements and new regulations. We have grown in many areas over the past year and it is thanks to the support of our members and partners and as we move into the holiday season, it is a time to express our appreciation to all of you. Thank you. In this issue, we will update the

latest industry news, including the upcoming SOLAS weight certification requirement, the labor situation on both East and West coasts, truck power and driver shortages, the TPP, and the US Customs/CBP APP CEE. We will also share new developments, the opening of Southeast Asia offices, and new export opportunities throughout the globe, along with our growth in the bulk wine and spirits market. WSSA participated in many industry events this year, from

our annual carrier negotiations, to WSWA, to the WS&D Summit and AgTC conference, CONECT trade symposium, and later this month the WBWE and Cargo Logistics America. We will continue all of these efforts in the upcoming year, and will also host 2 webinars at the beginning of 2016 on key topics important to our members—Cargo Insurance and US Customs changes.

Warm Regards,
Alison

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Stay on top of the latest industry news!



Connect with WSSA!

SOLAS: Global Container Weight Requirement

All exporters, importers, freight forwarders and carriers must prepare for the upcoming global regulation requiring every packed container to have a verified container weight prior to loading on a vessel. The international treaty mandated by SOLAS (Safety of Life at Sea) and published by the World Shipping Council applies to all container shipments wherever loaded and will be effective July 1st, 2016. Overweight containers contributed to the MSC Napoli break up and subsequent beaching off the UK Coast in 2007, along with other vessel accidents. “The regulations place a requirement on the shipper of a packed container, regardless of who packed the container, to provide the container’s gross verified weight to the ocean carrier and port terminal representative sufficiently in advance of vessel load-

ing to be used in the preparation of the ship stowage plan,” the World Shipping Council explained. Steamship lines and terminal operators will be prohibited from loading a packed container on a vessel if the container does not have the verified weight. Carriers are working on revising freight flow and documentation software, and all countries with active ports are working on their own requirements. While it is an international treaty, there is not global enforcement requirements and every country may come up with different regulations. Some ports and terminals have enough scales to accommodate weighing each container at in-gate, but others do not. Ultimately, the shipper is the listed responsible party, and the shipper can also be the freight forwarder/

NVOCC. For example, in the UK, the British Shippers Council is providing information on the options for shippers, including a registration and approval process by which the shipper will be granted a code valid for 3 years confirming that the shipper’s procedures have been inspected and approved by a recognized authority. If the shipper is not registered/approved, each container will be weight at the loading or arrival port to verify the declared weights—a process that could create huge delays and congestion. We will keep you advised as the global regulations unfold, but at this time, be aware that this regulation is coming and start preparing for weight verification if you are a US exporter, and advise your global suppliers!





The Customs and Border Protection is going Virtual. CBP has established 10 CEEs, each one covering specific areas of the harmonized tariff schedule to develop centers that are truly experts in a commodity area. The APP CEE (Agriculture and Prepared Products Center for Expertise

APP CEE Update

and Excellence) is the center that will handle all alcoholic beverages and eventually, all customs entries covering these products will be channeled through the CEE. Greg McCann, Director of the APP CEE, encourages companies to apply to join the CEE during the early stages. Alison Leavitt, Managing Director of WSSA, has met

with Mr. McCann at the CEE headquarters in Miami and WSSA plans to do a webinar to cover all aspects of the CEE and what it takes to get involved. Stay tuned for the time and date coming up in January 2016.

Albatrans Keeps Growing!

Albatrans Inc. is pleased to announce the opening of Albatrans Singapore. The key location of the Singapore office allows for distribution of wine and spirits products throughout southeast Asia. Led by industry professional Stephen Chia, Albatrans Singapore



Laos as well as all other countries in the region. Should you have any ex-

ports to these areas or products originating in the region, please contact us!



Steven Chia, Albatrans Singapore

Customs & Border Protection Goes Virtual

CBP has been rolling out major changes in their trade management. The entire commercial environment is moving to a new system, ACE (Automated Commercial Environment), a new platform that has been rolled out over the last 5 years and is near completion.

U.S. Customs and Border Protection

All brokers must be filing in the ACE system, and any importers can gain access to the ACE portal to view, audit, and get reports from the system. Full transparency is available to all importers via the ACE system. CBP has also launched 10 CEEs (Centers for Excellence and Expertise) over the last few years, and

all entries will eventually flow through the CEE applicable to the industry covered by the CEE. All wine, spirits and beer fall into the APP CEE (Agriculture and Prepared Products Center).

Cargo Logistics America: “Wine Rush”

Alison Leavitt, Managing Director of WSSA, will be a featured speaker at the annual Cargo Logistics America Conference in San Diego, CA, December 2-3, 2015. “Cargo Logistics America addresses the needs of cargo owners, managers and agents who contract the flow of goods

through American supply chains. CLA encompasses the entire cargo spectrum – all major transportation modes and all cargo types, under one roof. **If your company has a supply chain that runs through America – you will want to attend.**”

Ms. Leavitt will speak on a panel entitled “Wine Rush: Getting Your Wine to Global Markets” and will highlight the trends in the global transportation market involved in wine and spirits producing regions.



Port Congestion & Labor Update

Port Congestion issues are still a constant in the ports of LA/Long Beach and Oakland, with truck turn times still higher than “normal” and truck power a continuing problem. Advance planning for all pick ups and returns continues to be necessary to pull containers in a timely fashion. On the East Coast, congestion is sporadic, with delays cropping up in the NY/NJ ports during peak times and post-holidays. We are already watching the East Coast ILA, as the contract expires September 30, 2018. The good news is that the East Coast labor does not want to follow the steps of the West Coast ILWU debacle and plans to start talks early and avoid any

disruption. Per the JOC, “The ILA and its employers are discussing an early, long-term extension of their coast wide contract...the new or extended contract being explored could run until 2025.” They want to continue to capitalize on the business influx brought on by the disaster on the West Coast and the lack of trust in the labor and terminals on the West Coast to avoid future problems. The ILWU contract on the West Coast was signed for a short 5 year term, starting from the original expiration date (July 1, 2015), not



the signing date. Thus we are only 3.5 years away from the next round of negotiations, with the current contract expiring at the end of June 2019. For the first time, we are seeing legislation being proposed to control the process and limit the risks to USA importers and exporters should labor talks break down. Congress was surprised that there is no data collected regarding port performance, and bills have been introduced ranging from requiring collection of data at the seaports to changing labor law. The losses to the US economy from the labor issues in 2014-2015 are in the billions, and many companies will never recover.

For up to the minute news, check the Members Only section at wssa.com!

Exports to Scandinavia

Our partnership with WHTS in Denmark continues to thrive and we are offering regular consolidations from US West Coast and East Coast to Denmark for distribution of USA wines, spirits and craft beer throughout the region. The market in Swe-

den, Denmark and Finland has grown steadily in the past few years and represents a sophisticated and diverse mix of opportunities for development for USA producers. Should you have any questions, or



want further information on contacts or resources, let us know.



WSSA hosted a group of our top shippers in San Juan, Puerto Rico for a weekend in October. With gorgeous views of the Atlantic Ocean, attendees enjoyed a Friday cocktail reception, and participated in a Saturday meeting where we covered the key shipping, cus-

WSSA Hosts Members in Puerto Rico

toms, and warehousing and distribution issues affecting the wine and



spirits industry. Following the meeting, the group toured old San Juan, the old-

est walled city in North America.

The attendees enjoyed socializing as well as sharing business ideas and creative problem solving. We look forward to hosting many gatherings of this type around the country in the future.



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The Wine and Spirits Shippers Association (WSSA) negotiates shipping contracts on behalf of importers and distributors in the beverage industry. Our dedication to providing efficient and economical transportation by land, sea, or air, enables our members to tap into a marketplace – efficiently and affordably.

WSSA was founded by the Wine and Spirits Wholesalers of America (WSWA) and the National Association of Beverage Importers (NABI) in 1976 as a shipping cooperative. Today, WSSA serves as a not-for-profit shippers' association that is managed by a board of industry executives. WSSA combines the total volume of its member shipments to achieve preferential rates and service from each of its carriers and vendors. These rates improve the opportunities for our members to compete in the global wine and spirits marketplace.

Together with Albatrans, WSSA provides complete logistics management from door to door. WSSA also provides a comprehensive marine insurance program unmatched by any others in the industry. Our members can quantify the savings with each shipment and our commitment to personal service makes WSSA unique.

For more information on the benefits of a WSSA membership, contact us at info@wssa.com or 800-368-3167

News from Albatrans



Albatrans, Inc. announces the promotion of Kara Fiorello to Key Accounts and Pricing Manager in their New York office. Kara will lead the department to assist in all customer pricing requests, provide customer service, and

support the Albatrans sales staff in. Kara will work closely with WSSA to interact and update contract changes and market conditions to key customers. Kara has been with Albatrans for over 3 years, and we congratulate her on her new position. Kara resides in New York and

when not working, is chasing after her active 3 year old son.



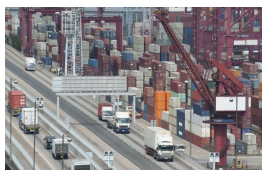
Kara Fiorello & Ron Crawford
of Albatrans UK

WSSA at WBWE

WSSA is exhibiting for the first time at the WBWE (World Bulk Wine Exhibition) in Amsterdam on November 23-24, 2015. The 17th annual forum is the major exhibit for producers and buyers of bulk wine, and over 20 countries involved in production will be represented, along with buyers from all

over the world. Our volume growth in the shipment of flexitanks has tripled every year for the last few years as more and more wine is moving in bulk. Albatrans has many experts in transportation of bulk products in flexis, ISO tanks, and road tankers. We have multiple sizes and types of bags available, including the special-

ized rail sleeve for use with intermodal or rail transport. ISO tanks are also available for use with products with higher alcohol content. WSSA can offer the security of our insurance coverage on all types of bulk moves, allowing you peace of mind for all of your shipments.



Heavyweight Truck

Shippers of alcoholic beverages were hoping for passage of an amendment allowing 6-axle trucks to carry up to 91,000lbs on USA roads. Congress defeated the amendment on November 3, with

the vote at 236 against and 187 for the change. WSSA supported this change, entitled the SAFE Trucking Act, but it is reported that a combination of forces, primarily organized by the rail lobby, circulated and influenced law



makers based on “an astounding amount of misinformation” (Peter Friedmann, AgTC).

We make shipping affordable, efficient, and possible for all members!

