



## June 2002 International Trade Newsletter

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### BDG Service Outline: Letter of Credit Service Suite:

**Payment Status Service:** All Letters of Credit are traced through the banking system, just like shipments are traced through the carrier system. BDG will inform you of the status of your payment from the bank. This service decreases the time to approve payment.

**L/C Pre-Presentation Review:** All L/C's can be faxed to us for an unbiased opinion; we will provide a written review on any recommended changes.

**Compu-Prep:** All L/C's are prepared using state of the art software designed specifically for preparing L/C's. This software increases the quality and consistency of our work by allowing the computer to create all documentation from one data entry screen. This reduces the chance for discrepancies

### ILWU Strike (Work Slowdown) Update

Current negotiations between the ILWU and Employers began on May 13. The deadline for the negotiations is July 1. After July 1 work slowdowns among Union members will most likely begin. We are not hearing of work stoppages. These slowdowns will have a negative effect on the capacity the west coast ports can handle. Efforts to divert cargo to Vancouver or Gulf and East Coast Ports will be made but capacity is limited so this will not provide the relief that may be needed.

This is a classic struggle between the Union's desire to maintain jobs and the Employer's desire for greater productivity through new technology and changes in work rules that will allow for more freight to be handled in the early morning hours (Hoot Owl Shift) 3-8 am. Longshoremen are paid for 8 hours but only work 5 during the Hoot Shift.

The short-term effect of this work slowdown will be to lengthen transit times and increase costs. If this contract is settled in favor of the employers we can expect short and intermediate cost increases but long term cost decreases. If it is settled in favor of the Union we will see a continuing general trend of cost increases.

Contact our offices for further information on how to take advantage of air services and other ocean ports of call to deal with delays.

## APHIS (Animal and Plant Health Inspection Services) INSPECTIONS

### HAVE YOU ENCOUNTERED APHIS INSPECTIONS?

APHIS (Animal and Plant Health Inspection Services) is a department of USDA (U.S. Department of Agriculture), which is responsible for inspecting shipments at the port, which involve wood products, and wood packing from China and other countries. The purpose for the inspections is to prevent foreign plant life, insects and animals from entering the borders of the United States.

“ The mission of the Animal and Plant Health Inspection Service (APHIS) is to protect America's animal and plant resources by: Safeguarding resources from exotic invasive pests and diseases, Monitoring and managing agricultural pests and diseases existing in the United States, Resolving and managing trade issues related to animal or plant health, and Ensuring the humane care and treatment of animals. “

### HOW DO THEY GET THIS ACCOMPLISHED?

*“APHIS has established laboratories, applied science and technology centers to achieve this goal and to help achieve the other APHIS goals. The science centers: Provide new tools and technologies to safeguard animal and plant health. Provide diagnostic services, products and training to support animal disease surveillance, prevention, control, and eradication programs”*

## **WHAT THIS MEAN TO YOU – THE IMPORTER?**

Our importers are encountering APHIS inspections nationwide for a variety of reasons. One of the largest reasons is that the freight is packed in wooden crates or the item itself is made of wood.

As a broker it is our job to help speed up the inspection process and provide APHIS with the documentation that they require.

There are four levels of inspections:

1. Document review: APHIS will request a packet of information which general can be faxed or emailed. They are looking for a bill of lading, commercial invoice, packing list and most of all a fumigation certificate. If the product has any wood packing it must be accompanied with a fumigation certificate. If the product does not have any wood packing there should be a separate letter from the shipper stating that the shipment is free from any wood packing etc, or they may place this information on the invoice.
2. Tailgate inspection: APHIS opens the container and looks at the freight generally at customs bonded yard or freight location.
3. De-van inspection: APHIS requests the freight to be moved to a C.E.S. inspection site at the expense of the importer.

More info about APHIS:  
<http://www.aphis.usda.gov>

## **Transportation Nomenclature and Abbreviations**

Every industry has its jargon, and transportation is no exception. We use many trade terms in our everyday conversation that people who are not involved in transportation at our level may not understand. To help alleviate the confusion caused by the use of obscure or highly specialized terminology, here is a very brief and fundamental look at some regularly used terms. For detailed explanations, please feel free to contact us anytime.

AWB	Air Waybill
DAWB	Direct Air Waybill
MAWB	Master Air Waybill
HAWB	House Air Waybill
B/L	Bill of Lading
OB/L	Ocean Bill of Lading

FTL	Full truckload
LTL	Less than full truckload
FCL	Full container load
LCL	Less than full container load
FLT	Flight
COB	Confirmed on board
COH	Confirmed on hand
L/O	Lockout (also called cutoff)
L/C	Letter of Credit
ETA	Estimated time of arrival
ETD	Estimated time of departure
PAX	Passenger OK Dangerous Goods
CAO	Cargo Aircraft Only Dangerous Goods
PPD	Prepaid
CCT	Collect

## BDG Website Services

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BDG International is an International Freight Forwarder, NVOCC, Custom House Broker, and Duty Drawback Specialist. We provide international transportation worldwide via air or ocean. Our services include complete export/import documentation support.

We invite you to contact our offices with any questions you may have.

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