

THE SHIPPING STANDARD

OUR EXPERTISE YOUR ADVANTAGE

AT BRAZIL'S INTERMODAL CONFERENCE
THE GOAL STILL REMAINS THE SAME:
WIN BIG IN THE U.S. MARKET

ASK AHAB

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AT BRAZIL'S INTERMODAL CONFERENCE THE GOAL STILL REMAINS THE SAME: WIN BIG IN THE U.S. MARKET

This year's Intermodal Conference in Sao Paulo, Brazil saw many Latin American businesses searching for a long-term partnership with a trusted U.S. based logistics company with strong services and relationships in the U.S. market.

Even in this challenging environment, there is a strong desire from Latin American businesses to work with a logistics company that offers highly diverse ocean, air, trucking, and warehouse options, and can help them navigate the U.S. market.

“Establishing a strong and continued presence in the U.S. marketplace requires a significant amount of experience, knowledge, and industry relationships,” said Anthony Fullbrook, president of OEC Group’s North American region. “Any business serious about establishing a significant presence in the U.S. market needs to partner with a logistics company with a long-term history of success in this market.”

Shippers are also seeking to work with companies that can offer strong industry connections and can secure high TEU allocations with every major carrier coming from any market around the world. Additionally, due to the current tariff climate, shippers have expressed a strong desire to work with a company that also employs a highly knowledgeable brokerage team that can advise on new tariff regulations and ensure that their cargo clears U.S. customs without any complications.

“At the end of the day, any shipper looking to make its mark the U.S. market needs to work with a logistics company that has deep industry relationships,” said Frank Costa, vice president of sales at OEC Group. “Having the right relationship is the only way you can get ahead in this current climate.”

ASK AHAB

This month our resident advice columnist answers questions about the trade dispute between the U.S. and China and what is causing shipping delays around the globe.



Dear Ahab:

If President Trump paused tariffs on USMCA-compliant cargo, why is it taking longer to ship my cargo in from Mexico?

– Not Just In Time

Dear Not Just In Time:

This is a good question, and it comes down to two things: Military and bureaucracy. If you remember a time before tariffs, the Trump administration touted border security as a reason for imposing import duties on Mexican goods.

When those tariffs were paused, the Mexican government deployed the national guard to the U.S.-Mexico border. What that means, in practice, is that a certain percentage of containers entering the U.S. from Mexico are subject to inspection by Mexican authorities before they even get to U.S. Customs agents. To put it bluntly, soldiers checking shipping containers for illicit cargo slows down the process.

The other part of this, as I mentioned, is bureaucracy. When you give USMCA-compliant cargo a pass on tariffs, letting noncompliant cargo slip through the cracks becomes a money loser. With that in mind, U.S. Customs has started requiring more documentation to prove USMCA compliance. Unfortunately, that thorough examination process slows down the process, even if you're following the rules perfectly.

Dear Ahab:

I've seen some reporting that says the trade dispute between the U.S. and China has caused many shippers to cancel their transpacific bookings. What do these cancellations mean for those of us who need to move cargo?

- Blank You, Next**Dear Blank You, Next:**

Basically, those shippers' cancellations are going to crater the amount of cargo moving from China to the U.S., which will bring scheduled sailings to a lower amount of capacity filled. When that starts happening, we start seeing more blank sailings.

This creates a schedule reliability problem because the ship you initially book space on might cancel its voyage, causing yours and thousands of other containers full of cargo to be rescheduled on another vessel at a later date.

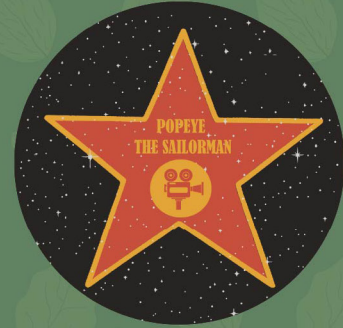
The only way to combat this spate of blank sailings is to work with a well-connected logistics company who has the carrier relationships and buying power needed to help you quickly get your cargo on another vessel. Working with these companies can minimize any interruption you experience, giving you a significant advantage over your competition.



Fun Facts About Popeye The Sailorman



The comic strip was made into a live action movie starring Robin Williams as Popeye



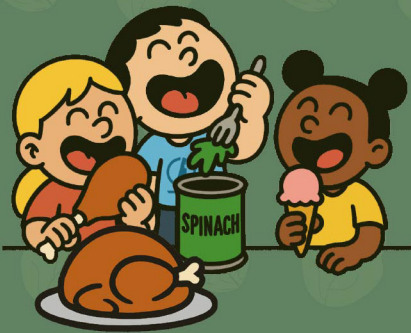
Popeye has a star on the Hollywood Walk of Fame



Popeye first appeared in the comic strip, Thimble Theatre, in 1929



He gets superhuman strength from eating spinach.



Thanks to Popeye, Spinach was the third favorite food among U.S. children in the 1930s, behind Ice Cream and Turkey.



Originally, Popeye got his strength from rubbing a whiffle hen's head



The hero in the Donkey Kong video game was supposed to be Popeye instead of Mario, however the developers could not get the license.



During the Great Depression that sales of spinach in America increased by 33% due to Popeye's popularity.



ABOUT OEC GROUP

As an industry pioneer, OEC Group has become one of the world's leading logistics companies. We leverage in-house expertise, carrier partnerships, connections with ports and transportation hubs, and our network of offices in North America, Europe, Asia, India, South America, Australia, and the Middle East, to provide freight transportation, logistics, information, customs and brokerage, insurance, and technical services to over 50,000 customers of various sizes and industries.

We are also highly sought after for the advice we give shippers on how to optimally manage their supply chains. The guidance we provide is based on data analytics, best practices, and decades of industry knowledge.

We believe that relationships matter and treat your cargo as our own. Our experts are always investing in efficient, cost-effective, and cutting-edge services to evolve with the ever-changing market, address the complexities of any client's supply chain, and consistently perform at the highest level for our customers.

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