



... WELL CONNECTED

*The CPN Bulletin*



Welcome to a new edition of the CPN Bulletin, WELL CONNECTED.. We are pleased to be back from celebrating CPN 20, our 20th Annual Conference. This year, with the gracious support of the Conference Host, **FM Global Logistics** and a group of other sponsoring companies CPN had what in the opinion of many of the member partners, has been the best conference since the Network was created 20 years ago.

It was preceded by a full year of preparation and a lot of exchange with a large group of members to introduce new improvements in our website, relaunching a bulletin and being very active towards the objective of achieving more communication and interactivity among the partners. This paid the effort and we are pleased to have improved the communication among the members. But we did not stop there, and during the Annual General Meeting new other strategies were launched, like an alliance with **Etihad Airways Cargo**, a plan for an special training program for the personnel of our member companies, or the first steps to develop a Trace and Tracking (T & T) system, exclusive for CPN members.

We are all aware of the realities and challenges the Logistic and Freight Forwarding business face these days. We hear daily about economical difficulties and the disruption caused by political conflicts, crime and terrorism. But after 20 years of collaboration, we are at the best point to put together all our strengths and abilities and continue striving to keep our business going and extend our results.

*We are already connected... so, let's move ahead towards a new period and make all these plans operational... and follow-up on all these new projects in your CPN bulletin.*

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## IN THE NEWS THESE DAYS

### Four trends that impact the logistic industry for the next five years.

#### Artificial Intelligence

**Intelligent supply chains** that use self-learning or 'machine learning' systems. **Data-driven and autonomous supply chains** provide an opportunity for previously unimaginable levels of optimization in manufacturing, logistics, warehousing and last mile delivery that could become a reality in less than half a decade despite high set-up costs deterring early adoption in logistics.



#### Changing consumer behavior and the desire for personalization

**Batch Size One.** It will enable consumers to have their purchases delivered where and when they need them by using flexible courier services.

**Desire for personalization.** As consumer demand for highly personalized products goes head to head with mass production over the next 20 years, batch size of one would lead to decentralized production and rapidly changing supply chains that will require logistics providers to be fast and flexible to react to changes in time and place of production

DHL revealed these and 24 more key trends impacting the logistics industry for the next five to ten years in their [2016 Logistics Trend Radar](#), the third in a series of reports introducing new trends, tracks the evolution of previous ones and identify those that have faded or become mainstream since 2013.

[Markus Kückelhaus](#), vice president innovation and trend research at DHL, said: *"Predicting trends is notoriously challenging. It is difficult to know ahead of time which trends will have long-term effect on businesses and which ones are simply parts of a short-lived hype... we established the Logistics Trend Radar to help us and our customers stay ahead of the curve."*

Prepared with information from *Air Cargo News*, April 20, 2016.



## CONSOLIDATION: New cargo carrier alliances in sight

**More ocean cargo** carrier consolidation was recently announced in Singapore.

"Ocean Alliance", CMA CGM, COSCO Container Lines, Evergreen Line and Orient Overseas Container Line have signed a MOU to form a consortia covering Asia-Europe, Asia-Mediterranean, Asia-Red Sea, Asia-Middle East, Transpacific, Asia-North America East Coast, and Transatlantic trades.

The new alliance come on the heels of the merger of Cosco and China Shipping's container lines and CMA CGM's move to buy Neptune Orient Lines (NOL), where it plans to pull container line APL out from the G6 Alliance.

The 2M Alliance, comprising Maersk and MSC is also being challenged by this move, analysts contend.

"This is a milestone agreement among four of the world's leading container shipping lines" noted spokesmen, adding the Alliance will have nearly 400 vessels in its container fleet. Foster Finley, managing director at AlixPartners and co-head of the firm's maritime practice, told LM that the "long-beleaguered" financial state of the maritime container-shipping industry will likely worsen in 2016. "The only thing apt to cure the industry's malaise is further consolidation", he said.

But blending of business cultures may pose some problems: "On one hand, companies are very different and also have very different cultures", said Lars Jensen, CEO and partner of Sealintelligence Consulting in Copenhagen. "On the other hand, the industry demonstrates aspects of a mono-culture which will be challenged in the coming decade"

Also brought into question is the future of Kawasaki Kisen Kaisha (K Line), Yang Ming Line and Hanjin – all members of the CKYHE alliance.

Pending approval by international regulatory agencies, the Ocean Alliance will commence operations next year.



### Highlights from the CPN 20th Annual Conference and Annual General Meeting

The **CPN Annual Conference** was attended by 84 delegates from 99 member companies. All member companies were represented at the **Annual General Meeting**, except 10 companies that excused their presence this year and four companies that departed CPN during 2015-16.

The Conference Host, **FM Global Logistics** from Malaysia and Platinum Sponsor **Q-Trans Logistics** from Qatar delivered corporate presentations and **Thomas SIM**, advisor to the Board of Directors and President of **International Freight Consultants** offered a special dissertation on the major trends affecting the industry of logistics and freight forwarding.

**Etihad Cargo Airways**, from U.A.E, attended the Conference as a **Guest**. Their Sr. Manager for Business development, **Nasir Sajwani** presented on Incentive Programs and other highlights of their business, as well as conducted individual meetings with member companies.

Twenty-nine sessions of **One-On-One** meetings were planned, resulting in a fruitful contact between the participating companies and the opportunity to discuss about new projects, potentiating existing alliances and developing new ones.

Two companies attended a CPN Conference for the first time, following their joining to the Network last year: **International Logistics Gateway** from Austria and **Meitetsu Transport** from Japan.

Special awards for 20 years in CPN were presented to **Ken Singh** from **Atlas Cargo**, Canada and **Xavier George** from **Golden Cargo Services**, from **UAE**.

Sixteen awards were presented to companies selected in a Survey by the CPN members as best performers in **Communications, Sales and Sales Leads, Reliable Service, Payments** and **Competitive Pricing**. **Karl Gross** from **Germany** was selected as 2015 **Best Company of the year**. A special recognition was made by the Board of Directors to **Jessie Singh**, Conference Director, for the great organization of the conference activities and the stay of the delegates at the Grand Hyatt Hotel, Kuala Lumpur.

#### OUTSTANDING PERFORMANCE AWARDS CPN 2015

##### Sales & Leads:

AAW Global, Australia / Alpi Air & Seas, Denmark / Dell Logistics Int., Sri Lanka  
EFS, Saudi Arabia / Golden Cargo, U.A.E. / Triple I Logistics, Thailand

##### Reliable & Efficient Service:

Atlantic Pacific Global, UK / FM Global, Malaysia / Karl Gross, Germany  
Topwinner Transportation, China

##### Communications:

Fairate Express, Hong Kong

##### Payments:

Karl Gross, Germany / Fairate Express, Hong Kong

##### Competitive Pricing:

Karl Gross, Germany / RTG Logistics, Taiwan / Universal Logistics, U.S.A.

**BEST COMPANY OF THE YEAR 2015 : KARL GROSS, GERMANY**



## CPN BOARD OF DIRECTORS

2016 – 2017

Some important announcements related to the composition of the CPN Board of Directors were made during the 20th Annual General Meeting: After completing their terms, Directors Enrico Samer from Italy and Gia Daniela from Georgia stepped out from the Board. Three new Members were appointed: Theo Buergel from Germany, Farrukh Iqbal from Pakistan and Khaled Sabry from Egypt. The President thanked the departing members for their valuable contributions and welcomed the two new members in confidence they will successfully continue the work of their predecessors.



Ken Singh, President  
Atlas Cargo, Canada



Mohamed Soliman,  
Chairman  
Q-Trans Logistics, Qatar



Craig Melnick, Director  
Phoenix Intl,  
South Africa



Abdellah Sadek,  
Director  
Euro Booking, Morocco



Khaled Sabry, Director  
First Global, Egypt



Farrukh Iqbal, Director  
Universal Freight,  
Pakistan



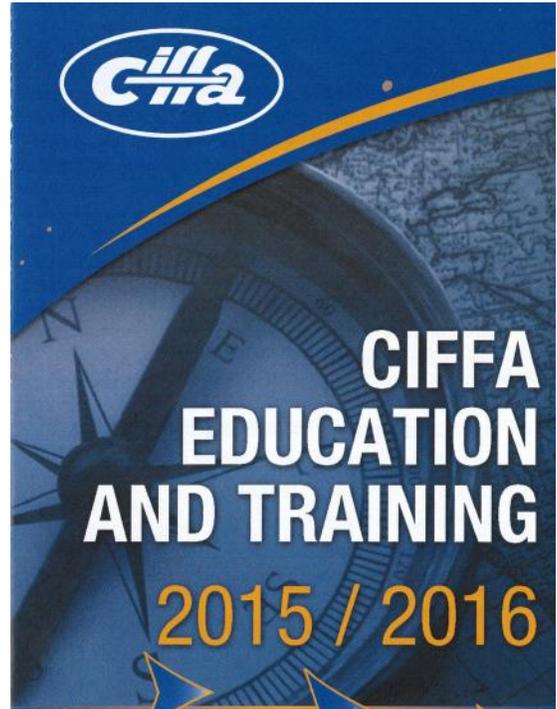
Theo Buergel, Director  
Central Global Cargo,  
Germany



Thomas Sim, BOD Advisor  
Intl Freight Consultants,  
Singapore



Jessie Singh, Conference  
Director  
Atlas Cargo, Canada



"The complexity of today's marketplace leaves little room for error and CIFFA training programs offer one of the best and most affordable options in meeting these needs and requirements."

**C.J. Gillespie**

*President & CEO; Gillespie-Munro Inc.*

"CIFFA educational programs are often requested in our employees' development plans to obtain a comprehensive understanding of the industry and upgrade their skills."

**Debbie Vago-Dunn**

*Employee Development Manager; Kuehne + Nagel Ltd.*

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## SEND US YOUR FEED BACK

We are always open to your comments and suggestions. Let us know what topics you would like to see discussed in our Bulletin and your impressions about this new era of communication we are initiating. By getting better communicated, the impact of our interactions will increase and be potentiated. Keep in mind the increases challenges that globalization imposes to us and, in consequence, apply this valuable formula: "Act locally; but think Globally" [Not a CPN member? If you are interested to receive this Bulletin, please send an email to subscribe to [cpn@cargopartnersnetwork.com](mailto:cpn@cargopartnersnetwork.com)]



## CARGO PARTNERS NETWORK

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