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NEWSLETTER
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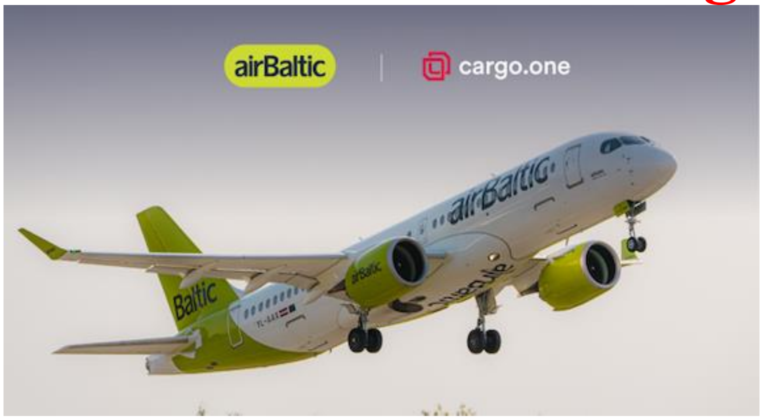
CONTENT

airBaltic Cargo partners with cargo.one to accelerate and enhance its digital sales



AirBaltic Cargo, the cargo division of the Latvian national airline, has joined forces with cargo.one to soon offer its services upon the air freight industry's go-to procurement platform. airBaltic Cargo is partnering with cargo.one as part of plans to expand its market presence globally and boost revenues. cargo.one will offer airBaltic Cargo customers the most convenient and user-friendly booking method, and will enable the airline to market its services to a footprint of freight forwarders across 134 countries. Headquartered in Riga, Latvia, airBaltic Cargo offers freight forwarders modern and flexible belly capacity on more than 100 routes throughout Baltics, Europe, the Middle East, North Africa, and the Caucasus. Leveraging its main hub in Riga and additional bases in Tallinn, Vilnius, Tampere, and seasonally Gran Canaria, airBaltic Cargo flies into many shorter runway destinations that other airlines often do not. airBaltic Cargo also boasts one of the youngest and most efficient fleets in the world, consisting of 49 Airbus A220-300 aircraft, and planned to expand to 100 aircraft by 2030.

The partnership coincides with airBaltic Cargo's exciting program of expansion, having recently invested in The Baltic Cargo Hub – soon to be the largest dedicated air cargo handling center in the Baltics, and will further enhance airBaltic Cargo's import, export and transit capabilities at RIX Riga Airport. cargo.one will soon deliver thousands of forwarders a step-change in access to airBaltic Cargo capacity for its entire network – with the ability to discover, quote, book and track its capacity in seconds. The addition of airBaltic Cargo is the latest example of cargo.one's uniquely strong depth and diversity of glob al supply options.

ARTICLE 2

Spot trucking rates climb, offering hope to carriers

Shippers are still benefiting from a discount in the spot market of 8.7% below contract rates, DAT Group Product Manager Chad Kennedy said.

Rates are showing some positive signs for carriers in 2024 with market dynamics appearing to fundamentally change, analysts recently said in reports.
A DAT Freight & Analytics chart — inspired by Coyote Logistics' former Chief Strategy Officer Chris Pickett's Coyote Curve — showed that dry van spot rates have continued to grow year over year since July.
"With DAT spot rates net fuel tracking 7% higher than a year ago in Q4, contract rates are rising modestly but consistently across DAT data, Cass data, and fleets' financial reports for the first time in three years," ACT Research VP and Senior Analyst Tim Denoyer said in a monthly report Friday.

The DAT chart captures freight cycles using monthly data — though it's not the complete story — and helps show how the last cycle ended and a new one began about three or three-and-a-half months ago, DAT Chief of Analytics Ken Adamo said on a Nov. 8 episode of Fleeting Conversations.

Spot rates holding gains

Contract rates lag about three or four months behind spot rates, he said.
“October continued the pattern of year-over-year gains in spot truckload rates and volumes, and approaching parity for contract rates,” Adamo also said in a monthly report on Nov. 19.

Shippers are still benefiting from a discount in the spot market of 8.7% below contract rates, DAT Group Product Manager Chad Kennedy said Nov. 19 on a weekly market update. Another early signal of tightening in the market, the new rate differential involving replacement contract rates, has hovered above and below 0%, he added.

Despite the favorable indicators, carriers still posted dramatic drops in operating income for Q3. Jason Miller, interim chair of the department of supply chain management at Michigan State University, noted on a Nov. 21 LinkedIn post that dry van TL still needs a “significant infusion of freight to get out of the current ‘limbo’ conditions where we have seen one cyc le end but have yet to see another cycle begin.”

Trump backs ILA on automation concerns

The president-elect spoke out against the technology after meeting with International Longshoremen's Association President Harold Daggett on Thursday.

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President-elect Donald Trump voiced his support for the International Longshoremen's Association's stance against automation in a Dec. 12 Truth Social post. After meeting with ILA President Harold Daggett on Thursday, Trump said the financial benefits of automation are "nowhere near the distress, hurt, and harm" the technology creates for workers.

In response to the president-elect's statement, the United States Maritime Alliance, or USMX, claimed that automation is needed to support better pay for workers and help American consumers.

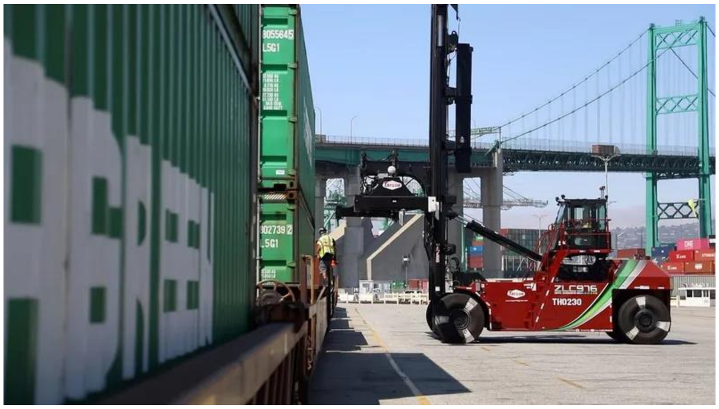
"To achieve this, we need modern technology that is proven to improve worker safety, boost port efficiency, increase port capacity, and strengthen our supply chains," USMX said in a statement. "ILA members' compensation increases with the more goods they move – the greater capacity our ports have and goods that are moved means more money in their pockets."

Trump's meeting with the union comes nearly a month after the ILA and USMX's contract negotiations were halted due to the ongoing automation dispute. Both parties met in November after a three-day strike in October but were unable to move forward with an agreement.

Some experts argue that a lack of automation undermines the competitiveness of U.S. East and Gulf Coast ports, while others say the technology creates tension between workers and port operators.

With a Jan. 15 deadline to finalize a new deal fast approaching, it's unclear whether Trump's support will move the needle in the contract talks between the ILA and USMX.

Ports prioritize cargo handling equipment with EPA funding



The federal agency will dole out $3 billion to support emissions reduction goals at 55 ports.

The Environmental Protection Agency will a ward a combined $3 billion to 55 ports through its Clean Ports Program, according to an Oct. 29 press release.

Several ports have outlined their plans to achieve zero-emissions operations over the next few years, and the EPA funding will support those efforts.

“This transformative investment will be a tremendous boost to our efforts to meet our ambitious zero emission goals, improve regional air quality, and combat climate change, while accelerating the port-industry’s transition to zero emissions across the country,” Port of Los Angeles Executive Director Gene Seroka said in a statement.

Twenty-one of the selected ports plan to use the proceeds to upgrade cargo handling equipment, according to the EPA, with funds also being allocated for infrastructure and climate and air quality improvement projects.

More specifically, the funds will support the purchase of zero-emission equipment, including 1,500 units of cargo handling machinery, 1,000 drayage trucks, 20 vessels and 10 locomotives, according to the press release. The funding will also finance shore power systems, battery-electric and hydrogen vehicle charging and fueling infrast ructure, and solar power generation.

ARTICLE 5

Canada's western ports are on lockdown: What to know

The British Columbia Maritime Employers Association locked out more than 700 members of the International Longshore and Warehouse Union Local 514 on Nov. 4 after union workers staged a walkout at BCMEA member terminals.

Both parties have been in negotiations for nearly two years after the expiration of their contract on March 31, 2023. Most recently, the BCMEA presented ILWU Local 514 with its final offer on Oct. 30. The proposal includes a 19.2% salary increase over the next four years and an average $21,000 signing bonus.

In a Nov. 8 update, the Port of Prince Rupert detailed the various operational effects of the stoppage. At leas t one vessel's berthing has been delayed, and container vessel discharge has ground to a stop. Rail movements have also been impacted, averaging 12 trains per day since the labor disruption took effect. In the week leading up to the disruption, the Port of Prince Rupert averaged 14 trains per day.

To avoid severe disruptions, experts said shippers will likely shift volumes to U.S. West Coast ports like the Port of Los Angeles and the Port of Seattle.

However, the North American supply chain is still recovering from the recent strike on the U.S. East and Gulf Coast ports, meaning any diverted volumes may prompt more backlog and longer dwell times at West Coast ports, Melchionna said.

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