



Let's Talk Free Time

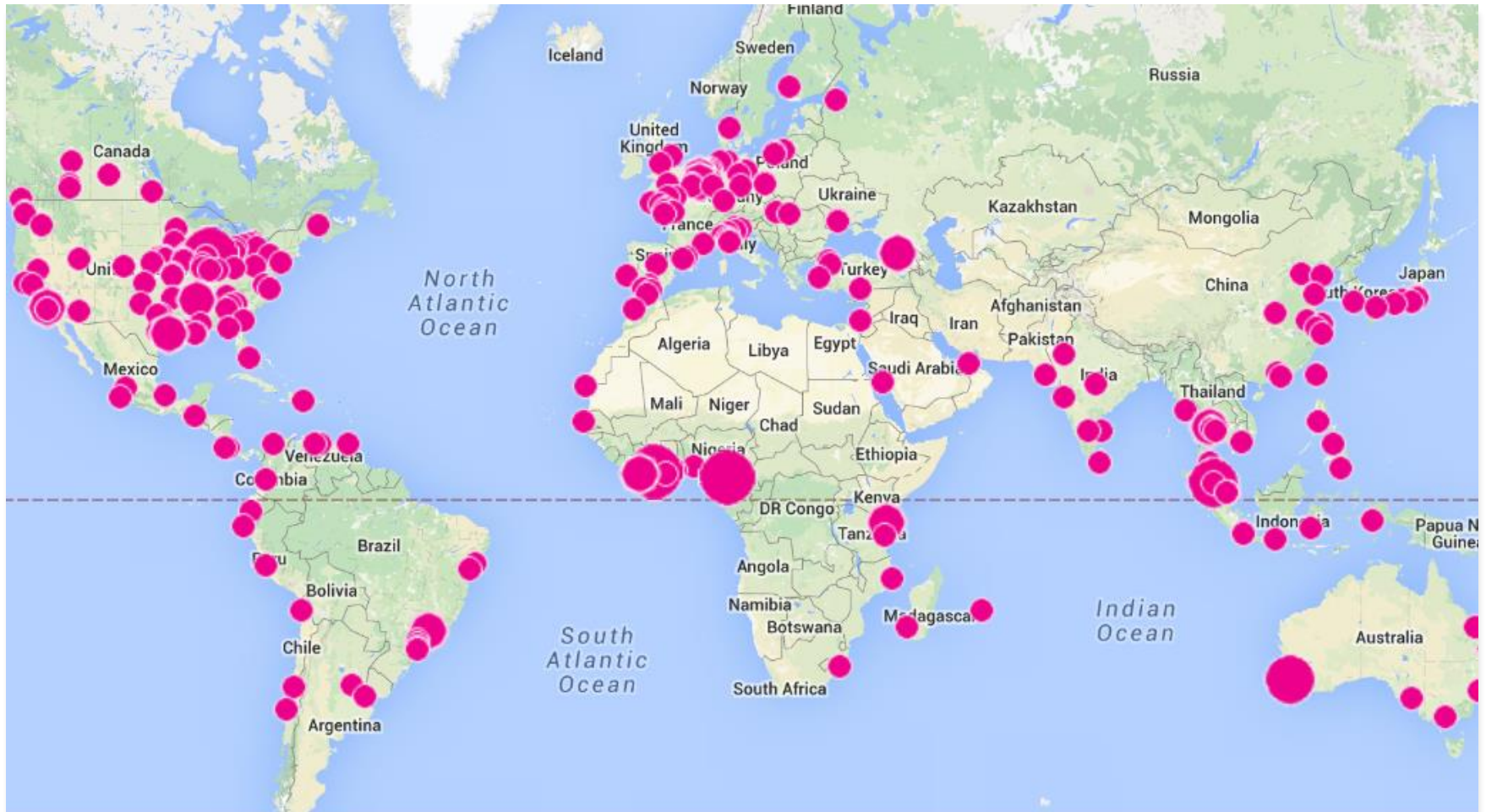
Agriculture Transportation Coalition Annual Meeting

June 25, 2015



- \$135b rev, 70 BUs, 152k employees in 67 countries
- 160,000 containers / 240,000 TEU per annum worldwide
- Container freight sourcing in AMS, MSP, SIN
- Freight forwarding in-house; multiple locations
- Meat, Cotton, Cocoa, Grains, Hides, Food Ingredients, Ag-based Industrial Materials

Container Origins Last 90 Days



What are we talking about?



DISCHARGE



STORAGE



GATE OUT FULL



GATE IN EMPTY

STORAGE? DEMURRAGE? BOTH?

DEMURRAGE? DETENTION? CARGO FREE TIME?

DETENTION? PER DIEM? EQUIP FREE TIME?

DETENTION? COMBINED?

Free Time isn't Free



- It's prepaid usage
- Must Free Time be filed prior to shipment?
 - If so we must contract the worst case scenario
 - Carriers will include that cost in the rate
 - It becomes a buyer expectation
- We typically use less Free Time than contracted
 - We're paying for time we don't use
 - How about incenting shippers/cnees with despatch?

46CFR Subpart B, § 530.8 Service Contracts.

(a) Authorized persons shall file with BTCL, in the manner set forth in Appendix A of this part, a true and complete copy of every service contract or amendment to a filed service contract before any cargo moves pursuant to that service contract or amendment. (b) Every service contract filed with the Commission shall include the complete **terms** of the service contract including, but not limited to, the following:

A Modest Proposal

- Align rules and start/stop times globally
 - Cargill uses these terms:
 - Terminal storage
 - Container demurrage
 - Container detention
 - P&G recently proposed these terms:
 - Container Usage
 - Terminal Storage
- Or at least use crystal clear definitions
- Streamline shipper access to free time information
- Exempt free time from FMC filing requirements



THANK YOU