

NEWSLETTER

HANKYU HANSHIN EXPRESS USA INC



2021 VOL 1

HAPPY NEW YEAR TO 2021

All of us have been looking forward to the end of 2020, it is finally here, and we are in 2021!! Looking back on 2020, businesses have never-before seen challenges thru COVID19, which brought us a temporary economy shut down similar to 2009. While the economic recovery has been quicker, numerous after-effects were inevitable. Supply chain was hit very hard, due to quick recovery from demand loss to high demand surge, infrastructure, and human resources available in market could not keep up with the fluctuations.

We are all looking forward to better year in 2021 for sure.

Start of 2021, we are still facing residual impacts from 2020. Vaccine distribution and execution to reach millions of people, effectiveness of Vaccines and total economic recovery is yet to be seen.

While difficulties such as supply chain infrastructure issue remain, Hankyu Hanshin Express group is here to support our clients. Rising cost and shrinking capacity is unavoidable in the current marketplace, however, our team is ready to work with you, share the pain with you, and resolute supply chain problems at the best to suit your needs. We may not be able to deliver a perfect solution to every customer, but we are delivering reasonable solutions to this impossible market. Our core philosophy, Connecting lives, Connecting World and Connecting Future, we “Link” every aspects of resources to help us get thru these hurdles.

OCEAN MARKET

Globally, due to high demand of ocean containers, and poor resources available at global ports, vessel delay, and slow delivery-turn-around causes huge shortages of available containers. It also impacts outbound containers, as Ocean Liners are eager to reposition empty containers to location of their desire, rather than loading products for export. Inbound vessel delay causes outbound vessel delays, with shortage of containers, securing the capacity and having on-time arrival / departure is almost impossible to meet at current market.

Currently, US West Coast suffers average 7 days from the anchorage to allowing to enter the pier. Labor force accounts for 20% out of all daily work at the moment, whereas normally its less than 5%. Rail terminals are being shorted railcars and causing 10-14 rail dwells across the Los Angeles / Long Beach terminals from ship discharge to on-dock release. Diversion is high, and we recommend our clients to requests diversion up to 10 days prior to vessel arrival (subject to Ocean Liner's discretion of approving the diversion).

US Major Cities suffered from lack of chassis, due to fleet being out longer than normal (long-haulage) causing return of chassis not being timely, such as Chicago and Los Angeles.

Ocean Rate has been increasing due to the high demand with limited capacity, as several GRIs are scheduled almost weekly or every other week. Some Ocean Liners introduced a premium service at premium rates to secure space, and trends may continue up to Chinese New Year.

AIR MARKET

Air market remains tight, due to the lack of space in the Ocean sector. Air rates have been increasing, and it may continue to trend upwards while demands are continuing to be high. Recovery of passenger aircraft will deviate some of space crisis, however, it is continued to be seen, if and as Vaccine distribution effects many people around the globe.

CHARTER AIR SPACE OFFER FROM HANKYU HANSHIN

Hankyu Hanshin Express Japan has made a schedule to deploy a charter aircraft solution from Japan to the United States. This weekly Charter aircraft (B787 at maximum capacity of 25,000 kgs per aircraft) will fly from Narita Intl Airport to Dallas, Texas, available for on-forward to Chicago and Atlanta (and other cities). We will continue to execute to alleviate the space issues thru end of March 2021.

Hankyu Hanshin Express Japan will also deploy B777 Charter at max capacity of 40,000 kgs at the end of February to Chicago-O'Hare Airport. Please ask our Sales team for the latest space availability and quote.

ALUMINUM LICENSES REQUIRED EFFECTIVE 1/25/21

Effective 1/25/21, a license will be required for importation of aluminum classified in the following HTS numbers: 7601, 7604, 7605, 7606, 7607, 7608, 7609, 7616.99.5160, and 7616.99.5170. Licenses are not required for informal entries. A low-value multi-use license is available for aluminum imports valued under \$5,000 per shipment.

Applications will be filed on the Aluminum Import Monitoring and Analysis System (AIM) at www.trade.gov/aluminum. The AIM System will function in a similar manner to the Steel Import Monitoring and Analysis System (SIMA) which we use to apply for steel licenses. The purpose of AIM is to collect information, not to regulate the importation of aluminum. Licenses will be granted automatically after completion of all fields on the entry form. There is no fee for an aluminum license.

As with steel, our clients may rely on us to file the application. The information required for an aluminum import license includes the country where the largest volume of primary aluminum was smelted. Filers may state “not applicable” if the product contains only secondary aluminum (recycled from scrap). Also required is the country where the second largest volume primary aluminum was smelted. Filers may state “not applicable” if the product does not contain a second largest volume or primary aluminum, or if the product contains only secondary aluminum. For applications filed up to 12/23/21, the filer may state “unknown” for these fields. Also required is the country where the product was most recently cast. It is not permissible to state “not applicable” or “unknown” for this field. This information should be known by the importer and it should be stated on the documents.

[For more information on Final Ruling](#)

MTE (MIDWEST TRIANGLE EXPRESS) SERVICES

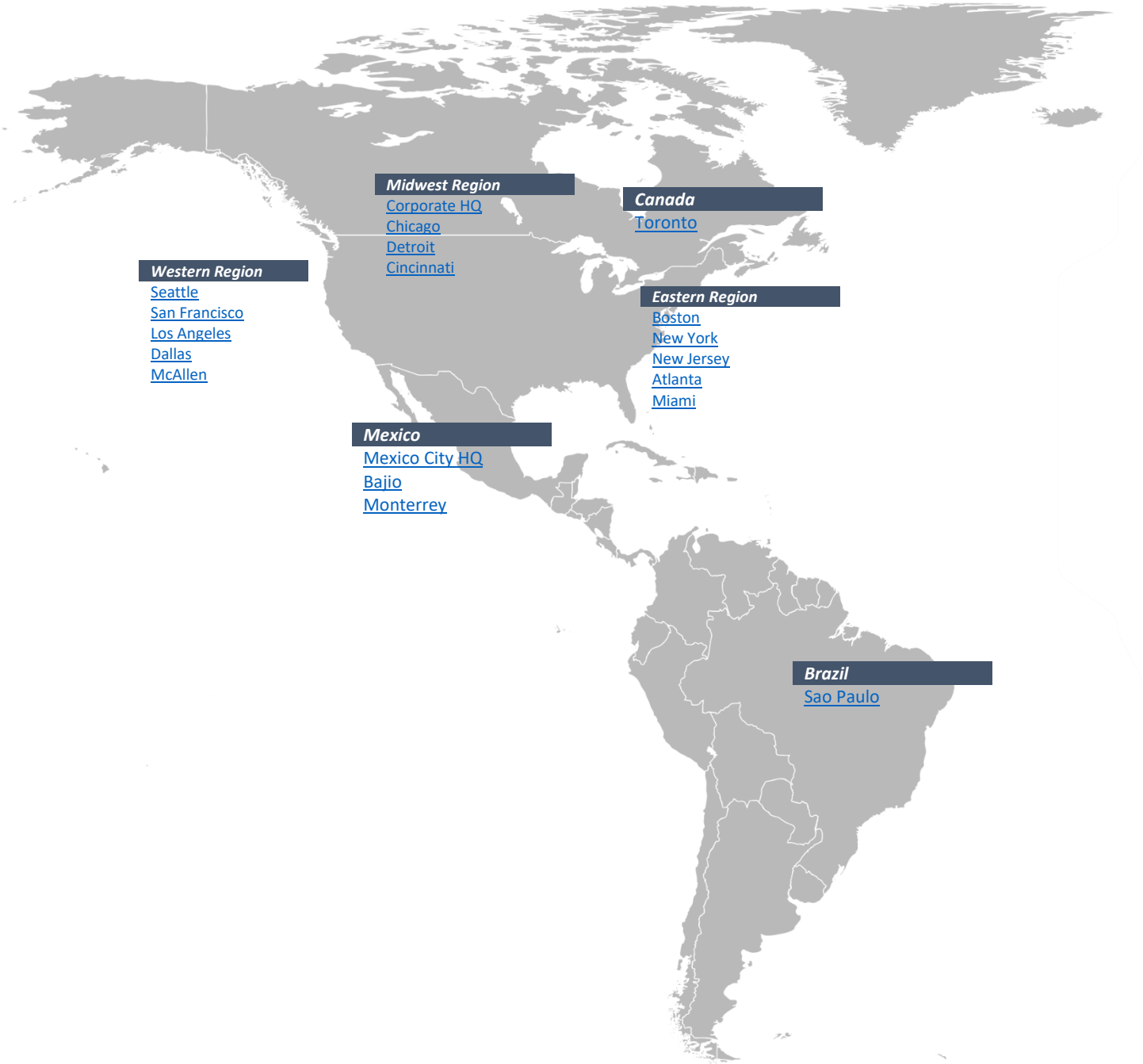
At Hankyu Hanshin Express USA, we offer our clients to take advantage of MTE Shuttle Services connecting Midwest US States. This shuttle service operates twice a week connecting ORD (Chicago)-CVG (Cincinnati) -DTT (Detroit), it provides a quick transit at low cost. This can be used in addition to our Air Freight Services, or Ocean Freight Services, or Logistics / Domestic Transportation.

[For more information \(flyer\) on MTE](#)

LOGISTICS / DISTRIBUTION SERVICES

At Hankyu Hanshin Express USA, we have space available for our clients to store and distribute your products at our warehouses in Secaucus, NJ (NJ), Dallas, TX (TX), Detroit, MI (MI) as well as our Addison, IL (IL) location.

We offer various services to suit your needs, please contact our Sales team for more information.



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