

LESS CHANCE OF DAMAGE TO FRESH PRODUCE SHIPPED IN CONTAINERS?

A MYTH!

In a recent article in Lloyds List a statement was made stating that fruit “was better transported by container, with less chance of damage and that distribution chains were better suited to the needs of the supermarkets”. Really! A rather bold statement!

At the initiative of the Citrus Growers Association of South Africa in 2010, a project was launched analyzing the effect of loading citrus fruit on a high-cube pallet as opposed to a standard pallet. Apart from being about 18 cm higher, the high-cube pallet is approximately 15% heavier than the traditional standard pallet loaded under deck on a Specialized Reefer vessel. The following symptoms were reported being experienced in the logistics chain prior to export.

- **Pallets shifting and falling over during transportation to load port. More incidents were received from Tautliner road trucks, as opposed to flatbeds or rail trucks. The incidents are also higher with the open top display cartons, as opposed to the telescopic carton types.**
- **The high-cube pallet had a higher level of damages and lower presentation quality when compared to standard pallets. The pallets did not appear very neat, leaning over, bulging sides, damaged cartons and pallet bases.**
- **Resistance from road transporters to service the citrus industry in Northern areas due to weighbridge problems, damage claims and higher insurance cost.**
- **Higher incidents of damage repair at receiving cold stores and build-up or breakdown of palletized units to change between standard and high-cube pallet loads**
- **Increased incidents of pallets collapsing or falling from racking units within cold stores**
- **Failure of bottom layer cartons due to added weight which was more evident after long handling or storage periods resulting in bruising and squaring of fruit as a result**



A MYTH! *cont.*

Now that was said in 2010 but it was interesting that at the recent Citrus Logistics Forum held in Stellenbosch last month there were views that nothing much has changed!

There have been moves we understand to increase the number of containers to be stuffed with their high-cube pallets at the packing house. This makes the “transparency of shipment” even less with the citrus disappearing into the dark recesses of the container only to reappear to the human eye when un-stuffed at destination.

It is difficult to get an accurate and independent comparison of cargo damage in the container transportation chain against that of the specialized reefer. However, off the record, cargo insurers advise that there is a higher instance of damaged fruit by container mode.

Further it is good to mention in this respect that in 2011 cargo insurers were approached about the 360 Quality concept for specialized reefers. During these ‘road shows’ it was recognized and confirmed by insurers that claim ratio’s on specialized reefer vessels were significantly better than those for containers. Insurers were enthusiastic about the 360 Quality initiative and stated that entry inspections on vessels can be skipped in case vessels are 360 Quality certified and rebates on premium can be considered.

Specialized reefers are specialists in temperature management, which is vital for transporting perishables. Reefer specialists are present 24/7 and watch over the cargo while on board.

Regarding the comment that container movement distribution chains are best suited to the needs of supermarkets, one can argue that by their own admission some 80-85% of the container lines’ reefer cargo is carried port to port and thus unstuffed from containers at the vessels’ discharge port into terminals or taken to Regional Distribution Centres (RDCs). Therefore it follows a similar pattern to that of the Specialized Reefer chain.

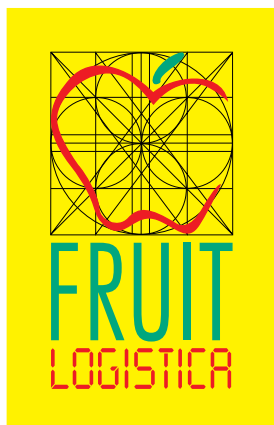
We at 360 Quality do our best to be “The Myth-busters”!

John Rowland



Fruit Logistica

February 2012



FRUIT LOGISTICA, the leading industry event for the international fresh produce trade, took place early February, and so the who-is-who of the fruit-and-veg industry gathered in Berlin for this annual fair. The 360 Quality Association with its Members and Affiliate members has been a regular exhibitor here since the inception of 360 Quality seven years ago.

During the three-day fair we caught up with a lot of existing clients in our stand, and were pleased to inform potential and new customers of the work of the association, and the services each (affiliate) member can offer. In this time of economic downturn, when each nickel is turned over at least twice, it is encouraging to see that many people still prefer high quality and dedicated services for the transportation and handling of their perishable products.

Throughout the fair the stand was well attended, but it definitely reached a peak during Happy Hour on the opening day at 17:00. Whether people came for the networking, the industry gossip, the fine snacks, or the cold Belgian beer remains the question, but without doubt this was our best attended Happy Hour to date.

On behalf of the 360 Quality Association, its Members and Affiliate members we wish to thank all of you who visited us during the event, and look forward to your continued support of 360 Quality, the specialised reefer operators, terminals and stevedores, who all strive to provide your cargoes with the best service and care on offer. For those of you that missed us this time round, we will be back in

Berlin 6-8 February 2013!

Walter Wildoer



Our Vision

“To be the specialist cargo care solutions provider of choice in the Maritime and Logistics industries”

2011 was our inaugural year as the elected inspection representative body for the 360Q association in ports Durban and Port Elizabeth. We were responsible ensuring all outbound palletized fruit for the specialized reefer sector was in strict compliance with the 360Q code. Our team consists of 16 inspectors who are supervised by 2 managers on a 24 hour basis if required. All inspectors undergo an intense annual training program where they are inculcated with the 360Q procedures, together with the general understanding of Terminal and Stevedoring operations.

Whilst the 2011 citrus season volumes were poor overall, we did achieve our target of <2% damage rate average for palletised cargo loaded on board vessels. The challenge for 2012 is to continue this downward pressure thereby improving the quality of handling but not limited to the loading / unloading process but rather the whole logistics chain. We will achieve this by continued monitoring and importing improvements where necessary. In this way the

project is not dormant but a live ongoing process that will continue to evolve.

We are overall very pleased with the continuous co-operation from the Terminals and Liners with regards to assisting in our quest for 100% compliance with the 360Q code. The action plans for 2012 include, but not limited to the following:

- 1. Addressing some Terminal-in practices that require modification, which can further reduce our damage ratio target.**
- 2. Liasing with Terminals and Liners to place pressure on transporters and packhouses to include 360Q in their operational processes.**

It is through our joint, co-ordinated efforts that will make 360Q a resounding success as our mission remains:

“To provide an efficient operational service through a highly competent workforce in order to exceed our customers’ expectations while striving to sustain a competitive advantage”



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360 Quality Success Stories!

Awards and Certification:

Congratulations to:

Terminal member **FPT Durban** for receiving the PPECB Cold Storage of The Year award in Durban. The award was presented to **Paulo Franco**, FPT Regional General Manager KwaZulu Natal and Mozambique by Vijan Chetty PPECB's Regional Manager.

Congratulations to Paulo and his team.



Jorge Bravo and his team at **COOPENUTRAP R.L** Costa Rica for achieving accreditation and certification under the 360 Quality Code. COOPENUTRAP are the first stevedore operator to achieve 360 Quality certification in South America.



Henk Jansen and his team at **Zoomweg Zeeland Coldstores** in The Netherlands for achieving 360 Quality certification at the first attempt. A remarkable achievement given that Zoomweg Zeeland only recently became members of the Association.



Jack Kloosterboer at **Kloosterboer Vlissingen vof**. The Netherlands. Kloosterboer are one of the original members of the Association and were the first Terminal to achieve 360 Quality certification back in 2008. This re-certification is valid until 2015 as is the others mentioned.

Kloosterboer



MEMBERS:

Maestro Reefers A/S

NYKCool AB

Seatrade Group NV

Star Reefers UK Ltd

AFFILIATE MEMBERS:

Ambassador Services Inc. USA

AROLA Aduanas Y Consignaciones SL Spain

Belgian New Fruit Wharf Belgium

Commercial Cold Storage (PTY) LTD South Africa

COOPEUNITRAP RL Costa Rica

FPT Group (Pty) Ltd. South Africa

George Hammond PLC UK

Gloucester Terminals LLC (Holt Logistics) USA

K Services LLC USA

Kloosterboer Vlissingen vof The Netherlands

Marmedsa Group Spain

MMD (Shipping Services) Limited

Reefer Terminal SpA Porto Vado Italy

SIELSA Costa Rica

Terminal Frutta Genova Srl Italy

Zoomweg Zeeland Cold Stores The Netherlands

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