

Shippers' rap for equipment surcharge

Monday 21 June 2010 **Online shipper forum The Shippers' Voice has hit out at shipping lines' decision to introduce surcharges to cover the cost of the container shortage.**

MD Andrew Traill said he could not understand why lines had to introduce surcharges – either incorporating them into peak season surcharges (PSSs), or adding “equipment premiums” – for box shortages.

He said this should be covered by the normal rate shippers pay, and there was no need for extra costs.

“Surely investment in equipment would be part of the normal business investments carriers would make, the costs of which would be incorporated into the freight rate, along with other costs such as offices, personnel and ships,” Traill said.

He highlighted Maersk Line, which has announced a record PSS of US\$750 per 20ft container, \$1,000 per 40ft and \$1,200 per 40ft high-cube on westbound services to Northern Europe from 15 July.

The carrier explained the surcharge was high because it needed to finance having new containers built and using laid-up ships to ferry boxes back to China.

Traill said: “If Maersk impose this surcharge increase, then others will follow suit. And of course, the PSSs for most lines continue to increase, so I suspect it will be a vehicle for covering any costs of repositioning during the peak season.

“The likes of CMA CGM and Hapag Lloyd are others that I know have so-called special equipment premiums and surcharges already – related to shortages in certain areas.”

He added: “Try as I might, I cannot find a convincing answer as to why more hefty surcharges are required to add to the peak season surcharges, which themselves still baffle me.

“Think of it: a charge on your customers because you are getting more business, all paying the going rate which should be covering the cost of the service. Extra costs there may be, but all covered by the revenue, surely?”