

# Swot analysis: american president lines

[Politics](#), [President](#)



The Pacific Mail Steamship Company, predecessor of the American President Companies, was founded in 1848; it was one of the first steamship companies to open its doors in the United States. In 1921, the Pacific Mail Steamship Company was acquired by Dollar Steamship Lines, a company founded in the early asses by lumberman Robert Dollar. Then on November 1, 1938, Dollar Steamship Lines' board of directors changed its name to American President Lines (PAL). The name change was due in part to the company's practice of naming its ships after American presidents.

During those years PAL constructed one vessel named President Lincoln; his ship was the first of three CA-class, diesel-powered container ships to ever crossed the world's oceans. Finally, in 1997 PAL merged with Neptune Orient Lines (NOEL) one of the largest shipping and logistics company in the world, headquartered in Singapore, with annual revenues of around IIS\$8 billion. With more than 150 years' experience PAL today employs over 5, 500 employees in a global network of 162 offices in more than 55 countries.

PAL is committed to provide the best service possible to its customers, and part of that we can clearly see it in their mission statement below: To design, implement and execute end-to-end supply chain solutions and create competitive advantage for our customers that reduce costs and inventory, increase flexibility and better-match product to demand. " Strengths History and employees American President Lines is a pioneer in the logistics and transportation industry with over 150 years of experience. In their about us section they take a lot of pride in their employees and they state that is their biggest asset in their company.

This is a portion of their about us section: " Our greatest asset though is not our information genealogy, or our ships and terminals, or trucks and warehouse. Our greatest asset is our people. They are resourceful, innovative, passionate, and dedicated to making this an extraordinary organization. " Human resources play a vital part in any organization, because you can have the most sophisticated equipment or software, but still you need people to operate the equipment needed to run any type of business.

**Multiple Offices & Equipment** American Presidential Lines has been delivering containers for over fifteen decades since their beginning in 1848. In their early years they began doing small trips carrying mail from Panama to Oregon. Twenty years later they started their regular and international shipping between the United States and Asia, carrying passengers, cargo, and mail. Today PAL is one of the giants in the shipping and logistic industry with over 162 offices in over 55 countries.

PAL provides more than 50 weekly services with a fleet of approximately 100 ships operating in all major trade lanes reaching over 25, 000 locations in 140 countries. With such a high volume of activity in this company PAL offers to its customer's one of the most sophisticated technology available today. Information Services. They use mainframe computers and microcomputers linked through a telecommunications network, in pretty much all of the countries where they operate. Those computer systems booked cargo and generate bills; tracked and controlled their containers.

The computers pre-plan the time of each loading of containers into ships, and route ship, rail and truck movements. PAL provides their customer's a door-to-door truck load transportation service for domestic freight in the United States. With a tracking system that allows the customer to see their container all the way from the parting point until it reaches its destination. PAL is also known in the logistics industry as being innovators, introducing to the public new equipment.

In 1982 American Presidential Lines introduced to the world the first 45-foot high-cube shipping container to the industry. On the following years PAL introduced a double-stack system for its line train, allowing two shipping containers stacked one on top of the other. 48-foot-long containers for use in North America, and high-cube wide bodied refrigerated containers. Joining Forces Prior to Joined forces with NOEL, American Presidential Lines had a small market in Asia, with their biggest market being in the Americans and Mexico.

After they launched a double-stack train service PAL signed one of their biggest contracts between the United States and Mexico, transporting automobile parts for Ford; one of the biggest automobile companies in the US. They moved parts from Heirlooms, Chihuahua to all the major points in the United States in a move to capitalize the free trade agreement between the United States and Mexico. Weaknesses Lack of security On September 28, 2007 the FBI, US customs, and border patrol conducted a test on one of Pal's terminals in the port of Seattle.

This test consisted on a bomb threat to the terminal. The people at the terminal were evacuated according to procedures; the gates however, remained open to truck coming in the port to pick-up or drop containers. One of PAL representatives later on informed the press that this was a good exercise. PAL now is more concern about this type of threats and they will put more emphasis in security. Lack of good leaders In past years American Presidential Lines has suffered major losses due to bad decisions. One remarkable decision that lead PAL to a huge loss, occurred in 1990.

In that year former CEO Donald C. Or's, was replaced by Timothy J. Rein, formerly president of another logistic company. In that year the chief financial officer, left his position and the cost of the restructuring caused PAL to report a \$60 million loss for that year. Opportunity Expansion American Presidential Lines offers big opportunity for people in the United States, with almost 70% of Pal's annual revenue coming from the American continent. In 1986 PAL continued its grow in the US, now investing \$500 million dollars to the expansion of its company.

This plan included the purchase of five CIO-class container hips, new rail equipment, and new software. One year later, the company moved to double the size of its Oakland, California, port facilities creating new Job opportunities for hundreds of new employees. The new facilities included new equipment; the company added 1 , OOH containers to its fleet, and an expansion from year lease with the Port of Los Angles to form a new terminal facility. This opened up new doors to new customers that imported

merchandised from other countries. Involvement PAL is one of the companies that believe in giving back to the community.

They now that their customers are the reason why they are on top and the reason of their success. PAL gives monetary contributions directed by management and employees to different communities in the world. Threats Competitors, Global Trade & Equipment The shipping industry has become a really big industry in recent years, due in big part to the e-commerce and to the global trade. For this reason this industry is attracting more and more entrepreneurs for hopes of investment in this industry. Among the biggest competitors for PAL we can find: Marks, Evergreen, China Ocean