Liner shipping

Business, Management



AN INTRODUCTION TO LINER SHIPPING BUSINESS NATURE AND SCOPE OF LINER SHIPPING BUSINESS: LINER SHIPPING BUSINESS A BRIEF HISTORICAL PERSPECTIVE OF SHIPPING THE MAIN CHARACTERISTICS OF LINER SERVICE THE MAIN CHARACTERISTICS OF TRAMP SERVICE TYPES OF LINER SERVICE **OPERATORS THE IMPORTANCE & NEED FOR LINER SERVICE LINER TRADE** ROUTES A BRIEF HISTORICAL PERSPECTIVE OF SHIPPING: The spirit of enquiry - looking beyond the forests, mountains, deserts & oceans. The era of explorations European expeditions Discovery of the Americas The Suez and Panama canals and other canals/waterways changed the course of shippingIndustrial Revolution Increase in trade Newer markets and opportunities Large-scale shipping lines only became widespread in the nineteenth century, after the development of the steamship in 1783. Great Britain was the center of development of the shipping line. In 1819 the first steamship crossing of the Atlantic Ocean took place. By 1833 shipping lines had begun to operate steamships between Britain and British Empire possessions such as India and Canada.

Three major British shipping lines were founded in the 1830s: The British and American Steam Navigation Company. The Great Western Steamship Company The Peninsular Steam Navigation Company.

HISTORICAL PERSPECTIVE

 Evolution of Shipping as an industry that arose from man's quest for seeking new frontiers and later on played a major role in world trade. 2.
Growth of markets from local to neighbouring settlements / villages / towns/cities/countries and continents across the oceans in the 18th century.
Seafaring communities could be found all over the world, the Egyptians, the https://assignbuster.com/liner-shipping/ Phoenicians, the Greeks, the Romans, the Norwegians, the British, the Dutch, the Portuguese, the Chinese, the Indians and many more.

3. Discovery of new continents: The Americas and routes to various countries. The major man-made alterations in the geographic landscape that change the world. The Panama canal connected the Atlantic and the Pacific oceans while the Suez canal connected the Mediterranean sea in Europe and the Red Sea in Asia. 4. Industrial Revolution and the invention of the steam engine caused a major shift in the way ships operated – wind powered to steam powered. The trade routes moved from being guided by wind and ocean currents to routes chartered by man to countries and continents around the globe.

5. The inter-dependence of people and their produce and the role of ship owners and merchants in the development of new markets overseas. 6. The advent of Tramp and Liner Shipping Business as the demands of the merchants and trading community grew during the 19th and 20th to have regular service to destination of their choice that was dependable, reliable, fixed route and timeframe to meet the requirements of their overseas customer. Characteristics of Liner Shipping Tramp* vs Liner Shipping* Dictionary Meaning - vagrant, homeless, vagabondTramp service is driven by demands of the merchant in carrying goods in large quantities to specified location, does not have a fixed schedule or tariff in the sense that the freight rates are negotiable per voyage, Whereas Liner Shipping is driven by demands of the merchant in carrying goods in smaller quantities, that is unitized or break-bulk, on a specified route, operating with a regular

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schedule, to pre-advertised ports of call and fixed tariff. Types of Liner Service: Break-bulk – lumber, wood-chips, liquids, grains, crude-oil, over dimension cargo. ? Container or cellular vessel - Containers Roll-on/Roll-off vessel – to carry fully built motor vehicles of all shapes & sizes ? LASH (lighter* aboard ship) or Kangaroo ships, lighter transport ships ? Passenger/Luxury Cruise Liner – ferrying people on work or leisure• A lighter is a gearless barge or a small vessel that can carry cargo along rivers waterways to the sea and then can be loaded onto the mother vessel in the port.

The Classification of Service Pattern: 1. The Feeder service2. RTW or roundthe-world3. The Pendulum Service4. Hub and Spoke5. End-to-endReview questions: 1. Explain the path of change the sea-borne trade has undergone to reach it present level.

Also indicate the factors that influenced the growth of sea-borne trade. 2. What is Tramp service? 3. Identify the main characteristics of Liner Service4. Draw a comparision between Tramp and Liner Service5. Identify the various types of Liner Service6. How are the Liner Service pattern classified explain.

THE MAIN CHARACTERISTICS OF TRAMP SERVICE

No fixed schedule - the ship calls at ports " subject to inducement". Serves customers with large shipments Eg. Ore, coal steel, crude oil, foodgrains, fertilizers – full shiploads Freight rates are negotiable – No Tariff On a charter – voyage, time or bareboat

THE MAIN CHARACTERISTICS OF LINER SERVICE:

A fleet of ships sailing between pre-advertised port that call at the ports enroute to load/discharge cargo. Maintain a fixed schedule. Offer cargo space to customers irrespective of volume CY/FCL : Full container OR CFS/LCL : Less-than-container load Carry general cargo and/or unitized cargo in ISO containers A pre-deterimined Tariff structure based on port-pair & commodity. Large organisation structure –network of office/agents Specified Port rotation for example: Bangkok-Laem Chabang-Ho Chi Minh City-Singapore- Chennai-Singapore-Laem Chabang-Bangkok Fixed schedule: BKK: Sat/Sun LCB: Mon/Mon VICT: Wed/Wed Cat lai: Wed/Thur SIN: Fri/SatMAA: Thur/Fri SIN : Wed/ThursLCB: Sat/SatBKK: Sat/SunROLL-ON/ROLL-OFF LINER SERVICE - HISTORY: At first, wheeled vehicles carried as cargo on ocean going ships were treated like any other cargo. Automobiles had their gas tanks emptied and their batteries disconnected before being hoisted into the ship's hold, where they were chocked and secured.

This process was tedious and difficult, vehicles were subject to damage, and could not be used for routine travel. Landing craft during World War II: Post war, the idea was adopted for merchant ships and short ferry crossings. The first RoRo service crossing the English channel began from Dover (Dover is a town and major ferry port in the county of Kent, in South East England.) It faces France across the narrowest part of the English Channel....

TYPES of Roll on Roll off vessels: ROPAX The acronym ROPAX (roll on/roll off passenger) describes a RORO A ferry is a form of transport, usually a boat or ship, used to carry passengers and their vehicles across a body of water. Ferries are also used to transport freight and even railroad cars vessel https://assignbuster.com/liner-shipping/ built for freight vehicle transport but also with passenger accommodation. The ConRo vessel is a hybrid between a RORO and a container ship.

A RoLo (roll-on lift-off) vessel is another hybrid vessel type with ramps serving vehicle decks but with other cargo decks accessible only by crane. Roll-on/roll-off (Roll on/Roll off) Ships were designed to carry wheeled cargo PCTC - Pure car- carriers or Pure Car /Truck Carriers: While the characteristics of seagoing RORO car ferries have inherent risks, there are benefits to its seaworthiness. For example the car carrier Cougar Ace The Motor ship Cougar Ace is a Singapore-flagged roll-on/roll-off car carrier vessel. The Cougar Ace was built by Kanasashi Co. of Toyohashi, Aichi and launched in June 1993...

. listed 80 degrees to its port side in 2006 but did not sink, since its high enclosed sides prevented water from entering. Unlike in the shipping industry where cargo is measured by the metric tonne, RORO cargo is typically measured unit of LIM " lanes in metres". This is calculated by multiplying cargo length in metres by its width in lanes (lane width differs from vessel to vessel and there are a number of industry standards). Aboard PCCs cargo capacity is measured in RT or RT 43 units which is based on a 1966 Toyota or by car equivalent units (CEU).

THE ERA OF CONTAINERIZATION:

As the progress was made in terms of unitization of the goods that is packaging the goods in a suitable manner for proper stowage and safe carriage during a shipment from one country to another the simple box, case, crate, cask or drums, pallets, skids and vans slowly evolved the concept of containerization - container made of steel or aluminum that would make handling of cargo easier. Definition: Containerization is a method of distributing merchandise in a unitized form thereby permitting an intermodal transport system to be developed providing a possible combination of rail, road, canal and maritime transport.

For as long as people have been sailing the oceans they have been trading with other countries. The great empires of the world, from the Egyptians to the British Empire, were all built on ocean trade. As far back as 1792, boxes similar to modern containers emerged in England and these were transported with horse and wagon and later moved via rail. The U. S. government used containers during the Second World War. Modern container shipping began in 1956, when Malcolm McLean, a trucking entrepreneur from North Carolina, U.

S. bought a steamship company with the idea of transporting entire truck trailers with their cargo still inside. Various companies in the U. S. began to adopt containerisation. In 1966, the vessel Fairland owned by Sea-Land sailed from the U. S.

to Rotterdam in the Netherlands with 256 containers. This was the first international voyage of a container ship. During the 1970s container shipping expanded dramatically and ports were established in every continent in the world. This was the beginning of the expansion that made container shipping the backbone of global trade. Transporting goods in large volumes makes it cheaper - ' economies of scale' improved and therefore the unit cost of the products became more competitive. Transporting goods by container ship is also better for theenvironment. It is estimated that on average a container ship emits around 40 times less CO2 than a large freight aircraft and three times less than a heavy truck.

Container shipping is also estimated to be two and a half times more energy efficient than rail and 7 times more so than road. Container shipping is different from conventional shipping because it uses ' containers' of various sizes – 20 foot (6. 9 m), 40 foot (12. 18 m) , 45 foot (13. 7 m), 48 foot (14. 6 m), and 53 foot (16. 15 m) – to load, transport, and unload goods DEVELOPMENT OF SUITABLE INFRASTRUCTURE: The introduction of containers in shipping also saw the development of infrastructure at the port and the container yards that was required to handle the containers safely with the cargo.

A container crane (also container handling gantry crane, ship-to-shore crane) is a design of large dockside gantry cranes found at container terminals for loading and unloading intermodal containers from container ships. The first use of a container crane was constructed by Paceco Corp. for Matson (a marine terminal in Alameda, CA) in the early 1960s and was called a Portainer. Container cranes consistent of a supporting framework that can traverse the length of a quay or yard, and a moving platform called a " spreader". The spreader can be lowered down on top of a container and locks on to the container's four locking points (" corner castings"), using a " twist lock" mechanism. Cranes normally transport a single container at once, however some newer cranes have the capability to up pick upto four 20' containers at once. A fully maneuverable version not using rails is a rubber tyred gantry crane Containers are generally referred to in terms of TEU " Twenty foot equivalent" while the standard size of containers that exist in shipping are for further details the students may refer to the container specifications distributed: CONTAINER TYPES: DRY FREIGHT CONTAINERS INSULATED CONTAINERS REFRIGERATED CONTAINERS BULK CONTAINERS VENTILATED CONTAINERS FLAT RACK & PLATFORM CONTAINERS OPEN-TOP CONTAINERS TANKS CONTAINERS SEA CELL CONTAINERS MILITARY CONTAINERS SWAPBODIES HANGER CONTAINERS