

FROM THE DESK OF THE CEO (31/14)

Justin Chadwick (15 August 2014)

QUOTE OF THE WEEK “The first step to meet your customers expectations is to know their expectations” Roy Williams

LAUNCH OF THE DURBAN REEFER CONTAINER OPERATIONS FORUM (DRCOF)

On Monday 11th August The Elangeni conference centre in Durban was packed as representatives from the shipping, ports and logistics fraternity gathered at a business breakfast function for the official launch of the Durban Reefer Container Operations Forum (DRCOF). Initiated by Mitchell Brooke, CGA Logistics Development Manager together with PPECB in association with Transnet Port Terminals (TPT). Representatives from shipping lines, cold stores, container depots, transporters, TPT, exporters, logistics agents and various other sectors gathered to hear the opening speeches from Mr Zeph Ndlovu, GM: Operations KZN Region and Mr Justin Chadwick, CEO of the Citrus Growers Association. After breakfast was served, representatives from TPT Durban Container Terminal Pier 1 and Pier 2 gave presentations regarding the operations at the terminals and specifically that of handling the reefer containers into the terminals. It's clear that much has been done at the terminals since the first engagements began with TPT at the end of the 2013 season. Pier 1 has implemented a dedicated reefer lane and brought in a gantry crane and a back up reach stacker (which is not wind sensitive) when high winds are experienced. Additional reefer plug-in points were installed (now at 892 FEU points). There are two reefer trains in operation from Letsitele and these are received directly into the reefer stacks at Pier 1. Amazingly the reefer trains have recorded an average turnaround time of around 3 hours with almost no issues from the Transnet Freight Rail (TFR). Mitchell Brooke commended Noah Murugan of Pier 1, Lionel Perumal of DLS Solutions and Daleen Endley of TFR for their outstanding contribution to ensuring these trains run smoothly – this should hopefully pave the way for more trains to come on line in the near future. Pier 2 has also introduced a priority lane for reefer containers with additional plug-in points installed (now at 1,744 FEU points). Mitchell Brooke presented a good illustration on some of the major challenges in the port, particularly reflecting the congestion caused by import and export stacks overlapping causing some major issues throughout the chain – of particular relevance is when export stacks for the SAECS and MSC Europe service overlaps, 60% of all export citrus reefers leaving Durban are sent on these ships. When this happens, the 3 days needed (as per the allocated stack days) to load out the sheer volume of containers is just not adequate for the cold stores and transporters to do it in. Mitchell presented 5 key aspects that are required to enhance the effectiveness of the reefer container operations in the Durban port. 1) Terminals should allow 48 hours notice for firming reefer export stack days and this must be held firm without changes, this will ensure all planning is executed without disruptions from stack dates shifting, 2) Pier 1 and Pier 2 should coordinate to ensure the SAECS and MSCEU reefer export stacks are planned so that they do not overlap, 3) There is a need to develop a centralized and integrated system to coordinate all the export bookings and operational planning requirements between all the role players in the chain, 4) Shipping lines should collaborate to use a central container depot to store primary or secondary equipment stock holding, the depot must then operate 24 hours in the peak season where most depots in Durban do not, and 5) Introduce 7 day reefer export stacks at the 4 Durban container terminals as is the case in Ngqura, PE and Cape Town ports. Failing which the Durban terminals should introduce a formalized process for 'Early Arrivals' to assist when cold stores are blocked out. Altogether it was a well planned and professionally executed function with special thanks to TPT for wholly funding the event and showing support for the citrus industry.

A special word of thanks to Mitchell and Shane for putting the event together – you are an asset to the industry.

PACKED AND SHIPPED

To Week 33 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB	2012	2013	2014	2013	2014	2014	2014	2013
Grapefruit	12.4 m	17.0 m	14.8 m	16.1 m	13.8 m	16.5 m	14.9 m	17.9 m
Soft Citrus	6.6 m	7.0 m	8.6 m	6.7 m	7.9 m	9.2 m	10.1 m	8.4 m
Lemons	9.1 m	9.7 m	12.7 m	9.4 m	12.1 m	12.1 m	12.7 m	10.6 m
Navels	23.2 m	24.0 m	23.3 m	22.6 m	21.6 m	25.8 m	24.5 m	25.4 m
Valencia	20.6 m	21.2 m	21.4 m	13.9 m	13.8 m	49.5 m	48.1 m	51.4 m
Total	71.9 m	78.9 m	80.8 m	68.7 m	69.2 m	113.1 m	110.3 m	113.7 m

GROWERS' ENSURE A COMPETITIVE AND SUSTAINABLE SOUTHERN AFRICAN CITRUS INDUSTRY BY FUNDING AND GUIDING THE CGA GROUP (CRI; CITRUS ACADEMY; CGACC; RB AND XSIT)