

Crisis at UK Ports

The UK's two biggest container ports appear to have hit crisis level. UK retailers potentially face weeks of delays in getting their Christmas stock onto the shelves in time for the peak consumer spending rush.

Moreover, UK exporters to Asia can virtually forget about getting containers shipped in November, due to carriers blanking a huge 11 eastbound voyages next month and many of those sailings that survive will be 'cut & run', without loading, due to the congestion at Felixstowe and Southampton.

The traditional peak season influx of holiday goods often stretches container terminals to their limits, but this year the supply chain is at breaking point – despite one source's assertion that overall numbers are actually down this year.

The congestion problems that began at Felixstowe now appear to have spread to Southampton – partly due to the south coast port's decision to accept extra business diverted from the Suffolk port. Moreover, it is said, the UK's acute haulage shortage and the indiscipline of the carriers in their schedule integrity and container control have put "impossible pressure" on the Southampton terminal and as landside and ship working productivity at Southampton has deteriorated, operator DP World has been obliged to issue several 'terminal alert' messages to customers.

In its latest alert, DP World said that, from Monday it would reduce its export receiving window from the normal 10 days to seven days, they have said it had also asked container lines to "ship as many empties as possible", to "stop using Southampton to tranship empties from the US to Asia" and "not to discharge cargo for other ports without prior consultation".

This 'perfect storm' began brewing at the UK's largest container gateway, Felixstowe, in June when the Hutchison-owned port embarked on what proved a disastrous implementation of its in-house-developed Next-Gen terminal operating system (TOS).

"Felixstowe put on brave face, suggesting the problems with working the ships was temporary and began issuing weekly status updates painting an improving picture. Recently the port hired 30 tractor units from a major local haulier just to shunt boxes to their correct stacks.

As a result, several carriers have diverted Felixstowe-bound ships to other ports, or in certain cases pulled services altogether, with some opting to service the UK via feeders.

As always Beckchoice Ltd will be doing our absolute utmost to reduce the impact of these issues so we can look after our customers in these difficult times

Sincerely

Beckchoice Ltd.