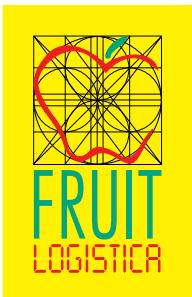




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Number 5



Fruit Logistica Berlin 8th - 10th February 2012

Happy Hour!

You are most welcome to join us for a drink and a chat at our stand from 5.pm on 8th February



Each year Fruit Logistica is held in Berlin and this year the Exhibition dates are between 8th and 10th February. The 360 Quality Association invites you to the 360 Quality Association stand located in **Hall 25 Stand C-20**. All member shipping lines and terminal operators will be present and we would be pleased to discuss with you the positive impact the Association has achieved in the shipping and handling of perishable cargo. We achieved this by imposing strict quality standards on our specialised reefer vessels and at our member terminals.

The main tool used in this quest is the **360 Quality Code** which dictates and monitors the criteria for carriage by sea and handling methods at our terminals.

The 360 Quality Association quality concept is managed through its members, the vessel operators and by way of its affiliated members, the terminal operators.

The members of the Association define the strategic goals of the 360 Quality Code. The goals are:

1. The 360 Quality Code should become an 'Industry Standard' for specialised reefer vessels.
2. The supply chain must be 'holistic' and cooperation between supply chain partners is encouraged.
3. Retailers, insurers and other main importers should be acquainted with and adopt the 360 Quality Code.

The founding 360 Quality Code was implemented some 6 years ago and since this time has continually evolved to become the industry leader in this field.

A brief overview of the 360 Quality Code:

1. The aim of the 360 Quality Code is the prevention of damage & contamination to cargo (food safety) during carriage and handling.
2. The scope of 360 Quality Code covers requirements for vessels, terminals & trades and these requirements are complementary.
3. The 360 Quality Code has a holistic approach and aligns supply chain partners at points of cargo interchange.
4. Through cargo measurements taken at critical points along the supply chain, data is collected, analysed and discussed with the appropriate parties, where necessary remedial actions are imposed.

The full version of the Code is available on our web site: www.360quality.org

come and see us at

**Hall 25
Stand C-20**



Figure 1: Basic System.

Outlines the 13 categories incorporating 129 criteria by which vessels are audited. Similarly 10 categories incorporating 73 criteria for terminals and 11 for trades. All designed to ensure vessels and terminals accommodate the high demands imposed.

Vessels (129):

- Quality policy & awareness
- Weather tightness
- Hydraulic system
- Gratings
- Side shoring
- Cleaning
- Cargo holds & cooler spaces
- Reefer equipment
- Power generation
- Temperature management
- Cargo gear
- Lighting in holds
- Drains
- (Appearance)

Terminals (73):

- Management
- Staff training
- Maintenance of equipment
- Product contamination & hygiene
- Fixed stevedore equipment
- Rolling terminal equipment
- Fixed terminal equipment
- Rolling stevedore equipment used in vessels
- Product quality
- Cargo intake & despatch control

Trade (11):

- Vessels 360Q certified
- L & D Terminals 360Q certified
- Local L & D procedures in place
- Damaged cargo recorded-data delivered
- Analysis of data present
- DMAIC team in place & implementation of solutions
- Follow-up actions

Achievements in 2011:

1. Trade requirements were developed by the shipping lines. Guidance notes are made to align every auditor. The 360 Quality Code was updated and approved by the members of the 360 Quality Association.
2. Guidance notes for terminals were updated. Photos were included to align every auditor of accredited certification companies.
3. Shipping lines continued to invest and rationalise their fleets. Vessels entering or being re-certified after January 1, 2010 are now required to be certified every two years. During 2011 some 55 vessels of the combined fleet were successfully audited and re-certified.
4. Ambassador Terminals Inc. and Rotterdam Fruit Wharf were successfully audited and are now recognized as 360 Quality Association certified terminals. Certified terminals have proved to be professional service suppliers adhering to the strict criteria of the 360 Quality Code.
5. A brochure was published that outlines the 360 Quality concept including practical examples. This brochure is available on our stand and highlights the difference between 360 Quality and the non 360 Quality supply chain. The function of the quality inspection or DMAIC teams and downward trends in both claims and damage incidents are also shown.
This leaflet will be distributed throughout the perishable cargo network including agencies, terminals, retailers, vessel owners/ship managers, customers and trade insurers.
6. The South Africa to U.K / Continent trade has shown a significant improvement in damage reduction after targets and corrective actions were discussed and agreed with FPT terminals in Durban, Maputo and Gijima with the independent inspection body. During vessel working, cargo handling was monitored and measured and results discussed with them after completion of vessel operations. In this way we were able to identify and address the issues that now manifest in the successful results.
A similar result was achieved in the Florida – Flushing concentrate trade after the successful cooperation with Ambassador Service Inc in Cape Canaveral U.S.



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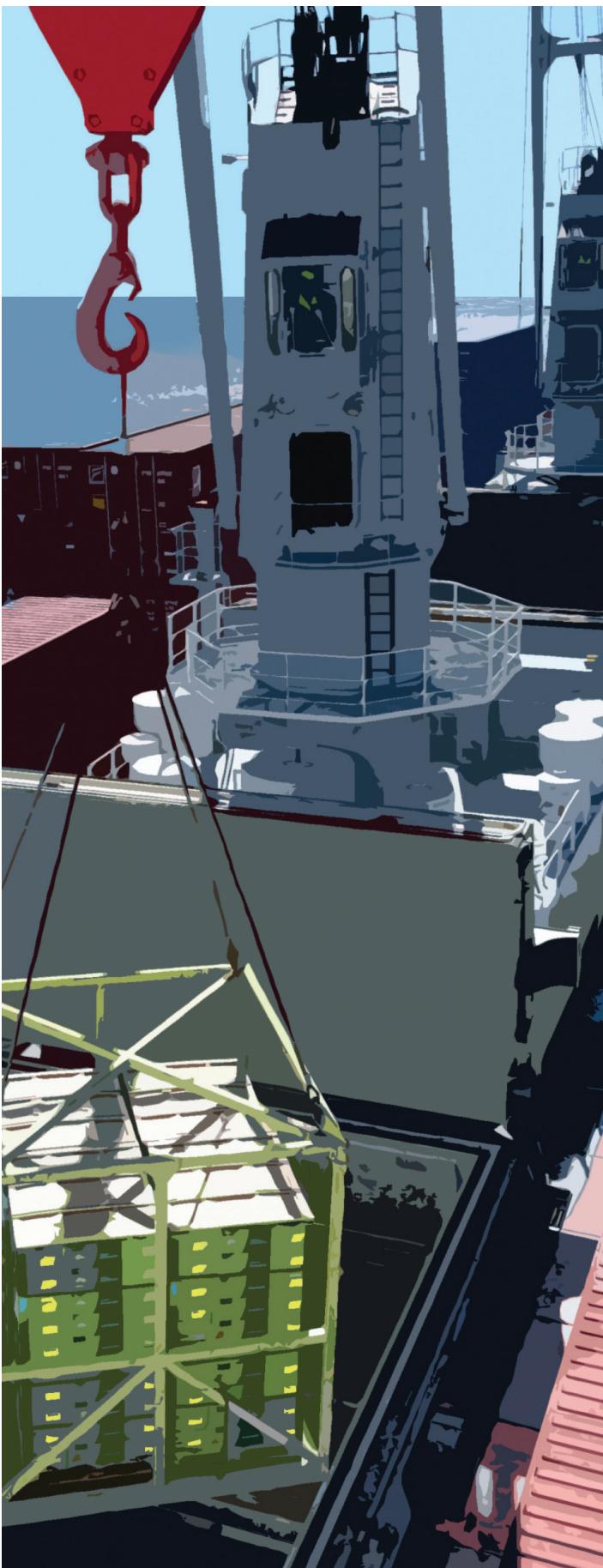
Achievements in 2011: *continued*

7. New fishery regulations were imposed by the European Union. Vessels transporting fishery products from other countries into the E.U must now comply with regulations relating to food safety (HACCP). However, on the basis of the vessels assigned to this trade were already 360 Quality certified, veterinary inspections were waived and those vessels were accepted as compliant with the regulations.
8. Retail companies Mack Multiples, Dole UK, Keelings and Tesco were visited and presentations outlining the work and role of the Association were made. The main objective of these visits was to raise the profile of the 360 Quality Association and underscore how the 360 Quality Code standardises the carriage and handling criteria along the whole logistical chain. It was promoted to the retailers of the need for their suppliers, vessels and terminals, to be 360 Quality certified. Retailers were enthusiastic and some now insert the 360 Quality requirements in their contracts.
9. Insurance underwriters Charterama, Skuld (Oslo) and North of England were similarly visited. It was proved and accepted that risks and claims were significantly reduced. Although they would not commit to retrospective rebates they indicated that it would be logical that individual members could use the argument in renewal negotiations and would consider preferential rates for 360 Quality members.
Further, one Insurance Company involved in ports, stevedoring (longshoremen) activities, terminals, agency, forwarders and trucking (transport) in both Europe and the United States has agreed to preferential rates for our members who are involved in the above activities. Contact details are available via the Secretary General. However, they do not provide P&I cover.
Further still, some Insurance underwriters have questioned the need for their own separate vessel entry inspection criteria and instead are considering adopting the 360 Quality vessel inspection criteria as the industry standard.
10. A number of U.S trucking companies have expressed an interest in the Association. The opportunity to expand into an industry that is complementary to ours was explored. The necessary amendment was filed with the Federal Maritime Commission and the Quality code was amended accordingly.



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What are the goals for 2012?

The Executive Committee of the 360 Quality Association has defined the following goals for 2012:

Continue with executing the 'road shows' and approach retailers in different countries. The network of shipping lines will be used to make contact with retailers.

Continue with approaching ship owners, terminals, retailers and insurers to promote cooperation with the 360 Quality Association.

To work with P&I clubs / Insurance Underwriters and International Ship Technical Committee to adopt the 360 Quality vessel inspection criteria as the industry standard.

Approach flag states concerning compliance of 360 Quality with E.U import regulations.

To certify one or more trades and for shipping lines, further imbedding the added value of the 360 Quality Association in the trade whilst at the same time underscore that specialised reefer vessels and member terminals are the perfect combination to accommodate perishable cargo.

Summary:

As a result of 360 Quality activities during 2011 the industry is now more aware of the role of the Association and the impact it has on improving cargo handling.

Companies and institutions in the supply chain were encouraged to challenge existing perceptions or commercial practices and to consider co-operating with 360 Quality members in the future.

P&I Clubs and Insurance Underwriters now recognize and accept the impact the Quality Code has on the reduction in risks, claims and the associated costs and as a result will consider preferential rates for our members.

Co-operating with the International Ship Technical Committee and expanding into the U.S trucking industry are exciting prospects and will be pursued.

The strategy of promoting the 360 Quality Association at every opportunity along with fulfilling our strategic goals will continue in 2012 to the benefit of the Association and its partners.



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MEMBERS:

Maestro Reefers A/S

NYKCool AB

Seatrade Group NV

Star Reefers UK Ltd

AFFILIATE MEMBERS:

Ambassador Services Inc. USA

AROLA Aduanas Y Consignaciones SL Spain

Belgian New Fruit Wharf Belgium

COOPEUNITRAP RL Costa Rica

FPT Group (Pty) Ltd. South Africa

FRUPORT Spain

George Hammond PLC UK

Gloucester Terminals LLC (Holt Logistics) USA

K Services LLC USA

Kloosterboer Vlissingen vof The Netherlands

Marmedsa Group Spain

Medway Ports UK

Reefer Terminal SpA Porto Vado Italy

SIELSA Costa Rica

Terminal Frutta Genova Srl Italy

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