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3 Autumn shopping spree
Online spending set to hold steady despite tighter purse strings



4 Tech hype meets SME reality
Independent forwarders face big expectations



7 AI is no silver bullet
Forwarders need good data to make the most of it



8 Rewriting Gulf trades
Container flows taking a new course that could be permanent

Transpac rates reach their zenith as Golden Week arrives



China's Golden Week holiday coincides with an easing of Asian port congestion and weaker export demand

TRANSPACIFIC spot rates may have reached a post-Hormuz crisis peak for 2026, as China's Golden Week holiday coincides with an easing of Asian port congestion and weaker export demand.

Chief analyst at Xeneta Peter Sand said: "Spot rates from the Far East to the US ticked up again on 1 October, but we can say with a level of confidence that the market has reached its post-Hormuz crisis peak."

While offering slightly mixed data signals, the general indication from most of the indices has been that transpacific spot rates are either levelling off, or are beginning to marginally decline.

Xeneta's XSI short-term rate index showed Far East-US west coast rates up 1.7 per cent week on week, to $8,346 per feu, while on its Far East-US east coast trade, rates had gained just 0.7 per cent, to $11,523 per feu.

Similarly, Drewry's World Container Index (WCI) showed marginal movement in rates on its Shanghai-New York leg, up one per cent, to $10,428 per feu, while its Shanghai-Los Angeles leg was flat, at $7,835 per feu, with both indices contending that rates had now peaked.

> "Demand isn't strong and rates have now peaked, but they'll not collapse"

"Part of the reason behind the turn is port congestion in Asia easing as typhoon season winds down, compounded by Golden Week holidays in China lowering exports in the first week of October," said Sand.

"Demand isn't strong and rates have now peaked, but they'll not collapse, so shippers should expect to pay elevated freight costs for the remainder of the year," he said, adding elevated spots spread between the US coasts are expected to diminish before the year is out.

"There'll be nuances in decline between US trades, however, with east coast rates potentially falling harder than into the west coast – the spread will narrow as broader decline takes hold, driven mainly by a harder east coast fall due to its more elevated starting point," he added.

Looking ahead, over the next three months, Sand suggested US east coast spot rates would fall to between $6,000 and $7,000 per feu, while those shipping to the west coast could expect quotes of $4,500-$5,500 per feu.

Continued on page 3

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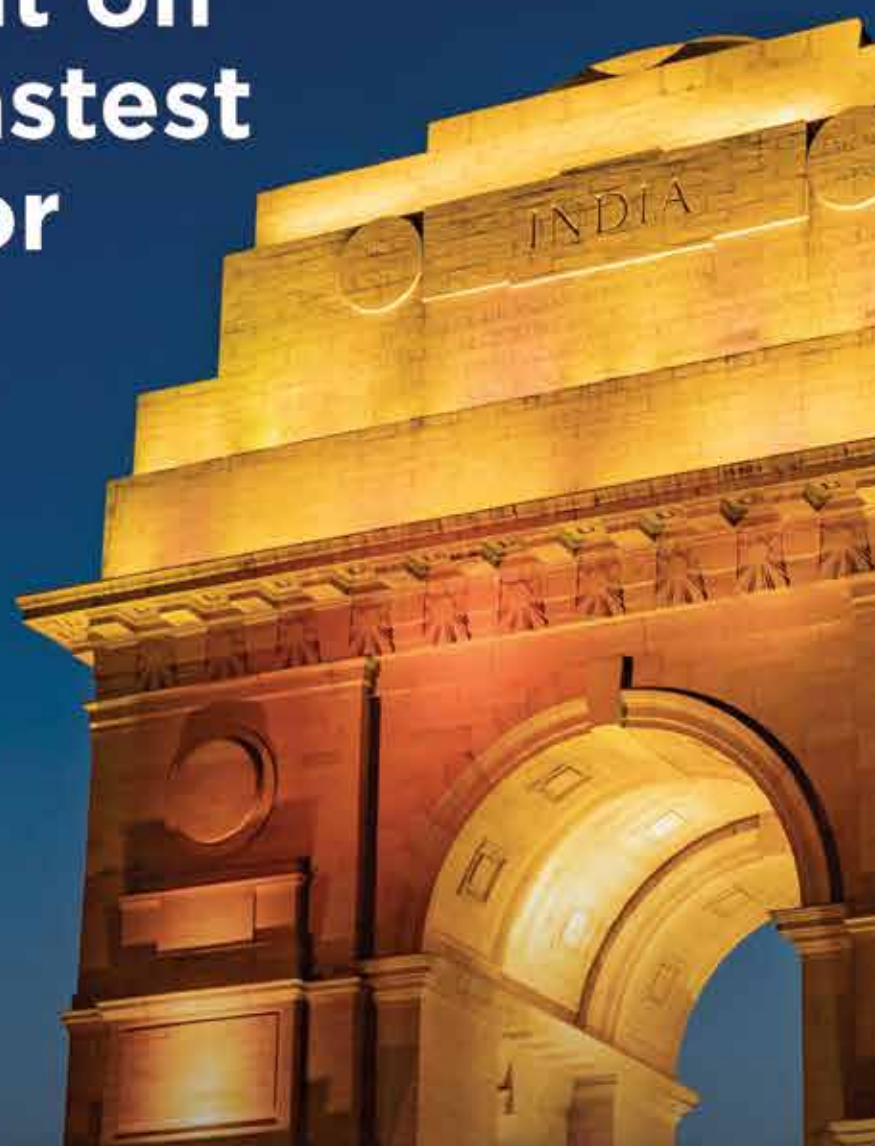
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Autumn online shopping spree expected, despite tighter purse strings

A shifting mix of goods and an increasing share of internet purchases being accelerated by AI tools are expected to drive up US consumers' online spending 6.7 per cent this holiday season, despite persistent inflationary pressures.

Adobe is forecasting digital spending from 1 November to 31 December to surpass $275 billion, with Deloitte's outlook even more bullish, predicting online holiday growth of 7.5- 8.4 per cent year on-year, with between $316 billion and $319 billion expected to be spent.

If the predictions prove accurate, it will mark yet another year in which ecommerce growth has outpaced traditional in-store shopping, helped by the purportedly major role AI is playing in helping consumers hunt for discounts.

Cyber Week alone is expected to generate $47.5 billion in online sales, up 7.4 per cent on 2025, with Cyber Monday expected to remain the highest single revenue day, with a projected growth rate of 6.2 per cent, to more than $15 billion.

But in terms of sharpest growth, that will be on Black Friday, with indications that it will surpass nine per cent growth year on year, climbing to a total sales volumes just shy of the $13 billion mark.

"this season is pretty much going to be like last year – nothing super spectacular, not really bad"

Despite extraordinary growth predictions, average consumer budgets remain tight; 70 per cent of those surveyed claimed saving money was their top priority, while data from the Financial Health Network found 30 per cent of US households struggling with unmanageable debt.

This is playing out in what that rush of spending is expected to buy, with personal hygiene sales in Cyber Week forecast to jump 150 per cent compared with September averages, while basic apparel is set to surge 210 per cent.



Furthermore, sales of baby and pet products are also forecast to rise by 113 per cent and 93 per cent respectively, albeit with electronics and broader apparel remaining the largest total categories, alongside expected 10 per cent bumps in toys and cosmetics.

It all makes for an interesting 2026, which experienced something of an unusually early start to the shopping season, with some 30 per cent of consumers having bought holiday items during summer promotional events, and October discounts from retail giants like Amazon.

Founder and head analyst of Logistics Trends & Insights Cathy Morrow Roberson said that the early promotional windows represented the only genuine growth periods, with higher overall spending figures a reflection of rising prices rather than an increased appetite.

She thinks "this season is pretty much going to be like last year – nothing super spectacular, not really bad", adding that there need not be concerns about a sudden shortfall in transport space.

"I think there is enough capacity in the market."

Maersk loses partners as shipping alliances reshape

MAERSK is set to lose both of its partners on the Asia–East Coast South America trade within a few months, part of a major reshuffle of services that seems to be bringing the changing shape of global carrier alliances into sharp focus.

CMA CGM's plan to relaunch its SEAS 2 and SEAS A services will see its ASAS2/SEAS3 service run alongside Maersk dissolved, with the final departure out of Shanghai happening on 8 December.

CMA CGM's revised SEAS services look likely to consolidate the Ocean Alliance presence, with Cosco, OOCL and Evergreen, with PIL and Yang Ming saying goodbye to the ECSA consortium, the latter moving to the SX2 service shared with ONE and HMM.

The changes will also alter port coverage, with SEAS A prioritising Santos and adding Coega, while dropping Rio de Janeiro and Paranaguá, and SEAS 2 adding Itajaí and a second Rio call but dropping its Navegantes.

Amid a flurry of upheavals, one analyst told Voice of the Independent: "My advice to shippers is simple: check your December routings now, and split contracts across at least two carriers that run their own ships."

Wit the loss of CMA CGM's seven ASAS2 vessels, overall weekly capacity from Asia is set to experience a notable four per cent dip, potentially leaving shippers to face tighter space and less network redundancy, particularly on services operated by smaller alliances.

For Maersk, the loss of CMA CGM comes on the back of Zim departing its ASAS loop in September to launch the AS3/ZFS service in tandem with potential new owner Hapag-Lloyd, having left Maersk the sole operator of ASAS.

Under the Gemini cooperation, Hapag-Lloyd will continue to buy ASAS slots, with the German carrier also set to operate on the AS3/ZFS service with Zim and both expected to be joined by PIL, which plans to contribute four 14,000 teu vessels.

Market needs to be prepared for ongoing weakness in demand

continued from page 1

On Asia-Europe trades, it was a very familiar theme, with spots experiencing their 12th consecutive week of declines, as carriers made their first post-peak season attempt to reverse the price movement.

The WCI's Shanghai-Rotterdam route decreased two per cent, to $3,399 per feu, while there was a three per cent dip on its Shanghai-Genoa leg, to $3,702, despite some last-minute pre-Golden Week activity.

"We had a slight uptick in bookings for sailings pre-Golden Week"

"We had a slight uptick in bookings for sailings pre-Golden Week, and I expect a few [boxes] to be rolled, as we had no restrictions on bookings. But bookings for post-Golden Week seem steady so far," one European forwarder told Voice of the Independent.

That calmness, as far as the post-Golden week bookings are concerned, could be indicative that the market needs to be prepared for ongoing weakness in demand after the holiday season, although this does not appear to have dampened carriers' plans.

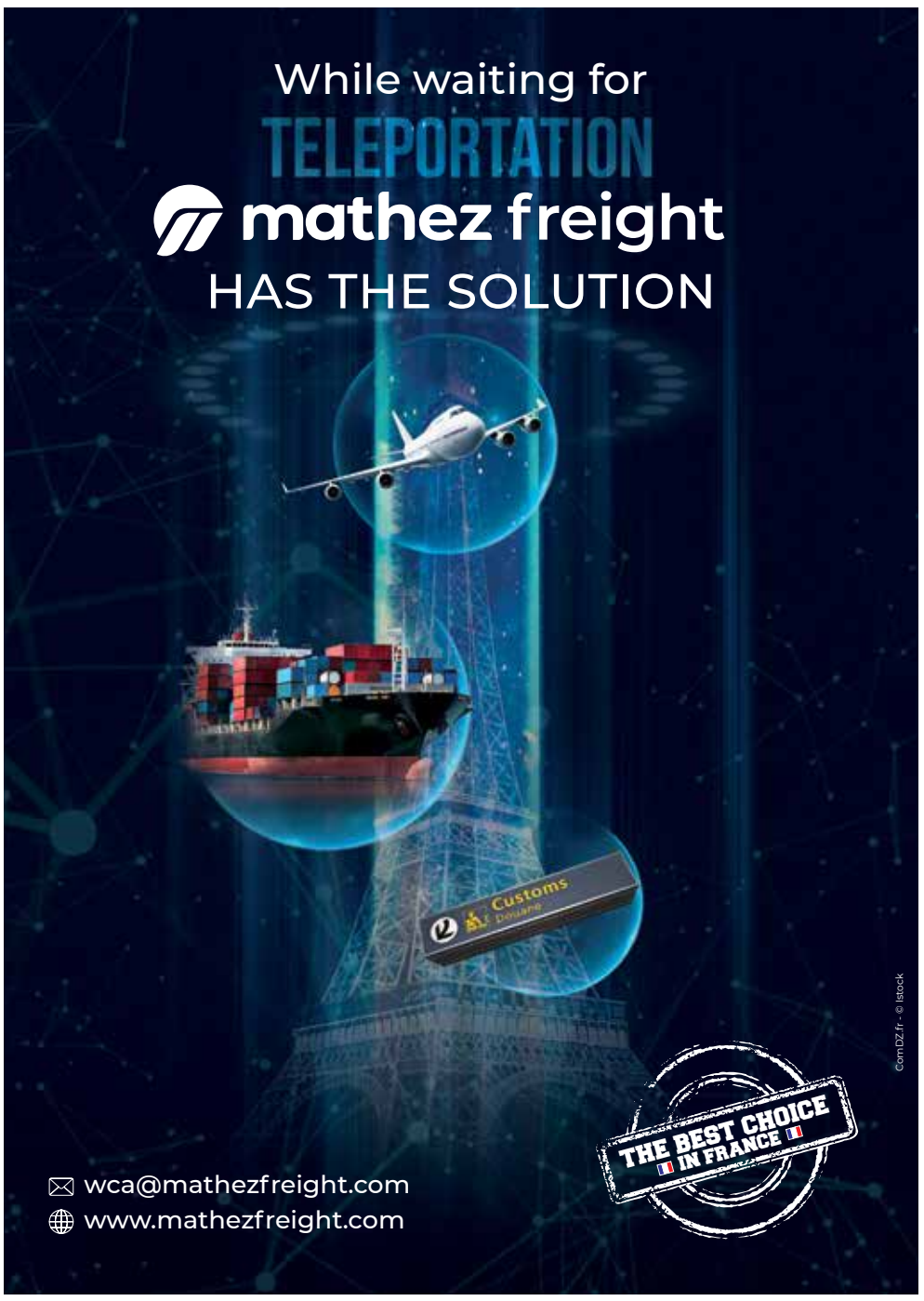
Several major shipping lines have read the market signals and are still determined to push through a series of new FAK (freight all kinds) rate levels for the second half of October in an effort to arrest the declines.

Among those taking this approach are CMA CGM and MSC, the latter announcing a new FAK of $4,500 per feu on both Far East-North Europe and Far East-west Mediterranean shipments, beginning 19 October.

CMA CGM announced a $4,700 per feu FAK on Far East-west Mediterranean and $4,900 per feu on Far East-east Mediterranean, both set to take effect as on 19 October, although the forwarder believed that, with carriers cutting spots, the chances of these hikes sticking were "slim".

"We're still receiving reductions on FAK rates for the first half of October, which make the rate increases of around $1,000 per feu I've seen for the second half of the month, confusing," the European forwarder continued.

"If carriers have enough cargo for a roll pool to increase rates, then why reduce them for sailings in the first half? My feeling is it's an optimistic push to keep rates up, and/or slow the decline. I don't see it coming from an increase in demand."





Focus ON

AI 'over-hyped', but does offer o for independent operators

INDEPENDENT forwarders are getting something of a leg-up thanks to the competitive nature of the technological revolution, with capabilities once considered the domain of multinationals now within their reach, and allowing them to compete without losing their human touch.

Supply Chain Worldwide's Manuel Diaz sees it as something of a double-edged sword, believing the flow of affordable tech has spiked customer expectations, telling Voice of the Independent (VOTI) the ability to offer the human-tech combination is what will define the SME.

Diaz says: "Today, SMEs are expected to provide almost the same speed, visibility and responsiveness as the largest global forwarders. In the Mexico–US corridor, this is particularly challenging because digitalisation has accelerated at the same time that customs and regulatory complexity has increased."

"Today, SMEs are expected to provide almost the same speed, visibility and responsiveness as the largest global forwarders"

While recognising that technology can help independent operators close that gap, Diaz does not see it replacing the people and experience needed to deal with more complicated aspects of logistics, contending that "logistics is still a business of judgment".

"Customs classification, regulatory interpretation and managing exceptions still require experienced people. As long as logistics involves judgment rather than simply processing information, I believe SME forwarders will continue to have an important role," he adds. "Our advantage is combining technology with flexibility and human expertise."



AHMED EL-ALFY
GNTeq

Ahmed El-Alfy, business development director at GNTeq, also sees technology as an opportunity for independents, particularly because it can improve the speed with which they understand and respond to changes in their operations.

El-Alfy considers one of the biggest potential advantages of a smaller operator is not necessarily access to more technology, but the ability to make decisions faster once the relevant information becomes available.

"Speed of decision is one of the few things an independent has that a big network really struggles to match, because the person who spots the problem can often re-price the lane that afternoon," El-Alfy tells VOTI. "That advantage only exists if the numbers arrive while you can still act."

Given this, timely margin information becomes particularly important. But El-Alfy does not believe independent operators necessarily need to pursue perfect real-time visibility. Instead, he says what they need is the ability to provide information quickly enough to influence the next commercial decision.

"Real-time is the wrong target, and I think chasing it can become an expensive project of its own," El-Alfy continues. "The test I'd use is much simpler: do you know what a lane made before you next quote it? I'd take a rough number tomorrow morning over a perfect one in six weeks."

Fortunately, El-Alfy says that the technology required to achieve that level of visibility is becoming more accessible, with it no longer requiring an enterprise-scale project. This means that independent operators can bring more information into their own systems, changing the role of the carrier invoice. Where before customers would have to wait weeks to discover what a parcel actually cost, an operator can establish roughly what it should have cost when it moved, and then use the eventual invoice to check that expectation.

"The good news is that the barrier has dropped a long way, and connecting a new carrier now takes days where it used to be an enterprise-sized project. That opens up something much bigger than a faster integration," El-Alfy said, adding that once those connections are established, the operator gains greater control over the information needed to manage its margin.

"Once your carriers are connected, you know roughly what each parcel should have cost on the day it ships, and the invoice becomes something you check rather than something you learn from," he says. "The truth about your margin finally sits with you."

Both Diaz and El-Alfy see AI as offering genuine opportunities for independent operators, with Diaz noting that it has already moved into everyday operations. This has largely revolved around handling repetitive administration, documentation, data analysis, customer service and planning. Similarly, automation is increasing in fulfilment and warehouse operations, alongside robotics.

For SMEs, the growing accessibility of these technologies could help narrow the gap between them and larger organisations, with Diaz seeing these systems becoming ever more important over the coming years. That may be, but El-Alfy similarly sees opportunities in applications that are less glamorous. Checking carrier invoices against agreed rates, processing customs product data and classification, managing exceptions and speeding up quotes are among the areas where he expects technology to produce practical benefits.

But he warns that the advantages of new technologies are only as useful as the operation and information underneath it. He does not believe that AI has automatically levelled the playing field. Rather, it can give an advantage to companies that have already done the less exciting work of cleaning their data and establishing consistent processes.

"I don't think AI levels the playing field," El-Alfy says. "It hands the advantage to whoever already did the boring work, and that can just as easily be an independent. Point it at clean data and agreed processes, it's genuinely astonishing. Point it at a mess and it industrialises the mess. In my experience, an independent can often clean its data and agree its processes in a quarter. From what I've seen, a big network with layers of legacy systems can take a year just to agree the definitions. The moat is being prepared, not being big."

El-Alfy says that this means the danger is less that an independent operator fails to adopt AI, and rather that one adopts the technology without fixing the problems it is supposed to address – he warns against the hype.

"AI is overhyped wherever it's sold as 'autonomous logistics' or laid over data nobody has cleaned," he continues. "A chatbot put in front of a broken process is probably the clearest example, because the customer just gets a faster, friendlier way to hear that nobody knows where their parcel is."

There are also financial consequences that need to be considered. While automation can reduce some personnel requirements, Diaz points out that businesses simultaneously have to spend more on software, integration and maintenance. This means technology does not automatically deliver an immediate financial windfall. Productivity gains can be real while the return on investment takes longer to emerge.

"We should not confuse automation with robotics, or AI's ability to support decisions with the programming and operational discipline that companies still need," says Diaz. Technology is reducing certain personnel requirements, but at the same time increasing expenditure on software, integration and maintenance."

He argues that companies need to recognise that the financial benefits of technology can be more gradual than many initially expected. This is particularly important for SMEs who must consider where to deploy technology. The objective is not simply to automate as much as possible, but to identify where technology can improve productivity, information and decision-making without undermining the flexibility that gives SMEs their advantage.

El-Alfy's advice is to begin with the fundamentals. Taking it right back to basics, he suggests checking the previous month's carrier invoices against the rates that were agreed, which he says can reveal how clean the company's data is and how much margin it may be losing. Only after this is done does he think it is right to begin implementing AI. And it is a principle he applies to growth, believing one of the biggest mistakes independent logistics businesses make is agreeing to additional volume before establishing whether the underlying operation works.

"A demanding customer is usually a good one, because they tell you exactly what they need."

"The biggest mistake I see is saying yes to growth before you know the unit works," says El-Alfy. "I'd push back a little on the idea that demanding customers are the pressure. A demanding customer is usually a good one, because they tell you exactly what they need."



MANUEL DIAZ
Supply Chain Worldwide

If there is a problem, he says it is not necessarily the customer's expectations but the decision to promise something without first understanding the cost and operational implications. It is a pattern El-Alfy has seen repeatedly, with sales agreeing to a customer's request, operations subsequently having to redesign the process only for the finance team to discover later that the margin has disappeared.

"Every operational disaster I've ever watched started the same way, with someone in sales saying, 'yeah, we can do that'," he continues. "I should know, because I've been that someone. It feels great in the moment: the client's delighted, the deal closes and you're the hero."

His solution is the "3-Box Check", which tests whether a company can make money on a single parcel or lane today, whether it can move, track, clear customs and handle a return without the process breaking down, and whether it can provide a delivery commitment it can meet consistently.

"If the unit doesn't work, volume just multiplies the loss," El-Alfy says. "The check itself costs nothing, and the hard part is the discipline to say 'no, but here's what we can actually do, every time, without the wheels coming off'."

Technology

opportunities

The warning is particularly relevant as technology makes it easier to scale operations. Faster systems can accelerate growth, but if the underlying economics or processes are wrong, they can also accelerate losses. This leads to the third and potentially most significant consequence of the technology shift: it could begin to reshape not only how independent operators work, but the structure of the forwarding industry itself.

Diaz considers the true threat of technology being the potential pressure that it could put on the traditional asset-light model. If a company invests heavily in warehouse automation, for example, controlling the warehouse may become more attractive.

"If you are investing significantly in warehouse automation, for example, it makes more sense when you control the warehouse," says Diaz. "The same applies to trucks: if AI is optimising routes, capacity and scheduling, owning or controlling those assets gives you much greater ability to execute what the technology recommends."

The implication is that technology could encourage some traditionally non-asset-based forwarders to take greater ownership or control of strategic infrastructure. This does not necessarily mean a complete shift away from the asset-light model, nor need it be a bad thing. But it is a change. Diaz sees selective ownership as potentially becoming part of a new model in which technology, infrastructure, flexibility and human expertise work together.

In this respect, Diaz considers the next two or three years as being pivotal, it will be in these years that AI, automation, predictive analytics and integrated transportation and warehouse systems become increasingly important. But he says that the operators that benefit most will not necessarily be those that simply spend the most on technology.

"For SMEs, the winners will be those that combine technology, selective ownership of strategic assets, flexibility and human judgment," Diaz continues. "Technology may not only change how forwarders operate; it could gradually change the traditional asset-light forwarding model itself."



In El-Alfy's view, transformation is ultimately less about having the newest technology than having the information and discipline to use it properly. An independent operator that knows its costs, its processes and receives information quickly can use its smaller scale as an advantage rather than a weakness. Consequently, both Diaz and El-Alfy believe the distinction may shift from SME vs MNC to those companies with and without operational discipline.

The central challenge for independents is, therefore, not simply whether to embrace technology, but knowing where it creates genuine value, ensuring the underlying operation is sound and retaining the human judgement needed when logistics inevitably departs from the plan.

This, El-Alfy says, means being prepared before attempting to scale, while for Diaz it means combining technological capability with flexibility and experience.

Technology may ultimately reshape the way goods are moved, managed and planned, but for SMEs, the immediate competitive advantage may come from something less revolutionary: knowing their numbers, understanding their processes and being able to act on information before their larger competitors do.

The missing link for ecommerce

INTENDING to end the "data nightmare" blighting cross-border deliveries, as tougher customs rules pile pressure on parcel operators, WCA eCommerce Solutions has launched WCA eCom Connect.

Powered by SendTek, the platform aims to connect forwarders, customs brokers, airlines and last-mile carriers through a single shared system, giving every partner real-time access to shipment information.

Its launch follows an upturn in pressures hitting cross-border ecommerce operators amid mounting pressure from regulatory changes, including the US termination of the de minimis exemptions and the EU tightening its own controls on low-value imports.

Against a backdrop of authorities demanding increasingly accurate shipment data, even a minor error in a parcel's Harmonized System (HS) code can trigger costly delays, warehouse backlogs and angry customers. And yet despite the growing stakes, the industry continues to rely on disconnected systems, forcing forwarders to act as the middlemen between partners that cannot easily share information.

A single parcel can pass through a marketplace, a first-mile collection service, a consolidation hub, an airline, a customs broker and a final-mile carrier, with each operating its own software and maintaining separate shipment records. The result of this is a supply chain riddled with information gaps, duplicated work and missed updates, leaving operators scrambling to piece together what has happened to their cargo. WCA eCommerce Solutions believes its new platform could provide the missing link.

Rather than forcing companies to abandon their existing technology, a spokesperson for the association says that eCom Connect integrates with the transport management, warehouse management and customs systems already in use, thereby allowing partners to share shipment information without needing to alter their existing infrastructure.

By bringing quoting, booking, customs clearance, forwarding and final-mile delivery into a single connected workflow, eCom Connect ensures that all relevant partners are notified when of a shipment's progress through the supply chain. The spokesperson says that the initiative was driven by problems identified within its own international network. Despite strong relationships and extensive industry expertise, members were still relying on emails, spreadsheets and multiple portals to coordinate shipments, often working from different versions of the same information.

Having spent more than three years developing a solution, the association concluded that yet another standalone software tool would do little to address the underlying problem. Rather, it decided to connect the partners already working together, allowing them to operate from a shared source of shipment data. The spokesperson said the platform is designed to bring classification, compliance, freight, parcel and carrier data into a common language across more than 190 countries.

With WCA bringing the international network and established relationships, SendTek offers the technology to connect them.

Feedback from a select group of WCA eCommerce Solutions members already piloting eCom Connect on live cross-border shipments is being used to refine the platform before its wider rollout. And the long-term ambition is to extend the system beyond the initial network.

For operators accustomed to waiting hours or even days to discover a change in a rate, customs code or shipment milestone, the promise of immediate updates could represent a significant shift. And the platform's launch comes at a time where there appears to be a broader move across the logistics industry away from isolated digital systems and towards connected platforms that allow multiple businesses to collaborate in real time.

For WCA, the message is clear: the future of cross-border eCommerce will depend not simply on how quickly individual companies can move parcels, but on how effectively the entire network can work together. For forwarders still chasing shipment updates across a maze of emails, spreadsheets and disconnected portals, the prospect of having everyone on the same page could not come soon enough.



West African ports expand to grab new services from inland China

DIRECT container shipping services to West Africa out of Wenzhou are marking yet another shift away from China's key ports, amid a massive upgrade in regional infrastructure and booming demand from the country's inland factories.

Located in Zhejiang province along the Oujiang river, Wenzhou feeds directly into the East China Sea, with the new services offering manufacturers in southern Zhejiang and northern Fujian a pathway to markets along the West African coast, including Ghana and Guinea.

Beginning with three vessels, the 55-day service will go via the Cape of Good Hope to Bolar, Tema, and Conakry, with sources claiming it will shave a week off traditional transit times by cutting out middleman hubs.

The service mirrors a trend that appears to be rapidly absorbing the Yangtze river with ports including Taicang, Nanjing, Jiangyin, and Wuhu aggressively building up international container capabilities to serve local factory hubs and bringing major lines to the region.

Heavy government funding in waterways, advanced terminals, and multimodal transport links has supported the transition, allowing much larger vessel to sail further inland, with road, rail, and waterway networks providing strong hinterland links

At the centre of this push has been a combination of surging industrial demand from inland China, alongside the now structural congestion being experienced at its traditional ports, with these new services offering a means to bypass the problems.

Demand out of Africa for Chinese goods has been a major success story of the past two years, with UNCTAD figures showing trade between the two regions jumping 18 per cent year on year in 2025, to a record $348 billion.

Carriers are keen to get in on the act, "aggressively adding services", according to sources, with ports in West Africa either in the process of or having already expanded key gateways to handle larger vessels.

Flydubai cargo ambitions take off with arrival of freighters

FLYDUBAI'S entrance into the cargo arena kicked off at the start of the month with the launch of three weekly Boeing 737-800 freighter services, as it looks to grab a slice of the ever-growing ecommerce market.

Pivoting to meet massive demand its passenger services are unable to meet with belly capacity alone, the new freighter flights add 69 tonnes of capacity each week to its schedule.

"We have seen strong demand across our network, driven by expanding ecommerce and logistics volumes," Mohamed Hassan, SVP of airport services and cargo, told Voice of the Independent.

Targeting high-demand hotspots including Doha, Kuwait, Erbil, Almaty, Karachi, Mumbai, Delhi, Hanoi, and Nairobi, expectations are for the new freighter network to add more destinations in the not too distant future.

While ecommerce has been a major factor in this, the carrier's partners in high-value sectors like pharmaceuticals, live animals, and aerospace parts have been demanding fixed schedules rather than relying on the leftover space on passenger flights.

"Bellyhold capacity alone could not deliver the certainty, scheduling flexibility, and specialised handling our customers now require," Hassan said, noting Flydubai will debut a 10-product portfolio tailored for everything from time-sensitive medical supplies to general cargo.

It comes just in time for what is expected to be a frantic Q4 peak season, with the freighters stationed at Al Maktoum International (DWC) for direct access to Dubai's massive logistics network, handling both charter flights and scheduled routes.

Hassan said trade flows through Dubai were set to be highly balanced, with electronics and ecommerce heading out, and fresh produce flowing in, with the two-way surge exactly "what makes Dubai the right hub for this operation".

"We will continue to scale both frequency and network reach in line with operational capacity and customer demand," Hassan said, with the carrier securing a wet-lease deal with SolitAir to supply the planes, crew, maintenance, and insurance to get things moving immediately.

This latest influx of capacity builds on a fleet of over 90 passenger planes, with 30 widebody Boeing 787s on order, and Hassan described the 737Fs as perfect for the current market, "giving flydubai greater flexibility to meet rising demand and unlock new opportunities".

"Our customers that prioritise speed, reliability, and direct access over larger single-shipment capacity will benefit from higher frequencies, faster delivery times, and more direct connectivity to the markets we operate to," Hassan said.

Long-term, the airline plans to look at passenger-to-freighter conversions, starting in 2029, to keep the momentum going. Striking a forward-looking tone, Hassan noted: "As bellyhold capacity and the added freighter capacity absorb near-term demand, future conversions will become the next lever, once the case for additional dedicated freighter capacity is established."

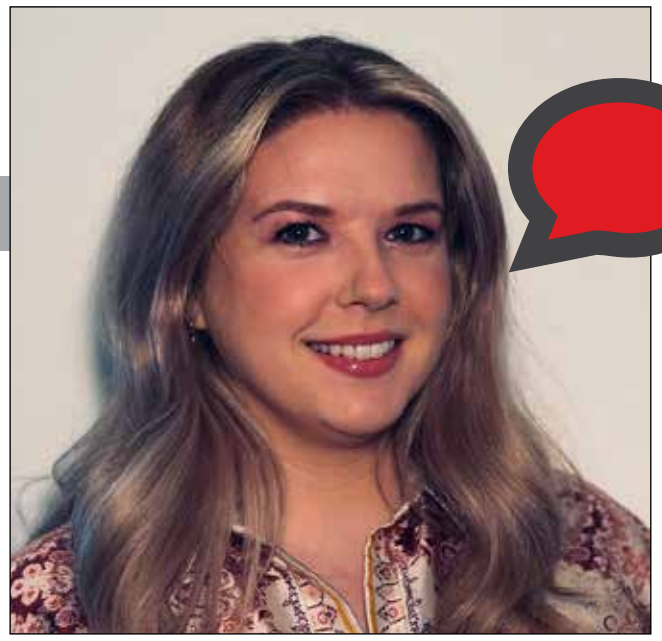




Spotlight ON

Emma Crumpton

AI not a silver bullet that can solve all a forwarder's problems



OPERATIONAL inefficiencies, unbilled charges, complex supply chains, and increased pressures to protect margins are costing forwarders, but Emma Crumpton, enterprise solutions director at Portcast, told Voice of the Independent (VOTI) that technology alone cannot solve the problems.

Reeling off a list of issues – from detention and demurrage charges to incorrect invoicing and inefficient manual processes – Crumpton says that while these may at first appear seemingly minor, across multiple shipments they quietly begin to erode profitability. Getting a handle on things, from Crumpton's perspective, really means getting an understanding of where the money is being lost.

"It is safe to say that it's the most important thing for a forwarder," she says. "Forwarders are customer service businesses; they rarely own assets. So really, it is about the margin between where they are procuring and what they are selling to their customers, and everything in between is where they make money."

Crumpton says losses at individual shipment level and broader commercial challenges affecting the profitability of the business are where forwarders need to be looking. As far as shipment level losses go, these tend to concern D&D and a whole host of unexplained charges, alongside wasted haulage costs. While across the wider business, issues tend to stem from procurement, competitive rates, service differentiation, and customer retention.

"Lots of different things can happen through the lifecycle of a shipment that can impact the margin and the P&L on an individual shipment level," she continues. "All of that can quietly chip away at a margin."

But, describing it as an "age-old problem" for forwarders – and one that has led to a slew of claims through the US Federal Maritime Commission – Crumpton singles out D&D as one of the more persistent sources of margin leakage. In part, she says the challenge lies in the sheer number of variables involved. Every carrier, port and country can have different free-time allowances, charging structures, and contractual conditions, with some tariffs published online and other governed through negotiated agreements.

> "AI is only as good as the data that is fed into it"

On top of which, she says, carriers differ in how they calculate free time, whether charges are based on calendar or working days, and the milestones from which charges begin accruing.

"When you start to look at that and scale that globally, it becomes an extremely complex problem very, very quickly," she says.

This she says creates a considerable administrative burden for those managing multiple shipments, with employees required to establish which contractual terms apply, monitor free-time allowances, alert customers to potential charges, and identify opportunities to avoid delays. Given the variables, even effective planning cannot mitigate circumstances outside a forwarder's control, especially with the flexibility extending to the terminology wrapped around these issues.

"There are just so many different ways that detention and demurrage can be charged," Crumpton says. "There's no unity across the board, and what happens in the UK or in Europe is very different to the US, for example."

Crumpton believes technology can help, by preventing charges from arising and ensuring that those which do occur are accurately recorded and billed. And automated alerts can notify teams when free time is nearly up. In cases where charges are unavoidable, what becomes essential is accurate financial data. AI, of course, is one means of pulling this together, as it can help structure the unstructured data that underpins many freight forwarding operations. But Crumpton warns that it is not simply a case of switching on AI and everything is solved.

"AI is only as good as the data that is fed into it," she says. "So if data isn't clean, or if there is there's missing data, and that underlying data asset isn't adequate, you won't get the result you're looking for. Within forwarding a single shipment there are hundreds, thousands, of different data points."

Compounding the challenges is the fragmented nature of forwarding, with information routinely exchanged through PDFs, spreadsheets and emails that do not necessarily integrate. For this reason, data quality is considered pivotal by Crumpton and the team. But she stresses that even high-quality data does not remove the need for human involvement.

"You can't just wholeheartedly trust artificial intelligence," she says. "It still needs human insight, and it still needs human input. Part of what I envision and see for this industry over the next few years is how forwarders start to co-work with agents and with this type of technology to bring about the most value."

Crumpton's expectation is for the industry to move towards a hybrid model in which human operators are supported by AI agents who help them access relevant information and make better-informed decisions. Adoption, however, presents its own challenges.

"Ultimately the users need to be able to use it in their day-to-day, to understand it, to trust it," she continues. "And without that, any sort of implementation operationally will fail. Forwarders need to understand a solution, and to be trained on new processes. That's a huge task in and of itself. So it isn't just a lightbulb moment where you can just switch it on."

While many forwarders face similar challenges, Crumpton says it is vital to recognise that the customer bases, commercial objectives, operational restrictions and existing technology infrastructure of forwarders can differ substantially. For this reason, any implementation of this hybrid model requires a deep dive into where margins are being lost, and where an AI agent can support scalability. Resultantly, she says it is important to note that AI should only be used where it offers a genuine advantage.

"There's no need to apply AI for the sake of it," Crumpton continues. "It may be that the problem actually doesn't need to be solved with AI."

All of which brings her back to her opening salvo: while margin erosion is becoming an ever greater burden for forwarders, the key to resolving it is to burrow into the detail and "really actually try and get to the root cause of what is actually causing the margin erosion."

She adds that it could be resolved by the implementation of new processes as much as new technologies.

"The root cause could be something more holistic, like procurement, procurement rates," she says. "There could be a technological solution, but it is really important to note that it is not always just about applying AI."

Sometimes, it can be about shifting the way people work. Re-emphasising that employees remain central, Crumpton says she does not envisage a future in which all human employees are replaced by automated systems. AI is there to enable operators to access the right information at the right time. With the right foundations in place, technology can help forwarders improve efficiency, protect profitability and deliver better customer service. But, her point sits, without a clear understanding of the problems they are trying to solve, even the most advanced AI systems are unlikely to deliver the financial gains the industry is seeking.

enterprise solutions director Portcast

German port strike averted, but Rhine problems persist

WIDESPREAD industrial action at Germany's ports may have been averted for the time being after dockworkers accepted new terms offered by terminal operators, but ongoing low water levels are still presenting shippers and forwarders with congestion hurdles.

Strikes at Hamburg, Bremen, Bremerhaven, Emden, Brake and Wilhelmshaven had been avoided after members accepted the offer from the Central Association of German Seaport Operators (ZDS), according to the ver.di union.

"It was a difficult round, but the bottom line was acceptable," said ver.di negotiator Sylvi Krisch, who suggested that a 24-hour warning strike in mid-August may have helped to force employers back to the negotiating table.

Under revised proposals, workers will receive a 3.4 per cent wage increase, backdated to 1 August, a €200 increase in holiday pay and an additional annual lump sum for dockers involved in high-volume container operations, increased by €416 from 1 January.

While employers still have to approve the agreement, the general sense is that the deal has done enough to remove the immediate threat of further disruption at Germany's major container gateways, but congestion remains.

Per one operator active in the region, yard utilisation at Bremerhaven has reached 90 per cent and Hamburg at 80-85 per cent, although utilisation at Wilhelmshaven has fallen to 65 per cent.

And in more good news, Xeneta said that waiting times have improved since September, but it is understood that German supply chains continue to face disruption inland as low water levels on the Rhine restrict barge movements to Rotterdam and Antwerp.

This led Maersk to warn at the start of the month that conditions could deteriorate to the point where barge transport becomes operationally unfeasible, leaving low-water Rhine surcharges remain in place.

Senior associate of ports and terminals at Drewry Eirik Hooper said it highlighted the limited alternatives available to shippers, noting that about 60 trucks are required to move the equivalent cargo of a single 1,500-tonne barge.

The Kaub gauge on the Rhine saw water levels, fall to 6cm in August, marking its lowest level since records began in 1880, Hooper adding, "Barges either sailed only a fraction loaded, or not at all, with quite a few of them stranded on the upper Rhine".

Gulf container flows on a new course thanks to 'no-go Hormuz'

EIGHT months in, the closure of the Straits of Hormuz is predicted to cause a permanent shift in regional shipping traffic. The Gulf's two largest container hubs, Jebel Ali and Khalifa, are facing the long-term loss of their transhipment business.

Having for decades served as major waypoints for transhipment operations, linking Asia-Europe loops with north-south lanes, surging hull insurance premiums and network redesigns by carriers have left operators AD Ports and DP World nervous of the post-conflict outlook.

"Relay transhipment doesn't come back – ever"

Drewry's senior associate for ports and terminals, Eirik Hooper (right), said: "Relay transhipment doesn't come back – ever. It is the most price-elastic and least-sticky cargo type in container shipping, because it follows network design, not geography.

"Once MSC has moved to Khor Fakkan, CMA CGM built logistics capability at Sohar, once carriers have rebuilt their networks around Salalah, Colombo, Vizhinjam or Jeddah, there's no case for reinstating a Hormuz transit to serve cargo that never needed to enter the Gulf."

Hooper's assessment is supported by recent commercial moves: DP World's recent 50-year concession agreement with



Fujairah Port Authority to construct two terminals outside the straits suggests it too is looking at a strategic pivot away from the inner Gulf.

DP World and AD Ports both reported significant declines in first-half volumes at Jebel Ali and Khalifa, due to the conflict, forcing them to seek growth elsewhere.

"DP World is building 2.5 million teu capacity outside of Hormuz and is marketing it as an extension of the Jebel Ali ecosystem – I don't think you can simultaneously argue for a full Jebel Ali transhipment recovery while its owner is planning for the opposite," Hooper said.

Meanwhile, Khor Fakkan operator Gulftainer also appears to be planning some upgrades, with an intention to expand from 3.5 million teu to 10 million teu, leveraging its location to keep cargo moving into Gulf markets via land bypass routes.

As if this was not enough to ward carriers off a Hormuz return, Hooper said he did not believe there would be a return to pre-war levels of insurance costs for vessels transiting the strait, their having jumped from 0.2 per cent to as high as 7.5 per cent in the past eight months.

"Insurers will not restore pre-2026 pricing for a strait that's been mined and blockaded, and a hub where access carries a persistent risk premium and cannot win price-sensitive relay cargo against a Salalah or Colombo – that's structural, not cyclical," he continued.

Even so, it appears Jebel Ali is expected to maintain a central role in regional supply chains due to Dubai's massive long-term infrastructure investments, and Hooper recognises there is "big business" available for upper Gulf transhipment, as well as re-export opportunities.

"These are materially smaller, but still substantial. It will keep its preeminence regionally because of the JAFZA free trade zone, warehousing, the industrial cluster, the cargo airport – it's taken four decades to build that out and you can't relocate it overnight," he added.

The same cannot be said for Abu Dhabi's Khalifa Port, which appears to be facing up to a more challenging outlook, despite having successfully attracted joint ventures with Cosco, CMA CGM, and MSC by offering dedicated carrier terminals.

That is because it those volumes have migrated to safer networks during the crisis, in part because Khalifa port was "a bit more exposed because Kizad [the Khalifa free trade zone] can't claim the same size, longevity, or breadth of customer base to anchor it," Hooper said.

The crisis is also driving major corporate acquisitions outside the Gulf, as lines secure safer equity hubs, the likes of MSC having acquired a 49 per cent stake in Vizhinjam for $1.4 billion to provide "a structurally safer relay hub outside the Gulf".

Addressing local regulatory hurdles facing that transaction, Hooper concluded: "Given MSC's volumes, it's our view that it will eventually get approved rather than refused, but there may be some conditions attached."

Busiest week for Suez Canal for more than two years as box ships return

MORE carriers are lining up tentative returns to the Suez Canal this month, with Premier Alliance members the latest to reveal a revised shipping schedule that includes services through the Red Sea and Egyptian waterway.

After being reassigned to the Premier Alliance's FE1 Asia-North Europe service, ONE will see its 8,100 TEU One Continuity depart Laem Chabang on 19 October and make its way to the canal.

"According to the new FE1 pro forma, One Continuity will arrive at the Suez Canal on 9 November, and then at its first European port of call, Rotterdam, on 19 November."

It heads up a list of other vessels on the FE1 service, including the 9,000 TEU NYK Venus, 8,200 TEU ONE Hamburg, and 9,000 TEU NYK Orion, which are set to depart Asia in November and December on scheduled Suez transits.

Not wanting to miss out on the opportunity, it seems that Cosco is also reportedly preparing westbound transits through the canal for the first time since the Red Sea crisis escalated at the start of last year.

"After nine eastbound voyages scheduled via the canal since mid-September, Cosco will make its first westbound voyage through the Suez in more than two years with the 24,200 TEU OOCL Spain on the AEU1/LL1 service on 4 October," Linerlytica said.

Part of the Ocean Alliance's Asia-North Europe network, the is designated as the NEU1, and as the FAL5 by CMA CGM.

The return of capacity follows a busy end of September, which "marked the busiest week for containership transits through the Suez Canal since 2024, as 30 ships of over 4,000 TEU passed through," according to Linerlytica.

Since May it has been estimated that just over two million TEU in capacity has shifted from the Cape of Good Hope and back to the Suez Canal routing, but an upturn in diplomatic assurances that it is safe appears to be behind the last push by carriers.

Those assurances include a letter reportedly sent to the EU from the Iran-backed Yemen-based Houthi rebels in which they pledged that European vessels would no longer be targeted.

That promise coincided with the Houthis having captured the port of Mocha on the Yemen coast.

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