OCEAN CARRIER EQUIPMENT MANAGEMENT ASSOCIATION

OCEMA's Amended VGM Best Practice to Include Terminal Weighing Approach

FOR IMMEDIATE RELEASE
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Washington, D.C. June 28, 2016 – The Ocean Carrier Equipment Management Association ("OCEMA") has amended its Recommended Best Practice for the Acceptance and Transmission of Verified Gross Mass (VGM) to include a Terminal Weighing Approach.

The process set out in the Terminal Weighing Approach (TWA) allows for weights obtained at U.S. ports and marine terminals to be used as VGM on behalf of shippers. A key condition of the use of the TWA is that equipment used to obtain these weights must satisfy U.S. regulatory requirements as described in the equivalency statement in U.S. Coast Guard Maritime Safety Information Bulletin 009/16 (MSIB). Immediately following the issuance of the MSIB, OCEMA contacted the Coast Guard to seek confirmation that terminal weighing procedures and practices would be consistent with the VGM equivalency determination. As a result, the TWA contemplates that marine terminals will provide gross container weights directly to ocean carrier stowage planners as VGM on behalf of shippers.

Under the TWA, shippers' verification of VGM is set forth via carrier tariffs and/or MTO schedules. To this end, OCEMA has adopted tariff language for its members addressing the TWA. A key benefit of this feature is that shippers will not be required to perform any additional actions in order to provide VGM.

"We are three days from the VGM implementation date. We have come a long way in a very short timeframe," said Frank Grossi, Chairman of OCEMA and Executive Vice President, COSCO Container Lines America, Inc. "In order to ensure a soft landing, all stakeholders must work together to implement the flexible solutions to VGM outlined in OCEMA's Best Practice. Cooperation by all will prevent service interruptions and promote supply chain efficiencies."

OCEMA is an association of 19 major U.S. and foreign flag international ocean common carriers that provides a forum for its members to discuss operational, safety, and related matters pertaining to the intermodal transportation of ocean freight within the U.S. OCEMA also operates the CCM chassis pool system of 140,000 chassis, at over 200 U.S. intermodal locations, which has been an essential tool in providing rail and marine terminal fluidity and efficiency.

-30-

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