



TUESDAY 15TH MAY – MORNING

LINER TRADES

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Answer **BOTH** parts of the question
 - a) Draw a labelled profile and labelled cross section of **ONE** of the following vessels:
 - i. 2000-3000 teu container ship
 - ii. Pure Car Carrier [PCC] vessel
 - iii. 8000-9000 teu container ship
 - b) Describe **TWO** main trade routes for this vessel, including the main types of cargo carried on each route. Use the world map provided to support your answer.
2. Over the last two years there has been significant consolidation in the liner industry through mergers and takeovers. Explain the background and summary of these changes and how the scale of services looks today. In addition, a number of key changes have only been approved 'with conditions' by many competition authorities. Highlight some examples of where this has happened and why.
3. The recent rising cost of bunker fuel in the second half of 2017 gives carriers new concerns in terms of voyage costs. Choose **TWO** separate trades and, using a world map to support your answer, show the full extent of these trades and where you would bunker your vessels, also describing the benefits of these locations.
4. You are approached by a container liner shipping company to become their 'sole agency' in your country. Prepare a proposal with an organisation chart showing details of your proposed company structure and key functions/responsibilities.

PLEASE TURN OVER

5. Yield Management is a key principle in liner shipping today. Define the principles of yield management. Then, using a trade lane of your choice; show the individual elements of revenue and cost and how these are calculated for yield. Use examples to support your answer.

6. E-Commerce and carriers' websites have become a very important platform for carriers and their customers in recent years. Describe from both carrier and cargo owner's perspective why E-Commerce is important and explain how it is used to result in positive benefits.

7. Container vessels and Specialised Reefer vessels compete for trade in refrigerated cargo with container vessels continuing to carry a large and increasing share of this growing global business. Discuss the structure of this global trade and advantages and disadvantages of using each mode of transport using some key trade lanes as examples. Give an overview of the likely developments in this trade sector over the next five to six years.

8. Describe the elements that make up a freight tariff and what tools you would use to construct a tariff in a new market. In an environment where revenue is not sufficient to cover costs, suggest ways in which you would be able to deal with this.