

# Where Kiwis 'fly'

BY DAVE MACINTYRE

New Zealand is punching above its weight when it comes to achieving worldwide standards in maritime education, judging by the success of Kiwi students in the TutorShip distance learning courses offered by the ICS (Institute of Chartered Shipbrokers) and in the CILT UK courses offered by the Logistics Training Group (LTG).

In the last two years, top ICS prizes worldwide have been won by Deirdre Corfield of Pacific Basin Shipping (for a paper on liner trades) and Dave Bishop of Oceanic Shipping (for a paper on maritime law). Both were deemed "best paper" internationally in their subject.

And in the last five years two LTG graduates have also taken the prizes as top student in the world as judged by CILT UK and another won the CILT International Young Achiever Award.

Bob Hawkins, chairman of the Australia-New Zealand Branch of the ICS, said the success rate of New Zealand students was remarkable.

"In the last couple of years the students have been achieving amazing international success. We are on a par with a country such as Canada, which has a much greater population base and a larger maritime community.

"It says a lot about both the skill of the students, who have to complete their work via correspondence, and the quality of the courses and tuition through the ICS," he said.

Tutorship is through the ICS's in-house distance learning centres, with correspondence courses supported by specialist tutors available via phone and e-mail. The Australia-New Zealand Branch of the ICS has its distance learning centre (DLC) in Melbourne but the New Zealand chapter, based in Auckland, co-ordinates the popular Understanding Shipping course for Kiwi students.

This course is intended to meet the needs of new entrants to the industry with little prior exposure to shipping. It gives a comprehensive coverage of types of ships and trades, the commercial shipping environment, bills of lading, port agency functions, bulk carrier and tanker documents, liner agency documentation,



Deirdre Corfield and Dave Bishop . . . both winners of top ICS prizes.

chartering, ports and cargo types, and ship management and operations.

The Understanding Shipping course results in a certificate for successful students. Those wanting a formal maritime qualification have the option of the foundation diploma course or the advanced diploma which require the passing of final examinations.

The gateway to full ICS membership is through its professional qualifying examinations (PQEs) which require the student to pass four compulsory subjects plus three of the optional subjects available.

These upper-tier examinations and qualifications are designed to be roughly equivalent to degree-level standards. All the examiners and assessors are practising maritime professionals.

At LTG, Walter Glass says there is a difference between training and education.

"There are numerous companies that will 'train' employees in everything from stevedoring to stacking pallets or operating a ship, truck, train or plane; and by and large they turn out people capable of doing operational tasks.

"They do not train them in the management skills to make advanced, deductive, tactical and strategic decisions."

This is the niche into which LTG aims to provide advanced education-type

programmes. It has been involved in offering specialist management programmes and qualifications to the logistics, transport and supply chain sector in New Zealand and Australia for over 18 years. It works in conjunction with Massey University (NZ) and the University of New England Partnerships (NSW).

The company has evolved to become an "applied education" provider in the sector focusing on "management capability development". In particular, LTG offers an internationally-recognised qualification that does not require an undergraduate degree as an entry requirement. Rather, the student needs demonstrable industry experience and individual competence.

Students are in full-time work and come from both civilian and military backgrounds, as well as government and NGO roles.

LTG's primary offerings are the Chartered Institute of Logistics and Transport-UK (CILT UK) qualifications, in particular, the professional diploma in logistics and transport which is taught at a post-graduate level.

Graduates with adequate grades are eligible to apply for entry to the Massey University masters in logistics and supply chain management. The CILT UK certificate in logistics and transport is also available, as are a wide variety of short courses.



# Kotahi: conventional when it suits

BY DAVE MACINTYRE

Specialised shipping has a definite but specific role in the future Kotahi shipping arsenal, the company's CEO Chris Greenough says.

Expanding on a speech to the Institute of Chartered Shipbrokers' New Zealand chapter, he told *Special Industry Review* that after running two charters to the Middle East through Oceanic Navigation he felt Kotahi would "definitely do more" with conventional shipping.

"Conventional is not considered a panacea, or indeed a replacement for containerisation. Containers will remain our main method of shipping.

"But conventional ships can be a complement to traditional liner services targeted at consolidated peak demands and harder-to-serve markets. We see future deployment opportunities in a blended shipping programme for New Zealand exporters.

"We will, however, have to manage the risk of diluting container

demand. We need the container carriers coming to New Zealand and also making a buck here. We will not create instability in container services by taking conventional shipping to excess."

Overviewing Kotahi's role since its creation as a freight management company to service dairy co-operative Fonterra and meat exporter Silver Fern Farms, expanding also to meet the needs of other shippers and importers, Greenough says it expects to move about 250,000 TEUs in its second year of operation. About 90% so far has been Fonterra dry and reefer boxes.

In recent times containerisation has fitted the Fonterra requirement because of various factors. Milk production occurs nationwide and product is stored in about 100 warehouses around the country. Shipping continues throughout the year with only moderate seasonality and exports go out from 10 ports.

Other factors include relatively small order sizes of less than five TEUs, going to diverse consignees in different parts of the world. Consignees prefer to minimise stock inventory, meaning Fonterra strives to supply them with just in time (JIT) shipping.

All these factors have created a leaning towards containerisation, and the previous almost unlimited availability of capacity from transshipping hubs has furthered the case.

However, market conditions are changing, says Greenough, which questions the suitability of a one-mode solution for all markets.

"There is more seasonal demand by region, with that demand happening in narrower time windows. Also, there is increasing penetration into markets which are hard for container lines to serve, such as West and North Africa. They are one-way trades. You put a container into there and how do you get it back?

"New sales channels such as global auctions are creating greater certainty of sales volumes and timing but less certainty of destinations.

"There are also changes happening in the container market. There is now constrained capacity on tranship routes, meaning that peaks and troughs of demand are harder to cater for.

"The service quality has downgraded due to lengthening transits and rationalised global networks. There is increased risk of missing connections at transshipping hubs and higher dwell times at those hubs. There is global price instability and the decision of major carriers not to build new reefer equipment is of concern to New Zealand exporters."

Some of these issues were factors in Kotahi deciding this year to undertake its first conventional charter in 10 years. A reduction in container capacity and a late swing in demand towards the Middle East, plus a tight time frame to make delivery before Ramadan, convinced Kotahi to charter a voyage of the Marlene Green through Oceanic.

Two port calls in New Zealand were organised as well as two destination ports in the Middle East, and a 25-day transit resulted in satisfied consignees and a satisfied shipper.

Greenough says the requirements of containerised and breakbulk freight are different and there are pros and cons to each. However, going forward, each has a role to play for Kotahi.

"Conventional definitely has a role to play. It is a question of applying different solutions for different situations," he said.

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