

## NEWS FLASH: Nearly three in four shippers have cargo on Hanjin vessels

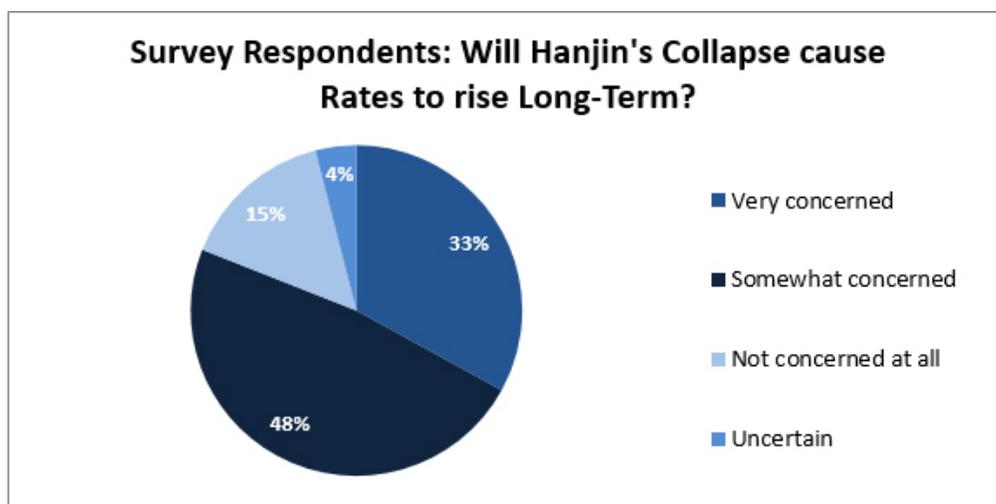
**A survey conducted by American Shipper revealed that 40 percent of participants believe the most likely outcome of Hanjin's predicament is that its assets will be liquidated and acquired by multiple carriers.**

By [Eric Johnson](#) |Thursday, September 01, 2016

More than 70 percent of beneficial cargo owners and ocean intermediaries surveyed by *American Shipper* Thursday said they currently have cargo aboard vessels belonging to the beleaguered liner carrier Hanjin Shipping.

The South Korean shipping line [filed for receivership Wednesday](#), setting off pandemonium in container trades. Reports emerged Thursday of soaring spot market rates on both the transpacific and Asia-Europe trades, and more worryingly, vessels are being prevented from berthing or unloading at ports across the globe.

*American Shipper's* survey, which includes responses from 159 companies, including 47 beneficial cargo owners (BCOs), 29 non-vessel-operating common carriers (NVOCCs), 19 freight forwarders and 14 carriers, also found that companies are overwhelmingly concerned about the impact that Hanjin's collapse could have on its current partners in the CKYHE Alliance - COSCO Container Lines, "K" Line, Yang Ming and Evergreen Line. Forty-one percent of respondents said they are very concerned about Hanjin's ordeal impacting the CKYHE, while another 35 percent said they are somewhat concerned.



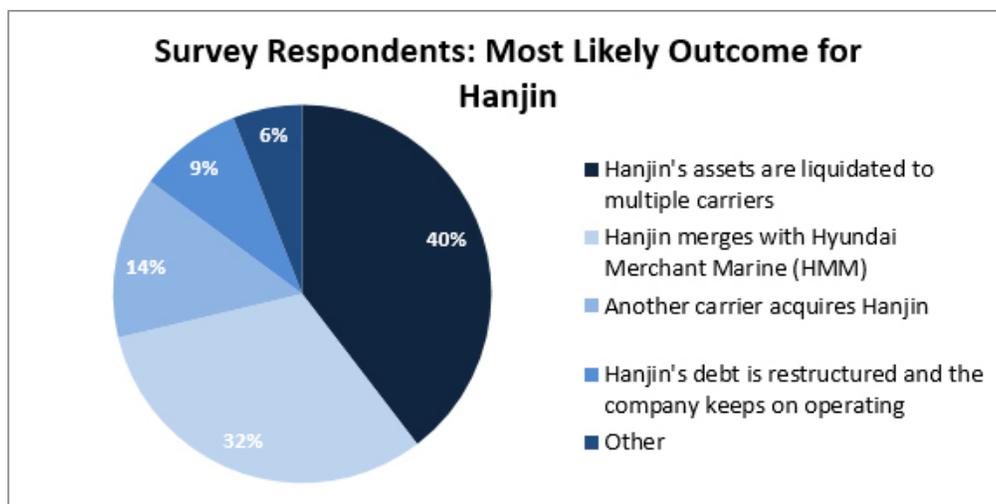
Source: American Shipper Research

The chart above shows that in terms of how Hanjin's situation might impact rates, 48 percent of all survey takers said they were somewhat concerned rates will rise in the long term, while 33 percent were very concerned, 15 percent were not concerned at all and 4 percent were unsure.

Fifty percent of BCOs surveyed said they are very concerned rates will rise in the short-term, and another 39 percent said they are somewhat concerned. What's more, 28 percent of BCOs are very worried that the Hanjin collapse will cause rates to rise long-term, and another 45 percent said they are somewhat concerned about long-term rate increases.

Meanwhile, for intermediaries, sixty percent surveyed said they are very concerned about short-term rate hikes and 38 percent are very concerned about long-term increases. Another 23 percent of intermediaries are somewhat concerned about short-term increases and 50 percent are somewhat concerned about Hanjin's

move affecting long-term rates.



Source: American Shipper Research

Of all those surveyed, 40 percent said they believe the most likely outcome of Hanjin's predicament is that its assets will be liquidated and acquired by multiple carriers, as illustrated in the chart above. The second most likely outcome, according to respondents, is that Hanjin is merged with compatriot carrier Hyundai Merchant Marine (HMM), with 32 percent suggesting that scenario. Only 9 percent said they believe Hanjin will be able to restructure and continue operations, and only 14 percent said they thought Hanjin would be acquired by a carrier other than HMM.

Lastly, 68 percent of BCO/intermediary respondents said that vessel sharing agreements and alliances should have a single source of information for shippers to minimize confusion during times of crisis, compared to 15 percent who didn't agree, and 17 percent who were uncertain.

The [anonymous poll](#) remains open.