SHAP TALK

January 2014 Issue No. 141

In this issue:

Baltimore Headquarters
100 N. Charles St, Ste 1200
Baltimore, MD 21201

Phone
1-888-you-1915

www.shapiro.com

you@shapiro.com

TRADE NEWS

WTO Reaches Trade Facilitation Agreement

The World Trade Organization (WTO) reached an agreement on trade facilitation at the Ministerial Conference in Bali in early December. The goal of the agreement is to reduce trade barriers around the world to make customs procedures more efficient and expedite the movement and clearance of goods. President Barack Obama stated, "This new deal, and particularly the new trade facilitation agreement, will eliminate red tape and bureaucratic delay for goods shipped around the globe. Small businesses will be among the biggest winners, since they encounter the greatest difficulties in navigating the current system. By some estimates, the global economic value of the new WTO deal could be worth hundreds of billions of dollars."

The facilitation agreement is meant to provide increased transparency and access to customs procedures. WTO members will undertake to reform customs practices to make clearances less burdensome, particularly for small businesses. Many companies are not able to reap the benefits of free trade agreements due to the onerous documentation requirements. The WTO agreement includes a reduction of documentary requirements, processing of documents before goods arrive, use of electronic payments, and quick release of perishable goods which can further reduce costs for small businesses.

The text of the complete agreement may be found here.

FDA Proposes Rule to Address Food Product Terrorism

The Food & Drug Administration (FDA) has proposed a rule as required under the Food Safety Modernization Act (FSMA) to address the intentional adulteration of food products with the intent of harming public health.

The rule would apply to foreign and domestic facilities which are required to register with FDA that manufacture, process, pack, and/or hold food products with specific attention given to areas that FDA has identified as being vulnerable to terrorist attack including bulk liquid receiving, loading, handling, and storage; secondary ingredient handling; and mixing activities.

There would be exceptions to the requirement including:

- *Qualified facilities which would have to keep their qualified status documentation on hand for FDA review. Qualified facilities would include very small businesses having less than $10 million in total annual sales; or those which both have sold less than $500,000 annually over the previous three years, and have sold over half of their products to qualified end users over the past three years.*
- *Packing or labeling of food where the container that directly contacts the food remains intact.*
- *General holding of intact food products with the exception of food in liquid storage tanks.*
- *Alcoholic beverage facilities that are registered with FDA and permitted by Treasury or its foreign equivalent.*
- *Animal food products.*

- *Transportation carriers including bulk liquid carriers as origin and destination facilities would not be covered by the proposed rule and therefore FDA has currently determined that no actions would be required by the carrier to ensure safety. Risk mitigation procedures for origin and destination facilities would include activities such as controlling access to loading areas and equipment, increased observation of receiving and loading areas, and the use and verification of seals on conveyances.*

Facilities subject to the rule would have to implement a safety defense plan including the following requirements:

- *The defense plan has to be written and should include methodologies, monitoring, corrective action plans, and implementation verification strategies.*
- *Training of personnel and food contact employees in food defense awareness and responsibilities.*
- *Recordkeeping of the above mentioned plan, training, and any actions taken to correct any deficiencies or vulnerabilities.*

Once finalized the rule could take effect sixty days following its publication; although FDA has stated that it would allow a grace period of one year to comply. Small businesses, which are defined as having fewer than five hundred employees would be granted two years to comply, and very small qualified businesses would have three years to comply.

Comments on the proposed rule are due by March 31st. Information about the rule, its proposed requirements, and instructions on submitting comments can be viewed on the FDA website here.

COAC Announces Progress with ITDS

At the November 15th Advisory Committee on Commercial Operations (COAC) meeting the One U.S. Government at the Border Subcommittee announced that federal government agencies are making progress in the development process of the International Trade Data System (ITDS).

ITDS' goal is to utilize a single window system for both imports and exports to allow reporting to government agencies and admissibility determinations through electronic transmissions vs. the current largely manual processes, which involve the filing of paper forms. There are currently approximately 21 agencies that require 139 various forms for imports, and 8 agencies requiring 55 forms for exports, both of which represent a costly and time consuming, labor intensive process.

The current status of the system includes:

- *The announcement by U.S. Customs and Border Protection (CBP) of two initial pilot tests of the participating government agency (PGA) message set. The tests will include reporting of data to the Environmental Protection Agency (EPA) for vehicles, their engines, and ozone depleting materials, and to the Food Safety and Inspection Service (FSIS) for meat, poultry, and egg products. The pilots will be conducted in the ports of Newark, Long Beach, Houston, Philadelphia, and Champlain. The suggestion is that the data should be sufficient for PGA review and that the actual forms currently required would not be needed or requested.*
- *Capabilities that include transmission of CBP agricultural inspection results to the Animal and Plant Health Inspection Service (APHIS) through the Automated Commercial Environment (ACE) system,*

which according to CBP have resulted in a 33% workload reduction.

- *Currently 5 government agencies are receiving data through the platform - FSIS, Coast Guard, Agricultural Marketing Service, National Marine Fisheries Service, and the Consumer Product Safety Commission.*
- The utilization of the Document Image System (DIS), which allows users to electronically provide current PGA forms.
- The deployment in April 2014 of phase 1 of the Automated Export System (AES) under a single window platform. The system is expected to increase control of licensed shipments, and to provide electronic data to the Census Bureau, which will replace the weekly CBP extraction of data to Census.

COAC made the following recommendations to the system:

- *CBP needs to work with the Food & Drug Administration (FDA) to develop an electronic notification for Notices of Action.*
- *CBP needs to work with any PGA that utilizes CBP's penalty notice and/or liquidated damages systems to publish mitigation guidelines for the PGA involved based on an importer's trusted trader status.*
- *CBP needs to work with PGAs on processes that will allow admissibility determinations at the time of cargo release.*
- *CBP needs to work with the PGAs in developing efficient processes to incorporate PGAs into CBP's Centers for Excellence & Expertise (CEE).*
- *ACE should incorporate timely and early data corrections, and the allowance of clerical corrections that won't impact targeting of trusted traders by CBP or any PGA.*
- *Cargo release messages should be issued prior to the arrival of cargo for trusted trader importers who submit advance data.*
- *CBP should accept unified import filings including PGA data up to 30 days prior to departure from origin. Data should be passed to the PGA upon receipt and the PGA should review and provide its admissibility and release messages before cargo arrival. Message sets should also be consistent and specific*

Information on the ITDS platform can be viewed by visiting the following website: www.itds.gov.

e-STB Program Will Allow RLF for Single Transaction Bonds

U.S. Customs and Border Protection is working on a program to centralize the single transaction bond (STB, also known as single entry bond or SEB) process to bring uniformity and consistency to STB review. The electronic STB will replace the current paper STB filed with the entry at the local port.

At this time, any entry with a paper STB will result in an "Entry Documents Required" disposition which delays the release of cargo since the physical documents must be presented to Customs to secure release of the cargo. The e-STB will eliminate the need for automatic document review so that entries can be released electronically with a "Paperless" disposition. This in turn means that entries requiring a single transaction bond will be permitted under the Remote Location Filing (RLF) program.

Paper bonds can lead to typographical errors and to bonds being submitted without the required surety approval. The current decentralized STB process has also resulted in insufficient bond coverage to the tune of $1.5 billion in FY 2009 according to an analysis by the Department of Homeland Security Office of Inspector General.

The impact of the e-STB on single Importer Security Filing (ISF) bonds is not yet known. Customs is still evaluating the scope of the e-STB process.

Customs is expecting to roll out the e-STB in January 2015.

European Union Updates Its GSP Program Effective January 1, 2014

The European Union has made substantial changes to its Generalized System of Preferences (GSP) program effective January 1, 2014.

The primary charges are:

- *Concentrating GSP preferences on countries most in need. A number of countries, which do not require GSP preferences to be competitive, will no longer participate in GSP starting January 1st, including:*
  - *Countries that already have preferential access to the EU which is at least as good as under GSP – for example, under a Free Trade Agreement or a special autonomous trade regime.*
  - *Countries which have achieved a high or upper middle income per capita, according to World Bank classification.*
  - *A number of overseas countries and territories, which have an altern tive market access arrangement for developed markets.*
- *Reinforcing the incentives for the respect of core human and labor rights, environmental and good governance standards through the GSP+ arrangement.*
- *Strengthening the effectiveness of the trade concessions for Least Developed Countries through the "Everything but Arms" (EBA) scheme. Reducing GSP to fewer beneficiaries will reduce competitive pressure and make the preferences for LDCs more meaningful.*
- *Strengthening the effectiveness of the trade concessions for Least Developed Countries through the "Everything but Arms" (EBA) scheme. Reducing GSP to fewer beneficiaries will reduce competitive pressure and make the preferences for LDCs more meaningful.*
- *ncreasing predictability, transparency and stability. With the exception of EBA, which has no expiry date, the new scheme will last 10 years, instead of three previously. This will make it easier and more interesting for EU importers to purchase from GSP beneficiary countries. In addition, procedures will become even more transparent, with clearer, better defined legal principles and objective criteria.*

The list of countries eligible for GSP treatment in the EU has been reduced from 176 to 90, and may be found in this EU memo which includes a summary of the changes.

A guide for the reformed GSP program may be found here. The EU has also posted an FAQ document as well as an informative presentation - Presentation Highlights of the EU's new General Scheme of Preferences.

Department of Commerce Reinstates Antidumping on Ball Bearings from Japan and UK

The Department of Commerce announced in a December 16, 2013 Federal Register notice that it is reinstating the antidumping orders on ball bearings from Japan and the United Kingdom effective November 29, 2013. The orders had been in place since 1989 and were revoked in July 2011. On May 16, 2013, the U.S. Court of Appeals for the Federal Circuit reversed a decision by the Court of International Trade (CIT) and ordered the CIT to reinstate the International Trade Commission's (ITC) affirmative material injury determination in the ball bearings case. The ITC determined that revocation of the antidumping orders would likely lead to the continuation or recurrence of material injury to the U.S. ball bearing industry. U.S. Customs and Border Protection resumed collection of antidumping duties at the rates in effect on July 15, 2011, the date of the case revocation.

The Department of Commerce will resume administrative reviews. It is unclear what action Commerce will take for bearings entered during the period July 15, 2011 to November 29, 2013.

Legislation Introduced to Allow GSP for Travel Goods

Senate Bill 1839 was introduced on December 17, 2013 to make certain luggage and travel articles eligible for duty free treatment under the Generalized System of Preferences (GSP) program. Travel goods are generally found in Chapter 42 of the Harmonized Tariff and can carry duty rates as high as 20%. According to the American Apparel & Footwear Association, 99 percent of travel goods are imported.

The legislation proposes to make certain articles under tariff heading 4202 duty free under the GSP program. The targeted HTS numbers are subheadings 4202.11.00, 4202.12.40, 4202.21.60, 4202.21.90, 4202.22.15, 4202.22.45, 4202.31.60, 4202.32.40, 4202.32.80, 4202.92.15, 4202.92.20, 4202.92.45, or 4202.99.90, and numbers 4202.12.2020, 4202.12.2050, 4202.12.8030, 4202.12.8070, 4202.22.8050, 4202.32.9550, 4202.32.9560, 4202.91.0030, 4202.91.0090, 4202.92.3020, 4202.92.3031, 4202.92.3091, 4202.92.9026, or 4202.92.9060.

Of course, the GSP program must still be renewed. There is still no movement on GSP renewal at this time.

DDTC Posts Part 130 Decision Tree Tool

The Directorate of Defense Trade Controls (DDTC) of the U.S. Department of State has posted to its website the Part 130 Decision Tree Tool. Part 130 of the International Traffic in Arms Regulations (ITAR) (22 CFR) deals with political contributions, fees, and commissions.

The decision tree tool is designed to help users determine the requirements for reporting political contributions, fees, and commissions. For additional information, DDTC has posted *Guidelines for Furnishing Information Specified in Part 130* on its website.

If you are new to export controls or need an ITAR refresher, DDTC recommends you review Part 130 before proceeding with the tool.

The Part 130 Tool will ask a series of questions. By correctly answering these questions, the user will determine if a report to DDTC is necessary, and if so, what types of data must be included.

DDTC does caution that this tool is for educational purposes only. It should be used in conjunction with a review of relevant sections of the ITAR and not in lieu of them. Its use does not guarantee whether a report will be required or not. However, if the user has correctly answered the questions, they should have arrived at a correct determination.

Customs Reschedules JFK Seminar on Toys and Festive Articles

U.S. Customs and Border Protection in JFK has announced a new date for the toys and festive articles seminar that was postponed in October due to the government shutdown. The new date will be Thursday, January 23, 2014 at the Main Conference Room, 2nd Floor, Building 77, JFK Airport. The seminar starts at 9:30 a.m. and will last about 3 hours. If you made a reservation for the original October 24, 2013 seminar, it will be held. Seating is limited, so please contact Customs if you cannot make the new date. Please call 718-487-5164 to make a new reservation or to cancel a previous registration.

TRANSPORTATION NEWS

January 2014 Update

INDUSTRY NEWS:

China VAT Update

On August 1, 2013 the Chinese government enacted new VAT measures, officially referred to as Circular No. 37, which had caused concern and confusion within the shipping and logistics industry. Much of the concern voiced by the industry centered on what party of a transaction will pay the 6% VAT. These concerns were confirmed when Chinese freight forwarders and non-vessel operating common carriers (NVOCC) simply passed along the tax to their customers in the USA and subsequently to importers.

The China Government has now released a new document, Circular 106, which will exempt shipping transportation from the previous application of extra 6% VAT effective January 1, 2014. Details are still unclear if the exemption concerns freight/air freight only or if it is also being waived for the local charges like THC, documentation fees, terminal handling, etc. Shapiro will keep you informed as details emerge.

New Chinese Free Trade Zone to Include Hong Kong

The State Council of the People's Republic of China is reviewing plans for a new Chinese free trade zone which will include Hong Kong, Guangdong and Macao. The new FTZ will focus on manufacturing, logistics, international trade, maintenance, research and development, and international trade settlement. The plan will likely receive State Council approval.

Record High for U.S.-Mexico Rail Trad

Rail trade between the U.S. and Mexico reached an all-time high this past September. The U.S. Bureau of Transportation and Statistics consider this a sign of an improving economic environment between the US and Mexico. Rail traffic rose 16.4 percent to $6 billion. Border truck trade climbed 8 percent year-over-year to $27 billion, which is also a record.

Rail imports into the U.S. from Mexico increased 25 percent to $4 billion. Truck imports were up just 7 percent to $15 billion.

The relatively small truck increase coupled with the substantial intermodal activity serves as evidence of U.S. importers converting to intermodal preferences. Truck imports obviously remains the major mode, however, intermodal rail has made a significant gain.

OCEAN FREIGHT

P3 Alliance will most likely get approvals

The P3 Network, an alliance of Maersk Line, Mediterranean Shipping Company and CMA CGM, will likely receive approvals from U.S., European, and Chinese regulators. However, the P3 Alliance will be forced to concede some of their control on the busiest trade lanes around the world. The P3 Alliance hopes to receive the regulatory approvals and begin operations in the second quarter as they had planned. Approvals won't likely come until later in the year.

Those trying to block the alliance are shipping customers such as freight forwarders, importers, and exporters who state they will have no input whatsoever when negotiating container freight rates and contracts.

P3 Verdict? Mostly Positive!

The majority of public comments sent to the Federal Maritime Commission regarding the proposed P3 Network were supportive of the vessel-sharing alliance among the world's three largest container lines, Maersk Line, Mediterranean Shipping Co. and CMA CGM.

The P3 vessel-sharing agreement, if approved by the FMC and regulatory authorities in Europe and China, will expand port coverage, improve services and provide reliable and competitive transit times. P3 will be beneficial because of the vessel capacity increase and additional direct calls.

However positive comments may be, many other comments urged the FMC to study the P3 carefully considering a Vessel Sharing Agreement (VSA) of this magnitude has never been proposed.

G6 vs. P3: G6 Alliance to Expand Coverage to Compete with P3

The G6 alliance of Hapag-Lloyd, NYK, OOCL, Hyundai Merchant Marine, APL, and MOL are planning to expand the network's coverage into the trans-Atlantic and Asia-U.S. West Coast trade lanes to meet the competitive challenge posed by the proposed P3 alliance among the world's three largest carriers, Maersk, Mediterranean Shipping Co. and CMA CGM.

The G6 plans to meet the P3 challenge by growing the network to 240 vessels to connect 66 ports with 29 loops. The P3 will have a network of 252 ships serving 90 ports on 28 loops. E ach G6 carrier will be able to offer almost twice as many sailings on the Asia-North America trade as what it currently operates separately.

The G6 plans, like the P3, are subject to regulatory approval.

Baltimore Headquarters
100 N. Charles St, Ste 1200
Baltimore, MD 21201
www.shapiro.com

Phone
1-888-you-1915
you@shapiro.com

China Container Port Growth Concentrated in North

Northern China's container ports are experiencing far greater growth than ports further to the south. Because of this, some economists are suggesting that the Chinese economy may be deviating from its reliance on exports as principal means of economic growth.

Through November 2013, the ports of Qingdao, Dalian, Rizhao, Yantai and Lianyungang have achieved double digit growth rates. The ports of Shenzhen, Guangzhou and Shanghai saw expansion of less than five percent during the same period.

One of the reasons for the difference in the port growth rates concerns the migration of manufacturing within China. Land and labor costs have been skyrocketing in the south, so manufacturing has begun to shift inland and to the north. Another indicator is the growth of the middle class in China which is boosting domestic demand. To satisfy the domestic demand, China has deployed larger container ships on domestic routes which are growing the ports in the north. Domestic container traffic increased by 18 percent last year, compared to the 6 percent growth seen in international shipments.

MTC Logistics to Expand Reefer Hub at Port of Baltimore

MTC Logistics has plans to expand its distribution center at the Port of Baltimore. The distribution center is located at the Chesapeake Commerce Center, next to the Seagirt Marine Terminal.

The strategic position of the distribution center has allowed MTC Logistics to continue to expand its international service offerings. Expansion will help meet demand for refrigerated cargo services in the Mid-Atlantic region following the opening of the Panama Canal in mid-2015. The Port of Baltimore is one of only two ports on the East coast which can serve the newly defined Panamax vessels. Additionally, demand from the possible P3 alliance would continue to accelerate the expansion of the Port of Baltimore

MTC Logistics is poised and ready for the additional business. When completed, the facility will exceed 9 million cubic feet and offer about 32,000 racked pallet positions. The expansion is slated for completion in the third quarter of 2014.

Maersk Line to Launch Intra-America Service

Maersk Line has announced a new weekly intra-America service. The first westbound sailing with the new "MesoAmerica Express" service will be the Wellington Express voyage 1350 departing from San Juan on January 6, 2014.

The MesoAmerica Express service connects the U.S., including Puerto Rico, with Mexico, Guatemala, Honduras, Costa Rica, Panama, Colombia and the Dominican Republic.

Baltimore Headquarters
100 N. Charles St, Ste 1200
Baltimore, MD 21201
Phone
1-888-you-1915
www.shapiro.com
you@shapiro.com

Hanjin Invites Evergreen to Join CKYH Alliance

Hanjin Shipping is planning to invite Evergreen Line to join the CKYH Alliance; a move which will help to improve Hanjin's own competitive position. With the addition of Evergreen, the CKYH Alliance would achieve a needed boost in capacity. The CKYH is lagging both the P3 and G6 in the new mega-ship competition. Evergreen is the fourth-largest container line by fleet size, and it has already taken delivery of the first of ten 13,000-TEU ships.

Hanjin, the world's ninth-largest container line, is seeking to lower its debt and improve performance by shrinking its fleet. Should Evergreen join the CKYH, Hanjin will be able to maintain current business with vessel sharing capacity while dismantling its older vessels and tending to other restructuring measures.

Containership Oversupply to Continue

The problem of containership oversupply reached 718,000 TEU in mid-December and is expected to rise in the second quarter of 2014. New vessel deliveries will aggravate the problem as several mega-ship deliveries will be made in first half of 2014. With the new vessel deliveries, the idle fleet issue will persist throughout the year.

At the end of 2013 the world container fleet was estimated at 17.3 million TEU. New vessel deliveries in 2014 will add 1.62 million TEU. Another 1.76 million TEU are expected in 2015.

Update: Chinese New Year

In preparation for Chinese New Year which begins January 31st, the carriers are announcing capacity concerns, GRI's and Peak Season Surcharges (PSS).

Vessels are currently running full for imports and exports to/from Asia and U.S. East Coast and U.S. West Coast. Shippers should be aware potential for delay exists.

Most carriers have announced a PSS of $400/40' as of January 6, 2014. Additionally, carriers are implementing a GRI as of January 15, 2014 for $300/40' containers.

Please contact your Shapiro representative for most accurate GRI/PSS information.

AIR FREIGHT

Global Air Cargo to Increase 17 Percent

The International Air Transport Association (IATA) has forecast that international cargo volumes will increase 17 percent over the next five years. While the news of growth is welcomed, it is actually down from the 21 percent growth experienced during the past 5 years.

Air capacity will keep up with demand, however, this news is not necessarily positive because recent increases in capacity have kept profit and revenue down. Capacity is increasing but not in response to demand which will cause profit to decline. Unfortunately this trend will continue due to several carriers receiving new aircraft orders. Currently there is an unusually high number of wide-body passenger aircraft on order by the carriers. New wide-body aircraft have sufficient cargo capacity which will contribute to the freight demand and capacity imbalance

DOMESTIC FREIGHT

US Intermodal Rates Tumble as Peak Season Ends

U.S. intermodal rates fell more than $100 in the week ending December 2nd. The overall index rate of the top 36 U.S. lanes was down 5 percent, or $108, according to data on all-inclusive 53-foot door-to-door spot pricing quoted by railroads. This is the biggest drop in close to a year and the lowest rate since August 19, 2013. The rate drops are clear indication of the end of peak season.

SAMUEL SHAPIRO & COMPANY, INC. NEWS

Shapiro Named a Top Workplace for the Third Year in a Row by the Baltimore Sun

Shapiro has been named one of Baltimore's best places to work for the third year in a row by the Baltimore Sun. Firms were nominated and then evaluated using confidential surveys conducted by Workplace Dynamics, a leading research firm on organizational health and employee engagement, which focused on gauging employee's satisfaction in multiple categories, including corporate direction, execution, pay/benefits, and engagement.

The Baltimore Sun invited 930 companies to participate and surveyed 159 of them. The surveyed companies employ 41,145 people in the Baltimore metropolitan area. In total, 35,106 Baltimore-area employees received surveys and 21,275 responded, either on paper or online. Employers were then categorized into size bands and ranked within their size band based solely on employee responses to 22 survey questions.

Shapiro ranked as number 31 out of the 65 companies on the small employers list and was commended for its training practices in the Baltimore Sun article "How to take your workplace to the next level" by Eileen Ambrose. The company employs a little over 50 employees in its headquarters office in Baltimore and also has offices along the East Coast in Rosedale, New York; Philadelphia, PA; Charleston, SC; Atlanta, GA; and Dulles, VA, with a total of approximately 120 employees. Shapiro is now in its third generation of family ownership and management under Margie Shapiro, the company's president and CEO, who attended the Top Workplaces award ceremony on December 5, 2013, at the Four Seasons Hotel in Baltimore.

"Samuel Shapiro & Company is very honored to be selected as a 'Top Workplace' for a third consecutive year by the Baltimore Sun and, most importantly, by our family of employees," said Shapiro. "Our mission statement is 'We Deliver. Problem Solved.' This promise to our customers continues to be delivered by passionate, creative people with the fire and commitment to design the best logistics solutions in the business."

The Baltimore Sun published the complete list of Top Workplaces on Sunday, December 8. For more information about the Top Workplaces lists and Workplace Dynamics, please visit www.topworkplaces.com and www.workplacedynamics.com.

Shapiro Supports Educational Equality through Teach For America ▪ Baltimore

Shapiro recently selected Teach For America • Baltimore as the recipient of its annual holiday charity program. Donations were made on a per-card basis on behalf of each of its customers. Founded in 1990, Teach For America, works in partnership with communities to expand educational opportunity for children facing the challenges of poverty. Teach For America recruits and develops a diverse corps of outstanding individuals of all academic disciplines to commit two years to teach in high-need schools and become lifelong leaders in the movement to end educational inequity. Teach For America joined the Baltimore community in 1992 as one additional source of teachers for local schools. Today, nearly 300 corps members are reaching more than 18,000 students across 118 schools in Baltimore, while more than 700 alumni work across sectors to ensure that all children have access to an excellent education.

Shapiro has been providing holiday donations on behalf of its customers, in lieu of traditional gifts, for the past five years. Prior to 2012, the company supported St. Jude's hospital in its mission to advance cures, and means of prevention, for pediatric catastrophic diseases. Last year however, the tragedy and impact of Hurricane Sandy compelled Shapiro to support City Harvest in its efforts to provide emergency food drop-offs to storm affected areas. This year, Shapiro decided to focus on two of its core values; educational development and social responsibility in the communities it serves. Shapiro's investment in education is echoed with the development of an internal training program, Shapiro University, which provides cross-role training for all employees. The program gives employees the opportunity not only to attend courses, but to volunteer and create training presentations based on their expertise.

"Access to a great education should be available to all children regardless of background, ethnicity, or economic status," says Margie Shapiro, President & CEO, Samuel Shapiro & Company, Inc. "Teach for America is committed to developing leaders to address this issue. It is an honor to support such an important cause in a community in which we live and work."

For more information on Teach for America, visit http://www.teachforamerica.org/

Employee of the Month

As previously featured in Shap Talk, Shapiro has been sharing with you the names of employees who have been recognized for their exceptional efforts and contributions to our Company. At Shapiro, we continually work to develop, challenge, and inspire all of our employees to grow individually and with the Company. This month, we would like to recognize Joseph Shepanek, Ocean Pricing Supervisor in Charleston, for his outstanding performance and contributions.

We encourage you to provide us with employee feedback! Please email us at hr@shapiro.com.

WE WANT TO HEAR FROM YOU!

Do you have suggestions for an article? Is there a topic you'd like us to cover in a future issue? Please let us know! Send your feedback to shaptalk@shapiro.com.