Kestrel Global Logistics

Presented to the University of Florida Latin American Business Symposium

University of Florida
Center for Latin American Studies

Kestrel
My Shipping Philosophy..

- You will always be a student
- One door closes and another door opens
- You’re only as good as the weakest link
- “Chance favors the Prepared Mind”
- “If it’s not one thing…. It’s another”

- Shipping is romantic... why else would they call the sea and a ship a she?
The allure... the glamour....
A Topographic Understanding of Logistics

Shipping logistics is 3-dimensional
The “Topography” of Shipping

- Cargo specifications
- Mode of transport
- Routing
- Destination market characteristics
- Environmental factors
- Contingency planning
- Clearance
- Site delivery
Google earth

- Unprecedented access to local topographic conditions
- Under utilized by our industry
- “Seek and ye shall find”
- Used to find the closest safe berth to Port Au Prince After the earthquake
About Kestrel Group

- **Kestrel Liner Agencies, Ltd**
  - Formed in the UK in 1994
  - Liner Agency

- **Kestrel Liner Agencies, LLP**
  - Formed in the US in 2003
  - Global Logistics & Forwarding
What we do

- Liner Representation
- Cargo Management
- NVOCC
- Freight Forwarder
- Sea / Land /Air
- Customized logistical needs
<table>
<thead>
<tr>
<th>The Bird</th>
<th>The Company</th>
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<tbody>
<tr>
<td>• Smallest Member of the Falcon Family</td>
<td>• Small nimble group of 60 members</td>
</tr>
<tr>
<td>• Keen Eyesight</td>
<td>• Visionary</td>
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<tr>
<td>• Flies high over the terrain</td>
<td>• Flies high over the topography</td>
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<tr>
<td>• Sights its prey</td>
<td>• Sights opportunity</td>
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<tr>
<td>• Swoops for the food</td>
<td>• Acts decisively</td>
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</table>
Kestrel UK Group Awards

- 2010 recipient of the Queen’s Award for Enterprise
- 2010 finalist National Business Awards
Kestrel Group of Companies

- NICHE-FOCUSED
- RELATIONSHIP DRIVEN
- CREATIVE
- STRONG OPERATIONS
- BUSINESS WON BY REFERRAL
How much cargo did we move in 2010?

- 15,000 + Teu’s
- Enough to fill the world’s largest container ship MV Emma Maersk
- 57 miles/91 km of containers end on end
Offering service from over 100 Ports around the world to 45 destinations in the Caribbean

<table>
<thead>
<tr>
<th>Ports Served</th>
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<tbody>
<tr>
<td>Asia/China</td>
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<td>North America</td>
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<tr>
<td>Caribbean</td>
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</table>
Mega-carrier or niche provider?

- Any carrier can offer service from “A” to “B”.
- But how does your shipment get to “B” to “C”? 
Delivering the “goods”
It’s the delivery that matters

- Power substation
- High voltage transmission lines
- Transmission substation
- Power plant
- Transformer
- Transformer drum
- Power poles
- Line Haul
- Niche delivery
Conventional /Container Service

m.v. BEAUTRADER / BEAUTRIUM PH
Some of our current & past hotel projects

- Amanyara - Turks & Caicos
- The Palms - Turks & Caicos
- Ritz Carlton - Grand Cayman
- Four Seasons - Bahamas
- Sandals – Antigua, St Kitts, T&C
- Radisson - St Maarten
- Atlantis - Nassau
- Bahamar - Nassau 2011-2014
2007 Cricket World Cup

- Shipper from Australia
- Forwarder from New Zealand
- Seats and structures manufactured in Greece & Slovenia
- To five venues in the Caribbean
- Port Strikes required implementation of contingency plans
- All installed in time for matches
Hi Steve,
Thank you once again for a magnificent effort on your part. When I am going through Miami next, I will set aside a time to meet with you and have dinner and a good long beer together.
Best regards
NOEL
St. Croix Rum Factory 2010
Haiti Earthquake

- Kestrel Arranged first NGO full vessel charter to nearest berth to Port Au Prince
- 16 Shiploads handled in 2010 & 2011
- Kestrel is the in-house forwarder for numerous NGO’s
Samaritan Purse
In 2010 Kestrel awarded lead forwarder role for the Caribbean region’s largest retailer

Asia & Mexico to 9 island markets

Secured last minute space allocation for over 180 teu’s per week during the height of the 1020 Peak Season
Asian Peak Season 2010
While waiting for space., what else is there to do?
# South America Route Network

## East and West Coast South America

### Route Network Details

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<thead>
<tr>
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<td></td>
<td>Parangua</td>
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<td>Santos</td>
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<td></td>
<td>Caucedo</td>
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Inter-Regional Route Network

Mexico, Central America, North Coast South America

Map showing routes and destinations.
Panama Hub Port
Pending Projects

- Bahamar Tourist Complex- Nassau
  - Funded by the Chinese
- Mampong, Ghana potable water project
- Electric generation heavy lift for San Andres Island
- One that got away. David, Panama water project 18 KM
- And another door opens; shipping pipe for Odebrecht Construction for the Expansion of the Panama Canal
Specialized heavy lift ship for San Andres
Our Direction

- Maintain focus on niche activities in the Caribbean Basin
- Capitalize on growing project activity
  - Water distribution
  - Hotels; some rebounding
- Expand our hub presence in Miami and Panama and end user offices in Trinidad and the Dominican Republic
- More cross trading world wide scope as a freight forwarder.
The Macro landscape

- Latin America survived the crises for several reasons:
  - Commodity driven
  - Source of food

- Internal demand not impacted by housing bubble
In 2011 Latin America Region...

- Potential for overheated economies.. Strong prices for:
  - Precious metals
  - Foods
  - Coffee
  - Capital inflows

- So far.. Central Banks have managed fairly well
The Leaders

- Brazil; there is no denying that the future has arrived.
  - Time to end the ethanol tax
  - Florida’s Largest trading partner
  - But strength of Real impacting exports
- Peru; extraction economy is booming. Energy self sufficient
- Colombia; The Free Trade Agreement?
USA in L. A.

- Not addressing the demand for drugs; causing ongoing risk in Mexico and Central America
  - Honduras now the deadliest country in the Americas
- China is wooing....
  - Large direct investments
  - Friend in need (for HC)
- But for all of the future growth in energy, mining and food production...
- The USA has the technology and manufactures the products to sell abroad.
Caribbean Basin

- Some strong revival in tourism arrivals throughout the Caribbean
- Mother Nature played her part with the winter weather
- Some optimism with hotel new builds and refurbishing for 2011-2014
  - Buccamont Bay - Bequia
  - Bahamar 2.6 Billion Chinese investment in Nassau
  - 250 room hotel in St. Lucia
Buccamont Bay & Amanyara
Rich and famous toy for the Caribbean
Current trade patterns

- Trade from Asia is not near as strong as 2010
  - Last year was unprecedented as merchants pushed for stock replenishment
  - Supply/Demand play
- Europe/UK stronger than expected
- USA Southbound strong
- Exports from Latin America
  - Still weaknesses northbound with building materials
  - Commodities strong
The Middle Class has more than emerged
Buying power and extended airline route networks

- Drawing more Latin American tourists to the Caribbean Basin
- COPA
  - Announces 2011 Expansion Plans; Service to Nassau Bahamas Included
- TACA
  - Merging with Avianca

- LAN and TAM

- American, Continental, Delta, Jet Blue & Spirit
The end of the supply chain
The unsung...delivering the essentials
Your container is in there somewhere...

- Besides you... who else cares?  We do.

Bay 12 Cell 10
Row 7 Tier 8