



Linear Service Strategies

What do they do?

Liners provide the fast, frequent, regular, reliable sea service to a foreign destination at relatively stable / predictable freight rate. They may provide services to ports other than base ports.

Liner Strategies

Liner shipping companies are adopting innovative strategies to bring down their operating costs and enhance their fleet productivity. The essence of these strategies consists of co-operative operations through joint services and slot agreements with other carriers.

Many liner operators are focusing on refining individual service patterns. There are two basic approaches in this regard.

Cut down shipping schedules by reducing port calls; provide fast port-to-port service and use lower number of ships

Create linkage between services using multi-trade operations and minimize the container imbalance, thereby reducing the number of ships required. The various multi-trade strategies used today are:

- Parallel linkages
- Non-parallel linkages
- Network linkages
- Non-parallel linkages are further categorized into Butterfly, Single Pendulum and Double Pendulum

Examples:

- (1) Multi-trade strategies used by liners to bring down their operating costs and enhance fleet productivity include:
- a. Parallel Linkages
 - b. Non-parallel Linkages
 - c. Network Linkage
 - d. All of the Above

Answer: d: All of the Above

- (2) Mandatory Independent Action (MIA) was first introduced in _____
- a. OSRA 1998
 - b. The U.S. Shipping Act of 1984
 - c. The Alexander Commission (1914)
 - d. British Royal Commission (1906-09)

Answer: c: The Alexander Commission (1914)

- (3) Transpacific, _____ and Transatlantic are the major east-west arterial trade routes.
- a. Europe-Asia
 - b. Europe – Asia

Answer: a: Europe-Asia