



## **Association of Ship Brokers & Agents (USA) Inc.**

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### **Ship Brokerage in the U.S.A.**

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The U.S.A. is one of the world's leading producers of a wide range of commodities that include oil, oil products, grain and coal. In 2015, the U.S.A. was the second largest exporting economy. At the same time, the U.S.A. imported even more than it exported. While trade with Canada and Mexico occupy top spots, China, Japan and Europe are also major trading partners. The New York and U.S. ship broking community is the vital link that facilitates this trade not only via their involvement in the import and export of commodities through multinational trading houses and industrial companies but also as the broker of choice given worldwide recognition of their professional standing.

ASBA Tanker Broker members specialize in energy consultation and/or water borne oil and gas transportation industries, providing valuable insight into the international oil, gas and shipping markets. A keen understanding of the current marketplace allows member brokers to facilitate better decision making, timing and implementation of transactions by their clients.

A major share of the petrochemical, inorganic chemicals, vegetable oils, chemical gasses, ammonia and LPG cargoes are handled by chemical and gas tanker brokers in the New York and Houston maritime hubs.

While ASBA Dry Cargo Broker members enjoy a geographic advantage with cargo originating in the Americas, they are active in the movement of cargo worldwide, servicing companies and clients with interests in the agricultural, construction and manufacturing, raw materials and industrial bulk sectors. Basically, all of the major and minor bulks are among the cargoes handled by ASBA members.

ASBA S&P members work closely with U.S. based clients for the sale and purchase of international flag, U.S. flag ships and offshore vessels. They cover most shipping sectors including dry bulk, tankers (ranging from crude carriers, oil product, chemical, and gas tankers), containers, automobile carriers, tugs, barges, and the offshore industry. Their clients include ship owners in the private sector, publicly traded shipowning companies, oil companies, and private equity investors. Member brokers also have an extensive record of appraising vessels and shipping assets on behalf of ship owners/operators as well as bank/financial institutions. Several of these S&P firms are members of the Baltic Exchange Sale & Purchase Assessment Panel (BSPA) and members of the Baltic Exchange Demolition Assessment Panel (BDA).

A professional trade association which began setting standards for ship brokers and ship agents during the early part of the 20th century, ASBA continues to be one of the premier trade associations of the maritime industry. Members of the local maritime community recognized the importance and the advantages of working together on issues of mutual interest. Preliminary, informal gatherings took place in 1933, leading to the decision to establish a forum for the exchange of information. The first official recorded meeting of the Association of Ship Brokers & Agents (ASBA) was held in the Arbitration Room of the New York Produce Exchange in lower Manhattan on January 9, 1934. Twenty-five ship brokerage and agency companies became the founding members of ASBA.

ASBA may be most recognized for its focus on the development of balanced Charter Party forms which has been ongoing since its inception. Several of the most widely used Charter Parties in circulation today are ASBA forms. On the dry side, most notable are the NYPE 46, 81 & 93, Norgrain 73 & 89 and Amwelsh 79 & 93. On the tanker side, popular ASBA forms include ASBATANKVOY and ASBACHEMVOY. In the recent past, work on Charter Party forms has been coordinated with other



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prominent maritime organizations such as FONASBA and BIMCO. Our most up-to-date form is the recently released NYPE 2015, published after three years of cooperation between BIMCO and the Singapore Maritime Foundation. It is expected that the NYPE 2015 will become the most widely used Time Charter Party on the market. ASBA's Charter Party Editor, available since 2005, supports all ASBA forms as well as other industry favorites.

Today, ASBA represents eighty-five ship brokerage companies, representing all sectors of the industry and employing close to 400 shipbrokers. As our full style would indicate, ASBA membership also includes ship agency companies who provide services in all U.S. ports. ASBA broadened its membership base in the 1990's by recognizing the value of welcoming companies who work directly with our members. A new category of membership was created which includes ship owners and operators, charterers, bunker brokers and tug boat companies. These are our Affiliate Members.

"Boutique" might be the best way to describe many ship brokerage members. Ship owners and operators are provided the opportunity to deal with brokers who have direct connections to Charterers and their myriad of cargoes. These firms range in size from small to midsize shops offering their clients individualized customer service based on their knowledge of the sector(s) they serve. Given their size, most ASBA member firms do not typically spread themselves too thin by attempting to do all things for a wide range of clients. They prefer to concentrate their efforts in order to provide outstanding service for their principals.

Results of our 2015 broker member survey indicated that customer service is of paramount importance. ASBA's broker members employ one operations person for every three brokers. There is no doubt that customer service is one of the most significant benefits of employing a "boutique" ship brokerage company. The client is their reason for being in business.

As is the case with our counterparts around the world, a strong professional association providing support as well as forums for interaction and education is an important service that helps to ensure the success of its members. ASBA members have successfully navigated years of technological advances and enhancements that have enabled them to broaden their geographical marketplace. The New York Metropolitan Area, which encompasses the Tri-state region of New York, New Jersey and Connecticut, serves as home to the majority of U.S. based ship brokers followed by Houston, Texas, however, ASBA members can be found in many other locales.

ASBA hosts several events annually which provide meaningful networking opportunities for our members. These include our Annual General Meeting, which still takes place in New York City, the ASBA/Baltic Social, a joint venture with the Baltic Exchange held on the first evening of CMA Shipping, and one or two annual golf outings. Our education courses, both in home study and online formats offer excellent introductions to the ship brokerage and agency industries are well subscribed both locally and abroad. Our live seminars, hosted around the U.S., provide additional continuing education for members as well as non-members.

Our Tanker Broker members, who recognize the value of face to face communications, sponsor an annual lunch in Houston for their Principals. A distinguished guest speaker, a principal from one of the segments of the tanker market: oil company, oil trader or a shipowner, addresses a topic of interest to the attendees.

In an industry where conferences are plentiful and can be large in scale, ASBA is enjoying unprecedented support for our Annual Cargo Conference, where approximately 250 delegates meet



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each September in Miami Beach. Cargo interests both educate and entertain delegates as they address the issue of “What’s on the Horizon?” Various social events have been designed to give our delegates multiple opportunities to meet and greet old and new colleagues in comfortable surroundings. ASBA clearly has found a winning formula, evidenced by the continued growth of delegates from the U.S., Central & South America and Europe each year for the past thirteen years.

ASBA is proud to be an active member of New York Maritime (NYMAR). Through NYMAR, ASBA partners with the Society of Maritime Arbitrators, U.S. based maritime lawyers, financial and insurance institutions to build a support network for the U.S. maritime community.

Visit [www.asba.org](http://www.asba.org) for more information and a list of our broker members.