

Container Asset Management 2014

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Introduction

This report provides an overview of the management of container assets under the following main headings:



Key activities within each of these areas (M&R being maintenance and repair) are outlined below, and examined in the main body of the report to the extent that they are relevant to an owner's interest in the normal operation of containers and their recovery and remarketing in the event of a default.



- Budgeting of capital expenditure and arranging of finance
- Setting of technical criteria and selection of manufacturers
- Negotiation of price, delivery and other terms
- Production inspection
- Loading of asset data on to tracking system



- Container positioning, loading and unloading
- Reporting, tracking and optimization of movements
- Handling, storage, inspection, maintenance and cleaning
- Inventory audit
- On/off hire, sub-leasing, direct interchange
- Payment administration
- Repossession, recovery and remarketing



- Selection of, agreement of terms with, and training of depots
- Audit and comparison of depot performance
- Checking and approval of repair estimates and repair work
- Managing different repair criteria and shipper-related issues
- Negotiation of repair costs with lessors
- Approval, payment and analysis of repair invoices
- Negotiation of inspection contracts



- Setting of local and global fix/sell criteria
- Checking of domestication costs, removal of owner markings
- Finding of buyers and negotiation of sale contracts
- Removal of containers from tracking database

The report is organized into the following sections:

- The size and composition of the world container fleet.
- The acquisition and manufacture of containers, and the regulatory framework within which they are constructed, tested, certified and operated.
- The operation of containers, and how they are used, tracked, inspected and repaired.
- The repossession, recovery and remarketing of containers in the event of a default.
- The disposal of containers from the primary marine market; residual values and loan-to-value analysis.
- Characteristics of containers as an asset class.

