

## The Institute of International Container Lessors 40 Years of Service

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## <u>IICL EXPANDS CONTAINER FLOORING WORKING GROUP AND FLOORING INITIATIVES</u>

**Washington, D.C.** – IICL President Steven R. Blust today announced that the Institute of International Container Lessors (IICL), in its continuing efforts to address the worldwide issue of container flooring serviceability and sustainability, is expanding the scope of its flooring working group initiatives.

The floors in most standard containers today, are made from wood or wood composites. "The demand for forest products around the world are ever-increasing, and the availability of quality material is declining. The long term viability of wood flooring in containers is being threatened, unless steps are taken to bring supply and demand into a sustainable and long term balance" said IICL President, Steven Blust. "The IICL, in recognition of this situation, has established a goal to reduce the wood content in containers by 50%, which should help to achieve the sustainability of the world's hardwood forests."

The IICL has recently concluded a successful in-service trial of a fleet of 400 containers that incorporated two unique floor designs that eliminate approximately 50% of the wood used in the standard containers built today. The containers were placed into a live test environment for two years with 11 ocean carriers in various trades. The results of the trial program have confirmed the designs' performance and have encouraged the IICL to expand the working group to include other container owners to further evaluate the container floor design concepts as well as other designs with the goal of identifying and recommending designs for both the short run and long run.

"Premature failure of plywood can lead to the early retirement of the owner's asset" said Gary Danback, IICL Technology Director. "It is with this focus that the IICL carries on with its flooring projects. In addition we are committed to working with our customers and container manufacturers to find our way forward to address this serious issue."

The IICL, for the last decade, has monitored the quality of plywood used in container flooring production. "Initial efforts to develop a "preferred standard" for plywood floors as well as plywood factory audits are in place and have been gaining momentum throughout our industry", said Danback. "Both leasing and ocean carrier equipment owners monitor production of plywood and the quality of numerous factories throughout Asia. These efforts optimize the quality of plywood used in container floors."

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During the 2010 European Intermodal Exhibition that was held in Amsterdam, the IICL invited the ocean carrier community to participate in a workshop and to once again discuss IICL floor designs and explore the possibility of furthering the effort with ocean carrier direct participation. This initial meeting allowed the leasing company's and the Container Owners Association (COA) to begin a dialogue and set the stage for a more comprehensive discussion.



"We are pleased to announce that a joint working group has been formed between the IICL and a number of COA ocean carrier members" said Blust. "This joint working group has scheduled its first meeting in early May, 2011, to exchange views on alternatives to maintain container flooring serviceability and expand sustainability. The IICL looks forward to this joint effort and applauds those who acknowledge the challenge and their willingness to discuss a way forward for our industry."

Joint working group chairman Tony Sowry of Textainer and Frank Nachbar of Hapag-Lloyd, have encouraged the ocean carrier community (equipment owners) to both participate and become involved in this project. Along with sustainability and serviceability goals, the IICL will also be working with container manufacturers to assure the selected design is equal or better in quality, have no additional financial burden but the same performance characteristics of current designs.

The Institute of International Container Lessors, Ltd. (IICL) is a trade association, organized in 1971, representing lessors of maritime containers and intermodal chassis. Its member companies are Beacon Intermodal Leasing, LLC; CAI International, Inc.; Cronos Ltd.; Flexi-Van Leasing, Inc.; Florens Container Services Company Ltd.; GE SeaCO Services Ltd.; Gold Container Corporation; SeaCube Containers LLC; TAL International Container Corporation; Textainer Equipment Management (U.S.) Ltd.; TRAC Intermodal; Triton Container International Limited. IICL members own or manage approximately 90 percent of the global leased container fleet, representing nearly half of the world container fleet and half of the U.S. chassis fleet operated by ocean carriers, railroads, and other companies. The IICL is active in governmental, regulatory, educational, technological, environmental and security issues. Besides its widely accepted publications and annual inspector certification examinations, the IICL offers a wide range of educational training courses.

For more information, contact IICL at telephone 202 223-9800.