

tie lines – June 2005

The Port of Long Beach's monthly newsletter

AROUND THE PORT . . .

Amid a continuing surge in imports and exports, the total number of cargo containers shipped through the Port of Long Beach climbed to the equivalent of 538,501 twenty-foot container units in April, a 22.1 percent increase over the same period a year ago.

The number of inbound containers increased 19.3 percent to 270,920 twenty-foot equivalent units (TEUs). With a weaker dollar and strengthening Asia economies, exports jumped 34.8 percent to 107,609 TEUs – Long Beach's highest export total ever. The number of empty containers, nearly all headed overseas, rose 19.2 percent to 159,972 TEUs.

For the first four months of 2005, imports through Long Beach are up 20.3 percent, exports up 18.5 percent, empties up 46.8 percent and total containers up 27.3 percent.

With the peak season approaching and cargo volumes still strong, are the ports and the rest of the supply chain headed for backups like last year?

To help the industry prepare for the peak season, the Port of Long Beach will host "Pulse of the Ports," a free breakfast conference from 7:30 to 10:30 a.m. June 14 at the Hilton Long Beach Hotel. Industry experts will present their 2005 Peak Season Forecast.

The experts scheduled to make presentations include Jack Kyser of the Los Angeles Economic Development Corp., Frank Baragona of CMA CGM, Doug Tilden of Marine Terminals Corp., Jim McKenna of the Pacific Maritime Association, Peter Gordon of U.S. Customs & Border Protection, Bob Curry of California Multimodal Inc., and Paul Borseth of Union Pacific Railroad.

Participating organizations include the Port of Los Angeles, NIT League, Waterfront Coalition, CITT, FTA, HAIC, HTC, IBA, LABFA, CALMITSAC and PMSA.

For reservations, send an e-mail with your name, title and company to reservations@polb.com.

Finalizing an earlier vote, the Board of Harbor Commissioners has approved a general tariff rate increase of 5 percent effective July 1 aimed at covering the cost of new infrastructure, environmental and security projects.

The increase applies to wharfage, dockage, storage and demurrage rates. The California Association of Port Authorities authorized the hike for all of its members.

SSA Terminals has taken delivery of two super post-panamax gantry cranes from Shanghai's Zhenhua Port Machinery Co., which utilize a "hinged boom" design to allow the cranes to pass under the Gerald Desmond Bridge to Pier A.

The lower-profile cranes were loaded with the booms perpendicular to the ship, ZPMC's Zhenhua 6, during transit across the Pacific. The ship took the cranes directly to Pier A. When earlier cranes stood taller during transit, they had to be off-loaded to a barge before being moved under the Desmond Bridge.

The new cranes, among the world's largest, will give Pier A a total of 10 cranes. SSAT's 170-acre Pier A facility is home to Mediterranean Shipping Co., Zim Integrated Shipping Services and CMA CGM.

The Port's Communications Division is circulating the Port's 2004 Annual Report, a 37-page document filled with photos, trade statistics and a facilities guide.

Reflecting the Green Policy support for sustainability, the Annual Report, "Beginning a New Era," was published largely on post-consumer recycled paper and used non-toxic soy-based inks. Copies are available at the Port Administration Building, 925 Harbor Plaza.

The Port's Planning Division has produced a colorful, fact- and photo-filled brochure, titled "An Up Close Look at Marine Life in the San Pedro Bay," based on a biological study.

The educational and informative brochure was produced in collaboration with Sea Grant, a national research, education, and training organization administered by the National Oceanic and Atmospheric Administration (NOAA) and the Port of Los Angeles.

The brochures are available in the Planning, Trade and Maritime Services, and Communications Divisions offices at the Port Administration Building.

PierPass Inc. has begun online registration for its OffPeak program of night and weekend truck gates with testing of its electronic billing system set for June and a phased launch of the OffPeak program beginning in the second half of July.

By providing an incentive for port trucking activities at night and on weekends, OffPeak aims to ease port terminal congestion, reduce daytime truck trips and improve air quality.

When fully implemented, 12 of the 13 container terminals at the Long Beach and Los Angeles ports (except Matson, which is a domestic carrier) will open full-service gates from 6 p.m. to 3 a.m. Mondays through Thursdays, and 8 a.m. to 5 p.m. Saturdays. Currently almost all cargo is trucked weekdays between 8 a.m. and 5 p.m..

Under OffPeak, weekday users of both ports will have to pay a traffic mitigation fee of \$20 per TEU during the phase-in period, and eventually \$40 per TEU. Users of the offpeak gates will not pay the mitigation fee.

To register, go to www.pierpass-tmf.org or www.pierpass.org.

With the OffPeak program coming in July, Total Terminals International has ended its long-time "hoot gate" operations from 3 to 7 a.m. at its Pier T container terminal.

In place of hoot gates, Total Terminals is opening off-peak truck gates 6 p.m. to 3 a.m. Monday through Thursdays, and 8 a.m. to 5 p.m. Saturdays.

TTI, home to Hanjin, Sinotrans, U.S. Lines and China Shipping, has been one of the few terminals with nighttime truck gates.

Port officials presented a plaque to the captain of the Norsk Thorseggen in May to commemorate the newsprint carrier's 500th call in Long Beach.

The Thorseggen arguably has made more calls to the Port of Long Beach than any other vessel calling regularly. Since 1982, the Norsk Pacific Steamship Co.'s Thorseggen has made regular calls every two weeks at the Norske Skog facility at Pier D, hauling shipments of newsprint from Canada.

The newsprint is used by the Press-Telegram, L.A. Daily News, Orange County Register, and Verizon for its telephone directories.

For the 2004 calendar year, \$240.6 billion in trade moved through the ports of Long Beach and Los Angeles, an increase of 10.4 percent over the previous year, according to the World Trade Atlas.

Based on U.S. Maritime Administration data, the World Trade Atlas reports that China was the San Pedro Bay ports' leading trading partner, accounting for \$102.4 billion, up 18.9 percent. China was followed by Japan with \$44 billion, Taiwan with \$15 billion, South Korea with \$12.7 billion and Thailand with \$7.7 billion.

The leading imports were machinery (\$39.4 billion), electrical machinery (\$33.4 billion), vehicles (\$21.9 billion), woven apparel (\$10.2 billion), and toys and sports equipment (\$9.6 billion).

The leading exports were machinery (\$5.4 billion), plastic (\$3.6 billion), electrical machinery (\$2.5 billion), vehicles (\$2.2 billion), and cotton (\$1.9 billion).

With the expiration of its lease, Coast Citrus Distributors, Inc., has vacated the 68,765-square-foot banana processing building on Pier F. The Port will be looking at proposals to redevelop the property.

Four Filipino sailors who aided in an investigation into illegal dumping from a cargo ship off the Port of Long Beach have been awarded \$250,000.

Jonathan Sanchez, Jimmy Piamonte, Florencio Tolentino and Richard Santillan received their rewards from the U.S. Justice Department at a ceremony at the U.S. Embassy in the Philippines.

The men reported to the U.S. Coast Guard last fall that they were ordered to illegally dump oil, sewage and garbage from the cargo ship Katerina.

Thirteen sailors from the ship were kept in the United States for months in order to serve as material witnesses against the Greek firm DST Shipping Co. and the ship's captain, chief engineer and second engineer. Those three pleaded guilty to federal charges and the shipping line was fined \$1 million.

Energy giant ConocoPhillips has agreed to jointly develop a liquefied natural gas (LNG) import terminal at the Port of Long Beach with Mitsubishi Corp.'s Sound Energy Solutions unit, which already was in development on the project.

ConocoPhillips and Sound Energy said they will establish a 50-50 joint venture company to be known as SES Terminal LLC. The terminal would supply the local transportation market with vehicle-grade LNG.

The proposed \$400 million-plus terminal on 25 acres at Pier T in the West Basin of the Port of Long Beach would have the capacity to import nearly 5 million tons of LNG per year.

Since Sound Energy Solutions was established in 2002, it has been completing applications for permits and performing technical and commercial preparation to develop the LNG import terminal. Actual construction cannot begin without the approval of various government agencies.

Beginning in June, KNS (Kerr Norton Strachan) Agency will take on the name of its parent company -- Norton Lilly International.

KNS will cease doing business under that name and continue its work as a shipping agency as NLI (Norton Lilly International).

A “Goods Movement Legislative Dialogue” will be held 9 a.m. to noon June 7 at the Los Angeles Area Chamber of Commerce Board Room, 350 S. Bixel St.

The Chamber’s Transportation & Goods Movement and Environmental Quality Committees are hosting the event. For more information, call (213) 580-7565.

The 18th Annual Seafood Feast hosted by the ILWU and Propeller Club will be held June 15 at Berth 54 at the Port of Los Angeles.

Proceeds go to scholarships for harbor-area students. For tickets, contact the Propeller Club at (818) 951-2842 or ILWU Locals 13, 63 or 94.

The Harbor Association of Industry & Commerce will hold its 11th Annual Harbor Cup Challenge on July 14 at the Downey Rio Hondo Golf Course, pitting the top duffers from the ports of Long Beach and Los Angeles, and others.

For more information, call (818) 951-6088.

PORT PEOPLE. . .

Continuing its support for trade-related education, the Port has awarded scholarships to 16 students at Cal State Long Beach and Long Beach City College.

The Port presented scholarships to 10 international business students at Cal State: **Duy Bui, Claudia Lankford, Raquel Liceaga, Tomoko Majima, Alexis Monsen, Justin C. Peterson, Jason Reneman, Christina Robertson, Brian Roberts and Angelia Torres.**

Woodrow Wilson Memorial Scholarships – named after the former Port security director – went to two international business students at City College: **Silvia Camacho and Jamie Parga**

The Port also awarded scholarships to City College’s School of Trade and Industrial Technologies: **Stevan Josic, John E. Rial, Ricky D. Runser, and William Amperez.**

Since 1993, the Port has awarded \$133,500 in scholarships to 136 students.

Marianne Venieris, executive director for the Center for International Trade & Transportation at Cal State Long Beach, was honored by the Foreign Trade Association in May with its prestigious Stanley T. Olafson Bronze Plaque.

Venieris was recognized for her pioneering work in the field of international trade policy and academia.

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