

tie lines – March 2006

The Port of Long Beach's monthly newsletter

AROUND THE PORT . . .

In a strong start to the new year, marine terminals at the Port of Long Beach moved the equivalent of 579,455 twenty-foot-long container units in January, a 13.7 percent jump over the same month a year ago.

Shipping in advance of an early Chinese New Year, importers moved 293,855 inbound twenty-foot-equivalent units (TEUs) through Long Beach, up 16.2 percent over a year ago.

On the Chinese lunar calendar, New Year's Day ranges between late January and mid-February. Last year, New Year's Day was February 9. This year, it was January 29, beginning the Year of the Dog and a week-long celebration that includes the shutdown of many Chinese businesses.

Meanwhile, as Asian firms continue to scramble for raw materials, exports jumped 22.3 percent to 99,740 TEUs. With imports still exceeding exports, the number of empty containers (most headed overseas to be re-filled) rose 6.1 percent to 185,860 TEUs.

Environmentally friendly ship operators who comply with vessel speed limits to improve air quality will be rewarded with lower dockage rates under a tariff reduction approved by the Long Beach Board of Harbor Commissioners.

Under the \$2.2 million-a-year Green Flag Incentive Program, ocean vessels that observe a 12-knot speed limit within 20 miles of the Port during an entire year of voyages to and from Long Beach will be awarded a Green Flag environmental achievement award to recognize their contributions to improved air quality.

Ocean carriers, who operate the individual ships, will qualify for a 15 percent discounted Green Flag dockage rate during the following 12 months if 90 percent of their vessels comply with the 12-knot speed limit for a year.

About 65 percent of all vessels now comply. The goal of the Green Flag Program is to encourage 100 percent compliance. Port officials estimate that if all vessels comply with the program, emissions of smog-forming nitrogen oxides (NOx) would be reduced by nearly 550 tons a year.

Escorted by a flotilla of ships, yachts, fireboats, news helicopters and recreational boats, the Queen Mary 2 cruised into Long Beach Harbor on February 23 for a historic rendezvous with its namesake, the original Queen Mary.

Maneuvering as close as the harbor's water depths would allow, about a quarter-mile south of the Queen Mary, the new Queen Mary 2 blew its horn in a salute and its 71-year-old predecessor responded with its horn.

Thousands of people lined the waterfront. The older Queen Mary has been permanently docked for more than 30 years in Long Beach, where it is a tourist attraction, floating hotel and the city's most recognizable icon.

The Board of Harbor Commissioners has voted preliminary approval for a six-year urban reforestation program to improve neighborhoods within the Long Beach (710) Freeway transportation corridor.

The Board approved \$400,000 for the first two projects, which will provide trees, shrubs and other sustainable landscaping to enhance air quality, reduce noise, decrease summer temperatures nearby and beautify neighborhoods near the 710 Freeway, the primary trucking corridor for goods movement at the Port.

The proposed project sites include four elementary schools, four parks, two “open spaces” owned by the City of Long Beach, the Wrigley Green Belt and the Los Angeles River Bike Trail.

Matson Navigation Co. has launched a new China-to-Long Beach weekly express service with the sailing of the Matson Manulani from Shanghai on February 22. The vessel is due to arrive in Long Beach on March 5.

The 11-day transit time is among the fastest in the transpacific trade. Oakland-based Matson, one of the few U.S.-flag carriers in the international trade, is deploying five 2,600-TEU vessels in its new China-to-Long Beach service.

Westbound, Matson will continue to call in Hawaii and Guam before continuing to the Chinese ports of Ningbo and Shanghai.

The proposed sale of P&O Ports to Dubai World Ports has raised questions about port operations and security around the country. Neither P&O nor Dubai World Ports operate at the Port of Long Beach.

Long Beach leases seven container terminals. Pier A is leased to SSA Marine of Seattle and Mediterranean Shipping Co. of Switzerland. Pier C is leased to SSA Marine and Matson Navigation Co. of Oakland. California United Terminals at Piers D & E is leased to Hyundai Merchant Marine of South Korea

Long Beach Container Terminal at Pier F is leased to Orient Overseas Container Line of Hong Kong. The International Transportation Service (ITS) terminal at Piers G & J is leased to “K” Line of Japan. Pacific Container Terminal at Pier J is leased to SSA Marine and China Ocean Shipping Co. (COSCO) of China. The Total Terminals International facility at Pier T is leased to Marine Terminals Corp. of Oakland and Hanjin Shipping Co. of South Korea.

Since 9/11, security at U.S. ports, including Long Beach, has relied on a multi-layered strategy headed by a team that includes the U.S. Coast Guard, Customs and Border Protection, the Port of Long Beach Harbor Patrol and the Long Beach Police Department.

Customs and Border Protection uses a risk-based strategy to screen information on 100 percent of cargo before it is loaded onto vessels destined for the United States. All cargo that is identified as high risk is inspected, either at the foreign or U.S. port.

The Coast Guard routinely inspects ships, and assesses the security of U.S. ports in accordance with the Maritime Transportation and Security Act, and the Ports and Waterways Security Act.

Terminal operators are required to establish and implement a comprehensive security plan for controlling access to their facility, verifying credentials of port workers, inspecting cargo for tampering and reporting of all breaches of security.

The Harbor Talking Group is urging importers to file entry documentation as early as legally possible to expedite cargo movement and reduce port terminal congestion.

The Talking Group, which consists of representatives of ocean carriers, terminal operators, customs brokers, Customs and Border Protection, and the ports of Long

Beach and Los Angeles, is dedicated to identifying solutions to improve goods movement efficiency.

The group noted that Customs allows importers to pre-file most customs entries five days before a vessel arrives at port. Delayed filings can cause intermodal cargo to miss weekly trains headed across the country.

Westwood Shipping, forest product giant Weyerhaeuser's commercial marine shipping subsidiary, has announced that it will operate the newly acquired *Westwood Pomona* bulk ship between ports in British Columbia and the Port of Long Beach.

The new addition to its shipping fleet will make business easier for Weyerhaeuser and other companies who ship lumber products between Canada and the United States. By offering a new and competitive way to transport cargo by sea, Weyerhaeuser is providing an alternative to costly and less reliable ground transportation.

One of Mediterranean Shipping Co.'s newest 8,238-TEU container ships, the *MSC Valencia*, made its maiden call at SSA Terminal's Pier A facility on February 2.

The Valencia is part of the transpacific Pearl River Express service, which calls in Long Beach, Oakland, and then across the Pacific to the Chinese ports of Xiamen, Yantian, Hong Kong, Chiwan, and back to Long Beach.

MSC also has announced an upgraded New Orient Service from the Far East to Long Beach beginning with the sailing of the *MSC Michaela* from Yantian on March 3.

The service will provide a direct express weekly service deploying five 6,750-TEU vessels calling in China at Yantian, Shanghai and Ningbo, then Tokyo, Long Beach, Busan (Korea) and back to the Chinese ports of Qingdao and Yantian.

With the upgrade, the service will offer transit times from Shanghai to Long Beach of 13 days, Ningbo to Long Beach 12 days and Tokyo to Long Beach only nine days.

The 26,000-gross-ton bulk ship, *Pacific Prosperity*, made its first call in Long Beach at the Mitsubishi Cement terminal on Pier F on February 8. The vessel carried cement from Korea and Japan.

Port officials welcomed "K" Line's new 5,560-TEU container ship, *George Washington Bridge*, during its maiden call February 15 at the International Transportation Service facility on Piers G and J.

"K" Line has deployed the *George Washington* in its CALCO-C service, which calls in China at Ningbo, Xiamen, Yantian and Hong Kong, as well as Long Beach, Oakland, and Kobe (Japan).

As part of Wan Hai Lines' new transpacific service, the 4,250-TEU *Wan Hai 503* container ship made its first call on February 10 and the *Wan Hai 505* made its first call on February 17 at the TTI facility at Pier T.

Wan Hai Lines, a Taiwan-based ocean carrier known for its intra-Asia service, has expanded into the transpacific.

With the growth of on-dock rail at the ports of Long Beach and Los Angeles, the Alameda Corridor Transportation Authority reports that it moved an average of 5,700 containers a day in 2005, up 20.5 percent over 2004.

That means more than 5,700 truck trips a day were eliminated from local roadways and freeways. For 2005, ACTA averaged 47 trains a day.

Beginning this month, the Port will be airing a new edition of its “Pulse of the Port” cable TV show, featuring segments on the “state of the port” and an interview with a Harbor Patrol officer.

The half-hour news magazine program airs 7:30 p.m. each Monday and Saturday, and 7 p.m. Friday on Long Beach Television 8, the city’s Channel 8 government access channel hosted by Charter Communications. The program airs in Spanish at 7:30 p.m. Wednesday, and occasionally at 6 p.m. on Tuesdays and Thursdays.

Beginning in March, Pulse of the Port also will air at 11 p.m. Mondays and Wednesdays, and noon Sundays.

The show also can be viewed by going to the Port web site at www.polb.com.

The Harbor Transportation Club is holding its 68th Annual Officers Installation Dinner and first Mardi Gras Carnival on March 4 at the Marina Hotel in San Pedro. For more information, call (562) 434-7393.

The Long Beach Chamber of Commerce’s International Business Association is hosting a joint mixer with the Propeller Club from 5:30 to 7:30 p.m. March 8 at the Port of Long Beach’s Berth 55 Fish Market and Seafood Deli. For more information, call (562) 436-7099.

Michael R. McClellan of Norfolk Southern will be the speaker at the Los Angeles Transportation Club luncheon March 11 at the Monterey Hill Restaurant and Banquet Club in Monterey Park.

Billie Greer, director of Gov. Arnold Schwarzenegger’s Los Angeles office, will discuss the governor’s strategic growth plan at a March 16 luncheon hosted by the Harbor Association of Industry and Commerce.

The event will be held at the Coast Long Beach Hotel. For more information, call (818) 951-6088.

The Port of Long Beach is hosting its second annual Pulse of the Ports peak season forecast conference 7:30 to 10:30 a.m. March 28 at the Long Beach Hilton Hotel.

Aimed at helping the goods movement industry to plan for the peak shipping season from summer to fall, *Pulse of the Ports* will feature executives representing shippers, ocean carriers, terminal operators, labor, customs brokers and freight forwarders, truckers and the railways.

The conference is co-sponsored by the Port of Los Angeles, the Waterfront Coalition, Women in Transportation, Foreign Trade Association, Harbor Association of Industry and Commerce, Harbor Transportation Club, Propeller Club, and Pacific Merchant Shippers Association (PMSA).

The conference is free, but attendees are urged to make reservations by emailing pulseoftheports@polb.com. Last year’s event was attended by an overflow crowd of more than 300 people. Complimentary breakfast will be served.