

tie lines – November 2005

The Port of Long Beach's monthly newsletter

AROUND THE PORT . . .

Led by the highest import volumes ever, container cargo terminals at the Port of Long Beach reported that they moved a total of 610,269 twenty-foot-long container units in September, a 23.4 percent increase over the same month a year ago.

The number of inbound containers jumped 22.6 percent to the equivalent of 313,460 twenty-foot units, topping the previous high in August. The August through October period is regarded as the peak shipping season, a time when retailers import much of their end-of-the-year holiday consumer goods such as clothing, toys and electronics.

The number of exports, mostly raw materials, climbed 27.3 percent to 97,009 twenty-foot equivalent units (TEUs). The number of empty containers, nearly all headed overseas to be re-filled, increased 22.9 percent to 199,800 TEUs.

For the fiscal year through September 30, the total number of containers shipped through Long Beach rose 24 percent to a record-breaking 6,644,080 TEUs.

It also was a record year for imports and exports. The number of inbound containers increased 19.3 percent; the number of export containers climbed 20.9 percent; and, with the trade imbalance, the number of empty containers jumped 34.4 percent.

The gains stemmed from strength in the U.S. economy, a continuing shift in manufacturing to Asia (particularly China), and the introduction of more 8,000-TEU ships in Long Beach – which increased the Port's market share. Despite the higher trade volume, cargo moved smoothly through the Port.

The Long Beach Board of Harbor Commissioners has released for public review and comment the draft environmental impact study on a proposed liquefied natural gas (LNG) import terminal.

The study examines a proposal by Sound Energy Solutions (SES), a subsidiary of Mitsubishi Corp. of Japan, which wants to build and operate a facility at the Port of Long Beach to import and distribute LNG. The terminal could supply 10 percent of the state's needs, but security and safety are concerns.

The Harbor Commission and the Federal Energy Regulatory Commission are jointly circulating the draft environmental impact report (EIR) and environmental impact statement (EIS).

Copies are available on-line at www.polb.com and www.ferc.gov, at the City Clerk's office at City Hall, at local libraries and at the Port Administration Building, 925 Harbor Plaza.

The Harbor Commission has extended the public comment period to 60 days from 45 days, and scheduled four public hearings to solicit comments on the draft EIR/EIS for the proposed LNG project.

The hearings, each beginning at 6 p.m., will be held November 14 at Long Beach City Council Chambers; November 15 at Jordan High School; November 30 at Millikan High School, and December 1 at Cabrillo High School.

Written comments are also encouraged. Comments must be received by the Port Planning Division or FERC on or before December 8. For more information, call the Planning Division at (562) 590-4160.

The Harbor Commission has voted preliminary approval for a \$2.2 million-a-year Green Flag Incentive Program to recognize individual ships and to reward fleet operators for reducing vessel speed to improve air quality.

Beginning next year, 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 to recognize their contributions to improved air quality.

The 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.

If all of the carriers qualify for Green Flag rates, the Port would make an estimated \$2.2 million investment through reduced dockage collections to significantly cut emissions of nitrogen oxide (NOx), a component of smog.

The Port has re-launched and re-designed its web site at www.polb.com, adding easy-to-use navigation buttons, an "E-Inform" subscription service and a calendar of events.

With the new navigation buttons, the community can quickly learn about harbor tours, for example. Those doing business with the Port can easily find information on the Small Business program. And the maritime industry can get a copy of the Port tariff.

The Port's new environmental Green Port initiative takes center stage in the new layout, with pages focusing on the many aspects of the Port's environmentally friendly programs. There is a calendar of upcoming events.

Visitors can sign up for "E-Inform," email updates on the latest happenings at the Port, personalizing their updates by choosing topics of interest or publications they want sent to them via email.

Seeking to spur local import and export development, the Harbor Commission has voted to appropriate \$100,000 toward the re-opening of a reinvigorated Long Beach International Trade Office.

Founded in 1993, the trade office originally thrived. But in recent years, it had languished because of staff departures and other factors.

Now the Los Angeles County Economic Development Corp.'s World Trade Center Association and the Long Beach Community College's Center for International Trade Development have joined the Port of Long Beach in reviving the trade office.

The Harbor Commission has voted to sell two aging, nearly obsolete gantry cranes to California United Terminals.

The sale saves the Port the cost of disposing of the 27-year-old cranes. CUT plans to invest \$3 million to extend and renovate one of the 50-foot gauge gantry cranes.

Redevelopment plans for CUT calls for 100-foot gauge crane rails, the current standard. CUT has no immediate plans to modify the other crane. The purchase and crane renovation will give CUT five ship-to-shore cranes.

A new edition of the Port's half-hour cable TV news magazine program, "Pulse of the Port," begins airing in November on Long Beach Television 8, the City of Long Beach's government access channel hosted by Charter Communications.

“Pulse of the Port” airs 7:30 p.m. each Monday, Wednesday and Saturday, and at 7 p.m. on Friday in Spanish. The newest program features segments on the draft environmental study of the LNG project, new cleaner-running harbor locomotives, the Green Port Open House in October, and a day in the life of a gantry crane operator.

To view the program on-line as a streaming video, go to the Port’s web site at www.polb.com.

Long Beach area high schools have added the Port’s new “Trade Is” educational video to their economics programs.

Beginning this year, economics teachers will begin using “Trade Is” and “Julio’s New Ride” – two fast-paced, informative videos - to teach high school seniors how international trade plays a key part in their lives.

“Trade Is” was adopted from a similar program in Washington State high schools. “Julio’s New Ride” was produced for the ports of Long Beach and Los Angeles, and features such Southern California firms as Toyota, Taylor Guitar and Sketcher shoes.

As part of a \$65 million project, the Port has opened a detour road on Terminal Island to make way for construction of an improved interchange at Ocean Boulevard and the Terminal Island (47) Freeway.

Motorists will be diverted to the detour road just north and parallel to Ocean Boulevard for 12 to 16 months, during the interchange construction. The detour road has only two eastbound lanes, one less than Ocean Boulevard, so motorists should expect some delays. Westbound, the detour road has three lanes, the same as the existing Ocean Boulevard.

The Ocean Boulevard/Terminal Island (TI) Freeway interchange program, scheduled for completion in early 2007, aims to ease congestion and improve air quality by eliminating two Terminal Island traffic signals – at Ocean Boulevard and the TI Freeway, and Ocean Boulevard and Pier S Avenue.

Hanjin Shipping Co.’s newest 8,000-TEU container ship, the Hanjin Baltimore, made its maiden call on October 21 at the Total Terminals International facility on Pier T.

The Baltimore is one of five 8,000-TEU vessels that will be coming to TTI. First was the Boston in July. Then, the Miami in August. Also due to arrive before the end of the year are the Hanjin Yantian and Dallas.

The vessels will join Hanjin’s Pacific Express Service (PSX), which calls in Yantian (China), Hong Kong, Kaohsiung (Taiwan), Gwangyang and Busan (South Korea), Long Beach, Oakland, Seattle, Busan and back to Yantian.

More than half-a-million truck trips have been diverted from peak daytime traffic since the start of the OffPeak truck gate program on July 23, relieving congestion inside the ports and reducing traffic on area freeways, according to PierPASS Inc.

Area commuters have reported a noticeable decrease in traffic congestion on the Long Beach (710) Freeway near the ports.

Truck traffic during the daytime commute on the 710 freeway has dropped an estimated 24 percent, according to a study by the Alameda Corridor Transportation Authority (ACTA).

Matson Navigation Co. has opened offices in Shanghai and Ningbo, China, in preparation for the launch of a transpacific service early next year between China and Long Beach.

The Oakland-based shipping line had previously focused on trade between the U.S. West Coast and the South Pacific, including Hawaii and Guam. Beginning in February, Matson plans to kick off a direct service from Ningbo and Shanghai to Long Beach

Matson would become the only U.S.-based shipping line to make regular calls in China.

Sea Launch has scheduled its fourth mission of the year, the launch of an Inmarsat communications satellite on November 4, for use in delivering Internet and intranet content, video-on-demand, videoconferencing, fax, e-mail and phone services in the Western Hemisphere.

This is Sea Launch's first mission for Inmarsat, an international telecommunications firm based in London, and its first mission with a European spacecraft.

Sea Launch sails from its facilities at the Port of Long Beach to the Equator, and launches satellites from a converted oil-drilling platform.

Where do imports go after arriving at the Port of Long Beach? The top five "import" destination states are California (naturally), New Jersey/New York, Texas, Illinois, and Tennessee, according to a recent Port study.

While, the actual final destination is not always known, the study found that the importers most often listed the top destination cities as New York, Chicago, Memphis, Dallas and Atlanta.

The Los Angeles Transportation Club will hold its annual installation dinner and casino night fund-raising dinner on November 5 aboard the Queen Mary. For more information, call (562) 856-9197.

U.S. Customs and Border Protection Commissioner Robert C. Bonner will speak at the all-day Tradewatch 2006 conference November 8 at the Los Angeles Airport Hilton Hotel.

The Foreign Trade Association of Southern California and the Los Angeles Customs Brokers and Freight Forwarders Association are hosting the event. For more information, call (818) 951-2841.

Bruce Wargo, president and CEO of PierPASS, will present an update on the OffPeak truck gate program at the November 10 dinner meeting of the Harbor Transportation Club.

For the club's monthly dinner December 8, Cunningham Report Publisher George Cunningham and Journal of Commerce Editor Bill Mongelluzzo will review the maritime events of 2005. The group meets at the Reef Restaurant in Long Beach Harbor. For more information, call (562) 434-7393.

PORT PEOPLE. . .

There have been some personnel changes at gypsum products manufacturer New NGC, Inc. on Pier B Street. Tim Fout, formerly production manager, has been promoted to plant manager, succeeding Tim Jones, who is off to a New NGC facility in Florida.