



Matson Begins China-L.B. Service

U.S.-based Shipping Line Enters International Trade

March 6, 2006

Port of Long Beach and Matson Navigation Co. officials on Monday, March 6, celebrated the arrival of a new express shipping service that marks U.S.-based Matson's first entry into the Chinese market.

Matson, an ocean carrier based in Oakland, is one of the few U.S. companies with vessels calling in China. Matson's new weekly China - Long Beach Express service will move goods from Shanghai to Long Beach in 11 days, among the fastest travel times in the transpacific trade.

"We have few U.S.-based shipping lines moving international cargo," said Long Beach Harbor Commissioner Mario Cordero, who welcomed the captain and crew of the Matson Manulani, the first ship in Matson's new service, on Monday with a plaque presentation. "It's very encouraging to see an American company, especially one as highly regarded as Matson, expand into this area of international trade."

Also encouraging, Cordero added, were recent discussions between top Port officials and Matson executives regarding environmental improvement initiatives.

The China - Long Beach Express will deploy five vessels, each capable of carrying 2,600 twenty-foot-long container units. The ships will call at the Chinese ports of Ningbo and Shanghai before heading to Long Beach and the 70-acre Pier C terminal that SSA Marine operates jointly with Matson.

Matson is one of the leading U.S. domestic ocean carriers, and has been deploying vessels in the Pacific since 1882. Prior to the launch of the China - Long Beach Express, the company's services were focused on Pacific Ocean routes between Long Beach and Hawaii and Guam.

James Andrasick, Matson's President and CEO, said the expansion makes economic sense, despite the higher expenses associated with U.S. crews.

"The China - Long Beach Express is an exciting growth opportunity for Matson," Andrasick said. "While the costs of operating a U.S.-flag service are higher than those for international carriers, the economics of this new service will benefit from Matson's westbound cargo volumes moving to Hawaii and Guam, allowing us to price our service competitively."

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