



PORT OF OAKLAND

MARITIME e-NEWS

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May Busiest Month in Nearly Four Years at Port of Oakland

Volume up for third straight month; import cargo grows 4.5 percent

May was the busiest month in nearly four years at the Port of Oakland. The Port said it handled 213,260 cargo containers last month. That was the most since it reported volume of 216,276 containers in August 2011.

The total volume of import, export and empty containers was up 3.8 percent in May from a year ago. It was the third straight month of year-over-year volume increases reported in Oakland.

"We're seeing steady improvement, especially in import cargo," said the Port's Maritime Director, John Driscoll. "Our job now is to improve efficiency and productivity to provide customers the service levels they require."



Loaded import container volume increased 4.5 percent in May from the same period a year ago, the Port said. Shipments of empty containers back to origins in Asia were up 20 percent. The empty repositioning indicates that Ports are still rebalancing containers dislocated by wintertime trade slowdowns.

Export volume declined 5.6 percent in May, the Port said. The decrease was attributed to a strong dollar which makes U.S. exports more expensive. Nevertheless, export volume of 79,890 containers was the most in Oakland since last October.

Monthly cargo statistics are available at the Port of Oakland Web site: www.portofoakland.com.

Port of Oakland Takes Step to Speed Up Cargo Flow

Technology familiar to rush-hour motorists may soon help accelerate containerized cargo flow through the Port of Oakland. The Port said this month it's testing sensors measuring how long harbor truckers must wait to enter its marine terminals.

Armed with wait-times, drivers could avoid peak periods and shippers could collect cargo when terminals aren't crowded. If the test proves successful, the technology may be deployed throughout the Port.

"Our customers want to get in and out of the Port with their cargo quickly," said Maritime Director John Driscoll. "We think this technology can provide an important component of wait-time metrics to our Port stakeholders."

The Port said it's installing Bluetooth sensors this month along thoroughfares in the outer harbor area of the Port. The readers will detect anonymous signals emitted from phones or other mobile devices in truck cabs. They'll measure time between the first and last of each signal to calculate wait times into terminal yards.

It's the same technology used along major freeways to calculate rush-hour commute times. On roads, overhead signboards tell motorists how long it takes to travel from, say, downtown Oakland to San Francisco. At the Port, harbor truckers and cargo owners will get that information on cellphones or computers.

The Port said it may eventually use Bluetooth sensors for turn-time measurement within its terminals. Turn-times refer to the amount of time it takes a driver to conduct transactions once inside terminal gates. Gate waits and turn-times are critical metrics for truckers and cargo owners eager to avoid delays at ports.

More Labor in Oakland

The Port of Oakland is working to clear out a temporary vessel backlog that has left ships intermittently at anchor in San Francisco Bay. Waterfront employers and longshore labor have agreed on a plan to add 500 workers at Oakland marine terminals. The action comes as cargo volume continues to build in Oakland.

The Port is working on additional plans to improve efficiency and cargo flow. The steps in development include Saturday gates, off-site locations for container pick-up and delivery, and a common chassis pool.

Interview: Port of Oakland Braves the Storm, Eyes More Cargo

(Reprinted from World Maritime News)

The United States West Coast ports have braved a particularly turbulent period with the congestion woes arising from waterfront contract talks between the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU). The prolonged talks affected considerably the port's business performance, driving much of their clients to East Coast ports.



Now that the new contract has been ratified by both parties, we wanted to find out more about how the West Coast ports are dealing with the aftermath.

World Maritime News spoke with the Port of Oakland's Executive Director J. Christopher Lytle to learn about the ongoing developments at the port once the dust has settled.

Mr. Lytle also spoke about the port's readiness for the ever bigger ships that have exerted a lot of pressure on ports worldwide, especially with respect to infrastructural capacity.



Chris Lytle
Executive Director of Port of Oakland

WMN: Has the labor dispute between the PMA and the ILWU had any lasting effects on your operations, apart from the backlog it created?

Lytle: "Shippers are questioning the efficiency and reliability of West Coast ports—including Oakland—in the wake of the recent dispute. It's our job to improve efficiency, ensure reliability and regain shipper trust."

WMN: Unionised dockworkers have staged several work stoppages at the port in the first quarter of the year, even after a tentative agreement between PMA and ILWU was signed on February 20. Is there a realistic chance of the stoppages happening again in the near future?

Lytle: "It's much less likely since the new contract is now formally in place. Overall marine terminal productivity has improved in Oakland since the cargo slowdown ended."

WMN: In the last three months, the port saw a rise in containerised cargo volumes. Do you expect the increase to continue in the follow-

ing months? How will the drop in volumes throughout January and February affect your overall stats?

Lytle: "Volumes have been recovering. Volume growth for the remainder of the year will depend on two key variables: 1) U.S. consumer demand which drives imports; and 2) the strength of the U.S. dollar which heavily influences U.S. exports."

WMN: There has been a growing popularity of East Coast ports among carriers who shifted their cargo from the congested West Coast ports. Do you believe this trend could resume, and, if so, what would this mean for your port operations?



Lytle: "We understand that during the cargo slowdown ports up and down the US West Coast may have lost some customers to East or Gulf Coast ports. However, we see that containerized cargo is rebounding at Oakland. Some ships that were bypassing us during the vessel backlog are returning to their regular schedules calling Oakland."

We've still got a lot of work to do to regain our customers' trust. We can't go back to business as usual. That's why we're looking to do things differently by implementing new ways to accelerate cargo flow at our seaport and developing a logistics hub at the waterfront. This logistics center will provide our port with a major competitive advantage."

WMN: We have seen a growing trend of establishing of mega alliances between container shipping companies which have set their sights on ever larger boxships. Is Oakland ready for these giants of the seas?

Lytle: "We're fully engaged with the mega-ships that are changing the face of global trade in the Pacific. Just recently 16 big ships called Oakland in a one-month period. The Port of Oakland has been handling the largest container ships to call North America."

We've been preparing for these 10,000+ TEU vessels for nearly ten years. Two Oakland arrivals, the MSC Regulus and the CMA CGM Margrit, hold up to 13,000 containers each.

continues page 3

They Said It

"The container revolution transformed Oakland into one of the busiest and most successful ports in the world"

—KTVU television

Oakland has deep water (50-feet of harbor depth), super post-Panamax cranes, two Class I Railroads adjacent to the marine terminals and the capacity for more throughput. In 2013 the MSC Beatrice became the largest vessel in Oakland. It holds 14,000 TEUs."

WMN: What are the key challenges in handling these ships? What is the port doing to meet these challenges?

Lytle: "This big ship migration will test marine terminals' ability to load and unload vessels. Oakland has capacity and convenient road and rail access for moving significantly greater numbers of containers. We have to ensure that there are enough people to work the ships and that the terminals can remain fluid and efficient when so much cargo needs to be moved.

We have a four-step plan in Oakland to accelerate cargo moves:

- Saturday operations to reduce weekday crowding inside terminals
- Off-terminal locations where cargo could be dropped off or picked up after hours
- A common chassis pool that permits harbor truckers to use any chassis at any terminal to haul cargo over the road, and
- Electronic monitoring to measure wait-times at terminal gates

We're working closely with the terminal operators, truckers and other maritime stakeholders to facilitate steps to improve cargo efficiency here prior to peak season."



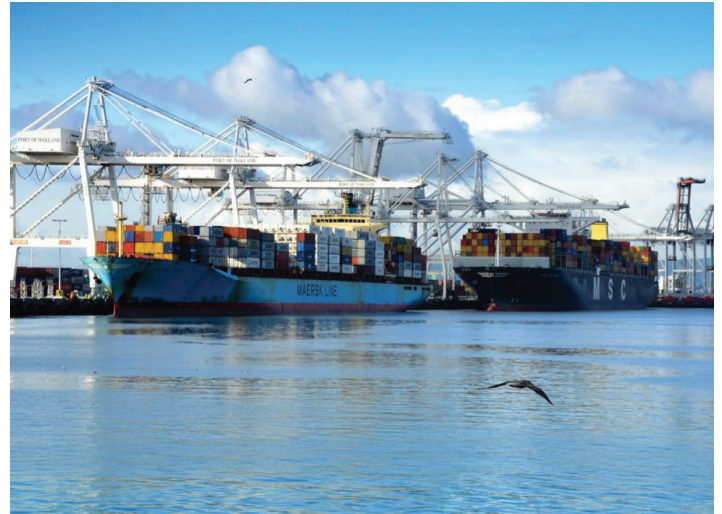
WMN: Are there any plans to invest in infrastructure to boost Oakland's handling capacity of these mega ships? If so, when can we expect this to take place?

Lytle: "The Port of Oakland expanded its maritime facilities a number of years ago to provide the infrastructure and capacity needed for handling big ships. We added capacity, big container cranes with booms wide enough to reach out across the width of these larger vessels, lengthened our turning basin to accommodate the mega-ships, and deepened the harbors and berths to minus 50 feet.

Now we're embarking on developing a premier logistics hub directly adjacent to the Oakland seaport on land that used to be an army base. The Port of Oakland is currently constructing a railyard to be followed by new transload warehouses. When completed, commodities shipped in bulk can be transferred to containers for export out of Oakland and imports can be transloaded into 53-foot domestic containers and then placed on rail cars for inland shipment. We think that this project, once completed, will help us handle big ship cargo more efficiently and attract first port-of-calls."

WMN: As the Panama Canal expansion nears its completion, what do you expect this will bring in terms of both cargo volumes at your port and West Coast ports in general?

Lytle: "The Panama Canal is already an important gateway for shippers connecting with the U.S. East Coast and those seeking an alternative to the West Coast. Expansion will allow bigger vessels to transit but it's not clear that it will significantly shift cargo flows. West Coast ports such as Oakland, which already handle the largest vessels calling in the U.S., remain the most cost-effective and timely gateway to the U.S."



WMN: What are the key strategic objectives for the port this year? What are your business operation expectations based on the market trends?

Lytle: "The port is working hard to improve efficiency and the movement of cargo through its marine terminals. Simultaneously we're in talks with potential business partners on exciting new developments to establish Oakland as the pre-eminent U.S. trade and logistics hub.

These include new rail, warehousing, cold-storage and trans-loading facilities that could significantly alter global supply chains. The new projects will make it possible for shippers to move cargo to Oakland, then trans-load right at the Port to the most cost-effective means of transportation. This is capability we think no one else will be able to match. We envision significant additional cargo moving through Oakland, as a result."

They Said It

"Data taken from the ports of Long Beach, Los Angeles and Oakland for April shows that both inbound and outbound traffic are basically back to normal"

—Market Watch

"Thank you Port of Oakland Executive Director Chris Lytle for joining the California Trucking Association at the Northern Intermodal conference meeting"

—California Trucking Association

Dramatic Diesel Emission Cuts in Oakland; World Takes Notice.

Port of Oakland efforts to cut diesel emissions are producing dramatic results and gaining global recognition. That was the message from two events this month highlighting Port programs that target truck and vessel exhaust.

A University of California expert presented research showing a 76 percent drop in black carbon emission from harbor trucks. One day later, Chinese officials from Tianjin, the world's fourth-largest port, visited Oakland to find out how it's done.

"Oakland ranks among the best in the world and we want to learn how you control pollution," said Wen Wurui, Director General of the Tianjin Environmental Protection Bureau.

UC Civil and Environmental Engineering Prof. Robert Harley said state and Port programs have modernized Oakland's harbor truck fleet. The result: not only are black carbon emissions plummeting, but nitrogen oxides, which create ozone, are down 53 percent. Prof. Harley's Oakland research, conducted between 2009 and 2013, was shared at a state Environmental Protection Agency webcast in Sacramento.



According to the Port, its truck programs eliminated 14 tons of diesel particulate emissions between 2005 and 2012. During the same period, it eliminated another 151 tons of particulate matter from vessels. Further reductions have been achieved since then, the Port said.

Port officials demonstrated Oakland's vessel clean-up initiative to the five-member Tianjin delegation. The program, known as shore-power, connects vessels at berth to the landside power grid. By relying on shoreside electricity, vessels can switch off diesel generators formerly used to power their systems in port.



"The city's port, one of the country's largest, provides electrical power to arriving ships to end the use of polluting diesel generators while they are loading and unloading," said environmental watchdog Circle of Blue in a report issued this month.

The Port said it's on target to reach an 85% overall reduction in diesel emissions by 2020. Tianjin officials said they hoped to learn from Oakland's experience.

Tianjin, situated on North China's Bohai Bay, is the commercial gateway to Beijing. It handles the equivalent of 13 million 20-foot cargo containers annually.

Here's a Deal: Tour the Port of Oakland for Free

Here's summer's biggest travel bargain: free boat tours at the Port of Oakland. The Port has introduced no-charge, 90-minute harbor excursions available to the public. The narrated port tours will be conducted aboard the USS Potomac, the former presidential vessel of Franklin D. Roosevelt.



Oakland Mayor Libby Schaaf helps launch Port of Oakland's free harbor tours

"We're proud of our Port and of the relationship we have with our communities," Executive Director Chris Lytle said before embarking on the maiden harbor tour in May. "Inviting our neighbors to these tours gives them a way to know us even better."

More than 200 Oakland school children boarded the Potomac for the first two of 12 free summer tours last month. Oakland Mayor Libby Schaaf and School Superintendent Antwan Wilson were there as the Port welcomed youngsters aboard.

The Port said it has scheduled two tours each month on designated Friday afternoons and evenings through October. The 165-foot Potomac, berthed at the Port's Jack London Square, can carry 120 passengers per excursion. Schedules and [registration for the tours](#) are open to the public at the Port's website, www.portofoakland.com

The excursions are a cost-effective way to give neighbors a close-up look at how the Oakland seaport works. Passengers will transit the Oakland Estuary and Outer Harbor. They'll see all five Oakland marine terminals and pass within yards of massive container ships, some 1,200-feet long. The tours will also provide close-up views of San Francisco's waterfront and skyline.