



**PORT OF OAKLAND
SEAPORT**

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MARITIME e-NEWS



Meet the Port's new Maritime Director



Bryan Brandes

Hello. Allow me to introduce myself. I'm Bryan Brandes, the new Maritime Director at the Port of Oakland. I head up a group of about 60 people devoted to serving the Maritime community in Oakland. It's an honor to work with them in support of you.

I began in Oakland June 29, 2020. I'm succeeding John Driscoll who has moved on to lead the Alabama State Port Authority. As you can imagine, it's an unusual time to start a new job. Due to coronavirus our meetings are mostly online. Face-to-face gatherings are socially distanced with limited attendance. But the dedication of our people to Oakland's Maritime business stands out despite the pandemic. I'm gratified to work alongside them

(figuratively speaking, of course, till shelter-in-place orders ease).

Since we all depend on the Port of Oakland, you'll want to know something about me.

My background: I've spent the last 25 years in Maritime. There have been stops at CMA-CGM, Maersk and Flexi-Van. I was a board member at PMSA and the Propeller

continues on page 3

Port of Oakland Board votes labor leader Cluver as President

Leslie, Lee are Vice Presidents; Martinez returns for second term

Alameda County labor leader Andreas Cluver has been elected President of the Port of Oakland's governing Board. The seven-member Board of Port Commissioners chose Mr. Cluver at a special meeting this month.



Andreas Cluver

Oakland Chamber of Commerce President and CEO Barbara Leslie was elected the Port Board's First Vice President. Commissioners selected well-known Oakland architect Yui Hay Lee as

continues on page 2

Port of Oakland June imports up 1.9 percent

Surprise gain for inbound cargo, but overall volume down

Port of Oakland loaded import volume grew 1.9 percent last month from June 2019. The gain was unexpected given that shipping lines canceled 10 percent of their scheduled Oakland visits due to the trade-related impact of coronavirus.

The Port attributed the uptick in imports to retailers accelerating shipments to the U.S. in light of:

- Cargo-carrying capacity that dwindles each month as shipping lines continue to cancel voyages; and
- An anticipated rise in freight rates.

Oakland's overall container volume, which includes imports, exports and empty containers, declined 2.3 percent in June from 2019 totals. The Port handled the equivalent of 199,011 twenty-foot containers in June 2020 compared to 203,730 a year ago. The Port said the cargo decrease resulted from a coronavirus pandemic that continues to dampen global trade.

According to the Port, June export volume declined 5.7 percent. The Port said that the weakening export performance was likely due to reduced consumer demand in foreign markets caused by COVID-19 disruptions. Additionally, China instituted new restrictions on wastepaper exports from the United States which further dampened export volumes. The return of empty containers to origins in Asia decreased 14.5 percent.



Maritime status update

Economic fallout resulting from the pandemic is expected to continue to hamper worldwide cargo volume.

Equipment – 50/50 balance of containers as carriers are bringing in empties for exports

Vessel calls – 99 June 2020 vs 113 June 2019; however, each ship carries more cargo

Labor – Labor supply is holding

Canceled Sailings – 1 blank sailing is scheduled for August; schedules are subject to change

Commissioners, from page 1

Second Vice President.

President Cluver succeeds Ces Butner who had been Board President for the past two years. Mr. Butner, a prominent Oakland business executive, will remain on the Board as a Commissioner.

The election follows Oakland City Council re-appointment of President Cluver and community activist Arabella Martinez to the Port Board. Both joined in 2016.

President Cluver is Secretary-Treasurer of the Alameda County Building Trades Council. He served the past two years as First Vice President of the Port Board. Commissioner Leslie had been the Port's Second Vice President last year. Commissioner Lee joined the Board in 2018.

The Board of Port Commissioners sets policy for the Port of Oakland and oversees Port operations. The Mayor of Oakland nominates Board members who are appointed by the City Council.

Port OKs FY 2021 budget midst COVID-19 crisis

Near 16 percent drop from 2020 spending plan due to decline in cargo, air traffic

Coronavirus-induced business declines have prompted the Port of Oakland to curtail Fiscal Year 2021 spending plans. Port Commissioners approved a budget for next year down 15.84 percent from FY 2020 levels.

The Port budget projects \$432.5 million in operating and capital expenditures and debt service payments next year. That's reduced from last year's \$513.6 million budget. According to the Port, lower spending reflects anticipated declines in its Aviation and Maritime businesses.

The Port said its new budget would achieve key financial objectives that include:

- Protecting cash reserves;
- Ensuring adequate revenue to pay down debt; and
- Maintaining full operations at its Airport, Seaport and Commercial Real Estate holdings.

"This budget is based on neither unsubstantiated hope nor on speculation of any worst-case scenario," said Port of Oakland Executive Director Danny Wan. "It is based on best estimates of how our business may recover, assuming that our communities and country make slow but steady progress in containing the COVID-19 virus."

The economic impact of COVID-19 is likely to continue depressing revenue in FY 2021, the Port said. Oakland International Airport passenger volume plummeted 80-to-96 percent this spring. The Port warned that recovery in the aviation sector could take 2-to-3 years. Maritime business could recover faster, the Port said, but Oakland's total cargo volume is off 7.8 percent so far, this calendar year.

The Port said its FY 2021 budget includes \$19.1 million of federal coronavirus relief funding. An additional \$25.5 million will be used in 2022 and 2023, the Port added.

The Port's FY 2021 budget took effect July 1, 2020.



Maritime Director, from page 1

Club. Previous positions brought me to Oakland often. I know shipping, I know many of you.

My priorities during the pandemic: health and safety; operational reliability; business partner support and volume growth.

My outlook: Business is down because of the economic drag of coronavirus. We'll most likely end 2020 with a drop from 2019 cargo volume. But longer-term, the outlook is good. Oakland is the only effective international gateway for lucrative Northern California/Nevada economies. It's the obvious jumping off point for agricultural exports to Asia. With new logistics capabilities coming online, it will be the most cost-effective port for shippers. We hear a lot about cargo migrating from the U.S. West Coast to the East Coast. I don't see that happening in Oakland.

Of course, the Port's impact doesn't stop at water's edge. We're a part of East Bay life. Issues that transcend ships and cargo are also important to us. Two are pre-eminent right now:

- **Racial justice** The Port issued statements denouncing racism amid worldwide protests. It has called for

investigations and criminal charges against purveyors of racial hate language. I'm heartened by the Port's stance.

- **Howard Terminal** The Port's governing Board has an Exclusive Negotiating Agreement with the Oakland Athletics for this property. The A's propose a ballpark and housing on the site. The Port sees benefits in the plan. But it's stressing that the proposal must not conflict with our Maritime business. We discussed this project quite a bit during my interview process. I have ZERO doubt about the Port's commitment to Maritime.

I've spoken to many of our business partners since accepting the Port's Maritime Director job last month. I've heard first-hand about the pressures of economic disruption resulting from coronavirus. What our partners want from us is collaboration in addressing their challenges.

My promise: We'll do our utmost to work with them. I've been on the other side of the fence. I've been a Port of Oakland customer. I know its reputation for responsiveness. In my new role I'll do everything I can to uphold that reputation and strive to enhance it.

Port of Oakland provides coronavirus updates via blog

Online visitors can find coronavirus impact updates from the Port of Oakland's [blog](#). The blog includes reports from the Port of Oakland and its Oakland International Airport.

Friendly coronavirus reminder

The best defense against COVID-19 remains wearing a mask, washing your hands frequently with soap and water for at least 20 seconds, keeping your hands away from your face and social distancing. Please see and follow the list of CDC recommendations here: <https://www.cdc.gov>. Thank you for your continued adherence to these guidelines.

Industry resource links:

- [Oakland Portal](#)
- [Oakland Seaport Map](#)
- [Ocean Carrier Services](#)
- [Shipping Forms & Permits](#)
- [Shore Power & Vessel Commissioning](#)
- [Trucker Resources](#)
- [TWIC](#)
- [Maritime Service Directory](#)

