

**APRIL 2019** 

# MARITIME e-NEWS



# PIL to link Vietnam and Oakland

### Service to Haiphong added

The Port of Oakland will add new direct service to Vietnam by late April. Pacific International Lines (PIL) will launch direct Vietnam links using vessels that can carry up to 11,900 20-foot containers. PIL's new service is called AC5 and is in partnership with Cosco and Wan Hai.

Here's a look at the service loop: Haiphong, Nansha, Hong Kong, Yantian, Long Beach, Oakland, Yantian, Haiphong.

"PIL's new direct service from the Port of Oakland is a good sign of increasing demand on Vietnam routes," said Port of Oakland Maritime Director John Driscoll. "Vietnam is showing strong growth in its import and export markets."

In 2018, Vietnam was the Port of Oakland's third largest import market and fifth largest export market. When measured by volume, American exports to Vietnam from Oakland have grown by 126 percent since 2015. Oakland imports from Vietnam have grown 29 percent since 2015. The new PIL service route between the Port of Oakland and Vietnam is in response to Vietnam's expanding import and export markets.

### Cargo volume climbs in Oakland

March 2019 cargo volume jumped up at the Port of Oakland according to statistics released early this month. Loaded containerized import volume was up 12.7 percent from March 2018 totals. Exports increased 7.6 percent. Total cargo volume - imports, exports and empty containers - surged 10.7 percent. Oakland's total cargo volume increased 4.2 percent during the first three months of 2019.

There has been some concern in the shipping industry that a recent import surge has cooled. Oakland's March performance appeared to counter the trend.

"We are still seeing a strong consumer demand in Northern California and Western Nevada," said Port of Oakland Maritime Director John Driscoll. "The Bay Area's strong consumer-based economy has helped the Port of Oakland absorb the impact of a weakening import rally better than other ports."

Though cargo volume increased last month, Oakland vessel calls declined 11 percent. The Port said that's a reflection of an industry trend toward loading more cargo on fewer but larger ships.

## Port's big economic impact

The Port of Oakland supports 84,144 jobs in the Bay Area and 20 percent of those jobs are Oakland-based, according to an economic impact study released this month. The



study by Martin Associates shows that the Port's overall economic value—from business revenue, consumer spending, and total value of goods and services—tops \$130 billion. The Port and its tenants also contribute \$698 million in state/local taxes.

The Port said the study shows that growth in its three businesses— Commercial Real Estate, Aviation and Maritime is paying off for the community.

"The report confirms the Port of Oakland's role as a jobs generator for the region," said Port of Oakland Director of Social Responsibility Amy Tharpe. "The Port creates business opportunities that provide good, family-wage jobs."

According to the study, jobs supported by the Port are up 15 percent since 2010.

These are jobs created by the Port, its tenants and its customers. According to the study, there is a direct correlation between job growth and the growth of container volumes, airport passengers and occupancy rates.

The study points out that:

- Oakland International Airport has seen 62 months of consecutive growth.
- The Oakland Seaport broke cargo volume records in 2017 and 2018.
- Occupancy rates have climbed at Jack London Square over the past decade.

This study is based on the Port's activity levels, economic analysis models and surveys of those impacted by the Port of Oakland. The data is from 2017 and it was collected and analyzed in 2018. Download a copy of the Economic Impact Report, **HERE**.



# Yard cranes going hybrid

Containerized cargo handling at the Port of Oakland is about to get a whole lot cleaner. The Port announced last month that its largest marine terminal is converting 13 diesel-powered yard cranes to hybrid power. The result is expected to be an annual 45-ton reduction in diesel-related air pollutants.

The Port said the first hybrid crane began service March 5 at Oakland International Container Terminal. It added that the rest of the terminal's retrofitted fleet will come online by next year. Each crane, shaped like an inverted U on wheels, is being equipped with batteries and new, smaller diesel backup engines.

"This is the Prius of cargo-handling equipment," explained Port of Oakland Environmental Planner Catherine Mukai. "We're gratified that our partners at the terminal are taking this step to help clear the air."

In July 2018, the Bay Area Air Quality Management District awarded the terminal operator, SSA Terminals, a \$5 million grant for the hybrid project through its Community Health Protection Grant Program. SSA Terminals is spending about \$1 million more to retrofit its cranes. According to the Port, the terminal operator could recoup its cost within two years, thanks to fuel savings. Terminals are where ships are loaded and unloaded and where containerized cargo is distributed to customers by truck or rail.

"We depend heavily on this equipment to keep cargo flowing smoothly," said Jim Rice, General Manager at Oakland International Container Terminal. "We're pleased to find a solution that makes us more efficient and at the same time benefits the environment."

The massive cranes, known as Rubber Tired Gantry Cranes, are the workhorses of port operations worldwide. They straddle mile-long rows of containers, lifting boxes on and off trucks and have a 50-ton lift capacity.

#### Free harbor tours return

The Port of Oakland's free harbor tours will return this May and run through October. The Port has published information about harbor tours and its 2019 harbor tour schedule on its web site. The 90-minute harbor excursions include a guided narration and are conducted aboard the Blue & Gold Fleet.

"Port of Oakland harbor tours allow us to give visitors a birds-eye view of actual maritime operations," said Port of Oakland Director of Social Responsibility Amy Tharpe. "We want the community to see how the Oakland Seaport provides local jobs and business opportunities."

Last year, more than 3,000 guests attended the Port's summer harbor tours. Each Blue & Gold vessel can hold 230 passengers per tour. Click **HERE** for a 30-second video of the harbor tours.

The Port will host two harbor tours a month on Friday afternoons departing from Jack London Square's ferry dock at the foot of Clay Street. Ticket registration begins May 6 for the two May cruises. The first harbor tour is slated for May 17. Registration will take place the first Monday of each month for that month's tours.

The Port said the cruises were designed to give neighbors a close-up look at how the Oakland Seaport works. The tours follow the Port's shoreline along Oakland Estuary and Outer Harbor, and passengers will be able to see working marine terminals, giant cranes and megaships. The tours will also provide views of the East Bay hills, the Bay Bridge, and San Francisco's waterfront and skyline.

