

#### JANUARY 2021

## MARITIME e-NEWS



# Port of Oakland's new cranes to come on-line this winter

### Final assembly has begun on the 400-foot behemoths that arrived last month

The three cranes, the tallest for Oakland and the U.S., are being assembled and installed at Oakland International Container Terminal (OICT). Terminal operator SSA purchased the \$30 million cranes to handle the latest generation of ultra-large vessels. Taller cranes are needed to reach containers that can be stacked as many as 14 high on the deck of a modern ship.

See the cranes glide under the San Francisco-Oakland Bay Bridge in this video released by the Port: <a href="https://youtu.be/zbYgxsZVEuA">https://youtu.be/zbYgxsZVEuA</a>. Shanghai-based manufacturer ZPMC transported the cranes in sections to ensure bridge clearance.

SSA is the largest marine terminal operator at the Port of Oakland. It handles more than 60 percent of the Port's containerized cargo. SSA said its new cranes would replace three older cranes scheduled for removal.

See time-lapse video of one of the giant cranes being rolled off the ship: <a href="https://bit.ly/3qP7qqH">https://bit.ly/3qP7qqH</a>

### Port import cargo volume increase seen for 2021

Port of Oakland cargo volume increased last month, and the trend could continue through early 2021. That's the view of Port Maritime officials who cite three indicators of continued growth:

- Ocean freight rates remain high, indicating strong demand for space on container ships
- Consumer demand, a key driver of U.S. import growth, shows no sign of abating
- The Port welcomes a new first-call service to Oakland in February

The Port said it expects containerized import volume to remain strong at least through Lunar New Year Feb. 12. This is a peak period for shipping lines as importers accelerate orders ahead of Asian factory holidays.

Oakland import volume increased 11 percent last month compared to December 2019. Exports edged up 1 percent last month as well. The Port attributed cargo gains to consumer spending via e-commerce transactions.

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## CMA CGM first-call service next month

Long-awaited first-call vessel service returns to the Port of Oakland next month. The Port said its new Golden Gate Bridge service linking Oakland and China would commence Feb. 12.

First-call status means Oakland becomes the first U.S. stop for ships in the weekly service. It has been more than a decade since Oakland offered a first call to U.S. importers. The new feature is expected to increase containerized cargo volume in Oakland.

"This opens up so many possibilities," said Port of Oakland Maritime Director Bryan Brandes. "Our customers can significantly improve speed-to-market with a first-call and also use Oakland to reach the U.S. interior through our rail connections."

French-based shipping line CMA CGM is operating the new Golden Gate Bridge service, the Port said. The service would connect Oakland with ports at Shanghai, Yantian and Kaohsiung. Ships in the service would sail from Oakland to Seattle before returning to Asia.

The Port said Oakland first-call service is a response to explosive e-commerce growth in the U.S. Distributors are locating depots near the Port to reach online shippers in western states. Online retailers value first-call service because their cargo can be discharged at a ship's first U.S. stop.

First-call service could increase rail cargo shipments from Oakland, the Port said. Imports destined for interior destinations such as Chicago or Memphis is usually discharged on the West Coast, the Port explained. From there it's shipped via rail. Because of added transit time, first-call service is critical. The Port said Oakland has ample rail capacity for inland cargo.

Here are details of the first-call Golden Gate Express service:

Operator	CMA CGM
Service schedule	weekly
Port rotation	Shanghai, Yantian, Oakland, Seattle, Kaohsiung
Size of ships in service	5,000 to 6,000 TEUs
Transit times	Yantian-to-Oakland, 12 days; Shanghai-to-Oakland, 17 days; Oakland-to-Kaohsiung, 19 days
Oakland berthing	Oakland International Container Terminal

First-call service comes at an important time for Oakland. Southern California ports are congested due to a recent U.S. West Coast cargo surge. U.S. importers have begun redirecting shipments to Oakland, which has avoided container bottlenecks.



Stay healthy: wear a mask, wash your hands and keep your distance. Useful links:

- CA Industry guidance https://covid19.ca.gov/industry-guidance/#top
- CA Counties information https://covid19.ca.gov/roadmap-counties/
- CA COVID-19 testing https://covid19.ca.gov/testing-and-treatment/#top

volume, from page 1

Total volume for all of 2020 decreased 1.6 percent compared to 2019. It blamed the dip on the impact of coronavirus, which shuttered Asian manufacturing centers temporarily last spring. Since last summer, import volume has risen sharply in Oakland.

Export volume has been constricted by dwindling space on ships departing Oakland, according to the Port. Ships arrive late in Oakland because of delays they face by first calling Southern California ports, which are grappling with delays caused by surging imports. The Port added that space on those ships is often taken up by empty containers returning to Asian origins.

The Port said it will welcome a new first-call service from CMA CGM next month. A new vessel service usually means additional cargo volume at ports of call.

#### Port of Oakland Board extends Project Labor Agreement 5 years

The Oakland Board of Port Commissioners has extended the Port's landmark project labor agreement (PLA) that increases East Bay hiring on Port-related capital projects. Negotiated in 2016, the PLA serves as a model for increasing the number of disadvantaged workers in the construction trades especially the highly competitive list trades. The five-year contract will continue to increase local hiring on Port construction projects, increase the number of disadvantaged workers entering the trades and boost earnings for local workers. The Port's PLA contributes greatly to the East Bay economy. Since 2016, local workers earned over \$19 million.

"Our agreement specifically addresses the need to increase participation of local, minority and disadvantaged workers," said Port of Oakland Director of Social Responsibility Amy Tharpe. "It strengthens key partnerships within industry and labor so that we can prepare our workforce for a post-pandemic construction environment."

- Key outcomes of the Port's 2016 project labor agreement:
- 2,336 local residents entered into Building and Construction Trades Council of Alameda County apprenticeship programs
- 63 new union apprentices worked more than 27,000 hours
- 21 percent of apprentice hours were completed by local, disadvantaged workers
- \$233,000 was awarded to local community-based organizations for workforce development programs

The Port of Oakland created a Maritime Aviation Project Labor Agreement (MAPLA) in 1999. The agreement covers maritime and aviation-related construction projects funded through the Port's Capital Improvement Program. It supports smaller companies that do business with the Port.

Project labor agreements are collective bargaining agreements between public agencies and local labor organizations. The agreements are authorized under the National Labor Relations Act.

#### Industry resource links:

Oakland Portal
Oakland Seaport Map
Ocean Carrier Services
Shipping Forms & Permits

Shore Power & Vessel Commissioning Trucker Resources TWIC

Maritime Service Directory