

2011 Year in Review

The Port of Oakland recorded its third-highest volume year ever, moving more than 2.3 million TEU in calendar year 2011. By cargo value, we had our best year ever, with more than \$41 billion of internationally traded goods transiting the Port.

We remain the 3rd highest-volume port on the U.S. West Coast, and 5th-busiest in the nation. And we are one of just a handful of U.S. ports that exports more than it imports. Over the last few years, we have maintained a 55 percent export and 45 percent import mix.

Activity Type	2011 TEU	2010 TEU	Increase/Decrease YoY
Loaded Export	993,926	955,579	▲ 4.0 %
Loaded Import	797,228	802,657	▼ 0.7 %
Empty Export	286,879	362,343	▼ 21.0 %
Empty Import	264,471	209,878	▲ 26.0 %
TOTAL	2,342,504	2,330,457	▲ 0.5 %

Our volumes reflect general economic and trade trends. Our export volume increased as the U.S. dollar remained low and global demand for U.S. agricultural products remained high. The Port's import volume remained flat, indicative of the slow recovery and lagging consumer demand in the U.S. economic sector.

Most volatile has been our empty TEU throughput, which ebbs and surges depending on the needs of ocean carriers to reposition equipment and meet seasonal trade flows. See page 7 for more cargo statistics.

Port Proves it is "Big-Ship" Ready



The MSC Fabiola, the largest ship to call in North America, made its maiden call to Oakland in March. See the full story on page 3.

Security Enhancements at the Port of Oakland

The Port of Oakland has taken major steps to keep the port safe and secure for supply chain operations with improvements to the domain awareness of the maritime area and establishment of protocols to share that information with stakeholders and response agencies.

We are finishing the installation of a new, state-of-the-art video monitoring and intrusion detection system that provides coverage of the entire Port perimeter.

Composed of 76 individual cameras, the system is linked to a fiber-optic infrastructure and can detect perimeter intrusions using video analytics. It has already proven its value to the Port and to local response agencies with camera feeds from the system to monitor activities during recent Occupy Oakland events that spilled over to the Port area.

Not having to rely strictly on news helicopters, Port staff were able to coordinate real-time

When fully operational, the system will be able to detect actual intrusions to the secure areas of the marine terminals

status reports with law enforcement and have a common picture of the situation on the ground as events occurred.

The system also boasts full recording and playback capability that will aid in observing and analyzing forensic information to provide valuable information for post-incident investigations. When fully operational, the system will be able to detect actual intrusions to the secure areas of the marine terminals and send live reports to designated staff or response agencies.

A combination of federal Port Security Grant Program and California Proposition 1B Infrastructure improvement funding largely paid for the improvements.

Future projects will also incorporate these cameras and two other legacy video systems in the Port and make the information available to the Geospatial Security Mapping System, a one-stop, geo-referenced system that will combine utility and infrastructure data, aerial maps, ship tracking information, road and weather conditions and several other data feeds.

Specific information from the system will also be shared with response agencies to improve their awareness of conditions at the Port in advance or during operations.

Port Promotes Region's Bounty at Asia Trade Fairs

Hong Kong International Wine and Spirits Fair

The Port of Oakland hosted the "Wines of California" trade pavilion at the 4th annual Hong Kong International Wine and Spirits Fair last November (see sidebar).

Asia is the world's fastest-growing wine market and is embracing California wines at an ever-increasing pace. Hong Kong has become the major trading and auction hub and this wine fair is the now the largest in Asia.

The Port recruited seven wineries/traders to participate in the 45 square meter Pavilion. They poured 66 California wines from 29 wineries, representing the diversity of appellations and grapes. This partnership en-

abled the wineries to showcase their wines to more than 28,000 potential buyers over three days, and to meet importers, distributors, traders, F&B directors, and logistics service providers. They also entered wine competitions and marketed their wines using online resources.

As the ocean port closest to the major wine regions of the state, we are uniquely situated to support the growth of California wine exports, and also imports of wine, cooperage, and bottling equipment into the state.

We are celebrating a record year for U.S. wine exports, which were up 20 percent by value in 2011 over 2010. For Hong Kong SAR, the increase has been even higher—up 39 percent; mainland China recorded a similar strong increase of 42 percent. Hong Kong and mainland China are the top third and fifth export markets for U.S. wines, respectively. (*Source: Wine Institute*)

The wine fair was so successful that virtually all of the wineries have asked to participate in our 2012 Pavilion.

Why the Port of Oakland is the port of choice for California and Oregon wineries:

- The Port connects the fourth-largest wine growing region in the world—California—with the fastest-growing wine market in the world—Asia
- Only West Coast port with regularly scheduled service by all 20 of the top 20 ocean carriers
- The fastest transit times from California to Hong Kong, North and South China, Korea and Japan
- More than 50 percent of all U.S. wine exports (by value) ship through the Port of Oakland
- Just 1–6 driving hours from every major California winegrowing region
- Providers both in California and in Hong Kong and mainland China, offer a seamless cold chain from winery gate to retail shelf

Wines of
CALIFORNIA



Asia Fruit Logistica

Together with China Merchants, the Port of Oakland co-hosted an information pavilion at Asia's largest fresh fruit, vegetable and nut show last September, Asia Fruit Logistica.

Based in Hong Kong, the show brings together growers, packers, service providers, traders and buyers from throughout Asia. Many of our leading perishable shippers and ocean carriers attend the show.

Fresh and dried fruit and nuts are our highest value export commodities, and in support of the increasing trade to mainland China, the Port and China Merchants launched the Fruit Chain to China concept. We demonstrated to shippers how using the Oakland gateway with direct transit to Shenzhen area ports (versus a traditional Hong Kong discharge) can provide faster throughput, lower terminal surcharges, expedited customs handling, and less risk of bad product outturn.

In addition, the Port's manager of maritime business development and international marketing, Lawrence Dunnigan, was a conference panelist on new logistics trends in the reefer trade at the Asia Fruit Congress, held simultaneously with the trade show and featuring fellow panelists from APL and Americold.

China International Logistics Fair

For the second straight year, the Port of Oakland has participated and exhibited at the China International Logistics Fair (CILF) in Shenzhen, China in October. CILF is organized by the China Ministry of Transport and the city of Shenzhen.

More than 80,000 international professional visitors from more than 50 countries visited over 1,000 exhibits during the three-day event.

This was the first year that the Port of Oakland co-exhibited with two of our supply chain partners: PCC Logistics and Globberunners. PCC is a full-service 3PL that manages import/export refrigerated, over-dimensional and general cargo. PCC has West Coast locations (including directly at the Port) as well as operations throughout China.

The other co-exhibitor was Globberunners Incorporated, a leader in the international shipping and freight forwarding industry and one of the largest shippers through the Port.



The Largest Container Ship Ever to Call North America Visits the Port of Oakland

The Port welcomed the largest containership ever to call any seaport in North America in March. The MSC Fabiola is a 12,562 TEU vessel, part of the fleet of the world's second-largest shipping company, Geneva-based Mediterranean Shipping Co SA. MSC is the Port of Oakland's fastest-growing carrier.

The vessel arrived from the Port of Long Beach and berthed at Oakland International Container Terminal. After about 24 hours, it departed for its 18-day trans-Pacific voyage to Fuzhou and then on to four other ports in China.

"Hosting the largest containership ever to call in North America is what we mean when we say that the Port of Oakland is World Class, World Fast," said Oakland Board of Port Commissioners President Pamela Calloway. "We invest in our terminals, navigation channels, and landside infrastructure to welcome these ships because they are the cleanest and safest in the industry. They are also where the industry is headed and where we must head to continue to compete."

The MSC Fabiola is almost a quarter mile long, more than the length of four football fields or about equal to the height of a 55-story building. If all of the containers that fit on the ship were put end to end, they would stretch almost 50 miles.

The MSC Fabiola is part of a new class of containerships creating greater economies of scale, increased fuel efficiency, and more service options for shippers. It also exhibits an evolution in containership design—the accommodation block and bridge (combined, "the deckhouse") are located more forward (toward the bow) and not directly over the engine. The split design enables containers to be stacked higher aft of the deckhouse, creating greater efficiency and loadability.

Of the more than 5,000 containerships deployed around the world, only 71 have a capacity of 12,500 TEUs or more, and virtually all vessels in this ultra-large class are deployed in the Asia-Europe trade lane.

The MSC Fabiola was temporarily part of MSC's Pearl River Delta Express Service (PRX), jointly operated by French carrier, CMA CGM. The PRX Service comprises six vessels with weekly calls at the following ports: Oakland, Fuzhou, Xiamen, Chiwan, Hong Kong, Yantian, and Long Beach. These vessels have a capacity ranging from 9,415 to 11,660 TEU.

New Port Deputy Executive Director Appointed



In January, the Board of Port Commissioners appointed Jean Banker to the post of deputy executive director. Many of you know Jean, who for the last four years, served as the Maritime Division's manager of finance and administration.

Jean has worked in public service and transportation policy for more than 20 years. Prior to working at the Port, she worked for 13 years as deputy director of capital programs for the New York Metropolitan Transportation Authority (MTA) where she helped secure nearly \$4 billion of federal funds for two of the MTA's largest expansion projects. Jean achieved her BA from Vassar College and a master's degree in public policy from Harvard's Kennedy School of Government. She lives in Oakland.

Happy Anniversary AgTC!



The Agriculture Transportation Coalition is celebrating its 25th anniversary this summer and the Port of Oakland is proud to have been a sponsor and supporter of this organization for many years.

The coalition advocates for policies and practices to promote the export and transportation objectives of its members. In addition to state and federal lobbying, it holds agricultural export seminars throughout the country and conducts performance reviews of ocean carriers.

AgTC's annual conference will be held once again in San Francisco in June. The Port of Oakland is a sponsor, and is hosting an opening night cruise on the Bay. For more information, please visit www.agtrans.org

MSC Fabiola Statistics

Built:	2010 in South Korea
Length Overall (LOA):	366.08M/1201'
Breadth:	48.2M/158'
TEU Capacity:	12,562
Maximum Draft (fully loaded):	15.50M/50.85'
Deadweight:	146,093 metric tons
Reefer Capacity:	1000 plugs
Top Speed:	25.3 knots



Deputy Executive Director Jean Banker presents Maiden Call plaque to the MSC Fabiola captain. To see a time-lapse video of the MSC Fabiola navigating the Middle Harbor turning basin, please visit <http://www.youtube.com/watch?v=oTkUU22mmR0>

Shore Power Project Update

What is Shore Power?

While a vessel is at berth being loaded and unloaded, it requires electricity for minimal functions (called "hotelling"), so must therefore keep these generators operating. Shore Power (also known as "cold-ironing") is essentially a land-to-vessel connection that provides electrical power to the vessel and thus enables it to switch off its onboard generators while berthed.

On a very small scale, at marinas that provide power, this type of system can be seen as a short black or yellow cable typically stowed adjacent to a traditional slip. The vessel operator simply picks up this cable and plugs it into an outlet that is usually found on either side of the vessel and power is thereby supplied. On a large scale, this same type of system is used except the plug outlets are often found at the berth and the cable is housed onboard the ship, though each installation varies.

Why do Large Vessels Need Shore Power?

The need for shore power has come in response to the growing public demand in the state of California and internationally to reduce pollutants caused by diesel emissions while a vessel is at berth. In California, a new regulation requires that all operators of container vessels that have more than 25 cumulative visits annually to California ports, employ an emission reduction system to their fleet. So far shore power has

been the most reliable and consistent method employed by Ports and vessel operators to address this regulation.

Why Shore Power at the Port of Oakland?

The Port of Oakland took on the cost and initiative to install a shore power system not only to assist carriers with the financial burden to comply with California's new regulation but also to minimize the diesel emissions to the residents of Oakland. In addition, unlike filtration devices, shore power eliminates the need for a combustion engine to be running on the vessel while it is at berth, which reduces greenhouse gases in addition to all other combustion byproducts.

Port of Oakland's Shore Power System

Shore power at the Port of Oakland is a two-phase program that spans multiple years. Phase 1, which includes infrastructure at TTI and OICT terminals, is nearing completion. All major infrastructure for this phase has been installed and the system is scheduled to begin testing and commissioning in the April-May 2012. Phase 2 of the project includes infrastructure installations at five of the seven terminals. The construction of Phase 2 is scheduled to begin Spring 2012 and continue into Winter 2013. The overall project will be completed and fully operating by January 1, 2014.

2012 Maritime Service Directory and Facilities Map Now Available

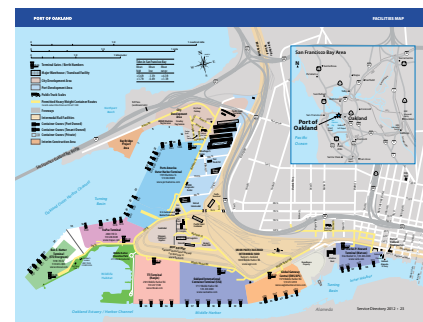


An updated service directory of resources, companies and organizations that serve the Port of Oakland is available online at:

www.portofoakland.com/maritime/directory.asp

If you would like to be included in the next version, please send an email with your relevant information and requested listing to maritime@portoakland.com.

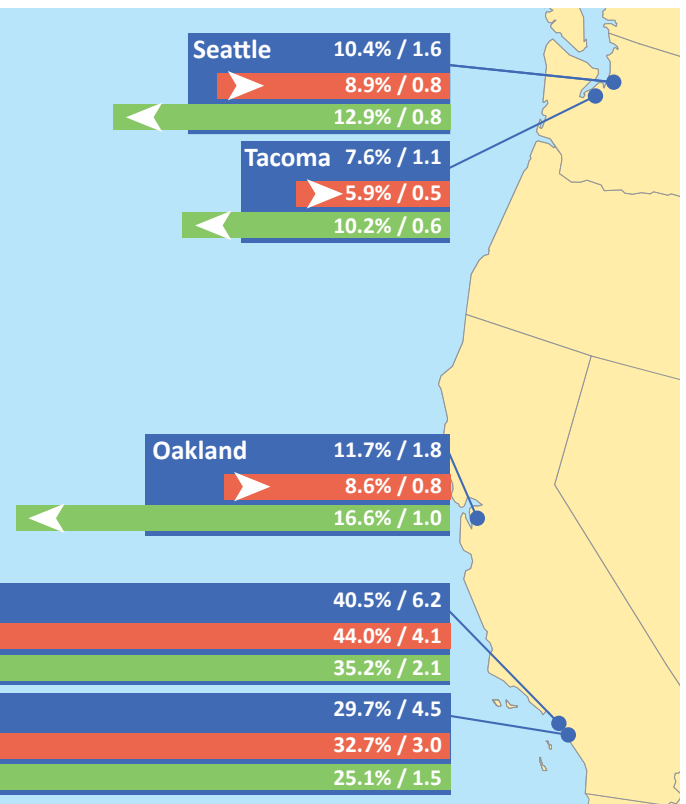
There, you'll also find our latest facilities map.



U.S. West Coast Market Share

2011 Loaded TEU Throughput

TOTAL	100 % / 15.2 (millions)
Import	60.7 % / 9.2
Export	39.3 % / 6.0



(Source: Respective port websites.)

Resources and Events —2012

APRIL

The Monterey Bay – Global Destination for Wine and Tourism

– Annual Luncheon with Congressman Sam Farr. Sponsored by the Monterey Bay International Trade Association
Apr 12
Monterey, CA
www.mbita.org

Heartland Shippers Conference

Apr 17-18
Des Moines, IA

International Trading Partner Series: Brazil

Northern California World Trade Center
Apr 18
Sacramento, CA
www.norcalwtc.org

Doing Business in India

Apr 20
Santa Clara, CA
www.techamerica.org

Northern California WERCouncil Annual Reno Meeting

– Patagonia Warehouse Tour and Supply Chain Presentation
Apr 20
Reno, NV
http://www.werc.org/nocal_annual_reno_meeting.aspx

Complying With U.S. Export Controls

Apr 24-25
Milpitas, CA
www.paei.org

U.S. Consumer Product Safety Commission Presentation

– Customhouse Brokers and Forwarders Association of Northern California
Apr 25
South San Francisco, CA
<http://shopping.netsuite.com/cbfanc>

Specialty Crop Trade Council Conference

Apr 25-27
San Diego, CA
www.sctc.org

Bay Planning Coalition Decisionmakers Conference

Apr 26
Oakland, CA
www.bayplanningcoalition.org

MAY

Northern California MegaRegion Summit

May 4
Oakland, CA
<http://oaklandchamber.com/pages/MegaRegion/>

National Retail Federation Global Supply Chain Summit

May 6-8
Atlanta, GA
www.nrf.com

Warehouse Education Research Council Annual Conference

May 6-9
Atlanta, GA
www.werc.org

Social Media in the Supply Chain and Collaboration Banquet

– Council of Supply Chain Management Professionals San Francisco Roundtable
May 16
Palo Alto, CA
www.cscmpsf.org

East Bay SCORE De-Mystifying Exports and Imports

May 17
Oakland, CA
http://www.eastbayscore.org/workshop_export.php

Port of Oakland 18th Annual Golf Tournament (Scholarship Program Fundraiser)

May 21
Round Hill Country Club, Alamo, CA
Tel. 510.627.1156

JUNE

Agriculture Transportation Coalition Annual Conference

Jun 20-22
San Francisco, CA
www.agtrans.org

JULY

East Bay SCORE De-Mystifying Exports and Imports

Jul 14
Oakland, CA
www.eastbayscore.org/workshop_export.php

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Export Training for California Specialty Crops

Presented by the California Centers for International Trade Development in cooperation with the California Department of Food and Agriculture

III: Logistics and Documentation

Apr 3, Oakland, CA
Apr 4, Clovis, CA

IV: Negotiation and Cultural Aspects

Apr 17, Oakland, CA
Apr 18, Clovis, CA

V: Financing & Getting Paid

May 1, Oakland, CA
May 2, Clovis, CA

VI: Foreign Regulations & Legal Aspects

May 15, Oakland, CA
May 16, Clovis, CA
<http://www.fresnocitd.org/calagx/training-schedule>

Government Resources

Bureau of Transportation Statistics

www.bts.gov

California Agri Inspection

www.california-agri.com

California Agriculture Export Council

www.caec.net

California Department of Food and Agriculture

www.cdfa.ca.gov

International Trade Administration

U.S. Department of Commerce
www.trade.gov

Oakland Export Assistance Center

www.export.gov

SCORE Import-Export Workshops

www.eastbayscore.org/page_text.php?page_id=50

U.S. Department of Agriculture

www.usda.gov

U.S. Food & Drug Administration

www.usda.gov

USDA Foreign Agricultural Service

www.fas.usda.gov

USDA Food Safety & Inspection Service

www.fsis.usda.gov

Western United States Agriculture Trade Association

www.wusata.org

Wine Institute California Wine Export Program

www.calwineexport.com

Centers for International Trade Development

Bay Area www.bayareacitd.com

Fresno www.fresnocitd.org

Merced www.citd.com/

Sacramento www.sacramentocitd.org/

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PORT OF OAKLAND

Port of Oakland Co-hosts “China Briefing and Roundtable” to Promote Import/Export Trade

The Port of Oakland and China Merchants Holdings International (CMHI) hosted a “China Briefing and Roundtable Discussion” at the Port of Oakland March 2, 2012. The event was a continuation of the Port’s annual China symposium to raise awareness around U.S.-China trade issues and provide an opportunity for CMHI and other business partners to grow export-import trade opportunities.



Dr. David Deng Wei Dong – Deputy General Manager of China Merchants Holdings International

The discussion covered challenges for U.S. companies when they trade (exports/imports) with China, China’s shipping and logistics landscape, maritime and intermodal infrastructure and its impacts on sourcing and manufacturing in China, and cold chain development in the Chinese hinterland.

Noted U.S. trade economist, Mr. Dan Smith, principal of The Tioga Group, a freight transportation consulting service, also provided a forecast of 2012-2013 trade growth, based on consumer demand cycles in China and U.S., global currency valuations, and the shift in China’s demographic profile.

Port of Oakland Manager of Business Development and Marketing, Mr. Lawrence Dunnigan, moderated the panel that included:

- Dr. David Deng Wei Dong – Deputy General Manager of China Merchants Holdings International
- Mr. Neal Rider – CEO of China Merchants Americold Co., Ltd.
- Mr. Dan Smith – Principal of The Tioga Group

More than 60 U.S. exporters and importers, together with key executives from shipping lines and logistics services providing services in both China and the U.S., attended the event.

This program is one of several initiatives launched jointly by the Port of Oakland and CMHI as a result of their Memorandum of Understanding (MOU) signed in November 2010. The MOU is a strategic partnership for marketing cooperation to promote trade between the U.S. and China and to extend supply chain services for US exporters throughout China, with a focus on U.S. agricultural and perishable food exports from Oakland to China’s coastal and inland population centers.

The event concluded with a sunset cruise on San Francisco Bay, hosted by the Port and China Merchants. If you would like to view the PowerPoint presentations from seminar, please visit.

<http://www.portofoakland.com/chinabriefing.asp>



Resources and Events *(continued from page 5)*

JULY

California Wine Export Seminar

Jul TBD
San Francisco, CA
www.wineinstitute.org

AUGUST

Pacific Transportation Association Annual Golf Outing

Aug 6
Richmond Country Club, Richmond, CA
www.pacifictrans.org

2012 Grain Export Shipping Conference

Aug 27-29
Minneapolis, MN
www.grainconference.org

SEPTEMBER

Asia Fruit Logistica

Sep 5-7
Hong Kong
www.asiafruitlogistica.com

Cool Logistics Global Conference

Sep 24-26
Antwerp, Belgium
www.coollogisticsconference.com

OCTOBER

China (Shenzhen) International Logistics and Transportation Fair (CILF)

Oct 15-17
Shenzhen, China
www.scmfair.com

WESCON – Pacific Coast Council of Customs Brokers and Freight Forwarders Associations Annual Conference

Oct 18-21
San Diego, CA
www.wescon.com

Footwear Traffic, Distribution and Customs Conference

Oct 21-24
Huntington Beach, CA
www.fdra.org

Gateway California Conference of the Norcal World Trade Center

Oct 23
South San Francisco, CA
www.gatewayca.org

2011 Port of Oakland Throughput Statistics

Top Imports by Value	Containerized Value (\$millions)
1 Machinery	\$5,535
2 Electronics	\$3,848
3 Apparel	\$2,465
4 Home Furnishings and Decorations	\$1,419
5 Beverages	\$1,320
6 Coffee	\$1,036
7 Plastics	\$863
8 Toys	\$791
9 Vehicles	\$723
10 Metal Products	\$605
11 Medical Equipment	\$569
12 Rubber Products	\$501
13 Textiles	\$485
14 Footwear	\$418
15 Wood products	\$393
All Other	\$5,633
Total	\$26,604

Top Exports by Value	Containerized Value (\$millions)
1 Fruits and Nuts	\$2,876
2 Meat	\$2,144
3 Machinery	\$812
4 Beverages	\$734
5 Vehicles	\$640
6 Metal Scrap	\$617
7 Precious/Rare-Earth Metals	\$598
8 Chemicals	\$547
9 Medical Equipment	\$431
10 Cereals	\$420
11 Electronics	\$393
12 Hides and Skins	\$367
13 Dairy	\$348
14 Plastic Scrap	\$291
15 Food Products	\$253
All Other	\$3,066
Total	\$14,537

Top Import Countries by Value	Containerized Value (\$millions)
1 China	\$13,019
2 Japan	\$2,055
3 Taiwan	\$1,232
4 Australia	\$836
5 Thailand	\$784
6 Vietnam	\$722
7 Indonesia	\$669
8 Germany	\$576
9 France	\$561
10 Malaysia	\$459
11 South Korea	\$424
12 Italy	\$419
13 New Zealand	\$355
14 India	\$307
15 Bangladesh	\$290
All Other	\$3,896
Total	\$26,604

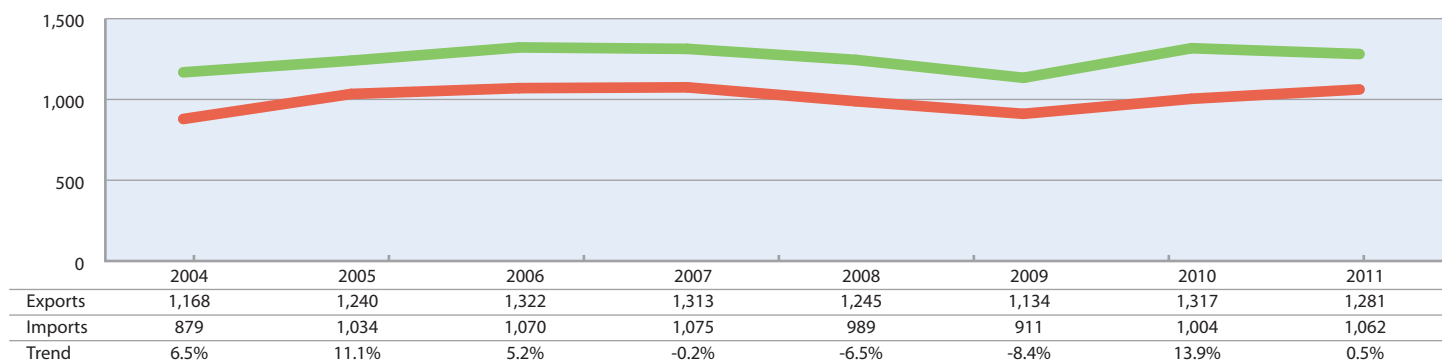
Top Export Countries by Value	Containerized Value (\$millions)
1 Japan	\$3,279
2 China	\$2,426
3 South Korea	\$1,237
4 Taiwan	\$1,011
5 Hong Kong	\$854
6 Australia	\$493
7 Germany	\$467
8 United Kingdom	\$434
9 India	\$283
10 Singapore	\$263
11 United Arab Emirates	\$238
12 Italy	\$232
13 Netherlands	\$225
14 Vietnam	\$215
15 Spain	\$201
All Other	\$2,679
Total	\$14,532

Top Imports by Weight	Containerized Weight (metric tons)
1 Beverages	654,277
2 Home Furnishings and Decorations	401,355
3 Wood Products	346,767
4 Plastics	287,124
5 Glass and Glassware	264,173
6 Machinery	250,111
7 Paper Products	222,613
8 Electronics	217,445
9 Metal Products	216,684
10 Coffee	183,621
11 Fruits and Nuts	169,182
12 Vehicles	134,458
13 Toys	119,805
14 Stone and Cement Products	113,897
15 Rubber Products	94,451
All Other	1,655,772
Total	5,331,735

Top Exports by Weight	Containerized Weight (metric tons)
1 Wastepaper	1,192,350
2 Fruits and Nuts	912,250
3 Metal Scrap	840,771
4 Meat	648,180
5 Beverages	560,720
6 Cereals	537,667
7 Animal Feed	281,753
8 Food Products	268,379
9 Wood Products	267,907
10 Plastic Scrap	200,061
11 Sugar	136,285
12 Vegetables	129,204
13 Hides and Skins	121,921
14 Dairy	112,262
15 Cotton	71,190
All Other	786,377
Total	7,067,277

Source: U.S. Census Bureau and U.S. CPB

Annual Port Growth in TEU (in thousands)



Source: Port of Oakland data