



**PORT OF OAKLAND
SEAPORT**

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Port of Oakland Status as Peak Season Arrives

A busy summer is picking up steam at the Port of Oakland. Cargo volume continues to increase. Vessel arrivals are keeping terminal berths full. Peak season has arrived. Here's a look at how the Port is performing during this busy time of the year:

Cargo volume: Through seven months of 2016, total cargo volume at the Port of Oakland is up 5.1 percent over 2015. Exports have increased 9.1 percent and imports are up 8.67 percent. Exports in July rose 3.6 percent. It was the sixth time in seven months this year that export volume has increased in Oakland.

Vessel calls: The Port received a dozen more vessel calls in July than it did during the same month in 2015. July was also the first month of operation for the Panama Canal's new, wider locks. Oakland's increased vessel activity quieted for a moment speculation about cargo attrition through the Canal. Tuesdays and Wednesdays have been the busiest days for vessel arrivals this summer. It's typical to see eight-to-10 ships at berth on those days.

Terminal performance: Monday-through-Thursday night gates have eased crowding at Oakland International Container Terminal. That's important. The terminal is Oakland's largest, handling nearly 70 percent of all Port volume. The terminal processes about 6,000

gate moves per day. Most still take place during the day shift. An appointment system for import pick-up is helping to moderate transaction times. The terminal is draying off 200-to-500 import loads nightly to a nearby facility. They're fixed on chassis and available for immediate pick-up 24/7. Transaction times have increased somewhat at TraPac terminal due to a volume increase. The terminal is adding equipment and has adjusted gate configuration to help manage the load.

Transaction times: The Port of Oakland has introduced DrayQ, the industry's first mobile phone app for truckers. It provides up-to-the-minute metrics on terminal transaction times. In July, average turn times at Oakland marine terminals ranged from 72 to 111 minutes. For the week of Aug. 15, the average ranged from 105 to 143 minutes due to increasing cargo volume. You can track current [transaction times here](#). Night-gate turn-times are lower. The Port advised shippers to transact business during the night shift for faster service.

Truck parking: The Port is opening up about 2,000 new truck parking spaces at Outer Harbor Terminal. The new spots replace parking lost last spring as marine terminals took on additional space for cargo operations.

Development: Construction could begin before year-end on a 370,000 Cool Port

logistics center planned near the Port's Harbor Facilities complex. The center would expand the Port's capacity to transload chilled beef, pork and other food products. The Port is clearing property it owns at the former Oakland Army Base. It expects to begin construction next year on a Seaport Logistics Complex. This would include transload warehouses adjacent to the Port's new rail yard.

Land use: The Port is in negotiations to lease portions of vacant Outer Harbor Terminal. This could include leasing several idle vessel berths.

No Impact From New Weight Rules

The Port of Oakland says there's no adverse impact from new requirements for weight verification of containerized export cargo. Port Operations officials said this month they haven't seen any incidents of cargo stranded dockside for rule violations. That's good news for shippers who feared trade disruption when the Verified Gross Mass (VGM) requirement took effect July 1.

The Port said weighing protocols long employed at Oakland marine terminals have headed off problems. Oakland terminals historically weigh every loaded container entering their gates. Terminal

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Testing Self-driving Trucks

Imagine moving along Interstate 5 California in a big rig, planning the next load and having a snack, without ever having to look at the road or touch the steering wheel.

OTTO is a self-driving truck that came to the Port of Oakland for a Truckers Working Group (TWG) meeting August 15. It is also the name of the company that created the retrofit system to make any truck self-driving on highways. It's currently being tested in California and other states.

OTTO Product Manager Eric Berdinis said, "Our goal is to make it easier and safer for drivers to be on the highway." Berdinis explained "The driver can take the truck onto the highway and OTTO can automate the exit-to-exit driving portion." During long stretches of highway driving, the trucker can hit a button and let the truck drive itself.

How would this benefit truckers? According to the company the technology would improve safety by allowing the trucker to rest while the vehicle is self-driving. The retrofit system can avoid accidents with its crash prevention features. And a driver can keep on earning while taking a break from the grind since the truck can self-navigate the highway.

On the front of the truck there are a lot of cameras and sensors that help direct the vehicle on the highway and keep it clear of other traffic. The advanced sensors have a 360-degree view and monitor everything around the vehicle. It's much like the self-driving cars from Google. In

fact, the company is led by former leaders in Google's autonomous cars and Google Maps divisions.

The retrofit kit, which is still in development, is supposed to work with any truck and is expected to cost about \$30,000. Berdinis said his company is looking for partners including drivers who will help test the system for them.

There were a lot of questions from the TWG audience about safety in specific situations. Berdinis said these were exactly the type of concerns they wanted to hear, understand, and address so that they can develop solutions in coordination with truckers, law enforcement and other stakeholders.

When the product is fully developed, OTTO pictures a truck with one person in it. The driver will only be required to take control on regular streets and roads. When on the highway, the trucker will be able to take breaks for naps in the cab, having lunch, or being on the phone with family all while the truck steers itself down the highway.

In August, ride service Uber Technologies Inc. announced it acquired OTTO. This could position Uber to expand its business deeper into the trucking industry, which Reuters reports had revenue of about \$726.4 billion in the U.S. in 2015.

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operators are now making the weights available to shipping lines to meet verification requirements.

The new rule requires that shipping lines verify the weight of cargo and its container—the VGM—before vessel loading. Without verification, lines aren't supposed to load cargo.

VGM is central to the so-called Safety of Life At Sea regulation from the International Maritime Organization. It's intended to forestall maritime accidents by ensuring accurate data is used to plan vessel stowage.

Shippers and ocean carriers have acknowledged the need for precise cargo weights. But questions arose over responsibility for verification. Enter the Oakland terminal operators. They offered up weight data collected at their gates as a solution. Since then, according to Port officials, implementation of the VGM requirement has been met without incident.



Contract Extension to be Considered

By Erica E. Phillips, reprinted from *The Wall Street Journal*, August 11, 2016

West Coast dockworkers took a small step toward avoiding another crippling round of contract negotiations when a group of more than 100 union delegates voted Thursday to discuss a contract extension with their employer group.

Members of the International Longshore and Warehouse Union were participating in a caucus in San Francisco, addressing a request by the West Coast port employer group, Pacific Maritime Association, to consider discussing a contract extension.

In a statement Thursday, ILWU International President Robert

McEllrath said there were "a wide range of concerns and opposing views on how to respond to PMA's request" among the delegates. Ultimately, their vote was "'a directive to go and have discussions with the PMA and report back to the membership," Mr. McEllrath said, "and we'll do just that."

A representative for PMA didn't immediately respond to a request for comment.

Businesses that rely on the West Coast ports, which include the nation's two largest in Los Angeles and Long Beach, have been pushing for a contract

extension after protracted negotiations spanning nine months from mid-2014 to early-2015 [led to epic delays](#).

Even once the deal was reached in February, it took the ports several weeks [to work through a backlog of cargo](#), much of which was waiting on anchored ships in the San Pedro Bay outside Los Angeles and Long Beach—the first stop for much of the containership traffic coming to the U.S. from Asia.

The current ILWU-PMA contract, which covers 20,000 longshore workers on the U.S. West Coast, runs through July 1, 2019.