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Inland Infrastructure Investments Bolster West Coast Port Efficiencies

West Coast ports have been pouring billions of dollars into infrastructure development over the last few years. In 1998 alone, ports have enhanced their container-handling equipment, added new berths and dredged deeper channels to efficiently move cargo on and off the ships. Traditionally, port infrastructure development focused on internal efforts to upgrade their own wharves and piers. Now, skyrocketing intermodal cargo traffic requires West Coast ports to play a much broader role in enabling cargo to flow

smoothly from the harbors to inland markets. They're finding, of course, that this represents some of the

Alameda Corridor

With \$2.4 billion in hand, the Alameda Corridor project is the costliest of all intermodal projects in the country. When completed in 2002, the 20-mile rail and roadway line will link the Ports of Los Angeles and Long Beach with rail transfer yards in downtown Los Angeles that in turn will link the ports with the rest of the U. S. Ultimately, these improvements will translate into more



Pier 80 at the Port of San Francisco

expensive infrastructure investments in the country. As the following examples show, building new rail lines and roadways in metropolitan areas is a costly venture.

expedient cargo-handling for businesses and, in the end, fairer prices for their customers. Trade-related businesses, however, won't be the only ones that stand to gain from this investment. According to the *Journal of Commerce*, the surrounding community will benefit as well. Because a 10-mile stretch of the Alameda Corridor will operate 30 feet below street level, its use will ease gridlock on Southern California freeways and diminish air pollution.

FAST Corridor

As one can imagine, such vast amounts of capital are not easy to secure. To the North, Washington-state voters recently accepted Referendum 49 to allocate \$2.4 billion to a variety of transportation improvements. Although the funds have the potential to enable major portions of the Freight Action Strategy for the Seattle-Tacoma Corridor (FAST Corridor) to be built, the money has not yet been earmarked for any specific project. Several ports are appealing to the state to allocate funds to projects that benefit the port and freight mobility. →

SPOTLIGHT: PORT OF SAN FRANCISCO

Overseeing a myriad of maritime, commercial and public activities, the Port of San Francisco is making big strides in the cargo shipping business. Recently, the port reopened the Pier 80 Omni-Terminal to work containers and breakbulk side-by-side for greater efficiency. With approximately 69 acres offering easy truck access, four container cranes, 414 reefer outlets and an on-dock rail service, the port is poised to meet new global demands.

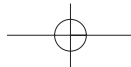
Marine Terminals Corporation, one of the West Coast's oldest family-owned contract stevedore and terminal operating companies, manages Pier 80. Established more than 130 years ago, the port now encompasses 7-1/2 miles of waterfront. Its activities range from cargo and cruise shipping to shipyards and ferry services.

The port is attracting new shipping business linking San Francisco to Australia and New Zealand. Columbus Line, Blue Star Line/P & O Nedlloyd, and South Seas Steamship Line recently made San Francisco their Northern California port of call. Sailing weekly from Pier 80, these lines represent a doubling of the total traffic crossing the docks of San Francisco.

"Pier 80 is different from other Bay Area port facilities because it can handle a variety of cargoes such as containers, steel, automobiles, and newsprint," said Peter Dailey, director of maritime, Port of San Francisco. "There's no other facility like it."

In 1997, the Port of San Francisco handled more than 550,000 metric tons of cargo, a 155 percent increase over the previous year. For more information, visit the port's web site at www.sfport.com.

PMA Today is a publication dedicated to highlighting West Coast port activities and developments as they relate to economic and international trade issues in the 21st century. We hope you enjoy PMA Today and find it to be a valuable informational resource. For more information about PMA, please visit our web site at www.pmanet.org.



THE PORTS

Did you know . . .

. . . that waterfront productivity at the Port of Seattle is at its highest level since early 1997? A recently-formed partnership between labor and management has helped to grow productivity to 28 moves per hour – an increase of 47 percent.

Source: Seattle Daily Journal of Commerce

“The good news is that \$2.4 billion is available to fund transportation projects,” said Mick Shultz, communications manager, Port of Tacoma. “However, we are uncertain as to where the money will be spent.”

Increasing Container Traffic

The Alameda and FAST Corridors are just two examples of the several intermodal investments ports are making today. Based on recent statistics, these investments are



West Coast ports now invest more in moving cargo inland.

When completed, the FAST Corridor will link the Ports of Seattle, Tacoma and Everett to points inland alleviating container congestion. Costing \$355 million in its first phase, the project will separate road traffic from rail with over- and under-passes, placing one route above or below the other. Such a design allows both trains and trucks to travel smoothly and simultaneously, eliminating the need for one to wait while the other crosses, a common source of congestion.

desperately needed. Container traffic through the Los Angeles-Long Beach region has jumped 95 percent since 1991. And in the Seattle-Tacoma area, container traffic is expected to double by 2010. With new rail lines under construction, the West Coast ports will be ahead of the game – alleviating current congestion and planning for future growth. The ports’ active involvement is enabling cargo to move inland more efficiently and paving the way for increased global competitiveness along the West Coast. ●

Member Profile-NYK Line



NYK vessel at Terminal Island, Long Beach

Hong Kong-to-Long Beach route, said Brian Kern, director, marine operations. The NYK Castor is one of several 5,700 TEU vessels deployed by the company this year. The SSX loop is perfect for one of the

Based in Tokyo, Nippon Yusen Kabushiki Kaisha (NYK) provides ocean shipping, land and air transportation, warehousing and logistics services. NYK Line is Japan’s largest maritime shipping company, and one of the world’s largest intermodal transportation and logistics companies on land, sea and in the air.

The company operates more than 400 ships, with facilities in ports of call and inland destinations around the globe. In the United States alone NYK Line (North America) Inc. has offices in 20 major cities.

NYK Line’s core shipping operations include container and conventional liners, tramp vessels and tankers. The company also handles air cargo and passenger shipping. NYK Line employs about 2,200, more than 500 of which are in the U.S.

On Dec. 4, 1998, the 5,700 TEU NYK Castor will be deployed on the SSX Loop– NYK’s premier direct

new, larger ships, Kern said. While the Asian economic crisis has hurt shipping volume leaving the U.S., volume coming to the U.S. from Asia remains strong.

“Those ships are full (eastbound) every week, so to put one of our larger ships on that loop makes sense,” he said.

NYK Line was founded on Sept. 29, 1885, with a fleet of 58 vessels. On Aug. 31, 1896 NYK’s vessel the *Miike Maru* arrived in Seattle, inaugurating a century long relationship of trade between the United States and Japan.

NYK Line announced in March that it will buy another Japanese shipping company, Showa Line Ltd., in a stock swap. Showa Line Ltd. has about 360 employees. It operates ore and coal carriers, primarily for NKK, a producer of crude steel and steel pipe. With the acquisition of Showa Line, NYK will operate a fleet of 535 vessels, totaling 27.5 million dead-weight-tons under its own control. ●

PMA Today (1998 Pacific Maritime Association) is published semi-monthly for the membership of the Pacific Maritime Association. Comments, suggestions, additions to the mailing list and address changes should be sent to PMA, c/o Joey Parr, PO Box 7861, San Francisco, CA 94120-7861. Produced by PMA Staff.