

Comprehensive Regional Goods Movement Plan and  
Implementation Strategy

# Port Activity and Competitiveness Tracker

Presented to Steering Committee



# Purpose

- To analyze past trends and to monitor market shares and activity at West Coast ports and gateways.
- To inform regional decision-makers of policies and programs at other gateways and other regions with respect to infrastructure development, rail service improvements, pricing strategies, and environmental initiatives that could impact the competitive environment.
- To showcase importance and national significance of San Pedro Bay ports when going after federal funds for regional improvements.



# West Coast Gateways

- Port of Prince Rupert (BC)
- Port of Vancouver (BC)
- Port of Seattle
- Port of Tacoma
- Port of Portland
- Port of Oakland
- **Port of Los Angeles**
- **Port of Long Beach**
- Port of San Diego
- Port of Manzanillo (Mexico)
- Port of Lazaro Cardenas (Mexico)
- Panama Canal



# San Pedro Bay Ports

- 1 in 7 regional jobs supported by the ports
- \$287 billion of international cargo handled in 2008
- 3.37 million jobs supported nationwide



# San Pedro Bay Ports

- POLB/LA is a port with frequent and reliable service, which is key for many shippers
- Large market for backhaul opportunities
- These attributes are key to the ports maintaining/increasing market share



# San Pedro Bay Ports

- San Pedro Bay Ports are still the dominant North American Ports, with substantial increases in tonnage since 2000 and minor loss of market share
- 2010 TEUs increased 19.1% over 2009 values



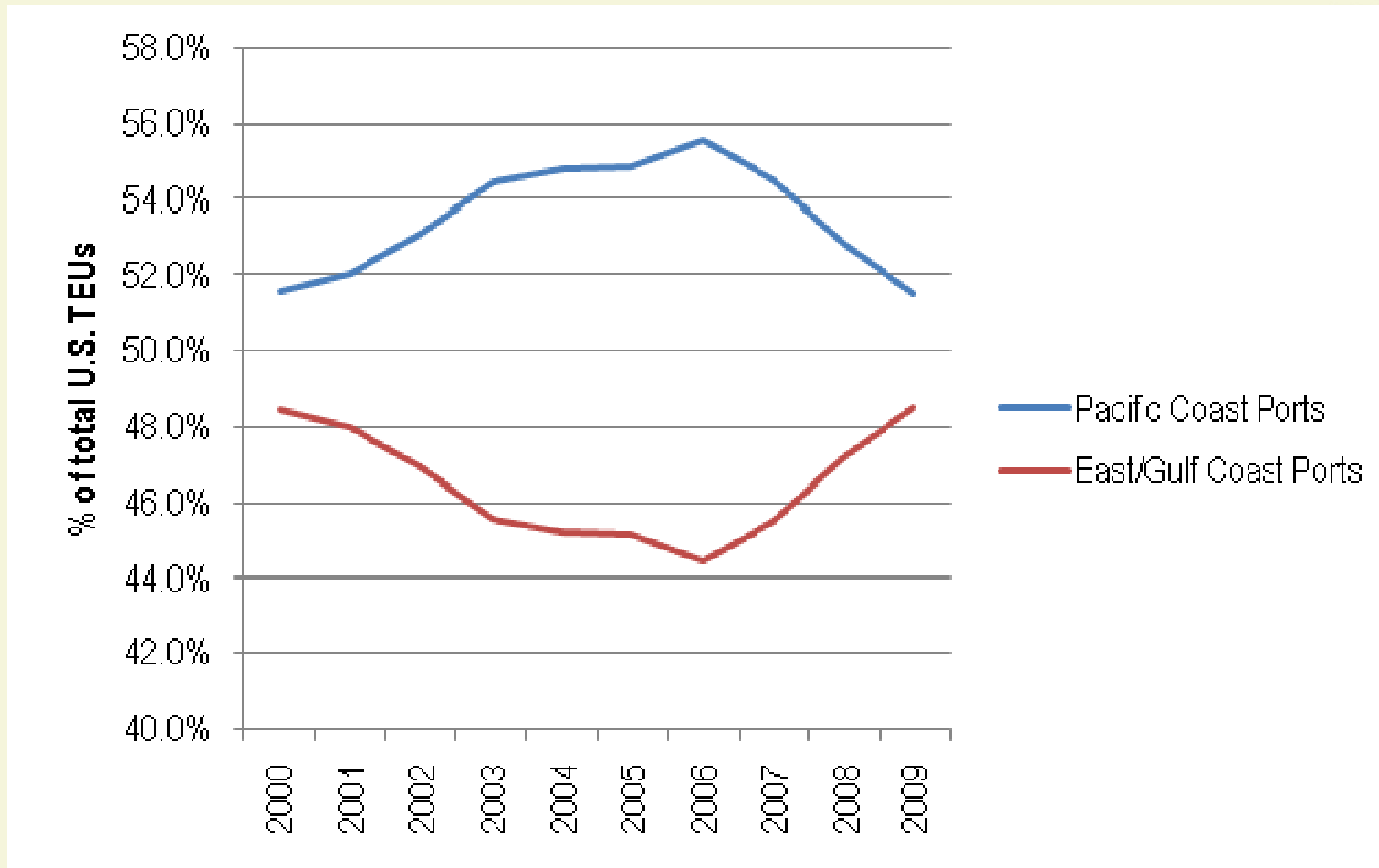
## San Pedro Bay Ports Annual and Long-Term Container Stats

	2009	Percent change from 2008	Percent change from 2007	Percent change from 2000
Total volume through POLB ports (TEUs)	11,816,592	-16.8%	-24.8%	24.60%
Percent of total North American TEUs	26.6%	-1.3%	-3.1%	-0.80%
Percent of Pacific Coast TEUs	50.4%	-1.5%	-3.9%	-4.20%

Source: Port of Long Beach and Port of Los Angeles; U.S. Census Bureau; American Association of Port Authorities

# East/Gulf Coast Competition

**Comparison of Pacific and East/Gulf Port Share of Total U.S. 20-Foot Equivalent Units, 2000-2009**



# Proximity to Trading Partners

## Sample Shipping Times from Shanghai

Destination	Days	Hours	Nautical Miles
Prince Rupert	9	22	4,762
Seattle	10	14	5,071
Oakland	11	7	5,412
LA/LB	11	22	5,726
Houston	20	14	9,883
Charleston	20	16	9,923
Norfolk	21	3	10,141
NY/NJ	21	13	10,343

Source: Distance and time calculator from <http://www.searates.com/reference/portdistance/>.

Note: Assumes "slow steaming" with ship speed of 20 knots.



# Ocean Carrier Rates Shanghai to West and East Coasts 1/28/11



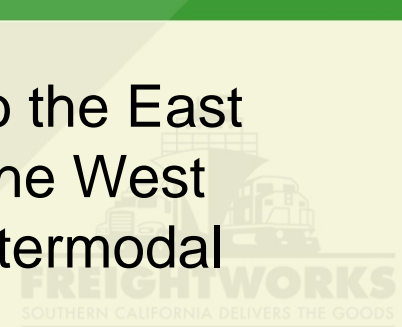
- To U.S. West Coast  
(LA/LB/Oakland)  
\$1,933 per Forty-Foot Equivalent Unit (FEU)
- To U.S. East Coast  
(New York/Norfolk/Savannah/Charleston)  
\$3,165 per Forty-Foot Equivalent Unit (FEU)

*64% higher rate to East Coast than West Coast*

*Source: Journal of Commerce, Shanghai Containerized Freight index*

# Competition for Discretionary Cargo

- Shipping a container via an all-water service from Asia to the East Coast costs about \$300 to \$500 less than shipping it to the West Coast and moving it all the way across the country via intermodal rail. (Source: Journal of Commerce 2/22/10)
- All-water route adds about 10 days to the overall voyage – plus additional truck/rail costs to move goods inland from East Coast ports.
- The key regional battlegrounds are:
  - Chicago area
  - Columbus and the Ohio Valley
  - Dallas/Houston, Texas
  - Southeastern United States (Savannah, Atlanta, Charleston).



# Competition from Other Regions

- Panama Canal Improvements (2014)
- CREATE project: (\$100 M TIGER, \$100 M SAFETEA-LU, \$133 M ARRA HSRP)
- Heartland Corridor (\$95 M SAEFTEA-LU)
- Crescent Corridor (\$105 M TIGER)
- National Gateway Corridor (\$98 M TIGER)
- Prince Rupert and Canadian National Gateway Project



# Moving forward

- Further call to the region to create unified support for improvements to the rail and highway system to improve efficiency of landside transportation in order to compete with other regions;
- Region can highlight data in this report to show the dominance and importance of the San Pedro Bay Ports as a national gateway to the U.S. when seeking federal funds;
- Continue to monitor TEU and other data periodically so the region can understand trends and seek funding for projects on the inland transportation system to maintain San Pedro Bay Ports' competitiveness.

