

AAPA Awards entry 2018

Port of Oakland

Growth with Care



Summary of entry

Growth with Care describes a comprehensive, nine-month communications campaign to gain Port of Oakland-stakeholder support for the Port's strategy for growing its operations and market share. The strategy calls for increasing business volume while ensuring that the Port's neighboring communities benefit.

The Port's communication plan had these goals:

- Increase Port of Oakland visibility compared to larger U.S. port rivals;
- Reverse or temper negative perceptions to increase business and financial strength;
- Gain community support for critical long-term growth initiatives.

Campaign elements included:

- Overarching work plan;
- Objectives aligned with Port strategy
- Messages aligned with business objectives;
- Targeted audiences;
- Full range of communication elements and tactics, including:
 - New employee intranet
 - Web content including microsites and electronic newsletters
 - Community/customer engagement
 - Media outreach
 - New 5-year strategic plan
 - Free harbor tours
 - Third-party endorsers
 - Speeches/presentations
 - Social media
 - Video
- Measurement showed success in following areas:
 - Increased visibility
 - Improved perceptions
 - Key influencer endorsements
 - Greater business volume
 - Community acceptance

The campaign, which began in Q3 2017, reached its goals by Q1 2018. Seaport cargo volume and revenue broke records. Rating agencies raised the Port's debt ratings. Community activists hailed the Port's biggest development deal as a model for public-

sector expansion. Lloyd's List named Oakland a finalist for its Port Operator of the Year Award, saying, "Oakland is a classic example of how to turn a negative into a positive."

1. What were the specific communications challenges or opportunities?

Prior to this campaign, stakeholders held a dim view of the Port of Oakland. Shippers perceived it as congested and unreliable while neighborhood activists viewed it as insensitive to community concerns. The result: years of barely perceptible business growth, flat revenue for most of the decade, little development, neighborhood opposition to capital growth projects.

The Port needed to transform and convince stakeholders it was changing.

Here's what the Port had to address to reverse negative perceptions and create conditions for growth:

- **Internal stakeholders:** marine terminal operators, Port of Oakland staff, had to become change agents;
- **External stakeholders:** investors, motor carriers, truckers, shippers, railroad companies, neighboring community (West Oakland residents), local and regional environmentalists, US Customs and Border Protection, the City of Oakland had to collaborate to help guide transformation;
- **Key influencers:** shippers, media, electeds had to believe the transformation message;
- **Skeptical community:** West Oakland residents, local workforce advocacy groups, local and regional environmental organizations had to buy into the Port's future;
- **Investors:** marine terminal operators, developers, bond buyers, Port of Oakland Commissioners needed confidence in Oakland's long-term promise.

2. How does the communication used in this entry complement the organizations' overall mission?

The Port of Oakland's mission is to lead its businesses in a fiscally sound and socially beneficial way. The Growth with Care communication campaign was developed to support the mission. The campaign was intended to dispel misperceptions, promote positive perceptions of the Port of Oakland and improve stakeholder relations with the Port. This is critical in attracting investment and additional cargo volume needed to strengthen the Port's financial position. The campaign was also designed to highlight opportunities for community partnerships. Without support in communities near the Port, growth projects could be jeopardized.

3. What were the communications planning and programming components used for this entry?

A Communications Work Plan was developed to guide the Growth with Care campaign. It included objectives, strategies, tactics, messaging and measurement components. Here's how the Work Plan drove the campaign:

- It adopted three key objectives: 1) increasing visibility by about 15 percent over the course of the nine-month campaign 2) shaping perceptions and 3) influencing positive stakeholder behavior, that were designed to stimulate business growth while highlighting community benefits.
- Its core messages stressed growth with care and community benefit – key tenants of the Port of Oakland strategy.
- Its emphasis on milestones demonstrated responsible growth. These included: 1) improved operating performance metrics, 2) record volume and revenue reports, 3) environmental advances, and 4) major outside investments.
- It first targeted internal audiences: employees and Commissioners, to enlist their support as disciples in the community. The effort then spread to external audiences: shippers, business partners and civic leaders, whose perceptions were critical to the Port's future. Finally, media played an essential role in reversing negative perceptions of the Port.
- It measured success in key areas: improved perceptions, business growth, and community adoption.

4. What actions were taken and what communication outputs were employed in this entry?

The Growth with Care communication campaign adopted a two-front strategy:

- Small port, big stature - This strategy articulated the Port's need to achieve equal mindshare among stakeholders. Some rival ports are bigger. But Oakland is just as important a global trade gateway – more important in many respects – and merits equal consideration among customers. The strategy put an emphasis on communication volume: Oakland needed to consistently and frequently deliver its message to be heard among larger competitors.
- Inside-out – This strategy emphasized internal audiences first. Buy-in for the Port's messages from employees and Commissioners was essential. They became message conduits to external audiences.

The campaign began in 3Q 2017. Timing coincided with milestone dates in the lifecycle of major developments that hold the key to the Port's future. It extended through Q1 2018 to cover a range of milestone activities climaxing with release of a new 5-year strategic plan.

The Port of Oakland's four-person Communications staff executed the campaign. Video production was outsourced to a longtime Port provider.

Here were the tactics employed to communicate Growth with Care:

- 1) A Communications Work Plan detailing vision, mission, strategy, messaging, staffing, metrics (Port of Oakland Communications Work Plan pdf is attached)
- 2) New employee intranet sharing business news, media coverage (Slide attached)
- 3) A 5-year strategic plan that adopted Growth with Care as its guiding philosophy <https://www.portofoakland.com/strategic-business-plan-2018-2022/>
- 4) Microsites highlighting key growth initiatives
 - State of the Port <https://www.portofoakland.com/state-port-2018/>
 - Year in Review <https://www.portofoakland.com/year-review-2017/>
 - Seaport Logistics Complex <http://www.oaklandseaport.com/development-programs/seaport-logistics-complex/>
 - 5-year strategic plan <https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>
- 5) Presentations
 - State of the Port address (press release link - <https://www.portofoakland.com/press-releases/port-oakland-boss-tells-audience-time/> State of the Port Power Point pdf is attached)
 - A Better Way Forward (Power Point attached)
- 6) Video highlights of growth initiatives (Links provided)

Growth with Care video <https://www.portofoakland.com/strategic-business-plan-2018-2022/video/>

Investing in the future video <https://www.youtube.com/watch?v=oN7K8ayp4ok>

Seven short videos about 2017 progress and a look ahead at 2018: Maritime, Aviation, Commercial Real Estate, Environmental, Social Responsibility, Engineering, Finance <https://www.portofoakland.com/year-review-2017/videos/>

- 7) Monthly customer newsletters updating Port of Oakland progress (Links provided)

State of the Port:

<https://www.portoakland.com/files/PDF/Maritime%20Newsletter%20-%20February%202018.pdf>

Seaport Logistics Complex finalized:

<https://www.portoakland.com/files/PDF/newsroom/Maritime%20Newsletter%20-%20November%202017.pdf>

- 7) Free community harbor tours to engage with Port's neighbors
<https://www.portoakland.com/2018-harbor-tours-may-october/>
- 8) Quarterly Efficiency Task Force meetings to encourage collaboration among customers, terminal operators, labor, ocean/rail/motor carriers
<http://www.oaklandseaport.com/performance/port-efficiency-task-force/>
- 9) Community activist participation in negotiations to develop a model jobs program



10) Media outreach that included following press releases:

- Port of Oakland's new 5-year strategy: Growth with Care
<https://www.portoakland.com/press-releases/port-oaklands-new-5-year-strategy-growth-care/>
- Port of Oakland forecasts steady growth as partners invest
<https://www.portoakland.com/press-releases/port-oakland-forecasts-steady-growth-partners-invest/>
- Port of Oakland boss: 'This is our time'
<https://www.portoakland.com/press-releases/port-oakland-boss-tells-audience-time/>
- Port of Oakland: 2017 busiest year in 90-year history
<https://www.portoakland.com/press-releases/port-oakland-2017-busiest-year-90-year-history/>

- Port of Oakland reports revenue record
<https://www.portofoakland.com/press-releases/port-oakland-reports-fy-2017-revenue-record-358-7-million/>
- Port of Oakland outlook: buildout will lead to cargo records
<https://www.portofoakland.com/press-releases/port-oakland-outlook-buildout-will-lead-cargo-records/>
- Port of Oakland oks \$11 million link to new Cool Port
<https://www.portofoakland.com/press-releases/port-oakland-oks-11-million-rail-link-new-cool-port-project/>
- Port of Oakland ag exports up 42 percent
<https://www.portofoakland.com/press-releases/port-oakland-ag-exports-42-7-percent-last-four-years/>
- Port of Oakland sees five years of record volume starting in '18
<https://www.portofoakland.com/press-releases/port-oakland-sees-five-years-record-volume-starting-18/>
- Port of Oakland agreement may be a national model for local hiring
<https://www.portofoakland.com/press-releases/port-oakland-agreement-may-national-model-local-hiring/>
- Port of Oakland appoints first African American woman board secretary
<https://www.portofoakland.com/press-releases/port-oakland-appoints-first-african-american-woman-board-secretary>
- Port of Oakland first: battery-powered truck enters the fleet
<https://www.portofoakland.com/press-releases/port-oakland-first-battery-powered-truck-enters-fleet/>
- Port of Oakland task force to revamp clean air roadmap
<https://www.portofoakland.com/press-releases/port-oakland-task-force-revamp-clean-air-roadmap-2018/>
- Port of Oakland wants more ships on shore power to clear the air
<https://www.portofoakland.com/press-releases/port-oakland-wants-ships-shore-power-clear-air/>

5. What were the communications outcomes from this entry and what evaluation methods were used to assess them?

The Growth with Care campaign achieved desired results across the board. Stakeholder awareness increased as the volume of Port communication grew. Perceptions dramatically improved, reversing outdated notions of a congested, unreliable Port. Positive stakeholder behaviors resulted from greater visibility and positive perceptions. All of this played a role in record financial performance. The Port

employed quantitative and qualitative measures to demonstrate success in the Growth with Care campaign. Here's a summary of results:

KEY OBJECTIVE MEASUREMENTS

| Increase visibility | | | |
|------------------------------|--|-----------|--------|
| Metric | Result during campaign | Previous | Target |
| Traditional media coverage | 5.4 Port of Oakland stories daily, seven days a week | 4.2 | 5 |
| Social media coverage | 6,200 Twitter followers (Port Twitter account) | 5,600 | 6,000 |
| Social media coverage | 6,800 Facebook likes (Port Facebook account) | 6,400 | 6,800 |
| Port of Oakland website | Average visit 2.5 minutes | 2 minutes | N/A |
| Port of Oakland harbor tours | 500 visitors per month | 500 | 500 |
| Press release production | 11 releases per week | 10 | 8 |

| Shape positive perceptions (media) | | | |
|------------------------------------|--|----------|----------|
| Metric | Result during campaign | Previous | Target |
| Traditional media tone | 71% Port stories positive, 18% neutral, 11% negative | 65/23/11 | 68/22/10 |
| Social media tone | 42% references positive, 48% neutral, 10% negative | N/A | 42/45/13 |

| Shape positive perceptions (media) | |
|------------------------------------|---|
| Media | Headline |
| Various media | <p>From labor impasse to busiest year ever</p> |
| Bis Now | <p>Investors champing at the bit for a piece of Oakland https://www.bisnow.com/oakland/news/state-of-market/investors-developers-are-chomping-at-the-bit-for-a-piece-of-oakland-84885?be=jstory%40sheppardmullin.com&utm_source=Newsletter&utm_medium=email&utm_campaign=tue-13-feb-2018-000000-0500_san-francisco-re</p> |

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|-----------------------|---|
| Journal of Commerce | Oakland port upgrade – more capacity, improved efficiency 1-31-18 (PDF attached) |
| World Maritime News | Port of Oakland wraps up busiest year in its history 1-11-18 https://worldmaritimeneews.com/archives/240527/port-of-oakland-wraps-up-busiest-year-in-its-history/ |
| Journal of Commerce | “Oakland gears up for growth” 1-2-18 (PDF attached) |
| American Shipper | “Chilling by the dock of the bay” 12-17 (PDF attached) |
| Oakland Conduit | Developments we’re thankful for https://www.oaklandconduit.com/developments_we_re_thankful_for |
| Journal of Commerce | Oakland moves closer to largest in-port US logistics hub (PDF attached) |
| Alameda Patch | Port project would create hundreds of jobs https://patch.com/california/alameda/port-project-would-create-hundreds-jobs |
| San Jose Mercury News | Proposed agreement will ensure thousands of livable wage jobs at Port of Oakland https://www.mercurynews.com/2017/09/20/community-groups-laud-proposed-living-wage-local-hire-agreement-at-port-of-oakland-warehouse-complex/ |
| East Bay Express | Port of Oakland jobs deal should be a model https://www.eastbayexpress.com/oakland/port-of-oakland-jobs-deal-should-be-a-model-for-amazon-and-other-warehousing-corporations/Content?oid=10510426 |
| Green Port | Oakland jobs policy could go national http://www.greenport.com/news101/americas/oakland-jobs-initiative-could-be-adopted-nationally |
| People’s World | Port of Oakland approves “groundbreaking” Good Jobs Policy http://www.peoplesworld.org/article/port-of-oakland-approves-groundbreaking-good-jobs-policy-for-new-warehousing-complex/ |
| Oakland Post | Port of Oakland set to pass groundbreaking jobs policy http://www.oaklandpost.org/2017/11/09/port-oakland-set-pass-groundbreaking-jobs-policy/ |
| Transport topics | Port of Oakland, City working with residents to adopt new truck policies http://www.ttnews.com/articles/port-oakland-city-working-residents-adopt-new-truck-policies |
| | |

Shape positive perceptions (key influencers)

| Key influencer | Statement |
|--|---|
| Libby Schaaf, Mayor of Oakland | “We are so blessed to have a strong export business in the Port of Oakland.” – Statement during address to Propeller Club of Northern California |
| Lloyd’s List magazine | “Oakland is a classic example of how to turn a negative into a positive.” Story on top ports globally |
| Bill Mongelluzzo, senior editor, Journal of Commerce | “Oakland experienced a slow recovery the past two years. However, the Port used the slack period to double down on infrastructure expansion. Now those capital projects are beginning to pay off.” - Article on investment and transformation at Port of Oakland. |
| Peter Tirschwell, SVP, Journal of Commerce | “There is good reason to feel good about the Port and where it’s headed.” Tweet following Port of Oakland tour |
| Peter Tirschwell, SVP, Journal of Commerce | “The Port of Oakland is on a roll...complete transformation.” Tweet following State of the Port address |
| Peter Friedman, Executive Director, AgTC | “Kudos for the Port of Oakland.” Article on Port performance transformation |

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| Michael Murphy, Chief Development Officer, CenterPoint Properties | "The Port of Oakland has a thoughtful vision for the future." – Statement during announcement of CenterPoint agreement to build a Seaport Logistics Complex in Oakland |
| Richard Coyle, President, Devine Intermodal | "The Port of Oakland continues to invest in the future." – Article in Logistics Management magazine |
| Sam Felsing, Editor, Oakland Conduit | "The redevelopment of the former Oakland army base is a great example of how public land can be turned into something that's actually useful and helpful to the public...We're thankful for developers that hire locally, pay family-sustaining wages to workers, and provide community benefits." – Comment in community development watchdog website |
| Jahmese Meyers, Director of civic activist organization Revive Oakland | "We are transforming the warehouse industry." -- Statement to Port of Oakland Board of Port Commissioners upon final approval of an agreement negotiated with the Port for local hiring |
| Royal Coffee Inc., international coffee bean importer | "We're thankful for all the hard work the Port of Oakland is putting in. Keeping all those containers in order and getting them out of Port ASAP is no small feat." - Unsolicited Tweet |
| Peter Schneider, VP, T.G.S. Transportation, Inc. | "Oakland International Container Terminal has really led the charge with all of its investments and most importantly, adding night gates." - Statement in press release reporting on transaction time improvements at the Port of Oakland. |
| Michael Sikes, Senior Manager Business Development, Southwest Airlines | "The center of gravity is shifting to Oakland." --Statement during City of Oakland trade development seminar |
| Chris Lytle, Executive Director, Port of Oakland | "People at industry events always stop me to say how well the Port of Oakland is doing. That's due in part to our Communications work in getting the word out." |

| Influence behavior | |
|---------------------------|--|
| Stakeholder | behavior |
| Moody's Investor Services | Bond rating upgrade - \$656 million of senior lien bonds to A1 from A2; \$324 million of intermediate lien bonds to A2 from A3; and a subordinate lien bank note rating to A3 from Baa1. |
| CenterPoint Properties | \$52 million investment to build Seaport Logistics Complex (This is a CenterPoint project at Port) - "The Port of Oakland has a thoughtful vision for the future." – Michael Murphy, Chief Development Officer, CenterPoint Properties |
| Lineage Logistics | \$90 million to build Cool Port Oakland - "Cargo interests can be assured of stability at the Northern California port due to its diversified revenue stream." --Bill Mongelluzzo, Senior Editor, Journal of Commerce |
| SSA Marine | \$15 million to heighten ship-to-shore cranes – marine terminal invests |
| Lloyd's List | Port of Oakland named finalist as 2018 Port Operator of the Year |
| Revive Oakland | Coalition of Oakland activist groups signs on to development agreement with Port of Oakland and CenterPoint properties ensuring model local-hire policy for construction of Seaport Logistics Complex |

Business/Financial outcomes (continues on next page)

Principle of financial discipline

Revenue growth + Expense control + Taking advantage of opportunities =

- Record revenue: \$358.7 million
- Record volume: 2.42 million TEUs (20-foot containers – imports and exports)
- Bond refinance saves \$43 million
- Moody's upgrade

