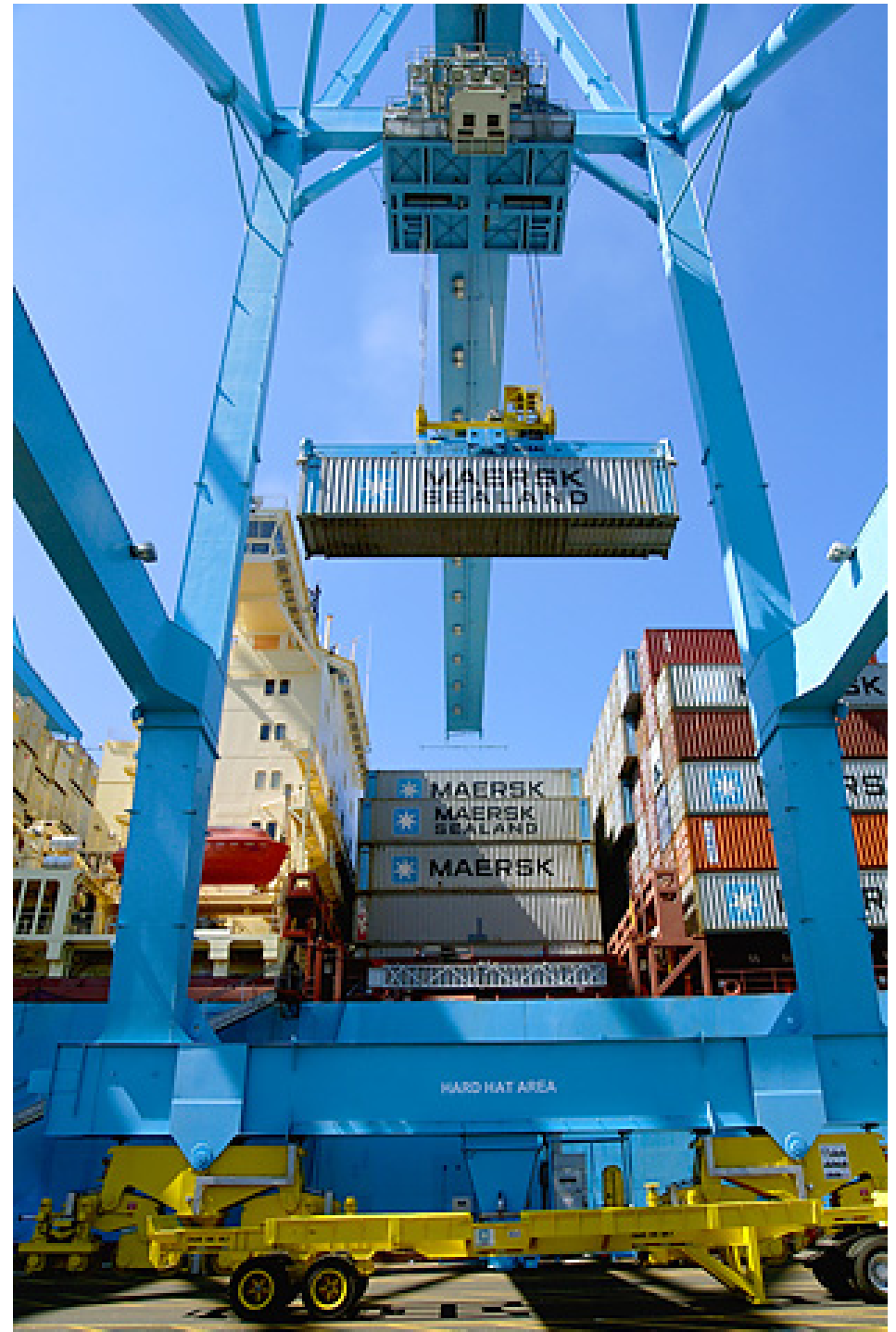


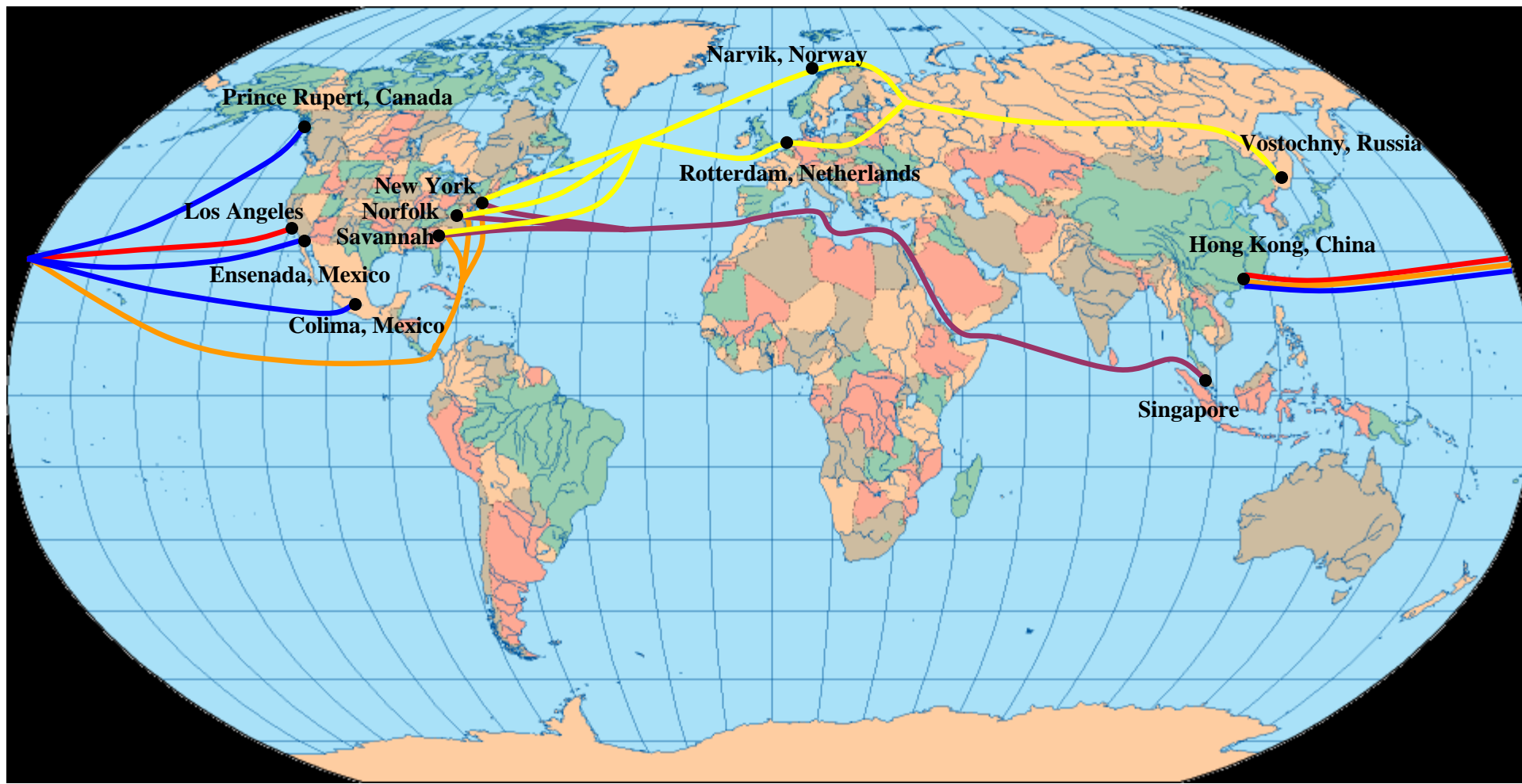
# Surviving the competitive marine terminal industry



- 1) Singapore
- 2) Shanghai
- 3) Hong Kong
- 4) Shenzhen
- 5) Busan
- 6) Rotterdam
- 7) Dubai
- 8) Kaoshung
- 9) Hamberg
- 16) Los Angeles
- 17) Long Beach

## Container ports





# *Big ships:*



## Vessel sizes:

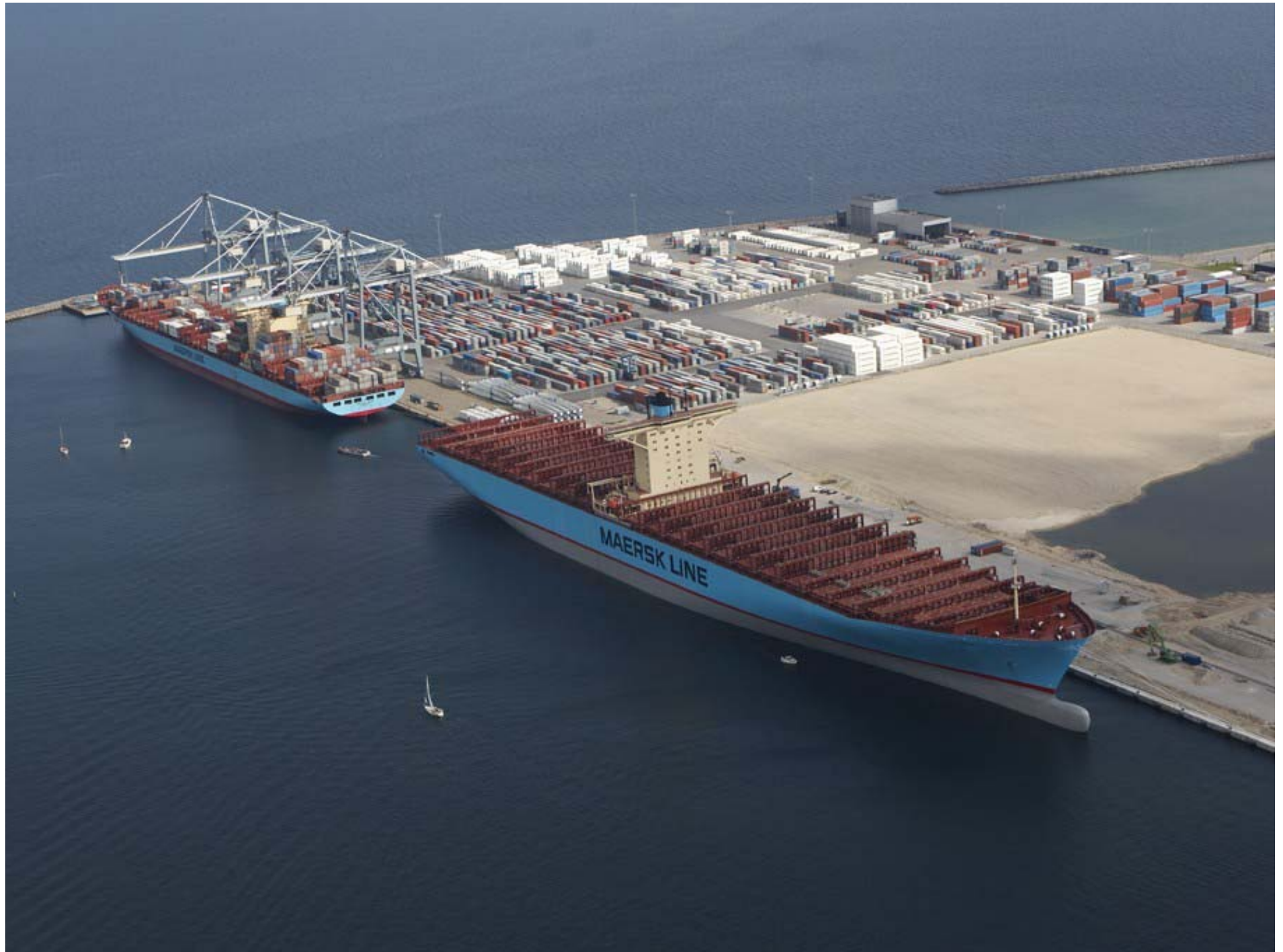
Panamax

Post-Panamax

Suezmax















- 484 acres
- 7,190' berth
- 330 acre container yard
- 40 acre rail yard



Pier 400 Container Terminal

22 wide

9 high



- Discretionary
- Distractions
- Disincentives
- Diversions

*“Discretionary” cargo:*

Only 50% of the imports are consumed locally.



## Local cargo:

**6,880 truck  
transactions  
in 1 day**



## *“Discretionary” cargo:*

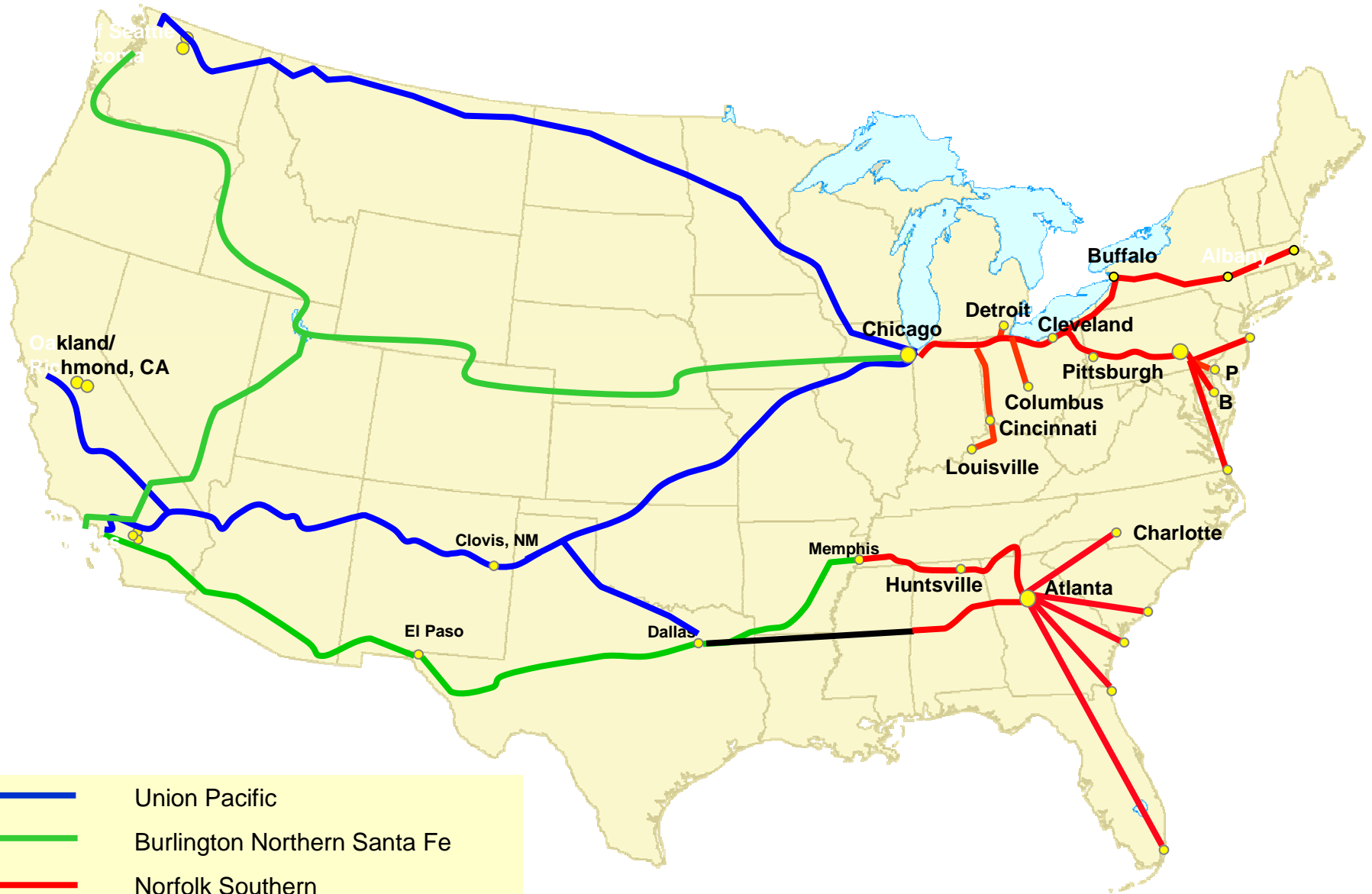
The other 50% is discretionary intermodal cargo. It can get to

The mid-West from

- Canada
- Houston
- Savannah
- Norfolk

**40' well**  
**double-stack**





- Union Pacific
- Burlington Northern Santa Fe
- Norfolk Southern
- Kansas City Southern



## **Distractions:**

- 2008 ILWU longshore contract.
- 2010 ILWU office clerical contract.
- The 2010 ILA negotiations on the East & Gulf coasts.

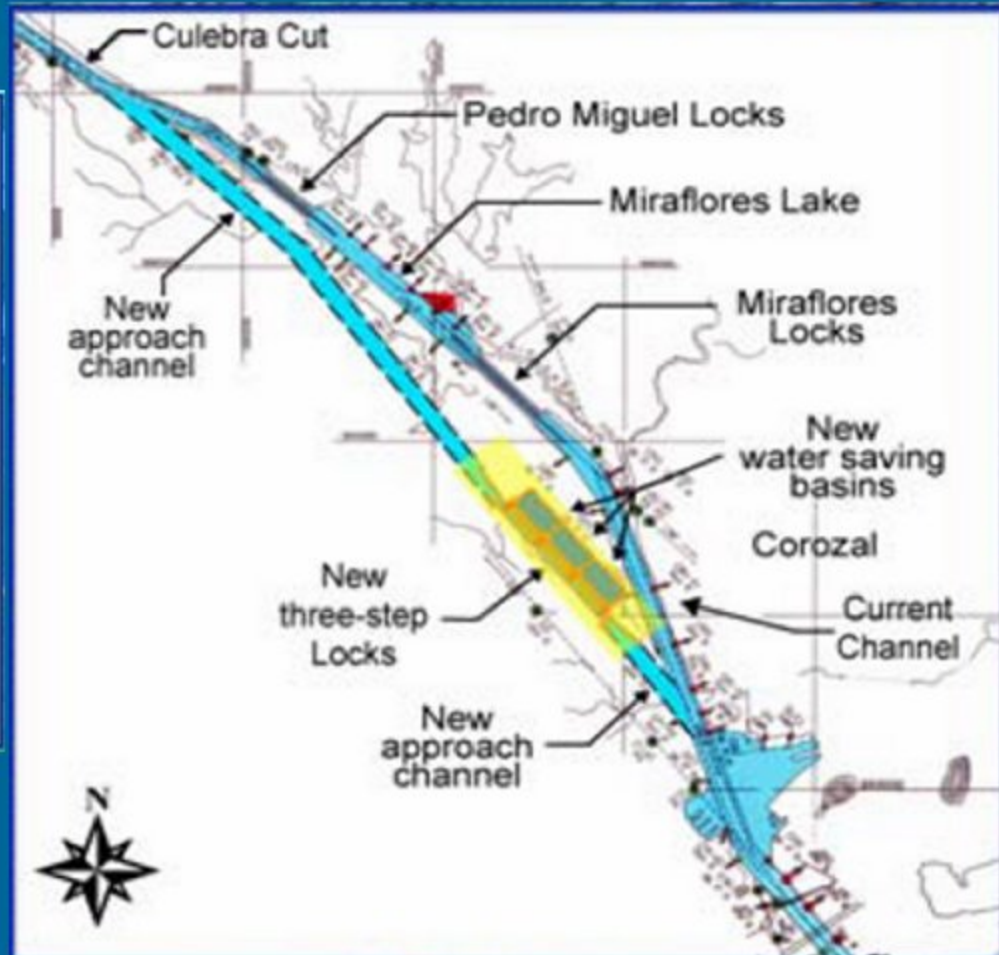
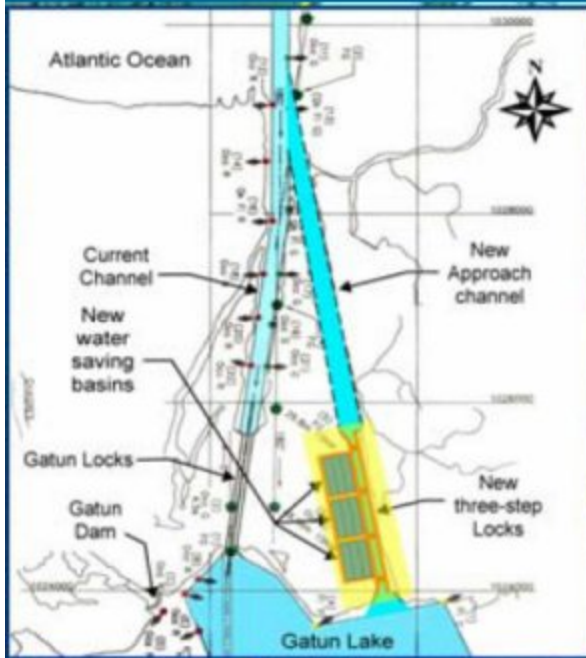
## **Disincentives: cargo Fees**

- PierPASS: \$100
- Alameda corridor: \$38
- Port Clean truck fee: \$70
- Port Infrastructure fee: deferred
- State infrastructure fee: TBD

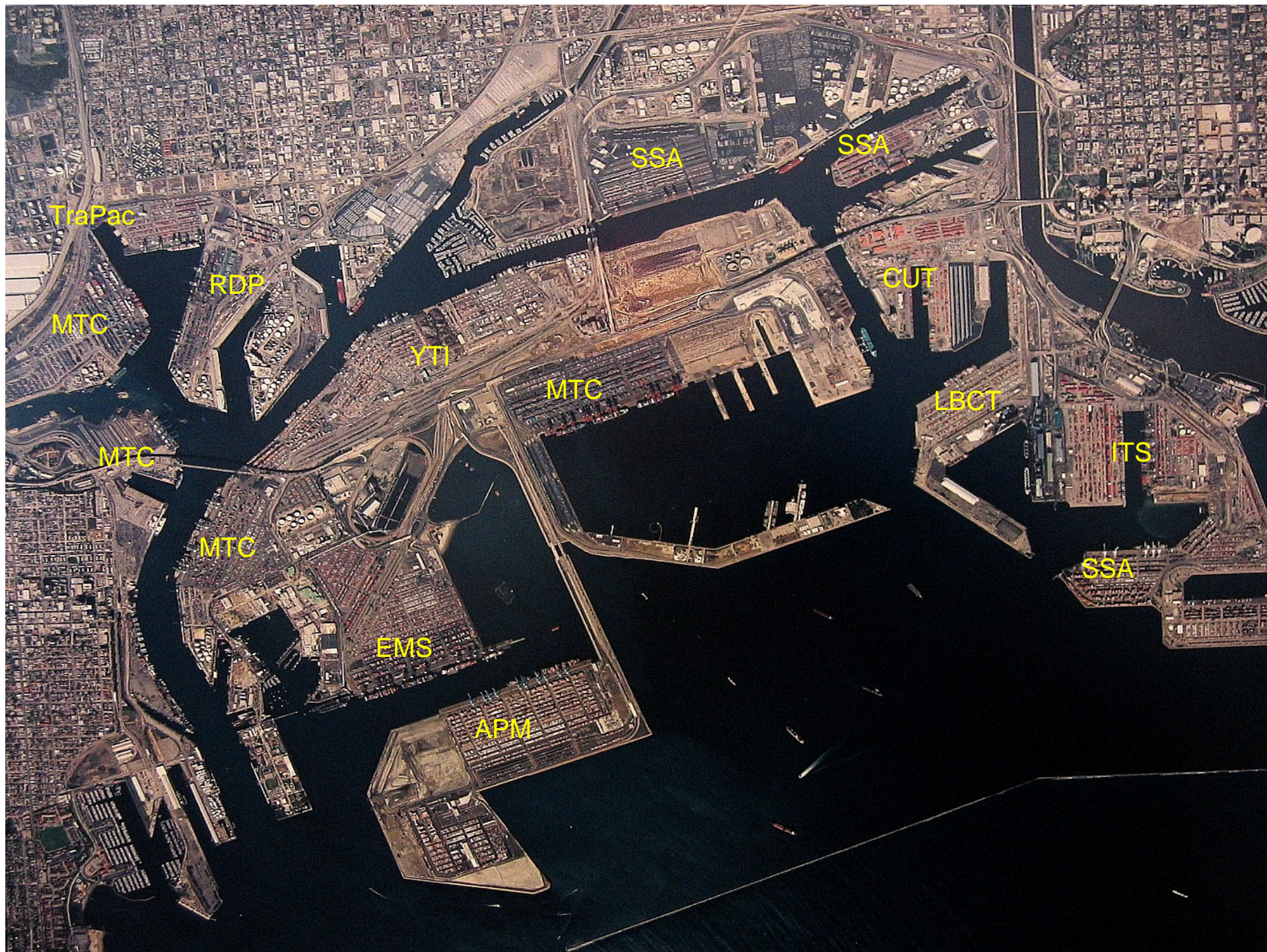
## **Diversions:**

- Shippers are exercising alternatives:
  - business continuity; port diversity
  - new construction Panamax vessels
  - Panama canal expansion in 2014
  - competition between ports (fixed costs)

# Panama Canal expansion:



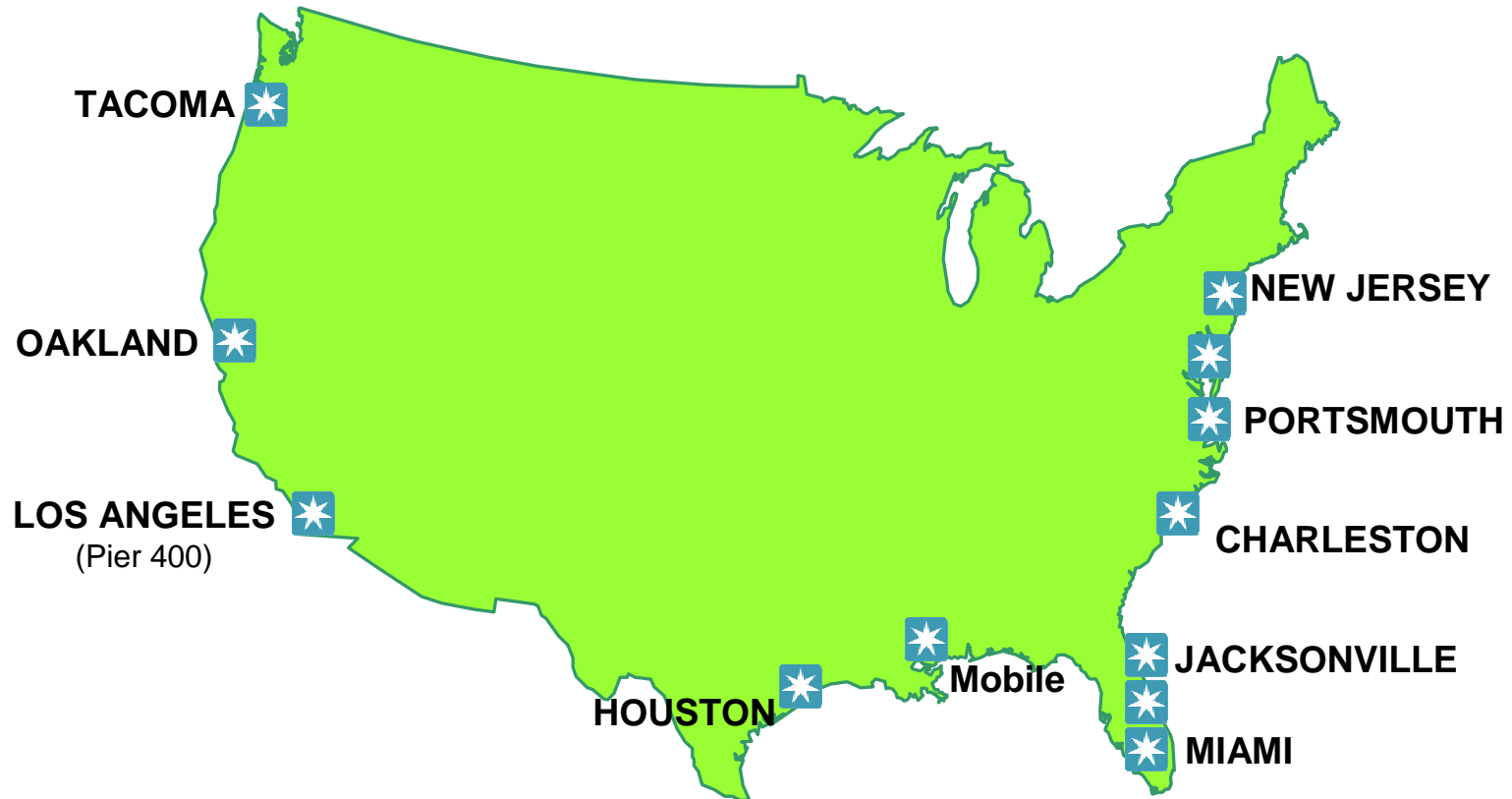






# APM Terminals North America, Inc.

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***Largest Terminal Operator in North America***

- Discretionary

- Only 50% of cargo consumed locally

- Distractions

- Labor negotiations

- Disincentives

- Cargo Fees

- Diversions

- Canada
- Mexico
- U.S. East/Gulf coast ports

## *Is there any good news?*

- Port authorities, longshore labor and terminal operators are collaborating.
- We all share a single common objective: attract and retain discretionary cargo.



# APM Terminals

