Good Morning,

I would like to share with you some experiences and some ideas of best practices put together by the team of

Tim ... from US Army Corps of Engineers Steven ... from Port of New Orleans Larry ... from Port Metro Vancouver Paul ... from Jacksonville Port Authority Judy ... from Halifax Port Authority

I will try to condense our 1 and ½ hour notes into a few minutes.

Our discussion focused on

Leadership
Communication
Technology and
Tracking accountability of service providers in the supply chain

Leadership

- The engagement of employees in the process
- The challenge to them to think outside the box
- The empowerment of staff to do their job
- Planning for the future, succession planning

Steven – is a wonderful example

He is the first hired in a program where he is given short one-two week work terms job shadowing in each division of the Port

Fresh eyes New ideas Cross trained, team building

Steven observed the market potential of actively recruiting films to

Come and shoot on their properties

(Current practice, wait tell phone rings and producers come calling with money to pay for shooting locations)

Demonstration – Go get the business!

Paul – in a new position for him

- Needs to engage and expand staff potential
- Actively recruiting guest speakers to provide motivational experts in their field and first-hand knowledge in inspiring discussions
- Expects to implement Master Planning
- Valuation, segment reporting, Line of Business

For myself at Halifax Port Authority--our CEO, she is very big on education In 2010, summer time:

All employees split up into teams
Four leaders assigned – potential leaders of tomorrow
Teams asked to provide details – plans for the Port's future,
evaluation of its strengths/evaluation of its weakness

Results ...

Creativity in answering the questions Identification of common themes, issues Some teams approached our companies in The city to identify their best practices too

Outcome

Planned annual event, new leaders each time Budget created to send employees to Other ports

To observe best practices
Example-2 staff of cruise to Miami

Communication

Tim – walked into a situation where five significant stake holders were lining up their legal cannons to fight for their rights, for their jurisdictions, and their piece of the pie

Tim's solution to put out the fire: Communications!

Listen to the issues from each stakeholder
Adapt where appropriate
Negotiate - when it can be done
Identify common improvements
Diplomatically – discuss issues
Communication – remove misinformation

Larry spoke of implementing a new fee to increase revenues, required to support infrastructure investment

He expected negative backlash.

He drafted several pricing options for billing

He hired a consultant to assist in PR communication

He discussed implementation options with shipping lines

Because of communications, Larry minimized the backlash by proactively controlling the implementation

Technology – Cooperation

In Halifax –
We have two bridges
We have minor tidal influences
We have wave action

Our IT department

Created software & hardware Identified ships clearance under bridges

Our Air Gap Technology
Information Monitored then shared with pilots

Accountability In the supply chain

Yesterday, there was talk about the herding of cats
I liked the image of getting those cats to purr at the same time
I want to add to that image--we need all the cats in a row

This happened to us several years ago

A ship arrived
Containers arrived
Customs cleared
Rail carrier picked up cargo
Departure from port

Cargo didn't arrive at just in time manufacturing plant Plant shut down!!!!
Something hit the fan!!

Who suffers--EVERYONE IN THE SUPPLY CHAIN!

Do Not Drop The Ball!! (John V. referred to 43% reliability in slide, prior to price negotiation)

Tracking of efficiency of your port services
Providers <u>very</u> important

HPA has technology and staff who track the time of ship arrival, container transit, arrival time at rail destination

COOPERATION !!!

Memorandum of Agreement with CN Rail to share information!!

We provide <u>facts</u> of reliability delivery NORMS to the shippers

With info, we track and expect consistency, expected norms of transit times from port arrival to delivery by train to inland port destination.