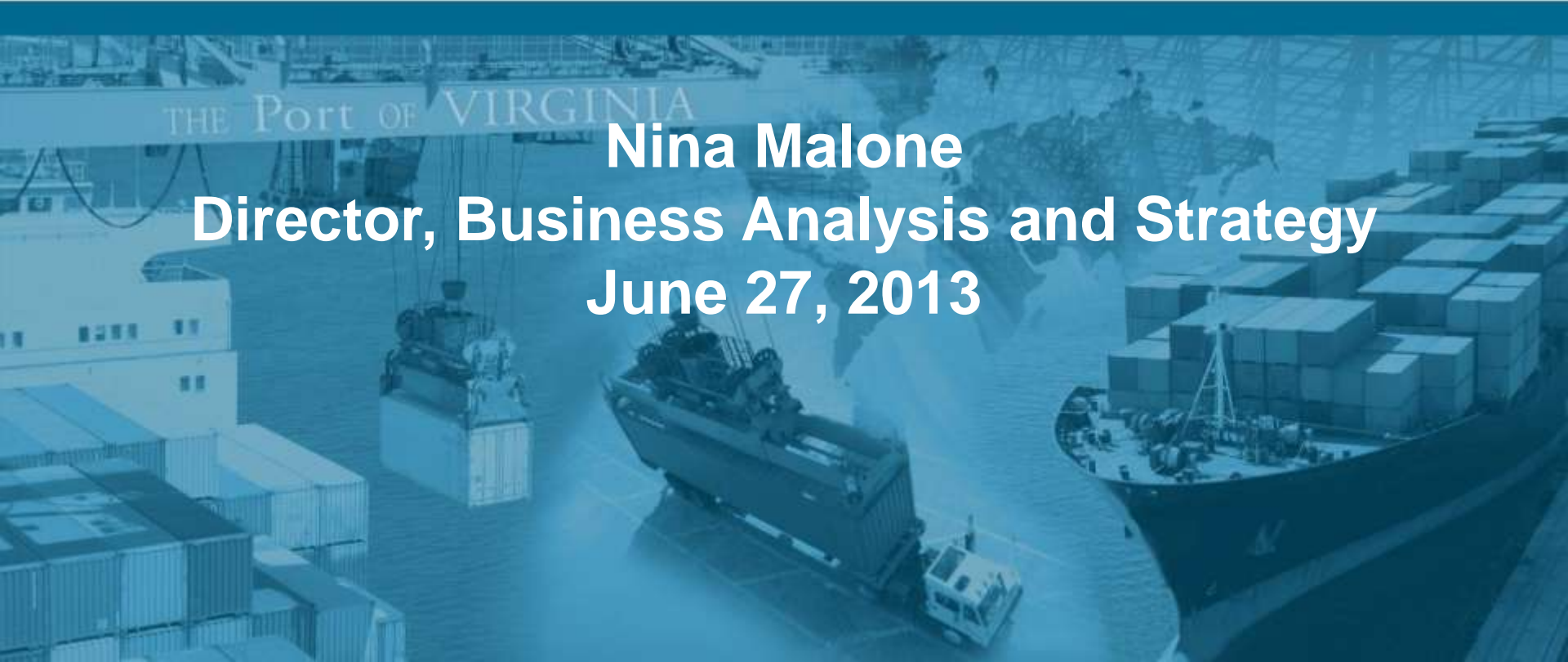




Bolstering Business by Better Understanding Port Customers and Users

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June 27, 2013



Agenda

- Our experience with the survey
- Survey findings
- Customer service initiatives

2013 Highlights

May TEUs: +7.2%

Best month so far in 2013

CY YTD TEUs: +6.3%

Best calendar year-to-date in the history of the port

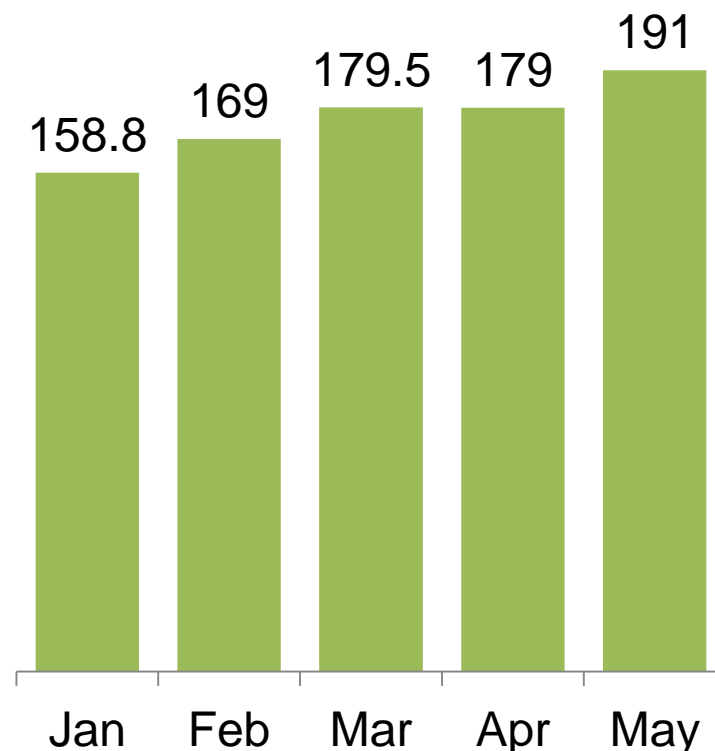
FY YTD TEUs: +10.5%

Best fiscal year-to-date in the history of the port

**Percent increase from 2012*

2013 TEUs

In thousands



MSC Asya: Deep Draft Record Set

May 30, 2013

MSC Asya

9000+ TEUs

1100+ feet long

49.5 foot draft at departure



What we liked about the survey

- Focus on what is important to the customer to put ratings in perspective
- Practical application to set priorities in improving customer satisfaction
- Ability to benchmark against the industry
- Performance criteria and analysis by customer group

How we did on the survey

Overall, the survey results confirm our understanding of how we are perceived among the three different customer groups.

Also, the survey results reaffirm our knowledge of some of the customer service issues raised by the survey.

Customer Service Initiatives

- Dedicated Customer Service Group
 - Provision of adequate, on-time information
- Operation Port Plus
 - Incidence of delays, timely vessel turnaround, speed of stevedore's cargo loading/unloading

Customer Service Group

- Ability to resolve majority of customer service issues right away
- Single point of contact for customers regardless of type of issue
 - Single phone number, email address, website form
- Comprised of people with operations background in rail, truck, gate, quotes, etc.
- Communication with Sales and documentation in CRM

Operation Port Plus

Program initiated in 2011

Improve Process

We must, as the Port of Virginia, commit to ensure that our freight arrives and departs both safely and in the most efficient possible manner. We will develop and implement needed improvements and as a group have a commitment to service levels.

Eliminate Inefficiency

As a group we must allow ourselves to let go of longstanding thought processes and the *“because that is how we have always done it”* attitude and be open to the collective, allowing them to interject new and thought provoking ways to complete our daily tasks.

Develop Best Practices Port Wide

This Maritime Community must commit to not only develop best practices in every segment of freight movement but in fact be willing to defend, document, and be measured by the very standards this program hopes to create. In essence the Port of Virginia must commit to becoming a Total Quality Port.

Harbor Pilots and Tugs Project

- Harbor Pilots and Tugs Project:
Operations from Buoy to Berth
- Include all areas affected: Pilots – Agents
– ILA – Ship Line – Terminal Operations
- Recommendations completed and
implemented: August 2012

Project Recommendations

1. Monitor channel depth and width needs

As trends and forecasts of larger ships and frequencies indicate advantages of two way traffic support of projects should be given

2. Harbor Master

Consolidate data for ship position, vessel schedule, berth availability, agent scheduling and pilot tug schedule to manage vessel arrivals. The objective is good vessel service, reduced delays and lower costs

3. Berth Management and Pricing

Develop the optimal process for VIT operations. If that includes having vessels arrive when premium labor costs are incurred then evaluate smoothing the charges to vessels as an incentive.



Thank you

