

# BRIDGING GLOBAL TRADE

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PREPARING FOR FUTURE GROWTH AND CHANGE

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AAPA'S 2013 Shifting International Trade Routes  
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# Georgia's Deepwater Ports



## PORT OF SAVANNAH



Garden City Terminal



Ocean Terminal

# Georgia's Deepwater Ports



## PORT OF BRUNSWICK



Colonel's Island  
Terminal



Mayor's Point  
Terminal



East River Terminal  
& Lanier Docks

# Today's Presentation will Highlight...



1. Infrastructure and Investment Needs
2. Impact of Panama Canal Expansion on Trade
3. Growth of Suez
4. Outlook for Rail
5. Savannah Preparing for Growth

# Infrastructure and Investment Needs

# Infrastructure Investment Challenges at the National Level

- Aging infrastructure
- Lack of capacity growth
- No national strategy

## **Today's Reality**

- Foreign Trade Partners Trade Expanding Faster than the U.S.
- Foreign Trade Partners Modernizing Infrastructure

## **U.S. Needs**

- U.S. Ports: Rail-Road-Capacity
- 50 ft Harbor Depths-Grow Bridge Clearance
- National Gateway Priority

# Impact of Panama Canal Expansion on Trade

# GROWTH POTENTIAL.

Southeastern ports move only **25%** of US cargo to a region that contains more than **35%** of the population.

The Panama Canal expansion has the potential to add value to Southeastern ports and increase their ability to serve the region.

# REALISTIC GROWTH POTENTIAL.

**We do not expect an enormous market share shift immediately after Panama Canal expansion.**

- BCOs may move more cargo via all water but that will be driven by their increasing reliance on more DCs near population centers
- Main impact is for efficiency gains for carriers and their customers
- Most shippers do not rely solely on one coast

# What Canal Expansion Will Mean for USEC Ports



- Bigger ships (at the 8,000-TEU level) will become the new workhorses on the USEC
- Cost per slot on an 8,000-TEU vessel for the carrier will be 20-40% lower than the cost per slot on a current 4,500-TEU vessel calling the USEC
- Larger, more efficient ships equate to USEC port growth even if the number of ships to USEC doesn't grow



Those USEC ports that have continually invested to boost capacity and infrastructure will be in the strongest position to benefit from the Panama Canal expansion

# Growth of Suez

# The Growth of Suez – USEC Services



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- A large container ship, heavily loaded with colorful shipping containers, is seen from a side profile, sailing on a body of water. The ship is white with a red hull. The background shows a hazy horizon under a light sky. In the foreground, there is a rocky shoreline with some dark pipes or structures.
- Growth of sourcing in South and SE Asia makes Suez route more attractive
  - Suez–USEC services grew 43% from 7 services in 2008 to 10 services today
  - Over the same period, Suez - Savannah services grew 80% from 5 to 9
  - Suez business is the fastest growing segment of our volume

# The Growth of Suez – USEC Services



- Larger vessels via Suez services are calling the USEC now
- Savannah is handling 9,200-TEU ships today
- Savannah's harbor deepening will enable more efficient handling of these vessels

# Outlook for Rail

# Rail Connectivity Is Creating New Market Opportunities



Today, roughly 20% of Savannah's Volume is Moved via Rail



# Intermodal Rail Volume

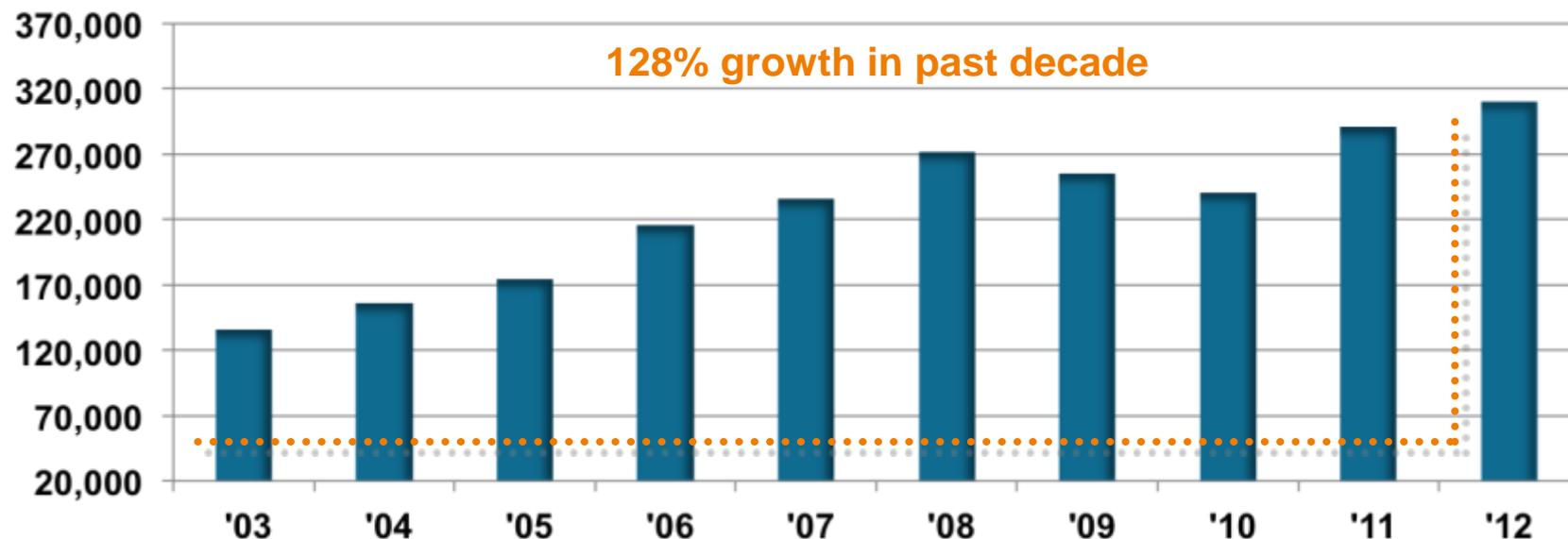


## 10-Year History of Containers Moved (Fiscal Year)

FY2012 Total Rail Moves = 309,977

CSX = 8 weekly trains

Norfolk Southern = 10 weekly trains

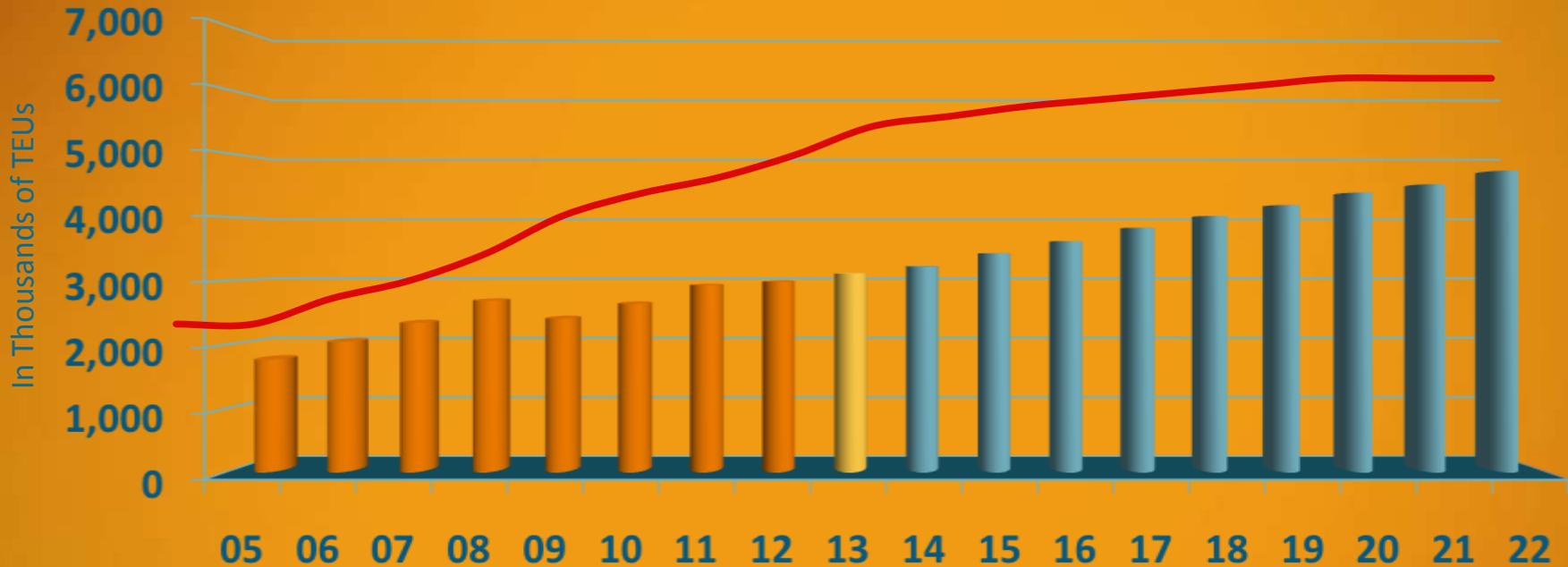


## **GPA Rail Strategy – Position as Gateway for Eastern Half of US**

- **Improving our rail connectivity facilitates greater rail usage**
- **Last mile projects complete connectivity**
- **Greater rail usage also promotes our sustainability goals**
- **USEC rail to SE US becomes increasingly viable after Panama Canal expansion due to lower all water costs**

# Savannah Preparing for Growth

# We Strive to Keep Capacity 20% Ahead of Demand through Long-term Planning



- Past Demand
- Current Demand
- Future Demand (est.)
- Capacity

FY 2012 Throughput  
**2.982 million TEUs**

FY 2022 Throughput Capacity  
**6.5 million TEUs**

# Capital Investments



Technology Projects	\$67,950,000
GCT Berth Upgrades	\$62,219,000
GCT Container Storage/Support	\$78,617,000
GCT Equipment	\$366,050,000
GCT Intermodal & Gate Projects	\$109,063,000
GCT Facility Projects	\$38,370,000
Ocean Terminal	\$116,895,000
Brunswick Terminals	\$68,842,000
Infrastructure Reserve	\$167,500,000
<u>Annual Reserve/Future Projects</u>	<u>\$330,969,000</u>
<b>Total GPA Projects</b>	<b>\$1,406,475,000</b>
Savannah Harbor	
<u>Expansion Project (SHEP)</u>	<u>\$652,000,000</u>
<b>Grand Total</b>	<b>\$ 2,058,475,000</b>

# Garden City Terminal: Equipment Now and Into the Future



Equipment Type	Current	Build Out
Ship to Shore Cranes	23	33
Rubber Tired Gantries	116	169

**4 NEW Super Post Panamax Cranes**

**16 NEW RTG's**

**4 Electric RTG's**

**Increasing speed of ship-to-shore cranes**

**Using recently purchased state-of-the-art crane simulator**

# GARDEN CITY TERMINAL: 'Tomorrow'

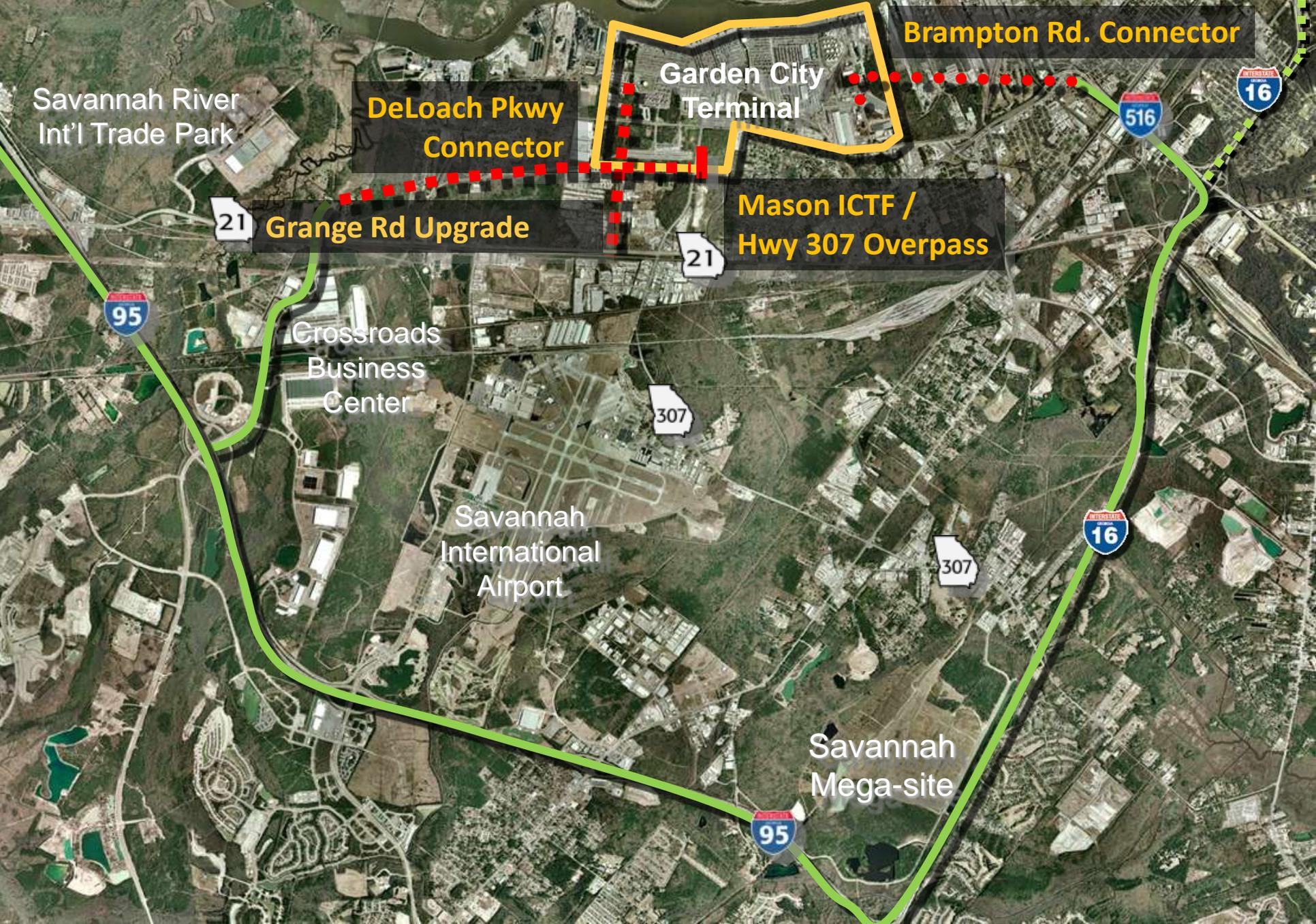


Mason ICTF served by  
■ Norfolk Southern Railroad

Chatham ICTF served by  
CSX Transportation

- 33 Container Cranes
- 169 Rubber-Tired Gantries
- Terminal area: 1,200 acres (485.6 ha)

**PORT OF SAVANNAH: Connectivity... 'The Garden City Terminal Beltway'**



Savannah River  
Int'l Trade Park

**DeLoach Pkwy  
Connector**

Garden City  
Terminal

**Brampton Rd. Connector**

**21 Grange Rd Upgrade**

**Mason ICTF /  
Hwy 307 Overpass**

Crossroads  
Business  
Center

Savannah  
International  
Airport

Savannah  
Mega-site



# The Port of Savannah



## The Room to Build and Grow with the Future



# Thank You

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