



American Association of Port Authorities
Marine Terminal Management Training Program
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The Delaware Bay and River.... The Peace Treaty of 1683 and the Lenape Tribe....



- Don't get scared...we are not going from 1683 to 2014!
- Welcome to the AAPA MTMTP!
- And Welcome to The Ports of the Delaware Bay and River!



Labor and Understanding Terminal Services

• Container

- Receipt
- Documentation
- Gate Activity
- Terminal Activity
- Ship Activity
- Warehouse Interface
- CBP Clearance
- Final Delivery

• Breakbulk

- Receipt
- Documentation
- Warehouse
- Storage
- CBP Interface
- Special Ancillary Services
- Final Delivery



Services
Rendered
at the
Terminal



Port
Authority



Ocean
Carrier



Terminal
Operator



BCO

What has really changed?....



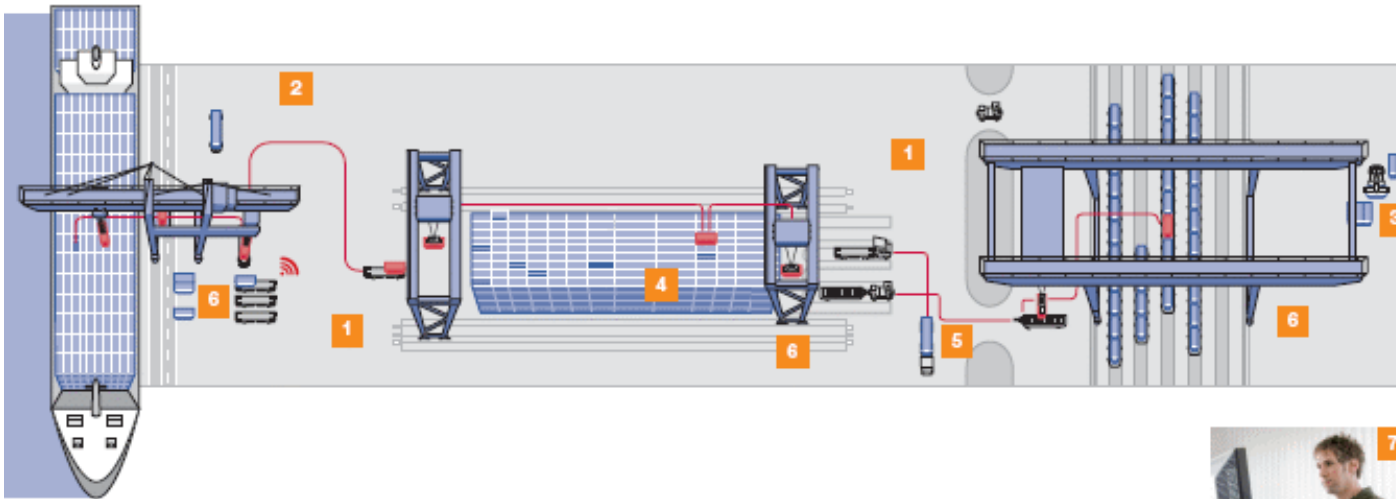
• Container

- Facility Configuration
- Wheeled v. Grounded
- Rubber Tire Gantries (RTG)
- Rail Mounted Gantries (RMG)
- Top Pick/Reach Stackers

• Breakbulk

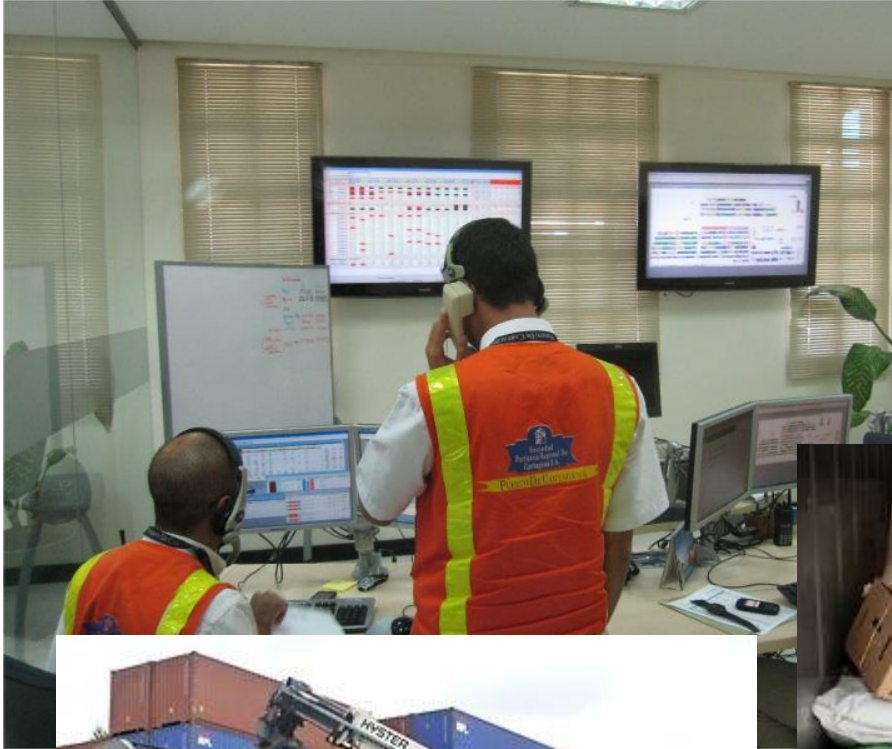
- New crane technologies
- New handling technologies within the warehouse

Terminal Operation-Well Oiled Machine or Turbulence?



- Equipment utilization during vessel operation
- Can the mechanical operation keep up with data exchange?
- Terminal layout and the benefits of block stowage
- Coordination of “craft-specific” labor
- Congestion and gridlock
- Chassis storage; parking and truck lines!

Smooth Operation or Hurly-Gurly?



- On-site transfers
 - CES
 - Hot-loads
 - Appointment Systems
- The economic impact of moving containers off the terminal
 - Security risk?
- Making room for the next vessel
- Educating Labor
- **ORIENTATION!**



The Implementation of Automation or Technology

- **MANAGEMENT-YES!**

- Increases productivity
- Reduce expense
- Reduces accidents and increases safety
- Increased volumes offset potential job loss
- Investing in automation and technology is a requirement to compete in the future

- **LABOR-NO!**

- Eliminates jobs
- Increases liabilities
- Reduction in jobs equals a reduction in funding capabilities
- “BULL”-we don’t believe it!
- Don’t use my “tax dollars” to create unemployment to the highest-paying and greatest level of economic benefit to the region

Neutral Observations



- In 1956 Malcolm McLean converted the tanker to carry 58 containers
- Teddy Gleason of the ILA responds by creating the Container Royalty program
- Implementation of technology led to pension incentives or “buy-outs” in some ports
- Employers have their “foot on the accelerator”
- Labor is “pumping the brakes”

Controversies

- Modern but manned
- Fully automated: operators in remote locations
- Robotics
- Who pays?
 - Ocean Carrier
 - Port Authorities
 - Terminal Operators
 - A true P3!



Have we really analyzed (together) the true impacts of automation?

- Does the implementation reduce cost or just manning?
- Do the investments and cost of automation reduce the traditional tariff rates?
- TIR's!
- Mounting & Grounding
- Monitoring
- Other ancillary services



Slow down...your moving too fast!

- Port-to-Port competition
- Learn from the past breakbulk experience of “race-to-the-bottom”
- Leases
 - Industry standard v. subsidized
- Logistics
 - Immediate market v. discretionary

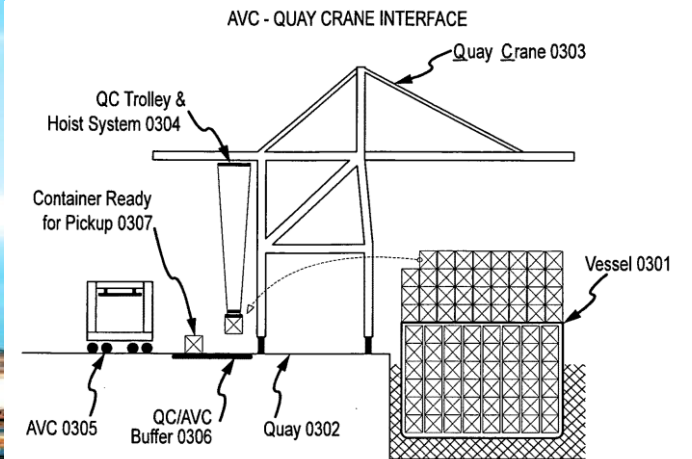
- **Labor wants:**

- Family self-sustaining wages v. working poor
- Benefits
- Productivity



A Possible Path to Jointly Understanding Automation....

- Analyze traditional or existing operations
- Compare these findings to:
 - Virginia-APMT
 - NY-Global Terminal
- Quantify manning loss/gains
- Quantify man-hour loss/gains
 - Fringe Benefits
 - Pension Fund obligations
- Vessel-by-vessel comparisons
 - Subject to future negotiations for all crafts





Analysis to be done will create interesting impacts to all parties....



**Comprehensive
Analysis Will Lead To
Better Understanding.**

**Therefore, Healthier,
Productive
Uninterrupted,
Respectable
Negotiations. Stability.**



A Path of Resolve....

- Jurisdiction
 - Jurisdiction
 - Jurisdiction
 - Jurisdiction
 - Jurisdiction
 - Jurisdiction
- Commitment to all traditional labor functions
- All loading and unloading
- All traditional clerical function regardless of geography
- All maintenance and repair including reefers
- Proper Funding on all unfunded Debt
- In-land ports
- Training Program

Automation-Inevitable Changes - Healthy OR Not?

