



Manzanillo International Terminal OCEAN CARRIER ISSUES AND PERSPECTIVES

Tampa, FL // 2014



Agenda

- What is Transshipment and Connectivity
- Challenges for the Maritime Industry
 - ❖ Bigger Vessels
 - ❖ Berths will change
 - ❖ Panama Canal Expansion
 - ❖ Capital Expenditure – Port in the Americas
- Future of the Maritime Industry
 - ❖ Alliances
 - ❖ Productivity
 - ❖ Equipment and Technology
 - ❖ Government Agencies

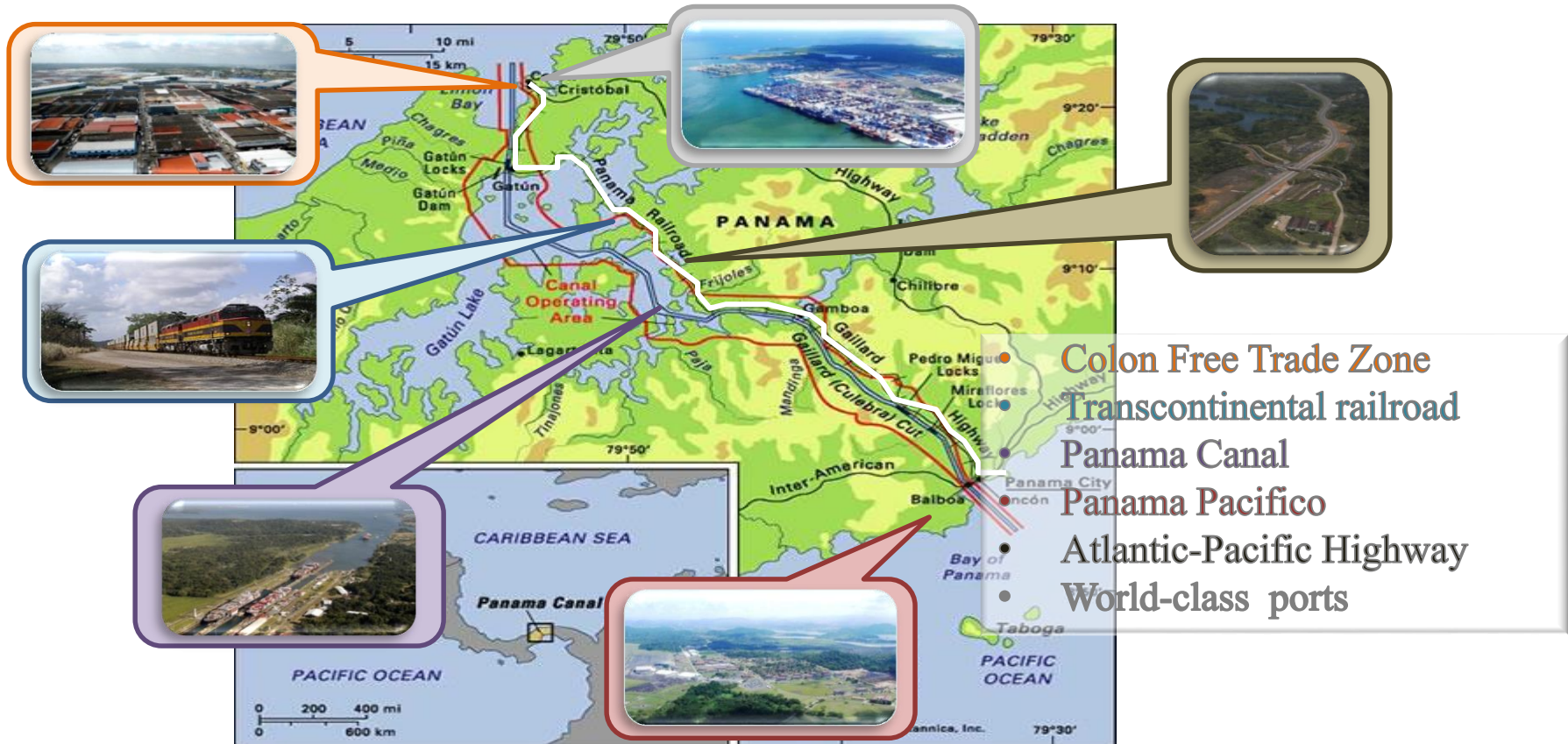
TRANSSHIPMENT



or



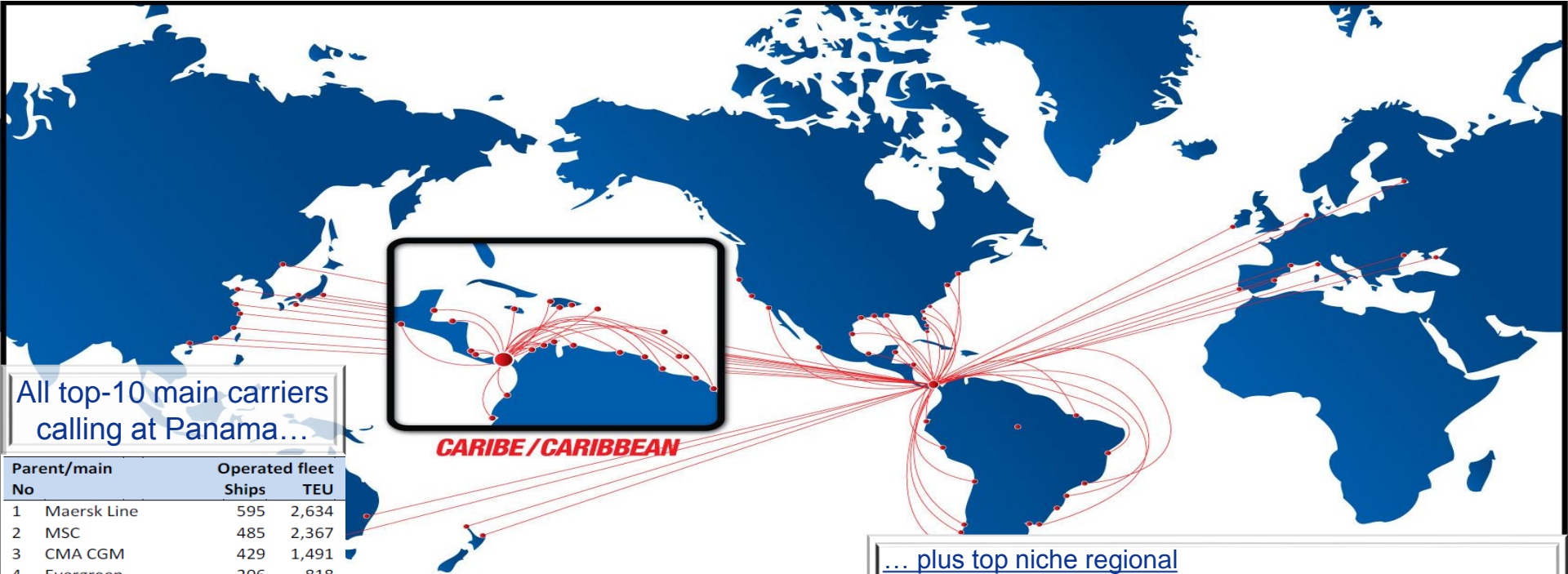
Ocean to Ocean CONNECTIVITY



The Transit of the Asparagus



MIT: Maritime hub of the Americas



All top-10 main carriers calling at Panama...

Parent/main No		Operated fleet	
		Ships	TEU
1	Maersk Line	595	2,634
2	MSC	485	2,367
3	CMA CGM	429	1,491
4	Evergreen	206	818
5	Coscon	165	757
6	Hapag-Lloyd	154	718
7	APL	124	627
8	Hanjin	115	624
9	China Shipping	142	602
10	MOL	111	548

CARIBE / CARIBBEAN

... plus top niche regional carriers:

- CFS
- King Ocean
- Seaboard Marine
- Seafreight
- Xpress Container Line
- SCLine

(1,000 TEU, Analysis based on data sourced from Alphaliner)



CHALLENGES FOR THE MARITIME INDUSTRY

1. Bigger Vessels
2. Berths will change
3. Panama Canal Expansion
4. Capital Expenditure – Port in the Americas

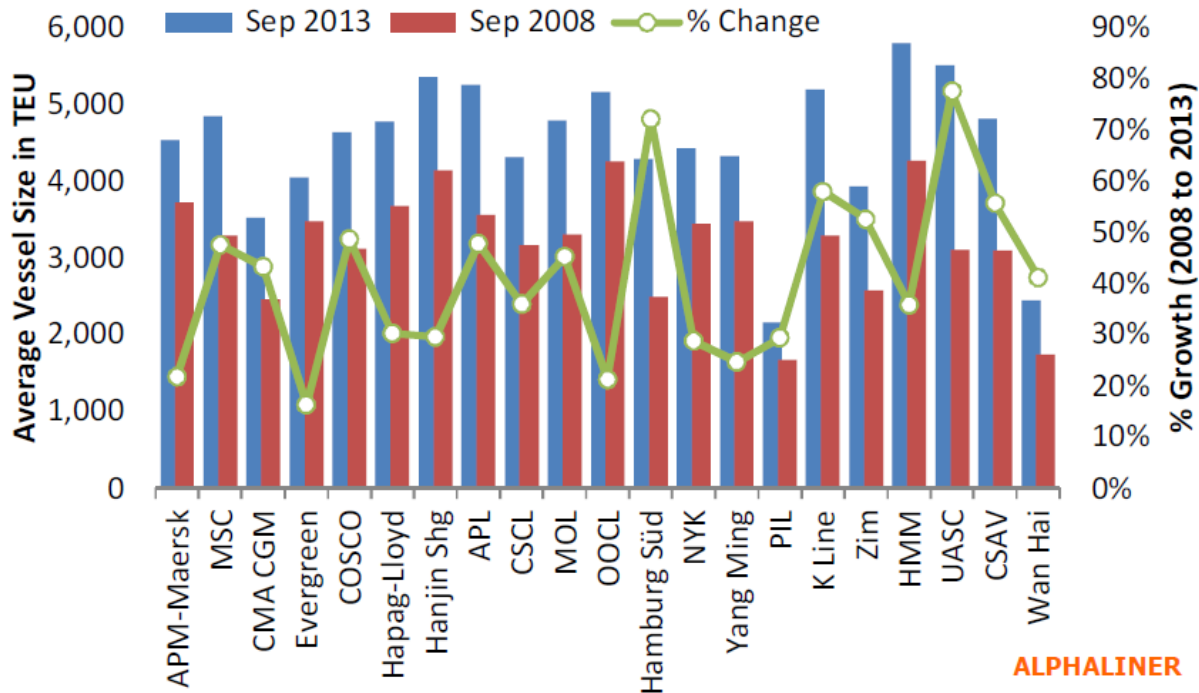
Bigger Vessels

The container vessels are far from what they were a few years ago



Container ships are getting bigger each year

Top 21 Carriers - Average size of operated fleet : Sep 2013 vs 2008



Bigger vessels take advantage of economies of scale



Big Vessels Attract Small Vessels = Increase In Moves...

Latin America
2015



East Asia
2000



**A LOT OF
FEEDERING POTENTIAL!**

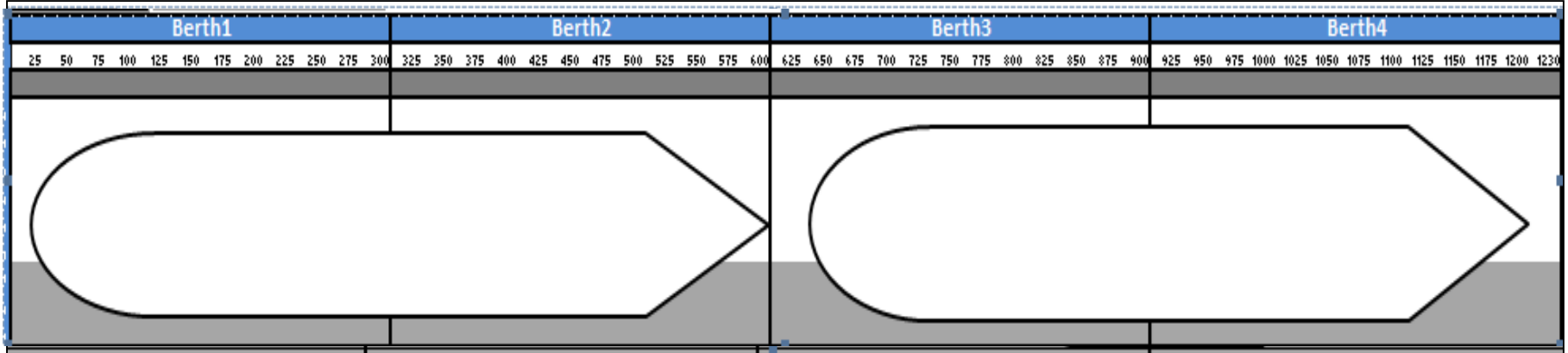
Importance of Feeder Vessels at MIT

- Moves by Feeder vessels represented 46% of all 2013 moves at MIT.
- Growth of feeder moves 2013 vs 2012 was 11%.



Bigger Vessels... Berths will change

- 70% of calls with vessels less than 2,500 TEU's



What will happened after the Expansion?



We aren't alone in the region...



Panama Canal vs. Nicaragua Canal



VS



Capital Expenditure – Ports in the Americas



Caribbean Ports Increasing Capacity

Location	Gantry Cranes	Berth (M)	Depth (M)	Current Capacity (TEU/yr)	Planned Capacity	Global Port Operator Interest
Kingston, Jamaica	19	2455	14.5	2	5,200,000	Self
Freeport, Bahamas	10	1036	16	2,800,000	3,500,000	Hutchinson Whampoa Ltd
MIT, Panama	15	1940	14	1,500,000	4,000,000	Carrix
Colon, Panama	10	982	15	1,300,000	1,300,000	Evergreen Corp
Caucedo, Dominican Rep.	7	922	13.5	400,000		DPWorld
Cartagena, Colombia	6	1200	11.8	1,200,000	3,200,000	Self

Source: Pinnock & Ajagunna

U.S Ports Investment

U.S. Port Region	Ports Projected Capital Expenditures For 2012-2016	Projected Private Sector Capital Expenditures For 2012-2016	Total Projected Port & Private Capital Expenditures For 2012-2016
NORTH ATLANTIC	\$2,123 Million	\$1,207 Million	\$3,329 Million
SOUTH ATLANTIC	\$4,081 Million	\$262 Million	\$4,343 Million
GULF	\$4,341 Million	\$17,783 Million	\$22,123 Million
GREAT LAKES	\$225 Million	\$135 Million	\$360 Million
NORTH PACIFIC	\$1,766 Million	\$5,915 Million	\$7,681 Million
SOUTH PACIFIC	\$5,802 Million	\$2,336 Million	\$8,138 Million

Source: AAPA

ARE WE READY?



Mega Alliances / Cooperation: THE FUTURE

[JOC](#) > [Maritime News](#) > [Container Lines](#) > [P3 Network](#)

CMA CGM, Maersk Line and West Trades

JOC Staff | Jun 18, 2013 8:29AM EDT

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HONG KONG | Tue Dec 27, 2011 10:08pm EST

Evergreen Marine to step up CKYH alliance cooperation

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Posted by [Daily Shipping Times](#) on 16-01-2013

NYK GROUP **Hapag-Lloyd** **OOCL** We take it personally

APL **HMM** **MOL**

...er on East-
May



Strengthen our Relationship with Customers

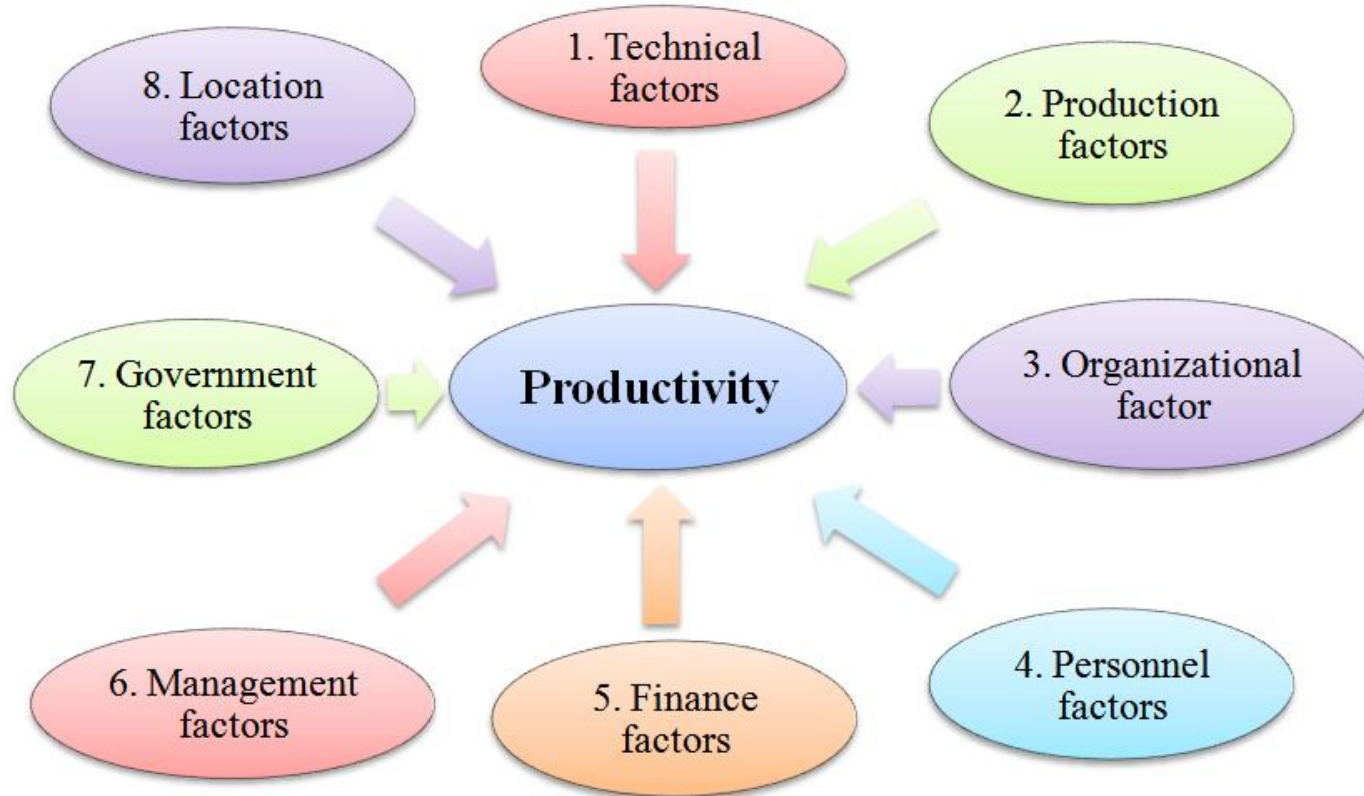


Productivity is KEY...

- Productivity is a measure of the efficiency of a person, machine, factory, system, etc., in converting inputs into useful outputs.
- The measurement of productivity varies depending on each terminal and is one of the most important factors of competitiveness .



Productivity



Equipment and Technology

- The investment in new equipment and technology are essential as part of the preparation for the future and the challenges ahead.



STS & RTG delivery: June 2012



RMG's Implementation at MIT 2014



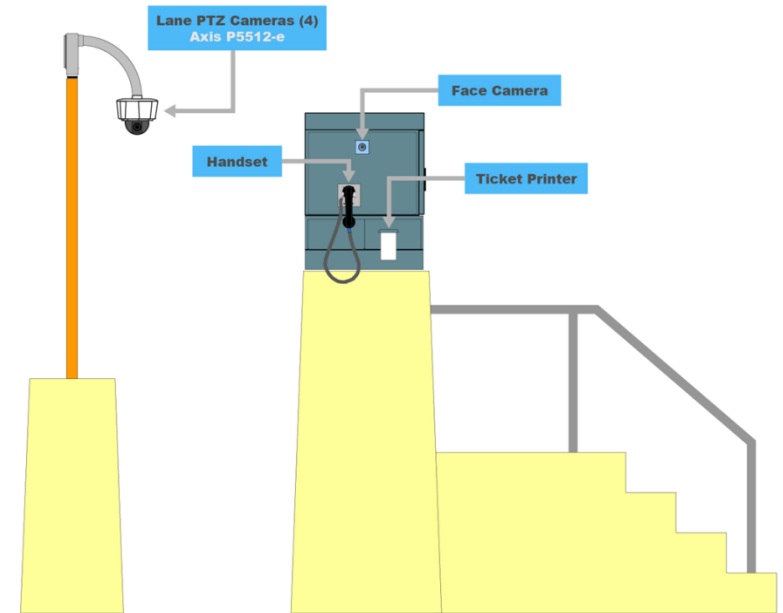
Key Facts of the RMG's

- Remote Control Station: Control all crane movements remotely.
- 30 moves per hour
- Lifting capacity with single pick 40 long tons
- Chassis Positioning System (CPS): Align trucks with ASC and detect container size. Accuracy <25mm.
- Anti-lift Sensor: Prevent trucks and trailers from being lifted above 0.5m.

Technology

GATE AUTOMATION

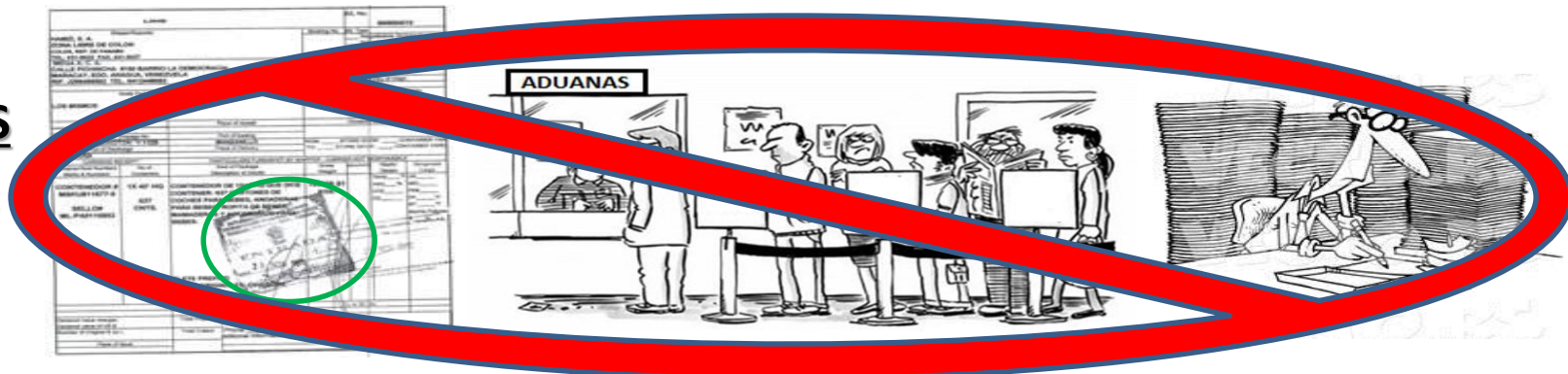
- Kitchen Concept with remote Clerks
- Gate Configuration
 - Main Gate
 - Rail/Empty Gate
 - FTZ Gate
- Kiosks
 - Security Kiosks
 - Transaction Kiosks
- Technical Components
- Gate Process Flows



Transaction Kiosk

Government Agencies

PROCESS
ONLINE



 **U.S. Customs and Border Protection**
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CBP NEWS: Large Load of Cocaine Found Stuffed in Vehicle Compartment - (01/12/2014 - KGBT-TV)

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CBP Ag Specialists Intercept Macaw Lacking Export Certification, Go the Extra Mile to Care for



National Terrorism Advisory System

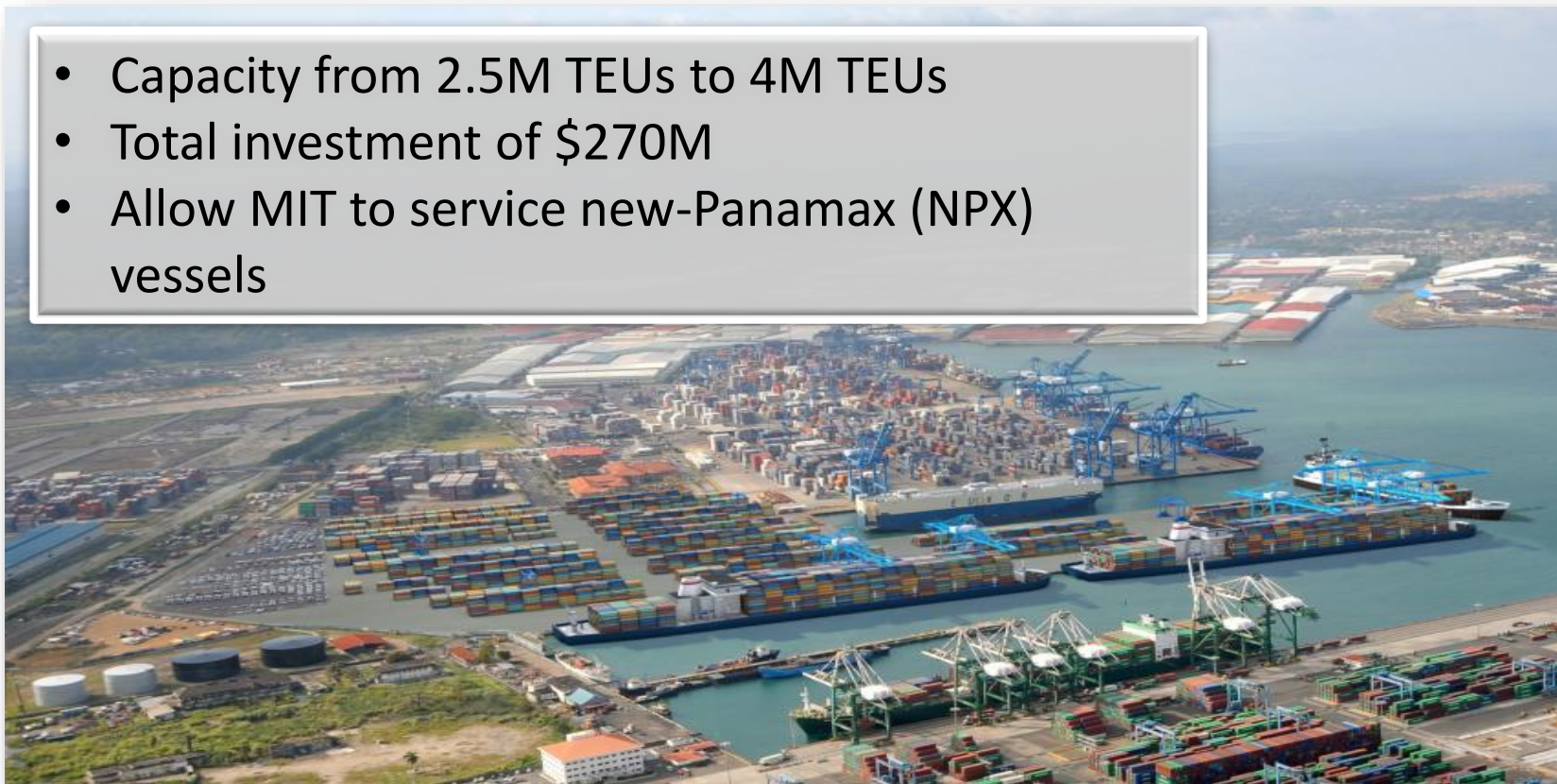
 **NTAS**
NO ACTIVE ALERTS

April 2014 Customs Broker License Examination & Suggested Reference Materials(pdf-89KB.)
12/21/2013



MIT Expansion – Master Plan

- Capacity from 2.5M TEUs to 4M TEUs
- Total investment of \$270M
- Allow MIT to service new-Panamax (NPX) vessels



Are Ready for the next two years.....





THANK YOU.

Tel: (507) 430-9800
Fax: (507) 430-9809
www.mitpan.com
f Manzanillo International Terminal

