



AAPA 2017 Communications Awards Program

Port of Oakland

Entry Classification: Overall Campaign

Transformation of Maritime Operations 2016

Descriptive summary: The Port of Oakland's maritime operations underwent a strategic transformation in 2016 that accelerated cargo operations. The improvement was an outgrowth of Port users' ideas and suggestions about greater cargo efficiency.

In early 2016, the volume of business on five marine terminals had to be handled by four, due to the departure of one major terminal operator. This change had the potential for creating inefficient operations and cargo delays, which could lead to a loss of business. We engaged our maritime stakeholders as we prepared for the consolidation of terminals and its impacts.

The Port had the following goals: create a more reliable and efficient seaport following the loss of a major marine terminal; and due to the resulting cargo delays, shift customers' negative perception of seaport operations to a positive one. The desired outcomes: retain existing business and attract new business.

The Port of Oakland engaged in an extensive, overall communications campaign, using an array of communications tools to support the Port's goals: one-on-one meetings with key leaders, podcasts, press releases, videos, newsletters, email blast status reports, a customer-service tool called LiveChat, a stakeholder survey and social media. The Port also tapped a 35-member stakeholder group – the Port Efficiency Task Force – as both an audience and a resource. With this group, the Port listened to customer concerns; facilitated collaboration; gathered ideas for operational improvements; and told the story of its transformation while it was happening. For example, the Port and its partners invested in new technology (measuring truck transaction times), night gates (extended operating hours) and appointment systems for truckers using the terminals.

Our strategy was to communicate these changes and positive impacts frequently, be responsive to our key audiences, and report the steady beat of progress in the operational improvements. We achieved the goals and desired outcomes: Port tenants and customers recognized the need for change, offered ideas for improving cargo operations, supported and invested in measures that would result in greater cargo efficiency; and praised the Port of Oakland for its successful transformation into a reliable and efficient port. Consequently, the Port not only retained its existing volume of cargo business, but also grew its business.

1) Challenges/Opportunities

Challenges - Oakland marine terminals operated at 60 percent of capacity in 2015 because supply outstripped demand. One operator terminated its lease and departed. The Port consolidated five terminals into four and successfully redirected all the vessels and cargo to the remaining four terminals. This decrease in terminal overcapacity allowed remaining terminal operators to improve their bottom line. **However, cargo flow slowed at the Port's largest marine terminal in early 2016 due to the consolidation.** The result: truck traffic congestion and longer cargo transaction times at the Port of Oakland's biggest terminal.

Faced with these service shortcomings, the Port of Oakland reached a crossroads in 2016. The choice: transform or fail to realize the vision of Oakland as a major US gateway for global trade. The sudden increase in cargo volume challenged the Port's largest terminal operator. Truckers were aggravated having to spend hours dropping off or picking up containers. Cargo owners were upset with delays in receipt or delivery of their goods. Losing business was a looming threat.

The Port of Oakland is a landlord Port and cannot dictate to its tenants and customers how to operate. Through communications with its stakeholders, the Port had to influence them to invest in, experiment with and ultimately improve cargo operations on their own volition.

Opportunities - If the Port of Oakland could facilitate and persuade its marine terminal tenants to transform their operations to be efficient and reliable, the Port could not only retain existing customers, but also attract new business. This transformation would have to occur within a year, since port business is highly competitive. Truck congestion and cargo transaction times would have to be significantly reduced or cargo owners could choose to take their business elsewhere.

The opportunity to make this change a reality needed a communications plan to support the effort. The plan had to reach multiple stakeholders and deliver key messages that would ultimately alter customer perception: the Port of Oakland's recognition of the challenges and sincere commitment to transform its operations; the steady beat of progress with the steps taken to improve operations like extending marine terminal working hours; and ultimately the operational transformation and resulting accelerated cargo efficiency.

The Port of Oakland recognized that speeding up its cargo operations would maintain business at the seaport and create the opportunity to grow its maritime business. The communications plan was critical to achieving these outcomes.

Oakland, CA - February 12, 2016: Port of Oakland Commissioners have authorized spending up to \$1.5 million to open night and weekend marine terminal gates here... "Extending terminal gate hours is an important way to improve cargo flow through the Port," said John Driscoll, the Port's Maritime Director.

<http://www.portofoakland.com/press-releases/press-release-505/>



2) Supporting the Port's mission

Port of Oakland Mission: The Port of Oakland delivers the highest value to our customers and community through sustainable stewardship and growth of our assets, optimal performance of our people, and focus on our aviation, maritime, and real estate businesses.

Communications focused on the maritime business to help make the transformation of maritime operations possible by influencing stakeholders to support it. Communications helped change the perception of the Port among maritime stakeholders, as unproductive, to one that is reliable and efficient when it comes to moving goods through the seaport. This contributed to retaining tenants and customers, keeping the Port sustainable so that it can continue to deliver community benefits, and grow the maritime business: marine terminal financials have reached sustainable levels; terminal operators are making long-term investments in equipment, technology, and people; maritime-related businesses are staying; and new services are arriving.

Transforming maritime operations directly supported the Port's mission with the focus on optimal performance, preserving existing maritime business and related local jobs, creating a healthier bottom line so that the Port can continue to provide community benefits, and adding new business that delivers positive economic impact for our region.

The Port's communications plan directly influenced a positive change in maritime stakeholders' perception of the Port and supported the effective transformation of its seaport operations and the Port's mission.

*"Kudos for the Port of Oakland" - Peter Friedmann,
Executive Director, Agriculture Transportation Coalition*



3) Planning and Programming components

Communications Goal – Change stakeholder perception of the Port of Oakland as an unreliable gateway to one of reliability and efficiency.

Objectives –

- ✓ Keep information flowing on status of daily maritime operations to key audiences for transparency and business planning purposes with email blast updates
- ✓ Respond to all inquiries from truckers and other interested parties with updates on Port traffic status and plans for improving cargo operations that come through the Port's LiveChat, web-based, customer service tool
- ✓ Research and publicly report on reduction in cargo transaction times using a variety of communications tools
- ✓ Hold 20 one-on-one meetings a week with key decision makers, customers and stakeholders in the first half of 2016 to apprise them of status of cargo operations, hear concerns, and seek solutions and support for the efforts to accelerate those operations
- ✓ Hold regular monthly meetings of the Port Efficiency Task Force (PETF) with a focus on pinpointing operational issues, facilitating collaboration, and developing solutions
- ✓ Review PETF survey of shipping customers for feedback on plans for improving cargo operations and share any useful information with broader stakeholders and public
- ✓ Throughout the year communicate updates on programs implemented to improve maritime operations, data reflecting any progress, and cargo volumes, with frequent press releases, personal outreach to industry reporters, web podcasts (Port Radio), videos, the maritime monthly e-newsletter, and social media posts
- ✓ Produce a mid-year report with a progress message from the Executive Director in the July maritime e-newsletter, a year-end report in the December maritime e-newsletter
- ✓ Create a Port of Oakland Year in Review 2016 webpage in January 2017 that includes maritime business success

"The word you are getting out in the fashion that you do it is making a dramatic impact on how the Port is being perceived... I would say due to your direct efforts in getting our accomplishments and messaging out in the way you do it has single handedly put us close to the Top! It is complementing our efforts and assisting in our business delivery and development."

--John Driscoll, Director of Maritime

Primary audiences – These following audiences are all significant in connection to improving cargo efficiency at the Port of Oakland because they are directly impacted, can make a difference to the outcomes, or in the case of maritime trade media, reach external decision makers and potential maritime customers:

Port Commissioners – They determine whether to invest Port money into pilot projects for marine terminal operational solutions

Marine Terminal Operators (MTOs) – Port tenants who determine how to operate the terminals and whether to invest in equipment and people to keep cargo moving

Beneficial Cargo Owners (BCOs) – Customers, like retail giant Target, can choose to move their cargo through other ports

Port employees – They facilitate change with terminal operations

Ocean Carriers – Shipping lines decide where they want to do business

Maritime Trade Media – They get the word out to the maritime industry and its leaders

Motor Carriers and truckers – They are directly impacted by Port congestion

International Longshore and Warehouse Union Leaders – labor leaders influence dockworkers who work the ships and cargo on the terminals

Secondary audiences – All of the following audiences have less of an impact on outcomes for cargo efficiency but are still important for reputational purposes:

Local media, local elected officials, and Oakland-area residents

4) Actions taken and Communications Outputs

Strategy – Transparent and frequent communications with stakeholders on the steady beat of progress in changing maritime operations for the better and speeding up cargo transactions times at Oakland. Reinforce messaging with repetition using a variety of communications tools with key audiences.

Tactics –

Communicate in one-on-one meetings – Port staff held more than 500 one-on-one meetings in the first six months of 2016 with key influencers, decision makers, customers, and other stakeholders for frank discussions about the operational concerns, potential solutions, and financial commitment for enhancing operations.

Tap the Port Efficiency Task Force (PETF) as a resource for ways to accelerate cargo movement in Oakland – The Port brought 35 cargo stakeholders together August 6, 2015 to establish the PETF.

Members included Port officials, representatives of ocean carriers (shipping lines), motor carriers (trucking companies), labor, beneficial cargo owners, shippers and, marine terminal operators. The group found ways to improve goods movement in 2015. That gave PETF members a head start on brainstorming solutions for cargo congestion in early 2016 that resulted from the consolidation of five terminals into four. The Port focused these quarterly meetings in 2016 on fostering collaboration to develop specific measures, like extending operational hours into the night to improve cargo efficiency.

Daily communication with the Oakland Board of Port Commissioners – Board members were informed with a daily status report on Port activities, which allowed them to make informed decisions on Port investments

Communication with maritime stakeholders using email blasts – Provided daily updates on Port maritime operations to more than 1,600 stakeholders

Communication with stakeholders, media and the public – Provided updates on transformation progress using press releases, maritime newsletters, podcasts, videos and social media

LiveChat – Port of Oakland Website visitors can ask a question online. During the truck traffic congestion at marine terminals in early 2016, we received 10-20 inquiries a day related to the congestion. We were able to listen to complaints, give operational updates, and respond with the actions that the Port was taking to improve maritime operations at the seaport. This helped diffuse some of the frustration for those experiencing the long wait times at terminals, knowing that night gates and other operational solutions were being developed.

Outputs from January 2016 through January 2017 on transformation of maritime operations

Thirty Press releases – examples:

- [Port of Oakland OKs up to \\$1.5 million for night, weekend gates](#)
- [Port of Oakland launches smartphone apps for harbor truckers](#)
- [Port of Oakland app for truckers goes live; ‘no more guess work’](#)
- [Port of Oakland terminal: appointments mandatory for imports](#)
- [Port of Oakland survey: night gates best way to spread workload](#)
- [Port of Oakland’s largest terminal says night gates here to stay](#)
- [Port of Oakland seaport rally rolls into fifth straight month](#)
- [Port of Oakland exports soar again – up 10 percent in September](#)

About **250 e-mail status updates** for Port Commissioners and **250 email status updates** for 1,600 maritime stakeholders - on the next page is a sample section of one of those updates – *the entire daily update is too large to include here:*

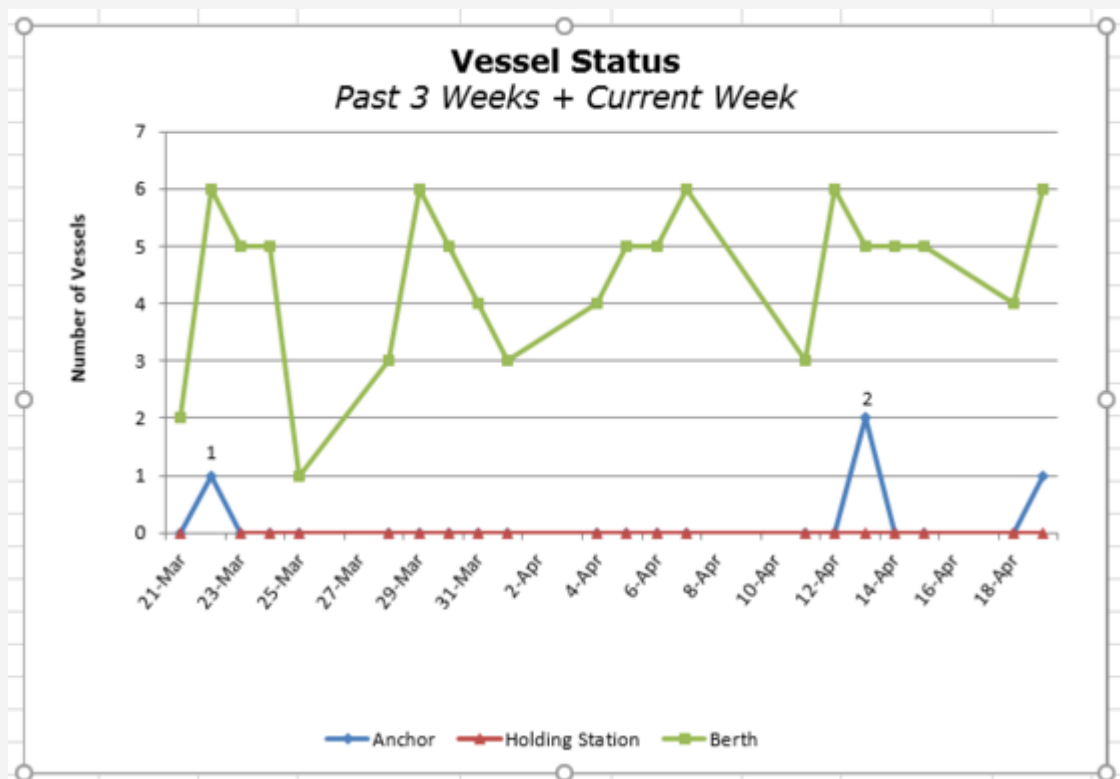
April 19, 2016

Dear Maritime Stakeholder,

Below is today's Operations Update from the Port of Oakland. Street wait times are based on field observations by the Port's wharfingers as of 09:00 this morning and do not reflect turn times within the marine terminals. Conditions at the terminals are dynamic and subject to change. For the latest information or if you have questions, check with your Marine Terminal Operator, Logistics Provider and/or Ocean Carrier.

- [Extended Gates](#)
- [Oakland International Container Terminal \(OICT\)](#)
- [Ports America Outer Harbor \(PAOH\)](#)
- [Ben E. Nutter](#)
- [TraPac](#)
- [Matson](#)

Vessel Update



Survey: [The Port's Efficiency Task Force surveyed 1,271 Port customers](#) in June 2016 and found that 78 percent of those responding wanted night gates

Twelve monthly maritime e-newsletters –three examples below, distributed to about 880 readers

- [Maritime e-news March 2016](#)
- [Maritime e-news May 2016](#)
- [Maritime e-news September 2016](#)

Progress reports

- [Mid-year report in maritime e-newsletter](#)
- [Year-end report in maritime e-newsletter](#)
- [Year in Review 2016 report on Port's website](#)

Podcasts: At least 30 Port Radio podcasts in 2016 included updates on maritime operations; double click



on file to listen: Port Radio 09-21-2016.mp3

About 150 social media posts using Twitter, Facebook and Instagram – Here are two examples





Port of Oakland

Published by Marilyn Sandifur [?] · May 18, 2016 · 🌐

Our groundbreaking mobile phone app developed to aid harbor truckers is now live. [DrayQ](#) is available from Apple and Google for free. The app tells drivers how long they'll wait to enter marine terminal gates and how long transactions are taking.

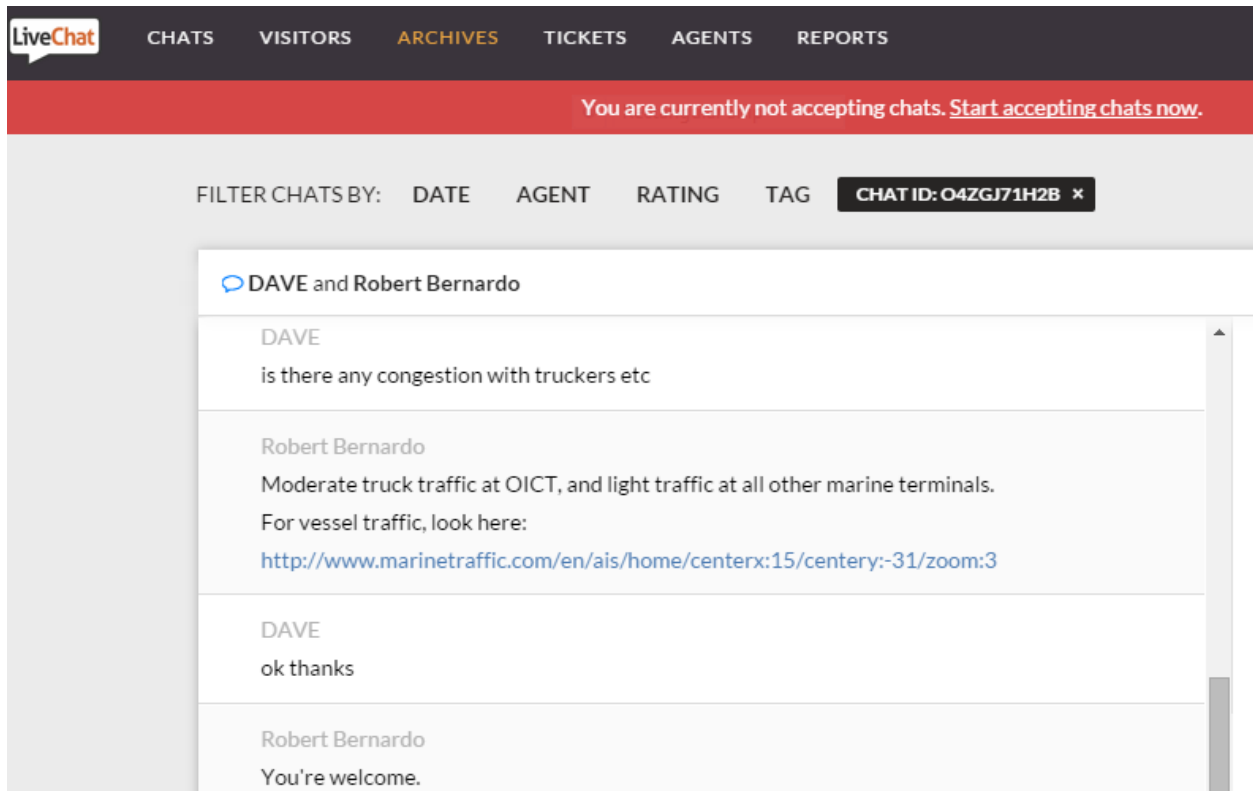


Port of Oakland app for truckers goes live; 'no more guess work' | Port of Oakland

Oakland, Calif. – May 18, 2016: A groundbreaking mobile phone app developed for the Port of Oakland to aid harbor truckers is now live. The Port said today its [D...](#)

PORTOFOAKLAND.COM

LiveChat is a customer-service software tool – Port communications staff responded to maritime operations questions, about 10-20 a day, during the height of cargo congestion in early 2016; once operations improved these inquiries dropped to none or one or two a week. See example on the next page.



Videos: Here are two videos we produced regarding Port maritime operations

[Technology helping Truckers at Port of Oakland](#) – this video highlighted new mobile apps that the Port implemented for trucking companies and drivers

[Biggest ship to call North America comes to Port of Oakland](#) – this video featured the Port as operationally ready for mega-ships

Transformation Communications Timeline: January 2016 – January 2017

Staffing: Communications team responsible for most of the communications output – 5 members; one external graphic artist for maritime newsletters; one video consultant; in-house maritime staff facilitated task force meetings

5) Outcomes

Milestones

- Port Board approved a [\\$1.5 million subsidy for marine terminals](#) so the operators could run a pilot program extending working hours with night gates

- Terminal operators agreed to invest in night gates first as a pilot program, and then permanently - [Port of Oakland's largest terminal says night gates here to stay](#)
- Consensus among Port Efficiency Task Force (PETF) members in 2016 to work on finding solutions together; they proposed a variety of measures; changes resulted in daily operational updates, improved communications, mobile apps for truck wait times, extended operating hours, and expanding a terminal - [TraPac to nearly double size of its terminal at Port of Oakland](#)
- **Eleven-hundred shippers/truckers sign up for DrayQ mobile app in first week of service**
- **Our largest marine terminal reduced trucker turn times from 2.5 hours last summer to 90 minutes or less by December 2016**
- Consistent coverage from local and trade media on maritime operations press releases; praise from industry reporters for pro-active solutions to congestion issues
 - The local CBS affiliate KPIX TV covered the Port's new night gates operations [Port Of Oakland Puts In Permanent Night Operation To Ease Traffic](#)
 - On average there were 4.1 Port stories a day; news headline examples
 - ABC TV [New app DrayQ helps truck drivers at ports be more efficient](#)
 - World Maritime News [Port of Oakland Terminal's Night Gates Here to Stay](#)
 - American Journal of Transportation [Port of Oakland terminal OK to expand, could start in November](#)
 - Logistics Management [Port of Oakland set all-time record for loaded containers in 2016](#)

“Oakland intends to be one of the winners.”

Bill Mongelluzzo, Senior Editor, Journal of Commerce

We changed the perception of the Port of Oakland from an unreliable performer to a reliable and efficient port also evidenced by the following:

Metrics –

- Record earnings \$338 million in 2016
- Record loaded container volume of 1.83 million 20-foot containers (TEUs) in 2016 topping the previous record of 1.82 million TEUs set in 2013, and a 7.6 percent increase from 2015
- More exports - [Port of Oakland export boom reaches a three-year high](#)
- Long-term commitment to sustaining business in Oakland with an investment of \$120 million by all three international marine terminal operators - SSA, TraPac, and Everport
- New services - [Port of Oakland added to Vietnam-China-U.S. shipping route](#) and Wan Hai Lines brings a new service to Oakland

Third-party experts validate transformation –

- **Congrats on your great work at the port** – both as to your innovation and revenue success – Mario Cordero while serving as Federal Maritime Commission Chairman
- **Cargo interests can be assured of stability at the Northern California port** – Bill Mongelluzzo, Journal of Commerce Senior Editor
- **Kudos for the Port of Oakland** - Peter Friedmann, Executive Director, Agriculture Transportation Coalition
- **Oakland seems to have taken the lead providing more consistency for night gates** – Perry Bourne, Director International Transportation and Supply Chain Management, Tyson Foods
- **California agricultural exports have exceeded expectations so far in 2016 and in no small part due to Oakland's performance** – Dr. Walter Kemmsies, Managing Director, Economist and Chief Strategist for the U.S. Ports, Airports and Global Infrastructure Group at JLL
- **Best \$30 I ever spent** – Kevin Bulger, Chief Operating Officer Apex Group on container fee to finance night gates
- **Port of Oakland named a Port Operator of the Year finalist (International) by Lloyd's List** – 2016

Despite a challenging year with the consolidation of five terminals into four and the ensuing cargo congestion, we retained our business and added new services. We achieved the goals and desired outcomes: Port tenants invested in measures that would result in more efficient cargo operations and customers, trade media, and maritime experts praised the Port of Oakland for its successful transformation into a reliable and efficient port. Consequently, the Port of Oakland not only retained its existing volume of cargo business, but also grew its business and set a new cargo volume record at the same time.

