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

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Services Rendered at the Terminal
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:
  - Viriginia-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
Port to Port Competition

Pennsylvania, Delaware, New Jersey, all share the Delaware Bay and River

Common Infrastructure Challenges

- Deepening
- Equalized Drayage to Intermodal Rail Yard
- PORT UNIFICATION?
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
- 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?

Mr. Penn, How do I find the Bank

How do I get to Target

Hey wait a Minute!!!! We don’t get paid!