Port Partnerships
Strategic Opportunities for Gateway & “Closer Market”
Ports to Work Together
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Port of Houston Overview

• The Port of Houston is comprised of the Port Authority and over 150 private industrial companies along the ship channel, including a $15 billion petrochemical complex.

• Nearly 100 steamship lines offer service with over 1,000 ports in more than 200 countries.

• In 2005, the Port Authority deepened the channel from 40ft to 45ft and widened it from 400ft to 530 ft.

• Bayport Container Terminal will open later this year and the cruise terminal will open in 2007.
2005 Port of Houston Statistics

- 1st - Foreign Tonnage in the United States
  - 153 Million Short Tons (estimated)

- 2nd - Total Tonnage in the United States
  - 215 Million Short Tons (estimated)

- 10th - Total Volume in the World

- 7057 Vessel Calls
Port of Houston Authority
(Public facilities)

- 11 Public Terminals
- Over 9,000 acres
- 150 Tenant Properties
- Oversees the 53-mile ship channel
- 35 million tons handled by PHA
  - Nearly 16% of total 2005 Port of Houston tonnage
- 1.6 million containers (TEUs)
- $155 million PHA Operating Revenue

2005 Port of Houston Authority statistics
Port of Houston Trade

Top Import Commodities - 2005

- Petroleum & Petroleum Products
- Iron & Steel
- Crude Fertilizers & Minerals
- Organic Chemicals
- Wood & Articles of Wood

Top Export Commodities - 2005

- Petroleum & Petroleum Products
- Organic Chemicals
- Cereals & Cereal Products
- Plastics
- Animal or Vegetable Fats & Oils
Turning Basin Terminal

- 1.9 million sq ft covered storage
- 3.3 million sq ft open storage
- Rail access
- Direct Interstate access
- Two 40-ton container cranes
- Steel handling and processing
- Packing and staging areas
Woodhouse Terminal

- 235,000 sq ft warehousing
- Three cargo docks (1,910 ft)
- Straight and quarter ro-ro ramps
- 200-ton crane capacity
- Rail access
Care Terminal

- 34 acre site
- 2 berths totaling 1,115 ft
- 36 - 38 ft draft (11 m)
- Up to 1,000 lb / sq ft capacity
- 45,900 sq ft shed space
Jacintoport Terminal

- 437,000 sq ft shed
- Independent third-party operator
- 11,278 sq ft shed on dock
- 300,000 sq ft covered space
- 124 total acres
- Foreign Trade Zone designation
Grain Elevator # 2

- 1.4 million Tons handled 2005
- 6 million bushel storage
- 120,000 bushel load rate
- More than 200 bins
- USDA lab on site
Bulk Materials Handling Plant

- 4 million tons handled 2005
- High speed loading system
- Dust collection system
- Granules to 8” diameter
- 200 lb / cu ft gear capacity
Barbours Cut Terminal

- Six 1,000 ft (305 m) berths
- 12 shore cranes; 30 RTG yard cranes
- Two 100,000 sq ft sheds
- One 55,000 sq ft shed
- 203 container acres
Bayport Terminal

- 7-Berth Container Terminal
- 7,000 ft of berthing space
- 1,100 total acres
- Intermodal Facility
- 2.3 million TEU capacity
- 3-Berth cruise terminal
Phase 1A

- 90 Acres
- 1,600-ft. wharf
- 4 Wharf Cranes
- 12 RTG’s
Strategies/Opportunities that could be pursued by Gateway Deepwater Ports and Shallow Draft Coastal or Inland Ports

- Review, jointly assess container cargo traffic exceeding weight limits on inbound/outbound shipments

- Where feasible promote shipment of cargo by barge to avoid deconsolidation expenses

- Discussions on port tariffs affecting double handling of ship-barge tandem moves
Strategies/Opportunities

• Set up information exchanges on potential projects destined for job sites close to coastal and/or closer-to-market inland ports for possible barge transport

• Set up information exchanges on potential retail/distribution centers, current or planned, to closer-to-market inland ports for possible barge transport

• Develop intermodal-rail ramp infrastructure at coastal and/or closer-to-market ports to alleviate rail congestion & truck delays

• Explore opportunities for short-term shipping routes, particularly those from East Asia to Mexican East Coastal ports & relayed to U.S. Gulf via short-sea services
Strategies/Opportunities

• Relaying of import/export cargoes are a valuable and logical first step, as most of these shippers/consignees are already in a box. Port pair advantages can be explored on a strategic level with smaller inland facilities to create competitive advantages over alternate port routings.

• Water on-carriage can create operational and financial advantages both for the shippers and the hub port. In the case of shipper, it can support faster L/C processing on L/C free on board terms. On the hub port side it would help alleviate congestion.
Strategies/Opportunities
New Distribution Trade Lanes

• The large retailers are re-examining their supply chains, seeking diversity and flexibility

• We must be ready for large distribution centers and the emergence of “Mega” DCs
Strategies/Opportunities

• Finally, the largest and probably the mostly untapped, is the domestic market.

• Hub ports, generally speaking, do not explore “cabotage” markets to the level that smaller ports do and as such, represents a new business opportunity that both large coastal ports and smaller coastal and inland ports can pursue jointly.
Strategies/Opportunities
Isthmus of Tehuantepec Dry Canal Project