

## **Teamwork and efficiency key to growth**

By Richard Larrabee

[Journal of Commerce](#) – (Published April 24, 2015)

In the past several months, the Port of New York and New Jersey and other ports along the East Coast have experienced record cargo growth due primarily to containers routed here from the West Coast. This growth has led to challenges in how we handle the increased volume on the land side, which we are working on collaboratively with various stakeholders including terminal operators, trucking companies, chassis providers and public safety to address.

We value the opinions and suggestions we've received from industry partners on how to deal with the issues we face, and we're confident that both long- and short-term solutions are on the way. But it's our intention to ensure that whatever measures we put in place after careful study are practical and will continue to make our port a productive, cost-efficient place in which to do business.

It is critical that port stakeholders continue to work as a team to identify and implement collective solutions. Ideas that have the least impact up and down the supply chain are paramount to overcoming these shared industry challenges.

In late 2013, the port authority convened the Port Performance Task Force with representatives from the New York Shipping Association, International Longshoremen's Association, ocean carriers, importers and exporters, terminal operators, chassis providers and trucking companies. The task force issued a report on June 24, 2014, listing 23 recommendations to address these types of issues. Since then, we have been working closely with various stakeholders to implement many of these recommendations. The Council on Port Performance was formed last year to do just that. The objective of the council is "to provide oversight on the implementation of programs and initiatives that will improve efficiency and service reliability." The Council on Port Performance exists to listen, learn, develop and promote ideas that support all port stakeholders, customers and related businesses that thrive from our operations and services. Some of the council's priorities are the development of a truck chassis pool in the port; the development of a Truck Management System to meter truck arrival rates, which would improve terminal productivity; and streamlined information to facilitate the truckers' experience on terminal.

We meet regularly with all of our stakeholders and continue to debate the merits of suggestions we receive. For example, some have suggested that extending free time, or the number of days a container can remain in a terminal without paying an additional fee, would help spread out the number of truckers that need to access a terminal on a single day. It is not that easy. Extending free time causes the inventory in the container yard to increase. The higher the inventory, the more non-productive moves the equipment operator needs to make in order to dig the desired container out, and the less efficient terminal operations are. Non-productive moves take time and cost both the terminal operator and trucker money — which ultimately cost beneficial cargo owners time and money. Others have suggested that the terminals open overnight or add a third shift. While this appears logical and straightforward, labor, parking, warehousing and distribution centers, U.S. Customs and Border Protection, host communities and a wide range of other stakeholders need to coordinate to make that work.

All businesses in the port have a common goal to operate efficiently, service their customers, and earn a return on their significant investments in infrastructure and equipment (i.e., trucks, cranes). The Port of New York and New Jersey has enjoyed total cargo container growth in excess of 19.4 percent in the past 10 years. Without commensurate growth in our physical footprint, we are focused on improving our efficiency. We can't continue to operate in the same old ways, but that means everyone from the ocean carriers and terminal operators to the shippers, trucks and service providers will all have to adapt and be open to change and collaboration. The entire port community needs to continue to work with each other in a constructive manner and be open to our collective goal for the Port of New York and New Jersey to be an even more efficient, reliable and preeminent port — servicing the 90 million people within its direct area as well as the rest of the nation.

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