



Around the Docks

Satsop Business Park Westport Marina Coastal Innovation Zone Bowerman Airport PGH Pilotage Services Friends Landing & Sterling Landing

PGH Mission: To best utilize our resources to facilitate, enhance and stimulate international trade, economic development and tourism for the region.

Community Outreach

4th grade tours wrap up 9th year

The Port of Grays Harbor wrapped up the ninth year of 4th grade tours earlier this month with nearly 900 students, teachers and parents from throughout Grays Harbor County coming to see first-hand what the Port does in their community.

The program includes a Port-based curriculum addressing the grade-level standards in the areas of math, reading and history that the students complete prior to their visit. Upon arrival, the students are given a brief overview presentation and then board their buses for a tour of the Port's industrial properties and marine terminals.

Transportation for the tours was provided at no cost to the participating schools thanks to the Gladys Philips Cultural Tours Grant via the Grays Harbor Community Foundation.



Experience your working waterfront

Westport Marina offering walking tours of Washington's #1 seafood landing port



The Westport Marina, Washington's number one seafood landing port, will be offering walking tours of its busy working waterfront in August. Photo Credit: Lost River Photography

For the first time in its history, the Westport Marina is excited to announce it will offer walking tours of its busy and unique working waterfront next month.

The 90-minute tour will feature a Marina overview, followed by visits with commercial fishermen, seafood processors, the charter fishing fleet, the Westport Maritime Museum and a visit to the Westport viewing tower.

"We are thrilled to showcase the diverse users of the Westport Marina and the role our working waterfront plays in Southwest Washington's economy," shared Westport Marina Business Manager Molly Bold. "With

several projects underway or recently completed and both commercial and sport fishing going on, August is a perfect time to observe the Westport Marina full of activity."



Westport Marina

A FACILITY OF THE PORT OF GRAYS HARBOR

Walking Tour Dates:

August 15th: 3:30 - 5pm
August 29th: 3:30 - 5pm

Reservations are required. Call 360-533-9562 to reserve your spot. Comfortable, closed-toe shoes are also required.

AGP's Aberdeen, SD processing facility celebrates grand opening



Port of Grays Harbor Commissioners and staff joined AGP representatives in Aberdeen, SD for the grand opening of their brand new processing facility. The facility will be online for this year's harvest.

Port of Grays Harbor Commissioners and staff joined more than 300 AGP producers, board members, staff and dignitaries in Aberdeen, SD earlier this month to help AGP celebrate the grand opening of their newest soy processing facility.

The facility, AGP's tenth and largest, has already begun receiving and storing soybeans. The facility will begin processing in the coming weeks.

The soy meal will be bound for export at AGP's Terminal 2 Storage and Export Facility at the Port of Grays Harbor in Aberdeen, WA.

"It was a pleasure to be in Aberdeen, SD to celebrate AGP's newest processing facility," said Commissioner Stan Pinnick. "We have long awaited the Aberdeen to Aberdeen connection and look forward to AGP's success at the facility."

Calendar

July 24	Public Tour, 5:30pm <i>Medi Osaka @ T2</i>
July 25	Satsop Walking Tour, 5:30pm
August 8	Satsop Walking Tour, 3pm
August 13	PGH Commission Meeting, Port offices @ 9am
August 15	Westport Marina Walking Tour, 3:30pm
August 17	<i>Tokyo Car @ T2</i>
August 22	Public Tour, 5:30pm
August 23	Satsop Walking Tour, 3pm
August 29	Westport Marina Walking Tour, 3:30pm
August 31	<i>Siem Plato @ T4</i>



Around the Docks

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It is available online at
PortofGraysHarbor.com

To join our mailing list contact
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Jack Thompson Way sign unveiled at East Terminal Way

Family and friends of late Port of Grays Harbor Commissioner Jack Thompson joined Commissioners and staff for the unveiling of the Jack Thompson Way sign at East Terminal Way in honor of his 24 years of service at the Port of Grays Harbor and his dedication to the industry and the community.

"Jack played a pivotal role in the Port of Grays Harbor's success in international trade during his tenure," shared Commission President Stan Pinnick. "It is with great honor that we recognize his contribution to the entire port industry and the community with the naming of Jack Thompson Way."



State of Washington
Pilotage Commission
August 12, 2019

Grays Harbor District Report

Arrivals YTD July 31, 2019 were 45 for a total of 125 jobs. Capt. D'Angelo will have the duty in August. We had 6 arrivals in July 2019. Our most recent updated forecast is for 82 arrivals versus 106 in our budget. The main cause of reduction was the loss of NYK ro-ro calls in 2019. However our tonnage numbers are holding up well. July cargo mix was 4 AGP, 2 RORO and one tanker. August arrivals look a little stronger than July (5 AGP and 2 RORO and 1 tanker).

Pilot Boat Chehalis

Unfortunately we did not get Chehalis out of water in July. It is currently scheduled to haul out Aug. 19th and back by Sept. 3. Unlike July it will be a very busy time for us but Capt. D'Angelo will get it sorted out.

Pilot Boat Replacement

We have reached out to Baltic to confirm the boat is available and then will get with Kevin Campbell and Ryan about a trip. The consultants' evaluation of the used Georgia Boat is complete and although it may be a little cheaper than a new boat, the operating costs will be much higher and we will have a lot of unused space including staterooms that require a ton of maintenance and upkeep. It also looks like we would have to take it to the Columbia to haul it.

Inner Harbor Maintenance Dredging

No inner harbor dredging this fall. Corps plans to begin dredging in December and working through the remainder of the work window, Feb. 14, 2020.

Terminal Maintenance Dredging

Contractor- HME Construction, Inc.

Condition survey of the terminals indicate a small amount of sediment at only one terminal needs to be removed. HME Construction is meeting with the Corps staff in Seattle next week to discuss plans for channel dredging and will then meet with port staff to develop a coordinated approach that meets our needs. We will be completing an updated condition survey in early September to verify the status of the berths and update projections.

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT

Jul-2019

The Board of Pilotage Commissioners (BPC) requests the following information be provided to the BPC staff **no later than two working days prior to a BPC meeting** to give Commissioners ample time to review and prepare possible questions regarding the information provided.

Activity

Total pilotage assignments:	677	Cancellations:	10						
Total ship moves:	667	Cont'r:	209	Tanker:	178	Genl/Bulk:	91	Other:	189
Assignments delayed due to unavailable rested pilot:	18	Total delay time:		66.85					
2 pilot jobs:	36	Reason: PSP GUIDELINES FOR RESTRICTED WATERWAYS							
Day of week & date of highest number of assignment:	TUE 7/2, TUE 7/16		34						
Day of week & date of lowest number of assignments	MON 7/15		11						
Total number of pilot repositions:	143								

Comp Days

Beg Total -	3348	Call Backs (+)	152	Used (-)	58	Ending total	3442
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Pilots Out of Regular Dispatch Rotation (pilot not available for dispatch during "regular" rotation)

A. Training & Continuing Education Programs

Start Dt	End Dt	City	Facility	Program Description	Pilot Attendees

B. Board, Committee & Key Government Meetings (BPC, PSP, USCG, USACE, Port & similar)

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
1-Jul	2-Jul	Seattle	PSP	President	THG
10-Jul	10-Jul	Seattle	PSP	UTC	ANT, CAI, SCR
11-Jul	11-Jul	Seattle	PSP	President	CAI
17-Jul	17-Jul	Seattle	BPC	TEC	ANT, MAY, SCR
17-Jul	17-Jul	Seattle	PSP	UTC	ANT, CAI, SCR
18-Jul	18-Jul	Seattle	BPC	BPC ~	ANT, CAI, SCR
22-Jul	24-Jul	Seattle	PSP	President	COL
24-Jul	24-Jul	Seattle	PSP	UTC	CAI, MOT
25-Jul	25-Jul	Seattle	PSP	President	CAI
25-Jul	25-Jul	Seattle	PSP	President	COL
25-Jul	27-Jul	Seattle	PSP	Legislature	MCG
27-Jul	27-Jul	Seattle	PSP	President	BOU
28-Jul	31-Jul	Seattle	PSP	President	CAI
31-Jul	31-Jul	Seattle	PSP	UTC	CAI, COL, KLA, MOT

C. Other (i.e. injury, not-fit-for-duty status, earned time off)

Start Dt	End Dt	REASON	PILOT
1-Jul	15-Jul	Not fit for duty	ENF
1-Jul	31-Jul	Not fit for duty	SAN
1-Jul	2-Jul	Earned Time Off	LIC, LOB, LOW, SAN
9-Jul	16-Jul	Earned Time Off	BUJ, GRK, HAR, THG
23-Jul	30-Jul	Earned Time Off	ANA, CAW, KAL, KEA

Presentations

If requesting to make a presentation, provide a brief explanation of the subject, the requested amount of

- 🕒 *Presentations may be deferred if prior arrangements have not been made.*
- 🕒 *The Board may also defer taking action on issues being presented with less than 1 week notice prior to a schedule Board Meeting to allow adequate time for the Commissioners and the public to review and prepare for discussion.*

Other Information (Any other information requested or intended to be provided to the BPC)

Parsing the May 2019 TEU Numbers

Please note: The numbers here are not derived from forecasting algorithms or incomplete information available from U.S. Customs and Border Protection but instead represent the actual TEU counts as reported by the major North American seaports we survey each month. The U.S. mainland ports we monitor collectively handle over 90% of the container movements at continental U.S. ports. Unless otherwise stated, the numbers in this portion of our analysis do not include empty containers.

Also note that we are adding a new line to our Exhibits 1 and 2 to show containerized imports and exports through the U.S. West Coast ports and the two competing ports in British Columbia. As a recent Mercator study reminds us, the Ports of Vancouver and Prince Rupert have been increasing their shares of container trade involving U.S. points of origin or destination.

Import Traffic

It's still difficult not to utter a discouraging word about the ports of San Pedro Bay.

To be sure, the Port of Los Angeles recorded a 5.5% (+22,201 TEUs) year-over-year increase in inbound traffic in May. But over at the Port of Long Beach, inbound loads plummeted by 19.5% (-70,488 TEUs) from May of last year. So while the month saw a healthy uptick in containerized imports at most North American ports, the two Southern California gateways sustained a combined 6.3% (-48,286 TEUs) drop in the number of inbound loads. By

Exhibit 1	May 2019 - Inbound Loaded TEUs at Selected Ports					
	May 2019	May 2018	% Change	May 2019 YTD	May 2018 YTD	% Change
Los Angeles	427,789	405,587	5.5%	1,863,959	1,837,077	1.5%
Long Beach	290,568	361,056	-19.5%	1,482,193	1,608,159	-7.8%
San Pedro Bay Totals	718,357	766,643	-6.3%	3,346,152	3,445,236	-2.9%
Oakland	85,964	82,465	4.2%	393,250	372,938	5.4%
NWSA	111,730	118,449	-5.7%	569,672	535,083	6.5%
USWC Totals	916,051	967,557	-5.3%	4,309,074	4,353,257	-1.0%
Boston	11,436	11,713	-2.4%	59,324	55,363	7.2%
NYNJ	340,680	302,081	12.8%	1,544,354	1,447,087	6.7%
Maryland	49,342	43,494	13.4%	222,182	208,777	6.4%
Virginia	119,592	108,592	10.1%	561,012	523,840	7.1%
South Carolina	88,009	85,277	3.2%	434,332	400,600	8.4%
Georgia	185,265	165,828	11.7%	906,563	815,866	11.1%
Jaxport	30,022	27,923	7.5%	143,341	124,983	14.7%
Port Everglades	25,619	29,736	-13.8%	141,525	157,587	-10.2%
Miami	37,943	36,559	3.8%	180,875	170,910	5.8%
USEC Totals	887,908	811,203	9.5%	4,193,508	3,849,650	8.9%
New Orleans	12,964	12,341	5.0%	56,460	50,516	11.8%
Houston	107,126	100,392	6.7%	499,628	457,882	9.1%
USGC Totals	120,090	112,733	6.5%	556,088	508,398	9.4%
Vancouver	130,769	146,021	-10.4%	706,272	691,795	2.1%
Prince Rupert	57,578	51,759	11.2%	241,625	222,975	8.4%
BC Totals	188,347	197,780	-4.8%	947,897	914,770	3.6%
US/BC Totals	2,112,396	2,089,273	1.1%	10,006,567	9,626,075	4.0%
US Total	1,924,049	1,891,493	1.7%	9,058,670	8,711,305	4.0%
USWC/BC	1,104,398	1,165,337	-5.2%	5,256,971	5,268,027	-0.2%

Source Individual Ports

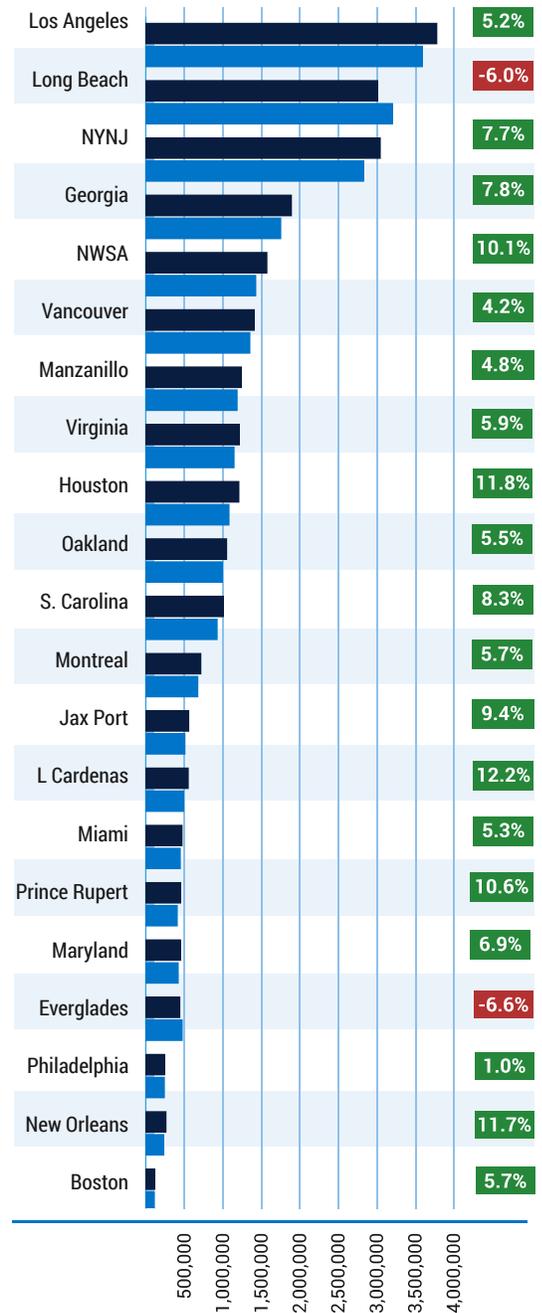


Parsing the May 2019 Loaded TEU Numbers Continued

	May 2019 - Outbound Loaded TEUs at Selected Ports			May 2019 - Outbound Loaded TEUs at Selected Ports		
	May 2019	May 2018	% Change	May 2019 YTD	May 2018 YTD	% Change
Los Angeles	167,357	168,681	-0.8%	769,361	804,718	-4.4%
Long Beach	120,577	142,412	-15.3%	598,392	678,049	-11.7%
San Pedro Bay Totals	287,934	311,093	-7.4%	1,367,753	1,482,767	-7.8%
Oakland	78,070	72,045	8.4%	388,751	380,783	2.1%
NWSA	70,541	77,104	-8.5%	377,171	391,777	-3.7%
USWC Totals	436,545	460,242	-5.1%	2,133,675	2,255,327	-5.4%
Boston	6,853	7,160	-4.3%	32,833	34,119	-3.8%
NYNJ	132,315	130,341	1.5%	618,855	626,884	-1.3%
Maryland	19,134	19,552	-2.1%	95,166	99,672	-4.5%
Virginia	88,065	85,157	3.4%	417,315	428,454	-2.6%
South Carolina	71,399	74,576	-4.3%	348,232	357,147	-2.5%
Georgia	126,895	136,252	-6.9%	641,337	638,660	0.4%
Jaxport	42,180	42,532	-0.8%	210,055	204,864	2.5%
Port Everglades	35,805	39,133	-8.5%	175,566	189,656	-7.4%
Miami	35,357	34,106	3.7%	174,500	166,683	4.7%
USEC Totals	558,003	568,809	-1.9%	2,713,859	2,746,139	-1.2%
New Orleans	27,720	26,761	3.6%	122,830	116,592	5.4%
Houston	116,693	100,477	16.1%	516,063	448,687	15.0%
USGC Totals	144,413	127,238	13.5%	638,893	565,279	13.0%
Vancouver	95,220	102,849	-7.4%	480,352	453,512	5.9%
Prince Rupert	19,458	19,945	-2.4%	86,393	87,255	-1.0%
British Columbia Totals	114,678	122,794	-6.6%	566,745	540,767	4.8%
US/Canada Total	1,253,639	1,279,083	-2.0%	6,053,172	6,107,512	-0.9%
US Total	1,138,961	1,156,289	-1.5%	5,486,427	5,566,745	-1.4%
USWC/BC	551,223	583,036	-5.5%	2,700,420	2,796,094	-3.4%

Source: Individual Ports

Exhibit 3 May Year-to-Date Total TEUs (Loaded and Empty) Handled at Selected Ports



■ 2019 YTD
■ 2018 YTD

Source: Individual Ports



Parsing the May 2019 Loaded TEU Numbers Continued

contrast, Oakland reported a 4.2% (+3,499 TEUs) increase in inbound traffic. But the Northwest Seaport Alliance Ports of Tacoma and Seattle posted a 5.7% decline (-6,716 TEUs). Collectively, the five major USWC container ports handled 51,506 fewer loaded inbound TEUs (-5.3%) than they had in May 2018.

Once again, the USWC numbers compare poorly with the inbound traffic seen along other coasts. The nine U.S. East Coast ports PMSA regularly monitors posted a combined 9.5% (+76,705 TEUs) bump over May 2018. Only Port Everglades reported a fall-off (-13.8%).

On the Gulf Coast, Houston logged a 6.7% (+6,734 TEUs) increase in inbound loads, while import traffic at New Orleans rose by 5.0% (+623 TEUs).

The two British Columbia ports we track had starkly mixed results in May. At Vancouver, inbound loads were down by 10.4% (-15,252 TEUs), while Prince Rupert posted an 11.2% (+5,819 TEUs) gain from a year earlier. Combined, the two ports were down 4.8% (-9,433 TEUs).

Recapping the year-over-year gains in inbound loads across the nation, New York/New Jersey (+38,599 TEUs), Savannah (+19,437 TEUs), Virginia (+11,000 TEUs), Houston (+6,734 TEUs), Maryland (+5,848 TEUs), Charleston (+2,732 TEUs), and Oakland (+3,499 TEUs) all saw their inbound traffic in May grow, while the number of inbound loaded TEUs handled in San Pedro Bay fell 51,506 TEUs from a year ago.

Focusing now just on the mainland U.S. ports we track, import loads in May totaled 1,924,049 TEUs, a gain of 1.7% (+ 32,556 TEUs) over the same month in 2018. The Big Five USWC ports accounted for 916,051 TEUs for a 47.6% share, down from their 51.2% share in May of last year.

Now looking at the containerized import traffic through the U.S. and Canadian Pacific Coast ports, inbound loads in May were down 5.2% (-60,939 TEUs) from a year earlier.

Export Traffic

As might be expected, outbound traffic was down across much of the U.S. and British Columbia in May. Of the major USWC ports, only Oakland (+8.4% or +6,025 TEUs) shipped

more loaded containers abroad than in May of 2018. Down at the two San Pedro Bay ports, 23,159 fewer loaded TEUs (-7.4%) sailed abroad. Altogether, the five USWC ports sent 23,697 (-5.1%) fewer loaded TEUs out to foreign markets than a year earlier.

Among the USEC ports, only New York/New Jersey (+1.5% or +1,974 TEUs) and Virginia (+3.4% or +2,908 TEUs) and Miami (+3.7% or +1,251 TEUs) posted export gains. Elsewhere, outbound container traffic was uniformly down. Altogether, the nine USEC ports we track saw outbound loaded numbers slide by 1.9% (-10,806 TEUs) from May 2018.

Along the Gulf Coast, Houston's outbound trade soared by 16.1% (+16,216 TEUs), with New Orleans recording a more modest 3.6% (+959 TEUs) increase.

The two British Columbia ports we track both saw outbound traffic fall in May. At Prince Rupert, outbound loads were down 2.4% (-487 TEUs), while Vancouver recorded a steeper 7.4% (-7,629 TEUs) decline from May 2018.

Looking solely at the U.S. mainland ports that we monitor, May's container export trade slipped 1.5% (-17,328 TEUs) from a year earlier. The Big Five USWC ports in May accounted for a 38.3% share of all loaded outbound TEUs shipped out of U.S. mainland ports, down from a 39.8% share a year earlier.

Focusing now on outbound loads from the Pacific Coast ports in the U.S. and Canada, export traffic declined by 5.5% (-31,813 TEUs) from last May, reflecting these ports greater exposure to the retaliatory tariffs China has imposed on U.S. goods.

Northwest Seaport Alliance. May containerized tonnage statistics from the U.S. Census Bureau's Foreign Trade Division show Seattle and Tacoma both handling marginally fewer imports than in May 2018. At Seattle, containerized import tonnage was down 2.6% to 438,585 metric tons, while Tacoma was off just 0.4% to 407,112 metric tons. The two ports went in different directions on exports, however. At Seattle, containerized export tonnage edged up 2.9% to 363,685 metric tons, while Tacoma saw a 6.6% drop to 503,035 metric tons.



Parsing the May 2019 Loaded TEU Numbers Continued

Exhibit 4 USWC Port Regions' Shares of U.S. Mainland Ports Worldwide Container Trade, May 2019

	May 2019	Apr 2019	May 2018
Shares of U.S. Mainland Ports Worldwide Containerized Import Tonnage			
LA/LB	27.6%	25.9%	30.6%
Oakland	4.0%	4.0%	3.8%
NWSA	5.6%	5.4%	5.8%
Shares of U.S. Mainland Ports Worldwide Containerized Import Value			
LA/LB	34.8%	32.9%	38.5%
Oakland	3.5%	3.6%	3.3%
NWSA	6.7%	7.1%	6.5%
Shares of U.S. Mainland Worldwide Containerized Export Tonnage			
LA/LB	21.7%	21.6%	24.0%
Oakland	6.2%	6.4%	5.9%
NWSA	7.8%	7.8%	7.9%
Shares of U.S. Mainland Worldwide Conatinerized Export Value			
LA/LB	20.6%	21.7%	22.9%
Oakland	6.1%	6.1%	5.7%
NWSA	4.2%	4.2%	4.2%

Source: U.S. Commerce Department.

Exhibit 5 USWC Port Regions' Shares of U.S. Mainland-East Asia Container Trade, May 2019

	May 2019	Apr 2019	May 2018
Shares of U.S. Mainland Ports' East Asian Container Import Tonnage			
LA/LB	44.5%	43.6%	47.5%
Oakland	4.6%	4.6%	4.5%
NWSA	7.9%	8.4%	7.9%
Shares of U.S. Mainland Ports' East Asian Container Import Value			
LA/LB	51.7%	51.0%	56.3%
Oakland	4.0%	4.4%	3.8%
NWSA	9.6%	10.8%	9.1%
Shares of U.S. Mainland Ports' East Asian Container Export Tonnage			
LA/LB	35.9%	35.3%	40.0%
Oakland	9.3%	9.4%	8.1%
NWSA	12.6%	12.8%	12.6%
Shares of U.S. Mainland Ports' East Asian Container Export Value			
LA/LB	43.1%	42.8%	48.5%
Oakland	11.4%	10.6%	10.1%
NWSA	8.7%	8.5%	8.3%

Source: U.S. Commerce Department.

Weights, Values, and the Federal Government Shutdown.

Here we present the U.S. West Coast shares of the U.S. mainland port container trade in terms of the declared weight and value of containerized shipments.

Exhibit 4: USWC Ports and the Worldwide Container Trade.

Exhibit 4 continues to plot the steady decline in the volume of containerized imports at USWC ports. The two San Pedro Bay ports saw their combined share of containerized import tonnage in May slip to 27.6% from 30.6% a year earlier. Similarly, the two experienced a parallel drop in the declared value of containerized imports to 34.8% from 38.5% last May. Both Oakland and the NWSA fared somewhat better, though not by anywhere enough to prevent the big U.S. Pacific Coast ports from seeing a continued erosion of worldwide import traffic to rivals elsewhere on the U.S.

Mainland. Declining shares of export tonnage and value further left the San Pedro Bay ports with even less about which to write home.

Exhibit 5: USWC Ports and the East Asia Trade.

Now focusing on the May figures on containerized imports arriving at U.S. Mainland ports from East Asia, we see that the Ports of Los Angeles and Long Beach saw their combined share of imported tonnage slide to 44.5% from 47.5%. The two ports also experienced a decline in their combined share of the value of imported goods to 51.7% from 56.3%. (Once upon a time, importers of goods with higher values favored the Southern California gateway.) On the export side, the San Pedro Bay ports' share of containerized trade sailing from Mainland U.S. ports to East Asia also shrank, to 35.9% in tonnage and to 43.1% in value terms. Elsewhere along the



Parsing the May 2019 Loaded TEU Numbers [Continued](#)

coast, both Oakland and the NWSA ports improved their respective shares of the East Asia trade.

First Glimpse at June's Numbers

Expectations of an early peak importing season were not realized in June, at least along the U.S. West Coast. While the Port of Los Angeles posted a respectable 3.5% increase in inbound loads over June of last year, the Port of Long Beach saw its inbound loads tumble by 13.7%. With the Port of Oakland and the NWSA ports reporting declines of 7.2% and 6.1% respectively, inbound loads at the five major USWC ports were down 5.5% year-over-year.

Who's #2?

It's now the Port of New York/New Jersey. For the past several issues of this newsletter, we have drawn attention to the possibility that PNYNJ might regain a status it hasn't enjoyed since 1992, that of being America's second busiest container port (after the Port of Los Angeles).

So here's the latest tally. Over this year's first five months, Long Beach reported handling 3,008,468 total TEUs (loaded + empty) or 192,275 fewer TEUs than in the same period last year. PNYNJ, by comparison, reported a May YTD count of 3,041,814 TEUs or 33,346 more TEUs than its Southern California rival.

The reshuffling in ranking is not expected to change when June's figures are all counted. We already know that Long Beach had another off month in June as total container traffic through the port fell 10.0% (-75,021 TEUs) from June 2018. But we will have to muster the patience of Job to await the arrival of PNYNJ's June statistics, since that port evidently likes to wait for all the guests to be seated before making its entry.

Jock O'Connell's Commentary:

Is it just me or is it getting warmer in here?

About four years ago, I got a call one summer afternoon so hot that the dog sitting on my neighbor's porch only rolled his eyes at passing cats. The call came from a man asking if I could put him in touch with companies that process fresh fruits, especially citrus. As it happened, I knew a few people over at the California League of Food Processors. But before referring him along, I wanted to know who he was and, more importantly, who he was representing.

"Saskatchewan," he said. "I work for the Province of Saskatchewan's Ministry of Agriculture."

Displaying my acute knowledge of Canadian geography, I replied: "Saskatchewan, isn't that up there somewhere between...well...somewhere between British Columbia and Newfoundland?"

"That's about right," he generously replied.

Turns out the folks up in Regina, Saskatchewan's capital (located some 300 miles north of Billings, Montana) had been reading news reports about the drought, hotter

temperatures, and higher smog levels that were then posing an existential threat to farming in California's Central Valley. Mostly, though, they had been talking about climate change and how, in the fullness of time, Saskatchewan's farmers might be able to turn away from growing wheat and barley to producing much more lucrative specialty crops like fresh fruits, nuts, and vegetables. You know, the food items future California farmers might have trouble producing as the climate heats up. Hence, the Saskatchewanians' interest in sitting down with food processors.

After hanging up, I suddenly, uncomfortably, remembered my youth growing up in Maine and what people do when forced to endure long, frigid winters. They dream about spring and all the springs to come. I wish Saskatchewan well, although, like Saint Augustine, not right away.

Now comes a study from Moody's Analytics that takes a broad look at how, among other calamities, rising temperatures and shifting precipitation patterns could



Commentary *Continued*

dramatically affect agricultural production around the world. Titled “The Economic Implications of Climate Change,” the June 2019 analysis quantifies the economic costs of climate change through the remainder of the century. It is not a comforting read. (Spoiler alert: Things get much worse following the intermission, in 2050.)

Moody’s cautions that, although the changes will not be uniform across regions and crops, growing seasons are generally expected to lengthen in colder climates and shorten in warmer ones. The report concludes that, without adaptation, “agricultural productivity will decrease in more regions than it will increase, especially as the increase in average global temperature rises.”

It was of course sheer coincidence that the Moody Analytics report came out just as growers in the Upper Midwest were experiencing the sort of biblical rains and flooding that could wipe out an entire season’s crop production. But where the heartland farmers justifiably fear too much rain, the absence of rain has been the more acute concern of farmers in the Western states and especially in California.

In that respect, Moody’s conclusions are roughly consistent with the findings of a study last year from the University of California at Merced, which warned of changes in rainfall patterns that could lead to a greater likelihood of drought conditions throughout the state. In addition, warmer temperatures could reduce yields of such crops as wine grapes, strawberries and nuts, while shorter chill seasons will make for conditions less favorable to growing cherries, apricots, apples and pears. Worse still is the likelihood of an invasion of plant diseases and pests not seen before.

The UC Merced report concluded that almost all of California’s crops, together valued at more than \$50 billion a year, would be placed at risk by rising temperatures and unstable weather patterns caused by climate change. The state will face wildly fluctuating precipitation patterns, leading to severe droughts and flooding, warming temperatures, more heat waves, and shorter chill seasons. The researchers wrote that the increased rate and scale of climate change “is beyond the realm of experience for the agricultural community,” and that changes in the state’s crop output “would not only translate into national food security issues, but also economic impacts that

could disrupt state and national commodity systems.” And international trade, we might add.

Little of this is new. Eight years ago, the California Department of Food and Agriculture convened a forum on the risks of climate change to the state’s food production that touched on the same worrisome findings as the UC Merced study. That forum helped inform the Brown administration’s push for aggressive measures to deal with climate change.

Similar assessments have been underway in the Pacific Northwest. Washington State, the nation’s third largest exporter of food and agricultural products, has initiated several projects aimed at identifying potential impacts of climate change on its agricultural economy and has collaborated with Oregon and Idaho on similar inquiries. The tri-state region is geographically and climatically heterogeneous. So impacts will vary considerably. In general, climate change in the Pacific Northwest is projected to lead to warmer temperatures, especially in summer; more frost-free days; wetter winters, and more variability in temperature and precipitation. However, the effects of climate change are expected to be less severe than in subtropical regions to the south and may even be beneficial for certain types of farming.

While farming communities both nationally and in the western states have ample reason to ponder the possible effects of warmer temperatures and more erratic weather patterns, whatever outcomes eventuate will have a major bearing on port operations throughout the country and especially along the West Coast.

Indeed, the prospects of decreased yields or outright abandonment of certain crops does not bode well for West Coast ports for the simple reason that agricultural exports, as Peter Friedman of the Agriculture Transportation Coalition is always quick to remind us, represent a prodigious share of the goods shipped from ports up and down the Pacific Coast. In addition to serving as vital conduits for agricultural commodities shipped from the Midwest to markets in East Asia, the nation’s Pacific Coast ports also serve the farm exporters within their own immediate catchment areas. And, with California as far and away America’s top exporter of agricultural goods, that’s big business.



Commentary *Continued*

So let's take a look at the latest export numbers from the U.S. Census Bureau's Foreign Trade Division.

By weight (kilos in the accompanying tables), crude oil and various petroleum products top the list of exports from mainland U.S. ports. Agricultural shipments (highlighted in blue) are important but not, as we shall see, as dominant a factor as they are on the Pacific Coast.

Rank	Codes	U.S. Mainland Ports - Top Ten Exports by Metric Tons	ANNUAL 2018	MAY 2018 YTD	MAY 2019 YTD
TOTAL ALL COMMODITIES			720,406,661,201	295,882,576,431	304,486,208,626
1	2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	119,676,990,550	48,002,037,639	44,960,994,007
2	2701	Coal; Briquettes, Ovoids Etc. Mfr From Coal	91,143,482,773	38,089,799,415	35,322,061,396
3	2709	Crude Oil From Petroleum And Bituminous Minerals	80,274,241,230	27,924,468,943	46,827,399,266
4	1005	Corn (Maize)	57,500,971,999	25,497,895,431	18,747,119,623
5	2711	Petroleum Gases & Other Gaseous Hydrocarbons	51,144,781,828	19,222,957,366	27,362,855,005
6	1201	Soybeans, Whether Or Not Broken	41,469,100,442	17,181,197,017	16,170,145,517
7	2713	Petroleum Coke, Petroleum Bitumen & Other Residues	35,119,393,618	15,222,969,819	13,649,479,359
8	1001	Wheat And Meslin	19,926,399,820	8,372,547,588	10,880,610,600
9	4707	Waste And Scrap Of Paper Or Paperboard	16,348,971,469	6,437,376,254	6,180,687,372
10	7204	Ferrous Waste & Scrap; Remelt Scr Iron/Steel Ingot	13,791,116,935	5,951,590,006	5,417,475,008

As the next table indicates, the mix of leading waterborne exports from U.S. West Coast ports is more weighted toward food and fiber. The numbers below include not only the five major seaports along the USWC but the smaller ports (such as those along the Columbia River) which have traditionally handled a significant volume of grain and soybean shipments to Asia from the Midwest.

Rank	Codes	All USWC Ports - Top Ten Exports by Metric Tons	ANNUAL 2018	MAY 2018 YTD	MAY 2019 YTD
TOTAL ALL COMMODITIES			132,184,886,668	57,390,030,145	52,180,661,658
1	1005	Corn (Maize)	21,983,631,071	10,037,536,683	6,556,740,016
2	1001	Wheat And Meslin	12,946,151,286	4,858,490,724	5,679,135,668
3	1201	Soybeans, Whether Or Not Broken	10,324,706,635	5,617,314,254	4,996,413,821
4	4707	Waste And Scrap Of Paper Or Paperboard	8,712,154,316	3,327,366,624	3,334,280,627
5	2713	Petroleum Coke, Petroleum Bitumen & Other Residues	7,557,051,021	3,368,201,288	2,922,724,121
6	2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	6,851,318,213	2,894,365,463	2,974,339,603
7	7204	Ferrous Waste & Scrap; Remelt Scr Iron/Steel Ingot	6,415,505,870	2,731,669,855	2,546,793,902
8	2836	Carbonates; Peroxocarbonates; Comm Amm Carbonate	4,550,141,795	1,850,998,425	1,949,567,174
9	1214	Rutabagas, Hay, Clover & Other Forage Products	4,525,912,808	1,828,915,777	1,890,249,832
10	2701	Coal; Briquettes, Ovoids Etc. Mfr From Coal	3,942,676,772	1,658,795,270	1,760,065,360



Commentary Continued

At the Ports of Los Angeles and Long Beach, shipments of scrap and waste materials loom large, but the ports also handle significant volumes of agricultural exports, although for understandable reasons the numbers this year generally trail behind the previous year's volumes.

Rank	Codes	Port of LA and Long Beach - Top Ten Exports by Metric Tons	ANNUAL 2018	MAY 2018 YTD	MAY 2019 YTD
TOTAL ALL COMMODITIES			41,717,563,130	17,671,621,492	16,124,401,084
1	4707	Waste And Scrap Of Paper Or Paperboard	5,605,282,620	2,163,547,698	2,126,888,334
2	2713	Petroleum Coke, Petroleum Bitumen & Other Residues	5,323,108,069	2,244,940,638	2,059,536,307
3	7204	Ferrous Waste & Scrap; Remelt Scr Iron/Steel Ingot	3,019,293,335	1,309,779,911	1,287,482,002
4	1201	Soybeans, Whether Or Not Broken	2,563,664,256	1,015,030,447	942,796,382
5	2303	Residues Of Starch Mfr Or Sugar Mfr Or Brewing Etc	2,406,791,486	897,090,720	818,411,824
6	1214	Rutabagas, Hay, Clover & Other Forage Products	2,049,904,820	796,996,054	813,431,708
7	5201	Cotton, Not Carded Or Combed	1,746,676,513	1,062,857,552	845,927,285
8	2701	Coal; Briquettes, Ovoids Etc. Mfr From Coal	1,260,969,162	521,045,681	546,691,949
9	1005	Corn (Maize)	924,844,577	415,806,538	325,087,462
10	2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	905,141,631	291,062,180	362,328,226

By comparison with the Southern California ports, the numbers from the Northwest Seaport Alliance Ports of Tacoma and Seattle clearly reflect those ports' much stronger link to the nation's agricultural hinterland as well as their role in the agricultural export trades of the Pacific Northwest.

Rank	Codes	Northwest Seaport Alliance - Top Ten Exports by Metric Tons	ANNUAL 2018	MAY 2018 YTD	MAY 2019 YTD
TOTAL ALL COMMODITIES			22,641,081,355	10,088,837,017	8,802,007,402
1	1005	Corn (Maize)	7,226,571,888	3,181,479,546	2,382,438,592
2	1201	Soybeans, Whether Or Not Broken	2,510,724,753	1,605,000,993	1,368,706,465
3	1214	Rutabagas, Hay, Clover & Other Forage Products	2,158,849,498	891,394,631	916,271,873
4	4707	Waste And Scrap Of Paper Or Paperboard	976,356,503	381,596,614	318,104,234
5	7204	Ferrous Waste & Scrap; Remelt Scr Iron/Steel Ingot	865,313,177	365,665,805	267,916,219
6	2004	Vegetables Nesoi Prepared Or Preserv Nesoi, Frozen	821,590,636	336,052,826	370,778,739
7	2303	Residues Of Starch Mfr Or Sugar Mfr Or Brewing Etc	726,933,152	278,282,522	201,308,618
8	2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	699,559,048	308,982,217	324,488,338
9	0808	Apples, Pears And Quinces, Fresh	472,512,467	269,041,932	169,710,809
10	4403	Wood In The Rough, Stripped Or Not Of Sapwood Etc	459,093,769	161,337,528	209,802,242



Commentary Continued

And then there is Oakland with its unique mix of exports that mirror the port's proximity to what is arguably the most valuable agricultural real estate on the planet.

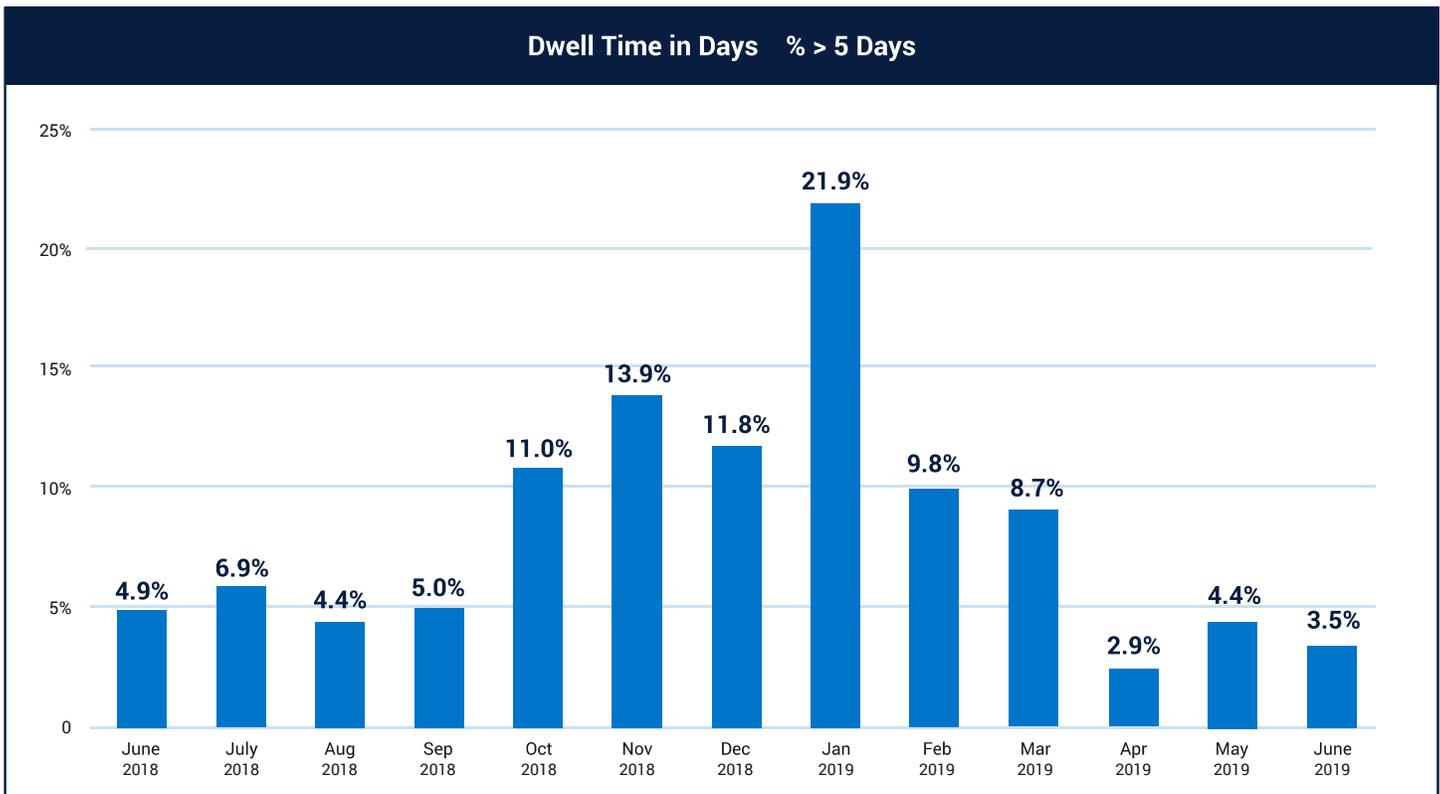
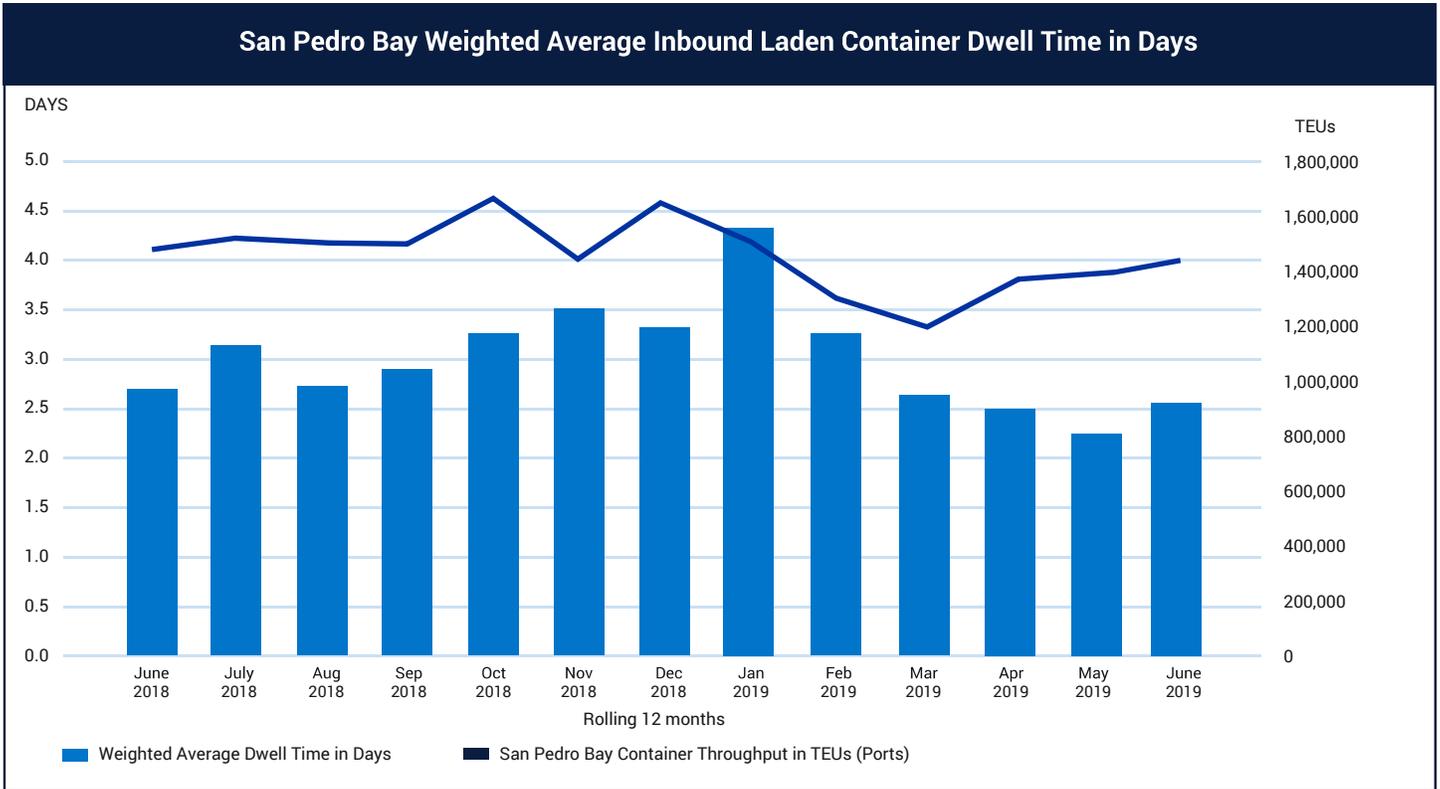
Rank	Codes	Port of Oakland - Top Ten Exports by Metric Tons	ANNUAL 2018	MAY 2018 YTD	MAY 2019 YTD
TOTAL ALL COMMODITIES			9,199,337,055	3,892,030,173	4,027,846,578
1	4707	Waste And Scrap Of Paper Or Paperboard	2,110,066,132	776,629,869	881,163,578
2	7204	Ferrous Waste & Scrap; Remelt Scr Iron/Steel Ingot	1,293,201,733	564,769,039	557,246,200
3	0802	Nuts Nesoi, Fresh Or Dried	840,397,115	317,915,272	371,564,608
4	0203	Meat Of Swine (Pork), Fresh, Chilled Or Frozen	321,006,321	131,222,239	146,761,631
5	1214	Rutabagas, Hay, Clover & Other Forage Products	316,436,998	140,455,057	158,329,534
6	2204	Wine Of Fresh Grapes; Grape Must Nesoi	303,537,971	128,434,816	125,374,825
7	1006	Rice	275,048,243	155,673,125	229,519,791
8	0805	Citrus Fruit, Fresh Or Dried	226,384,801	197,770,961	208,196,781
9	2002	Tomatoes Prepared Or Preserved Nesoi	220,399,168	89,157,597	95,929,426
10	0201	Meat Of Bovine Animals, Fresh Or Chilled	209,050,935	83,205,305	80,569,182

So there it is. No less than farmers and ranchers, USWC ports have a major stake in how changing climate conditions will affect American agriculture and its ability to continue to feed the needs for food and fiber of consumers around the world.

Disclaimer: The views expressed in Jock's commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.



June Dwell Time Numbers Are Up





Not Farewell, But Thanks

By John McLaurin
President, Pacific Merchant Shipping Association

The Port of Oakland announced the other day the retirement of the Executive Director of the Port, Chris Lytle. For those that have worked with Chris over the years, it was a bittersweet announcement. On the one hand, after a long, distinguished and successful career, he deserves a wonderful retirement with his family. But his departure is a loss for the tenants and customers of the Port of Oakland. We are losing one of the most respected individuals in the trade community, someone who has had a positive impact on our industry.

Chris Lytle took over as the Executive Director of the Port of Oakland in July 2013. Simply stated, at that point in time the Port was in a state of chaos. Port officials were the subject of ongoing media reports involving questionable behavior. The Port had a reputation as a difficult place to do business. During the Occupy Movement, at one point the family of the Mayor of Oakland participated in a march from City Hall to the Port to close the Port down (Oakland was the only port in the nation to be shut down by the Occupy Movement – and it happened on several occasions). Labor disruptions were common and various elements of the supply chain were more likely to be at each other's throats than in trying to move cargo.

Into this mess came Chris Lytle. With his calm demeanor, extensive industry contacts and willingness to work with everyone, he brought change to the Port and the Northern California trade community. During his time at the Port cargo volumes grew, supply chain partners now work cooperatively together to solve problems and the reputation of the Port has undergone a complete transformation. If there is a media story about the Port today, it is related to new and innovative efforts to reduce emissions or growing import/export numbers.

Mr. Lytle will stay on with the Port as a consultant during a transition period while a search for a permanent successor is conducted. While it is far too early to say good-bye, it is time for the collective supply chain to say thank you.

Interested in membership in PMSA?

Contact Laura Germany for details at: lgermany@pmsaship.com or 510-987-5000.

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