INTERCONNECT
THE MAGAZINE FOR OUR CUSTOMERS
DECEMBER 2009

• Unique Twin Lift 40
• Countdown to Rail Link
• Customer Conference Wrap Up
For the Ports of Auckland team, we did just that this year. Looking back, it has certainly been a year worth celebrating, notably for a number of major milestones we achieved.

The year’s highlights have included settling our collective employment agreement with the Maritime Union of New Zealand, consolidating our container stevedoring operations, commissioning a fuel tanker, Awanuia, under a new joint venture with PB Shipping, and selling Queens Wharf to the Government and Auckland Regional Council.

We are also close to completing construction of the rail exchange at our Wiri Inland Port in South Auckland. I am particularly excited by our Wiri project and have a firm belief that rail will play a growing part in the region’s supply chain. We look forward to offering importers and exporters a mix of road, rail and seafreight logistics options, and seeing the efficiency benefits of a truly multi-modal supply chain being realised in the region.

Despite a very difficult year in the port and shipping industry internationally, Ports of Auckland actually increased both container volumes and market share.

Our role as a hub port was also strengthened with a further 10% increase in transhipments.

This year we were honoured with a 2009 Green Ribbon Award from the Ministry for the Environment, recognising the success of projects such as our lighting upgrade, the move to more environmentally-friendly plant and for our work to create a more efficient supply chain. We have established a Community Reference Group, improved our complaints and feedback processes and forged some strong new partnerships.

An iconic Auckland event, Round the Bays literally starts on our doorstep, and we are very excited to have the opportunity to help make it happen for the more than 60,000 Aucklanders that join in each year. We are also pleased to have nominated the Waitemata Harbour Clean-up Trust as one of the charities that will benefit from the proceeds raised. Since inception, the Trust has collected 1.8 million litres of rubbish from the water and foreshore of the Waitemata Harbour and Hauraki Gulf, often with the help of volunteers of all ages. For those trying to put that in perspective – the rubbish collected is more than 7,500 large wheelie bins full!

So please, mark Sunday 14 March 2010 in your diaries and join us at the Ports of Auckland Round the Bays!

Once again, I would like to thank our customers and other stakeholders for their continued support through the year.

To you, your colleagues and your families, all of us at the Ports of Auckland send our very best wishes for a Merry Christmas and a happy, healthy and successful 2010.
When POAL expanded its twin-lifting programme two years ago, the general perception was that mid-locks were on the way out. In fact the opposite has happened and the use of mid-locks by shipping lines is increasing. The challenge for POAL then (and many other ports have the same challenge) was to design a function that allows semi-automated twin-lifting of mid-locked containers.

According to John Miller, a very skilled crane driver can operate the procedure manually. “But it’s tricky and risky and we wanted a function that enabled all our drivers to follow a predictive and safe approach. What we have now is an automated function within the crane which enables the separation of containers at the right time, in the right way and safely. And herein lies the key to our secret method of twin-lifting with mid-locks. I can’t expand any further on that aspect. The Intellectual Property is protected and we have a Non-Disclosure Agreement with the Software House. There are other systems around but we are confident that ours is unique and much more successful than anything attempting a similar approach.”

John Miller reports that during a test period, Twin Deck 40 is presently running on three of the five cranes at Fergusson Container Terminal. “This is a test period during which we are training drivers. And so Twin Deck 40 is in operation but under supervision. It’s rapidly had a highly positive effect on twin-lift rates and on productivity improvement. Certainly it’s a great help right now during the busy peak season.”

He confirms that once shipping lines are assured of the safety and efficiency of Twin Deck 40, it will be installed in all the cranes at Fergusson Container Terminal.

Yet more state-of-the-art technology is up and running at Ports of Auckland Engineering where a new Fuel Management and Distribution System is in operation across the port, is believed to be a world first. It is a sophisticated application for all uses of diesel fuel at the port where there are some 120 vehicles of various types including straddle carriers.

For straddle carriers, the system is designed to enable optimisation of the machine on each shift since fuel supply is monitored continuously so that only when refill is required is the driver alerted to the need to come in for refueling.

IT Business Analyst Andrew Willoughby who has worked on the design, development and implementation of the system in conjunction with POAL Engineering, says because the system identifies each vehicle’s fuel supply “it gives us a good view of our yield management”.

Ports of Auckland gets first port call Oceania on WWL’s 120 day transit RTW service operated with 11 RoRo ships from Europe to East Coast North America (ECNA), Panama, NZ, Australia, Singapore, Japan, West Coast North America (WCNA), Panama, ECNA, Europe.

Looking ahead, WWL’s NZ Port Operations Manager Mats Lewis, is optimistic that a weekly service for NZ is not too far away. “We’ve been planning it for quite some time but we put it on hold during the recession. Now things are picking up on the car front and certainly the ‘high and heavy’ business is following an upward trend particularly in the agricultural machinery sector.”

As he explains, the major negative impact on the car industry in NZ has been on second-hand cars. “In fact, one of the primary causes of the decline in second-hand car imports to NZ is the Government’s major Regulations on emission restrictions on second-hand cars.”

Wallenius Wilhelmsen Logistics is a veteran customer at Ports of Auckland which has been the Line’s sole NZ port call for over 20 years. During that time, WWL’s NZ import focus has always been on the new, premium marque European cars including VW Audi, BMW, Citroen, Ford, Jaguar, Land Rover, Mercedes, Peugeot, Porsche, Renault and Volvo. While Richard Chu admits there has been some decline in this volume during the recession, he claims that most of the 30% decline for the total car industry has been in the second-hand car sector.

While the credit crunch has hammered worldwide car sales, many of the world’s specialist car carrying shipping lines have suffered serious losses. At WWL, the canny Scandinavian carrier has never put all its eggs in one basket. Considering its primary function is car carrying, round the world, RORO operator Wallenius Wilhelmsen Logistics (WWL) has posted a creditable performance over the last 12 months during a recession that has slashed car sales volumes.

Making an important contribution to WWL global coffers, WWL Oceania Region – New Zealand, Australia and the Pacific Islands - has retained a certain buoyancy according to WWL’s NZ Customer Manager Richard Chu. “WWL Global has been hit like most lines on the Asia to Europe and Asia to US trades, by the downturn in the car industry and by the falling demand for construction machinery following the savage decline in new house construction in the US.

“Comparatively, WWL volume on the southbound trade to Oceania has been reasonably well maintained – assisted largely by the continued buoyancy of the Australian economy.” As he explains, the major negative impact on the car industry in NZ has been on second-hand cars. “In fact, one of the primary causes of the decline in second-hand car imports to NZ is the Government’s major Regulations on emission restrictions on second-hand cars.”

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Founded in 1989 by four New Zealanders in Auckland, Southern Spars is a market leader in the design, construction, installation and servicing of carbon fibre masts, booms, composite rigging and components.

SPARRING WITH EXCELLENCE

The pioneer of carbon spar building, Southern Spars manufactures spars for a wide range of yachts from small, one-design class yachts to grand prix racing yachts, cruising yachts and superyachts which go to both New Zealand and international owners. The company also has manufacturing, sales, service and refit facilities in USA, South Africa, Europe and Australia.

Financially backed by the international North Marine Group, Southern Spars has built and supplied rigs for many of the world’s luxury superyachts as well as top winning race yachts from the likes of America’s Cup including Emirates Team NZ, to UK/Ireland Fastnet Race, Rolex Sydney to Hobart race, Transatlantic winners including the magnificent NZ-built superyacht Mari Cha IV and for the Volvo Ocean Race.

In a recent project, Southern Spars produced the masts and booms for a ketch design superyacht built at the Royal Huisman Shipyard in the Netherlands. Southern Spars’ Site Services Manager Jonathan Burke, organised and co-ordinated the export shipment.

He explains that Southern Spurs protective-packs the masts and booms. For this export shipment, the masts were then transferred to the port by Auckland-based specialist transport company Transcar. “They have telescoping trailers with automatic and manual controlled steering from the rear bogey. Before the cargo can be delivered shipside, the pre-surveyed route and associated traffic management plan has to be approved and permitted. (This particular mast transfer was the longest load transported by road in New Zealand.) With all that completed the masts were then loaded onto the top RoRo deck where they have an excellent, very safe all-weather slow ensuring they remain immobile and undisturbed for the entire voyage to Zeebrugge. “If I was forced to use a container line for a mast over 50 metres, it would have to be positioned in a walkway that has high exposure to traffic putting the masts at risk of damage.”

In the second shipment, the two 18m booms were protective-packed and loaded onto a Wallenius Wilhelmsen Logistics-supplied roll-trailer on which they were stowed in the hold. “This is an excellent system which works well. The booms were well secured on the roll-trailer which is what I need to see. And although this particular shipment was out-of-gauge cargo it works very well when transhipment cannot be avoided. The booms were simply rolled off the ship on the roll-trailer, onto the wharf and loaded onto the next vessel with the ship on the roll-trailer, onto the wharf and loaded onto the next vessel with the boom intact and untouched.”

For his part Jonathan Burke says the logistics of such an export project demands a team effort. “There are several parties involved here and I have to say it is very much a team effort by all concerned – Southern Spars, Transcar, Wallenius Wilhelmsen Logistics and the success of the project hinges on that team effort. I would also add that having a single point of contact at WWL in Mats Lewis is great for us. It’s direct contact with the operations man who knows what’s happening and it’s immediate. With some other lines we have struck problems through having various contact people. The more there are the greater the risk of miscommunication and delays.”

At WWL, Mats Lewis confirms the excellent relationship between the shipping line and Southern Spars. “They’ve seen the way we kid-glove the cargo and they’re pleased. We are all pleased.”

Jonathan Burke also favours WWL because it operates a scheduled service. He explains: “Some of the specialist and outside load-carrying lines are running Tramp or Charter vessel operations so it’s difficult for us to plan around their port calls and to know exactly when a shipment would reach its destination. On WWL we get reliability and that’s important to Southern Spars.”

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AS THE YEAR DRAWS TO A CLOSE, CONSTRUCTION OF THE RAIL EXCHANGE AT PORTS OF AUCKLAND’S WIRI INLAND PORT IN SOUTH AUCKLAND IS NEARING COMPLETION. ON SCHEDULE TO PROVIDE THE RAIL CONNECTION BETWEEN THE INLAND PORT AND THE SEAPORT BY EARLY 2010, THE RAIL EXCHANGE WILL HAVE THREE SIDING TRACKS AND A 450M LONG CONCRETE HARDSTAND COVERING 11,000SQM.

Ports of Auckland Managing Director Jens Madsen says the first train is expected to arrive early in the New Year. “This is about bringing the seaport right to the doorstep of businesses in South Auckland. Exporters and importers will be able to drop off and pick up containers without having to negotiate the Auckland motorways.”

Containers will move to and from the seaport by rail, saving as many as 100,000 central city truck trips per annum once the service is fully operational. “By using the Wiri Inland Port as a storage centre and staging post, we’ll also free up room and create efficiencies at the Wastemata seaport. This is good news for the whole supply chain”. The Wiri Inland Port is strategically located in South Auckland, close to the International Airport, and adjacent to major State Highways. Brian Perry Civil and KiwiRail are undertaking the works, including the construction of the three rail sidings, involving around 2,000m of additional rail track, and the hardstand. Each of the three sidings is capable of taking 22 wagons. Together, they will enable two trains to be worked simultaneously, with the third track available for repositioning locomotives.

PACIFIC PEARL CLAIMS AUCKLAND BASE

In November this year, P&O Cruises announced that it will launch a premium Pacific cruise liner Pacific Pearl in Auckland in December and that it will be based in Auckland for the 2010-2011 cruise season.

POAL Managing Director Jens Madsen said the decision was a rewarding reflection of the hard work that the port has put in to help establish Auckland as NZ’s premier exchange port for cruise ships. “This means many of the cruise ships calling NZ now begin and finish cruises in Auckland which increases the gains for tourism and hospitality industries,” Pacific Pearl is a 63,500 tonne, 1,800 passenger superliner.

In the current 2009-10 cruise season POAL will welcome 25 cruise ships making 57 calls to Auckland during the season. Despite the recession and its impact on the cruise business, New Zealand has retained its appeal and Auckland itself as a favoured call is up 25% on cruise business this season as compared with three years ago.

AXIS PACK UPDATE

Ports of Auckland specialised pack and unpack service Axis Pack, has expanded its customer base by achieving supply chain efficiencies by linking pack and port services. On-wharf Empty Depot and stevedoring services complement an export pack and import unpack operation, removing cost and wasted empty moves from the supply chain.

Timber and paper are among commodities currently using the special Axis Pack export treatment. But the unit also handles a wide range of other export and import commodities, POAL Manager Logistics, Yvonne Theuerkauf, says that while Axis Pack has established customer support for export packing, its import unpack and devanning service on the wharf is attracting new customers.

“I am talking particularly about the unpacking of full container loads. Imports can be unpacked on-wharf and the empty container de-hired to an on-wharf stack, taking a transport leg out of the process. Goods are delivered direct to customers’ premises and this is particularly appealing with MAFF tightening the registration of Transitional Facilities. Then there are those awkward loads that are not straightforward – they may be overweight for the road or unevenly packed. Axis Pack personnel have established a good reputation for their expertise which is reflected in skilled packing that maximizes the load and avoids damage for the most cost effective shipping unit.

There was the case of the manufactured re-refrigerator container of fish that had to be re-packed into a fresh working unit - the Axis Pack team rolled up their sleeves and tackled the task – it was a mean job and someone had to do it - if we don’t go near them for the rest of the day”.

“IT WAS A MEAN JOB AND SOMEONE HAD TO DO IT”

PORTS OF AUCKLAND'S WIRI INLAND PORT IN SOUTH AUCKLAND IS NEARING COMPLETION. ON SCHEDULE TO PROVIDE THE RAIL CONNECTION BETWEEN THE INLAND PORT AND THE SEAPORT BY EARLY 2010, THE RAIL EXCHANGE WILL HAVE THREE SIDING TRACKS AND A 450M LONG CONCRETE HARDSTAND COVERING 11,000SQM.
POAL 13th ANNUAL CUSTOMER CONFERENCE

Held at the brand new Lion Foundation Event Centre at the Auckland War Memorial Museum, Ports of Auckland’s 13th annual customer conference again received support from a high number of customers and stakeholders. This year’s theme ‘To Be the Best’ reflected the Company’s vision and its goal to be the best port company in Australasia.

Introducing the theme, POAL Managing Director, Jens Madsen highlighted the vital contribution that both the port and its customers make to ensuring NZ’s long-term ability to compete on the international stage.

In pursuing its goal to Be the Best and better serve customer needs, POAL has introduced five strategic objectives. Each was introduced by individual members of the POAL management team. Sales & Marketing GM, Craig Sain and Port Services GM Wayne Mills both addressed the subject of ‘Protect and Grow Our Business In A Profitable Manner & Provide Customers with a First Rate Experience’. ‘Continuously & Dramatically Improve Costs Relative to Volume’ was Grant Jorey’s topic in his capacity as General Manager, Axis Operations & Productivity. ‘To Be the Best – Together’ by Richard Potton, Manager Sales, Marketing & Product Development looked at the key Partnership Programme POAL has developed with its customers. HR Group Manager Jon Baxter examined ways the Port Company is developing ‘Excellent Leadership & Highly Engaged Staff’. The guest speaker was Paul Ravlich, CEO of Siemens NZ Ltd.

To Be the Best

VALUE DRIVEN
CONTINUOUS PRODUCTIVITY IMPROVEMENT
ACTION
LEADERSHIP AND COMMITMENT
GROWTH FOCUSED

Recognising all Stakeholders
Among recent shipping and related appointments, the two main Officers among recent shipping and related appointments, the two main Officers of the New Zealand Container Lines Committee (ICLC) has been elected for Wallenius Wilhelmsen as President and Julian Bevis, NZ Country Manager for Maersk Line, who has been elected to Chair the Committee which has been established to represent the views of the international shipping line sector in consultation and liaison with Government and other Bodies.

KiwiRail Freight has announced the promotion of Mike Lambert to the position of National Manager Import Export in which role he will be working with key partners including shipping lines, exporters and port companies. Former Chief Executive of Transit Richard Chu has been appointed Port HQ in Auckland, Mats Lewis and Wayne Mills, is the new General Manager of Kiwirail Network where he replaces William Peet. Network is responsible for maintenance and improvements to KiwiRail track and for the operation of trains over the system.

Whilst continuing with Wallenius Wilhelmsen Chairman of WWL NZ, Captain John Robinson has relinquished day to day responsibilities. At WWL NZ HQ in Auckland, Matt Lewis and Richard Chu have been appointed Port Operations Manager NZ and Customer Manager NZ respectively. Former NYK NZ Director Steve Lloyd has resurfaced in the NZ shipping industry. After working for NYK for 25 years, Steve is now applying his experience to the benefit of ANL in Auckland.

A radio-controlled, fully working model of the steam tug William C. Daidly is presently on loan to Ports of Auckland and on display in the Reception area at Head Office. Completed by New Zealander Ray J. Swayne in 1992, the model was built to scaled-down plans of the original tug that was commissioned by the Auckland Harbour Board from Lobritz & Co in Renfrew, Scotland. The 36m tug was launched in October 1935 and was in service in the Waitemata harbour for 41 years from 1936 until 1977. It was a twin triple expansion design with a steam engine that delivered 1,950 HP at 115 RPM with twin four blade propellers.

A newly created Body called International Container Lines Committee (ICLC) has been formed in New Zealand to streamline communications, consultancy and liaison between government, ministries, government departments and international shipping lines which previously had no representative Body in NZ. ICLC Chairman Julian Bevis, Maersk NZ Country Manager, describes ICLC as ‘an interest group; a lobby group; one that can facilitate communication on industry issues, such as climate change, productivity, port policy and pricing, rail policy and transport policy’.

Pacific Direct Line (PDL) has added Ranstonia in the Cook Islands to its Pacific Islands service range. The new service commenced 6 December on a regular 19 day schedule between Ports of Auckland and Ranstonia via Nukulaelae in Tonga. PDL Chief Executive Olivier Ravé said that with the launch of the new service PDL will also establish its local shipping agency called Transam.

OOLC New Zealand is the name given to one of OOLC’s new panamax vessels. The 4,500 TEU/350 metre vessel will not operate on the NZ trade as yet although an OOLC spokesman said that OOLC will work the NZ trade at some future date. OOLC currently operates only one vessel on the NZ trade where it participates in the South East Asia NZS/NZx consortium with MOL, NYK, PIL and MISC with the 2,500 TEU OOLC Melbourne. It makes its first NZ port call at Ports of Auckland on the weekly service operated by five vessels – two from PIL, one each from OOLC, MOL and NYK with MISC still chartering.

In a TransTasman service rationalisation, MSC and ANL have combined the two separate Butterfly and Kiwi loops into one with three larger vessels replacing the former four. A reflection of over capacity on the Tasman, the single loop service is now in operation with MSC ‘1,733 TEU Kiwi and 2,054 TEU Hobart’ and the 1,800 TEU ANL Dixian Bright. Ports of Auckland the change means larger exchanges and a Friday/Saturday call instead of the earlier Tuesday call.

PDL VESSELS H étape D ARAMIN AND SOUTHERN LILY PASS EACH OTHER IN THE RANGITOTO CHANNEL.

The new Customer Services Division operates weekdays 0700 to 1900 and at weekends from 0700 to 1500.