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MAGAZINE
FALL | 2014



▶ EXPORTS

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JAXPORT

2014 Magazine

On The Cover

Northeast Florida taps into a world of opportunity 12

View

JAXPORT CEO Trend Report..... 2

Feature

Supportive federal agencies offer edge 4

U.S. ports seen as stable investment 6

Latin America holds great promise 8

Plans on track to improve Jax rail efficiency 9

New Study: JAXPORT impact grows..... 10

Profile

International Trade Specialist Katie Arroyo talks exports..... 16

Davis back and bullish on AMPORTS' growth plans 18

Small Business Profile: Vulcan Renewables, LLC..... 20

JAXPORT Board Chairman: John Falconetti 21

Port News

Port improvement project round-up..... 22

Blount Island stands ready for military cargo 24

Moving the world's heaviest cargo 25

Save time and money in FTZ No. 64..... 26

Instant river data debuts in Jacksonville 27

Passengers love cruising from Jax! 28

Höegh Jacksonville..... 30

Bahri Yanbu 30

Community

Next generation of local leaders explores harbor deepening 31

Connect

JAXPORT's 2015 Logistics & Intermodal Conference to offer industry insights 32

Download "Supply Chain: The Next Generation" — A whitepaper from JAXPORT ... 32

JAXPORT CEO Trend Report



Brian Taylor
JAXPORT CEO

Our cover story this issue recognizes the importance of export growth to the United States economy as we continue to move out of the severe recession that marked the start of this decade.

Before turning to page 12, consider this:

- In 2013, the export of goods and service overseas reached a record \$2.3 trillion, accounting for 13.6 percent of U.S. Gross Domestic Product (GDP)
- In the same period, Florida saw the value of the state's exports to more than 230 markets around the world make up 7.5 percent of the state's GDP

The percentage of GDP represented by exports overall is the highest it has been in nearly a century and clearly demonstrates the wisdom of focusing our collective efforts on exporting to stimulate growth and create new jobs.

Since the end of the Great Recession, exports have accounted for more than half of the economic growth in the U.S. and during the last two years have produced annual compound growth of more than 12 percent. Yet despite these fact and figures, many people continue to underestimate the importance of nurturing this segment in order to spur economic activity.

Not convinced yet?

Then think about this: 70 percent of the world's purchasing power resides outside the U.S. and during the next five years, 85 percent (nearly all!) of global economic growth will occur outside of our borders. When considering ways to stimulate economic and job growth, we must look to international exports to help lead the way.

As the nation continues to march forward in this largely unheralded growth phase, Florida continues to benefit from our location at the commercial and geographic crossroads of the

Americas to become a key global trade hub. So how does the Sunshine State stack up by the numbers?

- Global trade supported nearly 2,200,000 or 23 percent of all Florida jobs
- 18 percent of all manufacturing workers in Florida depend upon exports for their jobs
- Since 2000, Florida's manufactured exports have grown 148 percent, while the national average is 90 percent
- Florida manufacturers and exporters are a powerful combination for the state economy: 85-90 percent of Florida's exports come from manufacturing

All of this matters to all of us. Every 10 jobs created in Florida export-oriented manufacturing supports 12 other jobs in transportation, warehousing and retail, and eight more jobs in business services. This leads to new consumers, increased purchasing power and a vibrant region, state and nation.

Along with our cover story and associated articles highlighting export success and opportunities, our Fall issue takes a look at how all of our partners are preparing for increased volumes, both import and export (page 4), growth in Latin America (page 8) and the critical work being done to support the U.S. military's movement of goods (page 24).

Please let me know your thoughts on the topics covered in this issue, items you'd like to see in future issues or anything else that's on your mind. I look forward to hearing from you. □

A handwritten signature in black ink that reads "Brian Taylor". The signature is stylized and cursive.

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Supportive federal agencies offer edge

By Lori Musser

The pre-construction, engineering and design (PED) phase of the 47-foot Jacksonville Harbor Deepening Project has begun and with the prospect of more fully-laden Suez-transit vessels and larger Panama-transit vessels at hand, federal agencies in the Jacksonville region are bringing remarkable support to the table for efforts to capture cargo growth opportunities.

Ease of Doing Business

Members of the maritime community in Northeast Florida have long considered their federal services as a competitive advantage. Stories abound from other ports about shortages of inspectors, uncooperative staff, and truncated service hours, often causing cargo to languish. Not so in Jacksonville.

There is an ease of doing business in Northeast Florida, and at the port, that extends to government services. Call it a collaborative environment or small-town camaraderie that extends to a large logistical hub, Jacksonville has it.

Louisa Lee, Regional Sales Manager-South Atlantic for Norton Lilly, said, "SeaFreight Line has been calling at JAXPORT for 13 years. We enjoy the close relationship we have with the terminal and their responsiveness to our needs." She added, "Whether it is dry, out of gauge, chilled or frozen cargo, the port and agencies involved with clearing and examining cargo work efficiently and thoroughly to ensure the cargo is moved in and out of the port with the utmost care and speed."

Soft Infrastructure Adds Value

JAXPORT's customers have developed high expectations of the so-called 'soft' infrastructure related to the routing of trade, including government inspection services, security, testing, workforce, and certification. These factors have become key routing determinants.

U.S. Coast Guard Sector Jacksonville Captain of the Port Tom Allan said, "There is mutual respect for what everyone is doing and there are common goals to keep things moving." He credits shared information for engendering the respect that helps create proactive solutions at the port.

Jennifer Bradshaw of U.S. Customs and Border Protection (CBP) in Jacksonville, said her agency recognizes the importance of inter-



In June, federal, state and local leaders joined the U.S. Army Corps of Engineers and JAXPORT leadership along the St. Johns River in downtown Jacksonville to mark the start of the PED phase of the Jacksonville Harbor Deepening Project.

national trade to the region, and ultimately to the nation's economy. Bradshaw said, "We work hard to achieve the balance of enforcement of our laws and regulations while promoting international trade and building relationships."

Of course, challenges arise. "That is why it is important to have open lines of communication and cooperation by the trade community and the federal partners," Bradshaw added.

Jacksonville is one of a very limited number of ports that is already accommodating Suezmax and post-Panamax sized container ships, and recognizing the economic benefits attached to this business, the port is keen to eliminate vessel transit windows and light-loading. It anticipates beginning the construction phase of the harbor deepening in 2016. The project is the lynchpin of a \$1.5 billion five-year capital projects program – the largest in the port's history. Other critical elements include the JAXPORT Intermodal Container Transfer Facility (ICTF) serving Blount Island and Dames Point marine terminals, extensive cargo terminal improvements, and large-scale berth rehabilitation. (See page 22 for more on port projects.)

The port's infrastructure portfolio is expanding and its marketing efforts are mobilized to convert opportunities into reality. The port plans to capitalize on unprecedented shifts in the international trade and transportation environment, including a global manufacturing shift toward Southeast Asia favoring Suez transits, global trade growth, emerging market growth, and the Panama Canal expansion.

Feature

CBP stands behind those efforts. Bradshaw said, "Our mission is to promote international trade while securing our nation's borders," and added, "CBP is always exploring the latest technology to inspect containers and freight more efficiently." Efficiency will take on even greater importance as port growth expectations are realized.

The Coast Guard's Capt. Allan said, "The port, the Jacksonville Marine Transportation Exchange, Propeller Club and other local maritime organizations work well together and bring everyone together no matter their goals."

Cooperation of the entire maritime community is on offer in support of the U.S. Army Corps' work validating the returns expected from the deepening project. Allan added, "A difference of six inches of depth can lead to a decision to load 100 extra containers, or not. The profitability of a liner service can easily ride on those few inches."

Moving forward, this level of collaboration will clearly continue to build the competitive edge JAXPORT provides to its customers. □

A sample of federal initiatives

Federal agencies in Jacksonville champion a broad range of maritime initiatives that lend operational, environmental, financial and other support to established lines of business and help prepare for future growth.

PORTS®: In July 2014, port community collaboration bore fruit with the launch of the National Oceanic and Atmospheric Administration's \$2.8 million Physical Oceanographic Real-Time System, designed in part to save money and improve safety via the provision of instant tidal and weather information to commercial, military and other users. Such knowledge can enable shippers to optimize cargo loads by using every inch of available channel depth, maximizing efficiency and boosting revenues. (Read more on page 27.)

Environmental Protection: In October 2013, the U.S. Environmental Protection Agency funded a Florida Department of Environmental Protection grant for 19 custom-designed diesel oxidation catalysts that are now operational on JAXPORT cranes and other equipment at Talleyrand and Blount Island Marine Terminals. Already compliant with all clean air requirements, the port, Jacksonville community and state and federal partners collaborate to integrate green port initiatives as an important part of strategic growth plans.

U.S. Coast Guard Initiatives: To address growth the Coast Guard continues to present new initiatives and adapt procedures to optimize safety related specifically to the harbor deepening, the Mile Point widening project, and anticipated changes in vessel configurations and operations. The Coast Guard is part of numerous collaborative efforts to, for example, develop stable offshore anchorage, minimize the impact of harbor deepening on habitats, and rejuvenate the Coast Pilot manual to provide an increased level of comfort to new callers.

Other Federal Activities: From efficient on-dock U.S. Department of Agriculture inspections to secure the nation's food supply, to pro-active U.S. Coast Guard hurricane preparedness educational outreach, to prudent U.S. Commercial service guidance on securing export credit insurance, federal agencies serving port business get strong marks from the maritime community.

JAXPORT security

Since 9/11, securing U.S. seaports has been a formidable task. Hardening port targets, forcing disparate technology systems to communicate, and deterring potential threats have absorbed much time and money — nearly \$12 million in JAXPORT's case.

Acknowledging both the port's potential, and the fact that more business brings more security challenges, Chuck White, JAXPORT's Security Director, saw the need to build a better mousetrap. Fragmented approaches wouldn't work, especially for a port poised for substantial growth.

For a seaport with large non-contiguous facilities and increasing volumes, maintaining domain awareness and reducing risk takes major effort. The port's solution is to invest heavily in definitive Command and Control elements. By starting with strategies in lieu of tasks, the port has developed — and is implementing — integrated plans, physical security (the 'technology'), and people.

JAXPORT developed a Security Operations Center (SOC) — the heart of the security effort. The SOC is a 24/7 operation with connection to all alarms, sensors, cameras, and access control equipment as well as the ability to communicate with all local, state and federal partners. The SOC directs port security, but also handles safety, operational, environmental, emergency preparedness, and other overlapping mandates. It is backed up with a Mobile Command Unit and has responsibility for maintaining JAXPORT's Continuity of Operations Plan.

Technological security elements have been updated and replaced. A \$2 million access control project is one of the more critical technology elements, along with TWIC© enhanced physical/perimeter security and surveillance, lighting improvements, security gate booths and restricted arm gate barriers system, as well as patrol vehicles.

The 'people' element of the strategy involved a corporate reorganization — melding security, safety and emergency preparedness divisions — to afford more capability and offer upgraded training.

White said, "As we complete key projects in preparation for increased cargo volumes, new technologies will be rolled out to reduce risk and provide an effective security system that can grow alongside our business and support our customers and our community."

U.S. ports seen as stable investment

By Staff

Fitch Ratings recently released a special report titled 'Peer Review of U.S. Ports'. The ratings agency says the 'A' category remains the most common rating for U.S. ports, reflecting relatively low credit risk.

'With approximately 95 percent of port sector ratings maintaining Stable Outlooks, Fitch expects stable rating trends in the near to immediate future,' said Emma Griffith, Director in Fitch's Global Infrastructure Group.

In March 2014, Fitch affirmed JAXPORT's individual 'A' rating and stable outlook. The agency based its findings on continued stable performance anchored by growing container throughput and sizable contractually guaranteed revenues from existing long-term tenants which limit the port's exposure to operational risk.



"Our continued strong ratings speak strongly to our diversity of cargoes and trade lanes and our steady focus on effective cash, expense and debt management," said JAXPORT Chief Financial Officer Michael Poole. □


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Latin America holds great promise

By Lori Musser

According to 2013 statistics, five of the top 10 port trading partners on JAXPORT's inbound and the outbound trades are Latin American. On the inbound side, Colombia, the Bahamas, Mexico and Brazil join Puerto Rico to comprise 58.4 percent of the port's global tonnage. On the outbound side, where Puerto Rico dominates, Brazil, Venezuela and Argentina join in to make up 61.6 percent.

Rise of Latin America's Consumer Class

As the Latin markets emerge, so too does a new middle class, complete with discretionary income, savings, and a desire for consumer credit. All of those developments are spurring the demand for durable goods.

Free-trade agreements appear to be motivating trade. The volume of Colombian cargo moving through Jacksonville exceeded 2 million tons in 2013, almost triple that of its nearest international competitor, positioning Colombia as lead trade partner (after Puerto Rico).

JAXPORT, which has already noticed a growing export volume of pre-owned, and, increasingly, new production vehicles moving to emerging markets across Central America, South America and the Caribbean, is preparing for ongoing growth in containerized and other general cargo traffic to and from the region.

Anchoring Puerto Rican Trade

Jacksonville is the top U.S. port handling trade with Puerto Rico. Rick Schiappacasse, JAXPORT's Director of Latin America Sales, said that his port's main advantage in the Puerto Rican trades is transit time. Weekly fixed-day services, the capacity to preload, quick loading, and a lack of congestion are also important factors.

Most of the cargo moving between Jacksonville and Puerto Rico is on Jones Act carriers in the predominantly southbound trade. The market has a number of eccentricities, including high-cost storage. This encourages a certain frequency of service, and customers rely on their carriers to meet just-in-time delivery of consumer goods and of raw materials for island industries such as pharmaceuticals and medical device manufacturing.

Carriers tend to offer several value-added services on the island, including warehousing, trucking, LCL transportation and last-mile delivery, as well as cargo consolidation, deconsolidation and cross-docking.

The recent recession hit Puerto Rico particularly hard, and recovery has been slow, however, there are a number of bright spots on the horizon. A slate of announcements by carriers in

Mexican automotive boom

Forbes Magazine recently announced that 'America's car capital will soon be... Mexico.'

Mexico's automotive industry has ascended on the wings of foreign-based carmakers, who have invested billions of dollars in production during the last five years, doubling output to an estimated three million vehicles this year.

Although the majority of U.S.-bound vehicles move north by rail, the overflow is moving by short-sea, providing future opportunity for ports like Jacksonville with best-in-class ro/ro terminals, established auto processors, service by every major auto carrier in the world, inland interconnectivity second to none in the Southeast, and facilities located close to all major southeast U.S. auto manufacturers.

Read more about increased auto exports from Mexico in the Summer 2014 issue of JAXPORT Magazine at JAXPORT.com/MagazineArchive.

preparation for additional reefer business, and a recent rise in car movements, bear watching.

Logistical Edge for Latin America

JAXPORT's strategic investment plans dovetail perfectly with Latin market growth. The \$30 million Intermodal Container Transfer Facility (ICTF) at Dames Point will facilitate the direct transfer of containers between vessels and trains, speeding up the shipping process. The \$12.4 million reconstruction of the heavy-lift berth at Blount Island Marine Terminal, with the nation's highest weight-bearing capacity dock, will be able to service virtually any development project.

Excellent inland road and rail connections reach out to 60 million consumers within a one-day truck drive of JAXPORT, and companies shipping through the port have access to two Class I rail networks. The region's Foreign Trade Zone, ranked as one of the best in the world by fDi Magazine, offers additional opportunities to add value to Latin products. □

Start shipping your goods to or from Latin America today.

Contact Rick Schiappacasse, Director of Latin America Sales at (904) 445-9281 or Ricardo.Schiappacasse@JAXPORT.com.

Feature

Plans on track to improve Jax rail efficiency

by Laura Jane Pittman

An ongoing effort to identify a more efficient route to shift truck traffic out of Jacksonville's port to rail is gaining momentum.

The North Area/Jacksonville International Airport Corridor: Future Rail Feasibility Study, undertaken by the North Florida Transportation Planning Organization (TPO), recently kicked off its third phase — beginning a formal "Alternatives Analysis" to identify land on a preferred single alignment, and formulating a cost estimate for the project.

The feasibility project started in 2010 in response to concerns about increased truck traffic on Jacksonville's Northside related to new port terminal activity. The first phase identified a more efficient route to shift truck traffic to rail, and resulted in a concept to incorporate property owned by Jacksonville's airport along with land west of that area. This area had the most favorable long-term economic development opportunities.

Phase 2, which was completed this spring, studied various options for varying routes throughout the corridor. The phase concluded with the identification of two mainline options, as well as three or four beginnings and end points.



The third phase, expected to be completed early next year, will assess and develop a final alternative rail alignment. Potential improvements would result in half the number of highway-rail grade crossings to

JAXPORT marine terminals, eliminate 28 at-grade crossings to the Port of Fernandina and open up hundreds of acres of new industrial lands.

"The first phase of this project was funded by the TPO and JAXPORT, the second phase by the TPO and the City of Jacksonville and this third phase has funding from the TPO, the City of Jacksonville and the Florida DOT," said North Florida TPO Executive Director Jeff Sheffield. "The partnership and interest in this project continues to grow and its ultimate value when it comes to regional transportation efficiency cannot be overstated." □

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Feature

New Study: JAXPORT impact grows

Cargo activity through Jacksonville's seaport positively impacts tens of thousands of jobs and supports nearly \$27 billion in annual economic output for the region and state, according to newly released study findings. The study, citing significant growth in the port's impact during the

last five years, was commissioned by the port and conducted by maritime research firm, Martin Associates.

Below are some of the report's highlights. To read the entire 2014 economic impact report head to JAXPORT.com/EconomicImpact. □

MONEY



Cargo activity in Jacksonville supports **\$26.9 billion** in total economic output every year

\$1.8 billion in personal income and local consumption

TAX REVENUE



\$727 million in state and local taxes related to cargo activity

\$169 million in taxes directly generated by cargo operations **↑ \$40.2 million** since 2008

PEOPLE



24,340 people are employed in port-dependent positions **↑ 10%** since 2008

Average annual salary is **34% higher** than the Jacksonville MSA average



"These numbers show that our investments in a state-of-the-art seaport create opportunity for businesses and individuals to prosper."

JAXPORT CEO Brian Taylor

JOBS



The **#** of positions related to cargo activity at the Port of Jacksonville has grown to **108,260** **↑** from **42,647** in 2008

New overall job figure of **132,599** has more than doubled since 2008

Direct jobs generated by container activity at JAXPORT have grown **57%**

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On The Cover

A yellow crane is lifting a large pallet of white-wrapped boxes from a ship's deck. The background shows a blue sky with white clouds and the ship's structure.

Exports: Northeast Florida taps into a world of opportunity

On The Cover

By Lori Musser

About one in five of the nation's exporters, or 58,000 at last count, are Florida companies. Those companies, according to the U.S. Department of Commerce, grow 15 percent faster than non-exporters, pay 15 percent higher wages and make 12 percent more profit. Is it any wonder that advocates at every level have elevated export development goals?

A Federal, State and Regional Push

From the President's goal to double exports in the five-year period ending 2015 [see sidebar: Presidential push for exports], to the state of Florida's full-court press including a freight mobility plan and unprecedented port infrastructure funding, to Northeast Florida's Global Cities Initiative Exchange [see sidebar: Northeast Florida's export action plan], there is hardly a governmental organization out there without a cheering section for exporting.

The advocacy is well placed. Northeast Florida's prosperity is tied to trade, logistics, and export-oriented manufacturing, with a 31.5 percent growth in exports from 2008 to 2012, according to Enterprise Florida. The state of Florida's 20 Metropolitan Statistical Areas (MSAs) handled \$68.7 billion in exports last year, and among those MSAs, Jacksonville ranked fourth, handling \$2.6 billion.

There has never been a better time to target export growth, due to a unique confluence of trade and transportation developments, well documented in the Florida Chamber Foundation and Florida Department of Transportation report issued late last year, "Florida: Made for Trade." There are a dozen or so key drivers that will prove critical to JAXPORT's export future – they boil down to more global trade, and to larger vessels bringing in and picking up more cargo at a single port.

Port Export Goals

JAXPORT takes its export future very seriously. In 2013, JAXPORT's three cargo terminals handled a total of 8.2 million tons of cargo, including more than 926,000 TEUs – a new container record – and more than 630,000 vehicles. JAXPORT is the No. 1 vehicle export port in the U.S., and it is the top container port in the state of Florida.

The port has introduced the most comprehensive capital improvement plan in its history, continues working hand-in-hand



with regional private and public entities to ensure prioritization of the investments, and has a presence at the national level to help shape federal decisions on trade agreements, regulations, business processes, and investments. And because market demand is evolving, JAXPORT has been strategically preserving and enhancing the port's extensive, diverse and flexible asset base, and maximizing the use of existing facilities to address this changing demand.

Impetus for Varied Cargo

Frank Camp, Director of Non-Containerized Sales for JAXPORT, said that, in addition to being the busiest port in the U.S. for vehicle exports, the port has an important and growing outbound ro/ro and project cargo business. Heavy equipment for construction, mining, oil and gas, and energy generation move steadily out of the port, more and more often to emerging markets with fledgling infrastructure in Africa and the Middle East.

Africa is also a strong market for pre-owned, and increasingly, new production vehicles. Emerging markets in Latin America, and particularly in South America, are seeing an upswing too.

Forest Products

JAXPORT has experienced an uptick of interest from shippers of outbound forest products, including logs, biomass for power generation, and other breakbulk products. On the port's east-west trades the top outbound containerized commodities are also forest product shippers. The port's proximity to major U.S. Southeast mills,

On The Cover



operated by companies such as Georgia-Pacific, Buckeye, and Rayonier, cuts time and costs over the road.

Containers

Export containers have proven to be vitally important to the ocean fleet, and JAXPORT is always pleased to temper potential carrier concerns about Florida's reputation as a consumer state by offering up an impressive inventory of exporters who are anxious to secure backhaul-level rates on Asian and certain other trade routes. JAXPORT's truck turn times are 17 to 25 minutes, making the port a perennial favorite of drivers picking up or dropping off.

Across the port, inbound and outbound cargo tonnage is relatively well-balanced, with less than a 10 percent differential in favor of inbound cargo. This is in part because export commodities are heavier, on average, than import commodities. Puerto Rican outbound trade, at 53.3 percent of the 5.1 million tons of total outbound trade, helps improve the operational balance. 'True' cargo exports are highly diversified, with no single trading partner responsible for more than 6 percent of the cargo.

Exporter Commitment

Today the port facilities in Jacksonville offer service by 40 ocean carriers. Rich Mangione, Distribution Manager at International Flavor and Fragrances, an important exporter of fragrance ingredients to global customers and affiliates, said, "With IFF's Ingredients Manufacturing located in Jacksonville, we are able to minimize inland freight charges without sacrificing ocean transport times. With more steamship lines calling on JAXPORT, IFF can minimize the use of the Savannah and Charleston ports."

Carlton Smith of Heavy Equipment Resources of Florida, Inc., a President's E Award winner in 2013, specializes in the export of components, spare parts, and heavy machinery to mining and earthmoving industries throughout the world. Smith said that the company's strategic location in Florida allows for rapid delivery of fast moving, hard-to-find parts and components, which are

Northeast Florida's export action plan

Northeast Florida has taken an important step toward escalating exports by completing a market assessment as part of the Global Cities Initiative Exchange, a joint project of Brookings and JPMorgan Chase, in preparation for developing a regional plan of action. Jacksonville Mayor Alvin Brown, chairman of the U.S Conference of Mayors Ports and Export committee, led the effort to have the region included in the Initiative last year.

A team of academics, economic development officials and others export stakeholders has assembled to assess Northeast Florida's current export landscape through a series of surveys and meetings with companies that export or that service exporters, companies that anticipate exporting, and companies that do not export but are able to identify the barriers to doing so.

Removing obstacles, according to the experts, will serve up opportunities.

Here are generalized findings from the pending market assessment report and Brookings data:

- Although the regional climate is positive for exporters, more can be done.
- Expanding existing businesses may be more economically productive for the region than only attracting new companies to the area. Exporters are growing faster and are more profitable than companies that do not export.
- Certain commonalities are apparent among successful exporters, and can be used to identify good candidates for global market development.
- Approximately one in five Northeast Florida businesses wish to export; and one in three already export.
- Much of the growth in exporting for Northeast Florida companies is occurring in emerging markets.

Because there are many emerging countries and economies growing faster than the U.S., engaging in trade with growing markets — such as Latin America, Brazil, India and China — will give Northeast Florida a bigger boost, according to Ted Carter, the City of Jacksonville's Economic Development Chief.

The goals and strategies that will be developed as part of the Global Cities' action plan, to be delivered in late 2014, will be designed to boost export activity, in all its various forms. Increasing the metro area's connection to the global business community will ultimately enhance the region's economic vitality.

essential to the operations of mines around the globe, including those in remote regions. Downtime in his industry is costly. Smith said, "Big trucks can lose \$10,000 per day. The faster you can get your machine fixed, the better."

Smith especially likes Jacksonville's supply-chain geography. He said, "We bring in [product] from the Midwest, Canada, Mexico, and export 100 percent out via the port. We've tried other ports, but this location is great because of the interstates, rail, international

On The Cover

Presidential push for exports

In early 2010, President Obama set a goal of doubling U.S. exports in five years. The objective was geared toward promoting exports in order to strengthen the national economy and support U.S. jobs.

While the President's grand objective won't be reached — due to weak growth in U.S. manufacturing, a languid global economy, and a strong U.S. dollar that hamstrung sales to overseas buyers — many of the supporting programs will have a lasting effect.

One essential strategy, the National Export Initiative (NEI), focuses on laying groundwork to enhance the private sector's ability to export. It promotes U.S. exports internationally, removes trade barriers, helps companies enter new markets, and assists with export financing.

Another program, the Doing Business in Africa Campaign, aims to strengthen commercial relationships between the U.S. and Africa, a region whose growth rate is outpacing global averages. U.S. goods and services exports to Africa reached a record high \$50.2 billion in 2013, up 40 percent since 2009. In August 2014, President Obama announced \$7 billion in new financing to promote U.S. exports to and investments in Africa.

The Obama Administration is continuing to build on the successes of the NEI. Launched in May 2014, NEI/NEXT will help companies reach more overseas markets by improving data, providing information on specific export opportunities, working more closely with financing organizations and service providers, and partnering with states and communities to empower local export efforts.

While the Administration says efforts such as these are paying off, with June 2014 goods and services exports reaching an all-time high of \$195.9 billion (roughly 52 percent higher than in June 2009), the true legacy of the presidential push for exports may well be in changes in the way the U.S. does business.

Vac-Con: Homegrown exports

Building on its roots in the production of ship-to-shore grain transfer equipment, Northeast Florida's homegrown Vac-Con, Inc. is now a leading global manufacturer of high-performance, truck-mounted vacuum equipment and hydro-excavating machines. It recently exported an 18-unit, \$6 million shipment to Peru via JAXPORT.

Historically, 25 to 30 percent of the company's business has been moved out to global markets, with particularly strong distribution in Peru for the last 15 years. Tom Jody, Marketing Manager at Vac-Con, called this latest shipment 'the largest single order ever delivered to Peru.'

Vac-Con moves its truck-mounted machines (and skid-mounted machines for affixing to chassis overseas where required), using both ro/ro and container services out of JAXPORT. For this business, the port location is critical. Although the company has used other ports, often because buyers made their own supply-chain arrangements, Jody said, "Our preference is to use JAXPORT. It reduces our overland travel time, and that helps reduce our transportation fees. We can drive the truck-mounted units [from Clay County] to the port." He added, "We have met with success in Jacksonville because the people are accommodating and interested in our business and there is a personal touch in sales and service to help make exporting through the port easy."

Vac-Con plans to increase production capacity based on bullish five-year growth projections for a number of its new and emerging product lines, including some used overseas. The company's top international markets are in Canada and Mexico, but they also have large markets in Central and South America, the Middle East, Africa and the Far East.

air, and a variety of ocean carriers all meeting right here on the east coast."

Persistence Pays in Export Market Development

When the advantages of expanding into export markets are not readily apparent to a firm, JAXPORT and the community have a variety of outreach efforts available to educate and guide businesses toward international markets.

However, overseas market development is not for the impatient. Jorge Arce, Director of Jacksonville's U.S. Export Assistance Center, advises that international business development takes time — at least three years to develop a foreign market. "Hiring someone for one year is how you fail. You must develop a foreign presence with people on the ground in the foreign country and then go through a

courtship phase," he said. The Export Assistance Center is one of a number of organizations that conducts education and training on topics ranging from market development to export credit. It counts many new regional exporters among its past clients.

Sample Export Assistance Programs

Other programs available to help Florida firms expand internationally include export marketing plan development assistance through Small Business Development Centers (with partial funding through Enterprise Florida), the Small Business Administration's working capital program (with loans for purposes such as expanding production capacity or producing foreign language marketing materials), and the U.S. Export Assistance Center's export readiness assessments, and overseas product registration.

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Profile

International Trade Specialist Katie Arroyo talks exports

By Laura Jane Pittman

The U.S. Small Business Administration says that in 2013 more than 295,000 small businesses with fewer than 500 employees exported goods, with the same group responsible for 33 percent of all goods exported from the U.S.

The U.S. Chamber of Commerce reports global markets outside the U.S. represent 73 percent of international purchasing power and 95 percent of world consumers. Florida has the second



Katie Arroyo

highest number of exporters and is the sixth-largest exporting state in the country – with \$66.4 billion worth of goods.

How do you determine if going global is right for you? Katie Arroyo, International Trade Specialist at Florida Small Business Development Center (FSBDC) at University of North Florida, shared some key advice for companies who are considering exporting.

How do I determine if my company is a good candidate for exporting?

Ideally, a company should already be successful domestically. It is vital to have a well-established foundation in order to add and grow an international component to a business.

The first question to ask yourself is: Am I ready to invest one to three years of time and a significant amount of funds in order to establish the company internationally?

My company is successful and in a position to invest the time and funds to begin exporting – now what?

Step one is to undergo an export readiness assessment. We administer assessments for businesses who visit the FSBDC, and similar assessments are also available online at www.export.gov. This will focus on specifics in areas such as:

- Management Readiness: Is the management committed, and do they realize what it will take?
- Organizational Readiness: Is accounts receivable set up to handle international transactions? Do you have someone who will handle sales and inquiries?
- Financial Readiness: Is your company in a position to hire someone to handle international finances? Are you operating at 40 to 60 percent capacity, or at 90 percent? How much room do you have for growth?
- Product/Supply Readiness: Do we have enough supplies or products to handle potential international demand? Are we

prepared and set up for differences in packaging or labeling that may be required internationally?

We think we are ready to export our products, but how do we determine who our customer will be?

I always remind people that exporting is a privilege, not a right. Who you sell to is a complex decision and needs to take into consideration such things as demand for the product, trade flows, tariffs and trade agreements, and even global culture.

For example, in the U.S., the way we do business is very transaction-based – we get an order, we fill it. In other cultures, it can be relationship-based. They may be more interested in getting to know you than in a specific timeline, which can be frustrating for Americans.

Also, be sure that you are familiar with the rules and regulations for international compliance, and be careful to know exactly where you are going overseas – especially if there is any military use. There are professionals and experts that you can consult, as well as software, to help determine if who you are selling to is legitimate.

Where do I go to get answers to other questions I may have along the way?

We at the FSBDC are always here to answer questions and help businesses in any way we can. There are a number of good organizations and online resources that offer information, such as Export.gov, the U.S. Small Business Administration or Enterprise Florida, and there are also professionals available who specialize in helping businesses begin exporting. There is really no one place to find all the answers – ideally, you will have a team helping you, including a good attorney. □

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Profile

Davis back and bullish on AMPORTS' growth plans

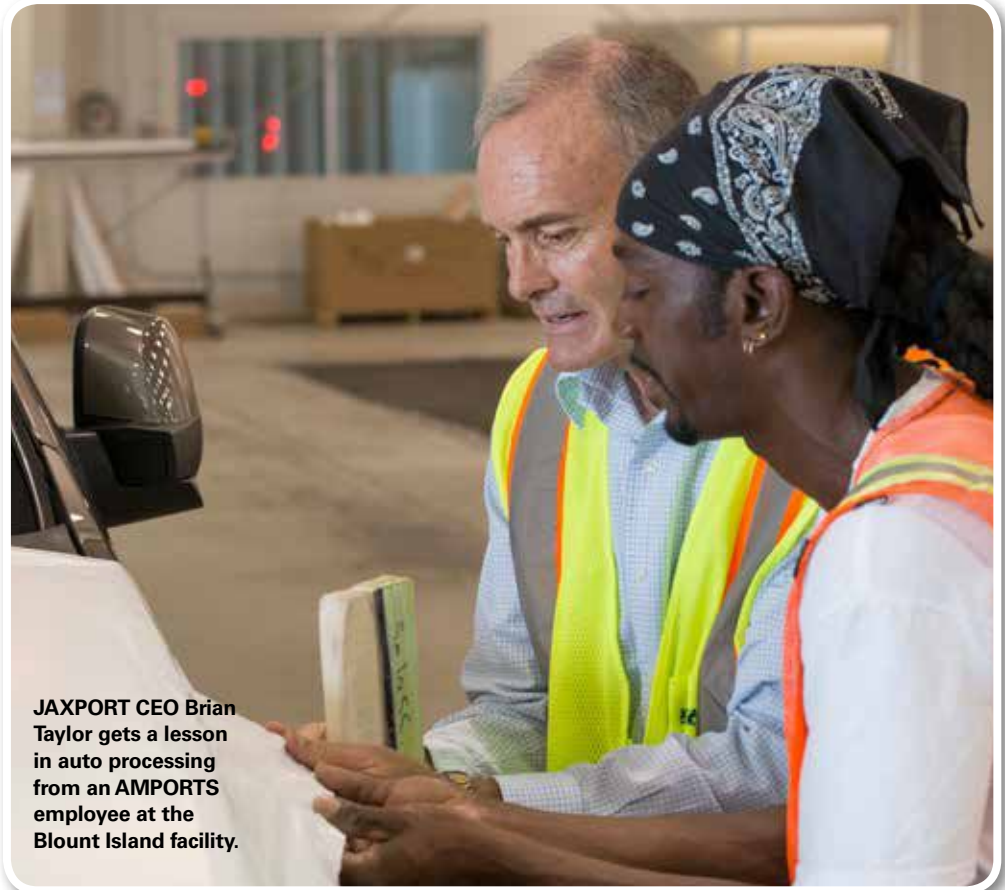
By Lori Musser

Taking over the helm of a portside automotive processor that received a 2012 and 2013 GM Supplier of the Year award might be daunting to some, but for Jim Davis it is simply business as usual. Following a seven-year hiatus from AMPORTS, Davis has returned as CEO and has set his sights on solid growth.

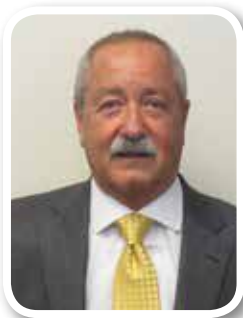
The Jacksonville-headquartered company has eight U.S. port facilities, three at the port of Baltimore and one each in Benicia, Brunswick, Hueneme, Jacksonville and Tampa. It has facilities on Mexico's east and west coasts, and has recently expanded into inland services with an inland rail-head facility for Chrysler in Toluca and an operation for Mazda in Salamanca.

Davis says the company's strengths lie in its seasoned, committed staff, its diverse geographic footprint, and its vision for growth. He said, "We are not interested in standing still. Any holes in our current footprint will be addressed. We will make all the facilities more efficient, more state-of-the-art." He already has plans in mind for new business and new locations, and is very keen on Mexico.

AMPORTS has a trump card in hand that will facilitate Davis' plans for growth. Its average employee has roughly 25 years with the company – turnover is almost nil. The uniqueness of this situation is not lost on Davis, who has progressive ideas for elevating highly-skilled second-tier managers to expedite expansion and facilitate acquisitions, and for augmenting



JAXPORT CEO Brian Taylor gets a lesson in auto processing from an AMPORTS employee at the Blount Island facility.



Jim Davis

cross-training. "We have already integrated Mexico with the USA. Our sales group works on both sides of the border making the organization seamless as far as the customer is concerned," said

"We are not interested in standing still."

Davis. He added, "We will continue to develop, push and train, and run this company by involving employees."

AMPORTS' global vision is to be the premier automotive services company and port terminal operator with a perpetual commitment to quality, safety, operational excellence, and customer satisfaction. Davis said the company's close relationship with JAXPORT is an important element of its strategy and he is committed to working hard to further develop that relationship for continued growth. □



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Small Business Profile: Vulcan Renewables, LLC

By Laura Jane Pittman

St. Augustine-based Vulcan Renewables, LLC, has spent the last two years setting up its wood pellet production facility on 1,000 acres in St. Augustine and has recently begun producing and exporting its premium wood pellet product for use in industrial power plants overseas.

Vulcan Renewables joins a growing list of businesses entering the expanding biomass energy market. Particularly in Asia and Europe, growing wood pellet consumption has been driven by government policies and mandates requiring renewable energy. By the end of the year, Vulcan Renewables plans to be exporting 120,000 metric tons of wood pellets to Korea, its maximum during this first phase of production. The company plans to double that by 2016.

According to company president Christopher Kim, the St. Augustine site for company headquarters was strategically chosen for bountiful fiber, onsite rail spur and proximity to JAXPORT.

"We are located approximately 35 miles from JAXPORT, and we are looking forward to utilizing bulk vessels in the future," said Kim. "The Southeast is the largest wood pellet exporting area in the world, known as the 'wood basket,' with enough wood fiber across several



states to support the current industry."

In addition to producing and exporting high-quality industrial grade wood pellets, Vulcan Renewables will also produce 100 percent bark-free pine pellets for use in the residential heating market.

"Natural gas prices in the U.S. are relatively low, except in the Northeast where the price for heating oil is higher. Even though the U.S. has a much smaller market than the industrial market in Europe and Asia, it continues to grow every year," said Kim.

In future phases of growth and production, Vulcan Renewables plans to increase its output to half a million metric tons within the next three to four years. □



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JAXPORT Board Chairman: John Falconetti

By Laura Jane Pittman

JAXPORT'S Board of Directors has unanimously elected John Falconetti, Chairman and CEO of Drummond Press, as board chairman for the 2014-2015 term. With more than 25 years of experience in private sector leadership, Falconetti brings business acumen, customer service experience and an economic development perspective to his chairmanship, all valuable assets in moving the port's growth projects forward.

"It is always important to balance the policy-making role of the board with the operational demands of the staff so that everyone can do their jobs efficiently," said Falconetti. "Right now, we have a number of forward-looking opportunities, one of which is to continue to have community-wide conversations about the 47-foot deepening project. It's tough to find the right balance between economic development and concerns related to the river but I think we're on the right track promoting an open process. This is one of the largest and most critical catalysts for job creation, and that is very exciting."



Chairman John Falconetti (center) with JAXPORT CEO Brian Taylor and Immediate Past Chairman Joe York

Falconetti has been a member of the JAXPORT board since 2011. He has also served on the board of governors of the Jacksonville Chamber of Commerce and the national board of directors for Big Brothers Big Sisters of America, as well as the boards of the Jacksonville Aviation Authority, Enterprise Florida, and the Jacksonville Public Library. □

Port improvement project round-up

By Laura Jane Pittman

The port's latest berth, terminal and crane improvements will help build volumes and support overall growth. Here's a look at a number of major improvement projects going on around the port:

Intermodal Container Transfer Facility Construction of the \$30 million ICTF at Dames Point is well underway. Land clearing is nearly complete, and initial work on the roadway has begun. The new roadway is expected to be turned over to the City of Jacksonville by the end of 2014, and the city will then release the rest of the land for the completion of the railyard. Funding for the ICTF is being provided by the state and federal governments.



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Mile Point Improving the flow of the St. Johns River at Mile Point will eliminate intracoastal and river currents posing navigational hindrances for deep draft vessels during certain tidal conditions. The U.S. Army Corps of Engineers is set to begin a comprehensive real estate acquisition for the \$38 million project shortly. Construction is expected to start in the first quarter of next year. The State of Florida, through the FDOT, is fronting the funding for Mile Point.

Harbor Deepening The Corps is in the midst of a geotechnical survey in the harbor, the first phase of planning, engineering and design of the project to take the St. Johns River federal shipping channel to a depth of 47 feet.

New 100-Gauge Cranes at Blount Island The \$37.6 million purchase of three new 100-gauge cranes was approved by the governing board. The three new cranes will be manufactured by Shanghai Zhenhua Heavy Industry (ZPMC) with Shaw GVB – a subsidiary of Chicago Bridge and Infrastructure – providing engineering services before and during construction.

Wharf Improvements At Blount Island Marine Terminal, the final design of Berth 35, which will house the new cranes, will be put forth for procurement and bidding, with applications due in December. There will be a notice to proceed in February 2015, with the project completed in time for delivery of the cranes. Improvements to Berth 32 are expected to be completed in January 2015. Overall, more than \$157 million is being spent on wharf and rail enhancements at Blount Island. Rehabilitation and construction of Berths 5 and 6 at Talleyrand Marine Terminal is approximately 30 percent complete. □

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Blount Island stands ready for military cargo

By Lori Musser

Military cargo movement through commercial ports is vital, even in peacetime. JAXPORT counts its national defense commitment, as a deployment and distribution gateway, among its most critical missions.

Jacksonville, which has been the top-ranked east coast Strategic Port, has the ability to support major force and materiel deployments in times of war and national emergency, primarily due to its proximity to military units, and its transportation links and superior infrastructure. The port has procedures in place to guarantee availability of 3,000 linear feet of berth and 23 acres of storage quickly and sometimes for lengthy intervals.

JAXPORT is one of 17 commercial U.S. Strategic Ports. The U.S. Army's 832nd Transportation Battalion based in Jacksonville has the mission of executing Surface Deployment and Distribution operations at terminals in Jacksonville (as well as Cape Canaveral, Puerto Rico, and further afield) in support of Combatant Commanders worldwide. It also holds responsibility for terminals and facilities throughout Latin America and the Caribbean in support of both contingency, humanitarian and disaster relief operations.

LTC Benjamin J. Walters, Commander of the 832nd, said, "Our overall experience with JAXPORT has been outstanding. Every quarter the USCG holds the Jacksonville Readiness Port Committee Meeting which is comprised of representatives from the Marine Corps, Military Sealift Command, Maritime Administration, JAXPORT, and the 832nd to discuss military and commercial port readiness for the Port of Jacksonville. The interaction among all agencies is great."

Cooperation and coordination make for seamless military movements through the port on commercial vessels at up to eight

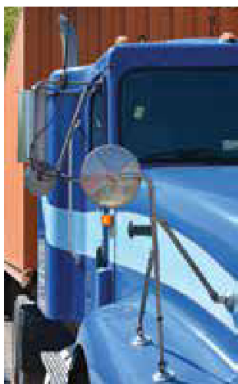


CH-47 heavy lift helicopter staging at JAXPORT

different cargo berths, as well as the cruise terminal. In 2013, the 832nd worked 30 vessels (13 loads and 17 discharges) involving 4,273 pieces of equipment.

The Port of Jacksonville offers an added bonus: the co-location of the 832nd Transportation Battalion with the U.S. Marine Corps (USMC) Blount Island Command. That factor affords the ability to coordinate use of the Maritime Pre-positioning Ships' rail facilities. The USMC rail facility is large enough to handle a full train of 60 railcars. Combined with JAXPORT rail facilities, two trains of 60 railcars each can be handled simultaneously.

Neither JAXPORT nor the 832nd Transportation Battalion underestimates the value of their partnership. LTC Walters said, "Our business of supporting both contingency and natural disasters requires us to be ready for anything. We have a dedicated team of civilian and military members coupled with strong and enduring relationships with our JAXPORT, commercial and other government entities which will allow us to be ready for any future mission that we are asked to undertake." □



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Port News

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- Reinforced on-dock rail with capacity of 78 kips per axle for heavier cargo
- Highest and widest port rail clearances on CSX's national system: 20 feet high and 13 feet wide

- Skilled workforce offers a variety of labor options, including highly trained master riggers specializing in heavy lift and project cargo
- Strategically located in the southeastern corner of the U.S. with outstanding interstate access, choice of rail and ocean liner services

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Port News

Save time and money in FTZ No. 64

By Laura Jane Pittman

Jacksonville's Foreign Trade Zone (FTZ) No. 64 gives companies a competitive edge and helps manage cash flow by deferring, reducing and potentially eliminating customs duties. The zone helps import businesses save money on cargo shipments and allows manufacturing and distribution operations to streamline customs clearance by offering efficiencies.

The value of merchandise moved through U.S. FTZs is growing by double digits – far faster than trade in general. The boom is due in part to new rules allowing a simplified, expedited process for new site applications. In FTZ No. 64, new sites may be approved throughout the eight counties of Northeast Florida: Nassau, Clay, Baker, Columbia, St. Johns, Putnam, Bradford and Duval.

What is an FTZ?

FTZs are designated, secure sites physically within the U.S. but considered outside of U.S. Customs territory, enabling merchandise to remain in 'foreign' status while in the zone. Originally designed to encourage international trade and U.S. employment, companies typically use these zones to defer, reduce or eliminate duties on imports. Merchandise may be admitted into the FTZ for storage, exhibition, assembly, production and processing without formal Customs entry procedures, or the payment of Customs duties or federal excise taxes. Applicable duties and fees are paid when the products leave the zone.

Who Uses an FTZ?

Any company with a facility in the U.S. that imports parts, materials or components for value added may use an FTZ. Warehouse operators, third-party logistics providers, and companies with a facility in the U.S. that imports finished goods or parts for distribution can also be eligible.

Why Choose Jacksonville?

Lisa Diaz, who manages the FTZ for JAXPORT, said a zone excels when its 'Grantee' (in this case JAXPORT) is dedicated and experienced in logistics and the regulatory environment, and when the Grantee's relationship with U.S. Customs and Border Protection (CBP) is effective. She said, "We keep the process moving, due in large part to our unique working relationship with Customs here. In other ports, this type of cooperation doesn't always happen."

From an expression of interest to movement of merchandise, Diaz says the entire FTZ process can take as little as three months.



Lisa Diaz



Northeast Florida reaps benefits for every new FTZ user. Successful businesses use savings to invest in expansion, new equipment, more employees, and access to new global markets, and the region becomes a beneficiary of greater economic impact. □

FTZ Advantages

- Defer customs duties and excise taxes until merchandise is transferred from the FTZ to domestic market, Canada or Mexico.
- Reduce processing/entry fees substantially by allowing goods to be shipped 24/7, with just one entry filed each week and just one fee per entry.
- Reduce duties on goods processed or assembled in the FTZ when imported components have a higher duty rate than the finished goods.
- Eliminate duties entirely on scrap, returns, damages, etc., and on goods re-exported.
- Defer Harbor Maintenance Tax payments and pay quarterly.
- Store quota merchandise in the FTZ until the quota period opens and then immediately ship goods into U.S. territory. Transfer between FTZs, using the 'FTZ Supply Chain.' Make direct deliveries from port to zone.
- Exempt imported goods from state and local ad valorem taxes when they are held in the FTZ for storage, sale, exhibition, repackaging, assembly, distribution, sorting, grading, cleaning, mixing, display, manufacturing or processing. Goods manufactured in the U.S. and held in the FTZ are also exempt.
- Eliminate the need for drawback and keep funds available as operating capital.

Find your estimated FTZ savings and get started today.

Contact Lisa Diaz, FTZ No. 64 Manager at (904) 357-3072 or Lisa.Diaz@JAXPORT.com.

Instant river data debuts in Jacksonville

By Staff



NOAA's Dr. Kathryn D. Sullivan and JMTX's Jim McLaughlin cut a ceremonial ribbon in front of one of the 18 PORTS sensor stations located along the St. Johns River.

Top NOAA officials from Washington, D.C. recently joined local maritime leaders to dedicate a new sensor system designed to save money, improve safety and enhance research regarding conditions in the St. Johns River.

The \$2.8 million Physical Oceanographic Real-Time System (PORTS®) offers data from 18 stations comprised of 46 sensors located along 67 miles of the St. Johns River in Northeast Florida.

As the second largest PORTS® installation in the nation, the system provides instant tidal and weather information to commercial, military and recreational users, and compiles invaluable research data for use by academic institutions, environmental scientists and agencies such as the National Weather Service.

"Our nation's ports are critical cogs in our country's economic engine," said Kathryn D. Sullivan, Ph.D., Undersecretary of Commerce for Oceans and Atmosphere and NOAA administrator. "NOAA's PORTS system gives shipping companies, captains, fishermen and others vital environmental intelligence that helps them navigate these waters more safely and efficiently. This is a win-win for the port, our partners, the surrounding communities and every

"[This] system makes us a more competitive port."

business and industry that depends upon this flow of goods."

Knowledge of the currents, water levels, winds and density of the water can enable shippers to optimize cargo loads so that vessel captains and pilots are using every inch of available channel depth safely, maximizing profits and efficiency.

"The real-time information provided by PORTS is invaluable to balancing JAXPORT's dual priorities of enabling safe and efficient commerce while protecting the natural resources so critical to our quality of life in northeast Florida," said Brian Taylor, JAXPORT CEO. "We know this system makes us a more competitive port and will help us fulfill our mission of contributing to the region's overall vibrancy."

In addition to providing useful information for maritime transportation and coastal resilience, the use of the water temperature and tidal data can be used by the fishing industry to improve catch, while recreational boating excursions can occur more often and be safer through better real-time information available through PORTS.

The National Oceanic and Atmospheric Administration (NOAA) developed the system. NOAA also collects, quality controls and disseminates the data, which is updated every six minutes. The Jacksonville Marine Transportation Exchange (JMTX) purchased and installed the system through a grant from the Federal Emergency Management Agency (FEMA).

Visit <http://tidesandcurrents.noaa.gov/ports/> to view the data. □

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Port News

Passengers love cruising from Jax!

By Staff

Passengers enjoy their cruise experience at JAXPORT – from beginning to end. Ninety-five percent of those surveyed said they would consider choosing Jacksonville again for their next cruise departure. In recent years, Carnival awarded JAXPORT’s Cruise Terminal Embarkation Team highest honors in its Quality Assurance Inspection Program. The same team continues to earn top honors in the company’s annual guest comment card survey.

“JAXPORT is a popular embarkation point for the 170,000 guests who sail on the Carnival Fascination each year,” said Carlos Torres de Navarra, Carnival Cruise Lines’ Vice President of Commercial Port Operations. “We have a wonderful relationship with JAXPORT, which remains one of our more popular homeports, not only for the convenient, centralized location but also for its hardworking, attentive and dedicated personnel. The port is a valued business partner and we are very proud to be a part of the Jacksonville community.”

The airport also plays an important part in many cruisers’ overall experience. On any given cruise day, Jacksonville International Airport (JAX) is bustling with

travelers flying into the city to sail out or those returning to their final destinations after relaxing on the open sea. Luckily, the airport has an army of volunteer ambassadors’ on-hand to help relieve concerns.

The Jacksonville Aviation Authority (JAA) has a dedicated team of 55 Volunteer Airport Ambassadors who answer questions, give directions, maintain smooth flow of traffic at the security checkpoint, help people with lost items and hundreds of other issues travelers face each day.

With more than 10 years of cruising experience, JAXPORT continues to be a leader in customer satisfaction. Find out more about cruising from Jacksonville, at JAXPORT.com/Cruise. □



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Port News

Höegh Jacksonville

On Aug. 22, Jacksonville Mayor Alvin Brown joined executives from Höegh Autoliners and JAXPORT in welcoming the company's newest auto ship, Höegh Jacksonville, for its inaugural visit to the city it was named after. The ship, named in tribute to the company's busiest U.S. port, is the first of two sister vessels delivered to Höegh, each able to carry up to 6,500 vehicles.

Höegh Autoliners, a leading global provider of vehicle transportation services, operates out of JAXPORT's Blount Island Marine Terminal. Jacksonville also now serves as the company's U.S. headquarters, which relocated from New York in 2013. The company operates 60 ocean carriers and has a worldwide network of approximately 20 offices in four regions.

During the celebration, Mayor Brown, Höegh's Per Folkesson, JAXPORT Board Chairman John Falconetti and others VIPs rode along with ILA workers loading the first vehicles from Jacksonville onto the ship for transport. The mascot for Jacksonville's NFL team, the Jaguars' Jaxson De Ville, and the mascot of the city's minor



league baseball team, the Jacksonville Suns' Southpaw, helped direct traffic and entertained guests at the Jacksonville-themed event.

"While this is a great honor, Höegh's commitment to Northeast Florida goes deeper than the name on this impressive new ship," said Falconetti. "The company has become an important part of our community and a vital component of our port business. We know today's inaugural visit is just one of many more milestones in our enduring partnership."

JAXPORT is the nation's No. 1 port for vehicle exports and among the top vehicle processing ports in the nation. In 2013, more than 630,000 vehicles moved through JAXPORT. □

Bahri Yanbu

The Bahri Yanbu made its maiden call at Blount Island Marine Terminal on Aug. 6. This brand-new ship carries containers, heavy cargo and vehicles, with service to Saudi Arabia.

Rick Schiappacasse, Director of Latin America Sales, presented Bahri Yanbu Captain Aco Dapcic with a commemorative plaque

marking the occasion. Frank Camp, Director of Non-Containerized Sales also attended.

The Yanbu is part of Bahri's recent expansion of its General Cargo fleet. The company replaced four aged RoRo vessels with six new vessels offering better cargo capacity utilization and lower fuel consumption. □





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Community

Next generation of local leaders explores harbor deepening

By Laura Jane Pittman

The Jacksonville Harbor Deepening project is intended to attract more cargo volume but as an extra bonus provided some local students with an opportunity to develop real life skills.

Each summer, a select group of college students is chosen to delve in-depth into issues of importance to the region as part of Leadership Jacksonville's Collegiate Leadership Experience.

This year, the students took part in a mock courtroom proceeding and explored balancing growth and the environment as it relates to the project to deepen the federal shipping channel.

Students were randomly divided into groups representing differing perspectives on the project. They met with subject matter experts and prepared presentations backing up their chosen point of view. The realistic exercise instructed the students on compromise and cooperation, said Leadership Jacksonville Youth Programs Director Meg Folds, and helped students practice separating facts from feelings.

"This gets students to understand both sides of an issue and the

need in the real world to find some middle ground," said Folds.

For University of North Florida junior Stephanie Joost, the experience was eye-opening.

"I pretty much went in with my head set in one direction, and it did not take long for me to sympathize with the other side," said

"I think we are a community in very good hands. We have a great group of future leaders queued up."

Joost. "We explored everything from financials to water salinity. Most of us did not have an educated opinion coming in, but after 15 minutes in our groups, people were already emotionally invested and passionate about the topic."

"This was a tough issue, but there was a real desire in each group to make sure every voice was heard," said Alan Mosley, vice president of transportation, energy and logistics for the JAX Chamber. "I think we are a community in very good hands. We have a great group of future leaders queued up." □

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Connect

JAXPORT's 2015 Logistics & Intermodal Conference to offer industry insights

JAXPORT's biennial Logistics & Intermodal Conference, will be held March 23-25, 2015 at the Sawgrass Marriott Resort in Ponte Vedra Beach, Fla.

The overall theme for 2015 is "Challenges Facing Shippers in South Atlantic Ports," and the conference will feature five panel discussions sharing insights, solutions and successes. Panelists will include senior executives from major ocean carriers, railroads, shippers and service providers.

Challenges of the Last Mile – This panel will explore challenges facing transportation service providers, including chassis availability and utilization, driver shortages and concerns about the final portion of infrastructure at ports.

South Atlantic Port Director Roundtable – A candid conversation with key port directors in the South Atlantic who will discuss how their respective ports are positively addressing common challenges such as infrastructure needs, limited funding, labor issues and shipper demands.

Emerging Complexities in the North American Auto Supply Chain – This panel will examine ways shippers can stay-up to date with Mexico's ever-increasing auto manufacturing export business to the U.S. as North American near-shoring and inland transportation challenges are combining to change the supply chain equation for U.S. auto manufacturers.

Site Selection for Distribution Centers – Communities throughout the Southeastern United States aggressively compete for major retailers to open distribution centers.

Shippers' Perspective on the Caribbean – Panelists will discuss what types of Caribbean business will emerge in the near term and what mainland shippers and carriers need to know in order to capitalize on the expanding opportunities in the region.

To register for the conference and for sponsorship info, visit www.jaxportconference.com.

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Breakbulk Americas • Sept. 29 – Oct. 2, 2014

George R. Brown Convention Center / Houston, Texas • www.breakbulk.com
Visit JAXPORT at **Booth #629** at the largest exhibition and educational forum in the Americas addressing the needs of traditional breakbulk and project cargo logistics professionals.

Produce Marketing Association Fresh Summit • Oct. 17 – 19, 2014

Anaheim Convention Center / Anaheim, California • www.freshsummit.com
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There is no question that the technology is evolving, and business must stay ahead or be left behind. The larger issues to be answered are: In what ways is it evolving, and how should executives adjust strategy to be prepared?

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