



9/7/21

Port of Portland Welcomes New Service to Terminal 6

Regional businesses and consumers will have more options to move products following pandemic supply chain issues

A year and a half after weekly container service returned to the Port of Portland's Terminal 6 – thanks to South Korea-based carrier SM Line – more container service is coming to help address critical supply chain issues for local businesses, farmers and growers, and consumers.

The new business at Terminal 6 includes:

- An SM Line expansion that will add two additional vessels per month;
- An additional weekly container service operated by MSC, the second-largest carrier in the world; and
- New private charter vessels and domestic 53-foot containers.

“Terminal 6 is productive and busy at a time of economic recovery that is so important to our regional economy,” said Dan Pippenger, chief operating officer at the Port of Portland. “That wouldn’t have been possible without SM Line committing to the Portland market and the hard work of all the workers on site. In the last year, longshore workers endured a pandemic, an unprecedented wildfire season and snowstorms – and through it all, they kept goods and

products moving in and out of the region. While these new services won't solve supply chain issues overnight, they will help local businesses find alternative shipping options in our region."

This additional container service also brings more good-paying maritime, warehouse and trucking jobs to the region.

"ILWU Local 8's membership is excited about the progress that the Port has been making in marketing its facilities and infrastructure," said Mike Stanton, president of ILWU Local 8. "The Local fully supports the Port's mission to partner with Industry to create jobs and community prosperity for the greater State of Oregon and the Columbia River Region."

ADDRESSING SUPPLY CHAIN STRUGGLES

In 2020, the Pacific Northwest's connection to the global supply chain was more evident than ever. From toilet paper shortages to months-long delays for appliances, both consumers and businesses struggled to get the daily supplies they needed. These impacts continue to be felt today.

While varied, the most common goods arriving to Oregon in containers include auto parts, furniture, bedding and lighting, and footwear and apparel. Hay and animal feed, agricultural commodities, and wood and paper products are the most common items leaving Terminal 6.

SM LINE PARTNERSHIP GROWS



In 2020, SM Line brought weekly container service back to Portland for the first time in more than four years. Despite global supply chain disruptions, the service was consistent and productive in 2020, resulting in the Port's highest container traffic total since 2014.

Because of the early success of this partnership, SM Line is expanding their operations in Portland. In addition to their weekly container vessel call, which continues, SM Line is beginning a new intermodal rail service via the Union Pacific railway to Chicago in 2021. The carrier will also bring in additional loader vessels every other week to handle local cargo. Including all of these options, SM Line will load at least six vessels every month.

“We thanks to the leadership of Port of Portland and Governor Kate Brown being presented their willingness to bring weekly container service back to Portland when they were in Seoul in 2019. And also very special thanks to longshore workers for their hard work to keep our PNS (Pacific North-West Service) fluid during an unprecedented period of pandemic and supply chain disruption. All communities’ support makes SM Line’s successful introduction to Oregon market as the first carrier calling to Portland,” said Kwang Kuk Choi, managing director at SM Line.

“But we do not stop here. We are pleased to contribute to the resolution of the supply chain constraints in the west coast of the United States through Portland. Portland is an important strategic port for our company, constantly pioneering new markets. SM Line will develop and provide competitive logistics solutions that cover both the sea and inland through partnership with the Port of Portland.”

WELCOMING MSC TO PORTLAND

MSC’s Santana route – launched in 2020 – will start calling Portland with a weekly Transpacific service in mid-September. MSC has the largest container fleet to ever come to Portland and marks only the second time in nearly 15 years that the Port has secured a second weekly Transpacific partner.

Two other things make the Santana route compelling for local shippers. It’s an express service with only four port calls (Yantian - Shanghai - Portland - Tacoma - Yantian). Portland is also the first port-of-call on this route. Most Transpacific services stop at two or three ports in North America before Portland, with most of the cargo getting unloaded on that first port call. Regional importers will now have the fastest transit times from Asia on the market.

CHARTERED VESSELS HELP ALLEVIATE WEST COAST PORT CONGESTION

With many ports and inland container yards continuing to experience record congestion, large shippers have opted to use charter vessels to get their goods in a timely fashion. Three shippers are bringing their products to Terminal 6 on chartered vessels. Vessels began arriving in mid-August and will continue to discharge 600 containers every three weeks. These are one-off vessel calls and not part of a regular service.

Similarly, eight vessels containing 53-foot domestic containers – rather than the standard 20-foot size – will call at Terminal 6, starting in August and running through 2022. Each vessel will have 200-300 containers to unload.

BNSF EXTENDS INTERMODAL SERVICE



In June, BNSF Railway also signed a one-year contract to handle intermodal containers between Seattle, Tacoma and Terminal 6. This continues to be a time-saving alternative for some shippers who face delays from truck congestion at ports to the north. BNSF has been handling containers through Terminal 6 since January 2018.