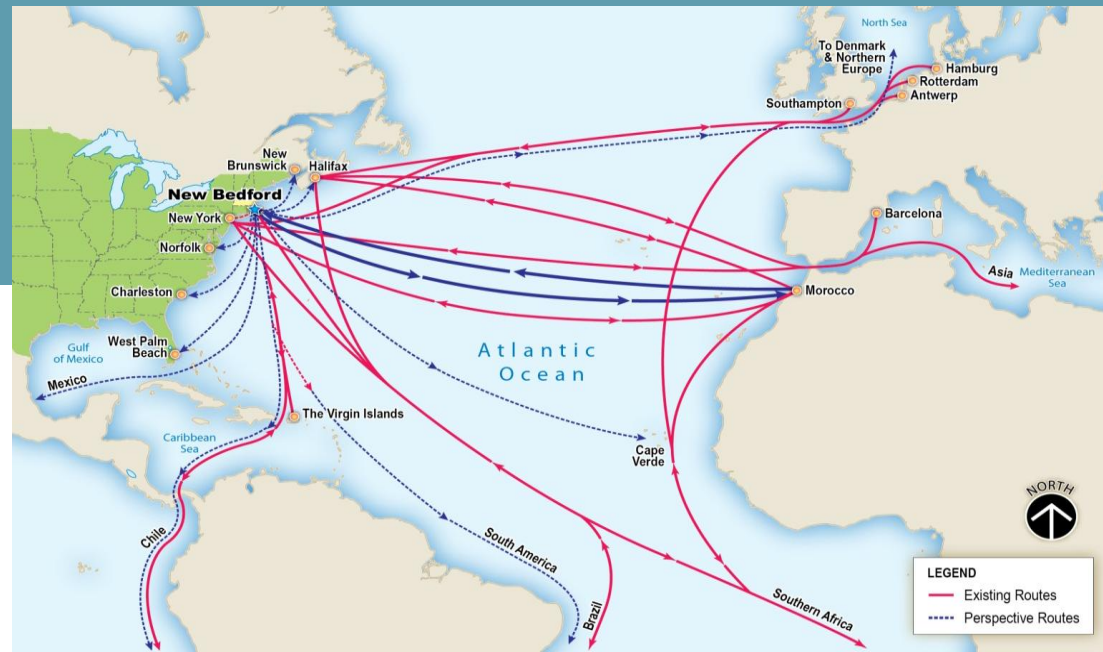


New England Cargo Potential

Prepared for the Port of New Bedford, NBHDC

Capt. Jeff Monroe, MM
October 18, 2011



New England Is The Source and Destination for Significant Cargo Volume

- Most International cargo moves in and out by truck
- Boston is the largest NE port for non-bulk cargo
- New York, Montreal, Halifax and West Coast handle the largest share of NE cargos internationally
- New England ports play a minor role in the overall international logistics chain
- Trucking and rail rates are on the rise
- Traffic congestion remains a critical problem
- The marine highway is significantly underutilized

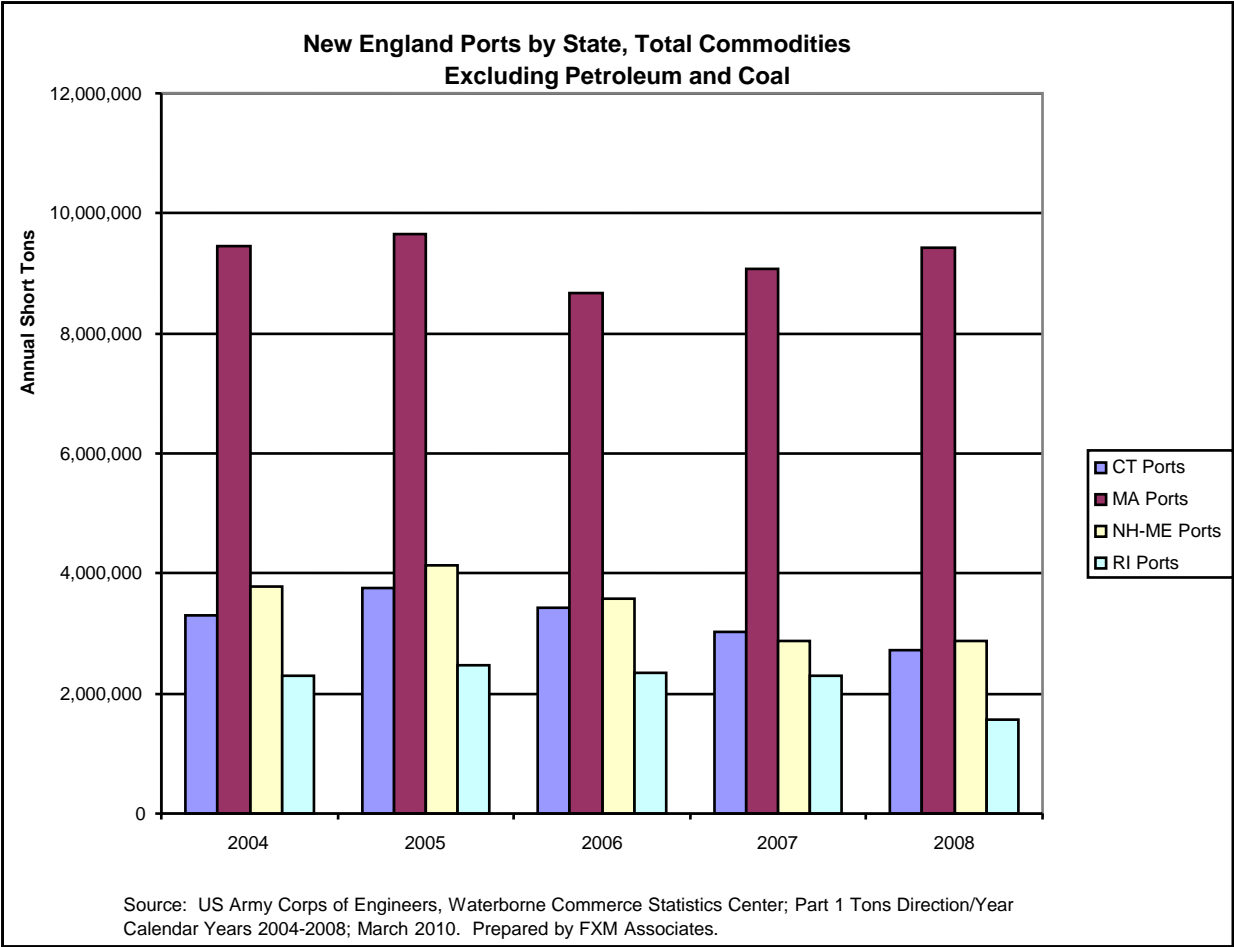
NE Ports Have A Diverse Cargo Mix

- **Boston, MA:** Manufactured goods, non-metal minerals, equipment/machinery, chemicals, automobiles, pulp and paper
- **Bridgeport, CT:** Sand and gravel, chemicals, bananas
- **Chelsea River, MA:** Non-metal minerals, chemicals, refined petroleum products
- **Eastport, ME:** Pulp and paper waste, seafood
- **Fall River, MA:** Chemicals, refined petroleum products
- **Mystic River, MA:** Iron and steel scrap, fabricated metal products, non-metal minerals, machinery
- **New Bedford, MA:** Sand and gravel, agricultural produce, seafood, refined petroleum products
- **New Haven, CT:** Chemicals, refined petroleum products, iron and steel scrap, non-metal minerals, sand and gravel
- **New London, CT:** Lumber, copper, steel
- **Norwalk, CT:** Sand and gravel
- **Portland, ME:** Refined petroleum, crude oil, clay, non-metal minerals, pulp and paper, manufactured goods
- **Portsmouth, NH:** Non-metal minerals, gypsum, scrap metal
- **Providence, RI:** Iron and steel scrap, non-metal minerals, concrete and cement, chemicals, steel
- **Quonset Point/Davisville, RI:** Automobiles
- **Rockland, ME:** Concrete and cement
- **Salem, MA:** Household goods (HHG)
- **Searsport, ME:** Non-metal minerals, chemicals, gypsum
- **Town River, Quincy, MA:** Vegetable oil
- **Weymouth, MA:** Chemicals

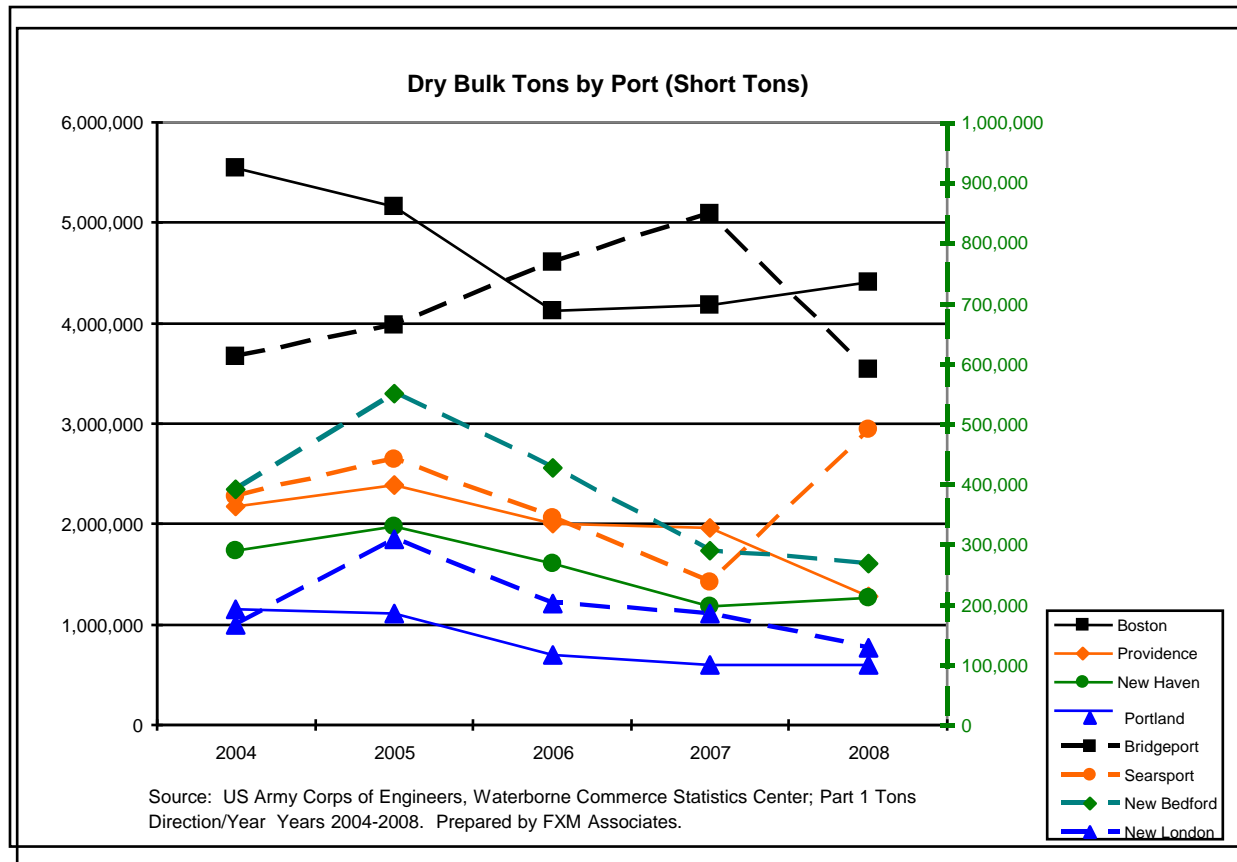
NE Has A Varied Shipment Profile

- 84,120,000 Tons Handled in 2009
- 28,889 shipments from 8 largest ports
- 15,689 shipments were not containerized
- Value exceeded \$10 billion USD
- Non-containerized exceeded \$7 billion USD
- Major cargo is bulk or roll on/roll off-exports
- Scrap Metal was the highest value export
- Waste paper is the largest export commodity
- Manufactured goods and petroleum are the highest value and largest commodity imports
- Asia is New England's largest trading partner

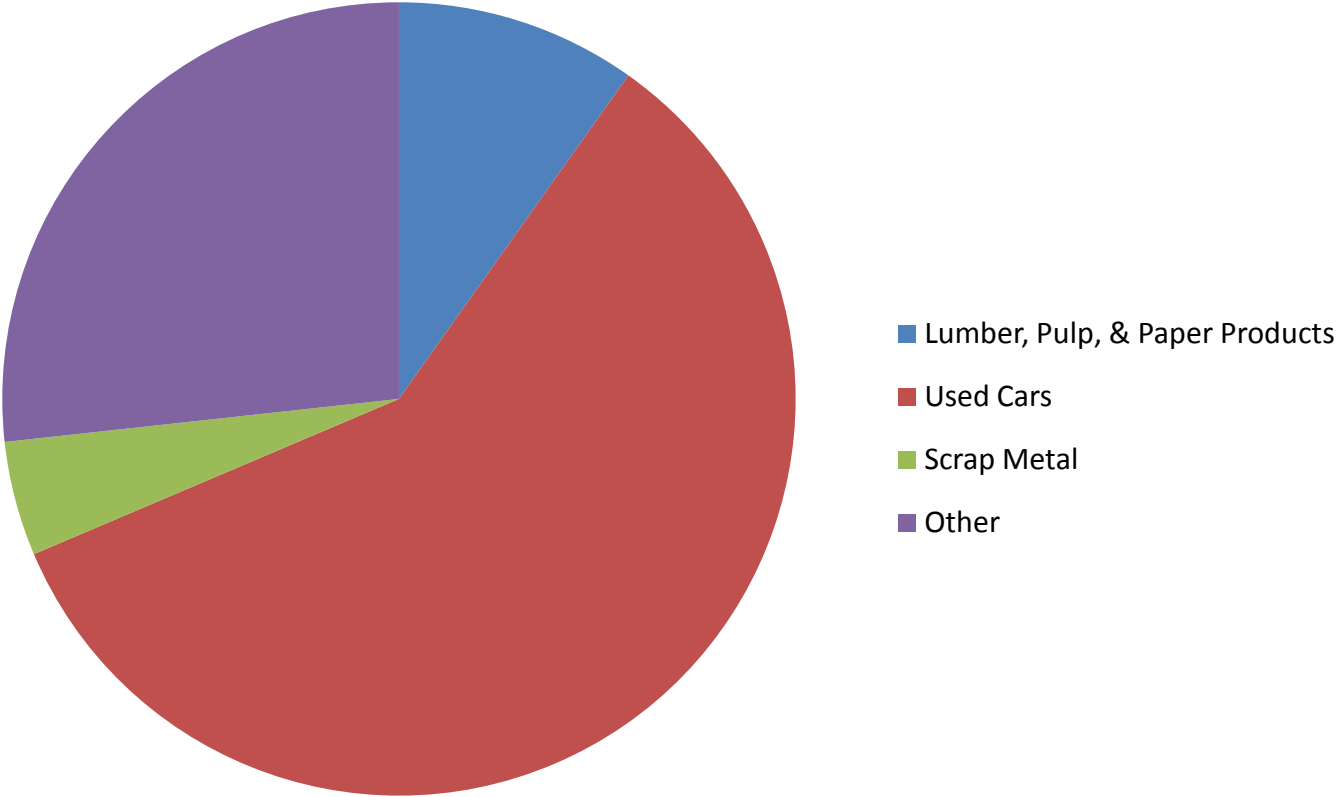
New England Port Cargo Tonnages 2009



Dry Bulk Tonnages by Port in New England

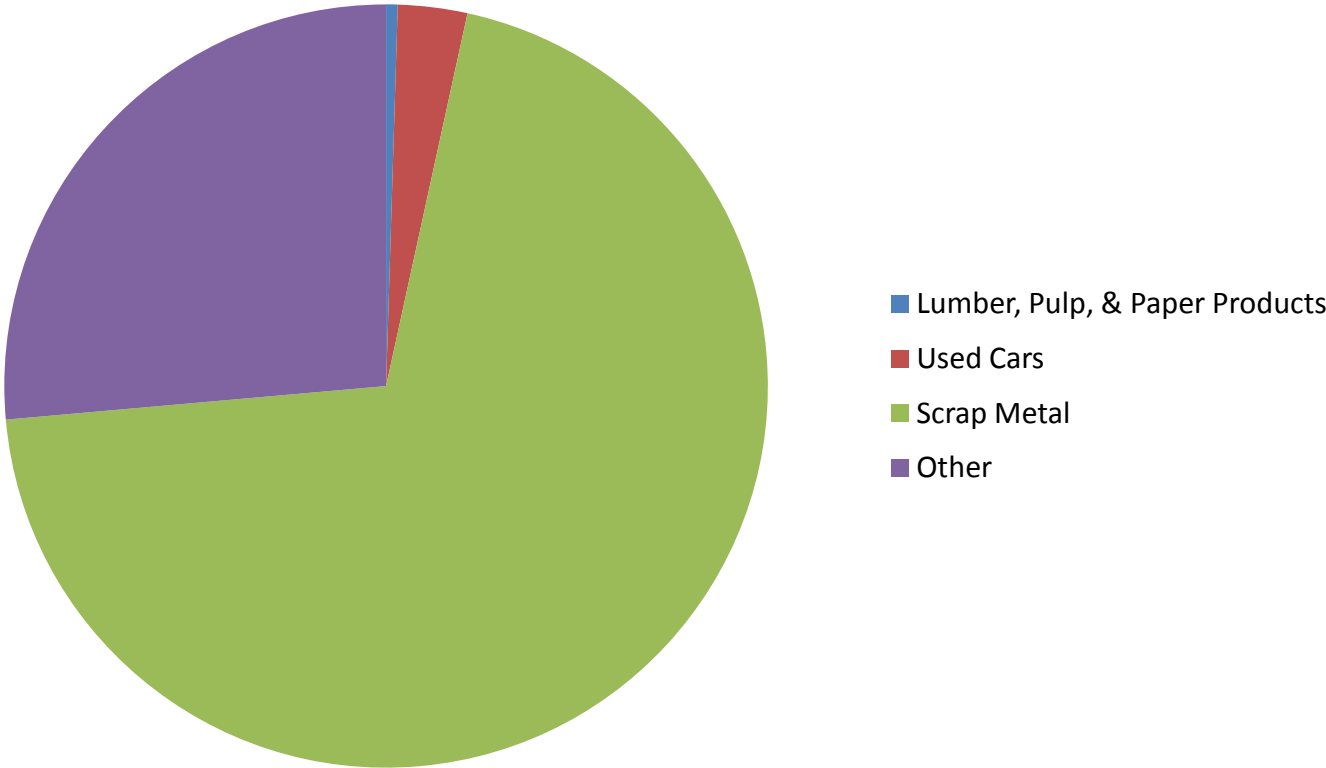


New England Export Shipments



Goods by Number of Shipments

New England Export Values



Goods by Estimated Value

Export Commodities and Values for Selected New England Ports

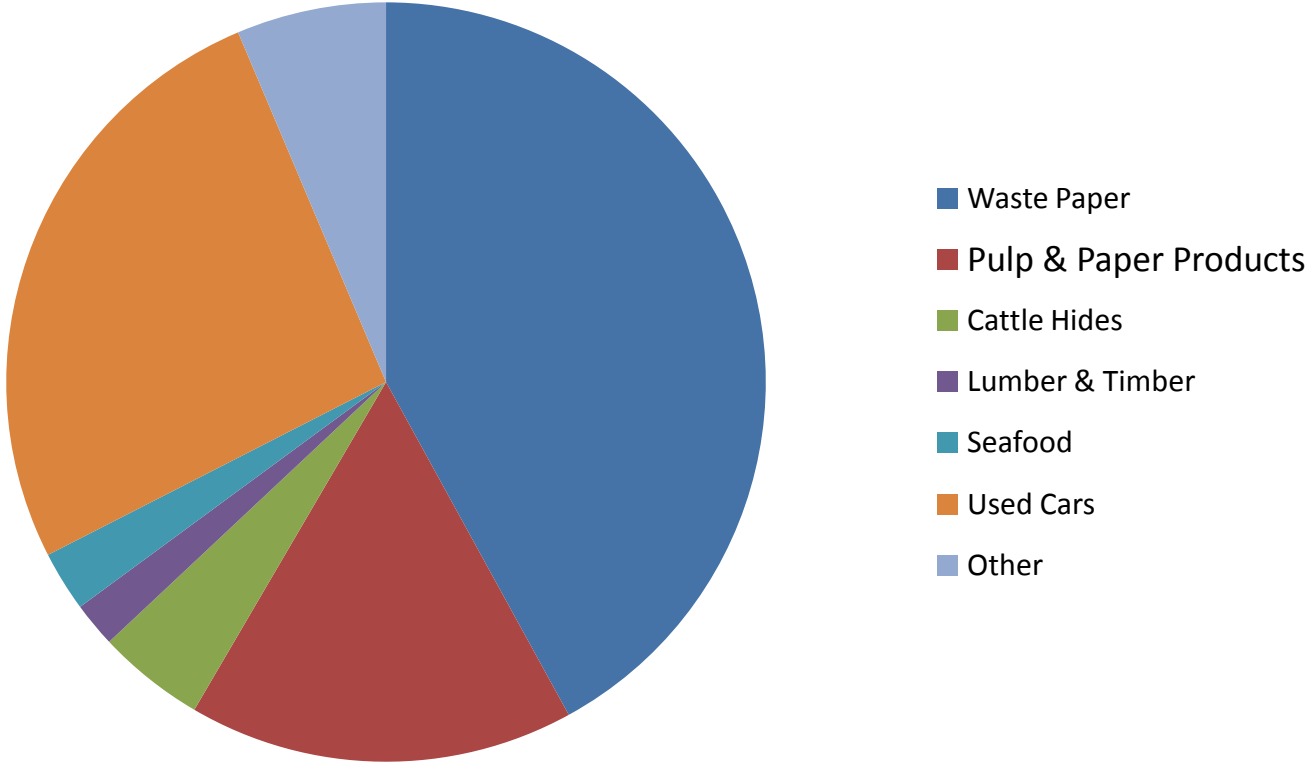
Port	Estimated Value of Shipments (in USD)	Volume of Containerized Freight (in TEUs)	Composition
Boston, MA	\$7,007,606,000	58,649	Used Cars, Waste Paper, Scrap Metal
Eastport, ME	\$58,902,000	All Bulk	Seafood and Wood Pulp
New Haven, CT	\$143,250,000	All Bulk	Scrap Metal and Fuel
Portland, ME	\$3,791,000	All Bulk	Pulp & Paper Products
Portsmouth, NH	\$110,832,000	All Bulk	Scrap Metal
Providence, RI	\$2,767,059,000	All Bulk	Scrap Metal
Salem, MA	\$5,813,000	140	HHGs
New Bedford, MA	\$10,394,766	All Bulk	HHG's, Agricultural, bulk

New England has Significant Port Activity

- Boston-Largest port for high value containerized cargo and scrap metal shipments
- Portland highest volume of oil imports (crude)
- Significant cruise ship traffic
- New Bedford-Highest value fish port
- New feeder service between major hub of Halifax connecting to Portland and Boston
- **HOWEVER-New England's international cargo is handled mostly by other than New England ports**
 - Boston continues to attract new service and increase its share of total NE cargo handled despite truck and rail competition from the hubs of Halifax, New York and Montreal as well as rail from the West Coast

Boston Exports

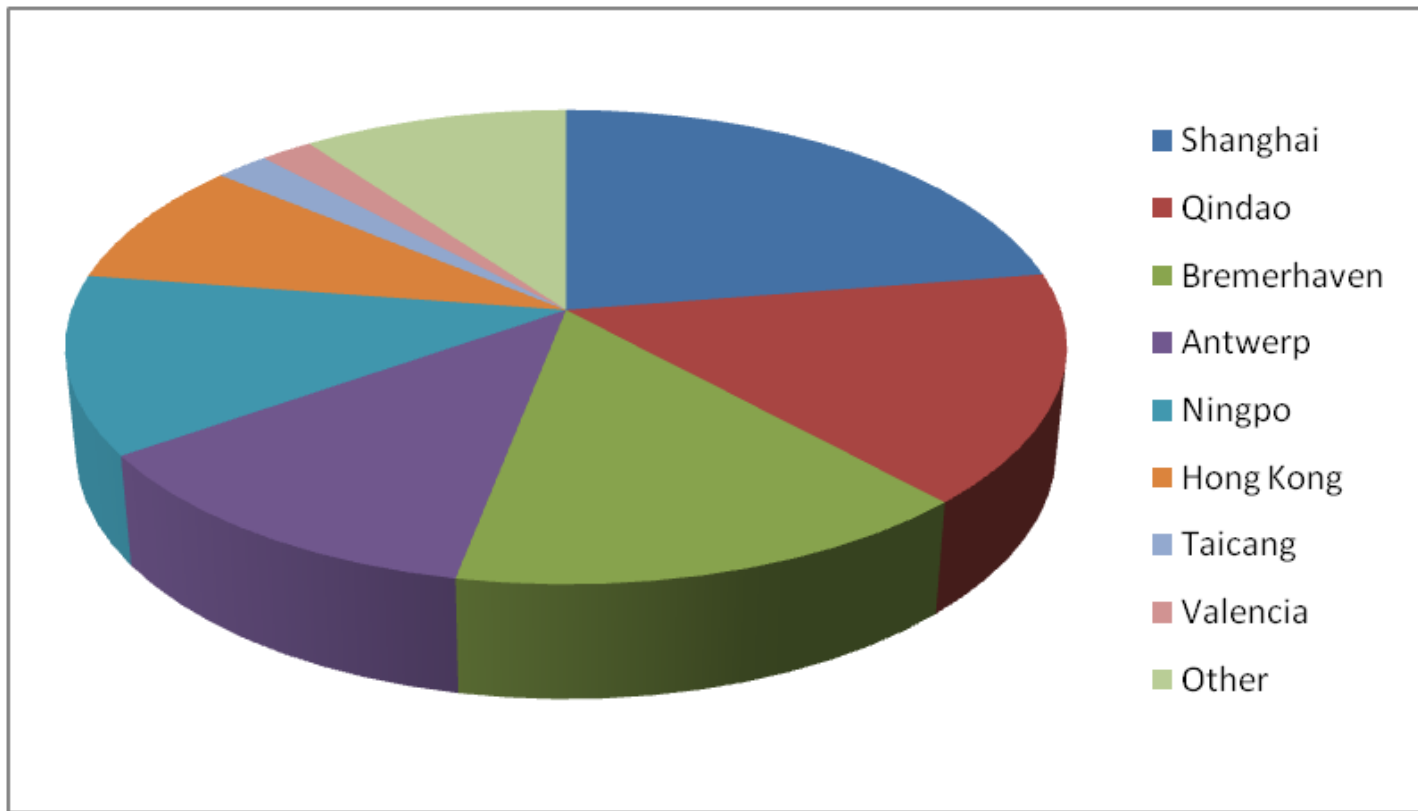
Significant Wastepaper Exports for Example



Boston Exports by Commodity

Wastepaper Destinations Via Boston

Asia is the Primary Destination



Waste Paper Destinations from Boston

New Bedford Is Typical of a NE Port with Reachable Expectations

We took a careful look and here is what we found:

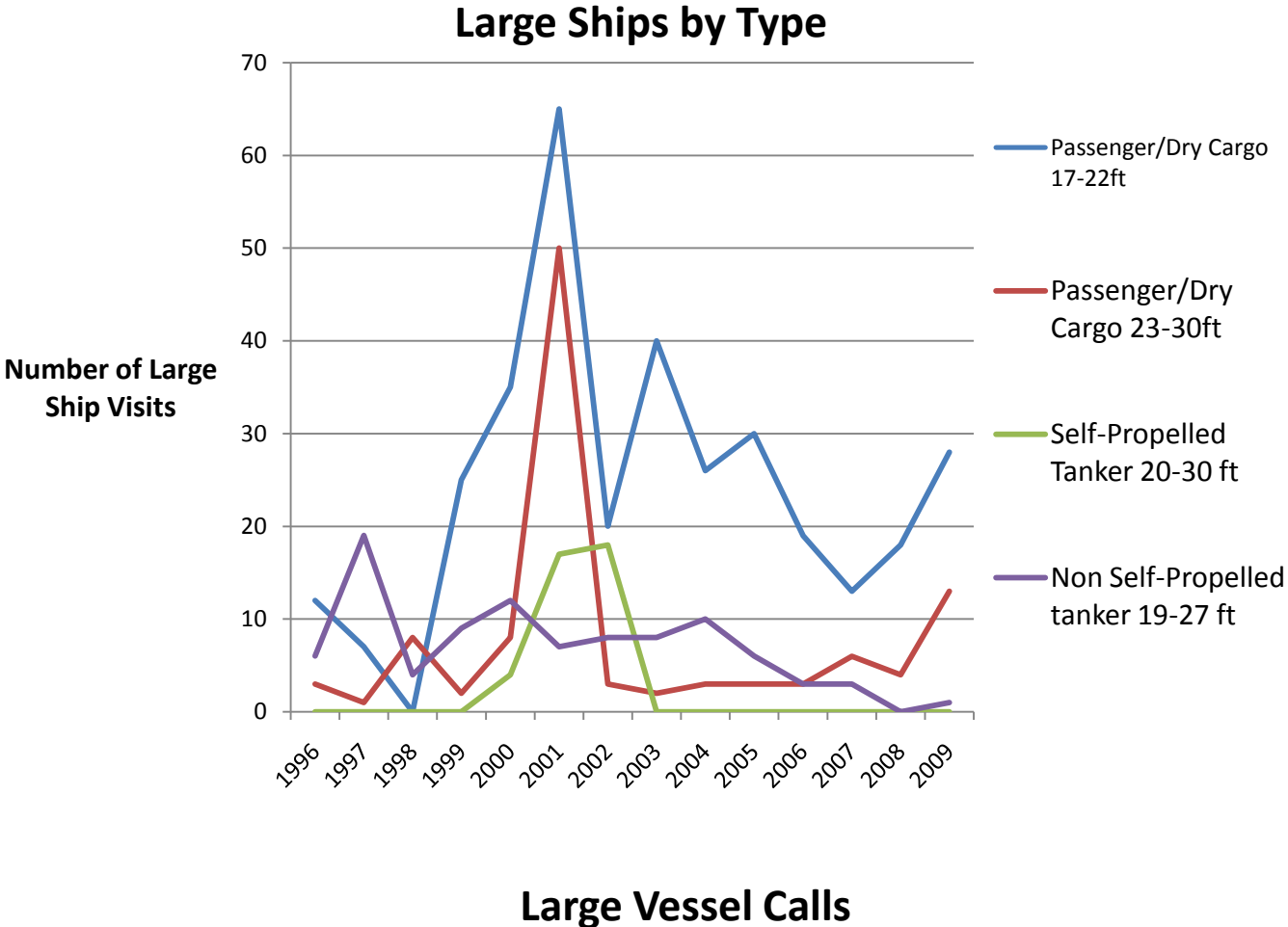
- Potential mix of domestic and international cargo
- Excellent harbor with diversified facilities
- Plans for expansion
- Rail and highway connections
- High value commodity base (scallops)
- Strong import niche
- Aggressive business interests
- Focused development
- Diverse economic base
- Dedicated port staff

New Bedford Historic Marine Business

Time Range	Industry	Inbound	Outbound	Notes
1780 - 1925	Whaling	Whale Oil	Refined oil & Candles	Decline began when Petroleum began to rise in 1860's
1780 - Current	Fishing	Landed Fish		Highest Catch Value in U.S. by Port, 1996 began to decline
1845 - Current	Petroleum	Crude		First Petroleum Fuel Refinery in U.S. (1845)
1881 - 1940	Textiles	Cotton	Mfg Goods	

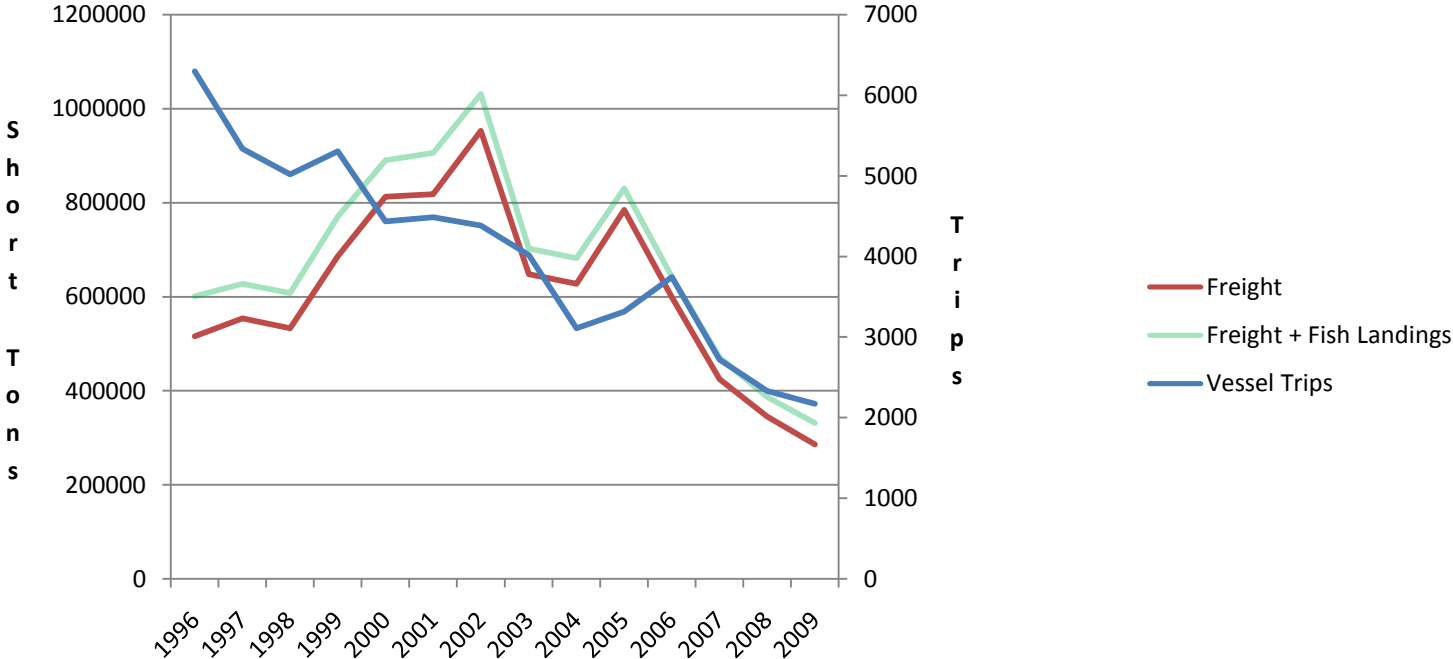
New Bedford Historical Overview

New Bedford Ship Vessel Calls



New Bedford Freight Trends

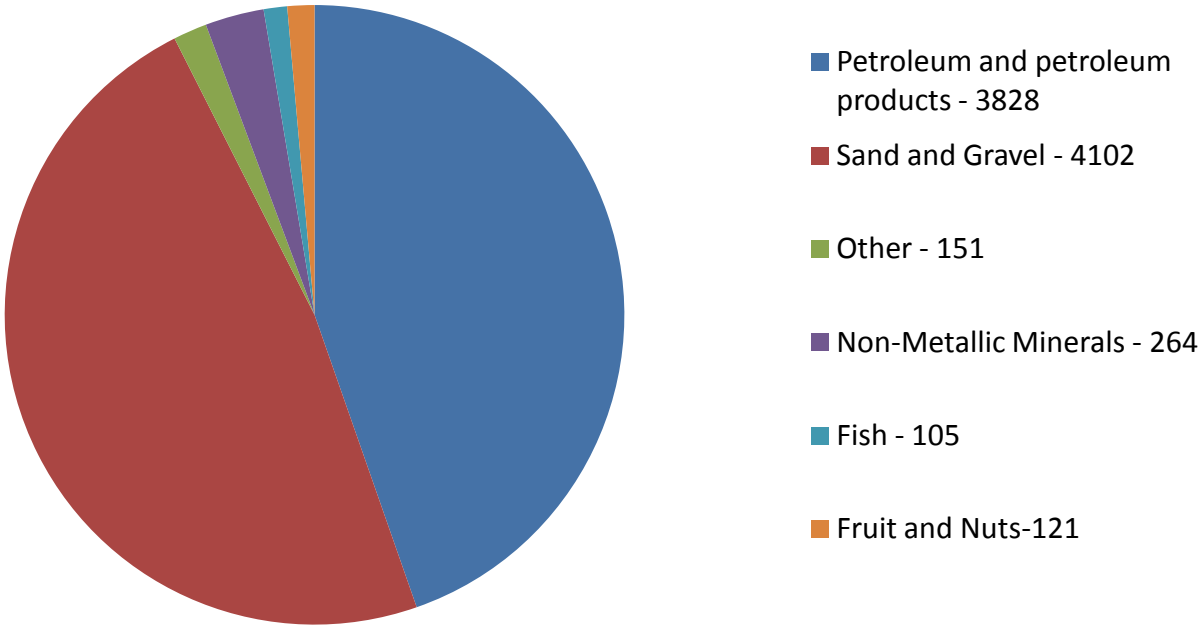
New Bedford Freight and Vessel Data



New Bedford Freight Breakdown

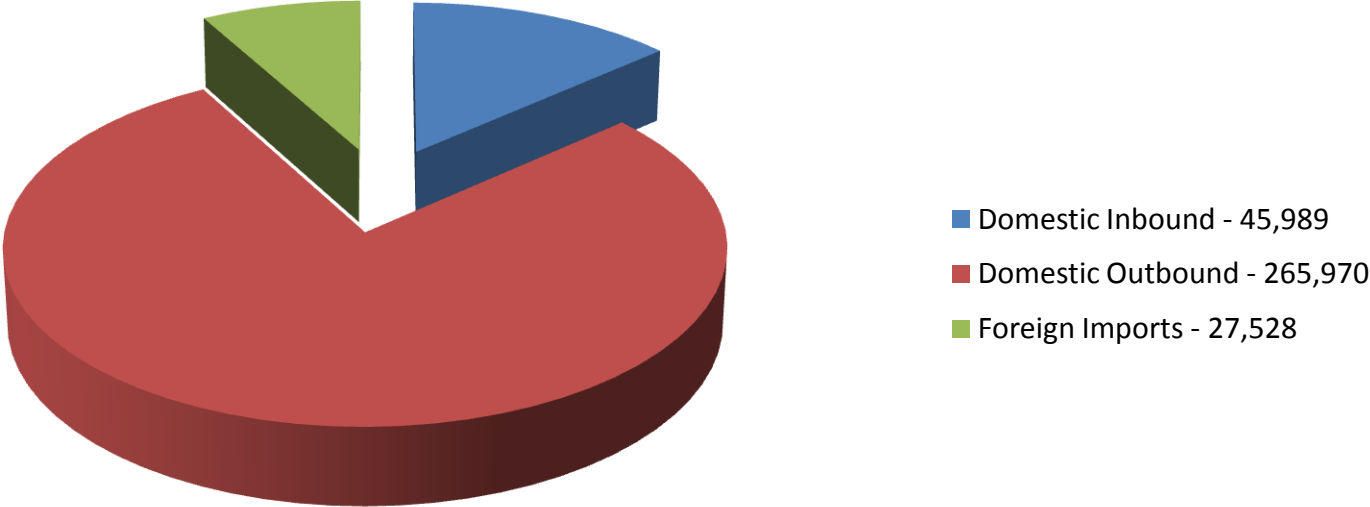
Freight Breakdown 1996-2009

(Thousand Short Tons, not including fish landings)



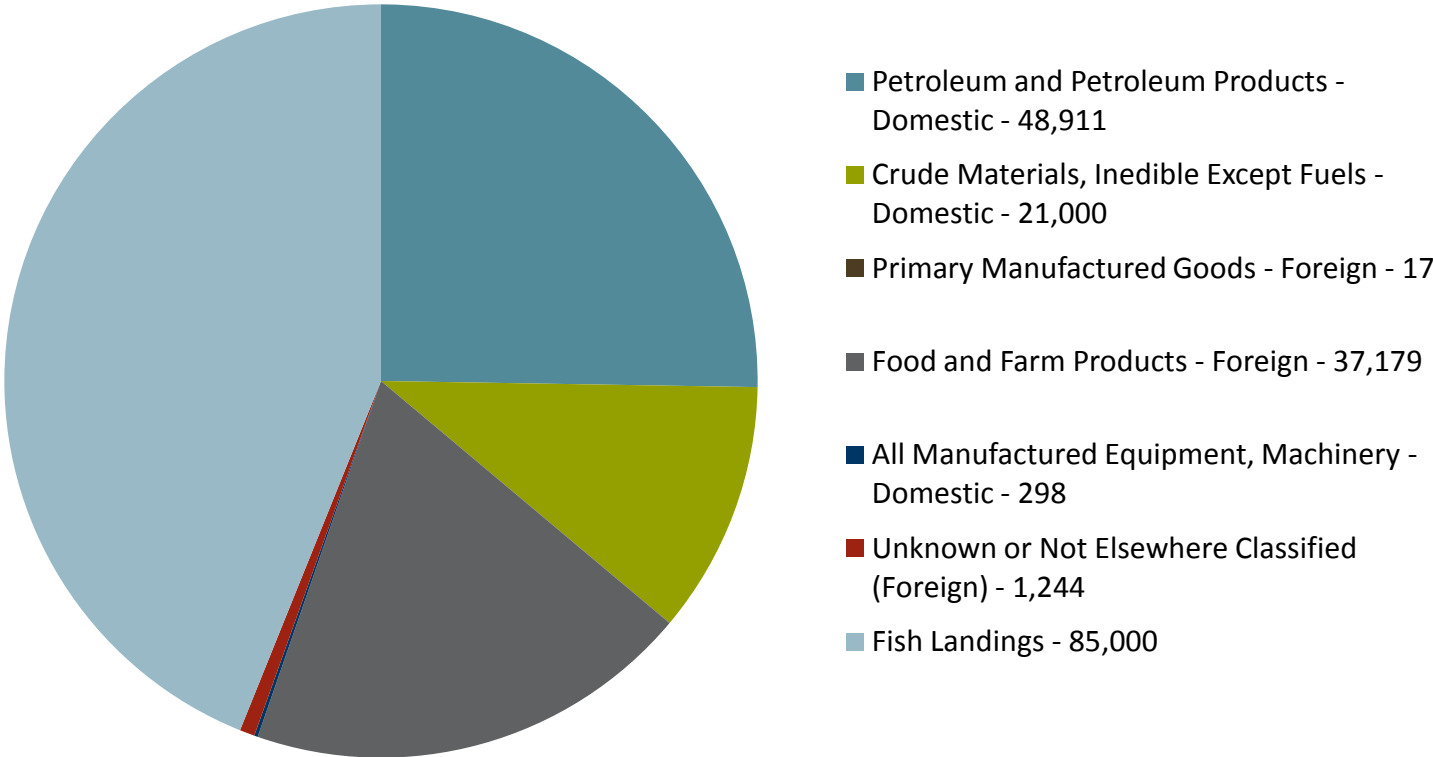
**Overall Freight Breakdown by Commodity
(Does not include fish landings from NOAA)**

New Bedford Total Freight Profile



New Bedford Freight 2009 (Short Tons)

New Bedford Total Freight Volume



New Bedford Total Freight 2009 (USACE & NOAA)

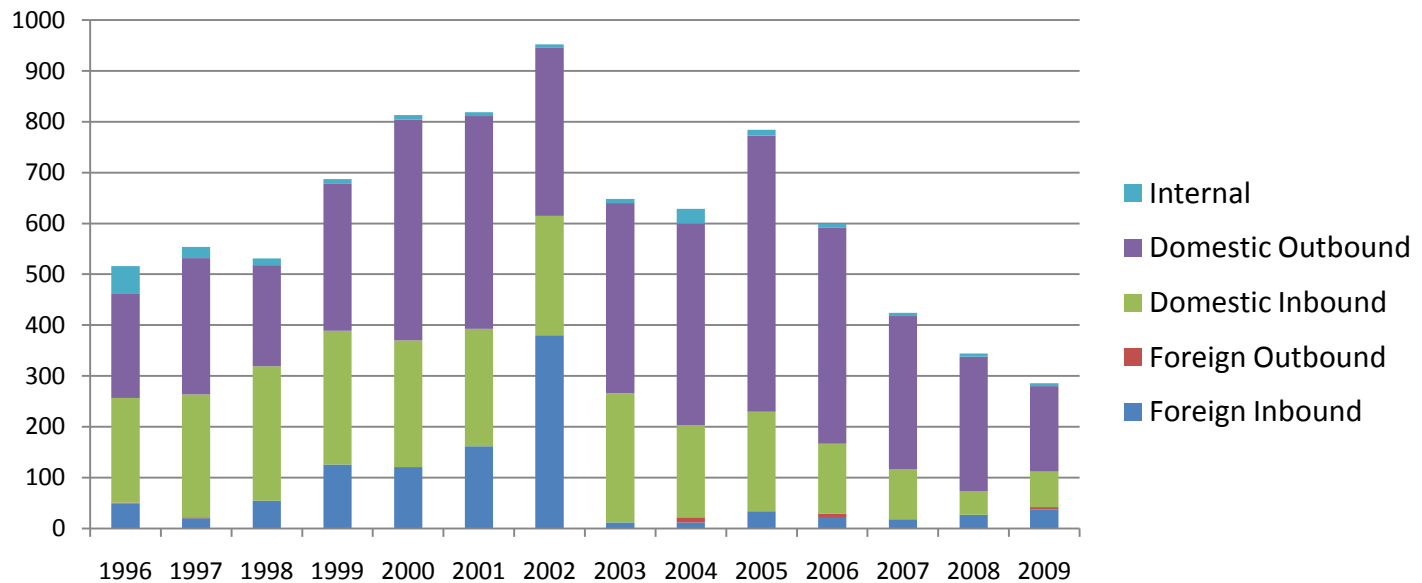
Port of New Bedford Cargo Tonnages by Commodity

Commodity	Note	Total-Short Tons	Domestic	Foreign
Total		345,423	317,895	27,528
Petroleum	1	74,269	74,269	0
Chemicals	2	2,505	0	2,505
Crude Materials	3	240,428	240,428	0
Manufactured Goods	4	15	0	15
Food-Farm Products	5	23,154	0	23,154
Machinery	6	3,213	3,198	15
Other	7	1,839	0	1,839

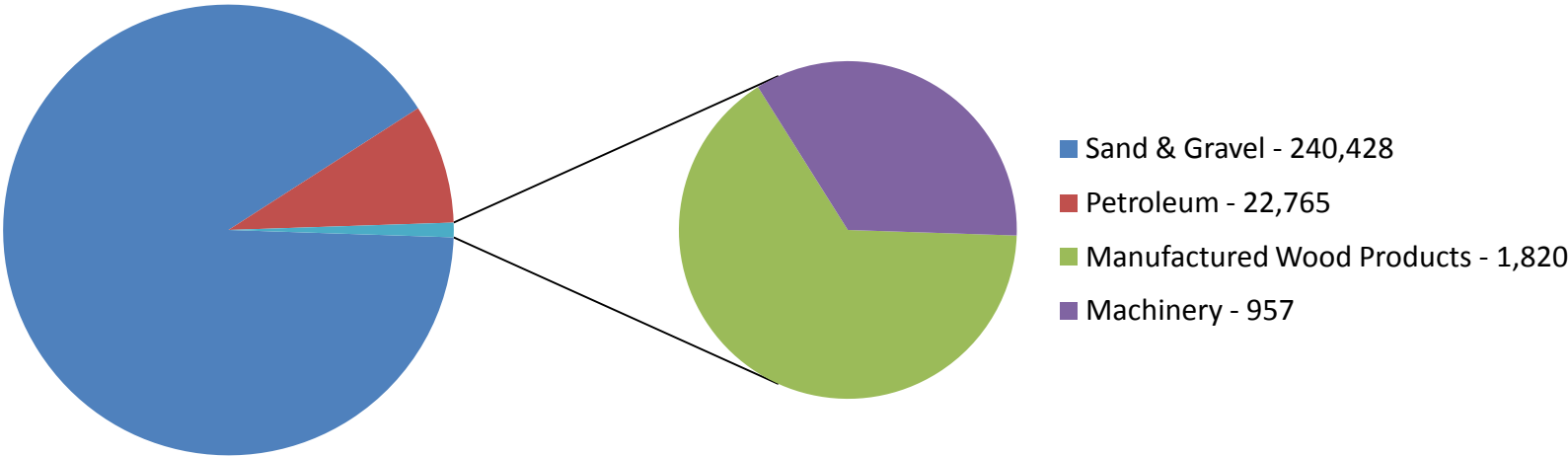
Notes: 1.Gasoline, Kerosene, Distillate Fuel Oil 2.Sodium Hydroxide 3.Sand and Gravel 4.Smelted Products 5.Fish (not shellfish), Vegetables, Fruits, Nuts, Food Products 6.Machinery, Manufactured Wood Products 7.Unknown or otherwise not classified

New Bedford Freight Breakdown

Freight Movement Breakdown, 1996-2009
(Thousand Short Tons)



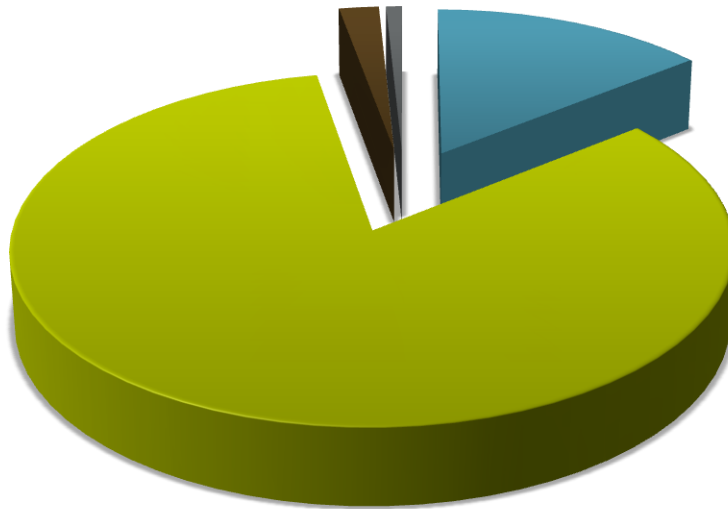
New Bedford Outbound Freight



Total Outbound Freight 2008 (short tons)

New Bedford Outbound Freight

**Outbound Freight Breakdown
CY 2009(short tons)**

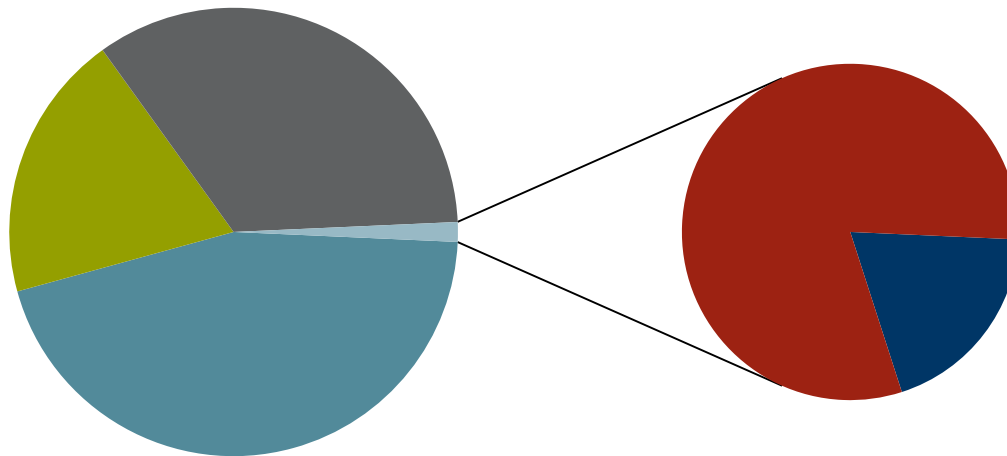


- Petroleum and Petroleum Products - Domestic - 24,384
- Crude Materials, Inedible Except Fuels - Domestic - 141,984
- Food and Farm Products - Foreign - 3,526
- All Manufactured Equipment, Machinery - Domestic - 1,405

Outbound bound Freight Breakdown – CY 2009 (USACE)

New Bedford Inbound Freight

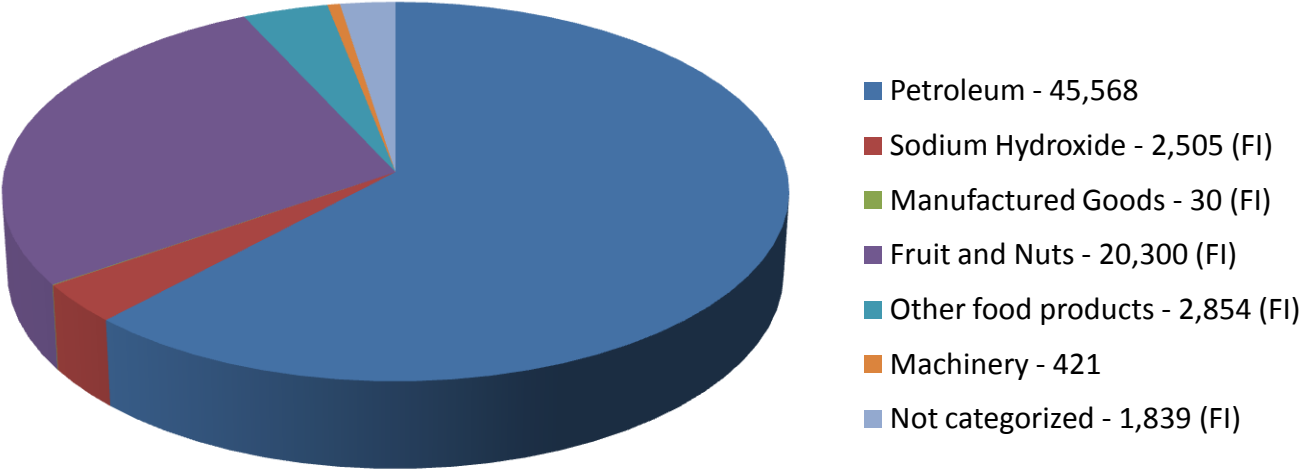
Inbound Freight Breakdown - CY 2009 (short tons)



- Petroleum and Petroleum Products - Domestic - 48,911
- Crude Materials, Inedible Except Fuels - Domestic - 21,000
- Primary Manufactured Goods - Foreign - 17
- Food and Farm Products - Foreign - 37,179
- All Manufactured Equipment, Machinery - Domestic - 298
- Unknown or Not Elsewhere Classified (Foreign) - 1,244

New Bedford Inbound Freight Breakdown – (USACE)

New Bedford Inbound Freight



Total Inbound Freight 2008 (short tons; FI = Foreign Import)

New Bedford Import Volumes

Commodity	Note	Total-Short Tons
TOTAL PORT TONNAGE	All	345,423
Total International		28,000
Petroleum	1	0
Chemicals	2	3,000
Crude Materials	3	0
Manufactured Goods	4	0
Food-Farm Products	5	23,000
Machinery	6	0
Other	7	2,000

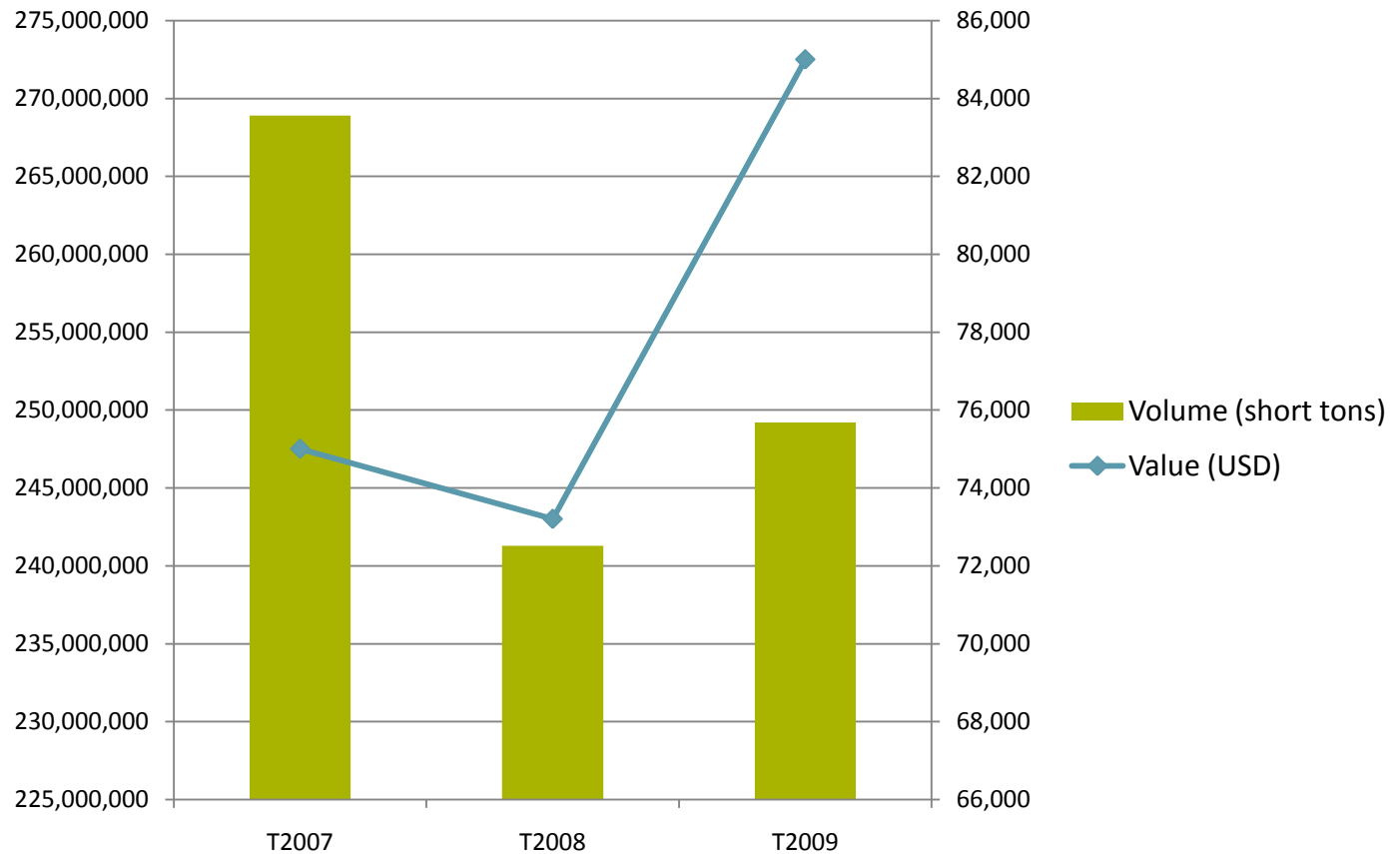
Notes: 1. Gasoline, Kerosene, Distillate Fuel Oil 2. Sodium Hydroxide 3. Sand and Gravel 4. Smelted Products
 5. Fish (not shellfish), Vegetables, Fruits, Nuts, Food Products 6. Machinery, Manufactured Wood Products
 7. Unknown or not classified

Port of New Bedford Import Tonnage by Commodity 2008

Opportunities Can Reverse Trends

- Investment in and protection of infrastructure is critical to port vitality
- Understanding what is happening in the region
- Focusing on the development of sustainable and consistent cargo volumes
- Advantage or disadvantage of the port's place in the logistic chain and exploiting weaknesses
- Total cost to the shipper, not just port costs
- Time and service considerations
- Service provider partnerships
- Realistic view of what the port can achieve
- Finding opportunities

New Bedford Fish Landings



New Bedford Fish Landing Volumes and Values (NOAA)

TOP TIER OPPORTUNITIES FOR NEW ENGLAND PORT DEVELOPMENT

- Pulp and Paper
- Manufactured Goods
- Equipment and Machines
- Agricultural Products
- Project and Specialty
- Seafood Products
- Organic Materials
- Refuse and Related Materials

MID-TIER and LOWER TIER OPPORTUNITIES

- Minerals
- Chemicals
- Lumber
- Bulk Water

- Fuels
- Automobiles
- Metals

Conclusions

- **Opportunities Exist**
 - Management and Focus is Critical
 - Calculated Investment is Critical
 - Overcoming Weaknesses and Promoting Strengths are Critical Efforts
 - Knowing The Cost Components to Shippers
 - Make Decisions on Best Available Data
 - Engage Stakeholders and Partners
 - Competitors May Also Be Your Best Partners
 - Excellent niche potentials-Marine Highway, Offshore Wind, Reasonable Range of Commodities
 - Cargo base that exists but is going somewhere else
 - Good mix of inbound and outbound regionally

Parting Thought

- New England has a diversified and balanced cargo base that moves through ports outside of the region,
- It has ports with unused capacity,
- It has workable facilities and deep water,
- It has regional road and rail congestion and an underutilized marine highway system,
- We have skilled labor and aggressive companies.

SO WHERE DO WE GO FROM HERE?

THANK YOU

*The Sea Can Take Us to the Farthest Point
of Our Global Aspirations*

