IAPH 2013

The International Association of Ports and Harbors

May 6 - 10, 2013

THE PORT OF LOS ANGELES

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Patrick Burnson

Executive Editor

Logistics Management and Supply Chain Management

Improving Port Efficiency

The PBLIS story

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It’s a long voyage to Australia …

- Australia is the 6th largest country in the world and is the only one of the top six completely surrounded by water.
- With 99% of Australia's international trade transported by sea, Australian Ports are critical to the security of Australia's economic future

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The Ports of Sydney

- Sydney was the nation's first major port more than 200 years ago.
- Sydney and Port Botany handle more than $61- billion in international and domestic trade annually.

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Port Botany

- Facilities at Port Botany consist of two container terminals with six container vessel berths and 2 bulk liquids berths
- Sydney (Port Botany) 2011/12 = 30.6-million mass tonnes
- Past 2 years container throughput exceeded 2-million TEUs
- Handles nearly one-third of Australia's total containerised trade
- $1-billion third Terminal opens late 2013
- Container volumes anticipated to increase to over three million within 10 years

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The Landside Challenge

- Road and rail inefficiencies
- Lack of motivation for change
- Lack of service standards
- Reluctance to operate 24/7

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The Growing Road and Rail Task

Year	Total Volume TEU	Landside Volume *(ie. less Transhipments)*		Rail	%	Road	%
2011/12	2,036,142	1,847,098	(189,044)	261,202	14.1%	1,585,896	85.9%
2019/20	3,015,932	2,828,932	(187,000)	792,101	28.0%	2,036,831	72.0%

TEU = Twenty-foot Equivalent Unit

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Port Botany Landside Improvement Strategy

- Sydney Ports Corporation introduced the Port Botany Landside Improvement Strategy (PBLIS) to make the landside supply chain at Port Botany more ***efficient***, ***consistent***, ***transparent*****,** and move towards ***24/7 operations***.

- In October 2008, the Port Road Taskforce and the Port Botany Rail Team (PBRT) was established.

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Port Botany Road Issues

- Inequality at the workface - commercial
- Operational Visibility
- Data integrity

- Truck service delivery
- Inefficient landside interface
- Performance standards and Truck Turnaround Time (TTT)

- Trade volumes
- Road congestion
- Peak slot demands
- Port infrastructure utilisation

PBLIS Objectives

Transparency

Consistency & Efficiency

24 x 7 operations

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OPM - Carriers

	Carriers Performance Measures		Penalty
1	**Early Arrival**	No trucks to arrive before booked time slot. Trucks may be accepted into the terminal at the stevedore discretion. Truck Turnaround Time (TTT) applies.	**$100 per truck** Payable once a Truck Marshalling Area is operating
2	**Late Arrival**	No trucks to arrive after booked time slot. Trucks may be accepted into the terminal at the stevedore discretion. TTT applies. If the truck is accepted, the slot(s) booked for the truck will be deemed a Late Arrival. TTT to apply from time of truck entry. If not accepted by the stevedore then the “No Show” penalty applies.	**$50 per slot** Payable to stevedore
3	**No Show**	Truck fails to arrive within 1 hour of the end of the booked time zone or where the truck is late and not accepted by the stevedore will be deemed a “No Show”.	**$100 per slot** Payable to stevedore
4	**Cancellation of Time Slots**	Closer the carrier gets to the time slot the more restrictions apply.	**$50 per slot** Payable to stevedore

OPM - Stevedores

	Stevedores Performance Measures		Penalty
1	**Truck Turnaround Time (TTT)**	Gate In to Job Complete 50 min for first container plus10 min per additional container (Phase 1)	**$100 per truck** Increments of $25 per 15 minutes
2	**Minimum Slots Offered**	Minimum of 50 slots per hour must be offered 24/7.	**Regulated penalty** for any infringement
3	**Truck Non-servicing**	Stevedore fails to service a truck that has a slot booking. Truck Turnaround Time (TTT) also applies. Stevedore must provide replacement slot to be provided within 24 hours.	**$100 per slot** Payable to the road carrier
4	**Cancellation of Time Zones**	Closer the stevedore gets to the time zone the more restrictions apply. Example: time zone cancelled less than 2 hours then Truck Non-service penalty applies, greater than 2 hours 50% of Truck Non-service penalty applies.	**$100 per slot** Payable to the road carrier

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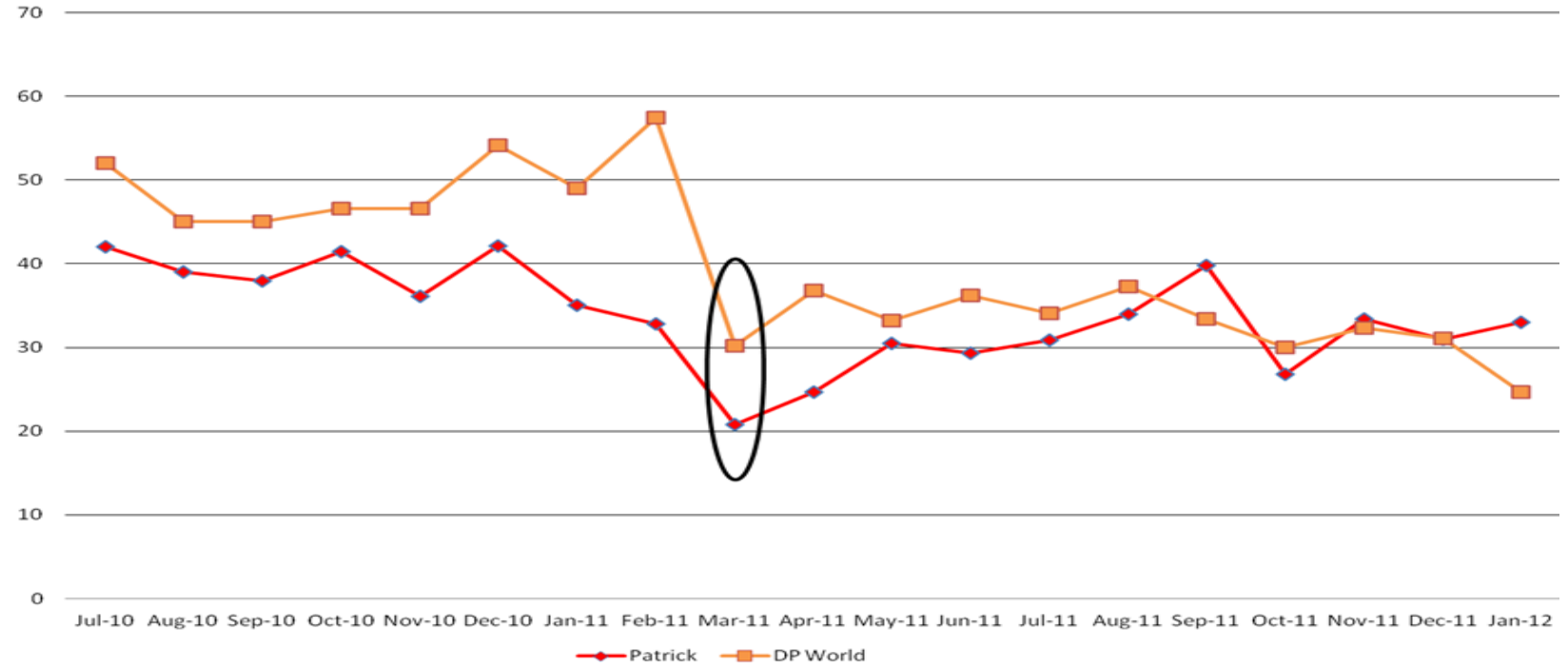
Truck Turnaround Times - July 2011 to January 2012



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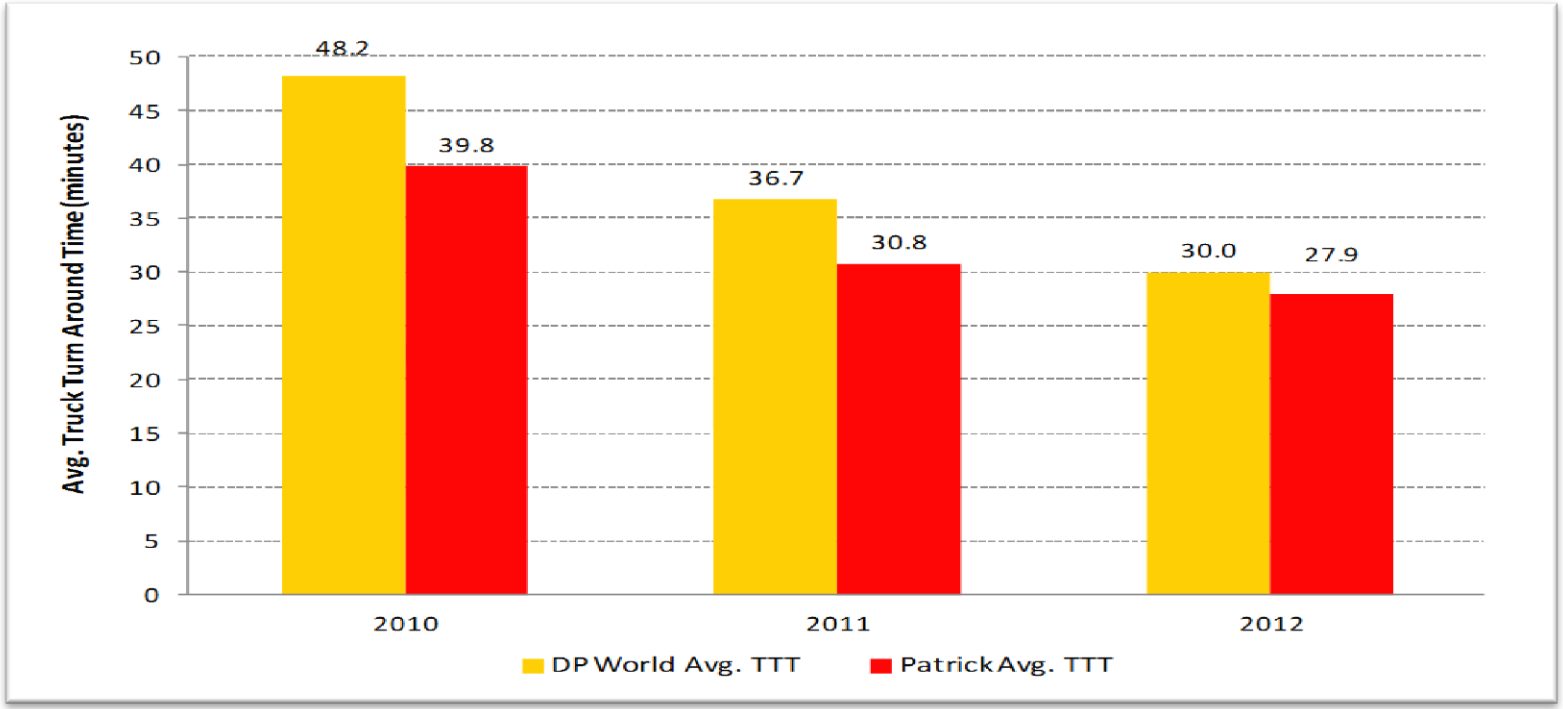
Average Truck Turnaround Times (Yearly Comparison by Stevedore)



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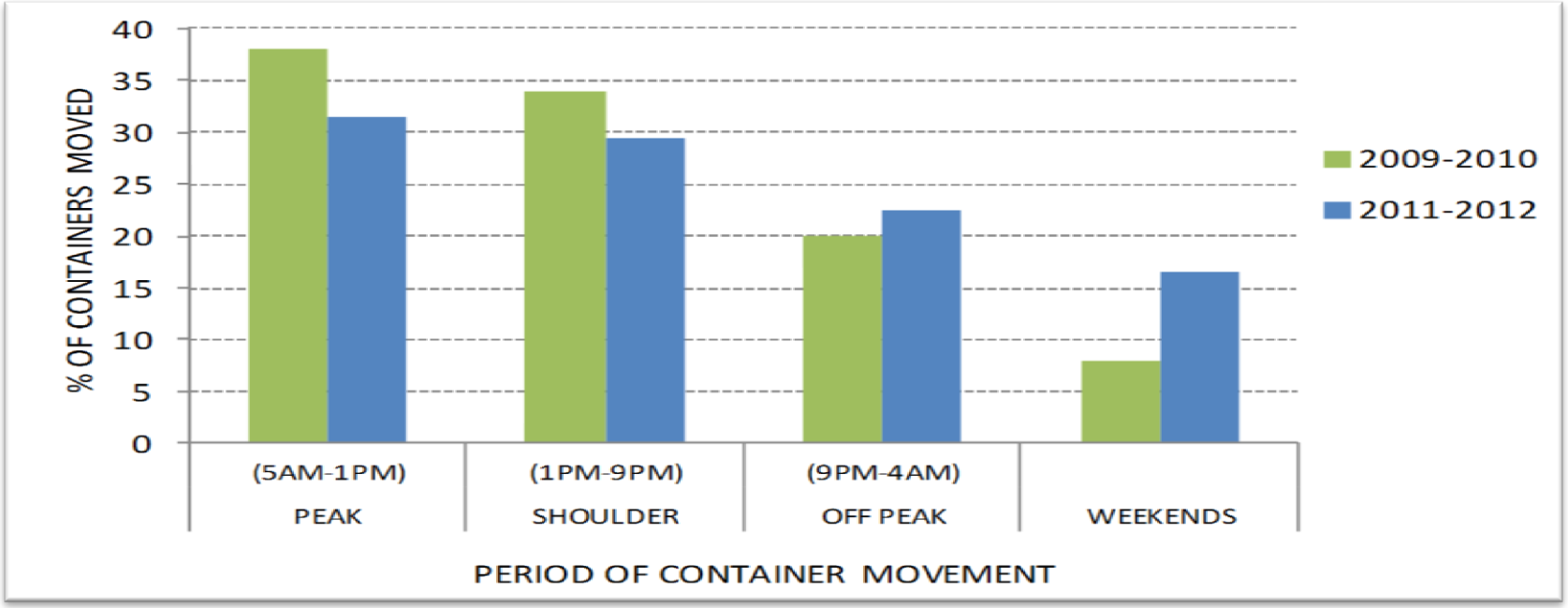
Truck Distribution Comparison



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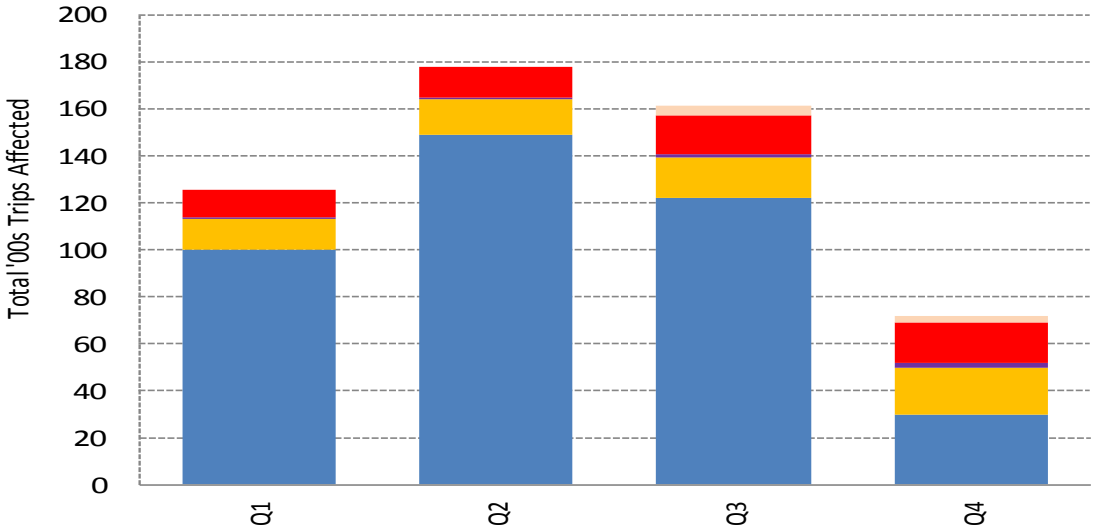
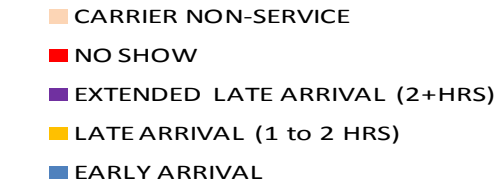
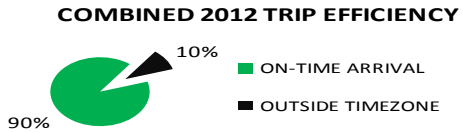
Carrier Performance 2012







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Sydney Ports Operational Performance System (OPS)

The Operational Performance System integrates:

- Stevedores' terminal operation data
- 1-Stop vehicle booking data
- Carriers' truck tracking data

The OPS benefits for supply chain participants include:

- An independent data source
- Truck tracking
- Transparency and visibility for carriers and stevedores
- User capable reporting and online training

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Sydney Ports Truck Tracking System

- RFID tag technology
- Allows arrival in queue measurement

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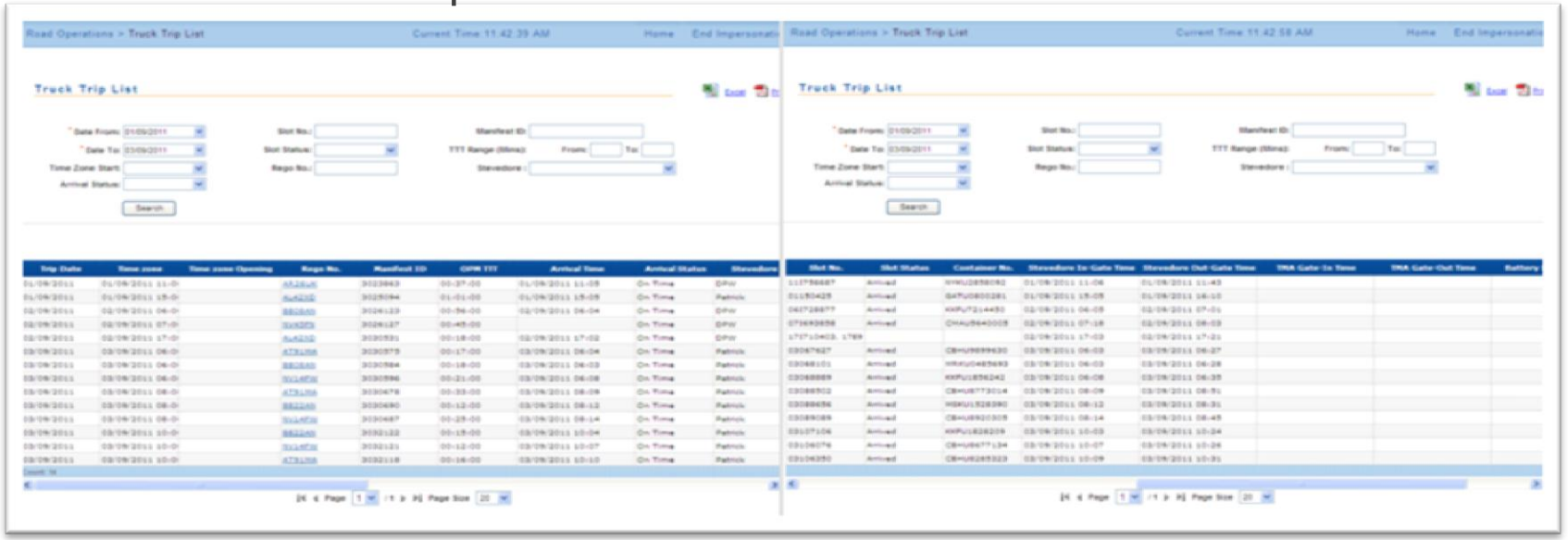
Truck Trip Listings

Carriers can drill down to each individual truck trip and analyse the information in each trip



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After One Year of Operation

- Benefits of PBLIS estimated to be $54.7 million over 10 years
- TTT down from 45-50 minutes to 30 minutes
- On time running and 24/7 operations have increased
- Densities and dual runs have not improved – the next challenge
- The Rail reform task is just beginning.

Thank you

For more information on Sydney Ports visit www.sydneyports.com.au

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