

Regional Forum 2

Extend Your Reach: Connect with North American Markets

Moderator:

Robert Armstrong - President, The Chartered Institute of Logistics and Transportation in North America

Panel Speakers

JJ Ruest - Executive Vice-President & Chief Marketing Officer, CN (Canadian National Railway)

Misha A Murakami - Deputy Manager, America Trade Division, COSCO SHIPPING Lines Co, Ltd

Tabare Dominguez - Commercial Director, DP World Canada

Chris Ng – Vice-President, Marketing and Sales, GCT Canada, Global Container Terminals Inc

Charles Raymond - President and CEO, Ray-Mont Logistics

Robert Armstrong, President of The Chartered Institute of Logistics and Transportation in North America, introduced the session, commenting that Canada has been making unprecedented investments in infrastructure, with trade and transportation as the central themes of the latest Transportation 2030 strategic plan. While federal government investment is significant, investment by industry is having even more of an impact, with each of the companies represented on the panel building connections with customers in North America and helping North American exporters connect with Asia.

JJ Ruest, Executive Vice-President & Chief Marketing Officer, of CN, said that Canadian Railways are creating an eco-system that connects Asia with the most populous areas of the US and Canadian Mid-West. Not only are the shortest routes from Northern China to the West Coast of Canada for exporters to the North American market, but Canada's two major West Coast ports allow goods to spend the minimum time at the terminal before being transported by rail to the most populous areas of the hinterland.

Prince Rupert is an on-dock rail port designed purely to serve larger cities in Canada and the US Mid-West and is growing rapidly. Deltaport, on a man-made island, is also growing, partly because of its dual role of serving the hinterland and Vancouver. Both ports will expand as exports to Asia such as lumber, plastics and grains go through them.

Misha Murakami said COSCO SHIPPING has 320 vessels and a 1.83 million TEU capacity and uses both Prince Rupert and Vancouver. The company's success is due to a solid relationship with the other partners in the supply chain. Their location allows for savings in comparison with other ports on the North American West Coast.

The company uses West Coast Canadian ports for both import and export, because their far-reaching scope and greater suitability for cargoes have proven reliable.

Tabare Dominguez, Commercial Director, DP World Canada, said that DP World operates in four locations in Canada, three of them on the West Coast. The company aims to increase capacity from 850k TEUs in 2015 to 4.3m in 2022. Their plans include extending the berth in Vancouver so the terminal can handle two post-Panamax simultaneously, and increasing capacity from 600 TEUs to 1.5m by 2022.

Facilities at Prince Rupert are to be enlarged to increase capacity to 2.4m TEUS by 2022. The port has the deepest natural harbour in North America and its proximity to Asia saves time. Another advantage is that its terminal is specifically designed to handle trains.

Chris Ng, Vice-President, Marketing and Sales, of GCT Canada, Global Container Terminals Inc, also spoke of growth in his outline of GCT Canada, which is owned by the Ontario Teachers Pension Plan and operates in four terminals in North America, two of them on the Canadian West Coast. It handles 3.1m of the 26-27m TEUs going through Vancouver annually.

GCT operates from Deltaport and Vanterm, and Ng noted that 35 per cent of Canada's exports are shipped through Vancouver. The ports have experienced a large annual growth rate over the last seven years.

More expansion is needed to adapt to mega-vessels that need mega-terminals to maintain their speed to market. One example of how this can be done is through technology to track trucks. Some 3,000 truck transactions take place at Deltaport, each taking less than 24 minutes. Keeping data transparent also makes it easier for the company to pinpoint bottlenecks and solve problems.

Charles Raymond, President and CEO of Ray-Mont Logistics, explained the services they provide. As trains arrive from all over Canada, they are amalgamated into single trains that may be 100 cars long. The contents of those cars have to be transferred to containers, and one carload is not equivalent to one containerload. The company must ensure that the cargo arrives at the right destination. Flexibility, adaptability and partnerships with companies such as CN have all been crucial to Ray-Mont's supporting Canadian exporters.

The panel discussed examples of how they have helped individual customers and Dominguez explained how using Prince Rupert saved auto parts manufacturers' time, vital for a Just-in-time industry. They also talked about how to add value to the supply chain and how to deal with increased protectionism.