



## News Release

### **Board Approves Incentives to Attract More Cargo Larger ships and rail-bound containers will get financial breaks**

July 3, 2012

The Long Beach Board of Harbor Commissioners approved two incentive programs on Monday, July 2, one designed to encourage larger, cleaner ships to dock at the Port, and the other aimed at attracting more containers to come via rail through Long Beach.

"We are committed to protecting our market share and the tens of thousands of jobs that depend on our Port," said Port of Long Beach Executive Director J. Christopher Lytle. "Shippers have options on how to route their cargo, and we want to make sure we give them the right reasons to move through Long Beach."

Under the programs, which launch on August 1, the largest ships calling at the Port will have their daily dockage fees capped, and ocean carriers who move additional containers via rail through Long Beach will get incentives. The programs will help protect the Port's share of business in an increasingly competitive maritime market, keep jobs in the region and encourage more environmentally friendly and efficient practices.

The Port of Long Beach is one of the few in North America with berths and channels capable of receiving the largest container ships in the world. Earlier this year, the Port began welcoming container ships with capacities of 13,000 twenty-foot-equivalent container units or larger. That's 50 percent bigger than the largest container ships that had called at the Port in the past.

"We are not only big-ship ready; they are calling at our Port now," Harbor Commissioner Rich Dines said before the board unanimously approved both measures. "This is about going after additional business."

Larger ships are more cost-effective for ocean carriers to operate and have a smaller impact on the environment on a per-container basis because they can carry more cargo and tend to have newer, less-polluting engines.

Under the program adopted Monday, the Port will cap daily dockage fees at \$8,641 a day for ships longer than 345 meters (or 1,132 feet). Ships are charged dockage fees based on their lengths, and without the change, the largest vessels would pay more than \$11,000 a day in dockage fees. Ships that qualify under the Port's [Green Ship Award Program](#), another new incentive that also won final approval Monday, may earn

up to \$6,000 more in incentives. That program aims to attract the newest, least polluting vessels to Long Beach.

Ocean carriers also will save on rail cargo costs under a program that will give them a \$10 incentive for every additional container they move via rail through Long Beach between August 1, 2012, and July 31, 2013, compared to the previous one-year period. Rail bound containers are typically headed to consumer markets outside Southern California, or are export containers taking raw materials or agriculture products to Asia.

These containers account for more than two-thirds of all containerized cargo moving through the Port of Long Beach and reach consumers as far away as Chicago, New York and Asia.

Ocean carriers have the option to move such cargo via other seaports in the U.S., Canada and Mexico. The incentive is designed to encourage them to ferry more cargo through Long Beach and increase the use of rail, which is less polluting than trucks on a per-container basis.

**Contact:** Art Wong, Port of Long Beach Assistant Director of Communications/Public Information Officer, (562) 590-4123, (562) 619-5665 (cell), or [wong@polb.com](mailto:wong@polb.com)

### Share this:



To unsubscribe, [click here](#)

Port of Long Beach - [www.polb.com](http://www.polb.com)  
925 Harbor Plaza, Long Beach, CA 90802

To view our Privacy Policy click [here](#).

Port of Long Beach  
925 Harbor Plaza  
Long Beach, CA 90802