Most business will people recognize that Strategic Planning for ports has little to do with strategy. Such plans are meant to be a pathway toward better performance. The two best two ways to get that: Invent, or Exploit a technology new in your environment. However, for ports these things do not come along in nice packages so strategy work is mostly episodic.

Being that I had done plans for other ports, I was tasked to write a Strategic Plan for the Connecticut Port Authority’s ports. The tricky part was to connect our State’s maritime history, the changes in US and global trade, and the impact of 21st Century technologies on maritime trade in Connecticut.

Connecticut’s Maritime History, as posted as part of the State’s Maritime Strategy on the Port Authority’s website, describes the impact of mid-20th Century developments such as the Interstate highway system, containerization, the globalization of international commerce and intermodal movements. All of these changes have had consequences in CT’s ports. Ports employ people, but to understand the larger economic implications in the 21st Century, I started by reviewing what a port is. The function of a port is to serve the larger “hinterland” where the cargo originates, is used in manufacturing or consumed. As such it is the cargo interests that decide where ships will be loaded and discharged---not the shipping people.

As a result of the Interstate Commerce Act (1897) rail roads, and later highways, Americans have long thought of transportation as only a service. The ICC rate formula for ocean shipping is different. Furthermore, transportation, especially marine transportation, is also a pricing tool for commodities, raw materials and some manufactured goods, and often can also be used as a marketing tool. Therefore shipping (the entire business) is integral to trade and commerce both domestically and internationally.

To establish this fundamental idea, several years ago the Port Authority sponsored a day long educational “retreat” for the Board Members. They learned our business is not ships or shipping but, in the 21st Century, we are in the LOGISTICS business which encompasses economic geography, intermodal transportation (highway, rail and marine), warehousing and port operations. These functions make up more than 29% of the sales price of most goods, and can be higher in commodities and raw materials.

The Connecticut Port Authority is governed by a 15 member Board consisting of 13 public servants or political persons. Only two Board Members have any background in transportation, marketing, commodities or raw materials, manufacturing or distribution. As a result the Port Authority’s advertising and public relations effort was aimed at recognition by other ports, port lobbying agencies and CT State government. It was never clearly established who exactly were the State Ports’ customers.

The earlier than expected emergence of wind derived electric energy in Connecticut, with its potential to provide revenue to the Port Authority and the State, made making the State Pier in New London a valuable asset a high priority. However, those on the Port Authority Board with commercial knowledge were excluded from participation in the development of the State Pier’s wind energy potential, even though there were many maritime terms that the negotiating committee did not know. Consequently revenue streams normally collected by a pier owner (The State of Connecticut) were probably sacrificed in the name of confidentiality.