

CPA/CGA's Transportation Committee Friday February 19, 2021

Good morning

Submission by Donald B. Frost

Most of my professional career has involved ships and ports. I have also lectured on both at the United States Merchant Academy (Kings Point) and the oldest maritime school in the country, the State University of New York (Fort Schuyler).

I have also been a consultant to ports (*) regarding future trends, material handling, and intermodal connections. I have also consulted on these same issues for international development banks as critic of business plans presented by developers and merchants.

The following relates to:

1. Proposed S.B. No.241 (Returning CPA to DOT)
2. Proposed S.B. No 610 (CPA Board of Directors)
3. Proposed S.B.605
4. Proposed S.B. 866

The fact the role of ports has been misunderstood relate in some way to all of them.

Ports are not a mode of transportation. Ports serve as “portals” through which goods and people flow. They do not control how the goods or people reach or leave the portal.

The carriers (rail, truck, or maritime) do not choose which port/portal is used. The shippers, and only the shippers, make that decision. Among the criteria shippers use to decide which port to use is cost. The total cost of all modes of transport, and when appropriate, the availability and cost of storage while enroute to their final destination. This includes the cost and time to load and/or unload or store between each transport mode. To this is added the cost of insurance (risk of damage or loss) while enroute. I call this TOTAL TRANSPORTATION.

In the 21st Century the time in transit has become a critical element in making transportation decisions. As a result, shipments that are delayed, regardless of the efficiency of each mode, TIME becomes very important.

Who are a port's customers? In fact, it is everyone. A port's job is to make the cost and time as efficient as possible and becomes a de facto supply chain manager. I

think the above explains why CONN DOT never tried to manage the State Pier and happily distanced itself from maritime altogether.

Donald B. Frost

(*) including the Port of NY &NJ, Long Beach-Los Angeles, Stockton, Tampa and foreign ports in Central America, Caribbean, Africa, Philippines, Chile, Bangladesh, Australia and others.