



Company Profile

Sea-Land aims for 'Total Transportation'

Sea-Land may have been a marriage of convenience between the king of the road and the queen of the high seas, but the truck trailer (container)-ship union has brought dependable year-round service to Alaskans. Since Sea-Land's first voyage to the port of Anchorage in May of 1964, the company has pioneered several types of containers especially adapted to Alaska's consumer shipping trade. Perhaps the most innovative of Sea-Land's shipping service was the first winter voyage through ice-clogged Cook Inlet, opening the Southcentral port to passage

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containers by two men in ten minutes and is disposable after use. The containers are loaded pneumatically and unloaded by gravity.

Sea-Land boasts a "total transportation system" beginning at the shipper's loading platform. Here the cargo is carefully loaded in a trailer especially designed to protect freight during all portions of its trip.

After loading, the container is sealed. The trailer then travels over road or railroad to the nearest Sea-Land port terminal. At the dock it is lifted by a giant gantry crane and stowed in the steel hold of the container ship.

On arrival at its port of destination, the container is again lifted from the ship and onto a matching chassis to travel by road or rail to its receiver.

Whether the trailer travels by road, railroad and ship or a combination of the three, its safe delivery is the sole responsibility of Sea-Land. When the trailer arrives at its destination, the seal is broken and the goods are delivered.

Sea-Land Freight Service Inc., under the same roof with the marketing firm located in the port area, is headed by E.E. Webb who handles the land distribution, including pick up and delivery door-to-door.



The Tampa and Galveston each carry 370 containers, while the Afoundria's capacity is 260. The trailers lifted from the ships to a waiting chassis can normally be delivered anywhere in Alaska where the road system extends, within three days. Since the sailing time from Seattle to Anchorage is three and a half days, the containers can be returned to Seattle on the next ship out.

"If the ship arrives fully loaded, then we make sure that the same number of vans go back so the ship doesn't get shorted," Hoehn said. Usually the same containers return on the next trip, but Sea-Land does maintain a land fleet and some containers are interchanged so the ship doesn't leave partially loaded. Sea-Land trailers are a familiar sight in Alaska. But winter operations are more difficult in the sub-Arctic, Hoehn concedes. "We've mastered the techniques with insulated containers."

Many of the containers used in Alaska are insulated and some are heated with radiant heat. This specialized equipment is kept in this division. Some containers may get forwarded beyond Seattle to places like Europe or the Far East, but "we keep track of them and get them back as quickly as possible," Hoehn said.

Sea-Land ships now arrive in Anchorage every Wednesday and Sunday and reach Seattle on Saturday and Wednesday. Hoehn said right now his firm has no plan for expanding its schedule, since the volume of cargo does not require it. But, he said, if the proposed trans-Alaska pipeline construction permit were to come along and create a boom and another ship were needed, "we could add her with no problem."

Although Hoehn feels oil development would have little direct impact on the shipping operation — oil re-

quires tankers — "we would be supplying that development. All these things lead to an increase in population."

Hoehn said that every person accounts for cargo. Just how many pounds of cargo it takes to support one person for a year in Alaska, Hoehn said he's not sure. But "it would be interesting to speculate. Everything is related to transportation," he said.

Kentucky-born and Ohio bred, Hoehn has been in the transportation business 28 years and plans "to make it steady pretty soon." He spent some of those years in carloading and freight forwarding, but most of it was in over-the-road trucking in the Midwest and New England.

He joined Sea-Land 10 years ago after the firm had created a revolution in transportation with containerization.

Automated handling of freight with containerized service, maintains Hoehn, has had an immense bearing on freight rates being lowered in Alaska. "In 1971, freight rates are lower than they were in 1960." And even with a proposed 15 per cent increase, the rates still will be lower than prevailing freight rates in 1960 on such commodities as groceries, steel and building materials."

When port officials applied for a federal loan through the Economic Development Administration they compared 1968 costs with costs in 1964 showing a decrease in rates through an increase in the volume of freight moved.

The report showed that freight costs through the port of Anchorage were less on most commodities than water-rail combination through the ports of Seward and Whittier.

On the basis of door-to-door delivery, Sea-Land rates from Seattle

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to Anchorage through the port was \$1.40 per 100 weight with a 152,000 pound minimum on canned goods compared with \$1.44 per 100 weight by hydro-rail or train ship with a 100,000 pound minimum.

For building materials, Sea-Land's rate was \$1.85 per 100 weight with 100,000 pound minimum, compared to \$3.00 per 100 weight by hydro-rail or train ship with a 50,000 pound minimum. "These cost savings," the report said, "are typical and substantially contribute to lower costs of living in Anchorage and vicinity. These lowered transportation costs contribute to lower construction costs and to the establishment of new business and industries which in turn creates new jobs," according to the report supporting the loan application.

"The modern transportation, equipment and techniques put in service by Sea-Land in 1964 and since coupled with modern handling facilities installed in the port of Anchorage, have contributed to the lower transportation costs to Anchorage and vicinity," the report said.

For example in 1964, the Seattle-Anchorage rate for frozen meats by Sea-Land through the port of Anchorage was \$6 per hundred pound with a minimum of 20,000 pound shipments. However, in 1968 most shipments meet the 99,000 pound minimum and move at a cost of \$2.90 per 100 pound shipments.

Canned foods moving in 60,000 pound shipments were \$2.42 per hundred weight in 1964, but in 1968 were being moved in 168,000 pound shipments at \$1.36 per 100 weight.

Iron and steel in 80,000 pound shipments moved at \$2.54 in 1964, compared to the 1968 rate of \$1.68 per hundred weight moving in shipments of 102,000 pounds.

A 3,500 pound auto was moved in 1964 at a cost of \$292 and in 1968 that was reduced to \$201.50.

Sea-Land hauls some asbestos originating in Canada about 80 miles from Tok. It is loaded in containers and trucked over road to Anchorage and shipped to Seattle.

Some antimony ore also is moved from the Fairbanks area as well as mercury ore. Sea-Land now has containers to take care of any type development.

If copper or iron ore were shipped, Hoehn said it would move in bulk. General cargo now moves at a rate of three cents per pound in volume by water, he said.

As Alaska looks to its Arctic and sub-Arctic for its future, so, too, is Sea-Land looking northward to the future. □

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twelve months of the year for the first time in history.

"The trip up the inlet into heavy ice has never lost its dramatics," said Russel F. Hoehn, president of Sea-Land Sales of Alaska, Inc. in Anchorage. "No one had ever brought an ocean-going vessel into the inlet when ice was a factor until Sea-Land tried it."

The shipping executive, who came to Alaska when his firm pushed northward, said Sea-Land resolved that first winter of its operation to break the ice into Anchorage. "We decided we could do it. Based on consultations with our technical people we

decided, with the capability of our ships, we could get through the ice. Seven years later nobody else has tried it," grinned Hoehn, "and we don't have a lock on the trade."

The winter voyages haven't been without their hazards. Capt. Keith Collar, the harbor pilot responsible for bringing the ships safely up the inlet to dock, hasn't forgotten that first voyage by Sea-Land's ship Anchorage. "I didn't know if we were going to make it or not," Collar said. The ship had been stopped in ice all night when Collar boarded her at Boulder Point.

Sea-Land vessels have had plenty of ice to contend with since then. Inlet ice this past winter stopped other vessels such as oil tankers coming up the inlet to load oil at the Drift River crude oil loading terminal, but Sea-Land van ships made it through.

It takes a sturdy ship with plenty of horsepower to cut through the inlet ice. Sea-Land's three vessels, the Tampa, Galveston and Afoundria, which make twice weekly trips between Anchorage and Seattle, are strengthened and ballasted so that their propellers stay under the frozen cover. Thus, they can push aside even the big ice floes which form.

Conventional icebreakers, rising above and crashing down on stationary ice, are not designed for the type of mobile ice encountered in the inlet's tremendous tides.

With the inlet clogged for many months of the year and with severe storms sometimes swelling the seas of the North Pacific, the run between Seattle and Anchorage is one of the most professionally interesting of Sea-Land's 49 ports of call in the United States and throughout the world. These include the hazards of South Vietnam's war zones, hurricanes in the summer between Puerto Rico and the Dominican Republic and in the Mediterranean, and typhoons in the Orient.

Hoehn believes the future of shipping in Alaska and the stabilization of freight rates depends on development of the Great Land's natural resources, particularly its hard rock minerals. He sees Sea-Land as a partner in the development of Alaska, "rather than running on its coattails."

"When the volume of needed cargo reaches the point where containerization makes sense in the Bering Sea areas, it is logical that Sea-Land would look to that area for future expansion," Hoehn said. However, that development, he points out, relies on substantial increases in volume for the area, of a scale not immediately on the horizon.

Right now Sea-Land's backhaul freight is very limited. The number



Russel F. Hoehn

one export from Alaska is fishing products — shell fish in refrigerated containers, frozen crab, halibut and salmon as well as canned shrimp, crab and salmon. Combined, these make up the principal southbound cargo, followed by household goods and military surplus.

Last summer Sea-Land moved an estimated one million cases of salmon out of the Port of Anchorage to Seattle. "Whether Anchorage realizes it or not, it is a major salmon as well as shell fish shipping point," said Hoehn.

When Sea-Land inaugurated its shipping service to Alaska, Anchorage was its only port of call. Now it has a feeder operation to Cordova and Kodiak and in the summer months it runs containers on barges to canneries at nearly a dozen different points to pick up canned salmon. Small cranes are used to load the containers and they are brought back to Anchorage for shipping aboard the van-ships to Seattle.

Kodiak recently floated \$3½ million worth of revenue bonds for construction of a new dock with a high speed crane and construction is slated to start in August. The shipping company has guaranteed the bonds and when the new dock facilities are completed, one of the Sea-Land vessels will make a weekly stop enroute from Anchorage to Seattle.

Sea-Land recently bid on a Navy contract to haul cargo to Adak in the Aleutian Island chain. If the Navy accepts the bid, Sea-Land would put a new ship between Kodiak, Sand Point and Adak and backhaul fish. This vessel then would connect with the ocean-going vessel enroute to Seattle. The feeder line now operating between Anchorage and Kodiak would then be eliminated.

With the new dock and crane facilities, Kodiak will be the second most sophisticated port in Alaska for the handling of containerized cargo. At present Kodiak can't be included on the Seattle run because it has no land crane capable of working the ships.

Sea-Land developed the first fully containerized service in 1957. The whole object of containerization is speed and efficiency in loading. For instance a conventional ship would spend 70 per cent of the time in port either loading or unloading and off-loading, containerships now spend 80 per cent of their time at sea, "doing what ships are supposed to be doing — sailing," said Hoehn.

Automation through the track-mounted dockside cranes such as the two at the Port of Anchorage is the connecting link in the Sea-Land trans-

portation concept.

When a vessel docks at the port of Anchorage, a stack of trailers is unloaded one by one until one hold is emptied. Then the "lift-on, lift-off" operation begins, placing an out-bound trailer in the emptied hold and lifting an inbound trailer on to a waiting chassis. This allows for a transfer of 90,000 pounds of cargo in approximately four minutes.

Using the crane loading technique, the loading and unloading operation at the Anchorage dock takes about 18 hours, although the ships are usually in port a day and a half.

All Sea-Land containers are 35 feet long and are demountable from their truck chassis to fit into the vessel's shaft-like steel holds.

Temperature controlled trailers are carried above the deck while the others are stored below deck. Sometimes when the temperature-controlled trailers leave Seattle they have to be cooled to bring their temperature down to 52 degrees. But by the time those trailers reach Alaska they're being warmed to keep the temperature constant at 52 degrees.

Sea-Land developed its automobile containers for its Alaska trade, although they now are used elsewhere in its shipping service. The containers, which hold four automobiles not only minimize damage which might occur in shipping, but make for more efficient loading. The crane lifting the container, loads four cars every time it makes a lift instead of only one.

The 35-foot flatbed container, now in world-wide use by Sea-Land, was also developed for its Alaskan trade. Hoehn said that prior to coming to Alaska, Sea-Land had no trade which required this particular trailer, used for hauling lumber, plywood, plaster board and machinery steel. "We were forced to develop it to engage in this business," he said.

Another type container in use by Sea-Land for about a year is its snorkel truck. A device on the tractor lifts the front end of the container to a 45-degree angle making it a dump trailer.

Hoehn said his company started using this trailer in Alaska about six months ago "to make our service more attractive to the consumer." It can be used to move bulk grain, chemicals and other commodities of this type.

"The Matanuska Valley farmer can get a load of hay pellets delivered right to his barn door. It saves handling and is cheaper."

The company has found that what works in Alaska can be adapted to use in its world-wide network. Throughout this system, Sea-Land operates more than 35,000 specialized modular 35-foot containers handling dry freight, liquids (including Scotch whisky) and chemicals and refrigerated cargo.

The "sea-bulk" system allows for containerized shipping of dry bulk cargo such as flour, corn starch and cement. Sea-bulk utilizes a plastic liner of virgin polyethylene developed by the company's research and development program. It can be installed in any of the 35,000 dry cargo

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Port Expansion Has High Rating With Committee

Expansion of the Port of Anchorage received a high priority rating yesterday from the newly formed Overall Economic Development Program Committee, a city-borough group charged with developing an economic

plan for the Anchorage area.

The rating was required of the City of Anchorage for its application to the Economic Development Administration for federal funds to assist in the expansion financing.

Stuart Bowdoin, federal programs coordinator for the city, said the development administration "acts more favorably if the project is given a high priority by an (overall economic development program) committee."

Both he and Vern Wiggins, borough planning director, noted this federal agency is the only one granting funds for docks now.

A \$3.4 million expansion program is planned for the dock, of which some \$4.7 million will come from federal funds.

Bowdoin and Erwin Davis, port director, briefly explained the needs of the port, and jobs which it has and will create.

The function of the revitalized committee is to formulate an economic program which will aid in decreasing the high unemployment rate.

In 1969, Bowdoin said, there were 958 jobs directly linked to the port. These jobs created an \$11 million payroll.

Over the next few years, tonnage at the port is expected to increase by \$75,000 tons annually, adding \$10 million annually to the payroll. Bowdoin said 237 jobs are created for each 1,000 tons the port handles.

Contingent on receipt of the priority rating is a statistical report showing current use and projected needs, the committee decided.