

SHIPPERS FILE PROTESTS

Competitors Ask Hearing

By HELENGILLETTE
Times Staff Writer

Protests against the city's granting of preferential berthing rights to Totem Ocean Trailer Express Inc. have been filed by at least two local carriers, increasing the doubt as to whether service by the new carrier will begin in Sept. 5 as projected.

Sea-Land Services and Coastal Barge Lines spokesmen confirmed that both companies filed requests last week for a public hearing before the Federal Maritime Commission in Washington, D.C.

Sea-Land General Manager James D. Hinchcliff said the whole question of preferential berthing for his company and

Totem, under negotiation for several weeks, had become so legally and technically complicated that it seemed time to "lay it out on the table and let the commission make a decision."

The City Council on July 29 gave its final approval to the new trailership service, which makes use of a 790-foot-long vessel, granting preferential rights at the southernmost area, Terminal No. 1, and part of an adjacent petroleum dock. Under that agreement, which cleared the way for approval by the commission Totem got rights to use that space one day per week.

The decision seemingly ended a series of maneuvers between the two carriers over berthing assignments.

Earlier, Totem had filed a protest with the commission protesting the preferential rights held by Sea-Land.

Totem apparently had proposed dropping that protest if the commission granted the berthing rights that company is requesting, Hinchcliff said.

Sea-Land's request for a hearing is based on allegations that certain environmental

issues, such as waterfront congestion, have not been dealt with. Further allegations that state Totem already is building waterfront structures pending approval and thus in technical violation.

Sea-Land also alleges that the in-coming company, a subsidiary of Sun Shipbuilding and Drydock Inc., did not follow normal channels in filing for entry into the Anchorage port.

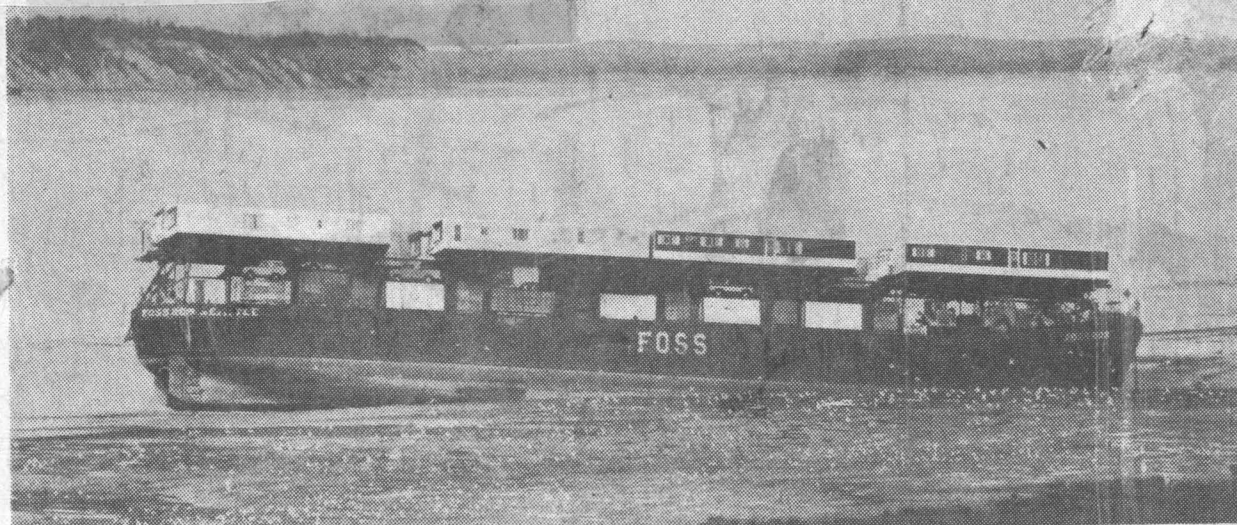
Our protest, Hinchcliff said, is "actually a series of comments relative to their proposed agreement."

Coastal Barge Lines Traffic Manager Gordon McMillan, who has been designated to take over as Alaskan manager of operations next month, concurred that the filing is "a normal filing in conjunction with Sea-Land, to, in a way, supply us with information needed so that we can organize for the years ahead."

He said his company welcomes the freight hauling competition offered by Totem.

"It will be good for everybody, especially the customers and right now this country really needs more shippers."

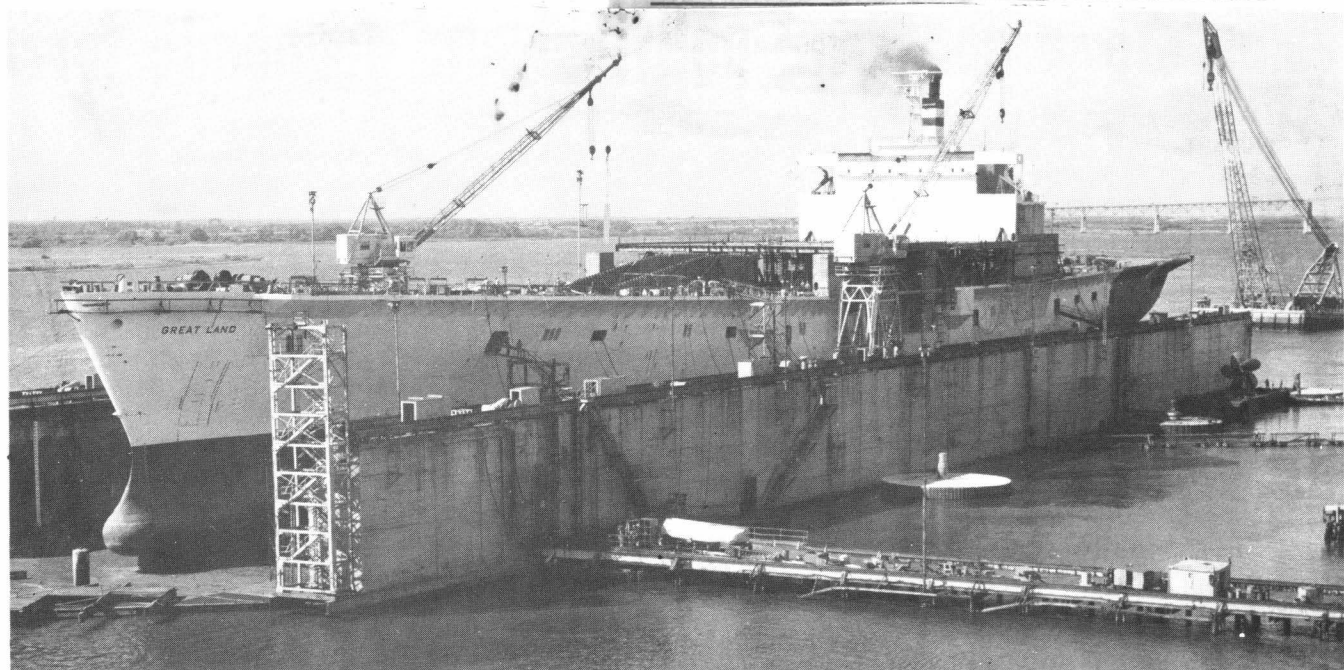
Monday, July 28, 1975, Anchorage Daily Times



BARGE SITS HIGH AND DRY ON THE MUD

A Foss Launch and Tug Co. barge was stranded Friday on the Ship Creek mud flats at low tide as it approached the Alagco dock in the Anchorage port. The barge was loaded with bulk cement, building materials and mobile homes for Pacific

Western Lines, a sister company of Alagco. According to a Foss spokesman, the barge came off the mud flats at high tide Friday evening without sustaining any damage.



The \$60 million Great Land sitting recently in dry dock in Chester, Pennsylvania.

Giant new trailer ship to enter Alaskan trade

Full page ads in daily papers all over the state have announced "ALASKA, YOUR SHIP IS FINALLY COMING IN."

The ship is the \$60 million S.S. Great Land, owned by Totem Ocean Trailer Express (TOTE) and scheduled to begin service to Alaska in late August or early September. The 790-foot trailership features roll on/roll off cargo capabilities, which its owners claim is more flexible than Sea-Land's lift on/lift off container methods.

It would appear that the addition of a second large carrier into the Alaskan trade is long overdue. Pipeline construction and related growth have clogged ports, causing serious delays in shipping. The Great Land should help relieve the bottleneck. Capable of carrying 390 40-foot trailers and 126 autos, it is slated to provide once-a-week service between Seattle and Anchorage.

But Sea-Land's new competitor isn't bringing up lower rates. Totem President William B. Maling explained, "If we came in too low, Sea-Land would complain. If we came in too high, the shippers would complain."

So shipping rates on the Great Land will be "competitive with Sea-Land."

Maling elaborated, "In the long run Alaska will have competition between two capable carriers. And ultimately this will result in better service. And in the long run, lower rates."

Ice-free ports such as Seward were considered for the Great Land's berthing. But Maling said Anchorage's population and in-place transportation infrastructure tipped the scale. Also, Anchorage was able to move the quickest in offering necessary facilities.

Negotiations are in progress with local trucking firms for handling cargo after it reaches Anchorage. TOTE is also talking with the Alaska Railroad about piggybacking their goods on railcars. Weaver Brothers, Heatherly and Sons, and Arctic Motor Freight were mentioned as possible carriers.

As Maling pointed out, Sea-Land is its own trucking firm and Crowley Maritime has Mukluk Freight Lines. "And it's our intention to negotiate with everyone else. Hopefully getting them all on our side to compete with Sea-Land and Crowley."

"But it's not our intention to be a trucker in Alaska."

About 25 management and office staff will be based in Anchorage. The main offices for the Alaska trade will be in Seattle, where about 50 administrative and accounting employees will be based.

Maling listed another reason for not coming in with cheaper rates: "In our opinion, we offer superior services and advantages that Sea-Land doesn't offer. Therefore, the existing rate level is the appropriate one."

Although he said the Great Land will cut into Sea-Land's business, he said, "Sea-Land is by no means our target."

The main advantage according to Maling, of getting two large shippers into the Alaskan market is the flexibility of service offered. On the Great Land you don't have to put everything in a box. Shippers can use their own equipment or TOTE's. "So if you have equipment that will store TVs better than a 35-foot box, you can use it."

The roll on/roll off cargo will mean faster loading and unloading. Because the Great Land has never actually been used before, company officials have no firm estimate on how many stevedores it'll take on the dock. The contract for dock work was awarded to Seattle Stevedore Co., which is reportedly incorporating a subsidiary in Anchorage.

Berthing at the Port of Anchorage has proved the major snag so far in the Great Land's entry into Alaska. A preferential berthing agreement with the port (similar to one held by Sea-Land) has been held up by complicated negotiations over which of the three docks

Maling said his service won't be strictly pipeline-oriented. "I hope we'll see a fairly broad mix, and sufficient cargo on the ship to make it a very viable venture and help us with our business."

The Great Land can carry long overhanging loads and fabricated girders on flatbed trucks. Also food, hardware, bulldozers, "and the usual construction equipment," Maling said TOTE has been talking with mobile home dealers, who find the year-round service to Anchorage attractive.

Totem is a subsidiary of Sun Shipbuilding and Dry Dock Company, which is itself a subsidiary of Sun Oil Co. Sun is a relative newcomer to the shipping end of the industry.

About 10 years ago Sun expanded from an exclusively shipbuilding operation. The company bought 30 per cent equity in Trans-American Trailer Transport (TTT). TTT had three ships on the New York- and Baltimore-to-Puerto Rico route, where they competed successfully against Sea-Land and Sea-Train.

But about a year ago the Commonwealth of Puerto Rico decided to take

the Great Land will use. The port, the Anchorage City Council, TOTE, Sea-Land, and the Federal Maritime Commission have all got it on the dispute. It appeared that an amiable settlement was imminent.

The delay in the preferential berthing agreement could push back the Great Land's first Alaskan trip. But TOTE President Maling said "juggling things and going to a little extra expense" the ship could meet its late-summer schedule. (Others estimate it'll cost \$2.5 million to prepare the dock for the ship. Work on ramps in Seattle has already started.)

Special ramps must be built for unloading the trailers, and Maling was worried that they might not be built before winter-if the berthing problem isn't settled.

Cook Inlet's high tide range (30 to 40 feet at times) caused changes in loading and unloading. Ramps will go to the main deck of the ship instead of the second. "We can't afford to let the ship go below the pier and wait eight or 12 hours until the tide comes in to unload cargo," Maling explained.

Other special Arctic features include high-strength steel on the main deck, an additional fo'c's'le to protect machinery from the ice, and a hot salt water system.

—PLEASE TURN TO PAGE 102 over its own shipping, and Sun (along with Sea-Land and Sea-Train) reluctantly sold out.

Operations now include a Baltimore-to-Iran ship carrying trailers and commercial cargo. Two Sun-built ships serve San Francisco, Los Angeles and Oahu, Hawaii.

"Sun Shipping is an unusual shipyard," Maling pointed out. Instead of building on contract, Sun builds ships for its own account, on speculation.

"We've been following Alaska for three or four years, the growth here and potential. And last year we looked at it quite seriously and entered some negotiations. But the time just wasn't right for us. And our primary entrepreneur that was going to manage it backed away from us."

"This year we decided we'd hire the necessary skilled people from TTT and other locations and locally and enter the business as a common carrier."

"The Great Land was built on spec. And as the opportunity in Alaska became more and more attractive and the Great Land came closer to completion, we decided that Alaska is the place for it." •

Anchorage Daily Times, Thursday, September 4, 1975



TRIO DISCUSSES FREIGHT SERVICE TO ALASKA

Gov. Bob Straub of Oregon, center, as leader of a trade mission to Anchorage emphasizes the trading relationship that can result from a new barge service. Discussing the

service are the Anchorage port director, Erwin Davis, left, and Larry Black, Commissioner of the Port of Portland.

Letters

Apologies—And Thanks

Dear Editor:

As officer-in-charge of the Navy recruiting sub-station here in Anchorage, and as an officer directly involved with the recent visit of the USS Dubuque, I feel it is my duty to give the people of Anchorage an explanation concerning the early departure of the ship Sunday morning.

As was originally planned the Dubuque was to be docked in Anchorage from Friday, September 19, until Monday morning the 22nd. Saturday and Sunday afternoons were to be set aside for general ship visiting by the public. In addition to the ship tours a program involving a choreography featuring a sailor or marine was also planned for the weekend.

Information regarding these activities was broadcast over local radio and television stations in addition to newspaper coverage.

Saturday it was learned that the Dubuque would have to depart one day ahead of

schedule in order to make adequate room for an arriving cargo vessel. Because of the short notice, there did not exist sufficient time to inform the news media of the early departure date and to have them include the information on already scheduled programs.

Due to this unfortunate happening I would like to take this opportunity to apologize to the Anchorage community and especially to those people who made a trip to the dock Sunday to visit the Dubuque.

On behalf of the United States Navy, Marine Corps and the USS Dubuque, I would also like to thank the fine people of Anchorage and surrounding areas for the warm hospitality given to the sailors and marines of the Dubuque. I am sure the two days spent in Anchorage will be among the fondest memories of their military careers.

Lt. J. G. James Kehoe Jr. USN
U.S. Navy Recruiting

Pacific Shipper NEWS Seattle/Alaska RO-RO Pacts

Two terminal lease agreements have been filed with the Federal Maritime Commission that will provide berthing space for the new roll-on/roll-off service to be initiated by Totem Ocean Trailer Express between Seattle and Alaska.

One agreement (No. T-3130) between Totem and the City of Anchorage provides a preferential berthing area and transit area at Anchorage City Dock.

The FMC also has been asked by Totem to disapprove a terminal lease agreement between Anchorage and Sea-Land Service on grounds that it would preclude availability of sufficient berthing space for Totem (PACIFIC SHIPPER: June 30).

If the dispute can be settled and agreement No. T-3130 is approved, Totem will have the right to construct trestles connecting the berthing area, transit area and other additions.

Under the pact just filed, Totem will pay \$426,625 a year and may handle up to 250,000 tons of cargo. For each ton of cargo above that, Totem will pay an additional amount per ton.

A three-year terminal lease agreement between the Port of Seattle and Totem (No. T-3128), covering Piers 37 and 39, also has been filed with the FMC.

Tote Ship Is First

For the second week in a row, Totem Ocean Trailer Express Inc.'s new vessel, the Great Land, and one of the Sea-Land ships yesterday tied up at the Port of Anchorage at nearly the same time.

Even as longshoremen finished mooring the Great Land at about 10 a.m., the silhouette of the Portland was appearing on Cook Inlet. Docking of the second big freight carrier was completed by noon and cranes moved into position for lifting the familiar red and silver vans off the vessel and onto wheeled chassis to be hauled away from the port.

Meanwhile, the one completed Tote trestle at the far end of the dock was used for the roll-on, roll-off freight on the Great Land. A crane is used in this operation only for purposes of unloading house trailers.

Tote's Alaska Manager Howard Acton, who watched the docking with vice president, Ruddle Irizarry of Seattle, said the Great Land's three trips since start of the service in September have gone smoothly.

With start of the Tote's service, Lynden Transport has started bringing up tank cars of fresh milk for delivery to Arden Dairies. Lynden's Anchorage manager Carl Tatlow, on hand to watch the Great Land come in, said that two tankers carrying about 7,000 gallons of milk have been brought in on each trip thus far and that this amount will probably be increased.

The Portland is still being unloaded today, while the Great Land had left the Anchorage port at 2:30 a.m.

Berthing of vessels at the city port is on a first come, first served basis pending a Federal Maritime Commission hearing on preferential rights scheduled for next March.