



Anchorage Daily News/Ron Smith

Unloading the gear

Helicopters and heavy equipment from Fort Lewis, Wash., were being unloaded Wednesday at the Port of Anchorage in preparation for the Brim Frost '83 military arctic maneuvers. Moving hardware into the battle zone between Fairbanks and Delta is one of the key tests in the winter war games, military officials say. Eight

UH-60A Blackhawk helicopters were reassembled on the docks and were to be flown to Fairbanks. Other equipment was loaded onto flat cars for shipment by rail. The actual six-day battle is scheduled to begin Jan. 28 and will involve 16,000 troops.

The Anchorage Times, Wednesday, March 9, 1983

SeaLand beefs up cargo service

SeaLand Service Co. is adding a third sailing to its weekly Seattle-Anchorage service, increasing the container line's capacity by 50 percent, according to Alaska General Manager Douglas Tipton.

"We've put a fourth vessel into service early this year because economic conditions are strong. In particular, a lot of building material is moving north," he said.

Tipton said this is the second year that four SeaLand vessels are in the Seattle-Anchorage

trade. Last year, the fourth vessel began its sailings on April 1 and was pulled from service in late October.

The four general cargo carriers are the Galveston, Newark, Philadelphia, and Portland, each with a capacity of 369 containers, he said.

The new schedule calls for the vessels to sail out of Seattle each Tuesday, Thursday and Saturday and arrive in Anchorage scheduled on Mondays, Wednesdays and Saturdays.

The Anchorage Times, Sunday, February 6, 1983

New shipper would buck Sea-Land, TOTE

by Jeff Berliner
Times Writer

A new shipping firm has tentative plans to begin service to Alaska next month and offer head-on competition to Sea-Land Service Co. and Totem Ocean Trailer Express.

Sen. Ted Stevens, R-Alaska, confirmed Saturday that he has been one of the backers of the plan because he said the competition will lower shipping rates to Alaska.

If the new company actually begins shipping freight, the competition could begin a freight rate war, which also could result in a battle with Alaska Teamsters Local 959. Stevens, in Anchorage this weekend for several public appearances, confirmed that he had met with Teamster secretary-treasurer Jess Carr on Saturday.

Stevens, contacted at a reception before a Republican Party dinner, said the company's name is Alaska Navigation, based in Vancouver, British Columbia.

Industry sources and Stevens said the company will ship goods from Vancouver to Seward, where they will be sent north on the Alaska Railroad. The company reportedly has container vessels roughly the size of Sea-Land's. The Mar. 6 start-up date is contingent upon getting tariff approval.

There has been a lot of behind-the-scenes politicking for and against the new foreign shipping operation, according to sources, and the closed-door meeting between Stevens and Carr, some of the political issues were discussed.

Since Alaska Navigation would dock in Seward, which could take

business away from Sea-Land and TOTE, and their Teamster workers, Carr reportedly opposes the new shipping operation and the loophole in the law which permits the Canadian-based foreign flag company to ship goods to Alaska.

The decades-old Jones Act prohibits foreign vessels from hauling freight between two American ports and it also prevents foreign ships from hauling American goods from a foreign port to a U.S. port.

But the loophole in the law, known as the Third Proviso, permits foreign flag vessels to ship American goods to American ports if the goods were delivered to the foreign port by rail.

Alaska Navigation will get containers full of American products by train, which would bypass the provisions of the Jones Act.

Developments are being watched closely by Sea-Land, TOTE, Alaska Teamsters Local 959, and the trucking industry.

Sources say Sea-Land and TOTE are "frightened" of the Alaska Navigation competition because Alaska cannot support three major shipping companies. And Carr fears a substantial loss of work to Teamsters if Alaska Navigation succeeds.

The issue also has international ramifications and could affect the American economy, because Alaska Navigation will take work away from Americans because Canadian longshoremen will load the vessels in Vancouver and the ships will be manned and maintained by foreign crews.

Since International Warehousemen and Longshoremen's Union members in Seward would unload the ships, this means the ILWU will take work away from Teamster longshoremen in Anchorage who now unload Sea-Land and TOTE vessels. And Teamster truck drivers who now truck the goods to market from the port of Anchorage could also lose work.

"It's a difficult thing to assess," Stevens said after his meeting with Carr. "We're looking to broadening opportunities for competition and trying to get significantly lower freight rates."

However, a shipping industry source predicted that Alaska Navigation's entry into the Alaska shipping industry will actually result in higher rates after an initial rate

war cuts freight rates.

If Alaska Navigation has lower rates, it could win customers from Sea-Land and TOTE. But if the big companies' volumes drop substantially, Sea-Land and TOTE will eventually have to increase rates to pay the same bills and make the same profit, the source said.

Sea-Land and TOTE are now about 90 percent full. If they lose freight to new competition, their income will drop while their overhead will remain about the same, sources say. The result will be either higher rates over the long run or Sea-Land and TOTE dropping one of their vessels or even dropping out of the Alaska shipping business entirely.

"If TOTE and Sea-Land cannot keep up the service with this increased competition, then it could hurt Alaska," Stevens acknowledged.

According to those in the industry, Stevens is among the biggest backers of the project.

"I don't like to see our jobs go to a foreign port," said Stevens. "They are going to avoid the Jones Act. But there will be competition between Vancouver and Seattle now."

Anchorage Daily News Wednesday, April 27, 1983

Port veto sparks officials to action

By ROBERTA GRAHAM
Daily News business reporter

Surprised by an unexpected veto from the 1983 supplemental spending plan of \$5.6 million targeted for land development at the Port of Anchorage, Mayor Tony Knowles and the Anchorage Port Commission met Tuesday to draft an appeal to the state legislature stating the port has an urgent need for the that money in 1984.

At an emergency work session Tuesday noon with Knowles, members of the port commission voted to draft a resolution addressed to Gov. Bill Sheffield stating the reasons that money should be included in the 1984 budget.

Additionally, Knowles said he would move the budget item to the top of his municipal spending priority list.

“If we don’t take a stand on this, we’ll be giving out a message that the municipality doesn’t care about the port . . .”

Judy Brady, port commission

He also drew support from representatives of the local longshoremen's union and one of two shipping companies who said they would pool their lobbying efforts to push for the project.

The supplemental appropriation vetoed by Gov. Sheffield late last week would have been used to develop a small tract of land the port needs to handle additional containerized cargo.

"As far as I'm concerned we

needed that project six weeks ago," said Pat Boetger, spokesman for Anchorage Independent Longshore Union Local 1. "There just isn't room to (put) all the cargo that is moving across that dock."

"This project will be given a high priority," Knowles said. "It meets all of the public needs tests . . . It serves the entire Railbelt region . . . I think it's very important."

"But sometimes these projects

are tested to see if we really mean it and are serious about the project. I think we will be sending a strong, clear message that we really mean it," he said.

Over the past 10 years, Anchorage has received less than \$10 million in state funds for port development.

"Compared to other places in the state, we look cheap," said one commission member.

One reason the port has asked for and received so little money compared with other cities with port facilities is due to a port commission directive several years ago, said assistant port director Tyler Jones.

At that time, the commission asked for a study to be completed on the future needs of the port

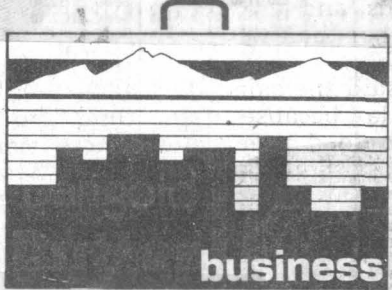
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before it asked the state for any money.

Two lengthy, state-funded studies finished last fall by independent consulting firms showed the port's most urgent priority is additional land. The studies concluded that unless more land is acquired over the next 15 years, the port will become obsolete.

"If we don't take a stand on this, we'll be giving out a message now that the municipality doesn't care about the port," said commission member Judy Brady, "but it is important because we'll have to fight for every piece of future land."



"And when so little land is available to the port, it can't afford to be viewed as a low priority," she said.

But the port faces stiff competition from other Anchorage projects such as schools and road development, Jones said, while other municipalities put

port development at the top of their priority list.

Jones said he will hand-carry the resolution from the commission to Sheffield this week.

"The decisions on the 1984 budget are being made this week in Juneau and we can't afford to wait on this," Knowles said.