

Seattle Port Chief Optimistic on Growth 6-27-85

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SEATTLE — It may be a few years before the Port of Seattle is able to recover fully — in terms of container volume — from the recent loss of Sea-Land Service Inc. A soon-to-be-launched daily double-stack container train service, however, will make the port more competitive.

This was the prediction of James D. Dwyer, on the eve of his ascension from deputy executive director to executive director at the Port of Seattle. Effective at the end of June, Richard D. Ford, 56, retired from that position to undertake a new career of international trade law and university instruction.

Mr. Dwyer, at 37 years old the youngest chief executive in the port's 74-year history, expressed confidence in an interview that the Port of Seattle will recover well from the recent loss of its biggest tenant, Sea-Land, to rival Port of Tacoma.

He said it could take as many as five years to fill up Terminal 5, which was occupied by Sea-Land and now is receiving major moderniza-



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tion. But he said the port is on the threshold of getting new business, including Gearbulk Container Services and China Ocean Shipping Co., and more carriers are expected to be attracted as a result of a six-day-

per-week double-stack train service that Burlington Northern Railroad plans to launch Aug. 1.

Mr. Dwyer maintained that both the ports of Seattle and Tacoma are becoming stronger in the intermodal business because of double-stack services offered by several steamship lines and BN itself, whose new service out of Seattle will be available on a public basis.

"I think, clearly, Southern California and the bay area will face some tough competition from Puget Sound," he stated. "We will have stack-train capacity six days a week out of Seattle for all carriers."

"The port system on Puget Sound has a more intermodal focus than do ports elsewhere on the coast," he said.

The loss of Sea-Land to Tacoma, Mr. Dwyer said, was primarily a psychological setback. He noted that the carrier accounted for 30 percent of the Port of Seattle's container volume but only 4 percent of its overall revenue.

Instead of being required to develop a new container terminal at this time at a cost of about \$1 mil-

lion per acre, the port is redeveloping just-vacated Terminal 5, he indicated. The redevelopment of 65-acre Terminal 5 is budgeted at \$30 million, including the cost of acquiring two new, 100-foot-gauge container cranes.

The port has no tenant or tenants in hand yet for Terminal 5, Mr. Dwyer said. The facility, a portion of which will be available soon for occupancy, is being vigorously marketed, he reported.

"For years, Tacoma has been going around saying we're land short — but it can't say that now," Mr. Dwyer said with a laugh.

While predicting that the advent of BN's double-stack service out of Seattle will make the port more competitive with California ports and the all-water route via the Panama Canal, Seattle's new port director said he is concerned that the Port of Vancouver, Canada, could emerge as a formidable intermodal traffic competitor.

"People (in the Seattle area) aren't focusing on the Port of Vancouver," he said. "Vancouver is a
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potential threat to this Puget Sound area as much as Southern California."

The Canadians now have a direct rail link to the U.S. Midwest, Mr. Dwyer noted, in reference to the Soo Line earlier this year being awarded the right to purchase the former Milwaukee Road network in the upper Midwest.

"They (the Canadians) dip down into the midwestern United States, which is our bread and butter," he observed. "And they have transcontinental capability, which is attractive."

Whether the Port of Vancouver emerges as a container diversion threat largely depends, Mr. Dwyer said, on whether it can resolve some difficult problems. He referred to several of these problems as being "terrible labor, poor and inadequate facilities and a lack of concept as to what they (Vancouver port interests) want to be."

Presently, the ports of Seattle and Tacoma are handling more than a third of containerized Asian goods entering Canada by way of the West Coast.

Mr. Dwyer, an attorney by profession as is his predecessor, Mr. Ford, indicated that his style of leadership at the port will be different from that of Mr. Ford, even though the retiring director had a great deal of influence on Mr. Dwyer.

"I worked with Dick for 12 years," Mr. Dwyer said of Mr. Ford. "I've been influenced tremendously by Dick. He's a tremendous leader and administrator, and he's a good thinker."

But Mr. Dwyer said he is giving senior-level and middle-management employees more responsibility. Already, the new director has undertaken a reorganization of the port's staff. For the first time, the port has a marine division and an aviation division, the latter for port-owned

and operated Seattle-Tacoma International Airport.

Those divisions report directly to John G. Belford, former executive director of the Port of Everett, who Mr. Dwyer recently appointed as Seattle's deputy executive director.

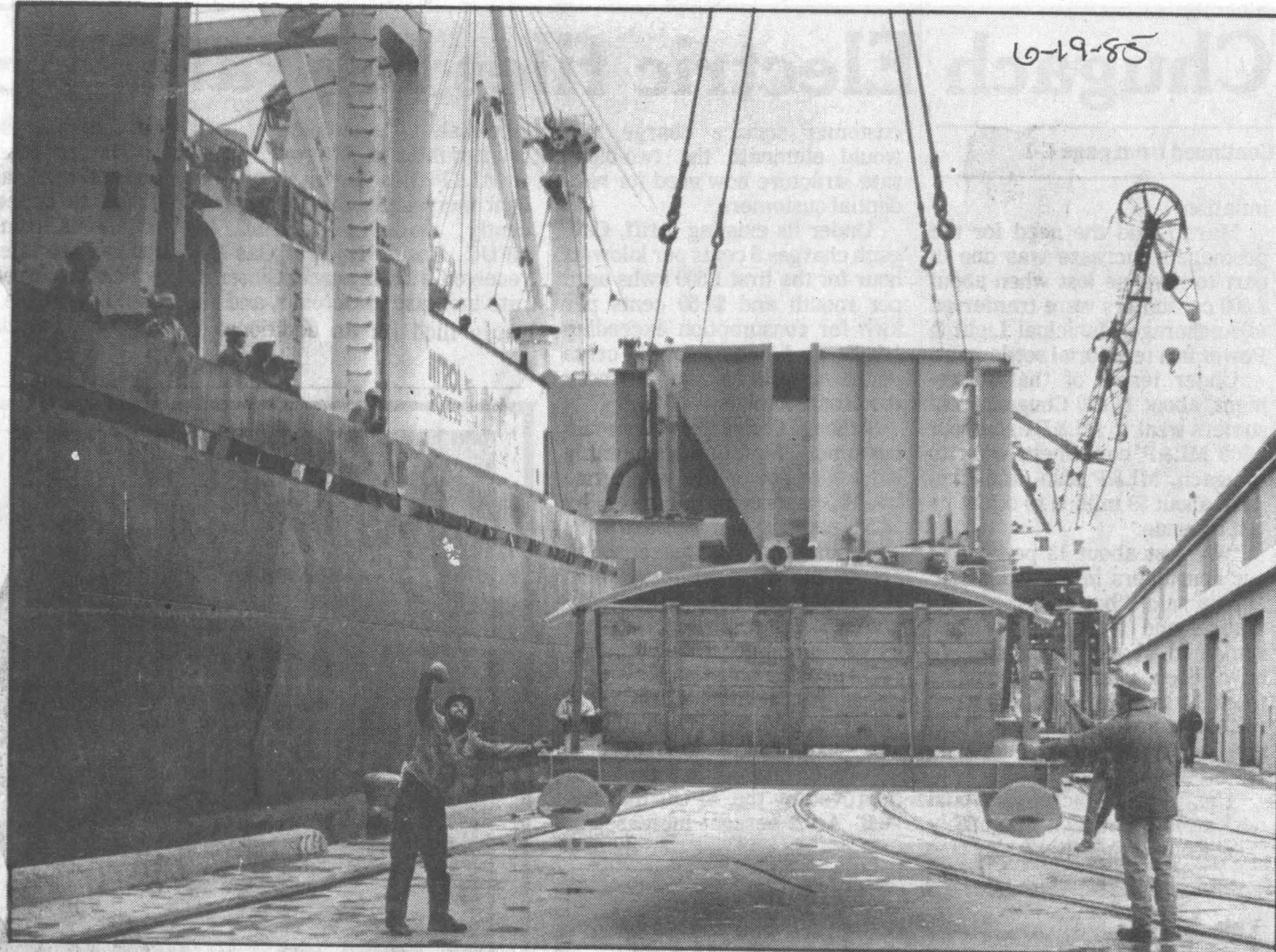
The reorganization will enable Mr. Dwyer to devote more personal attention to port customers, the local community and port commissioners.

"I think it's extremely important that customers have some feeling that the executive director is watching over their interests," Mr. Dwyer said.

The reorganization also provides a means for the port to focus on some new roles, particularly the development of international tourism and commercial waterfront and other development "beyond boxes and passengers," as Mr. Dwyer put it.

"There's more on the agenda than just ships and planes," the port's new director asserted.

Executive D



Unload

Longshoremen Wednesday unload Girdwood Mining Co. equipment from the Harmony after the vessel's first docking at the Port of Anchorage. The vessel is chartered by

the Danish firm, Peter Van Christensen. The company plans monthly service between Europe and Alaska, including stops in Anchorage and Valdez.

Times photo by Alice Puster