

# Building a better port



Times photo by Alice Puster

A ship arrives in the Port of Anchorage recently; port officials say they are anchoring plans to expand the port and its business

## Expansion plans: new lines, better facilities

by Karen Robin  
Times Writer

The Port of Anchorage has big plans brewing in the small offices over the pierside warehouse.

To handle the 75 percent of all Alaskan freight that passes through its gates, port officials are looking forward to new shipping lines, bigger and better port facilities and a waterfront property development project.

The days of the 1980-81 recession are gone and

the time to build is here, said Eric Morrison, the port's new assistant director.

During those years of wind down after construction of the trans-Alaska pipeline, cargo tonnage figures dropped from a peak of over 2 million metric tons to 1.6 million tons, he said.

Now the port is back to boom levels, Morrison said, handling over 2 million tons of cargo. He hopes that will eventually increase to 5 million tons.

Exporting Alaskan goods is the key, he said.

Until now, Anchorage's major exports have been empty containers, crushed automobiles and military household goods bound for the Lower 48, Morrison said. With a return shipment, steamship lines may be able to lower their northbound cargo rates, he added.

The first step in that export trade is the Harmony, which today inaugurates direct service between Alaska and Europe.

## Port expansion taking hold

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Chartered by the Peter van Christensen Line, the vessel will discharge a Dutch-made, 30 kiloton gold dredge, steel, furniture, technical equipment and empty refrigerator containers that will carry frozen fish on a later return voyage.

Morrison sees Alaskan fish as an obvious primary export, perhaps to be followed in the months to come by Seward coal, Matanuska Valley grain and Sitka lumber.

The 54-acre port is rather small compared with most others in the world, Morrison noted, and more storage space for outgoing cargo is vital as the port seeks new business.

Besides the new European service, Sea-Land Freight Service Inc. is planning to launch three new larger vessels next year and will want more land to store its containers, he said.

Totem Ocean Trailer Express Inc., which can bring 400 containers into Anchorage on a single vessel, also wants more space.

Despite the addition last year of 9 acres in the South Transit Area and 8.6 acres of storage at the Transit Area D this summer, Morrison said the storage area is nearly fully filled.

He has asked Elmendorf Air Force Base for 18 acres to extend Terminal Road. Negotiations are "at the basic stage" Morrison said.

Meanwhile, existing facilities will be improved, Morrison said.

A sixth crane is slated to be installed on the south end of the pier. And while the warehouse is being renovated to make room for the new crane, the port will build new offices on the roof and an observation deck, Morrison said.

The port also plans to diversify its operations in the form of the Ship Creek Waterfront Development, which will include a recreational boat launch ramp, office buildings and restaurants, perhaps even a new state courthouse site, he said.

A waterfront project has been talked about for more than 30 years, Morrison said. A 1982 study proposed a \$54 million Project '80s extravaganza that would have included a floating marina.

"It was beyond reality, so we're going back to ground one with that," Morrison said.

The waterfront development is planned for land near Smugglers Cove — at the mouth of Ship Creek, the south end of Ocean Dock Road — on property owned by the Alaska Railroad.

About \$2 million in state funds have been dedicated to the waterfront development. The money must be used this year or returned to the state, he said. Design proposals will be requested next month.

The money for all of these ambitious projects will come from port revenues, Morrison said.



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— Eric Morrison, port official

## Port's new official spearheads expansion

Times Staff

One factor in the Port of Anchorage's push to expand and diversify is Eric Morrison, the port's new assistant director and public information officer.

"I'm here to push the studies out the door and get out the shovel," he said.

Working on the many plans that have been kicked around for years, Morrison came to the port offices two months ago to see those projects through.

He is concentrating on plans to build a Downtown waterfront complex, to expand the port and to encourage more exports.

"There's a lot that needs to be done down here so Anchorage and the state can grow responsibly," he said. "They can't grow at all without us."

The 37-year-old Morrison was born and raised in Sitka, the fourth generation in a sea-faring family. He has a law degree from the University of New Mexico in Albuquerque, as well as a bachelor of art's degree in political science.

He also served for more than two years as an Interior Department special assistant on native affairs in Washington, D.C.

He has returned to the sea now, he said, working through the municipality. A public servant with the dream of pushing the port's expansion, Morrison's motive is clear: "Ten to 15 years from now, your kids or my kids are going to realize the benefit."

## WORLD TRADE/SHIPPING

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## P.V.C.'s Entry Into Alaska Worries Some

By BRUCE JOHNSON  
Journal of Commerce Special

SEATTLE — Major waterborne carriers between Puget Sound and Alaska, a trade that is overtonnaged and experiencing depressed freight rates, are watching with more than casual interest whether P.V.C. Lines' new Alaska-Europe service will have any measurable effect on Alaska-Europe transshipments via the Seattle vicinity.

Danish-owned P.V.C. — whose parent company is P.V. Christensen — intends to provide a monthly multipurpose vessel service direct between Alaska and Europe — starting with the Harmony, at last report scheduled to arrive June 18 at the Port of Anchorage. The service is being billed as the first liner offering directly between Alaska and Europe.

Several shipping sources at Seattle said they fail to understand how P.V.C. will be able to justify direct calls in Alaska on an ongoing basis, but an executive representing P.V.C. expressed guarded optimism that sufficient cargo volumes will be available to support the long leg between P.V.C. stops in California and the Alaska turnarounds of the line's vessels.

"It's a very long haul," Bengt Henriksen, president of First Ocean Marine Co. of Redwood City, Calif., and North American agent for P.V.C., acknowledged. "There is a very keen investment in having a service over that much distance. We hope that we can maintain service; that there is enough cargo there."

In addition to Anchorage, the Harmony is scheduled to call a day later at Valdez, Alaska. According to the present schedule, the ship will then sail to Kodiak Island, Alaska, a center of commercial fishing.

P.V.C. stops at Vancouver, British Columbia, and Seattle also are possible. Other North American West Coast ports of call are San Francisco and Long Beach, already served by P.V.C. as part of the firm's Central American service.

Mr. Henriksen, who was managing director of the former Seawinds Ltd. trans-Pacific carrier based at Redwood City, said it is hoped that a large fish export market can be developed in Alaska. Being targeted by P.V.C. for the European market is the potential for large, year-round movements of frozen cod and pollock in addition to seasonal shipping of salmon and crab, he said.

### PACIFIC CURRENTS

"We learned from visits to Alaska that there was a very strong urgency for Alaska fish products to find a secondary market," Mr. Henriksen said.

Representatives of the Alaska fishing industry expressed a need for direct, more economical service to Europe, he indicated. The strong American dollar is making it difficult for Alaskans to export fish to Europe, he said.

"The fact that we provide direct service hopefully will make up for that," Mr. Henriksen said.

"There are no direct rates existing," he said. "All rates are quoted on the basis of a domestic rate to Seattle and then an international rate to Europe."

Mr. Henriksen noted that P.V.C. vessels being made available in Alaska have a capacity for 40 to 60 reefer containers.

On the inbound side, the reefers as well as dry containers and open-top units can be used to carry European imports, he said. In addition, P.V.C.'s vessels are designed to carry breakbulk loads, in either direction.

P.V.C. is targeting European-manufactured oil industry equipment and supplies as well as other merchandise in its trade from Europe to Alaska. It is hoped that P.V.C. will attract, on a consistent basis, shipments of pipe, construction equipment and heavy lifts, among other goods, Mr. Henriksen indicated.

In Seattle, several sources said it is too early to predict whether P.V.C. will have any noticeable effect on Jones Act shipping between Alaska and Puget Sound or on distribution of transshipped Alaska fish from Seattle area warehouses to Europe via breakbulk freezer vessels.

One steamship company source, who asked not to be identified, said he wonders whether there will be a sufficient level of European buying of Alaska cod and pollock to sustain steady moves of these frozen fish products via P.V.C. to Europe.

He said such shipments would have to be developed on a steady, year-round basis in order to justify, even on a marginal basis, P.V.C.'s direct calls in Alaska. He noted that salmon and crab are seasonal.

Another source, Everett Trout, vice president of operations for Alaska's Totem Ocean Trailer Express (TOTE), said he will be surprised if P.V.C. is able to sustain its direct service to Alaska.

On the inbound side, some cargo might be available to Alaska from Europe on an all-water basis, he said. But he noted that landbridge movements are competitive and considerably faster than an all-water service to Alaska can offer.

Most of the modest amount of goods being imported in Alaska from Europe are transported through Atlantic ports and by intermodal rail to Puget Sound for waterborne transportation to Alaska.

"When you consider the small volumes involved, there's no way they can justify sending a ship up there — even if they had a predominant share of that (Europe-to-Alaska) market," Mr. Trout said.

Still, TOTE and other major carriers are watching with interest what P.V.C. will be doing in the Alaska trade. Given the current state of Alaska shipping, any loss of business to a competing mode would be viewed with concern, he indicated.

Mr. Henriksen stated that P.V.C. has positioned itself to attract substantial loads of cargoes in both directions between Alaska and Europe. Besides marketing itself among European exporters, the company offers port calls in Europe that will help attract Alaska fish products, he said.

"Scandinavia is one of the big potential markets for Alaska fish, in addition to the France-Italy market," he said, noting that P.V.C. directly serves Aarhus (near Copenhagen) and Le Havre (for the French and Italian markets) among other European ports of call.

In Alaska, Valdez as well as Anchorage is being served, at least initially, because "we want to be sufficiently flexible," Mr. Henriksen said.

"Our studies show that Valdez can serve the North Slope (oil field area) just as well, if not better, than either Anchorage or Seward, mainly because Valdez is capable of holding cargo before it moves on to the North Slope as required," he stated.