Digitizing the Maritime Supply Chain

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October 19, 2017

BAC
BUSINESS ADVISORY COUNCIL

NORTHWESTERN UNIVERSITY
TRANSPORTATION CENTER

THE PORT
OF LOS ANGELES
LA
Port of Los Angeles Overview

- Founded in 1907
- Non-taxpayer supported
- Municipal, landlord port
- State Tidelands Trust
- 4,300 acres land/ 3,200 acres water
- 270 berths and 27 cargo terminals
- 91 cranes
- 7 container terminals
  - 76% of port revenue last FY
  - Largest generator of jobs
Western Hemisphere’s Largest Trade Gateway

**SPEED – FREQUENCY - RELIABILITY**

**Superior Access to US Markets**
- Mega-region of 22 million consumers
- **Good weather** year-round
- 14,000-strong longshore workforce
- $1.8 Billion square feet of warehouse/DC space
- $2.4 Billion **Alameda Corridor**
- **100 trains** daily through LA basin
- 2 Class-1 Railroads: Union Pacific & BNSF
- Access to **Major Freight Hubs**, including:
  - Chicago
  - Memphis
  - San Antonio
  - Kansas City
  - New York
  - Atlanta
  - Houston
  - Denver
  - Dallas
  - New York
Major Factors Impacting Ports

- **Larger Ships**
  - Substantial infrastructure costs – wharfs, terminals, rail lines and roadways
  - Cargo surges overwhelm terminals and transportation infrastructure
  - More pressure on positioning of land-side assets (e.g. chassis, locomotives) and truck gate operations

- **Dominance of Carrier Alliances**
  - Three Major alliances among 13 carriers put more pressure on ports, terminals
  - In LA-Long Beach, weekly service calls can alternate between terminals and ports
  - Over-capacity will continue to erode bottom-line profitability

- **Technology-Deficient Operations**
  - Digital infrastructure investment is not top-of-mind
  - Too many online systems make cargo tracking and upstream conveyance a painstaking process for BCOs, Freight Forwarders and trucking companies
  - The 48-hour line-of-site on arriving cargo is too short for effective planning

- **Limited Space**
  - Requires ongoing terminal modernization projects
  - Re-purposing surplus land to support short- and mid-term needs
  - Ports must engage, facilitate the best solutions for terminals & carriers
GE Digital Portal Pilot Project

To conquer the complexity, the Port of Los Angeles and GE Transportation are partnering to launch a Visionary Digital Solution:

- Channeled, secure access to data that supply chain stakeholders need
- Benefits supply chain efficiency, predictability, and reliability
- Keeps the supply chain flowing
- Phase 1 pilot mid-May through end of June
- Phase 2 (2018) will expand the pilot to 2 more terminals and 11 more lines
Cyber Security Operations Center

- 24x7 defense against 20+ million intrusion attempts per month
- **Technologies:** Cyber Security Operations Center (*First for ports, in operation since 2014*)
- **Processes:** ISO 27001 certified Information Security Management System (*First and only for ports, certified since 2015*)
- **Personnel:** Dedicated cybersecurity team, including qualified employees with cyber security industry certifications
- Collaboration with City of LA, USCG, FBI, USSS, DHS, AAPA
Thank You.