



In this Issue [PPR First Quarter 2010 Results](#)

[PPR Post Strong First Quarter Performance](#)

[2010 Cruise Season Holding Steady](#)

[Port & Partners Promote Prince Rupert Abroad](#)

[Port of Prince Rupert Economic Impact Study](#)

[CN Awarded Innovator of the Year](#)

[SMIT's Minette Bay Purchase Benefits Shippers](#)

Port of Prince Rupert Posts Strong Performance

The Port of Prince Rupert continues its strong growth in volumes, handling 4,119,708 tonnes in the first quarter 2010, up 72.8% compared to 2,383,510 tonnes in the same period in 2009. The surge in traffic was driven by a 217.9 per cent jump in throughput at Ridley Terminals and an 84.3 per cent increase at the Fairview Container Terminal.

The first quarter performance follows the best year at the Port of Prince Rupert in 2009 since 1997.

Exports Lead 87.3% Growth in Fairview Terminal Traffic

Export traffic through the Fairview Container Terminal grew 108.9 per cent for the first quarter 2010, leading the terminal to post an overall 87.3 per cent increase in traffic to 76,860 TEUs, compared to 41,042 TEUs for January-March 2009. Much of the growth in containerized export cargo is due to the backhaul of Western Canada resource-based commodities to China, including northern British Columbia lumber, logs and aluminum.

"Our continued growth reflects the increasing confidence and satisfaction of our customers with the quality of service they are receiving in shipping their products through the Port of Prince Rupert," says President & CEO **Don Krusel**. "The increase in Canadian exports demonstrates the value of the Prince Rupert Gateway to the northwest transportation corridor, as well as validates the concerted efforts of the Asia-Pacific Gateway & Corridor Initiative partners who have been tirelessly promoting the gateway and Western Canadian commodities to Asia."

The strong export market for northern B.C. products is also generating new business and employment opportunities in the region including trucking and transloading operations.

COSCO Upgrades CEN Service Vessels to 7,500 TEUs



COSCO Yokohama is the first of six 7,500 TEU COSCO vessels, upgraded from 5,500 TEU ships, to call on Prince Rupert as part of the CKYH Alliance's weekly CEN Service. The Yokohama arrived in Prince Rupert April 26 as the first port of call from Asia before continuing on to U.S. West Coast ports.

Prince Rupert Grain Maintains Strong Volumes

Combined increases in canola, alfalfa pellets and grain pellets offset a decrease in wheat volumes as Prince Rupert Grain Ltd. shipped 1,266,884 tonnes, up 621 tonnes, in the first quarter 2010 compared to the same period in 2009. Wheat was down 6.2 per cent to 1,125,802 tonnes, while canola was up 82.7 per cent to 116,413 tonnes.

The Canadian Wheat Board disperses the agricultural products shipped through each of the two West Coast ports, with PRG the designated terminal for northern prairie grains as well as the central parts of the prairie provinces. The CWB projects that exports for the 2009-10 crop year, which ends July 31, will reach 18.7 million tonnes of grain, its highest level of shipments in a decade. PRG volumes in 2010 are expected to match its 2009 performance, one of its best years since 1997.

PRG has also been recognized by the CWB in the first ever "Grain Handler of the Year" awards, given to only four facilities across Canada. PRG received the Western Port Terminal Award for excellence in customer service, high performance and innovation.

Ridley Terminals Forecasting Record Year

Ridley Terminals Inc. is benefiting from the continued strengthening of global market conditions, posting a 217.9 per cent increase in volumes to 2,033,949 tonnes in the first quarter 2010 over 2009. Coal surged 165.5 per cent to 1,217,799 tonnes, followed by a 322.7 per cent jump in coking coke to 512,065 tonnes and 729.3 per cent increase in petroleum coke to 252,424 tonnes. Wood pellet volumes also increased 75.6 per cent to 51,661 tonnes.

RTI Chairman **Bud Smith** says the terminal is forecasting a record year in 2010, surpassing the 6.9 million tonnes handled in 1994. In addition, the

corporation expects to see results this year of diversification plans intended to minimize its dependence on metallurgical coal and oscillating world steel prices and better utilize the terminal's current 12 million tonne annual capacity.

"Our management team has been actively negotiating with new suppliers of thermal coal, new sources for wood pellets, bulk agriculture products and a derivative of salt," says Mr. Smith "We are hopeful some of these negotiations bear fruit in 2010, which will make our terminal stronger."

More details on the Port of Prince Rupert's first quarter performance and statistics by terminal are available at [First Quarter 2010 Statistics](#).

Prince Rupert 2010 Cruise Season Holding Steady

Prince Rupert will host an estimated 54,500 passengers from 25 large and pocket cruise ship calls in 2010, which are comparable to 2009 numbers. The season begins May 13 with the arrival of the 2,500-passenger Norwegian Star.

"Considering the globally competitive nature of the cruise business and the issues that cruise lines are grappling with in Alaska, we are pleased to be maintaining our current level of business," notes PRPA Vice President Marketing & Business Development **Shaun Stevenson**.

Overall, the Alaska cruise market is expected to contract by an estimated 140,000 passengers in 2010 due to the loss of 4 cruise ships from the British Columbia - Alaska cruise theatre.



Cruise passengers will be offered a unique tour excursion experience this year in a 65-foot canoe similar to the traditional ocean-going craft used by local First Nations peoples for centuries. The canoe is also the longest of its kind in North America.

Mr. Stevenson says the priorities for the 2010 season are to build on the success of the tour excursion program and work with Prince Rupert stakeholders to enhance independent guest experience in and around the city. A key addition to the tour excursions is the introduction of the 65-foot war canoe, longest of its kind in North America, by Metlakatla First Nations' Seashore Charters.

For more information, visit [Prince Rupert 2010 Cruise Season Outlook](#).

Port and Partners Promote Prince Rupert Abroad



The Prince Rupert Port Authority, CN and Maher Terminals at their TOC Asia 2010 Conference display booth in Shanghai March 16-18. Left to right: Brad Gordon, Deutsche Bank board member; Frans van Riemsdyk, executive vice president Sales & Marketing, Maher Terminals; John Buckley, CEO, Maher Terminals; Don Krusel, president & CEO, Prince Rupert Port Authority; and Mark Schepp, vice president & general manager Fairview Terminal, Maher Terminals.

The Prince Rupert Port Authority, in collaboration with partners CN, Maher Terminals, the Government of Canada and Province of British Columbia, continues to participate in numerous trade missions and high-profile international conferences to promote the competitive advantages of the new northwest trade corridor through Prince Rupert and generate new business.

Port senior management held a series of productive business meetings with key executive decision makers in the global shipping and mining industries during the Vancouver Olympics that was hosted by the BC Government's Pacific Gateway Branch and Asia-Pacific Gateway and Corridor Initiative.

Port executives partnered with CN and Maher Terminals with a display booth at the Terminal Operators Conference (TOC) Asia 2010 in Shanghai. The Port also meet with shipper and shipping line executives at the 2010 Trans-Pacific Maritime (TPM) Conference in Long Beach where President & CEO **Don Krusel** was [interviewed on camera](#) by the Journal of Commerce on the performance, strategic advantages and future plans of the Prince Rupert Gateway.

"It's gratifying to see that the reputation of the new trade corridor through Prince Rupert that offers shippers more competitive performance in terms of speed, reliability and cost efficiencies is beginning to precede us," notes Mr. Krusel. "When we meet with potential customers now, many already know what we can do and want to focus on what we can do for their business."

[Economic Impact Study](#)

Port of Prince Rupert a Growing Economic Force in Western Canada

A new economic impact study commissioned by the Prince Rupert Port Authority confirms the significant economic generating capacity that the Port of Prince Rupert's new container terminal and other port facilities are contributing to British Columbia's northern communities and Western Canada's economy.

The annual economic impact includes \$280 million in Gross Domestic Product (GDP), \$500 million in economic output, more than 2,700 full-time jobs and \$150 million in wages. An additional \$35 million in taxes is generated annually for governments: \$22 million in federal taxes, \$9 million to the Province of British Columbia and \$4 million in municipal taxes.

"The Port of Prince Rupert has the potential to anchor long-term economic growth and stability in Western Canada," says Prince Rupert Port Authority President & CEO **Don Krusel**. "This study demonstrates the significant economic benefits of our current operations footprint and confirms the substantial economic impact and return on investment we can realize over the next decade from growing the Prince Rupert Gateway in support of the Asia Pacific Gateway and Corridor Initiative."

Growing the Prince Rupert Gateway is the focus of the Prince Rupert Port Authority's Gateway 2020 Vision, including proposed developments for the Ridley Industrial Development Site.

More information and the full report are available at [Port of Prince Rupert Economic Impact](#).

CN Awarded Innovator of the Year by Wal-Mart Canada

CN's ongoing efforts to deliver cutting-edge supply chain solutions for its customers have been recognized by Wal-Mart Canada with the retail giant's prestigious Innovator of the Year honour. The award commends CN's drive and ability to support customers' needs by leveraging its rail franchise and combining non-rail transportation solutions. CN is delivering "truck like" service via rail, allowing both CN and Wal-Mart to continue to benefit from both cost savings and positive environmental impact.



CN train leaves the Fairview Container Terminal's rail yard, located less than 200 metres from the berth. CN is a partner in the dedicated intermodal facility, which is purpose-built to provide shippers with a high-velocity gateway for their transpacific cargo.

"At CN we value our customers' business and share their sense of urgency to continually improve the service we offer," says **Paul Waite**, vice president of CN Intermodal. "Our approach allows us to act quickly, turning challenges into ideas and then executing innovative solutions."

Prince Rupert Port Authority President & CEO **Don Krusel** says the Wal-Mart award for innovation to CN is well deserved.

"CN has continually demonstrated its high level of innovation and commitment to customer service as our partner, with Maher Terminals, in creating and growing the fastest and most reliable trade corridor for shippers through the west coast. The award reinforces the competitiveness of the northwest trade corridor through Prince Rupert in providing our customers, including Wal-Mart Canada, with a significant advantage over alternative gateways."

CN's mainline to Prince Rupert is the only railroad with the network reach to all three coasts that also connects to the major North American hubs. CN offers superior, uncongested rail connections to Central Canada and the U.S. Midwest, including consistently moving cargo from Fairview Terminal to Chicago in about 100 hours.

SMIT Marine's Purchase of Minette Bay Ship Docking to Benefit Shippers

SMIT Internationale's recent acquisition of local tug operator Minette Bay Ship Docking Ltd. will benefit shipping lines and shippers using the Port of Prince Rupert.

"SMIT will continue to offer the high-quality tug services that shipping lines received from Minette Bay, while leveraging the integration of the two tug services in Prince Rupert to drive additional efficiencies for our customers," says **Captain Mike Stevenson**, SMIT Harbour Towage Manager, Northern B.C.

"On behalf of the Prince Rupert Port Authority, I want to thank Minette Bay for their commitment, dedication and excellent service to the Port of Prince Rupert over the past 25 years," says Director Operations & Security **Gary Paulson**. "We also have a longtime working relationship with SMIT Marine Canada and are looking forward to working with them to enhance Prince Rupert's tug services and our competitiveness as a global port."

SMIT is one of the world's largest tug companies, with a fleet of 30 tugboats in its SMIT Marine Canada division on the West Coast of British Columbia, including seven tugs based in Prince Rupert.

<http://www.rupertport.com>

Story Ideas and Feedback Appreciated

54 North respects and values the opinions of our readers. Please let us know your story ideas or feedback to improve the quality of our communications to you.

Barry Bartlett, 54 North Editor
Prince Rupert Port Authority
Phone: (250) 627-8899

bbartlett@rupertport.com