

## **Port selects Maher Terminals**

By Leanne Ritchie

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The company that operates the largest container terminal in North America has signed an agreement with the Port of Prince Rupert to build and operate a container port that will eventually handle 1.2 million containers per year.

Maher Terminals, a family-owned and operated company headquartered in New Jersey, and the Prince Rupert Port Authority announced they have reached an agreement in principle during a press conference this morning.

The agreement also includes plans for an expansion down the road that will increase container traffic on the west coast by more than 50 per cent and employ up to 2,000 people directly and indirectly.

Under the agreement, the existing Fairview Terminal will be converted by the port authority from its current use as a bulk, break-bulk and general cargo facility to a container terminal by the end of 2006. The terminal will be intermodal, using cranes to lift containers straight off rail cars and onto ships and vice versa.

Maher Terminals will install a minimum of three container cranes enabling the facility to handle the largest generation of container vessels currently in existence or under construction.

The new Prince Rupert container terminal will offer the most direct and convenient service for intermodal trade between Asia and Central North America.

"We are very excited about the opportunity of working with the Prince Rupert Port Authority to develop a world-class container gateway on the west coast of North America," said Brian Maher, chairman and CEO of Maher Terminals. "The culture of our family owned and operated company will prove to be a good fit not in terms of container terminal development, but for the overall community and economic interests of Prince Rupert and Northern British Columbia."

Founded in 1946, Maher has been an innovator in logistics at the ports of New York and New Jersey for the past 60 years. Maher owns and operates the largest container terminal in North America in New Jersey with a capacity in excess of two million containers per year. This is nearly twice the current volume moving through the west coast of Canada.

Their 605 acre highly automated marine terminal operation in New Jersey handles the world's largest container ships, features 17 container cranes, more than two miles of contiguous berthing, an on-dock intermodal double stack rail facility and state of the art data processing technology.

"We could not have asked for a better partner in our ambitions to make the port of Prince Rupert the strategic gateway for trans-Pacific container cargo moving between Asia and the mid-west of North America," said Don Krusel, president of the Prince Rupert Port Authority.

"Maher Terminals has a reputation as an industry leader and has exceptional credentials amongst Shipping Lines as a highly respected and trusted operator.

Most importantly, the entire management team and Maher Terminals shares the port authority's passion and vision for the future of the port of Prince Rupert."

Phase 1 of the project, which is expected to be operational by the end of 2006, is estimated to cost \$140 to \$200 million and handle up to 400,000 TEUs (or 20 foot equivalent containers) per year. Indirect and direct employment from the terminal is expected to reach 500 jobs in the northwest.

Design and engineering of phase 1 began in January 2004 and is expected to be complete by the end of the year.

The port and Maher have also agreed to work towards an early expansion of Fairview Terminal, known as Phase 2. This will expand the terminal to 150 acres with total container capacity in excess of 1.2 million TEUs per year and an estimated price tag of \$250 to \$300 million. It will bring an overall employment impact of 2,000 jobs in northern B.C. and is expected to be operational by 2009.

"As witnessed by recent new detailing severe capacity constraints at other west coast ports and rail networks, the Fairview container terminal will provide welcomed relief and new capacity to Canadian and U.S. importers and exporters and the most direct routes for their goods," said Krusel.

"With the eventual phase 2 expansion of the Terminal to 150 acres, the facility will dramatically increase container capacity on the west coast by more than 50 per cent."

During the last 32 years, containerization has grown 9.45 per cent annually.

The announcement follows the completion of the B.C. Rail lease to CN by the province of B.C.

CNs plans include an estimated \$15 million in improvements to the line between Prince Rupert and Prince George to handle double stacked containers trains.

Hunter Harrison, CNs president, said his company strongly supports the partnership.

"In the years ahead, we see solid potential for growing volumes of container traffic to and from Asia via the port as shippers take full advantage of CNs superior service and extended network reach throughout Canada and mid-America," said Harrison.

With the selection of Maher Terminals, the port will now focus its efforts on finalizing the engineering and environmental reviews, funding arrangements, first nations consultation and necessary agreements with other groups such as labour and the city so that construction tenders can go out in early 2005.

"Getting this terminal operating at its full capacity has been a major goal of mine since the election," said Bill Belsey, North Coast MLA. "It's great we're seeing this investment coming to Prince Rupert. This will help diversify our economy and in the end, this is what we need to create jobs and opportunities for working families in Prince Rupert and across the north."

"I think it's fabulous. I don't think we could do better... it exceeds what anybody believed was going to happen," said Rupert Mayor Herb Pond of the announcement.

He added the city has been involved for some time trying to ensure a fair tax regime for the new operator.