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Meet a CONECT Partner: Port of Boston

The Boston/Cambridge area is often referred to by locals as “the Hub” (short for “Hub of the Universe”), but it’s not the only “hub” in the region. When it comes to ocean shipping, the Port of Boston can rightfully be called the “Hub of New England.” The port handled 307,331 TEUs in fiscal year 2019, including approximately 153,000 import TEUs, 79,000 export TEUs, and 75,200 empty TEUs. While volume is down in 2020 due to the effects on business of the COVID-19 coronavirus, the Port of Boston’s position as the largest seaport in the six-state region remains secure.

As a CONECT Platinum Partner, the Port of Boston demonstrates its support for the New England transportation and trade community. In this first installment of our new “Meet a CONECT Partner” series, CONECTivity spoke with Port Director Mike Meyran about the port’s accomplishments, how it’s handling the disruptions associated with the COVID-19 pandemic, and its priorities for the future.

Q: What areas of the world do the port’s container services serve?

A: Our main trade lanes are Asia and Northern Europe. We have two weekly services in those lanes that make direct calls in Boston, at Conley Container Terminal. We also serve Latin America through one of those direct services. That covers the bulk of the needs for New England shippers, but we also connect to other regions of the world. For example, through transshipment we are able reach India, the Mediterranean, and Africa.

Q: What differentiates the Port of Boston from others in the region?

A: We’re really the only full-service container terminal in New England. We strive to be a very responsive, customer-friendly environment with consistently high service levels. Truck turn times at Conley average 30 minutes, and we’ve been consistent with that measure. Plus ship productivity has increased. If you need to make multiple trips in a day

to and from their warehouse, you can do it in Boston. And being a small port means we know our customers by name. If you have a problem you can pick up the phone and call us—very likely we will know you personally.

Q: Please tell us about a recent achievement you are proud of.

A: Last fiscal year was our fifth consecutive year of record-breaking container volumes; we handled a little over 307,000 TEUs. The Port of Boston serves as an economic engine for the region. In fact, we doubled our economic impact in six years, and the port now contributes over \$8 billion annually and 9,000 direct jobs to New England. That's our key role: as an economic driver for the region, well beyond the port, and beyond Massachusetts.

Q: What are some of the biggest changes you have seen in your industry in recent years?

A: Besides COVID, the consolidation of ocean carriers has been an important one. That has driven changes in ship deployments and in the way we work with our customers. On the positive side, as a result of consolidation carriers are much stronger and their service offerings may be greater. But along with carrier consolidation comes bigger ships. The growth in ship size accelerated faster than people thought it would. It has been a major challenge for ports to keep pace and provide infrastructure that can service the big ships. In Boston we have done the dredging and are adding a new berth and container cranes. Together with the federal and state investments we are investing \$800 million in the working port.

I'd also say that the uncertainty around tariffs has caused some major changes. This is something that falls outside of our control, but we have to understand how it affects our customers and the trade lanes we serve. For example, the tariffs on Chinese goods were on, then they were off, then the amount would change. It was difficult to anticipate what would actually happen. So a lot of BCOs were racing to get their imports in before the tariffs went into effect, which created some of the biggest volume surges I've seen in my career.

Q: How do you prepare for unexpected changes like the COVID-19 pandemic?

A: You need a playbook and an organization that is geared up and built for crisis management. You may not know what kind of change may be coming, or when, but if you have a well-exercised team that has a good playbook you can react quickly. That's what we did with COVID-19. We had only a week or so to put a plan in place, and we didn't have the option to shut down for even an hour. We have a response team and a method for communication and triaging. There were still a lot of things to figure out, but there was no chaos or confusion. We put our plan into action: everybody had an assigned role, and we started marching down that path and executed well.

Q: What are the port's main priorities for the future?

The number 1 priority is to get through COVID-19, and keep our employees and our customers safe. We realize that the effects of the pandemic will likely extend further into the future, and keeping our guard up to maintain a healthy workplace is paramount. We are thankful for the men and women who came to work in the Port on Day 1 and have been working on-site every day since to keep our customers' cargo moving.

Another immediate priority is being "big ship ready." In addition to the infrastructure I mentioned previously, it will require a lot of training and planning for our staff before we're ready to operate. But we will have everything ready and in place next year, and we're aggressively marketing the fact that we'll be open for big ships in 2021.

A third priority is service diversification. We're making a conscious effort to offer service beyond our traditional trade lanes. As tariffs get piled on and the impact of COVID-19 continues, it accelerates companies' flight from China. It used to be that importers had a "China plus 1" strategy, but now it's turning into a "China plus 3 or 4" approach. We're also seeking to diversify the ocean carriers that use the port. We have to focus on the biggest carriers because they have the greatest amount of business, but we believe smaller, niche carriers can add value for New England shippers.

Q: Why does the Port of Boston support CONECT through a corporate partnership?

A: CONECT does a great job of bringing everybody in different parts of the industry together. The educational events are a great way for us to be in touch with the industry, including potential and existing customers. The corporate partnership gives us more recognition within that community. We especially enjoy partnership events like the port tours. A lot of people don't get the opportunity to see what we do and how we move their cargo.

Q: Where can CONECT members find out more about the Port of Boston?

A: The first place is our website, portofboston.com. We also have a presence on social media, currently Facebook and Twitter, and a LinkedIn page will be ready soon. In addition, we regularly present information such as economic updates at various industry events.

Note: Interview has been edited and condensed for clarity and length.

