

More terminal capacity ... but not on West Coast

Three new container terminals will be built in the next few years in the United States, but not where they are needed the most.

Of course, additional port capacity in Houston and near Norfolk, Va., is welcome. But it won't help to solve the worsening gridlock in Long Beach and Los Angeles, where the largest container volumes of North America are handled.

Despite this qualification, the three terminal projects now approved have a role to play, if only to support the development of all-water, direct services to the U.S. Gulf and East coasts. They are:

- The 300-acre, \$500-million mega-container terminal of APM Terminals on the Elizabeth River in Portsmouth, Va., privately financed.
- The 400-acre, \$600-million container terminal of SSA Marine in Texas City, outside Houston, also privately financed.
- The port of Houston's 378-acre, \$1.2-billion Bayport terminal project, financed by the publicly owned port.

The three terminals will probably add some 5 million TEUs in annual port capacity. Interestingly, both the Elizabeth River and Texas City developments can be considered new ports, rather than extensions of existing ports.

But what about new terminals in Long Beach or Los Angeles, or a new port on the West Coast?

A New York forwarder told *American Shipper* that West Coast terminals are not only congested, but also unwilling to adopt technologies used by Asian container terminals to squeeze much more productivity out of their land-restricted ports.

"You want to make \$1 billion?" the forwarder said. "Build a terminal on other side of the border in Mexico to compete with L.A. and Long Beach."