

# Flinders *Re*Port

## Shipping Special

Welcome to Edition 5 of the Flinders RePort, the quarterly newsletter from Flinders Ports.

This special edition of the RePort features the latest news on Shipping Services through the Port of Adelaide, with key changes to existing routes following the introduction of the new Round the World services replacing the former AELA service (Eastabout & Eagle), and the rerouting of the MSC service.

In a win for South Australia, we are also delighted to confirm that the State will receive its first direct US service, with the announcement by member lines of the VSA service that Adelaide will be added to the existing port call rotation.

Feedback or issues arising from any articles appearing in the newsletter should be addressed to:  
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## Message from the CEO.

### **US Container Service a first for Adelaide!**

Commencing in early May, Adelaide will receive its first weekly direct container service to North America following an announcement by the VSA Consortium (comprising Columbus Line, Maersk, FESCO, CP Ships and P&O NedLloyd).

The direct US service is a first for South Australia since the inception of containerisation more than 30 years ago.

The weekly container freight service will carry South Australian exports from Adelaide to the USA, Canada and Mexico, calling New Zealand, Fiji and Tahiti on the way through.

The consortium's decision to include Outer Harbor on its Australian schedule represents a major coup for Flinders Ports, and is exciting news for every

South Australian company that exports to, or imports from, North America.

Currently, most US-bound container trade is freighted to Victoria to be shipped out of the Port of Melbourne. The new service has the potential to pull 25-30,000 containers out of Melbourne and back to Adelaide. It will also reinstate Adelaide's direct export connection to New Zealand.

The decision by the consortium recognises the growing volumes of US and New Zealand bound exports originating from South Australia with the success of major companies including GMH, Mitsubishi, Orlando, Southcorp, McGuigan Simeon and BRL Hardy pushing Adelaide's container volumes to the high levels necessary to attract new shipping services.

The commencement of the service will provide a significant boost for importers and exporters in the way of faster transits and later cut-offs, as well as



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PORT ADELAIDE PORT LINCOLN PORT PIRIE WALLAROO THEVENARD PORT GILES KLEIN POINT



Message from the CEO (cont'd)

benefits to South Australian transport and stevedoring industries. The flow-on effect to South Australian businesses will be significant, with the decision representing a substantial commitment in support of local industry.

Attracting additional shipping services to Adelaide, in particular helping to establish a direct container service to the United States, has been a major priority for Flinders Ports since taking over ownership of the seven ports. The company has worked closely with CSX World Terminals to ensure that this key objective was met.

### **Channel Depth**

The depth of the channel at Outer Harbor is one of the reasons that Adelaide has been unable to attract some shipping services, including a direct US service, in the past.

Channel depth is a significant issue that will continue to hamper efforts to attract and retain services in the future given the trend in increased sizing of container vessels worldwide.

Adelaide's resurgence as a container port will need to be supported with a deepening of the channel from 12.2m to 14m within the next 1-2 years or we will see shipping lines withdrawing from Adelaide to deeper water ports, including a deepened Melbourne, due for completion in 2005.

Flinders Ports, in conjunction with the South Australian Shipping User Group, is currently lobbying the government to consider this issue as a key priority in facilitating economic growth within the State.



Vincent Tremaine  
Chief Executive Officer

## Westbound Round the World service commences

***Commencing in January, the Port of Adelaide welcomed the first vessels forming part of the Round the World service, Westbound rotation.***

Involving member lines P&O NedLloyd, Columbus Line, Contship Containerline (CP Ships), CMA/CGM, Hapag Lloyd – ANZDL and Marfret, the new service rotations (Eastabout and Westabout strings) represent a complete reshaping of the five former European/Australasian trade lanes.



The two separate weekly routes link Australia, New Zealand and the Pacific Islands with Northern and Mediterranean Europe and the US East Coast, effectively replacing the former Australia Europe Liner Association service (AELA Eastabout and Eagle) calling Adelaide.

The new routes are serviced by a fleet of 22 vessels, replacing the 34 vessels operating in the previous five trade lanes. Larger and more efficient vessels have been introduced to achieve consistent market coverage, improved frequency and better transit times at lower costs.

There are twelve 2,200 TEU vessels in operation on the Westabout service which provide increased 40

ft and reefer container capacity.

The Westabout rotation calling Adelaide direct operates through the following ports; New York, Norfolk, Savannah, Manzanillo, Papeete, Norfolk, Auckland, Sydney, Melbourne, Adelaide, Fremantle, Singapore, Jeddah, Damietta, Marsaxlokk, La Spezia, Zeebrugge, Tilbury, Hamburg, Rotterdam, Dunkirk and Le Havre.

## MSC announces changes to South African/European service

***MSC has reorganised its scheduled services to Europe, South Africa and Australia/New Zealand. These changes have been made due to congestion problems experienced in the South African ports, which has caused delays and disruption to service schedules in the past.***



Revised services were introduced in late January with 14 vessels deployed in a weekly service with a Northbound rotation including Tauranga, Lyttelton, Sydney, Melbourne, Adelaide, Fremantle, Singapore, Jeddah, La Spezia, Antwerp, Felixstowe, Rouen and LeHavre.



MSC announces changes to South African/European service (cont'd)

The new service schedule creates opportunities for Adelaide importers from New Zealand; exporters to Singapore, and other South East Asian destinations relayed through Singapore; and exporters to Jeddah, which provides complementary transshipment opportunities. Existing cargo interests between Adelaide and South Africa have been accommodated by a direct weekly service between Fremantle and Durban.

## Yachting Regatta

**Hosted by the Royal South Australian Yacht Squadron, the 2003 Clipsal Flinders Ports yachting regatta was held in March.**

Encouraging corporate participants from the financial, manufacturing and service industries, the event featured a luncheon on board participating vessels, followed by the commencement of the main race, and winding up with a dinner and charity auction.



32 vessels participated in the event, with starters split into two groups. The winning vessel, Santana 3, led the field for most of the event, and it is hoped that the boat will race in the Sydney to Hobart later in the year – certainly one to watch!

Representing the second year that Flinders Ports has been a major sponsor of the event, beneficiaries included;

- > *Duke of Edinburgh Awards*
- > *Adelaide Central Mission's Positive Youth Mental Health Program*
- > *KidSafe*
- > *Australian Rotary Health Fund and other Rotary beneficiaries*

Perfect sailing conditions contributed to a successful event for all involved.

## Introducing new Staff member Mark Hales

In March we bid farewell to Peter Gaffney, Trade Development Manager, who accepted the position of Commercial Manager with CSX World Terminals Adelaide. Peter joined us in January 2002 following the sale of the former South Australian Ports Corporation, and was instrumental in helping to bring the first direct US scheduled container service to Adelaide. We wish Peter all the best in his new role.



Mark Hales

Stepping in to the newly titled role of Manager, Shipping Services and Logistics within the Business Development department is Mark Hales, formerly the State Manager of Mitsui OSK Line (MOL) in Adelaide.

Mark brings 20 years of experience in the maritime industry to the role, having worked across a wide field including Container, Bulk and Car Carrier business. Prior to working for MOL, Mark worked with Union Bulkships and ACTA.

Mark has a long association with Port Adelaide, having lived and worked in the area for 40 years. A North Haven resident, Mark is married with two children. He is a keen Port Power supporter.

Mark can be contacted on 8447 0626 or email [hales.mark@flindersports.com.au](mailto:hales.mark@flindersports.com.au).

## Regional Projects update

**As reported previously in the Flinders RePort, Flinders Ports has a committed upgrade program in the key grain ports of Port Giles and Wallaroo, which formed a part of the initial sale agreement.**

In Port Giles, the channel will be deepened to 13.5 m and the berth box to 14.7 m. This will enable Panamax grain vessels to be fully loaded at Port Giles, avoiding the need to top up at other ports.

To accommodate the proposed changes, the fender system will be upgraded. The fender upgrade work is scheduled to start in mid 2003 for completion in October 2003 before the commencement of the new grain shipping season. The dredge spoil will be deposited against the cliff south of the jetty and will result in a reclamation area of about 3.5 hectares. A sea wall to retain the dredge spoil will be constructed in the period from April to September 2003 to February 2004 with dredging scheduled to commence after the sea wall is complete. The construction schedule is based on dredging over a winter period when the weather conditions are more favourable.



#### Regional Projects update (cont'd)

All approvals for the work at Port Giles have been obtained and contracts for the construction work are scheduled to be in place by the end of June 2003.

In Wallaroo, six new berthing dolphins and 4 new mooring dolphins will be provided to allow Panamax grain vessels to safely berth for part loading in Wallaroo. The contract for the construction work has been awarded and works commenced on site in early April 2003 with a scheduled completion in August 2003.

## Investigator Science Centre's Port Education Program

***Commencing in April, Adelaide school children will have the opportunity to take part in an educational program focused on the operations of the Port of Adelaide.***

Sponsored jointly by Flinders Ports and CSX World Terminals, and conducted through the Investigator Science and Technology Centre, the program features a 90-minute tour of the port, taking in the signal tower, passenger terminal and CSX container terminal. In an interactive environment, children will gain an understanding of what makes a port a port,



be able to climb up an operational signal tower, play the role of a port worker, and try some hands on activities that show how a port really works using science and technology!

In funding the program, Flinders Ports welcomes the opportunity to support increased community awareness and education about the operations of a commercial port.

"Flinders Ports and CSX wanted to provide South Australian school children with an opportunity to experience the excitement of port operations and to gain an understanding of the importance of the port to the community" according to Peter Cheers, Flinders Ports General Manager Human Resources.

"It provides them with an educational experience away from the confines of the school room. If we can inspire a few of the children as a result of what they see and learn through our program then we will have achieved our goal", he said.

Following a successful initial session on Wednesday, 23rd April 2003, future sessions will be conducted fortnightly on Wednesdays with tours operating between 9:30 and 11:30am, and 12:15 and 2:15pm.

For further information or to make a group booking, please call Belinda at the Investigator Science and Technology Centre on 8410 1115.

## Berth Maintenance Update

In response to increased utilization and customer requirements, dredging of the common user fuel facility located at M-berth, Port Adelaide was completed in April with the berth depth now declared at 9.7m. The increased depth will encourage further volume increases per fuel shipment, lowering total shipping costs.

Dredging works have also been completed at Outer Harbour 7 berth, which now has a confirmed depth of 13.2 metres below datum. The project provides a consistent depth for the entire length of the container berths and restores flexibility with respect to berth allocations and shipping movements.