

Final Report

Technology Transfer for Seaport Operations

**Time of Transitions: New Priorities and Challenges for Trade and Transportation
in the Southern California Region**

*Fourth Annual Center for International Trade and Transportation (CITT)
State of the Trade and Transportation Industry Town Hall Meeting*

**Wednesday
March 13, 2002**

Sponsored by the

Center for Metropolitan Transportation Studies (METRANS) USC-CSULB
Center for International Trade and Transportation (CITT) CSULB

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I. Executive Summary

The Center for International Trade and Transportation (CITT) and METRANS staged the Fourth Annual CITT State of the Trade and Transportation Industry Town Hall Meeting, titled *"Time of Transitions: New Priorities and Challenges for Trade and Transportation in the Southern California Region"*, at the Carpenter Performing Arts Center at California State University, Long Beach, California. The event attracted a capacity crowd of about 1,300 industry stakeholder participants, including organized labor, port authorities, industry representatives, and a particularly noteworthy assortment of public officials.

The focus of the town hall event was to assess the implications of changes in the global economy and increased emphasis on maritime, port and cargo security upon the regional economy and goods movement in Southern California. The security and inspection agency panelists from the U.S. Maritime Administration, U.S. Coast Guard, U.S. Customs Service, Federal Bureau of Investigation, and the Governor's Special Advisor on State Security offered a broad cross-section of agency perspectives on port security matters and goods movement implications.

The CITT once again received the unqualified endorsement and financial sponsorship from the International Long shore and Warehouse Union (ILWU) Locals #13, #63, and #94 leadership, the executive directors of the Ports of Los Angeles and Long Beach, and the Gateway Cities Partnership, Inc. Furthermore, the event was endorsed by the board of directors of at least twelve major national trade associations, including the Southern California Steamship Association (SCSA) and the Pacific Maritime Association (PMA). The event was open and free of charge to anyone affected by and interested in trade related transportation issues.

Prior to the event, a VIP reception was held. The purpose for the reception was to provide industry leaders an opportunity to interact, exchange information and communicate with the presenters.

In order to maximize dissemination of the information content, the event was web-casted and the proceedings are archived for one year, until March 2003, at www.amp.csulb.edu/projects.

The outcome of the event was an unqualified success by any measure. It brought together a broad cross-section of the ILWU rank and file and industry professionals to sensitize and educate them on the profound stakeholder implications of the events of September 11, and resulting changes in the global economy and the process of goods movement from origin to destination and impacts on the state of the trade and transportation industry in the Southern California region and the Nation. A total of 164 responses to the event survey were collected. The survey results --and the level of audience participation and feedback --were very positive in terms of educational experience and generating informed dialogue and discussion, as well as demonstrated support for continuation of the Annual Town Hall series.

II Technology Transfer Goal and CITT

The objective of METRANS' technology transfer projects is to address issues in metropolitan transportation through development of improved technology policies, and operations or management practices. Each project has a dissemination element and offer innovative information delivery systems for effective communication, training, and education. It will also foster greater public awareness, understanding, and informed discussion on transportation related issues.

The Center for International Trade and Transportation (CITT) at California State University, Long Beach (CSULB) is a University-industry-nonprofit economic collaborative partnership formed in response to the community services needs of the international trade and multi-modal transportation industry of Southern California. The Center functions as the Trade and Transportation Cluster of the Gateway Cities Partnership, Inc., a regional non-profit economic collaborative comprised of twenty-seven cities in south east Los Angeles County.

CITT's purpose is to define productivity and capacity constraints, develop industry consensus on need for cooperative solutions and establish sufficient structure and ongoing processes to meaningfully address, identify and implement solutions with stakeholder support.

CITT in both its research and technology transfer components, addresses problems that occur within the Southern California region that relate to the U. S. Department of Transportation's Science and Technology Goals in goods movement by:

- (1) Fostering economic growth and productivity by seeking to reduce congestion and remove productivity constraints on highways, rail ocean and air transport systems, and by developing the infrastructure and processes to better support international trade and transportation industries; and
- (2) Ensuring improved access and logistics and increased mobility through ports and the transportation corridors serving them.

As part of its mandate, CITT seeks to identify and address significant regional workforce development issues. The historic inclusion of organized labor and emphasizing its critical role in a neutral forum as a logical and sequential step in fulfilling the Center's mission and program goals to become Southern California's preeminent forum for improvements in international trade and logistics.

III. Town Hall Goals and Objective

The METRANS town hall program was envisioned as an industrial training and workforce development element of a diverse, multi-pronged strategy to achieve the technology transfer goal by stimulating industry and public awareness of the need and areas for productivity improvement to maintain the international competitiveness of the combined ports of Los Angeles-Long Beach in the face of exponential growth in the volume of Pacific Rim waterborne trade.

Within the context of an annual topical theme, the consistent message of every town hall event is “global connectivity and collective responsibility for future growth, economic well-being.”

The core objective of the Annual Town Hall meetings is to educate and increase the awareness of the individual stakeholder members of their collective responsibility for intermodal freight movement in the global supply chain, and the well being of the regional economy. The town hall format is selected to expose the ILWU rank and file and industry stakeholders to a range of featured speakers and then allow for audience participation during a Question and Answer period.

Port and cargo security will continue to pose unique and unprecedented challenges to the regional supply chain lending a sense of timeliness and urgency to this year’s event. The emphasis of the Fourth CITT Town Hall Meeting was on presenting current information on the status of port security planning from multiple agency perspectives in order to educate the attendees, raise their level of awareness, prompt informed discussion and debate, and permit them to assess the implications of changes in the global economy and increased emphasis upon maritime, port and cargo security upon the regional economy and goods movement in Southern California.

The security and inspection agency panelists from the Maritime Administration/Transportation Security Administration, U.S. Coast Guard, Customs Service, Federal Bureau of Investigation, and the Governor’s Special advisor on State Security offered a broad cross-section of agency perspectives on port security matters and goods movement implications.

IV. Description of the Fourth Annual Town Hall format

On Wednesday, March 13, 2002 the CITT and METTRANS co-sponsored the 4th Annual CITT State of the Trade and Transportation Industry Town Hall Meeting titled “Time of Transitions: New Priorities and Challenges for Trade and Transportation in the Southern California Region. The event was held between 6:00-8:30 P.M. at the Carpenter Performing Arts Center at the California State University, Long Beach. (See [reference for event program brochure.](#))

As in the previous year, a VIP reception was held on March 13, 2002 between 5:00-6:00 PM prior to the call to order. Written invitations were mailed to key individuals from the private and public sector resulting in about 100 guests attending.

By mutual agreement between CITT and the collective leadership of the ILWU, for this and subsequent years, CITT is substituted for ILWU in the name of the event. The reason was to reflect a conscious effort to reach a broader cross-section and a more diversified attendance demographic of the regional trade and transportation industry and community. The acceptance of the name change indicates a maturing of the signature event while continuing to embrace ILWU rank and file as the primary focus of the educational program.

The event attracted about 1600 individuals. This was the fourth straight sell-out crowd for what has evolved into an institution within the local community. Due to the spatial limitations of the facility, and miscommunication concerning the stop work status of the meeting for one major local, about 300 people, many of whom arrived after the

program had begun, were not granted access inside the Carpenter Performing Arts Center.

The audience consisted of about 70% rank and file ILWU members and 30% other trade and transportation industry stakeholders and representation from public agencies reflecting a more diversified demographic as for the previous events.

As is customary, considerable planning and effort were reflected in a relatively smooth and reasonably tight flow of the program. The event marked the second time in four years that its timing closely preceded commencement of labor (ILWU) - management (PMA) negotiations toward a triennial coast-wide collective bargaining agreement.

As for the First Annual Town Hall meeting in 1999, the town hall protocol and guidelines precluding any discussion of pertinent matters of pending negotiations, worked once again without incident. This is a testimony to both the planning and the decorum observed by all in attendance.

In a departure from prior protocol, the planners of the event decided against an Emcee which will allow for more time to the program itself. With this, Dr. Genevieve Giuliano, Director of METTRANS, appropriately gave the Call to Order. George Kuvakas, President of ILWU Local 94, gave the Welcome and introduction of dignitaries on behalf of the ILWU. Marianne Venieris, Executive Director of CITT, delivered similar opening remarks. Dr. Domenick Miretti, ILWU port liaison, set the theme for the evening's event focusing on port security. The Honorable Alan Lowenthal, Chairman of the California Assembly Select Committee on Ports and a former CSULB faculty member, served as Panel Moderator.

Prior experience is reflected in the design of the town hall protocol for appropriate decorum particularly with regard to the questions and answers. Each questioner was allowed only one question delivered through microphones staged at each side of the auditorium or in written form. The written questions received an initial screening by a committee consisting of CITT Policy and Steering Committee members and review by the moderator. The Town Hall Protocol was listed in the program brochure and also presented by the Moderator. Strict observance of these guidelines ensures maximized education and training opportunity for all attendees.

Key elements of the proven town hall format and formula include:

- a) Inclusion of labor leadership in the planning, agenda formulation, panel representation;
- b) Guidance and active involvement by the CITT Policy and Steering Committee of industry stakeholders in the selection of the annual theme, program and content, invited presenters, and question formulation;
- c) Selection and invitation of the panel members representing the U.S. Department of Transportation, U.S. Coast Guard, Customs service, Federal Bureau of Investigation, and Governors Special Advisor for State Security;
- d) Selection of the program moderator, Hon. Alan Lowenthal, to convey the educational focus and maintain neutrality;
- e) Presentation of the big picture, i.e. the Role of the New Transportation Security Administration and the Port Security Grants program, by Raymond R. Barberesi,

Director, Office of Ports and Domestic Shipping for John McGaw, Transportation Security Administrator;

- f) Concluding remarks by Dr. Domenick Miretti, ILWU Port liaison;
- g) Active audience engagement through the opportunity to pose questions for the panel submitted to the moderator orally or in writing;
- h) Extensive opportunity for audience feedback and evaluation through a survey instrument submitted with the program brochure. This resulted in 164 completed and valid Feedback and Evaluation questionnaires.

The lead presentation by Raymond R. Barberesi, substituting for Assistant Transportation Secretary John McGaw, set the stage and the tone for the event by describing and clarifying the goals of the new Transportation Security Administration (TSA) and the Port Security grants program for port authorities and marine terminals, including the national transportation worker identification card and background investigations, a prime area of concern to the ILWU rank and file.

Audrey Adams, Director Field Operations U.S. Customs Service, described the dual role of data analysis and technology in Customs law enforcement operations, the critical importance of intelligence and targeting, and Customs Service response to the interagency anti-terrorism mobilization activities.

Captain John Holmes, USCG, the Captain of the Port, gave a tour de force presentation of the vulnerability of the port to a terrorist incident on a spectrum from a U.S.S. Coale-type maritime incident, to a Oklahoma City type localized incident to a World Trade Center weapon of mass destruction incident involving major port disruption with national economic and global supply chain implications. He emphasized the proper role of planning in threat mitigation and response. Anti-terrorism currently accounts for fifty per cent of local Coast Guard mission activities since September 11.

George Vinson, the Governor's Advisor on State Security, outlined the State anti-terrorism planning and response structure under the leadership of the Office of Emergency Services (OES) chaired Anti-Terrorism Threat Advisory Committee in the context of the Standardized Emergency Management System (SEMS) developed in the wake of the 1989 Loma Prieta earthquake and the 1991 East Bay Hills fire. He described the respective roles of the California Highway Patrol, OES, and Department of Health Services (DHS) within that framework.

Special Agent Steinhauser, standing in for Special Agent in Charge Ronald L. Iden recited the critical lead role of the Federal Bureau of Investigation (FBI) in the state of war that has existed since September 11, 2001 and the activities of the six thousand FBI agents engaged in the largest investigative effort in Bureau's history designed to war off another incident of that magnitude.

After the introductory presentations, the program moderator Hon. Alan Lowenthal then fielded questions submitted in writing or orally at strategically placed microphones in the theater.

Questions were directed to the panel on the implications of NAFTA in the war on terrorism, rising pre-eminence of U.S.-China bilateral trade and anti-terrorism, and most important to the audience the balance between civil liberties and law enforcement in the

war on terrorism with particular application to government mandated identification cards for marine terminal access and associated background investigations of union members. A surprising number of audience questions reflected a fundamental understanding of supply chain economics in testimony to the effective communication of the message of prior town halls of the importance of the individual's role in the global supply chain.

The riveted attentiveness of the audience and seriousness of the questions asked of the panel members was a direct reflection of the high interest level and relative importance of the proceedings to the rank and file, and the degree of engagement and participation of those in attendance.

Following the question and answer period, Dr. Domenick Miretti, ILWU Port Liaison and the Town Hall's conscience since its inception, gave a characteristically eloquent summation of the appropriateness of the theme --and how profoundly --the Southern California trade and transportation industry continues to be affected by the events of September 11 and the brief pause in the frenetic growth of global trade and container traffic volume coming ashore at our ports.

Returning to the central theme of the previous town hall events, he set a conciliatory tone and put a cooperative face on labor's collective response to those events noting the large number of ILWU members serving on various port security committees. Yet at the same time he was able to relate those events to the three principal challenges facing the regional trade and transportation industry after September 11:

- (1) Using scarce marine terminal space more efficiently relying on new technology for the benefit of all segments of the industry;
- (2) Improving our physical infrastructure to relive port generated traffic congestion; and
- (3) Balancing regional economic growth and quality of life.

In his concluding remarks, he called for the development of a model port plan to accomplish all three goals within the contest of the "new normal" after September 11.

Public Sector Support

To emphasize the importance of the event as a unique opportunity for the industry to come together and learn about the most current issues affecting the transportation industry and perspective solutions for the issues, the following public officials submitted welcome letters for inclusion in the event program:

- o Beverly O'Neill, Mayor, City of Long Beach
- o Grace F. Napolitano, Member of Congress, 34th District, California
- o Dianne Feinstein, United States Senate
- o Steven Horn, Member of Congress, 38th District, California
- o Juanita Millender-McDonald, Member of Congress, 37th District, California
- o Jane Harman, Member of Congress, 36th District, California
- o Don Knabe, Supervisor, Fourth District, Count of Los Angeles

- o Alan Lowenthal, Assemblymember, 54th District, California Legislature, Chair Select Committee on California Ports
- o Betty Karnette, State Senator, 27th District, Chair, Transportation Committee

V. Marketing Plan

The customary well-structured marketing effort was incorporated to ensure maximum promotion in a short time. A three-fold brochure was designed and distributed through industry lists and displayed at strategic locations. Advertisements were placed in newspapers, trade magazines and union newspapers (See reference for a copy of the ad.) Presentations and announcements were made at association meetings and industry events, and flyers distributed in drop boxes at dispatch halls, terminal gates and included in union newsletters by Policy and Steering Committee members. Short commercial presentations at respective union halls combined with individual mailings to union members ensured multiple opportunities for exposure and favorable response. Participants were encouraged to “bring a friend” from among their rank and file membership.

Paid and donated advertising was placed in the Long Beach Press Telegram, Long Beach Business Journal, Daily Breeze, Random Links, Local 63 monthly mailer, Dispatcher, San Pedro Pilot, and various trade association newsletters.

A combination of neutral forum, favorable scheduling, attractive location, timely message, intriguing theme, complimentary admission, VIP reception, and refreshments were relied upon to set the stage for maximum attendance, particularly from among union rank and file members but also from industry stakeholders.

Industry Endorsement:

The following trade organizations endorsed the event:

- o Citrus Belt Traffic Club
- o Foreign Trade Association of Southern California.
- o Harbor Association of Industry and Commerce
- o Harbor Transportation Club
- o International Business Association of Southern California
- o International Trade Club of Southern California
- o L.A. Custom Brokers & Freight Forwarders Association
- o L.A. Transportation Club
- o Long Beach International Trade Office
- o World Trade Center Association Los Angeles – Long Beach
- o Propeller Club of Los Angeles – Long Beach
- o Women in International Trade, Los Angeles
- o Southern California Steamship Association
- o Westcoast Waterfront Coalition
- o Pacific Maritime Association

VI. Performance Indicators

The outcome of the event, as measured by various performance indicators from the METRANS Strategic Plan, was an unqualified success in bringing together a broad cross-section of the rank and file membership of the ILWU to educate them concerning the current state of the trade and transportation industry in Southern California, their critical individual and collective role and stakeholder status in the global supply chain, and the need for contribution and consensus support of all stakeholders to continual performance review, benchmarking, and productivity improvement to meet current and future system demand, and to maintain trade flow while maximizing capacity and minimizing productivity limiters and system interruption.

1. Financial supports and endorsements

Commitment to sponsorship and official endorsement by many industry organization is an unprecedented demonstrate of support for the annual town hall meeting series.

Matching METRANS' financial contribution, the following contributions were made to CITT and the Center's Labor Education Strategy:

- The Port Of Los Angeles - \$7,500
- The Port Of Long Beach -\$7,500
- Gateway Cities Partnership, Inc. - \$3,000
- International Longshore and Warehouse Union (ILWU) - \$13,500 collectively from Locals 13, 63, and 94.

Furthermore, there were in-kind contributions from volunteers and the Policy and Steering Committee, CITT.

2. Number of attendees

The primary performance outcome is reflected in the attendance figures. A registration table was set up and attendees were asked to sign in or leave a business card.

March 13th

◆ Attendance:

- 1,195 ILWU (signatures and business cards collected)
- 138 Industry, Government (signatures and business cards collected)
- Reception: 82 guests (signatures collected on sign-in sheets)

Registration staff estimates that about 200 attendees did not sign in.

In addition to auditorium seating, there was a live transmission of the proceedings to be watched from the foyer submitted via TV screens.

3. Webcasting

The event was webcasted and will be archived until March 2003 at www.amp.csulb.edu/projects.

4. Feedback and evaluation

An analysis of the completed Feedback and Evaluation Forms revealed overwhelming rank and file satisfaction and support for the event and yielded a treasure trove of unsolicited comments that will help target and improve future similar events sponsored by CITT.

March 13th Feedback summary:

- 164 respondents:
 - ♣ 56 ILWU, 1 Warehousing/ Trucking, 5 Steamship Lines, 6 Importer/Exporter, 2 Marine Terminals, 2 Customs Brokers, NVOCC, 92 Other

(Find Feedback and Survey Results in Attachment.)

5. Trade press

The Journal of Commerce, Marine Digest, Long Beach Press Independent and local press and various marine industry newsletters reported on the event, praising the participants and sponsors with favorable commentary. (See reference for a copy of some articles.)

6. Policy and Steering Committee review and recommendations

On March 26, 2002 a Policy and Steering Committee Town hall debriefing meeting was convened to analyze whether the Town Hall objective was met, to discuss lessons learned, and to prepare for the next step.

VII. Next Steps

CITT is creating a national model for the development and implementation of both structural and non-structural approaches to relieving congestion in goods movement, benchmarking of productivity improvements along the global supply chain, and in the involvement of shippers, ports, labor and the trade and transportation industry as stakeholders in the resolution of regional transportation issues with national implications and consequences. Some of these issues have been addressed in the context of a recommended regional structure for their resolution in the Marine Transportation System (MTS) others will have to be addressed by addressing processes and infrastructure in the context of FY 2003 Reauthorization of the Surface Transportation Improvement Act for the 21st Century (TEA 21) and a SEA 21 analogue, in various planning initiatives such as the Global Gateways Development Program, I 710 Major Infrastructure Study, and a planned Statewide dialogue and Summit on mobility issues.

Proposed Activities for the forthcoming years:

Subsequent to the previous year's Town Hall meetings, CITT's Policy and Steering Committee recognized the need for a broad-based Southern California Goods Movement Summit to produce a strategy that all stakeholders can buy into, specifically, to create a blueprint for goods movement that will allow for continuous growth in trade, deal with the infrastructure and environmental challenges, and be sensitive to communities and residents quality of life concerns.

In preparation for the Fiscal Year 2003 Goods Movement Summit, the Policy and Steering Committee, with strong support from the State policymakers, proposed that all solutions presented at the Town Hall meetings deserve much deeper consideration and analysis. Consequently, a series of industry workshops have been staged under the aegis of the CITT/METRANS to further scrutinize and examine the viability of the proposed solutions.

The record of the Fourth Annual Town Hall event injects a new sense of urgency and purpose into the ongoing analysis and deliberations concerning regional and Statewide goods movement strategies. Yesterday's inefficiencies are today's vulnerabilities. The insights gained at the Fourth Annual Town Hall event will inevitably shape that process in ways that are just now becoming evident as the smoke clears and the passage of time allows for dispassionate analysis and a renewed sense of purpose.

VIII. ATTACHMENTS

Attachment A:

Feedback and Evaluation Results

March 13, 2002

164 Respondents

1. Was this event of value to you?

- 52% Yes, definitely,
- 42% Somewhat, some parts were valuable
- 2% No, it was not valuable
- 4% No response

2. What do you think is the most critical issue facing the ports of Los Angeles-Long Beach, including port security?

- 1. Security 67% of respondents
- 2. Economy 29% of respondents
- 3. Port identification card 29% of respondents
- 4. Environment 21% of respondents
- 5. Other

- (a) background checks
- (b) security at terminals
- (c) security vs. flow of cargo
- (d) staying safe yet productive
- (e) cargo screening and tracking origin
- (f) transportation issues
- (g) checking cargo
- (h) checked at each gate
- (i) weapons of mass destruction smuggled in containers
- (j) container security
- (k) good risk management
- (l) contents of containers and truck surveillance
- (m) logistics
- (n) seafarer's background check and container screening
- (o) lack of security
- (p) outside truckers
- (q) tighter security

- (r) more effective security
- (s) maintaining equipment in safe condition
- (t) x-ray every container for illegal and dangerous cargo

3. Do you like the format of the Town Hall meetings to communicate and educate you on the issues impacting the challenges for trade and transportation?

- 49% Excellent
- 45% Somewhat
- 2% Poor
- 4% No response

4. Would you attend future Town Hall meetings?

- 60% Yes, definitely
- 20% Yes and bring a friend
- 19% Probably
- 1% No

5. Overall running of Town Hall meeting (logistics, format, panelists, audio, visual, etc)

- 43% Excellent
- 55% Good
- 2% Poor

6. What topics would you like to see covered in the future in a Town Hall format?
(Choose all that apply)

- 67% Mobility/congestion
- 61% Technology
- 38% Security
- 53% Environmental/Air Quality

Other:

- (a) International trade and labor
- (b) Educate ILWU employees
- (c) Infrastructure: freeways, bridges
- (d) Diesel fumes, emissions
- (e) Industry work
- (f) How LA/LB measures up to other world trade ports in cargo handling
- (g) Funding opportunities and referrals for Federal highway projects
- (h) Importers/exporters
- (i) Checking cargo containers

- (j) Port growth, air quality
- (k) Jobs
- (l) 24/7 extended gate hours
- (m) More question time
- (n) Cargo flow facilitation
- (o) Labor management interaction on a positive tone
- (p) 100% union labor building ports building trades
- (q) Issuer
- (r) Extended gate hours
- (s) Profit sharing
- (t) Working night gates

7. What part of the trade and transportation industry are you involved in?
(Please mark all that apply)

- (56) ILWU
- (31) ID-ed
- (9) Casual
- (2) Other Union members
- (2) Marine Terminal
- (5) Ocean carrier
- (2) Customs Broker/Freight Forwarder
- (0) NVOCC
- (0) IMC
- (4) Warehousing/Trucking
- (6) Importer/Exporter
- (11) Education
- (8) Government/port authority

Other:

- (1) Sanitation
- (2) Trade association
- (3) Research

References

- (1) Event Brochure
- (2) Event Program
- (3) Press clippings