FOR IMMEDIATE RELEASE

Contacts: Port of Los Angeles Port of Long Beach
Phillip Sanfield Lee Peterson
Director of Media Relations Media Relations Specialist
(310) 732-3568 (562) 283-7715
psanfield@portla.org lee.peterson@polb.com

GRAY CHASSIS FLEET SET TO LAUNCH MARCH 1 AT PORTS

Equipment Pool Hailed as Major Advance in Supply Chain Efficiency, Flexibility

SAN PEDRO, Calif. – February 27, 2015 – Three companies that own the vast majority of chassis serving the San Pedro Bay ports are on track to activate a “gray chassis fleet” of truck-trailers on March 1, a move that should improve the flow of goods through the nation’s busiest harbor complex.

Dubbed the “pool of pools,” the landmark agreement between Direct ChassisLink Inc. (DCLI), Flexi-Van Leasing Inc. and TRAC Intermodal clears the way for more efficient cargo operations by giving terminal operators and trucking companies at the ports of Long Beach and Los Angeles much more flexibility in obtaining chassis – the wheeled trailers used by trucks to haul cargo containers.

Eleven of the 13 container terminals at the San Pedro Bay ports, as well as the off-dock rail yards, are expected to participate. The two remaining marine container terminals use their own equipment, but could opt to participate in the future.

“This is a historic agreement that will help our ports overcome a major challenge that has played a significant role in the congestion we’ve experienced,” said Port of Long Beach Chief Executive Jon Slangerup. “We applaud DCLI, Flexi-Van and TRAC for partnering with us to meet the needs of our customers and advancing permanent solutions to improve the flow of cargo.”

“This is a major step forward in addressing the congestion issues that have challenged the San Pedro Bay cargo flow in recent months,” said Port of Los Angeles Executive Director Gene Seroka. “The gray chassis pool, along with other initiatives underway to improve efficiencies, will help our marine terminals move effectively towards restoring cargo flow through this important gateway.”

-more-
Gray Chassis Fleet Set to Launch March 1 at Ports 2-2-2

Marine terminals have experienced a “chassis imbalance,” created by non-interoperable chassis pools, which has led to delays. The new pact allows more than 80 percent of chassis in service at the ports of Long Beach and Los Angeles to be used interchangeably, which will greatly improve the ease and efficiency of obtaining chassis.

The agreement creates a new chassis supply model with a team of representatives from each of the three pool operators overseeing day-to-day logistics and repositioning of more than 81,500 chassis. The pools will remain commercially independent, with each chassis provider competing for business and setting its own leasing terms and rates. A separate third-party service provider will manage billing and other proprietary information.

Implementation of the agreement is expected to provide immediate relief to the region’s current congestion problems. The process included a review by the Antitrust Division of the U.S. Department of Justice, which found, “The increased flexibility created by the interchangeability will enhance customer service, improve chassis productivity and respond to the desire of the Long Beach and Los Angeles ports authorities to achieve better overall utilization of the region’s chassis fleets.”

Both ports were actively involved in facilitating a chassis solution for several months and continue to work closely with all stakeholders to promote short-term and permanent solutions to eliminate the backlog of cargo stemming from overall cargo growth and shifting dynamics in the shipping industry. The ports are working with container terminals, shipping lines and the trucking community to provide additional space, sort cargo more efficiently, reduce wait times for truckers and improve real-time data throughout the port complex. Port officials are also working with their railroad partners to enhance rail efficiency.

The Port of Los Angeles and Port of Long Beach are the largest ports in the nation, ranked first and second respectively, and combined are the ninth-largest port complex in the world. The two ports handle approximately 43 percent of the nation’s total import traffic and 27 percent of its total exports. More than 3 million direct, indirect and induced jobs nationwide are related to cargo movement in the San Pedro Bay port complex.

# # #