

Port of Miami: Container Plans and Progress

**D.B. Lewis
June 2, 2017**

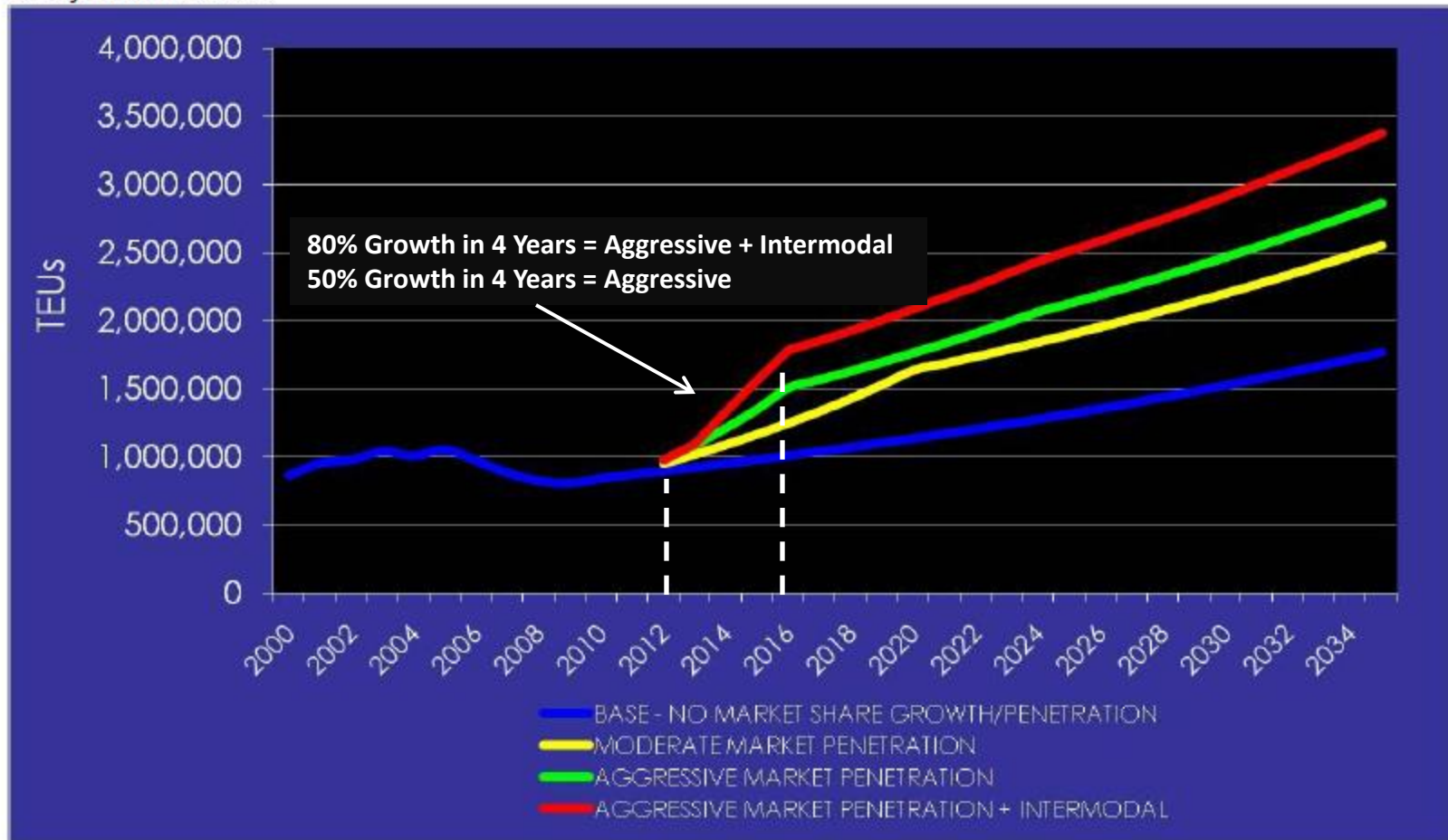
Overview

- **Miami has recently invested over \$1 Billion in port improvement capital for dredging, new cranes, on-dock intermodal rail and a highway tunnel**
- **Miami's Growth Plan is very much like Jaxports, and was done by the same consultant**
- **Both Miami and Jacksonville's plans call for rapid growth to begin immediately after dredging, and quickly grow to an additional 1 Million TEUs per year of Market Share Capture per year**
- **Dredging was completed in September, 2015 and the Panama Canal Expansion was completed in June 2016**
- **Now, 18 Months after dredging completion, Miami's TEU trend is essentially flat, which is not the forecasted result**

Miami's Strategic Plan's "Aggressive + Intermodal" scenario calls for 80% growth in the first 4 years after dredging.

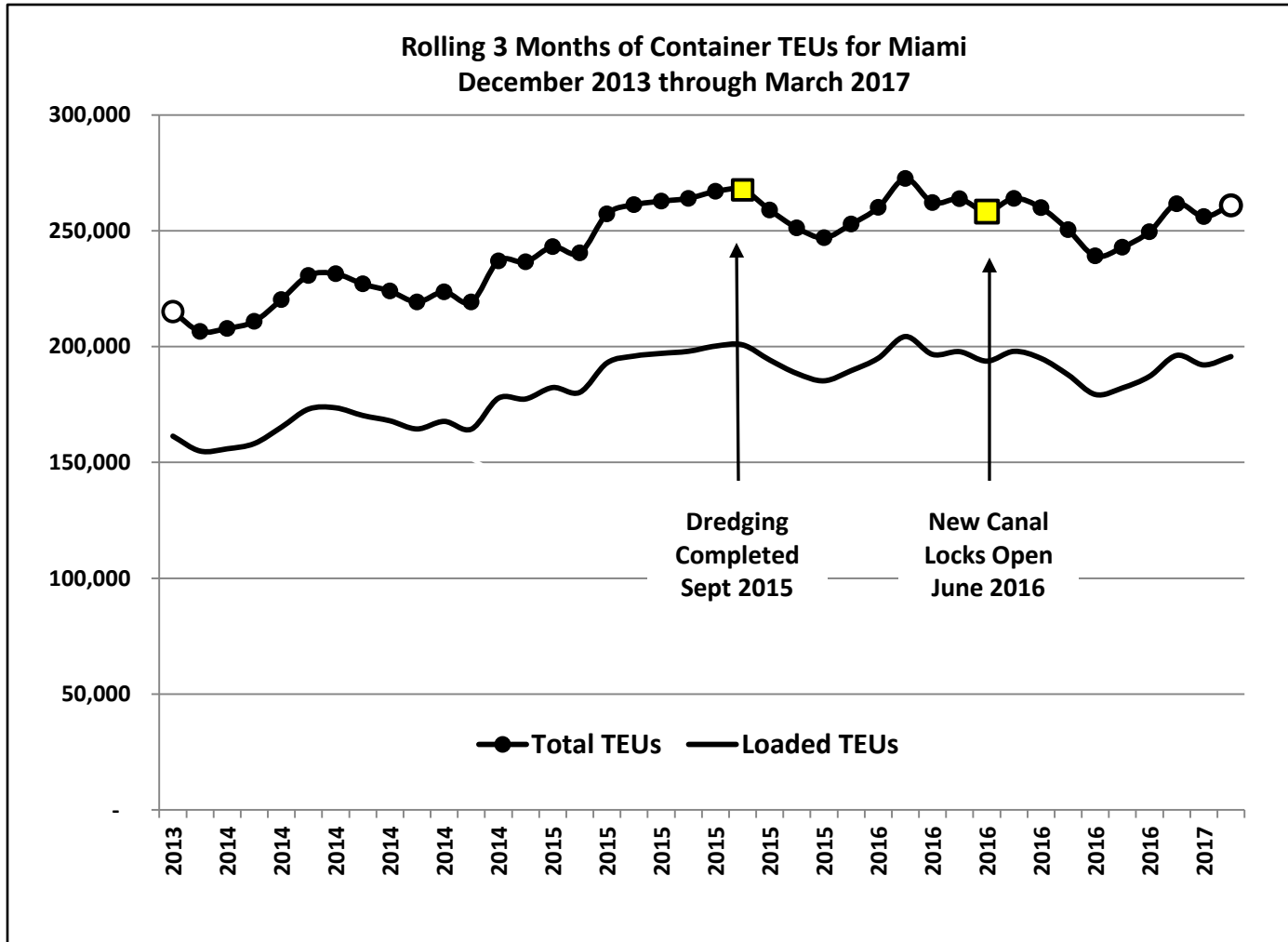
FIGURE 5.5: PORT OF MIAMI LOW AND HIGH UNCONSTRAINED CONTAINER FORECASTS

Source: John Martin Associates



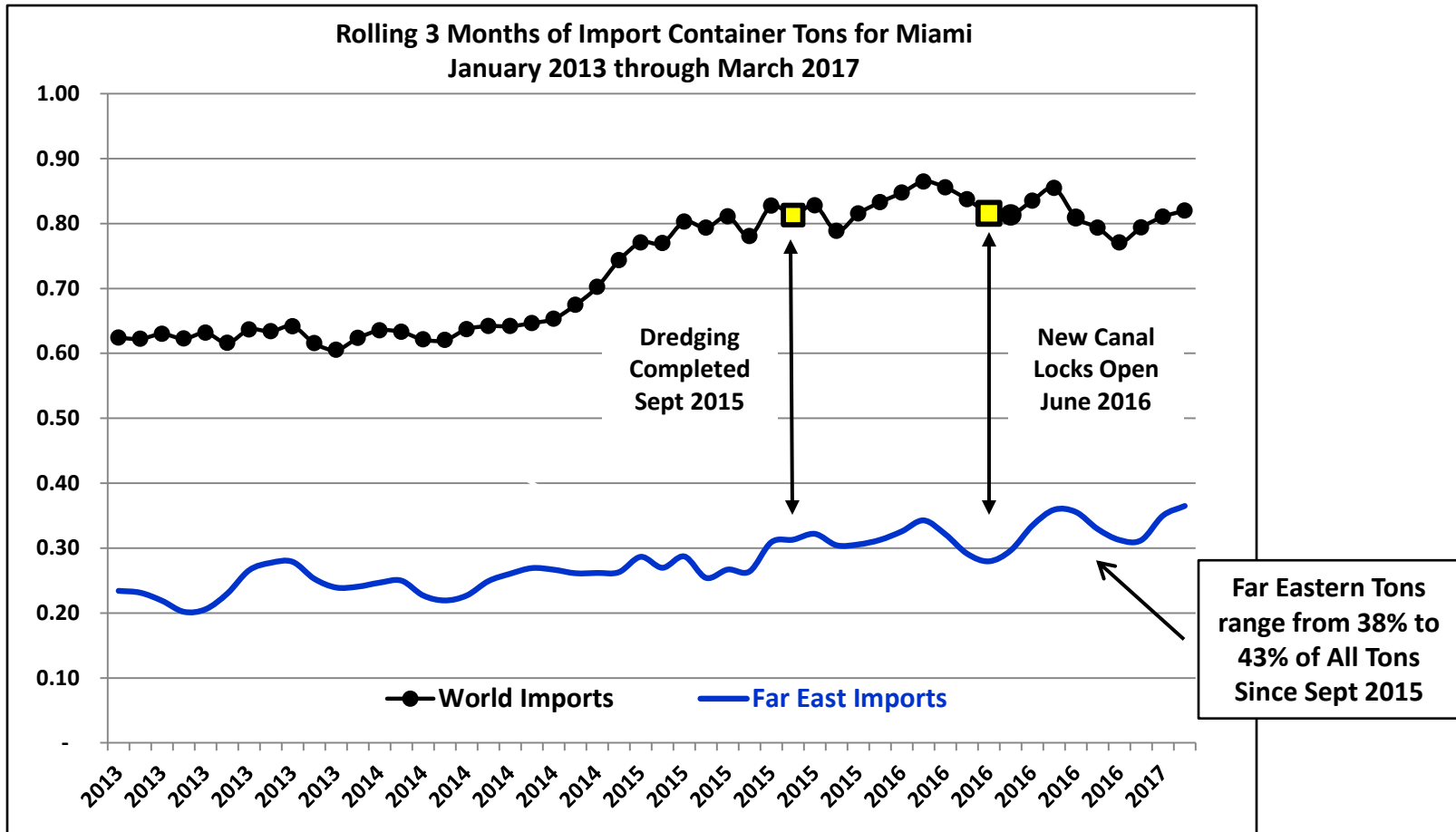
Note: Miami and Jacksonville use the same planning consultant.

18 Months after dredging, Miami's trend for Container TEU Volume is essentially flat.



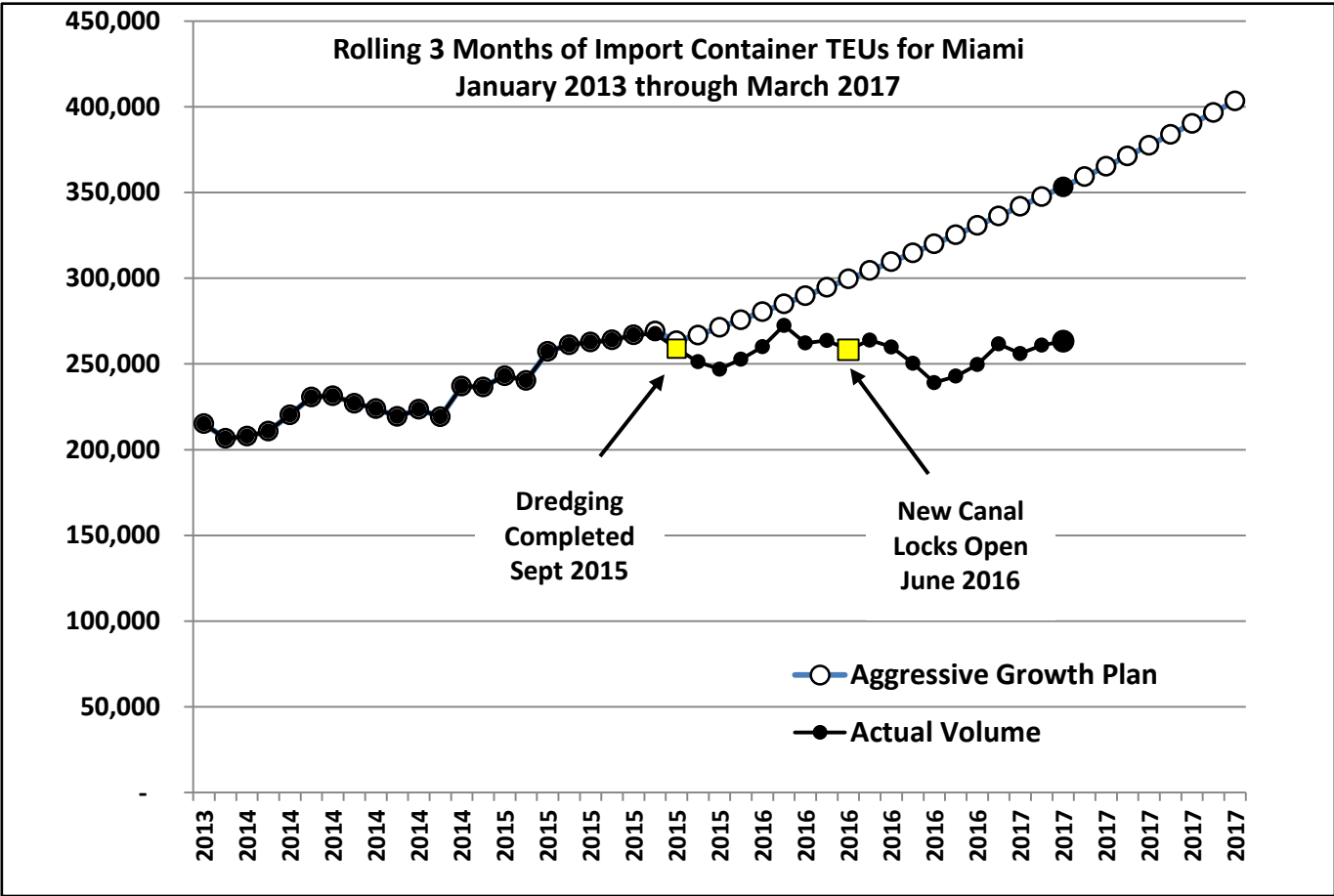
Raw Data Source: Port of Miami, May 2017

18 Months after dredging, Miami's trend for Import Container Tons is essentially flat.



Raw Data Source: US Census Bureau, Trade On Line

Miami's Aggressive + Intermodal Growth Scenario is about 90,000 TEU per quarter above the actual volumes.



Raw Data Source: Port of Miami
Growth Slope: Miami Aggressive + Intermodal Scenario

Summary

- **Miami now has over 50 feet of water, on-dock rail, a new truck access tunnel and post-Panamax Cranes, along with a 12 million person market within a half-day truck drive**
- **Miami's Strategic Plan has a set of "Aggressive " forecasts that show 12% to 20% TEU growth, per year, for the first 4 years after dredging**
- **Miami's actual container growth over the first 18 months after dredging has been essentially flat, well below the plan level**
- **This should be expected: Persuading shippers to change Distribution Center locations, carriers and routing takes months, or years, of work**
- **If Miami has all the depth, shoreside support and market size required for growth, and does not grow rapidly, what does that mean for Jacksonville?**

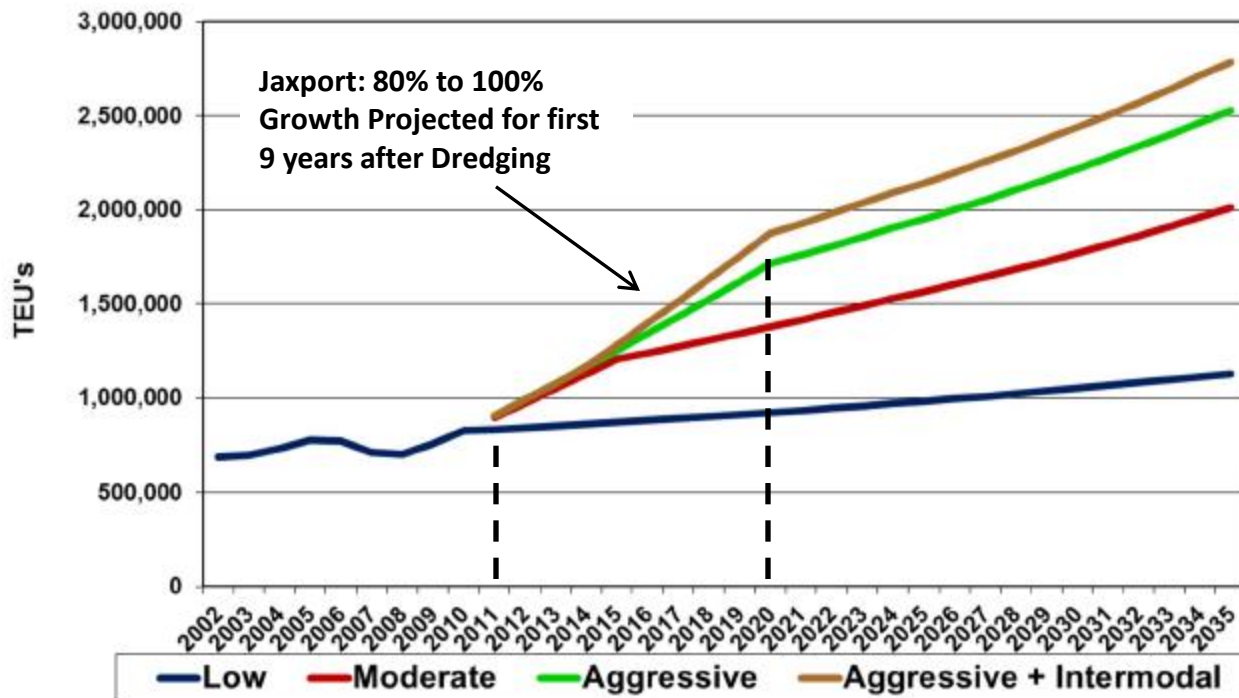
Appendix

(Next Two Pages Compare Miami and Jaxport Planning Graphs)

Note: Miami and Jacksonville use the same planning consultant.

Jacksonville's Strategic Plan's "Aggressive + Intermodal" scenario calls for 100% growth in the first 9 years after dredging.

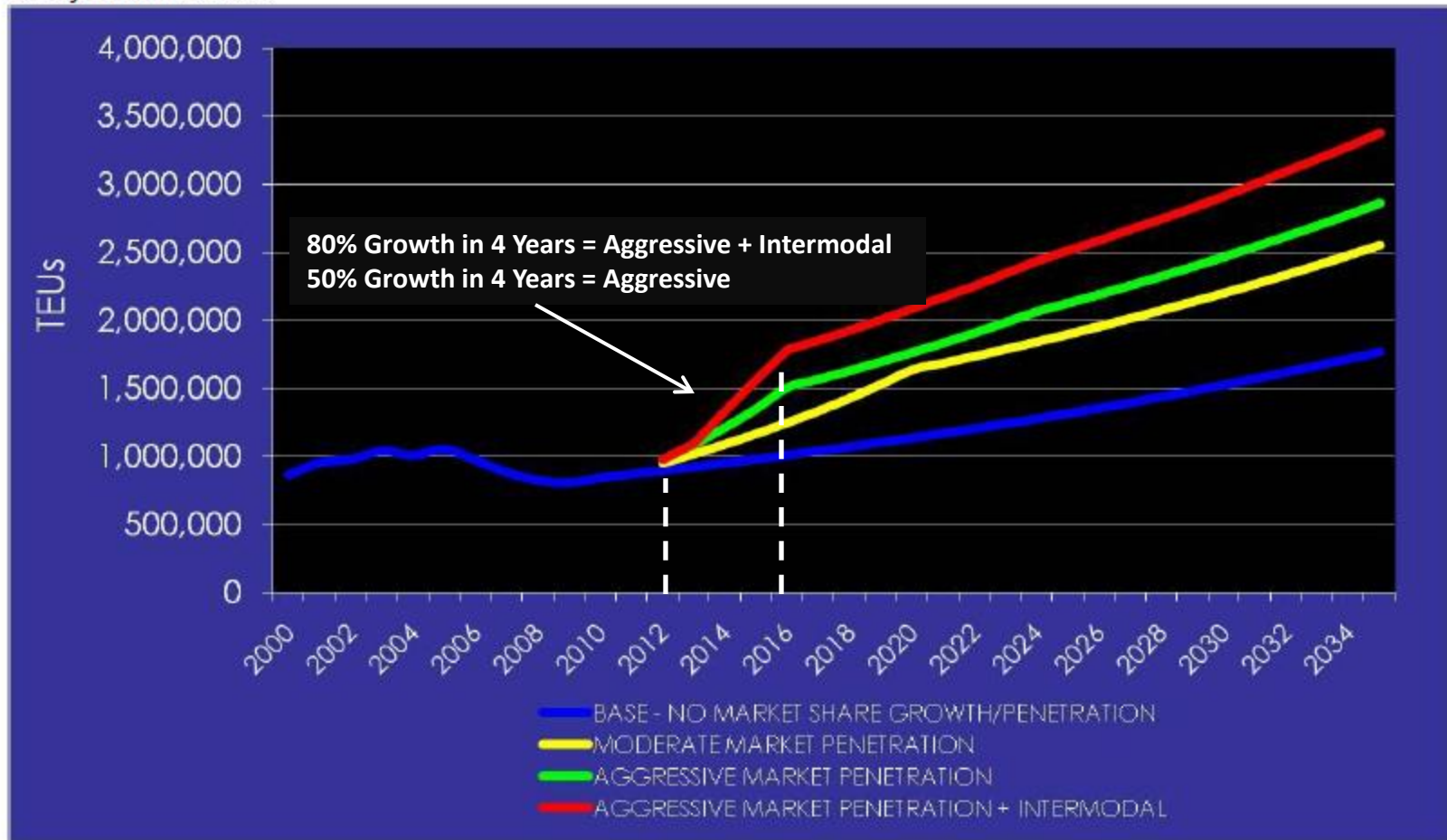
Summary of JAXPORT Container Forecasts Assuming the 47 ft. Depth



Miami's Strategic Plan's "Aggressive + Intermodal" scenario calls for 80% growth in the first 4 years after dredging.

FIGURE 5.5: PORT OF MIAMI LOW AND HIGH UNCONSTRAINED CONTAINER FORECASTS

Source: John Martin Associates



Note: Miami and Jacksonville use the same planning consultant.

Year	Month	Inbound		Outbound		Total	Rolling 3 Months Total TEUs	Rolling 3 Months Loads
		Full	Empty	Full	Empty			
2013	October	27,680	9,227	29,450	9,817	76,173		
2013	November	25,448	8,482	26,564	8,854	69,348		
2013	December	27,647	9,216	24,557	8,185	69,605	215,125	161,345
2014	January	24,599	8,200	26,111	8,704	67,614	206,566	154,925
2014	February	26,125	8,708	26,850	8,950	70,633	207,852	155,889
2014	March	26,638	8,879	27,827	9,276	72,620	210,868	158,151
2014	April	29,460	9,820	28,327	9,442	77,049	220,302	165,227
2014	May	30,563	10,187	30,207	10,069	81,026	230,695	173,022
2014	June	26,759	8,920	28,261	9,421	73,361	231,435	173,577
2014	July	28,155	9,385	26,316	8,772	72,628	227,015	170,261
2014	August	28,763	9,588	29,717	9,907	77,973	223,962	167,971
2014	September	25,316	8,439	26,192	8,731	68,678	219,279	164,459
2014	October	29,180	9,727	28,555	9,518	76,979	223,630	167,723
2014	November	28,100	9,367	27,035	9,012	73,513	219,170	164,378
2014	December	32,997	10,999	31,889	10,630	86,515	237,007	177,755
2015	January	28,129	9,376	29,245	9,748	76,498	236,526	177,395
2015	February	30,570	10,190	29,495	9,832	80,087	243,100	182,325
2015	March	30,056	10,019	32,771	10,924	83,769	240,354	180,266
2015	April	34,955	11,652	35,088	11,696	93,391	257,247	192,935
2015	May	32,904	10,968	30,134	10,045	84,050	261,210	195,908
2015	June	32,348	10,783	31,643	10,548	85,321	262,762	197,072
2015	July	35,899	11,966	35,044	11,681	94,590	263,961	197,971
2015	August	32,704	10,901	32,574	10,858	87,037	266,948	200,211
2015	September	32,681	10,894	31,846	10,615	86,036	267,663	200,747
2015	October	32,030	10,677	32,375	10,792	85,872	258,945	194,209
2015	November	30,291	10,097	29,178	9,726	79,292	251,200	188,400
2015	December	33,101	11,034	28,260	9,420	81,814	246,978	185,234
2016	January	34,964	11,655	33,824	11,275	91,717	252,823	189,617
2016	February	33,601	11,200	31,262	10,421	86,483	260,014	195,011
2016	March	34,679	11,560	36,028	12,009	94,276	272,476	204,357
2016	April	30,944	10,315	30,119	10,040	81,417	262,176	196,632
2016	May	34,070	11,357	31,979	10,660	88,064	263,757	197,818
2016	June	33,833	11,278	32,786	10,929	88,825	258,306	193,730
2016	July	32,592	10,864	32,696	10,899	87,050	263,939	197,954
2016	August	32,697	10,899	30,311	10,104	84,010	259,885	194,914
2016	September	30,403	10,134	29,102	9,701	79,340	250,400	187,800
2016	October	29,954	9,985	26,866	8,955	75,760	239,110	179,333
2016	November	33,606	11,202	32,230	10,743	87,781	242,881	182,161
2016	December	32,570	10,857	31,956	10,652	86,035	249,576	187,182
2017	January	34,684	11,561	31,169	10,390	87,803	261,619	196,214
2017	February	32,361	10,787	29,339	9,780	82,267	256,105	192,079
2017	March	31,757	10,586	36,389	12,130	90,862	260,932	195,699

Miami TEU Data: Source Port of Miami
Sept 2015 – Dredging Complete
June 2016 – Canal Expansion Complete

Miami, Pt. Everglades and Jacksonville's container businesses make up over 85% of the container loads handled by Florida ports.



	Annual TEUs Reported		Annual Growth
	<u>2012</u>	<u>2016</u>	
Everglades	923,600	1,037,226	3.1%
Miami	909,197	1,028,156	3.3%
*Jaxport	923,660	968,279	1.2%
Palm Bch	223,463	267,280	4.9%
Tampa	39,882	49,716	
Panama City	41,456	29,954	
Manatee	12,610	26,210	
Fernandina	14,092	8,133	
Canaveral	253	2,745	
Pensacola	76	17	
Total	3,088,289	3,417,716	2.7%

* Jaxport shows these numbers in its online cargo statistics. There are also about 150,000 TEUs per year handled by a shallow-draft, private terminal operator.