



The Port of Stockton celebrates its 80th anniversary
by introducing its new all-water barge container service
between Stockton and Oakland: “M-580 Marine Highway”

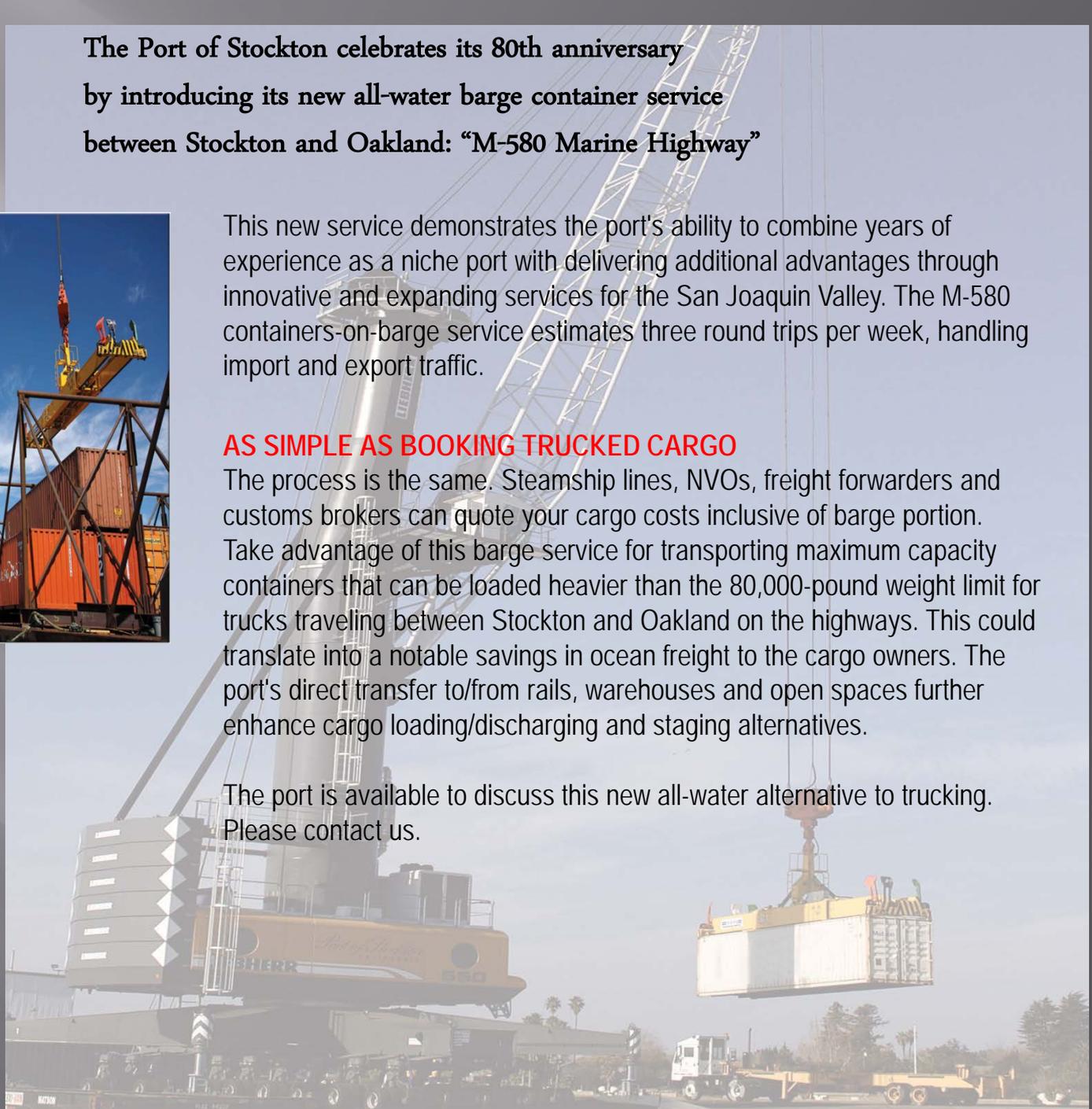


This new service demonstrates the port's ability to combine years of experience as a niche port with delivering additional advantages through innovative and expanding services for the San Joaquin Valley. The M-580 containers-on-barge service estimates three round trips per week, handling import and export traffic.

AS SIMPLE AS BOOKING TRUCKED CARGO

The process is the same. Steamship lines, NVOs, freight forwarders and customs brokers can quote your cargo costs inclusive of barge portion. Take advantage of this barge service for transporting maximum capacity containers that can be loaded heavier than the 80,000-pound weight limit for trucks traveling between Stockton and Oakland on the highways. This could translate into a notable savings in ocean freight to the cargo owners. The port's direct transfer to/from rails, warehouses and open spaces further enhance cargo loading/discharging and staging alternatives.

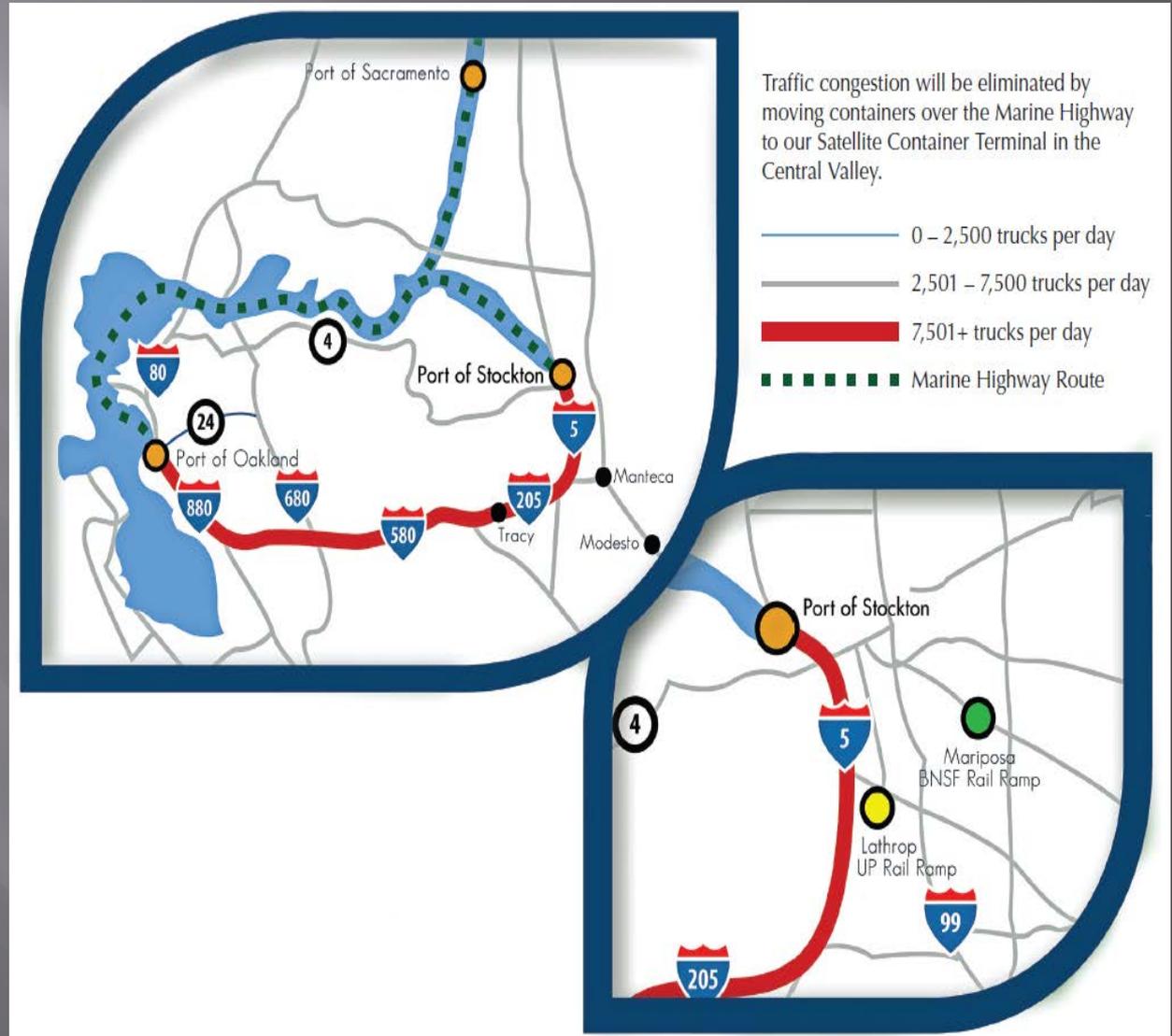
The port is available to discuss this new all-water alternative to trucking. Please contact us.



The Solution

A transportation choice that will:

- Reduce transportation costs and free up working capital
- Ease scheduling and equipment shortages
- Create a “green” supply chain
- Creates jobs and Stimulates economics to the community.



- **Project Advantages:**

- Environmentally friendly alternative to the current mode of transportation.
- Reduces congestion on the road and increases public safety.
- The Barge will serve as an overweight corridor for export containers loaded at the Port of Stockton. Containers can be “overstuffed” resulting in a 20% cost savings to the shipper.
- Trucking companies support the project due to reduced cycle times, and equipment optimization.
- Congestion relief at the Port of Oakland Container terminals.

M580 Barge and Cranes at berth 14 Port of Stockton



Trucks lined up at the Oakland Container Terminals.

M - 580 Marine Highway

Operating Plan

M - 580A 216 FEU/ 432 TEU Containers

M - 580B 144 FEU/ 288 TEU Containers

2 Export / Import Barges to start

Target Exports:

Agriculture products / grain, Bulk Commodities

Waste Paper

Scrap Metals

Wine

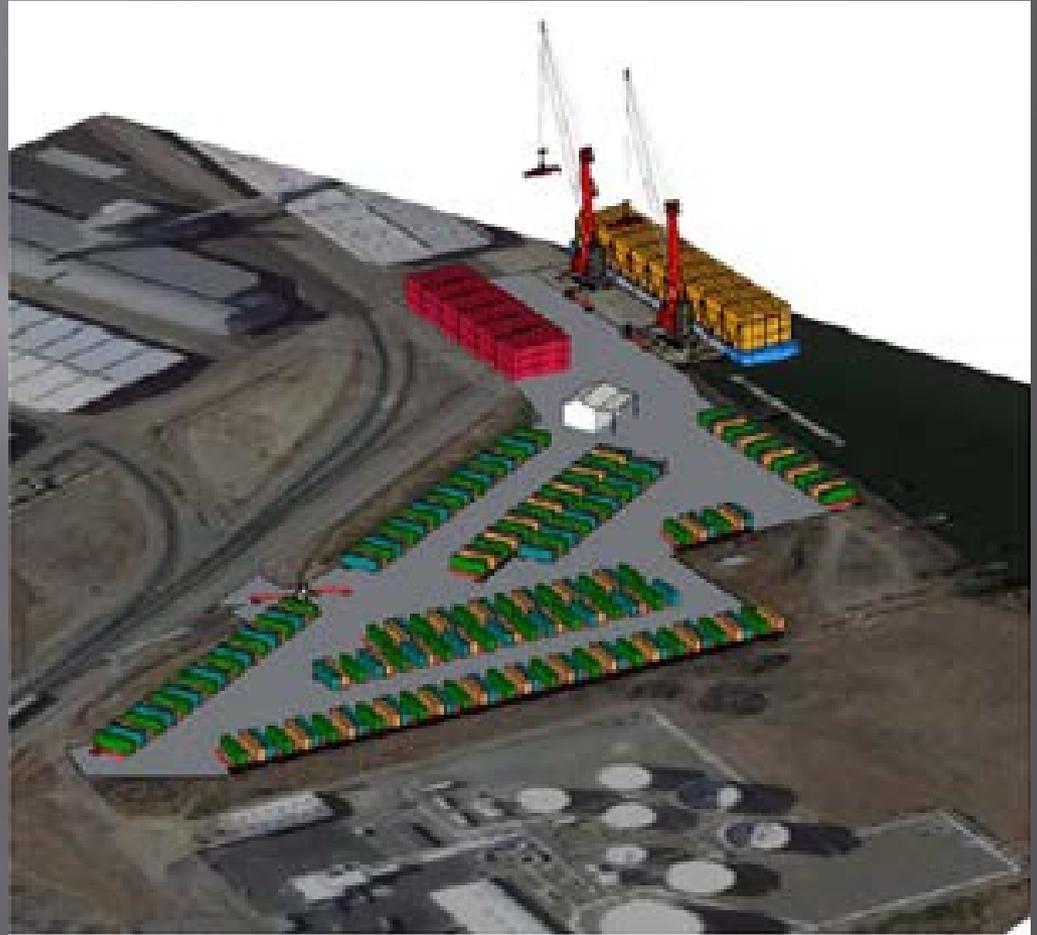
Tomato Paste

Target Imports:

Fertilizer

Retail

Wine



Container Reach Stacker



Designed to achieve maximum space utilization in intense container terminals and ports
Maneuvers in tight spaces, off load and reload containers from and to a chassis. The Port of Stockton has 2 Reach stackers for use on 20' and 40' containers.

Brusco Tug Boats are California Air Resource Board compliant



M580A Barge at Berth 14



Who, What, When, Where & Why

Frequently Asked Questions

- **What Days Does the Barge Sail?**
- During the initial demonstration phase (June-July 2013), the sailing schedule will be set based on cargo demand. Once in full operation starting in late July, the sailing schedule and cutoff times will be published in advance and will be posted on our website. This schedule will be optimized to match up with ocean vessel calls at both Ports America Outer Harbor Terminal and SSAT Oakland International Container Terminal.

- **What is the Transit Time Between Oakland and Stockton?**
- The average transit time for a one-way transit voyage is 9.5 hours at 8 knots.

- **At Which Terminals Does the M-580 Barge Call?**
- Presently, the M-580 Green Trade Corridor services Port of America Outer Harbor Terminal and SSAT Oakland International Container Terminal. The Port of Stockton is working to expand services to other terminals based upon demand.

- **What Ocean Carriers Are You Working With?**
- Yang Ming, MSC, CMA-GCM, Maersk, Hapag Lloyd, Hyundai and APL have all expressed an interest and participation in the service thus far. Depending upon customer needs, customers can book directly with participating ocean carriers, NVOCC's and/or drayage companies if door to door service is require.

Who, What, When, Where & Why

Frequently Asked Questions

□ Do You Have Plans to Expand?

- The service is currently operating once a week with the Barge M-580A. Service is expected to expand to twice a week by the end of this summer with the M-580 followed by three to four voyages a week using both the M-580A and M-580B to meet anticipated demand.

□ Does the Barge Handle Maximum Capacity Loaded Containers?

- Yes! In fact one of the main benefits of using the Green Trade Corridor Service is the ability to load containers up to the maximum allowed volume of weight and cubic capacity of the container representing an estimated 20% savings on ocean freight charges for the shipper.

□ What is the Cost?

- At this time the rate is \$275.00 one way between Stockton and Oakland stack to stack all in including fuel surcharge. The rate will be reviewed and adjusted as needed dependent upon variable cost changes customarily associated with supply chain logistics.

□ Will Containers Be Moved Between Individual Terminals at the Port of Oakland?

- No, however inter-terminal shifting of containers may be done at the shipper's expense

Who, What, When, Where & Why Frequently Asked Questions

- **Does the Barge Only Handle Export Containers?**
- **No, the Green Trade Corridor Service will equally service both the export and import containers.**

- **Who Do I Contact For More Information Regarding the Service?**
- **Contact the Port of Stockton Operations Department at (209) 946-0246.**

- **How Do Source Empty Containers/Chassis to Ship Via the Green Trade Corridor?**
- **Empties containers and chassis may be sourced from the ocean carriers, existing customer drayage companies or chassis providers. An off dock public container and chassis pool is being developed and will provide another local source of equipment in the very near future.**

The Benefits

M580 Marine Highway eliminates the hidden costs in your logistics chain and delivers real results.

Improve Logistics Tighten your logistics chain by avoiding costly traffic slowdowns and terminal delays. Avoid extra costs by discharging and interchanging containers in the Central Valley at a proximate location to your distribution center or production facility, as well as two Class I rail intermodal facilities. We will handle the entire move between the ocean vessel and your facility for scheduled just-in-time service.

Reduce Costs M580 Marine Highway will move your goods at competitive rates while utilizing substantially less fuel. Additionally, the Satellite Container Terminal at the Port of Stockton can lower costs and free up working capital. It will improve your cycle time, productivity and velocity through your distribution center while reducing container storage requirements and demurrage.

Enhance Air Quality M580 Marine Highway will remove more than 600 tons of harmful toxic air emissions from California's skies every day. So, reduce your carbon footprint and fuel consumption while improving the air quality in one of the most polluted regions in America. Join the thousands of companies that are choosing sound business alternatives and building a green image.

Relieve Congestion Shippers and truckers who use the overcrowded, congested West Coast ports have been searching for the relief Americas Marine Highway can provide. It will remove 350 trucks from the port and highway system with every barge move – reducing the frustration, the wear and tear on California's infrastructure, and the associated costs passed through to shippers.

Increase Safety There are 155 times more fatalities on highways than in marine transportation. Choose a safer alternative by utilizing the nation's waterways and improve highway safety in your community.

M580 Marine Highway is scheduled to start in the spring of 2013

To utilize this service and discuss a partnership, contact Rebecca rbarron@stocktonport.com or Jill McAuliffe jmcauliffe@stocktonport.com at the Port of Stockton 209-946-0246.



Port of Stockton

Marine Highway Corridor Update

The M-580 Marine Highway Corridor Project officially commenced Service on June 8, 2013 after a much awaited operational hiatus.

The service thus far has been well received albeit tempered with a degree of caution by potential customers that was not unexpected. Progressing forwards to today, the service has become more accepted as operational worries and methodologies have been adequately demonstrated.

Twelve voyages between Stockton and the Ports America terminal in Oakland have been completed. The thirteenth voyage is scheduled for Thursday, September 19th.

There are currently three steamship lines we have serviced; Yang Ming, Mediterranean Shipping Company and Hamburg-Sud. Inquiries from lines such as American President Lines, Hapag Lloyd, Matson and CMA-GCM have been received and are ongoing. The M580 service will be expanding to two roundtrip rotations per week starting next week with port management having secured access into the Oakland International Container Terminal. The M580 now will have access to worldwide service through two Oakland terminals representing twenty-five ocean carriers. Port management has engaged with NVOCC's as well to expand contact with potential shippers currently trucking containers to and from Oakland.

Staff has conducted industry outreach informational presentations to maritime industry representatives as well as transportation agencies such as Cal-Trans, SJCOG and the California Freight Advisory Committee.



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Marine Highway Corridor Update

Thus far the M580 has achieved the following milestones.

- Handled 1,188 containers between Stockton and Oakland. This equates to 2,970 diesel trucks removed from the I-580 highway corridor.
- The Central Valley Container Yard and the Central Valley Chassis Pool have been established providing for street turns of import and export containers and local supply of truck chassis.
- Established marketing programs to reach local and regional shippers and cargo owners promoting the M580 alternative goods movement service.
- Created new work opportunity for members of the local ILWU workforce providing 406 shifts of work with an estimated value of \$375,000 in wages and benefits. This jobs creation is exclusive of the work provided to the ILWU Oakland workforce and ancillary support jobs within the trucking industry and tenant based businesses to name a few.



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Marine Highway Corridor Update

Customers contacted for service opportunity with the M580 Marine Highway Corridor include:

- ACX
- CRG
- Victory Blue
- Cal Sheets
- American River Ag
- Constellation Wine
- J.F. Hildebrand
- Delicato Vinyards
- Morning Star
- Liberty Packing
- Trader Joes
- J.C. Penney Co.
- Cost Plus
- GSA
- Turkan Foods
- Farmers Rice
- MDI
- Ingredion
- Dorfmann Pacific
- Pacific Coast Producers
- Export Hay
- Export Animal Feed
- Import Fertilizer
- Import Paper
- Import Grain Products
- Export Wine
- Import/Export Wine
- Export Tomato Paste
- Export Tomato Paste
- Import Food Products
- Import Retail Goods
- Import Retail Goods
- Import/Export Government
- Export Dried Nuts
- Export Bagged Rice
- Export Logs
- Export Corn Sweetener
- Import/Export Hats
- Import/Export canned goods



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Questions?

