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Portside: New S.C. ports CEO working to change Charleston's fortunes

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It may be down, but our neighbor port to the north is far from out.

That's the message that's coming through loud and clear these days as the South Carolina State Ports Authority welcomes Maersk back into the fold.

They're also celebrating not only the announcement that a major tire retailer will locate a distribution center near the port, but also that Boeing Co. will build a huge 787 jetliner assembly plant in North Charleston.

But perhaps the most significant change - the one that seems to have spurred the most optimism in Charleston maritime circles - is the one at the top.

Savannah native Jim Newsome developed a love for the maritime industry as a youngster, spending his weekends tagging along dockside with his father, Jimmy, who was director of operations at Georgia Ports Authority for nearly 25 years.

After graduating from the University of Tennessee with a degree in transportation and logistics, Newsome spent the next 30 years amassing an impressive resume of marketing, sales and executive positions in the maritime industry.

In September, he took the helm of the state ports authority, knowing full well he was walking into a pretty dire situation.

Container volume at the Port of Charleston dropped 19 percent in the fiscal year that ended June 30, the second straight year of double-digit decline at a port that just 10 years ago was the fourth-largest in container volume in the nation.

Newsome's hometown owns that distinction now, but he is determined to do what it takes to bring Charleston back to its old prominence as a premiere Eastern Seaboard port.

So far, he's doing more than just talking the talk.

Case in point: Charleston's relationship with Maersk Line, one most insiders feared was damaged beyond repair when the shipping giant announced in February it would pull its operations out of Charleston at the end of 2010.

At issue was Maersk's attempt to restructure its operations on the Wando-Welch Terminal in Mount Pleasant. The move, which the shipper said it needed to stay on equal footing with other competitors on the terminal, was voted down by the local International Longshoremen's Association.

Last week, Maersk reversed its earlier decision, announcing it had reached an agreement with the ports authority to maintain services in the Port of Charleston through 2014.

In making the announcement, Maersk Line senior exec Gordon Dorsey thanked a number of port stakeholders for playing a crucial role in keeping the talks alive and fostering a second round of discussions that resulted in the new contract agreement.

The first person he singled out was Newsome.

"Maersk is the largest line in the world, with 15 percent of the world's market and a financial strength paralleled by no other line," Newsome said during his "State of the Port" speech last week.

"I cannot imagine running a major port without having Maersk as a prominent customer."

While he welcomed the Maersk announcement, Newsome didn't downplay the issues facing the port in the future, telling the gathered crowd a great challenge exists to improve volumes quickly.

"We are in the worst economic climate since the Great Depression, the first year that anyone remembers when both global economic growth and trade declined," he said.

But, he said, that only partially explains the situation in Charleston, where container volumes are at year 2000 levels.

"I need to be very clear on this - this is not an acceptable situation," Newsome said. "We have not been as competitive as we need to be in retaining existing business and attracting new business.

"Our major and most immediate priority is to improve our container volume."

"In summary, we have a lot of work to do here," Newsome said. "Our volume developments - bad economy aside - are not reflective of our tremendous capability as a port community.

"It is absolutely within our control to fix that, and this is our primary mission."

More power to him.

Contrary to what some may think, a resurging Charleston isn't likely to cut into Savannah's gains. Studies show that over the next 15 to 20 years, our region could see something like

20 million 20-foot boxes annually - a volume that will take Savannah, Charleston and the future Jasper Ocean Terminal to accommodate.

Charleston and Savannah shouldn't waste time worrying about each other. When these two Southeastern ports are both at the top of their game, it's the Port of New York/New Jersey that will need to be nervous.

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