



CELEBRATING
55 YEARS

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Supply chain management and where Quonset fits in

September 13, 2012 - Rhode Island

Recently, I had the honor of addressing the Northeast Supply Chain Management Summit at the John H. Chafee Center for International Business at Bryant University. It was, indeed, a unique opportunity for me to share with colleagues from throughout the region, the vision we have for the Port of Davisville at Quonset Business Park. The remarkable progress we have made there in recent years - ascending to become the 7th largest automobile port in North America and quadrupling the amount of cars arriving at the Port in just 15 years - has been unprecedented. However, the Port of Davisville is also destined to tell a similar story of success in the future.

For those that do not know, the Northeast Supply Chain Management Summit was established in 2008. Since then, it has evolved into a highly anticipated regional event that attracts industry leaders from across the Northeast. This year, the theme of the Summit, "From My Supply Chain to Yours: A Global Perspective," offered attendees a look behind the scenes, into the supply chains of industry experts. This theme afforded attendees the opportunity to examine new ways to institute best practices.

This year's theme also served as a fitting reminder that transporting goods is a business that finds us players on a global stage - a stage with limitless possibilities. It is a world that presents opportunities to those prepared to seize them, and at Quonset Business Park we have taken steps to position the Port of Davisville to seize these opportunities.

For example, consider the \$5.25 billion project to expand the Panama Canal. This project began in the Fall of 2007 and is now on its way to an expected completion in 2014. The ambitious construction project will double the canal's capacity, allowing more and larger ships to pass through. The ramifications of an expanded canal are sure to be felt at ports across the globe, including here in Rhode Island.

We should be clear, that the widening of the canal does not mean that large container ships will be headed to the Port of Davisville. Due to the draft limitations of the channel that approaches Davisville, we are only equipped to handle vessels with a draft of 32 feet, while most container vessels have a minimum draft of 42 feet. However, because of its strategic location and our commitment to infrastructure improvements, we believe the Port of Davisville still has an important role to play in the supply chain shipping business as a result of the Panama Canal expansion.

With the expansion of the Panama Canal, experts anticipate a redistribution of East and West coast container traffic. The result of this redistribution will manifest itself in an increase in the number of containers being shipped to the East Coast. Over time, more containers arriving will create the need for more consolidated load center ports at select East Coast terminals that can alleviate the potential of additional shipping congestion on our roads and railways. With more cargo arriving at the major ports such as Norfolk, Baltimore, and New York, there will be greater shipping opportunities for smaller ports such as Davisville.

We are confident that the Port of Davisville is strategically positioned to serve as a vital player in this new generation of short sea shipping routes that are likely to be developed in areas with the most severe highway congestion. The Port of Davisville is destined to provide critical feeder services between Rhode Island and any of the East Coast load center ports, but particularly mid-Atlantic ports such as New York, Baltimore, and Norfolk.

Over the past two years we have been working around the clock to implement improvements to the Port from the \$22.3 million in TIGER (Transportation Investment Generating Economic Recovery) grant funds received through the U.S. Department of Transportation's Maritime Administration (MARAD). With those enhancements now more than 90% complete, and with the arrival of the new mobile harbor crane, we are well situated to participate in the short seas shipping business.

In addition to the TIGER infrastructure improvements, we now embark on an ambitious dredging project with the blessing of federal, state and local officials. By dredging the channel depth adjacent to the Davisville piers to 32 feet, we will remain competitive for today, but even more importantly, prepared to attract new business tomorrow.

It is a source of great pride to us that the auto import activity at the Port of Davisville has quadrupled over the past 15 years - and a shining example of our ability to attract industry leaders to Rhode Island. But we do not rest on our laurels. We have long known that the key to our success is our ability to constantly evolve and find new ways to nurture our growth. Our new investments in infrastructure not only allow us to harness the strength of our auto-import business, but also prepare us for new opportunities headed towards Rhode Island.

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