



PERFORMANCE PROFILE

A DC VELOCITY SPEED CHALLENGE

The future of logistics is here now in the Sunshine State

Port Everglades, PortMiami, and Florida East Coast Railway have made significant investments to assure a bright shipping future for customers.

SHIPPERS KNOW THAT SPEED-TO-MARKET CAN BE A KEY STRATEGIC differentiator. The one who gets goods to market faster usually wins over the competition. With the expansion of the Panama Canal scheduled for completion next spring, the seaports in South Florida (PortMiami and Port Everglades) have been preparing for a surge in import and export volumes. Looking at a map, it is easy to see why. Their strategic locations provide first access to ships routed through the canal. As a result, each port has significantly upgraded its facilities, including new rail connections with Florida East Coast Railway (FEC).

By working together, the ports and FEC are able to supply Florida customers overnight; reach strategic Southeast destinations, including Atlanta and Charlotte, within two days; and deliver to 70 percent of the U.S. population within four days, providing door-to-door service to these critical markets quicker than by using traditional all-water routes.

POSITIONED FOR SUCCESS

Port Everglades lies at the crossroads of north-south and east-west trade lanes. It is Florida's largest containerport, annually handling more than 1 million TEUs. It is also closer to the Atlantic shipping lanes than any other Southeastern U.S. port, providing that critical speed-to-market that shippers demand.

The port also has an aggressive strategy for growth. "We are planning to spend \$1.6 billion on our improvements," explains Steven Cernak, chief executive. He says that there are three major projects in the works. "There is the expansion of the Southport Turning Notch, which will create five additional berths to allow us to accommodate our customers better and allow for fast, efficient service. We also are purchasing five Super-Post-Panamax cranes. And we also have been working with the Army Corps of Engineers on the widening and deepening of Port Everglades' channel," he says.

STRATEGIC PORT OF CALL

With its position at the tip of Florida, PortMiami offers many strategic advantages to shippers, including a huge population base. PortMiami has spent more than \$1 billion on infrastructure improvements to capture this important traffic, including a major dredging program that has resulted in

-50/52 feet of draft, making PortMiami Big Ship Ready.

The port is ready now to handle the new generation of ships, holding up to 14,000 TEUs, that will soon be sailing through the canal. "Everything is in the economies of scale," explains Juan Kuryla, port director and CEO. "The larger the vessel that comes to your port and the more laden it is, the more you achieve significant savings."

Another significant advantage in Miami is the completion of a new tunnel under the north channel that links the port directly to the interstate highway system, completely bypassing the congestion in downtown Miami.



WELL TRAINED

Connecting customers calling on South Florida ports to markets across Florida, the U.S., and beyond is the task of Florida East Coast Railway (FEC). Operating the only rail line along Florida's East Coast, a strategic 351-mile corridor between Miami and Jacksonville, the railroad offers multiple daily train departures that provide efficient, flexible, and reliable service throughout

the Sunshine State. FEC also has direct connectivity to two Class 1 railroads in Jacksonville to reach other major markets seamlessly. Compared with trucking these goods, the railway delivers fuel efficiencies, reduced greenhouse gas emissions, and economically competitive rates by avoiding over-the-road congestion.

FEC has also made significant investments in its future. "In addition to our on-dock and near-dock rail projects with the ports, we purchased 24 new locomotives last year, providing us power for the increased volumes we expect to handle," says Jim Hertwig, president and CEO. "We also opened a state-of-the-art Intermodal Container Transfer Facility (ICTF) at Port Everglades and purchased 500 of our own 53-foot domestic containers and 50 refrigerated trailers, and by 2017, the majority of our mainline will be double tracked for additional train capability."

Working together, PortMiami, Port Everglades, and Florida East Coast Railway offer an efficient, reliable, cost-effective service for Asian, Latin American, and European traffic. They are poised for the future now and ready to help shippers capture critical markets and gain strategic advantages.

