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CHANNEL



Northport

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Local Port Service boosts marine safety on Whangarei Harbour

Marine safety on the Whangarei Harbour has been boosted significantly with the introduction of an internationally-recognised Local Port Service able to monitor all marine traffic in the harbour and its approaches and provide information to commercial operations.

In March Northport installed Transas traffic situational display software at the port's shipping operations centre and radar was added to the technology at Marsden Point.

The Transas system allows the Local Port Service (LPS) to monitor and confirm the position of large vessels by radar as well as their Automatic Identification Systems (AIS). The radar also enables tracking of smaller vessels.

The shipping operations centre, known locally as Whangarei Harbour Radio, is operated by Northport's Port Services Centre (*see Issue 1 of 'Channel 19'*) on behalf of the major commercial port users.

TRAINING

Port Services Centre staff and members of the Northport management team recently completed an LPS training course, undertaken to the standards set by IALA (the International Association of Marine Aids to Navigation and Lighthouse Authorities). Representatives of the Harbourmaster's office, Refining NZ and North Tugz Ltd were also briefed on the capabilities of the system.

"A Local Port Service is not a vessel traffic management service," said Northport's operations

manager David Finchett. "It is an information service only, it does not provide instructions."

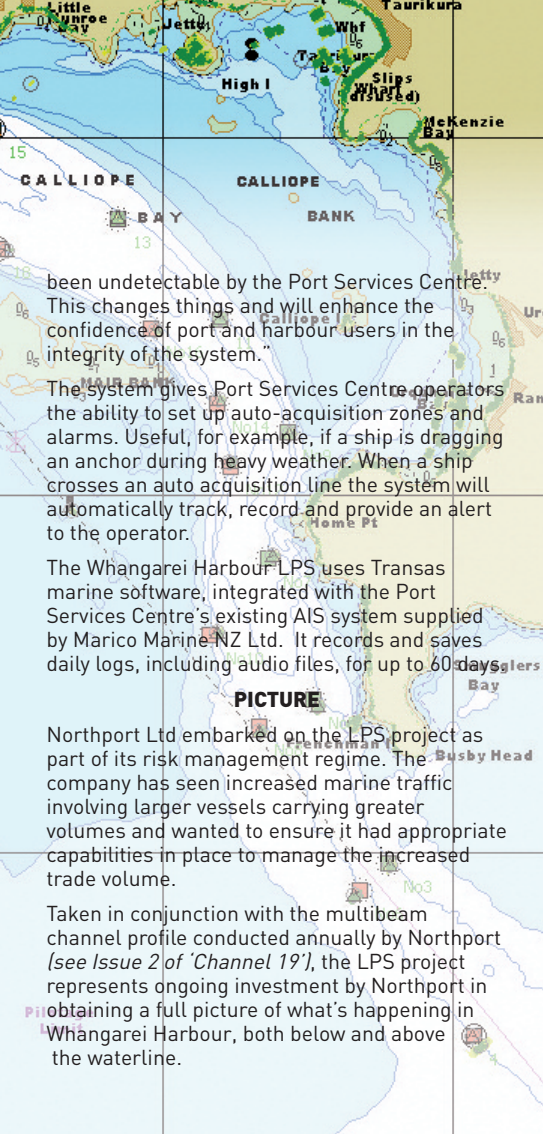
David said it was important for Whangarei Harbour users to understand that there was no change to individual harbour management and operational responsibilities as a result of the introduction of the LPS. But the establishment of a formal LPS at Marsden Point is an opportunity to increase the safety of commercial shipping operations in the harbour and its approaches by raising the standard of marine communications, providing real-time information to vessels, and monitoring coastal anchorages.

ROBUST

The Sperry Marine BridgeMaster radar installed by Northport is the same system used aboard many ships worldwide. It is a robust and well-understood piece of equipment and is mounted atop the Marsden Point PEL (port entry light) tower adjacent to Refining NZ.

The radar information is relayed to the Transas system, along with the AIS data, and overlaid on digital charts. This gives the Port Services Centre a secondary source of vessel location and movement information for larger vessel traffic. It also locates small, non-SOLAS vessels operating on the water.

"If a large ship is entering the harbour we can now see if there's a small boat stopped or anchored in the middle of the channel at any point from the Fairway Buoy up to Portland," David said. "Until now, many small craft using Whangarei harbour have



been undetectable by the Port Services Centre. This changes things and will enhance the confidence of port and harbour users in the integrity of the system."

The system gives Port Services Centre operators the ability to set up auto-acquisition zones and alarms. Useful, for example, if a ship is dragging an anchor during heavy weather. When a ship crosses an auto acquisition line the system will automatically track, record and provide an alert to the operator.

The Whangarei Harbour LPS uses Transas marine software, integrated with the Port Services Centre's existing AIS system supplied by Marico Marine NZ Ltd. It records and saves daily logs, including audio files, for up to 60 days.

PICTURE

Northport Ltd embarked on the LPS project as part of its risk management regime. The company has seen increased marine traffic involving larger vessels carrying greater volumes and wanted to ensure it had appropriate capabilities in place to manage the increased trade volume.

Taken in conjunction with the multibeam channel profile conducted annually by Northport (see *Issue 2 of 'Channel 19'*), the LPS project represents ongoing investment by Northport in obtaining a full picture of what's happening in Whangarei Harbour, both below and above the waterline.



NORTHPORT APPOINTS NEW FORESTRY MANAGER

Northport Ltd has appointed a forestry manager to oversee storage and logistics involving logs and other forestry products shipped through the port. Ken Andrews is a former naval officer and policeman and is currently operations manager of marshalling and stevedoring company C3 Ltd at the port. He joins the Northport Ltd team on 25 July.

Ken will work closely with exporters, stevedores and marshallers to ensure safe, efficient storage and movement of forestry products around the port. He will also assist with marine and cargo operations and will be involved in the implementation of ongoing growth and development projects.

Before joining C3 Ltd in January 2014 Ken served as an officer in the New Zealand Police, most recently as Officer in Charge of the Bream Bay Area and Officer in Charge of the Whangarei Frontline Section. His 19-year career in the police also included a stint in the Auckland Maritime Police Unit.

Ken holds a Bachelor of Science degree from Auckland University and has completed additional studies in management. He has also worked as a computer software programmer and designer and completed four years of training with the Royal New Zealand Navy as a Seaman Officer.

Born and raised on a South Island farm, Ken has called Northland home for many years now. He is an avid fisherman and scuba diver, and coaches soccer at the Bream Bay soccer club. He is also Chairman of the Bream Bay Community Support Trust in Ruakaka, a non-profit organisation servicing the local community.



Competition driving change

Heaped high on the hard-standing in front of the Northport offices is a mountain of woodchip, by now a signature sight of the port's operation. Sometimes higher, sometimes lower, it's always there – managed, pushed, tended and groomed by a long-standing presence, port logistics firm C3.

C3 has been marshallng cargo at Northport since the port was established more than a decade ago. Along with the woodchip its primary focus at Northport is the acceptance, processing, storage, handling and loading of hundreds of thousands of logs which come through the port's gates each month from forestry operations across Northland.

The company's Northport business is headed by C3 port manager Chris Deal who manages 65 staff across both its stevedoring and marshallng operations. Its clients include a "healthy selection" of what it calls large and mid-sized log exporters, with whom it does business at a number of ports across NZ.

Parke Pittar, C3's Tauranga based chief operating officer, describes the port logistics services business environment across New Zealand as extremely competitive.

"Port reform in the late eighties led to considerable efficiencies throughout the entire logistics chain, particularly port operations," he said. "This created significant value for cargo owners and exporters, much of which is still being experienced today – nearly three decades on."

Technological development is also playing a part in increasing the efficiencies at New Zealand ports. Larger plant and equipment can now shift greater volumes more quickly.

"It's hard to imagine today that back in 1989 a log vessel could be berthed for up to six days while it was being loaded," Mr Pittar said. "Now the process takes between 24 and 48 hours and that's the direct result of a more commercial mind set in port management, reforms to labour laws and practices, and technological innovation."

Northport, he says, is a great example of the changes wrought by the port reforms. "The management team is commercially-minded, engaged and proactive. This is all that any service provider and port stakeholder could ask for."

Mr Pittar said burgeoning competition not only between ports, but also within ports, was increasingly apparent right across the waterfront industry. In many cases there was a significant overlap of hinterland and, where this was the case, commercial terms were influencing the direction of cargo flow.

"Port operators such as Northport Ltd are facilitating and encouraging healthy competition between port services businesses operating on their site. This is great for importers and exporters and it certainly helps to breed innovation and service excellence."

LOAD RATES IMPROVE FOLLOWING MARSHALLING SERVICES INTEGRATION

Gareth Bourke, manager of ISO's marshalling business at Northport, is a busy man. He's just overseen the company's acquisition of a competitor, Quality Marshalling, tripling his headcount and boosting significantly the cargo volumes he's responsible for.

It's been a massive challenge, he says, but one which he and his expanded team have embraced with gusto. ISO has invested heavily in the systems and training needed to ensure that the newly-combined team is properly trained, that all team members have the current and correct licences to do the work they're doing, and that everyone is working to a consistent set of standards and processes.

"Health and safety has been the main area of focus," Gareth said. "With such a large number of people now shifting greater volumes of cargo than they have been used to working with, it's been important for us to mitigate risk wherever possible."

ISO runs a marshalling and a stevedoring operation at Northport, along with many other mainstream New Zealand ports including Tauranga, Gisborne, Wellington, New Plymouth and Napier. Each is managed as a stand-alone operation.

Its Northport marshalling operation has been in place for less than a year and the stevedoring side of the business has been operating for more than a

decade. The cargo focus here is very much on wood products for clients such as Summit, ANR and Juken New Zealand Ltd. But the company is eyeing up potential from all points north of Auckland for container packing and handling.

"We do this pretty much everywhere else so there's no reason we shouldn't do it at Northport now that the port is investing in its container handling infrastructure," Gareth said.

ISO's marshalling team is responsible for receiving cargo, storing it and working with Northport staff to do so in the least possible amount of space, and then moving it to the side of the vessel for stevedores to load.

The team takes delivery of hundreds of thousands of logs each month. Now that the integration project is complete its focus is on driving even better ship-loading rates and efficiencies. Since the integration it has been achieving load rates that are better than before.

Gareth is coy about revealing the ingredients of his secret sauce. "Let's just say it's a mix of effective communication, getting the right people to do each job, nailing down our inventory systems and using technology to best effect," he said.



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Feed importer explores Northland options

Bulk stockfeed supplier Glencore Grain has established a warehousing and distribution operation at Marsden Point to service growing demand from Northland dairy farmers. The company is importing cattle feed from Asia through neighbouring Northport, reducing significantly its land transport costs and eliminating the need to ship product by road from other ports around New Zealand.

Glencore Grain is able to store up to 20,000 tonnes of bulk feed in a purpose-built facility owned by Marsden Maritime Holdings Ltd (MMH), the company responsible for developing industrial and commercial land adjacent to the port.

Todd Ormandy, Glencore Grain's country manager, said demand for feed in New Zealand had increased over the past decade, with demand from Northland dairy farmers doubling since 2010.

"We previously shipped our product by road from Tauranga or elsewhere to a smaller storage facility in Whangarei," he said. "But growing demand in Northland means it now makes sense to ship it into Northport and store it next door in the quality facility developed for us by MMH."



HUGH PEVY CROSSED THE BAR

Hugh Pevy, a North Tugz marine pilot and a well-known personality in and around Northport, passed away in June. The Northport team would like to convey their deepest sympathy to Hugh's family and friends for their loss.

Hugh had a long association with Northland ports, starting with the Northland Harbour Board in the 1980s and then through the transition to Northland Port Corporation. When Northport and Ports of Auckland formed their joint venture marine services company in 2003 Hugh was re-deployed and started working for North Tugz.

He was a highly competent marine pilot who knew every navigation mark, deep water channel, sand bank and tidal current of the Whangarei Harbour - from the Fairway Buoy to the Port of Whangarei. There cannot be any type of tug, barge or ship that Hugh hasn't navigated safely in or out of these local waters over the years.

Hugh was a good friend and trusted colleague to all who worked with him. His dry sense of humour and long list of salty tales will be missed by us all.

May he have fair winds and calm seas as he sails beyond the sunset on his final voyage.



FINANCE TEAM HELPS SHAPE DIRECTION

"You're going to earn your stripes with this one," chuckles Nick Monsen, Northport's chief financial officer. "Our part of the business isn't as exciting as others so I don't know how you're going to make us sound interesting."

He needn't have worried. Telling the story of Northport's finance and admin team isn't a tough ask at all. And that's because it's at the very forefront of the decision-making and planning processes that are shaping both the way this company will look a decade from now and the role it will play in the growth and development of the region.

Small but perfectly formed, the three-person team comprises Nick, who oversees finance strategy, budgets, funding, cash-flow and IT; port administrator Tawny Panter; and Barbara Johnson who is in charge of creditors, debtors, payroll and any number of what Nick terms "transaction bits and pieces".

Until October last year those transaction bits and pieces were a relatively time-consuming part of the team's work. But then Northport changed its entire financial system, migrating from a legacy system it inherited years ago from the old port company, which had to be supported by a lot of spreadsheets, onto the enterprise version of MYOB EXO, a complete, fully-integrated financial and business management system.

FUNCTIONALITY

"Apart from being off-the-shelf and easy to support, the great thing about the system is that it integrates a whole heap of functionality that previously we had to work on in isolation," Nick said.

"It's a lot more user-friendly, giving more control to departmental managers by way of financial insights and overview."

Northport's suppliers have certainly noticed the difference. Purchase orders can now be delivered by



email within five minutes of a buying decision having been made, helping streamline payments and administration and giving both parties better control over cash-flow.

Customers have benefitted from more consistent formatting of documentation and, because it's now all in digital form, greater share-ability.

But all of this is just a fairly small part of the bigger picture. Nick and his team are using the new system and other software too as part of the work they are doing on in-depth financial planning and business modelling. This helps Northport Ltd's management team and the company's Board to plan for the future development, expansion and diversification of both the port and its customer base while continuing to provide a good return for its shareholders.

"We're constantly forecasting and modelling," Nick said. "Our job is to provide the management team with a good picture of where the business is both

now and in the medium term, what the potential costs and yields are of the various business opportunities they are always evaluating, and how these might pan out relative to each other."

OPPORTUNITIES

This enables smarter and more informed decision-making and helps Northport develop a good picture of what the business needs to do to deal with future challenges. Also, which opportunities are best not only for the business and its shareholders but also for the region and its people.

"We're certainly at an exciting stage of Northport's development," Nick said. "The decisions we make within the next short while will shape and define the way the company evolves and what the Marsden Point area will look like over the next few decades. Being at the heart of that decision-making process is a very rewarding opportunity."