



## To Our Stakeholders:

Last year in this space I wrote about the recently concluded ILWU-PMA contract negotiations. At the time, we were hopeful that the impacts from those talks would soon be put behind us, with West Coast ports operating normally and preparing for future cargo growth.

A year later, I am pleased to say that the West Coast waterfront is back to business – with a number of positive developments that position us well for the future. First of all, the backlog of cargo in early 2015 was cleared weeks ahead of schedule, showing that management and labor were committed to efficient and productive operations.

Secondly, as we began to implement our new contract, it became clear that our industry would be better equipped to keep cargo moving. A new arbitration system is already paying dividends: Fewer on-the-job disputes have meant fewer disruptions to cargo movement and better reliability for our ports.

During the past year we also saw significant progress on major automation projects in Southern California, which have the potential to significantly improve our throughput – and therefore ensure the West Coast’s attractiveness to shippers, which in turn provides economic benefits to our entire region.

Finally, and most spectacularly, in December we welcomed the two largest vessels ever to call at North American ports – the CMA CGM *Benjamin Franklin* and the Maersk *Edmonton*. With both ships at a single terminal, the West Coast proved that it is ready to handle whatever cargo heads our way. Looking to the future, we will work hard to give that cargo every reason to come here.



James C. McKenna  
*President and CEO*



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