



## **“The Pool of Pools” : Gray Chassis Pool**

# **“Pool of Pools”**

## *Agenda*

- Introductions
- Pool of Pools structure
- How the Pools of Pools works
- Pool of Pools size
- Participating Terminals
- Alliances and Lines
- Fleet files and 322s
- Next Steps

# “Pool of Pools” Participants – LA/LB Port Terminal Complex

- Los Angeles and Long Beach Port Complex:
  - Four primary pools are currently operating within the Los Angeles and Long Beach Port Complex including; the LABP, GACP, DCLP and the WCCP as well as the Evergreen and Matson fleets.
  - WCCP, Evergreen and Matson have decided not to participate in the Pool of Pools at this time
  - TRAC is exploring all options to start a TRAC Pool that would serve TRAC customer’s within the Pool of Pool environment.
  - The Pools will remain commercially independent. The billing party will not change. If currently, DCLI bills for chassis usage, then DCLI will still be the billing party, regardless of which Pool of Pools chassis the Trucker used.
  - The Pools will independently track usage across all of the participating Pools through an exchange of fleet files. Combined fleet files will be provided to terminals, container yards and rail ramps.
  - “Chassis Interoperability” is created through inter-pool compensation (“Usage Agreement”) while maintaining competition for customers and separate Pool identities/business rules. Chassis are now “gray” from the terminal operator and motor carrier standpoint simplifying chassis flows across the port complex
  - Ocean Carriers will nominate a Pool and Equipment Provider at a terminal location. The Equipment provider will contract independently with Ocean Carriers and Motor Carriers for chassis usage (regardless of which chassis is being utilized).

# **“Pool of Pools” : Gray Chassis Pool**

- Three pools are entering into Sharing Agreements between chassis pools creating a “gray chassis” which has interoperability for Marine Terminal Operators and Motor Carriers
- An Repositioning Operation Group is being established to handle day to day logistics. The group is comprised of staff from DCLI, TRAC and Flexi-Van. Operating matters at a Marine Terminal will be funneled through the lead pool operator appointed for that facility.
- The Antitrust Division of the DOJ reviewed the Pool of Pools documentation and concept over a lengthy review process, and issued a Business Review Letter stating, as is customary in these letters, that it “has no present intention to challenge” the establishment of the Pool of Pools.

# San Pedro Bay Current Terminal Footprints

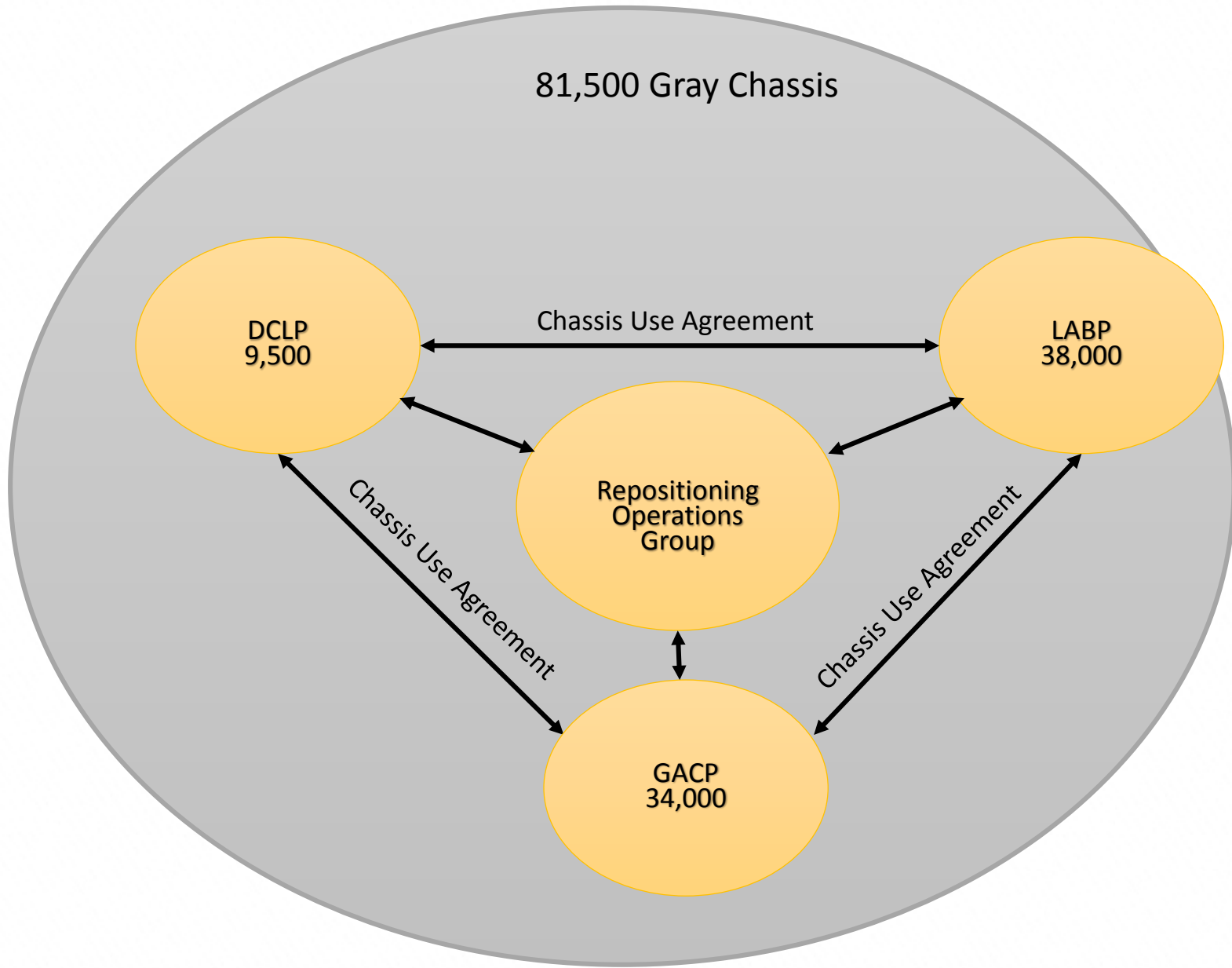
	<u>Fleet Size</u>	<u># Terminals</u>
▪ DCLI:	9,500 Units	3 Terminals
▪ LABP:	38,000 Units	7 Terminals
▪ GACP:	<u>34,000 Units</u>	<u>8 Terminals</u>
Totals:	<u>81,500 Units</u>	<u>12 Terminals*</u>

\*Plus 3 Rail Ramps and Container Yards

# San Pedro Bay Participating Terminals

Port	Terminal
Los Angeles	West Basin Container Terminal
Los Angeles	TraPac Inc. Container Terminal
Los Angeles	Yusen Terminals Inc
Los Angeles	Evergreen Container Terminal
Los Angeles	APL Global Gateway South
Los Angeles	APM Terminals Pier 400
Los Angeles	Cal. United Terminals
Long Beach	TTI
Long Beach	ITS
Long Beach	SSA Pier A
Long Beach	LBCT
Long Beach	SSA Pier J
City	Ramp
Los Angeles	BNSF Hobart
Long Beach	UP ICTF
Los Angeles	UP LATC

# “Pool of Pools” Chassis Provision Model



# “Pool of Pools” : Gray Chassis Concept

- March 1, 2015 implementation
- Pool of Pools structure creates market competition and encourages re-investment in assets and IT systems
- Considers cross Alliances usage: G6, 2M, O3, CKYHE
- Considers that Alliances are not closed to their members
  - Maersk purchases slots on APL vessel
  - Hanjin purchases slots on NYK
  - Etc.
- Considers Alliance members operate services outside of their nominated Alliance
  - Hapag Lloyd operates MedPac as stand-alone
  - MOL and K-line operates Japan express as stand-alone
  - Etc.
- Start / Stop network expands to all but 1 Ocean Terminal
- One chassis pit approach



# “Pool of Pools” : Gray Chassis Concept

- Fleet files provided to all Terminal Operators, Railroads, CY yards
  
- No more segregating EDI, 322s sent to all chassis providers for all moves
  
- No more segregation by chassis Pool Markings, all prefix allowed for all lines
  - Exceptions include privately operated fleets (examples):
    - Evergreen fleet/Matson fleet
    - Trucker owned/leased fleets
    - Triaxle and specialty chassis

# **“Pool of Pools” : Gray Chassis Concept**

- Next Steps
- Exchange of fleet files with operators
- Establish all EDI 322 with Flexi, Trac, DCLI
- Independent M&R agreements with Flexi, DCLI
- March 1<sup>st</sup> , begin allowing interoperability