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Massport's Conley Container Terminal Continues Trend of Record-Setting Growth

2016 Brought Record Number of Containers In and Out of the Port of Boston

BOSTON – The Port of Boston's Paul W. Conley Container Terminal set a new calendar year record in 2016; with total volumes up 5 percent over 2015. In 2016, 248,391 twenty-foot equivalent units (TEUs) were moved in and out of the terminal, connecting vital goods and services between New England and the world. The Port of Boston is the main artery of Massachusetts' consumer economy, with imports and exports serving as strong catalysts for growth, investment and opportunity.

"The Conley Container Terminal's sustained growth is a pillar of the Massachusetts economy, supporting thousands of jobs and local businesses across the Commonwealth, while ensuring people receive the goods they need when they need them," said Governor Charlie Baker. "A strong, working port is a necessity for continued economic growth which is why I have consistently supported smart investments to keep the Port of Boston's facilities secure, up to date and competitive."

2016 saw the volume of both imports and exports rise significantly. Imports were up by more than 5,000 TEUs (4.5 percent) over 2015 and exports grew by nearly 10,000 TEUs (11.7 percent) this year, as more New England-based businesses used Conley to bring their products to the global marketplace.

"The continued growth and success of Conley has a far greater impact than these remarkable back-to-back records," said Massport CEO Thomas P. Glynn. "The true impact of the strategic planning and investment Massport and our state and federal partners have made can be found in the significant economic impact seen by businesses throughout New England and the region's access to vital goods."

More than 1,600 businesses in New England currently use the Port of Boston to import and export their products. The percent year-over-year growth seen at Conley in 2016 for both imports and exports significantly outpaced overall growth at ports up and down the East, West and Gulf coasts. In addition, volume at Conley is up 32.3 percent since 2012 and by April 2017, 12 of the world's top fifteen shipping lines will be calling the Port of Boston versus just five four years ago.

"Understanding the important role Conley's continued success has on the economic development of the region has been vital to our focus and vision for the future of the Port of Boston," said Massport's Port Director, Lisa Wieland. "We are not content to rest on the laurels of these record-breaking years and are dedicated to the ongoing improvements already underway at the Port to ensure Boston – and the entire New England region – remains competitive in the global economy."

Absent an unforeseen event, 2017 is expected to carry on with record-breaking volumes at the Port of Boston with the addition in April of new Asia services operated by Ocean Alliance and THE Alliance, respectively. Conley Terminal, which is owned and operated by Massport, is the only full-service container terminal in New England and already serves seven of the top shipping lines in the world: Mediterranean Shipping Company (MSC), COSCO Shipping), "K" Line, Yang Ming, Evergreen, Maersk Line and CMA CGM. With the April 2017 service changes, five new shipping lines – Hapag-Lloyd, OOCL, APL, NYK and MOL – will start service to Boston.

"With greater volumes of cargo passing through Boston Harbor each year, the Conley Terminal has become an economic anchor for the entire New England region," said Senator Edward J. Markey (D - Mass.). "I was proud to advocate for a \$42 million federal FASTLANE grant for Conley Terminal, which was awarded last year. I also worked to ensure that the \$300 million Boston Harbor Dredging Project was approved by Congress in 2014 and have subsequently increased the federal funding for this project, which could save Massport \$16 million."

"Conley Terminal continues to play an important role supporting businesses and jobs across the Commonwealth," Senator Warren said. "This success shows how federal infrastructure funding helps grow the Massachusetts economy, and it's why I'm committed to partnering with Massport and state and local officials to support these kinds of investments."

This record-setting growth is taking place in concert with significant investments made by Massport to ensure Conley Terminal remains competitive and ripe for continued growth. This is taking shape in the form of two major initiatives. First, ensuring Conley Terminal has the infrastructure upgrades needed to handle larger container ships efficiently and effectively. Massport, with the help of local and state officials, secured two significant funding sources to reach this goal; \$107.5 million dollars in state funding to build a new berth and procure three larger cranes and a \$42 million dollar Federal FASTLANE Grant to maintain and modernize the existing terminal. In addition, a funding partnership between the federal government, state government, and Massport was created to dredge Boston Harbor. In total, \$850 million will be invested to ensure Massport can continue to serve the New England importer and exporter community.

"The record-breaking year of Massport's Conley Container Terminal demonstrates the continued importance of maritime trade to Boston and the regional economy. It also underscores the importance of the federal investment to dredge the Harbor to accommodate larger container ships", stated Rep. Mike Capuano.

"Year after year, the Conley Terminal is breaking records for container volume and solidifying the Port of Boston's role as a regional economic engine and a global competitor. Thanks to the collaborative leadership of Tom Glynn and his team at Massport, including Bill McNamara and the International Longshoremen's Association, Governor Baker, our state legislature, and our congressional delegation, critical infrastructure investments are being made to help Conley Terminal continue to reach new levels of productivity. These investments are forward thinking and will help attract more customers and support additional jobs," said Congressman Stephen F. Lynch (D-Boston).

The second major initiative is to maintain Massport's focus on Conley Terminal being a customer-focused facility. Even with record-breaking volume growth, Conley Terminal remains congestion-free; with sustained average truck turnaround times of approximately 31 minutes. Massport's partnership with the International Longshoremen's Association (ILA) has resulted in a 30 percent increase in crane productivity over the last few years at Conley Terminal thanks to an innovative union contract and increased average productivity from 26 containers per hour to 32 containers per hour. Because of these gains, Conley Terminal was recognized in 2016 by *The Journal of Commerce* as the #1 North American port in terms of productivity increases.

"Over 1,600 businesses help drive economic development in our region by using the Port of Boston for importing and exporting which has translated to another record breaking year for Conley Terminal," said Senator Linda Dorcena Forry. "I will continue to work in partnership with Massport, the International Longshoreman's Association and my colleagues at both the state and federal level to help ensure Conley Terminal's growth as the premier port for the shipping industry to help drive economic development in our region," concluded Senator Forry.

"I'm thankful to my colleagues in the Legislature for recognizing the importance of Conley Terminal as an economic engine for this region and investing over \$160 million in our port to help grow jobs and increase productivity," said State Representative Nick Collins. "This level of production shows that the investment by the state has helped Conley Terminal flourish."

Each year, more than 1.5 million metric tons of cargo passes through Massport's terminals in the Port of Boston, which provide the shipping facilities New England needs to compete in the global economy. Located in South Boston, Conley Terminal efficiently moves New England's containerized cargo—including seafood, apparel, footwear, furniture, and beer and wine—with speed and efficiency, ensuring that the region's 14 million consumers have the products they need, when they need them.

"IFP has enjoyed very strong growth through the Port of Boston as a result of Conley Terminal's high service and improved productivity and we look forward to the increased service offerings in April which should only help us reach our markets," said Daniel Kraft, President – International for the Kraft Group and President and Chief Executive Officer of International Forest Products LLC (IFP).

The Massachusetts Port Authority (Massport) owns and operates Boston Logan International Airport, public terminals in the Port of Boston, Hanscom Field, and Worcester Regional Airport. Massport is a financially self-sustaining public authority whose premier transportation facilities generate more than \$15 billion annually, and enhance and enable economic growth and vitality in New England. For more information please visit massport.com.

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