



December 22, 2011

Karen V. Gregory
Secretary
Federal Maritime Commission
800 North Capitol Street, NW.
Washington, DC 20573-0001
By email: Secretary@fmc.gov

Dear Ms. Gregory:

RE: US. Containerized Cargo Flows – Response to NOI

Global Container Terminals (GCT) welcomes the opportunity to respond to the Notice of Inquiry (NOI) issued by the U.S. Federal Maritime Commission in November 2011. GCT is a leading container terminal operator with four established, strategic terminals in key global gateway ports on the west and east coasts of North America. With operations in both Canada and the United States, we support trade flows between our two countries and believe that this exercise commissioned by the FMC is counter-productive and counter-intuitive to the long-standing and mutually-beneficial relationship between Canada and the U.S.

GCT Global Container Terminals Inc. was established in 2007 as a wholly-owned subsidiary of the Ontario Teachers' Pension Plan, one of the largest financial institutions in Canada. The Company operates four container terminals through three principal businesses in North America:

- TSI Terminal Systems Inc. in Vancouver and Delta, British Columbia;
- New York Container Terminal on Staten Island, New York; and
- Global Terminal & Container Services in Bayonne, New Jersey.

GCT's terminals have long-term concessions with the Vancouver Fraser Port Authority and the Port Authority of New York and New Jersey. In Canada, GCT is the largest container terminal operator in the country, providing service for more than 75 percent of the containerized cargo that moves through Port Metro Vancouver. We are the largest employer in the Port of Vancouver with more than CAD\$150 million in payroll annually.

In the United States, New York Container Terminal (NYCT) and Global Terminal combined are forecasted to handle 22 percent of the Port of New York and New Jersey's container volume this year. NYCT is the largest employer on Staten Island.

GCT's terminals enjoy stable, long-term relationships with the majority of the world's largest container shipping lines. These lines choose to do business at GCT's terminals because of our operational excellence, high level of customer service, and a commitment to continuous improvement through investment in new infrastructure and capacity enhancements to allow for future volume growth.

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Our customers also cite speed to market, reliability, and risk mitigation through supply chain diversification as important factors in choosing a North American gateway. Shippers often use multiple ports when getting their goods to market in order to reduce the risk caused by disruptions such as labour disputes, port congestion, and inclement weather. It is a shipper's fundamental business decision to choose the best supply chain for their enterprise.

We operate in a global, competitive marketplace and if certain interests in the U.S. are concerned about the competitive landscape, they should look to Canadian ports and policies as a model. As the head of the United States' largest container port, Port of Los Angeles Executive Director Geraldine Knatz stated in American Shipper on October 26, 2011 - "I think what the Canadians have done is a best practice that we can learn from. The way they came together and really unified the national and provincial governments to support port development is a best practice. So more power to them. They're doing a great job," she said.

Yours sincerely,



Michael E. Moore
President and Chief Executive Officer

/eh