

Greater Houston Port Bureau

Port Bureau News

Quarter Four / 2024

Honoring the
2024 Maritime Leader
of the Year

Jürgen Schröder



Also in this Issue: Captain's Corner | Port Watch | New College Dean Debbie Thomas | Chevron Expands Houston Presence with Headquarters Relocation | Muscle Memory | Marine Log: Top Women in Maritime Awards | Honoring the 2024 Maritime Leader of the Year | Rice Business Executive Education Scholarships | Reviving the U.S. Merchant Marine | 16th Annual Captain's Cup Golf Tournament | Commerce Clubs | Demmorage Training |

Contents



About the Cover

Jürgen Schröder, founder of Schröder Marine Services, Inc., was honored as the 2024 Maritime Leader of the Year at the Port Bureau's Annual Maritime Dinner on August 24, 2024. Read more on page 16.



Chevron Corporation, the second-largest integrated energy company headquartered in the U.S., recently announced the relocation of its headquarters from California to Houston, Texas. The decision to move was to best support its increasing operations in the greater Gulf of Mexico region. See page 8.



Feature Articles

Captain's Corner: Bigger is Better.....3
Port Watch: A Giant Fraud.....4
New College Dean Debbie Thomas: Childhood Dreams and Vision for the Future.....6
Chevron: Expands Houston Presence with Headquarters Relocation.....8
Marine Log: Top Women in Maritime Awards.....10
Seafarers' Center's Christmas Box Program.....11
Muscle Memory: What Happens When the Workplace is Too Comfortable?.....12
Oxford Flow: The EPA's Quad Zero Emissions Regulations and the Potential Impact on Houston Ship Channel Industries.....14
2024 Maritime Leader of the Year: Honoring Jürgen Schröder for Championing of Seafarer Welfare and Dedication16
Rice Business Executive Education Scholarships.....20
Training: Demurrage Mitigation, Profit, & Loss by Haugen Consulting21
16th Annual Captain's Cup Golf Tournament.....22
Reviving the U.S. Merchant Marine24
Commerce Clubs.....25
Events/News/Contact Us.....27
Executive Partners.....28

Advertising

Buffalo Marine Service, Inc......15
Cooper/Ports America.....27
Houston Pilots.....9
Neeley Equipment.....10
Suderman & Young Towing.....11

Index

Connect with us on:



Publisher/President

CAPT Eric Carrero, USCG (Ret.)

Editor

Andrea LaVorgna

Copy Editor

Judith Schultz

Art Director

Andrea LaVorgna

Writers

CAPT Eric Carrero, USCG (Ret.)

Balaji R. Koka

Robert E. Hoskisson

Andrea LaVorgna

Tom Marian

Judith Schultz

David Smith

Jason Smith

RADM James Watson, USCG (Ret)

Data Visualization

Janette Molina

Christine Schlenker

Photographers

Andrea LaVorgna

Port Bureau Staff

CAPT Eric Carrero, USCG (Ret.)

Cristina Gomez

Angela Gonzalez

Andrea LaVorgna

Janette Molina

Christine Schlenker

Judith Schultz

Tanya Scott

Port Bureau News

4400 Highway 225 E, #200

Deer Park, TX 77536

Phone: (713) 678-4300

Email: info@txgulf.org

© Copyright 2024 Greater Houston Port Bureau
 All trademarks and registered trademarks are property of their respective owners.

Captain's Corner

Bigger is Better



I want to start by saying thanks to all for such a **wonderful** evening honoring Jürgen Schröder at our 95th Maritime Dinner! We all know everything is bigger in Texas, and this has proved to be true at our Maritime Dinner - with the event center overflowing with guests and an honoree with a heart and personality as big as the Lone Star State! During my conversations that evening, we all agreed that this event will be listed in our books as “the one to remember for years to come”. We are very blessed to have Jürgen and his amazing family as key members

of our port community, and we at the Port Bureau are honored to have him as a friend (a member since 1978 - the youngest president of the Port Bureau). Again, a huge CONGRATS for all his accomplishments. He is a testament to my motto; **#myportcommunityisbetterthanyours**.

About work, the last few months I've been heavily engaged in advocacy efforts. It is important that our elected officials and federal and state agencies are fully aware and understand the importance of the two-way traffic in the Houston Ship Channel (“HSC”). In our navigation channel, the maximum length for all vessel types is limited to 1100 ft. per Texas State Statute, effective Sept. 1, 2019, to allow for safe two-way traffic. The HSC is a vital artery for maritime commerce and plays a crucial role in the economic landscape of not only Texas but the entire United States.

The two-way traffic allows vessels to maximize the use of this critical waterway by reducing wait times for vessels and improving overall transit times. The efficiency gains from two-way traffic are particularly significant in a channel that serves as a key conduit for international shipping. When vessels are able to navigate in both directions, our ports

can handle the increased shipping volumes and prevent congestion. This approach not only contributes to the growth of the local industries but has environmental benefits as well. Two-way traffic has the potential to reduce emissions as vessels are not waiting long hours or days to come into the port. This efficiency also translates into reduced fuel consumption and lower greenhouse gas emissions. As shipping lines increasingly prioritize sustainability, two-way traffic can contribute to a more environmentally friendly approach to maritime operations.

I also want to point out that vessels are getting larger, and the 1100 ft. restriction may impact our competitiveness in a “bigger is better” world. Well, thanks to the leadership of the Port Authority and others in our community, we were able to initiate Project 11 in 2022. When complete, the HSC expansion - Project 11 - will widen the channel by 170 feet along its Galveston Bay reach, from 530 feet to 700 feet. With a price tag of \$1 billion, larger vessels will be able to safely and efficiently move through our navigable waterway. The project is ongoing/on schedule, and key areas will be completed by the end of this year. I'm excited to see larger vessels arriving at the container terminals soon, increasing our container throughput. Most important, with wider channels, the risk of collisions and groundings will be significantly reduced not only by protecting maritime personnel and vessels, but also the surrounding communities. As a note, we are currently the largest container terminal in the Gulf of Mexico and ranked #5 in the nation. Let's check a year from now as I know things are going to get better for us!

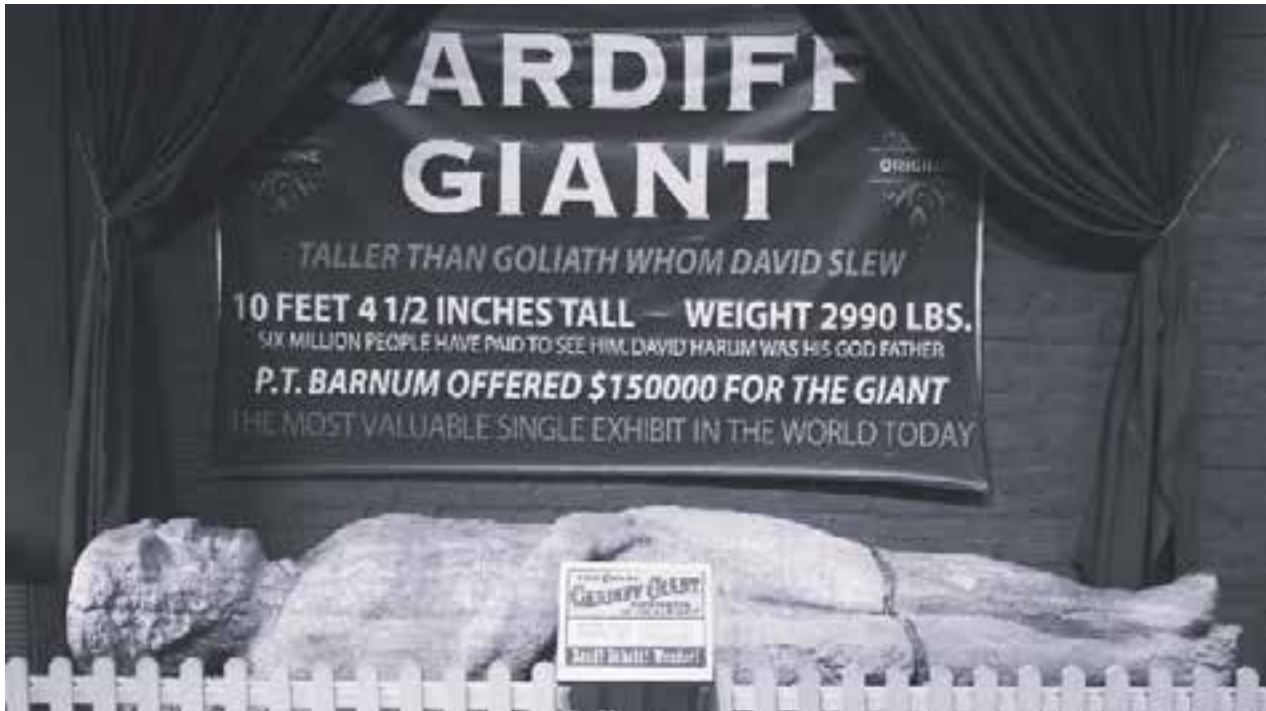
A handwritten signature in black ink, appearing to read "Eric".

CAPT Eric Carrero,
USCG (Ret.)
GHPB President



Port Watch

A Giant Fraud



“There were giants in the earth in those days.” That was the Biblical quote from the book of Genesis that precipitated a heated debate between Reverend Turk and avowed atheist George Hull during a Methodist revival in 1867. Hull’s incredulity that the revivalist attendees would subscribe to Turk’s literalist meaning of the Bible - in the wake of Darwinism - laid the foundation for one of the greatest archaeological hoaxes in history.

The following year, Hull embarked upon an epic campaign of secrecy to: secure a five ton block of gypsum in Iowa; transport it to Chicago; convince a sculptor to chisel a 10 foot version of a likeness of himself; “age” the 3000 pound statue with acid; locate an unassuming field owned by a distant relative in New York in which to bury the closely guarded secret; swear the workers that buried the stone carving to secrecy to not divulge what they had done and ... wait!

Wait he did – a year to be precise. On October 16, 1869, Hull – in cahoots with the Cardiff farm owner – hired two men to dig a well. After excavating a few feet, metal struck stone and the well diggers uncovered what appeared to be an enormous, petrified foot prompting one of the men to exclaim, “I declare, some old Indian was buried here!” In a matter of days, word had spread that a 10-foot petrified man had been unearthed in Cardiff. Hordes descended upon the small hamlet to view this “new wonder.” Was it proof that a race of giants once roamed the earth? Was it a statue carved by Jesuit priests a century ago? Whatever its origin, it was an incredible sight to behold and thousands were willing to pay 4 bits to gaze upon the Cardiff Giant.

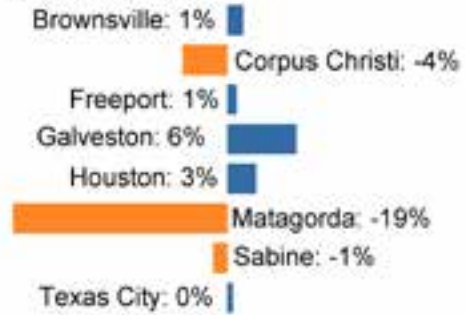
As another quarter of commerce wrapped up along the shores of Texas, there were a few sights to behold. Specifically, the ports of Freeport and Galveston posted enviable gains as summer gave way to fall. Freeport welcomed the greatest number of vessel arrivals in September resulting in a 16% monthly gain. Its stellar September was led by LPG and container vessels. These denizens of the bluewater realm logged monthly highs for the year, with respective percentage upticks of 4% and 18%. Indeed, this is the month Freeport has been yearning for in order to finally push ahead of 2023’s year-to-date count by 1%.

Galveston’s monthly rise of 15% was noteworthy as well. Bulklers stole the spotlight for the month with its highest vessel count for the year. In fact, the bulk vessel count has more than doubled over the last year. Tankers, chemical tankers, and LPG carriers have all excelled on a year-to-date basis to the tune of 64%, 31% and 33% gains. Nevertheless, cruise ships are Galveston’s bread and butter. The port continues to attract additional cruise lines. To date, it has crept up 3% over last year’s tally as the cruising season ramps up.

The only other port that did not post a monthly dip was Brownsville. Granted, it was a match; however, tankers are up 13% for the year and general cargo has more than doubled. Yet, those gains have only translated to a 1% year-over-year uptick since chemical tanker arrivals are less than half - as compared to 2023.

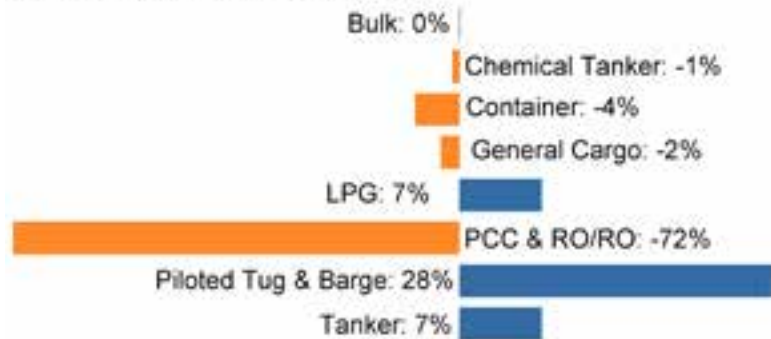
Corpus Christi has also seen twice the number of general cargo calls in 2024, and bulklers outpaced last year’s port calls by 20%. That said, the remainder of the major vessel categories have been relatively moribund, as evidenced by wanes of 7% for tankers and

Deepdraft Vessel Arrivals by Port Q3 Year-to-Date Percent Change



Source: Greater Houston Port Bureau's Marine Exchange of Texas

Houston Deepdraft Arrivals by Type Q3 Year-to-Date Percent Change



Source: Greater Houston Port Bureau's Marine Exchange of Texas

12% for chemical tankers. Consequently, the port is off 4% for the year after its most recent monthly decline of 5%.

Sabine's monthly tally witnessed an even greater percentage drop than that of Corpus Christi at 11%. Despite the fact that September had the dubious honor of logging the fewest number of arrivals, Sabine lags last year's count by a mere 1%. Texas City also put up its lowest count for the year in September resulting in a 19% monthly plunge. Fortunately, the year has been a robust one. Hence, the port remains tied with last year's result.

Houston may have enjoyed an unseasonably busy August, but September undermined that largesse. The last month of the third quarter fell 8%. Logically, a 3-day labor strike had an adverse impact on container ship calls which posted their nadir for the year. Chemical tankers also experienced their biggest monthly percentage drop for the year by 21%. Tankers fared a bit better with a lackluster 10% decline.

Notwithstanding such tapers, Houston is enjoying a very profitable 2024. The port has extended its gains over the prior year by 6%, heading into the final quarter. Bulk carriers were a bright spot with a 17% monthly climb. More impressively, oceangoing tows have been consistent performers throughout 2024. The most recent 6% monthly uptick bolstered its year-to-date lead, which currently stands at 28%. Candidly, there wasn't much silver on the inland tow front. This component of the marine transportation equation had the fewest number of transits across the Houston Ship Channel for the year. The most recent 8% fall in transits was enough to drag inland tow movements back to even year-over-year.

Overall, the tepid September figures were not enough to pull Texas' aggregate vessel activity out of positive territory. Mind you, it did offset August's performance given that the state was in the red for the third quarter by 1%. Nevertheless, with nine months of maritime activity in the can, the grand old former Republic remains 1% to the good.

Despite growing skepticism that the Cardiff Giant was a fake, all was sanguine for the region's businesses as the economy of Cardiff roared. Hull's fellow fraudster – Stub Newell – who owned the farm, sold a 75% interest in the stone curiosity. The new owners promptly took their gypsum gargantuan on the road to cash in on their investment. Not surprisingly, this attracted the attention of the renown huckster – P.T. Barnum.

Always alert for a novel attraction, regardless of its authenticity, Barnum offered to purchase the novelty but to no avail. Undeterred, Barnum capitalized on the controversy and commissioned the carving of an identical statue. Once completed, he shrilled, "Is it a Statue? Is it a Petrification? Is it a Stupendous Fraud? Is it the Remains of a former Race?" His marketing intrigued the people, and his replica drew crowds far greater than the original. As the war of words escalated between competing frauds, P.T. shrugged it off, counted his profits, and mused, "There's a sucker born every minute."



Tom Marian
Buffalo Marine Service
buffalomarine.com

New College Dean Debbie Thomas: Childhood Dreams and Vision for the Future



Photo courtesy of TAMUG: Dr. Chris Marshall with Dr. Debbie Thomas releasing a sea turtle into the Gulf of Mexico.

On August 15, Texas A&M University at Galveston celebrated the launch of the College of Marine Sciences and Maritime Studies, with Dr. Deborah “Debbie” Thomas at the helm as founding dean. As Thomas embarks on this new role, she describes it as her proudest professional achievement yet.

Originally from Cincinnati, Ohio, Thomas decided at age 10, two weeks into a school project, that she would be a marine scientist. Her parents encouraged her to explore other potential career paths throughout grade and high school, but Thomas didn’t budge.

When it came time to apply to colleges, a geological sciences degree paired with the desire to play tennis as a Division 1 athlete led Thomas to Brown University. After graduating with her bachelor’s degree, she completed her master’s degree in marine sciences and her doctoral degree in geological sciences from the University of North Carolina.

Thomas first joined the Aggie Family in 2004 as an assistant professor in the Department of Oceanography, with her most recent appointment as dean of the College of Marine Sciences and Maritime Studies marking her 20th year with the university.

“Starting at Texas A&M really was the realization of my 10-year-old self’s dream,” Thomas said. Laughing, she continued, “I remember thinking, ‘Holy cow, I really did it.’”

Her ambition now manifests as a commitment to solidify and promote the new college as the nation’s premiere destination for marine, coastal and maritime education.

“I’ve been on a personal mission to enhance awareness of the immensely rewarding careers and opportunities that await our students once they graduate with our degrees,” Thomas said. “Our programs may not be the biggest, but they are the most comprehensive. That’s where our niche in the industry lies.”

She is highly motivated to ensure the college’s programs have a stake in the nation’s pantheon of marine, coastal, ocean and maritime academic units and never hear the words “best kept secret” in reference to the Galveston Campus again. Everywhere she goes, Thomas touts the opportunities for students, from academics to location to research and beyond. With unique, natural laboratories with direct access to the Houston and Galveston ports, shipping lanes, estuaries and coastlines, she says it’s hard to imagine a more ideal location.

Thomas is passionate about expanding opportunities for student engagement, which she calls the foundation of her administrative career. She describes her joy when she witnesses “lightbulb moments,” citing a unique energy and excitement that fills the air. She’s particularly proud when students seek her out to share their accomplishments or news. With a grin, Thomas said, “It makes me feel like, in some small way, I’ve been part of that journey.”

The new college joins the existing educational ecosystem at the Galveston Campus, and Thomas is confident that it will help solidify the academic foundation. By providing a home for the existing undergraduate and graduate programs, which allow students to explore the economic, social, political and ecological aspects of oceans and coasts, aiming to enhance



Photo courtesy of TAMUG: Dr. Debbie Thomas, dean of the new College of Marine Sciences and Maritime Studies, on the first day of Fall '24 classes.

understanding, stewardship and sustainability of these resources, Thomas can bring additional resources to the table to guide her vision into fruition.

“We were presented with this chance – with just the right circumstances within the university – that allowed us to nucleate this vision,” Thomas said. “The new college will be the vehicle that allows us to be the true destination of choice for learners, scholars and professionals in all things coastal, marine and maritime.”

Thomas emphasized the intention of the intersectionality of the academic programs, including the Texas A&M Maritime Academy, Engineering at Galveston and the many research institutes and centers based out of the Galveston Campus. As a perfect complement to her dedication to students, she is deeply appreciative of the faculty, researchers and staff that make these programs, now including the College of Marine Sciences and Maritime Studies, a reality.

“I have the privilege of working with some of the smartest and most creative people on the planet,” Thomas said. “It’s inspiring to see how faculty innovate in the classroom or research space and how much energy our faculty have to give to our students.” She continued, “I am intensely driven by the desire to ensure that all those other kids in the Midwest know about us and these phenomenal opportunities we have here because I didn’t,” Thomas said. “I want students across the country who have a passion for all things coastal, marine and maritime to know that we have a place for them here to fulfill those passions.”

Thomas also serves as Executive Associate Vice President for Academic Affairs and Chief Academic Officer of Texas A&M University at Galveston and Associate Provost of Texas A&M University. Previously, Thomas served as the dean of the College of Geosciences and head of the Department of Oceanography at Texas A&M University. Thomas specializes in paleoceanography and studies the chemical composition of marine sediments to reconstruct past climate, particularly the climate dynamics of globally warm periods in earth’s history.

Chevron Expands Houston Presence with Headquarters Relocation



Photo courtesy of Chevron: CPChem facility at Cedar Bayou in Baytown in the Houston Ship Channel region.

Chevron Corporation, the second-largest integrated energy company headquartered in the U.S., recently announced the relocation of its headquarters from San Ramon, Calif., to Houston, Texas. The decision to move was made for several reasons, one of which is to best support its increasing operations in the greater Gulf of Mexico region.

While the company expects it may take several years for all corporate functions to migrate from California, Chevron already has a significant presence in the Bayou City. In fact, Houston is home to Chevron's largest employee base with roughly 7,000 employees.

Known as the Human Energy Company, Chevron's vision is to be the most admired global energy company for its people, partnership and performance. Chevron has been a proud member of the Houston community for more than a century. The company is actively involved in numerous community trade organizations, including the Greater Houston Port Bureau.

Chevron also invests in programs to help Houstonians, focusing on STEM education, food and housing security, the environment and emergency response. It is the annual sponsor of the Chevron Houston Marathon with over 33,000 runners and the Chevron Championship, one of the LPGA's five major championships, held annually in The Woodlands. Chevron is also actively engaged with regional charitable organizations such as the Gulf of Mexico Alliance, the Houston International Seafarers' Center, Houston Maritime Center and Museum, and local schools. Recently, Chevron Shipping and Houston Independent School District ("HISD") announced a public-private partnership with Stephen F. Austin High School's maritime studies program in East Houston. Under the partnership, Chevron Shipping will provide the students in this HISD maritime flagship with the expertise, mentorship, and resources needed to enter a variety of rewarding careers in the maritime and energy industry.

Chevron Shipping Company

Chevron Shipping Company alone has robust maritime activities throughout the U.S. Gulf Coast. Since the start of 2024, more than 500 Chevron owned, operated, or chartered vessels have transited crude, clean and dirty petroleum products, renewable diesel, lubricants, and

chemicals throughout the Gulf Coast - more than 200 of these in the Houston Ship Channel. Chevron Shipping also has some of its eight operated very large crude carriers loading crude oil out of Corpus Christi. In addition, Chevron's Jones Act compliant U.S.-flagged tankers continue to support regular transits of products from Pascagoula, Miss., to Florida's east and west coasts, and transits of renewable diesel from locations in the Gulf to various ports in California. Chevron's operated fleet currently stands at 29 oil tanker and gas carriers, with six new gas carriers on order in part to support Chevron's growing gas business in the Gulf coast.

Oil & Gas Producing Wells

But the journey of Chevron's products begins with its oil and gas producing wells, some of which are in or around Texas' rich onshore and offshore basins. Chevron has six operating facilities currently producing in the Gulf of Mexico, one of the lowest carbon intensity oil and gas basins in the world. Chevron's operated and non-operated facilities in the Gulf are expected to produce a combined 300,000 net barrels of oil equivalent per day by 2026. In September, Chevron announced the start of oil and natural gas production from the Anchor project in the U.S. Gulf of Mexico. Onshore, Chevron is among the largest net acreage leaseholders and producers in the Permian Basin of West Texas. Operations in the Permian date to 1920, and total net production has surpassed 5 billion barrels of oil equivalent.



Chevron Refineries

Chevron also operates five refineries in the U.S. that have the combined capacity to process more than 1.0 million barrels of oil per day and produce fuels, base oils and other products. Two of these refineries are on the Gulf Coast.

The largest in the Gulf is Chevron's Pascagoula Refinery which can process approximately 369,000 barrels per day of crude oil - an amount equivalent to the size of a football field covered to a depth of 41 feet.



The company’s other refinery sits along the Houston Ship Channel in Pasadena. It was built in the early days of exploration and refining in southeast Texas and acquired by Chevron in 2019.

In addition to these two refineries processing traditional crude oil, there are other more niche Chevron production facilities throughout the Gulf Coast. The first is Chevron Oak Point manufacturing plant, located south of New Orleans, La., in Belle Chasse along the Mississippi River with deepwater shipping access. The second niche operation is the Chevron Geismar renewable diesel production facility, also located in southern Louisiana along the Mississippi River. The company’s Geismar facility was the first renewable diesel production facility in the U.S. and was acquired by Chevron in 2022 as part of its purchase of Renewable Energy Group. Geismar produces approximately 75 million gallons of high-quality renewable diesel, renewable naphtha, renewable propane, and renewable gasoline annually. The facility is nearing the completion of a substantial improvement and expansion project that will take total site production capacity to 340 million gallons per year.

Research & Development

One of Chevron’s two research and development facilities is located at Briarpark, Houston, where they are accelerating progress to power our world today and build the lower carbon energy system of the future. This center and Chevron’s New Energies ongoing research is associated with carbon capture utilization and storage, geothermal, hydrogen, renewables, and carbon offsets. One such project is the Bayou Bend carbon capture and sequestration project located in Chambers and Jefferson Counties

along the Texas Gulf Coast. Once in full operation, the project will be one of the largest carbon storage projects in the U.S., with 140,000 acres of dedicated sequestration solutions across a broad region of the Gulf Coast, from Houston to Orange and into western Louisiana.

And at the end of the energy value chain, and likely the most recognizable aspect of Chevron, are the more than 8,000 Chevron and Texaco retail stations across the U.S., including 1,600 stations throughout Texas.



Chevron is also one of the world’s top producers of commodity petrochemicals, through its joint venture Chevron Phillips Chemical (“CPCChem”) Company based in The Woodlands. Chevron’s operations, partnership, and contributions to the area provide energy that enables human progress around the world.

Jason Smith

Senior Advisor, Regulatory Affairs and Advocacy

Chevron

Jason.Smith@chevron.com



Since 1921, Piloting the port that built the city™





www.houstonpilots.com

Marine Log's Top Women in Maritime Awards

Every year, Marine Log's Top Women in Maritime Awards honor a diverse group of women for their extraordinary professional achievements—whether their careers are shoreside or onboard a vessel. This year they will take their recognition one step further by launching Marine Log's Top Women in Maritime Celebration. Two Port Bureau company member employees are being honored as one of the 20 Top Women in Maritime: Raquel Alvarado, Shell, and Kelly Teichman, T&T Marine.

TOP WOMEN IN MARITIME AWARDS

As the industry continues to diversify and slowly attract more women, it's essential to acknowledge, honor, and celebrate the women leading the way.

The Marine Log editorial team selects the 20 Top Women in Maritime, representing diverse backgrounds, ages, and locations. These women are chosen based on nominations from their readers, and Marine Log invites them to share their achievements in their maritime careers.

For the past four years, Marine Log has shared their incredible industry contributions in the magazine, published interviews with each woman on the website, and shared many of their comments through video interviews. With the launch of the Top Women in Maritime Celebration, the industry has an opportunity to connect with one another, celebrate these groundbreaking women in person, and hear their stories.

The 2024 Top Women in Maritime Award winners will be announced on November 11 at the National WWII Museum in New Orleans. For more information and to make reservations go to: <https://www.marinelog.com/celebrate>.

TOP WOMEN IN MARITIME

2024 AWARD WINNERS

RAQUEL ALVARADO Shell	TAVA FORET Towing Vessel Inspection Bureau	CARLEEN LYDEN WALKER NAMEPA
AIMEE ANDRES IRPT	BILLA A. GAITHER American Maritime Congress	KAREN McDONALD Moran Towing Corporation
SABRINA BRIGANCE Hylant	BILYANA IVANOVA Robert Allan Ltd.	JENNIFER NARVASA Crowley Maritime
LUDY BRINCK ACBL	LONITA JUDGE Horizon Maritime Services	VANESSA ROBERT SpaceX
KATY DOUGHTY MADDOX Washburn & Doughty	ANASTASIA KUPRIANOVA Amogy	JAYNE RUSSELL Crowley
CAITLIN DUNCKEL Phoenix Lighting	CHRISTINA LIVIAKIS GIANOPULOS American Ship Repair	KELLY TEICHMAN T & T Marine
CHERYL FELDER Channel Shipyard Companies		PAULA ZORENSKY Shipbuilders Council of America

PRESENTED BY
MARINELOG

Neely Equipment-Port and Intermodal Equipment Brokers, and U.S. Agent for CES srl Super Heavy Reach Stackers up to 350-tons



We Buy, Sell, Consign, and Broker, Heavy Capacity Forklifts, Container Handlers, and Reach Stackers, for Wind, Seaports, Intermodal, Container Yards, Breakbulk, Logistics, Heavy Barge and Shipping Cargo, and Trucking. Don't turn in your leased Container Handlers! Keep the money, let us sell them for you!

NEELY
EQUIPMENT LLC
(832) 585-7727



Houston Pilots and the Forum of Women in Maritime Support the Houston International Seafarers' Center's Christmas Box Program

The Houston International Seafarers' Center ("HISC") has been providing Christmas shoeboxes (filled with needed items) to mariners visiting Houston during the holiday season for over 50 years. These gift shoeboxes are one of the few ways to brighten the life and provide a tangible presence to seafarers calling on Houston's port in December. Many seafarers are not able to leave their vessels for months - and in some cases extended contracts may keep them from getting home to their families over the holidays. Last year, over 8,569 shoeboxes were gifted to mariners aboard 386 vessels, representing 36 seafarer nationalities during the Christmas season. These gift boxes are donated by numerous community churches, school children, individuals, organizations, and corporations in Texas.

The Houston Pilots along with the Forum of Women in Maritime will pack individual boxes on November 14, from 2-8 p.m., at the Houston Pilots office, 203 Deerwood Glen Drive, Deer Park, 77536. To donate items for our packing event or to see the "wish list", go to Amazon: https://www.amazon.com/hz/wishlist/ls/5NHV3YYPH7UU?ref_=wl_share.

The Christmas shoeboxes are carried to each ship by HISC staff, port chaplains, and ship visitors. They begin delivering boxes after Thanksgiving and continue gifting seafarers until all the gifts have been distributed! Let's support seafarers this holiday season!



To purchase and send items to donate, go to Amazon:
https://www.amazon.com/hz/wishlist/ls/5NHV3YYPH7UU?ref_=wl_share.



SUDERMAN & YOUNG
TOWING COMPANY

**A full range of tug services,
no matter the vessel.**



photo credit: Robert Mihovil

📞 24-hour dispatch: 281.470.8053

📞 713.529.9944

✉ ops@sandy-tugs.com

sandy-tugs.com

Muscle Memory:

What Happens When the Workplace Is Too Comfortable?

- According to new research, building strong bonds between a firm and its employees can be both helpful and harmful for business.
- When these bonds improve, in-house efforts at new solutions improve as well.
- But the stronger firm-employee relationships can come at the expense of other types of innovation.



Photo courtesy of Rice University, Jones Graduate of Business School.

In the relations between a company and its workers, is there such a thing as too much love?

Sadly for those enamored by affection, according to professors Balaji R. Koka and Robert E. Hoskisson from Rice Business and professor Eni Gambeta of the University of Cincinnati, the answer is yes.

In a study of innovation efforts across 271 U.S. manufacturing firms, the researchers found that how strong or weak the relationship was between a firm and its employees had a direct impact on not just the amount of innovation, but also the type. When relations were strong, innovation did increase — but only as long as that innovation happened within the business with, say, line extensions. More radical changes, ones that might upend the company culture, were less likely.

The notion of innovation prospering alongside good bonds between a firm and its people seems, of course, to make perfect sense. Happy workers aren't a bad thing. Past research shows that trust, workplace security and a system of rewards for imaginative solutions all affect in-house innovation the way food, vitamins and exercise function on human muscle. That is, they make it stronger.

But what about “distant search” innovation — ideas that aren't created in-house, but brought in from outside?

Though local innovation thrives amid rich company-worker bonds, these same relationships might erode efforts at finding innovation from external sources, the researchers hypothesized. In a culture with low turnover, as is likely the case in a happy firm, a homogenous information pool and a partiality for institutional knowledge could lead to the quest for innovation turning too far inward.

Why does this matter? Well, as the history of business has shown, being too comfortable can be a signal of decline. Radical, culture-changing innovation may be disturbing, but it can also lead to greater strength in the long run.

In the 271 firms the researchers studied, they found that, as they expected, strong company-worker bonds correlated to less exploratory innovation. And as external searches for innovation dwindled, local innovation efforts grew. Simply put, in the happy firms innovation that was unfamiliar and disruptive was less likely. Meanwhile, the firms with the weakest company-worker bonds had four times as many instances of distant-search innovation as those with the strongest bonds.

So what do these findings mean for company leaders?

A supplemental analysis, the researchers write, showed that while stronger employee-company bonds enrich a firm's overall productivity in innovation, they appear to harm a company's long-term valuation. Meanwhile, stronger employee-company relationships have a spillover effect onto other stakeholders (such as stronger customer-firm relationships), which leads to an even stronger focus on local innovation and less emphasis on exploring more disruptive innovation elsewhere.

Valuable distant-search innovation, in other words, appears to be at risk when company culture is healthiest. So how should leaders respond?

Not by returning to feudal work practices, the researchers stress. Intentionally treating employees badly, they note, eventually poisons all avenues of innovation. Instead, thoughtful leaders should keep treating workers with decency, knowing that a healthy culture is the bedrock of a firm's longevity.

But at the same time, the research suggests, managers of harmonious work cultures should anticipate soft spots in the search for outside ideas, and compensate for that. Being comfortable is good; being too comfortable is not. Being open to truly new ideas, even if disruptive, is worth encouraging.

It's not unlike trying to keep up muscle tone after leaving grueling manual work for professional life. No one really wants to go back to breaking rocks or grubbing for tubers. Better to make up for any lost strength by adding something new, like yoga or tai chi, to train new muscles and sharpen concentration at the same time.

Reprinted from Rice Business Wisdom.



Balaji R. Koka is an associate professor of strategic management at Jones Graduate School of Business at Rice University.



Robert E. Hoskisson is George R. Brown Emeritus Professor of Management at Jones Graduate School of Business at Rice University.

The EPA's Quad Zero Emissions Regulations and the Potential Impact on Houston Ship Channel Industries



The U.S. Environmental Protection Agency's ("EPA") Quad Zero emissions regulations have been designed to significantly reduce greenhouse gas emission. They will have far-reaching implications for heavy industries, particularly those operating in and near maritime environments. The Houston Ship Channel, the largest U.S. port on a tonnage basis and a vital artery for the nation's energy industry, is a prime example of a region where these regulations will have a substantial impact.

Understanding the Quad Zero Regulations

These regulations impose rigorous limits on methane and volatile organic compound ("VOC") emissions. The Quad Zero regulations are a set of standards aimed at reducing greenhouse gas emissions from the oil and gas sector and encompass four primary areas:

1. **Quad O:** Applies to new, reconstructed, and modified sources added between August 23, 2011, and September 18, 2015.
2. **Quad Oa:** Applies to sources added, modified, or reconstructed between September 18, 2015, and November 15, 2021.
3. **Quad Ob:** Applies to sources added, modified, or reconstructed after November 15, 2021.
4. **Quad Oc:** Emissions Guidelines for existing sources.

The Impact on Heavy Industries along the Houston Ship Channel

The Quad Zero regulations have significant implications for heavy industries, such as refiners, petrochemical and specialty chemical companies, operating near the Houston Ship Channel. These industries are major contributors to greenhouse gas emissions, and compliance with the regulations will require substantial investments in new technologies and operational changes.

1. **Increased Costs:** Implementing the Quad Zero regulations will involve significant capital expenditures to upgrade existing facilities, install new equipment, and to train personnel. These costs could lead to higher production costs for refining and

petrochemical companies, which could ultimately be passed on to consumers in the form of higher prices for gasoline, diesel fuel, chemicals, and other produced products.

2. **Technological Challenges:** The regulations require the adoption of advanced technologies to capture and reduce greenhouse gas emissions. This may be particularly challenging for older manufacturing facilities that require extensive retrofitting or replacement. In some cases, the development of new technologies, and their adoption, may be necessary to meet the stringent emission standards.
3. **Regulatory Uncertainty:** The regulatory landscape can be complex and subject to change. The Quad Zero regulations, while providing a clear direction for emissions reduction, may also create uncertainty for businesses as they navigate the implementation process. Changes in regulations or enforcement could lead to additional costs and operational challenges.
4. **Competitive Disadvantages:** The implementation of the Quad Zero regulations may create competitive disadvantages for U.S. refineries and petrochemical companies compared to those operating in countries with less stringent environmental regulations. This could lead to increased imports and a potential loss of jobs.

The Houston Ship Channel and Maritime Operations

The Houston Ship Channel is a vital transportation corridor for the energy industry and is home to numerous refineries and petrochemical manufacturing plants, gas processors as well as terminal and pipeline operators. The Quad Zero regulations will have a direct impact on these facilities, as they will need to comply with the emission standards to continue operating.

1. **Maritime Transportation:** The regulations may also have implications for maritime transportation in the region. As refineries and petrochemical plants implement measures to reduce emissions, there may be changes in the types of vessels used and the fuels they consume. This could have an impact on port of Houston infrastructure and shipping operations.

2. Supply Chain Disruptions: The implementation of the Quad Zero regulations could lead to temporary disruptions in the supply chain as facilities undergo upgrades or modifications. This could affect the availability of refined products and petrochemicals, potentially impacting downstream industries.

with economic growth and job creation expectations. The implementation of the regulations should be carefully managed to minimize disruptions to the economy and ensure a reasonable and achievable transition for affected industries.

It is expected that the EPA's Quad Zero emissions regulations will have a substantial impact on heavy industries. While these regulations are necessary to address climate change, they will also present significant operational and financial challenges for these businesses. By carefully evaluating, planning and implementing the regulations, policymakers can help ensure a smooth transition and minimize the negative economic consequences. In some instances, compliance with the Quad Zero regulations might be viewed as a competitive advantage for customers that value strong climate change policies from their vendors. Compliance might also be seen as a useful recruiting tool for companies seeking employees that share that same commitment to best environmental practices.



Balancing Environmental Goals and Economic Growth

The Quad Zero regulations represent a significant step forward, addressing climate change. However, it is essential to balance environmental goals



David Smith

Business Developer Director

Oxford Flow

david.smith@oxford-flow.com



BARGING AHEAD
ever so politely.

 Buffalo Marine Service, Inc. www.BuffaloMarine.com

2024 Maritime Dinner Honors Jürgen Schröder for Championing of Seafarer Welfare and Dedication to Port Success

2024 MARITIME LEADER OF THE YEAR

Jürgen Schröder Schröder Marine



The Bayou City Event Center was the celebration hub for more than 700 guests from Houston's ocean-going industry gathered to recognize Jürgen Schröder, founder Schröder Marine Services, Inc. Schröder was honored by the Greater Houston Port Bureau ("Port Bureau") for his dedicated service to Houston's maritime community for more than 50 years and for being a staunch champion of seafarer welfare at our 95th Annual Maritime Dinner on August 24.

Queen of the Fleet sponsors Buffalo Marine Service, Inc., Callan Marine, Enterprise Products Partners L.P., Kinder Morgan, Kirby Corporation, Moran Shipping Agencies, Inc., Port Houston, and Vopak helped make the evening a remarkably momentous occasion.

The recognition program included a Resolution from Port Houston, Proclamations from the City of Houston and Harris County, and a video message of commendation from Senator John Cornyn. The special presentations were followed by keynote speakers Britton Cooper, senior vice president of The Cooper Group; Tom Marian, general counsel and vice president of Buffalo Marine Service, Inc.; and, Karl Schröder, vice president, Operations at Schröder Marine Services and Schröder's eldest son. Each offered particularly heartfelt testimonials of Schröder's contributions as well as their unique perspective of working with Schröder for decades in the port community.

"I think it is fitting that Jürgen received this award ... When I first came here 30-something years ago, he was down on the docks showing guys how to hook up, how to rig shredding bars, how to stow project cargo. He didn't ask anybody to do anything he wouldn't do or know himself, so it was always an honor to work with him," said Britton Cooper.

Karl Schröder described how his dad is a "personification" of the American Dream. He touched on the hardships faced by Schröder as a child, his diligence in work, and pursuit of new opportunities. Concluding his tribute to his father, Schröder said: "I speak for all my family, our employees, and our friends when I say

my old man's life is nothing short of amazing and reminds us that hard work and courage brings a payoff. He accomplished the American Dream and proved that the spirit of that dream is alive and well in here in Houston, Texas."

Tom Marian recalled his first introduction to Schröder as being indicative of Schröder's deep commitment to Houston's port region. He recounted how Schröder "readily volunteered to spearhead an effort" to develop an air draft warning system following a Rickmers allision at the 610 bridge and "put his money where his mouth is", contributing the initial seed money for the project. "This was an unsolicited act of generosity that underscored his commitment to the port," said Marian.

Schröder's vivid, colorful recollections of his 57-year tenure at the port and sincere thanks, were the highlight of the evening's program. He reminded attendees that when he began in the port region, containerized cargo was still in its early stages of operation at the port.

"I didn't have much experience, especially with containers," recalled Schröder. "I told my people on my dock to load it ... That container [loaded with red, white, and blue paint] broke in two, right above the open hold of the ship. All that paint dripping 40 feet down. On the bottom, we had just loaded bales of cotton."

It was a defining moment for Schröder, a "night to remember all my life". In the days that followed he learned that his superintendent and fellow workers stood by him throughout the difficulties of the incident. "I became a successful superintendent – and I went on and on, and here I am today. If it weren't for people like him [his superintendent and fellow workers] that stood up for me, I would never have been here."



Schröder was presented with a replica of the *U.S.S. Constitution*. The presentation of the ship to each honoree has been a Port Bureau tradition for many years. The Port Bureau is privileged to honor leaders and companies offering outstanding commitment to Houston's maritime community.





The 95th Annual
Port Bureau
**MARITIME
DINNER**

THANK YOU TO

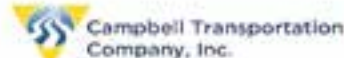
QUEEN OF THE FLEET



ADMIRAL



www.aalshipping.com



TAYLOR MARINE
CONSTRUCTION



TEXAS
INTERNATIONAL
TERMINALS



OUR SPONSORS



COMMODORE

ARC Marine
Blades International Inc.
Calvetti Ferguson
Canal Barge Company
Chevron Shipping Company
Core Group Resources
Crowe, LLP
Danners/Port Medical Management
Excargo Services Inc.
Feldman Law
Fillette GreenShipping Services
First Horizon Bank

Fracht Group
Frost Bank
German Logistics Stammtisch
Gulf Winds International
HDR, Inc.
Houston Pilot Board of Commissioners
ILA Local 28
John W. Stone Oil Distributors LLC
Laborde Products/Karl Senner LLC
Liskow
Lone Star Maritime
Manchester Terminals

McCarthy Building Companies
Pemex Deer Park
PlainsCapital Bank
Port of Texas City
San Jacinto College
Schröder Marine Services
Texas A&M University Galveston
The Dow Chemical Company
UAL America
UTC Overseas
WGMA
WIMO's

EVENT UNDERWRITERS

Lounge



Valet



Mobile Bidding



Live Music



Floral

Suderman & Young
Towing Company

SILENT AUCTION

Diamond



1940 Air Terminal Museum
Alley Theatre
Amy's Ice Cream
Animal World & Snake Farm Zoo
Aerodrome Ice Skating Complex
Avenida Brazil-Clear Lake
Bay Oaks Country Club
Chicken N Pickle
Children's Museum of Houston
Cooking with a Twist

Premier



1940 Air Terminal Museum
Alley Theatre
Amy's Ice Cream
Animal World & Snake Farm Zoo
Aerodrome Ice Skating Complex
Avenida Brazil-Clear Lake
Bay Oaks Country Club
Chicken N Pickle
Children's Museum of Houston
Cooking with a Twist

Platinum

Blades International
Fifth Third Bank
Moran Shipping Agencies, Inc.
Nice Winery

Geronimo Adventure Park
Houston Axe Throwing
Houston Botanic Garden
Houston Museum of Natural Science
Houston Zoo
Lake Travis Zipline Adventures
Landry's
Little Beakers Science Labs for Kids
Lost Oak Winery

Gold

Douglas N Burns
Portrait Studio
Wilhelmsen

Main Street Theater
Margaritaville Lake Conroe Resort
Mercury Chamber Orchestra
Messina Hot Winery & Resort
Natural Bridge Caverns
Nautical Antiques & Tropical Decor
New Orleans Steamboat Co.
Panera Bread
Taste of Texas
William Chris Winery Co

Silver

Geronimo Adventure Park
Houston Axe Throwing
Houston Botanic Garden
Houston Museum of Natural Science
Houston Zoo
Lake Travis Zipline Adventures
Landry's
Little Beakers Science Labs for Kids
Lost Oak Winery

Rice Business Executive Education Professional Development Scholarships to be Awarded by Port Bureau

Apply by December 31, 2024



The Greater Houston Port Bureau will award two scholarships to our membership for professional leadership development at Rice Business Executive Education's Customer-Centric Strategy program February 24-27. Each scholarship for Customer-Centric Strategy: *A Novel Science-Based Approach to Creating Value for Customers, Employees, and Shareholders* is valued at \$ 6,500 and includes full tuition, class materials, meals, and refreshments.

This four-day program will provide a journey to become a strategy-centric executive whose organization focuses on customers, develops accountability partnerships with employees, increases sales, and rewards shareholders by growing enterprise value. In this program, you will learn how to bridge six strategy gaps in: (1) strategy thinking, 2) alignment, 3) formulation, 4) implementation, 5) monetization, and 6) embedding, and create superior performance.

Program takeaways:

- An evaluation of your company's strategy based on the strategy gaps
- Understand the difference between customer focus and customer appeasement
- Use accountability partnerships to increase your employees' output and ability to implement your company's strategy
- Provide your sales team with a resonating value proposition to monetize strategy
- Inculcate humility, listening and critical thinking to become a strategy leading executive

The program is led by Vikas Mittal, J. Hugh Liedke professor of marketing at the Jones Graduate School of Business at Rice University.

Professionals employed by Port Bureau member companies can apply or nominate a candidate from their company. Program participants should be leaders (director level) in their companies who can help drive success in business and develop skills to create strategies for achieving sustainable competitive advantage and growth. For more on the program visit: <https://business.rice.edu/executive-education/open-enrollment-programs/customer-centric-strategy>.

Port Bureau members will receive an email announcing the opening of the application. All applications or nominations must be received by the Port Bureau by December 31, 2024. Scholarship awards will be announced on January 9, 2025. For more information and to apply, go to: <https://www.txgulf.org/ghpb-scholarship>.

Executive professional scholarships have been generously underwritten by Rice Business Executive Education, Rice University. For more information and details about Rice Business Executive Education programs, contact Zoran Perunovic at Zoran.Perunovic@rice.edu.



Demurrage Mitigation, Profit, & Loss Training by Haugen Consulting



The Greater Houston Port Bureau and member Haugen Consulting LLC will present demurrage mitigation, profit, and loss training.

Join Brendan Hoffman, CEO of Haugen Consulting on December 3 at the Greater Houston Port Bureau training room, as he discusses demurrage and explores how to mitigate or profit from demurrage and how exposures may be unwittingly created. Cost of training per person is \$150 for members, \$250 for non-members to cover materials and lunch- a highly discounted rate for this course.

Attendees who complete the full course are eligible to receive 6.0 CEUs (6 contact hours). CEUs will post to your account within 2 weeks of the conclusion of the program.

Haugen Consulting LLC was established in 1995 and provides companies with training and services for demurrage for vessels, rail, and truck logistics. Since 2003, Haugen has been successfully conducting training programs worldwide and educating participants about the intricacies of tanker operations, laytime and demurrage. Their courses cover common demurrage pitfalls, best business practices, and cost-effective solutions to minimize disputes.

This course is for professional development and is not certified by an accrediting organization. Please consult with your accrediting organization to confirm if this course will be accepted for continuing education units (CEUs). CEUs are issued at 1.0 CEU per 1.0 hour of professional development activity. **To register, go to: <https://www.txgulf.org/events/demurrage-training-2024-dec>.**

RICE BUSINESS EXECUTIVE EDUCATION UPCOMING PROGRAMS

Finance and Accounting for Non-financial Managers	December 9-12, 2024
Executive Leadership for Women	December 10, 2024
The Management Incubator (for first-time managers)	January 27-28, 2025
The Leadership Accelerator	February 10-13, 2025
Customer-Centric Strategy	February 24-27, 2025
Energy Transition for Business Leaders	March 17-18, 2025
Rice Advanced Management Program	Week 1: March 31- April 4, 2025 Week 2: June 2-6, 2025
Leading Innovation	April 28-30, 2025



Group offers are available for 3+ participants. Please reach out to zoran.perunovic@rice.edu for more information.





16TH ANNUAL PORT BUREAU
CAPTAIN'S CUP
GOLF TOURNAMENT

November 4, 2024
Sugar Creek Country Club

TITLE SPONSOR



The Captain's Cup Golf Tournament is the Houston port region's premier annual golfing event. It features a full day of sport, networking, prizes, and dinner at the Sugar Creek Country Club. A sell-out each year, it is the spot to be for connecting on the greens for our local maritime industry!

16TH ANNUAL PORT BUREAU
CAPTAIN'S CUP
 GOLF TOURNAMENT

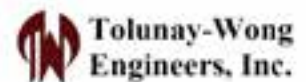


Thank You to Our Sponsors!

CHAMPION SPONSORS



PREMIER SPONSORS



HOLE SPONSORS

AccuTRANS LLC

Bank of Texas

Bay-Houston Towing

Buffalo Marine Service, Inc.

BWC Terminals

Callan Marine

Crowe, LLP

Energy Transfer Houston Terminal

Enterprise Products Partners, LP

Fifth Third Bank

Frost Bank

Great Lakes Dredge & Dock Co.

HDR Engineering, Inc.

Houston Mooring Co., Inc.

Houston Pilots

Intercontinental Terminals Company

John Bludworth Shipyard

Kinder Morgan Terminals

Lloyd Engineering

Lockwood Partners

Manchester Terminal, LLC

Moran Shipping Agencies, Inc.

PlainsCapital Bank

Port Houston

Port of Texas City

Schröder Marine Services, Inc.

SESCO Cement

Shell Trading (US) Co.

Suderman & Young Towing Co.

Targa Resources

Team Services, LLC

Texas Capital Bank

Watco

Reviving the U.S. Merchant Marine



Less than 200 U.S.-flagged ships account for just 0.4% of the estimated 55,000 sea-going ships serving the global economy. Out of 80,000 U.S. port calls each year, only a very small percentage are by U.S.-registered ships. Most Americans don't realize this and probably don't care, as long as the economy is good and the country is at peace. But should we care?

Throughout my USCG career I never questioned our dependency on foreign ships and happily interacted mostly with American merchant mariners. The U.S. has an incredible domestic maritime community who provide perfectly appropriate port services, inland and coastal transportation, pilotage, offshore, research, and fishing for the U.S. economy. Generations of Americans before us worked hard and fought for our freedom on the seas and orderly international conventions for our international trade. Beyond our coasts, U.S.-registered commercial ships have become a rarity. Commercial ocean-going ships are critical for national security, economic security, food and energy security, climate security and workforce security. Shouldn't there be more Americans on the high seas?

Today's international maritime is in transition. It's more transparent. There's beginning to be more public interest, new routes, new fuels, new technologies and stronger governance. Its ownership is fully globalized, highly competitive and efficient, and very impactful to supply chains, port infrastructure, greenhouse gas emissions, and trade currency. However, it's also under stress due to the seafarer shortage, embattled seaways, dark fleets, and maritime power competition. Despite our ocean-facing geographic advantage, an economy that's largely dependent on shipping, and the immeasurable potential of a "blue economy" beyond our shorelines, Americans seem to be passively accepting the status quo of having no particular national maritime strategy.

Despite most American's "sea blindness", Congress is beginning to act. A 2023 line item in the National Defense Authorization Act finally required the U.S. Maritime Administration ("MARAD") to prepare a national maritime strategy. The Center for Naval Analysis will complete a study for MARAD's still-to-be drafted strategy this year. It will include

recommendations and compelling investment justifications based on 5 principles: national security, economic security, food and energy security, climate security and workforce security.

Simultaneously, Arizona Senator Mark Kelly and Florida Congressman Mike Waltz are leading a bipartisan, bicameral effort to revive U.S. maritime, beginning first, with the Strategic Ports Reporting Act to identify the balance of influence within the world's most strategic ports, and second, with a Ships for America Act to propose measures to revive U.S. maritime commercial strength. The Ships for America Act is expected to include such items as the appointment of a maritime security advisor to the president, a maritime security trust fund, a strategic commercial fleet program, various cargo preference provisions, regulatory reforms, financing for U.S. shipbuilding, various provisions for building and licensing the maritime workforce, and tax incentives for ship owners and mariners.

Decades of decline may soon be reversed for U.S merchant mariners and U.S. commercial presence on the high seas. The biggest challenge will be reversing the American public's indifference to the maritime industry's strategic importance to their everyday lives and future prosperity. After all, if there's *no shipping*, there's *no shopping*.

RADM James Watson, USCG (Ret.)

J.A. WatsonIV LLC
jim.watson88111@gmail.com



*James Watson is a retired Rear Admiral. He is currently an independent consultant providing business development services to maritime clients. He is also a co-author of **Zero Point Four** and a founding member of Maritime Accelerator for Resilience (MAR).*

July Commerce Club Featuring Ambassador Juan B. Sosa, U.S.-Panama Business Council



The Greater Houston Port Bureau hosted its Commerce Club luncheon with featured speaker Ambassador Juan B. Sosa on July 25. During his presentation, Ambassador Sosa emphasized the strategic partnership between the Panama Canal and Houston's port region.

"We have a strategic partnership that has been more than 100 years in the making," said Sosa.

He began his talk by indicating there were several parallels between the development of the Panama Canal and Houston, beginning with the history of rail and its role to shipping across the isthmus of Panama and its similar role in Houston/Galveston in the late 1800s. He highlighted the history and business factors that impacted the growth of the two regions, including the inauguration of both the Houston Ship Channel and the Panama Canal in 1914.

He named containerization as one of the biggest factors similarly affecting both regions in the last 70 years. In 2016, Panama completed its project to widen the Canal and add a new set of locks to facilitate bigger and deeper ships carrying four times as many container boxes. He said containers now represent the number one commodity of the Canal and have exponentially expanded Houston-Asia trade.

Today, the Panama Canal's Panamax locks allow the passage of vessels carrying up to 5,000 TEUs (twenty-foot equivalent units). The Neopanamax locks allow the passage of vessels of more than 14,000 TEUs. The largest container ship to date to have transited the Neopanamax locks is the *CMA CGM Theodore Roosevelt*, with a total of 14,863 containers.

When Project 11 – the deepening and widening of the Houston Ship Channel – is completed, the waterway will accommodate ever-increasing vessel sizes, including larger container ships. It is expected that 15,000 TEU vessels will be able to call Port Houston's Bayport Terminal later this year, and the overall port region will continue to grow maritime marketshare.

Air connectivity and education, including medical training were additional factors noted by Sosa that comprise essential components of the Panama-Houston strategic partnership.

"Education has played a very important role. Texas is the number one state for Panamanian students in the United States, led by Texas A&M, ... training captains in Panamanian maritime," Sosa said. "... of the last four presidents in Panama, two have attended universities in Texas; two of three CEOs from the Panama Canal [Authority] attended Texas universities."

Sosa noted other points of similarity that bring the Houston area, the state of Texas, and Panama into a close strategic partnership, even pointing out a similarity between the flags of Texas and Panama.

"I believe the best years of this friendship and cooperation are yet to come," concluded Sosa.

Thank you to our Sponsors



September 2024 Commerce Club Luncheon Featuring a Bluewater/ Brownwater Panel Discussion



The September Commerce Club highlighted the collaboration between the Brownwater and Bluewater industries for safe, sustainable, and efficient transportation on the Houston Ship Channel (“Ship Channel”) with a panel discussion on Sept. 12. The panel was moderated by Port Bureau president, CAPT Eric Carrero, and featured Nathan Hough, Campbell Transportation Company; Captain Clint Winegar, Houston Pilots; and, Alberto Hernandez II, Vessel Traffic Service (“VTS”) at U.S. Coast Guard, Sector Houston-Galveston.

Winegar is presiding officer of the Houston Pilots and has served as a Pilot on the Ship Channel for almost 20 years. Hough began his career piloting on inland waterways and is currently vice president of Gulf Operations at Cambell Transportation. Hernandez has served as director at VTS for almost 20 years.

Each panelist described their specific maritime operations and the interactions of these operations with other industry segments.

“This is one of the safest ports in the country, and the work that’s done in this port is just incredible. Nowhere else in the world do you see the amount of interaction that we see between blue and brown water,” remarked Winegar.

The first segment of the discussion addressed heavy weather preparations and the work of the Port Coordination Team (“PCT”). This team serves as an advisory working group from various segments of industry to provide guidance during any type of disruption, or a threat of disruption, to local marine operations, usually if the impact is expected to last longer than 48 hours. Disruptions may be from extended fog closures, preparations for severe weather, or reconstituting vessel traffic after severe weather or an incident.

The PCT identifies priority vessel movements (ship and barge) for each segment of industry so that the most critical vessel movements are prioritized when traffic resumes. Each PCT representative reports their

industry segment’s priorities. The panelists noted the work done in just the previous few days, often after hours, as Hurricane Francine moved toward its landfall in southern Louisiana.

“The PCT is strategic in nature,” said Hernandez. “The group is focused on how we preserve the operating environment of the waterway so that it will be open tomorrow, knowing that today we are faced with a shutdown.”

“Our biggest concern,” added Hough as he spoke about representing brownwater operations during a PCT call, “is ensuring the safety of our mariners that are afloat. Fleet space is limited in this area, and we want to make sure we get many of those tows into safe water as we possibly can – and in a timely fashion.”

Another area of the panel discussion focused on the importance of VTS and its role in the port region. Panelists highlighted the value of the VTS and how “what we do here does not work without VTS”. The VTS staff is comprised of 48 men and women, with operations that are 24/7 every day of the year. “We take to heart every transit, every pilot, every mariner,” said Hernandez. “Every single vessel is important. Our most important customer is you.”

Thank you to our Sponsors





The premier provider of full-service stevedoring, terminal operations, container services and repair, truck brokerage, and logistics in the Texas markets.



www.c-pa.com

FUTURE EVENTS: txgulf.org/events

CONTACT US

- **November 14:** Commerce Club, guest speaker Colonel Rhett A. Blackmon is the Commander and District Engineer for the U.S. Army Corps of Engineers Galveston District.
- **December 3:** Demurrage Mitigation, Profit, & Loss Training by Haugen Consulting. Earn 6.0 CEU's.
- **December 6:** Port 101 (Hybrid). CAPT Eric Carrero, president of the Port Bureau, will lead a session on the port region. (FREE, RSVP required).

SUBSCRIBE

Subscribe to our *Port Bureau News* magazine and other communications to keep up-to-date on the news, webinars and events.

ADVERTISE

Distributed electronically and in print, the *Port Bureau News* reaches thousands of Houston maritime executives and professionals. Showcase your company to the right audience with an advertisement in the *Port Bureau News* magazine and a website banner ad.

SPONSORSHIP

Sponsorship and Involvement: The Port Bureau hosts monthly Commerce Club luncheons, an annual formal business dinner, annual golf tournament, Port 101 and Women in Maritime Happy Hour. Sponsors receive increased recognition at the event and in print and digital media.

MEMBERSHIP

Three membership levels let you select the level best suited for your involvement in the maritime industry.

MEMBERSHIP: 2025

For 2025 membership details and to join, go to:
txgulf.org/membership-information

NEWS: txgulf.org/news

FOLLOW US



For more information, email info@txgulf.org or call (713) 678-4300.

2024 Executive Partners



Become a part of Houston's premier maritime organization. Through membership with the Greater Houston Port Bureau, you join leading companies in the port region to advance maritime progress and prosperity now – and for the next generation.

For more information about Port Bureau membership, scan on the QR code below or visit: txgulf.org/membership-information or call: (713) 678-4300.

