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# Chassis-provisioning model takes wing at Southern California port complex

"Pool of pools" model aimed at boosting driver productivity, alleviating port congestion.

## By DC Velocity Staff



A long-awaited plan to resolve the persistent problem of truck chassis availability at the country's busiest container seaport took effect yesterday: Three chassis pool providers began allowing truckers to pick up and drop off equipment at multiple locations at the ports of Los Angeles and Long Beach.

The program, dubbed "grey pools" or the "pool of pools," had been in the works for some time and had already been made public. The three companies have established chassis pick-up and drop-off points at all of the complex's 12 marine terminals as well as rail and container yards around the sprawling site. The goal, according to the companies, is to deliver "interoperability" so equipment can be positioned anywhere for truckers to use, thus minimizing the amount of time a driver spends picking up or dropping off a chassis at a predesignated location.

Driver productivity should improve as a result, while port congestion should be alleviated because space will be freed up that terminal operators had used to segregate equipment, the providers, Direct ChassisLink Inc., Flexi-van Leasing Inc. and TRAC Intermodal, said in a joint statement late Friday. A more efficient chassis operation should also reduce fuel consumption and engine emissions, they said.

The providers said they would make available more than 80,000 chassis under the program. They will still manage their respective pools, establish their own proprietary rates for daily chassis usage, and continue to compete for customers. Pool managers will track equipment usage and cooperate on the positioning of chassis across the complex. A third-party provider will audit cross-pool chassis usage. The audit will allow the pools to compensate one another for regular usage and prevent the exchange of sensitive data between the pools and chassis providers, according to the statement.

Since ocean containerization took wing in the late 1950s and early 1960s, shipping lines controlled the chassis fleets and provided chassis with every container. In recent years, though, liners fed up with rising costs and seeing that the U.S. was the only seafreight market where vessel operators controlled and provided the chassis began exiting the business and selling off their equipment to third parties.

The transition has been a difficult one, as motor carriers working the ports found that the new chassis owners were often not repositioning the equipment where it was needed. In many cases, drivers had to go where the chassis were dropped off, which could be a distance from where the trucker entered the port environs.

In the recent contract fight between the International Longshore & Warehouse Union (ILWU), representing West Coast maritime labor, and management, represented by the Pacific Maritime Association (PMA), the union said chassis availability, not alleged labor-driven work slowdowns, was the main culprit behind the





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worsening congestion in recent months at the Southern California ports. Management disputed the ILWU's thesis, but has long acknowledged that chassis dislocations were a major problem at Los Angeles and Long Beach.

Initial reaction from two chassis experts was mostly positive. The program "will help by providing more flexibility for the motor carriers and the shippers they serve," said Blair Peterson, senior vice president, commercial, for International Asset Systems (IAS), an Oakland, Calif.-based information technology company that works in the chassis-provisioning area. Ken Kellaway, president and CEO of RoadOne IntermodaLogistics, a Randolph, Mass.-based intermodal company that provides port and rail drayage, said the gray pools "will be a big help and (will) reduce inefficiency of repositioning equipment around terminals."

Kellaway said a similar model would be beneficial at the Port of New York and New Jersey, which has experienced its own chassis availability problems. He added that the situation there has improved in recent months.











#### Resources Mentioned In This Article

- International Asset Systems (IAS)
- RoadOne

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