

Male Speaker: Hard question first. Please say your name, and spell it for the transcriber.

Ezunial Burts: Ezunial Burts or Eze Burts, E-Z-U-N-I-A-L, B-U-R-T-S. Eze spelled E-Z-E.

MS: Mind if I call you Eze?

EB: Please.

MS: Eze, first thing also, what was the year you were born, and where were you born?

EB: I was born in 1946 in Oakland, California.

MS: When did you first come to Los Angeles? Tell us a bit about that.

EB: I grew up in California. Being a native, I lived in Fresno and Sacramento and San Diego. After my undergraduate work in Fresno, I moved back to the East Coast, did some graduate work at Yale, and then came to Los Angeles in 1971.

MS: Can you talk about when you became aware or were you aware before – when did you become first aware that Los Angeles was a port city and more than that, an important port city?

EB: Growing up, I had an uncle who was a longshoreman in San Francisco. So, I knew what a port was and what a port city was and how important it was to a community. Certainly, I visited Los Angeles as a youngster and as a young adult and knew about many of the activities here, mainly the recreational activities. When I moved here, I went to work for Tom Bradley who was a member of the city council and became more familiar with the workings and operations of the Port of Los Angeles.

MS: Do you remember your first visit down here? Do you remember seeing it as a working port?

EB: My actual first visit, I don't know if it was my first visit, but my first memorable visit was with a fellow by the name of (Nate DeBiase?). Nate was a longshoreman and eventually went on the Harbor Commission. I remember one time Nate picked me up, and we rowed around the port. He was telling me about the workings of the port and about how he saw the future of the Port of Los Angeles from a longshore perspective.

MS: What was he telling you? What were his ambitions for the port?

EB: One of the big issues he talked about at that time was the need for the intermodal container transfer facility. This was a major, major issue that was only a dream at that time. It was a project that would involve both ports, Los Angeles, and Long Beach, in a joint venture. Because they were competitors and fought like cats and dogs over everything, it would not seem to be something that would come to realization. But it did. Nate was a pretty forward-thinking member of the longshore group because this was something that was not on the waterfront. This was away from the waterfront. So, it meant a change for the longshoremen. It meant a change in

how ports did business. That was one of the big, big dreams that the port had at the time. We were fortunate enough to see that come to fruition.

MS: Tell me about going back to when you joined and got involved with Mayor Bradley.

EB: Yes.

MS: How did that happen? What were you doing? What was that exciting time for you?

EB: Well, I did my undergraduate work at Fresno State. I was a political science and public administration major. I went on to pursue a master's degree and ended up taking a national urban fellowship and went back to Yale University to study. Part of that fellowship involved a year-long stay with a high-level administrator somewhere in the country. At the time, Tom Bradley was active with the National League of Cities, the U.S. Conference of Mayors, and also had a relationship with the Ford Foundation. Those were groups that were all involved in this National Urban Fellows Program. So, I went through that program. Then when it came time to get placed, I started looking around for a placement. He was interested in having someone come here. We went through this sort of dance. I ended up coming here because it looked like he was kind of an up-and-coming individual in the country. He was a member of the city council, but he had been active at the very highest levels in the National League of Cities, the Conference of Mayors, and Southern California Association of Governments. So, he knew a lot about public administration. It seemed like a good place to learn. So, I applied, he accepted, and we got together. I spent a couple of years working for him when he was a member of the city council. Then later, he, of course, ran for and was elected mayor.

MS: Did Mayor Bradley have a vision for the port? He had so many visions for this city. Was that part of his idea of the future of Los Angeles as well?

EB: He understood it.

MS: Could you say, "Mayor Bradley"?

EB: Mayor Bradley actually understood the importance of the port and what role it played in this economy from the very beginning. This was not just something that was developed in later years as part of the Olympics or part of international trade when it became popular. It was part of a long-term strategy for economic development and growth in this city, the port, the airports as well. So, he spent a lot of time on port issues as a member of the city council, but especially in those early days when he was mayor, working on port issues. I was fortunate to serve as the harbor liaison in those early years. So, I know firsthand some of the things he had in mind for the port and what he wanted to see and how much he supported the activities here at the port.

MS: What were the specifics of his dream? What did he have in mind?

EB: I think it was very clear that he wanted to see –

MS: Mayor Bradley.

EB: I think it was very clear that Mayor Bradley wanted to see more growth, more development at this port. He felt that the Port of Los Angeles could in fact become a world-class port. It was very well-poised at the time to become a world-class port. All the plans were well underway. They needed a push. They needed somebody to support it. He did, and it happened.

MS: Talk about this special kind of political-economic relationship between the port and the city. Give us some historical context for that and give us a sense of how it is now. What is the relationship between the city and the Port of Los Angeles?

EB: Today, I think the port is an integrated institution within the City of Los Angeles. I think over the years, this relationship has evolved. The city certainly has many needs, and its base of support is mainly from tax-supported revenues. The port, on the other hand, generates its revenues from customers and is required to put those revenues back into the port so that it can grow and expand and be properly maintained. There's been a tension for many years, the sort of give-and-take, this pull if you will. When I worked for the mayor as a deputy mayor, I was on that pulling end. I wanted to see revenues come from the port to help fund city government. When I got here, I wanted to retain those revenues and make sure that we kept those revenues here to support our customers and the growth. The important thing is that the port has to be understood as an economic generator of jobs and economic activities in this community. That's what it does. That benefits not only the port community but benefits the entire city. I think there's a better understanding of that relationship today.

MS: Can you give us a little sense of the history of how the port and the city are related? I mean, there is this so-called shoestring annex. Do you have enough of that?

EB: Yes.

MS: Share that with me.

EB: A bit of the history of the port would include the fact that the port was not originally planned for San Pedro Bay. The original plan was to have the port in Santa Monica Bay. It was mainly driven by the Southern Pacific Railroad. In later years, when that little rail spur came down from the rest of the city and landed here, then the port began. A few mud flats out there and then the Army Corps of Engineers came along at the turn of the century and began to really help in the development of the port, and it grew. But it started with livestock and feed and logging and basic staples. Then it grew. Of course, it was always an area where, in later years, the Navy had a major presence. There was fishing. Around all of those things provided the base for the development of a major commercial and industrial complex as we have today.

MS: There is a special term, I cannot remember what it is, for agencies or entities like the port. There are three of them that have that kind of— yes, three of them, the port, the harbor, and DWP. Give me a sense, what is that economic entity, and, again, why is it unique?

EB: Within the city of Los Angeles, there is this government structure where they have various operating city departments. There are several departments that are independent departments or

proprietary departments. The three departments that stand out most are the port or the Harbor Department, the Department of Water and Power, and the airports. They generate their own revenues. They provide a specialized service to the people in this region. In the case of the port and LAX, they provide a more regional and national and international service. Those departments are managed by the city. But they have independent commissions. They are responsible for the overall management of those operating departments. They make sure that they retain the funds. They invest them in those facilities. They continue to provide the services to the citizens. In the case of the port, it is a little different in that the port is a tideland-granted entity, meaning the state actually owns the port and has given it to the city to manage. In order to manage the port, the city set up a department, the Harbor Department, the Port of Los Angeles. So, the port here is managed on behalf of the citizens of the State of California. There are several restrictions, what happens with the use of the funds and what types of activities can occur. Those activities would include commerce, shipping, and some recreation. But the activities must remain in the general harbor vicinity.

MS: So, because there is increasingly a lot of money involved, this must be – has been a long history of political, as you say, push and pull. Talk about the politics of the port. What are the issues that become part of the political debate often around and about the port?

EB: Historically, the port was not always a revenue generator and was not always profitable. In fact, there was a time in the history of the port when the city had to provide funding to keep the port going. In more recent years, that has changed. The port has become a major economic entity in this area, generating jobs and income not just for the city but for the nation as a whole. So, it has become much more important, and attention has become more focused. Certainly, at the time when people began to focus on Los Angeles, especially during the period of the 1984 Olympics, it became even more important. People began to turn their attention to Southern California, to the Los Angeles area, and began to understand the importance of this facility. Understanding what was taking place with this facility, the development of its facilities, the deep water, and the fact that this was becoming a major gateway to the rest of the country, focused more attention and more interest. So, people who didn't have an interest, all of a sudden became very interested in what was happening here.

MS: What are the natures of the political debates that have been going on about the port?

EB: It ranges from –

MS: The political debate.

EB: The political debate that takes place ranges from what happens here locally in the San Pedro area, San Pedro, Wilmington, the waterfront, to what happens even downtown Los Angeles. When you have fifteen members of the city council, as an example, who have interests across the city, you only have one member of the city council who actually sits in this district. What do you give to the other fourteen? How do you provide some benefit for someone who is representing people in the San Fernando Valley? Those are the kinds of issues that one would face when looking at issues facing the Port of Los Angeles.

MS: Talk about how you got involved and what your position was when you came here with the port.

EB: I came here as executive director of the port in 1984. There were some who were concerned about the level of experience that I had in managing ports. I had none. But during that same period of time, I had an interesting conversation with someone I'd worked with just prior to coming here. That was Peter Ueberroth who ran the 1984 Olympic Games. I saw Peter one day in an airport. He said to me, "I've never run an Olympic Games before. The man in the White House, Ronald Reagan, has never run a country. Go run the port." That's what we did.

MS: Even then it must have been a pretty daunting challenge. What did you feel when the mayor tapped you and said, "Eze, let us go do it"?

EB: Well –

MS: How did it happen? How did you learn you were going to become a –

EB: – the way I became executive director of the port, the port commission was looking for a director at the time. They chose to go in a little different direction. Instead of hiring an engineer or someone who had port experience, they wanted someone who could manage an organization, could manage major projects, and could manage funds. So, I was selected. I look back now, and I think the major advantage that I had was the fact that I had never run a port. So, I didn't know what questions to ask. So, nothing was off-limits for me. So, we could dream big. We could ask daring questions. Fortunately, the timing was right in the economy and in the rest of the world. Shipping was changing. The modes of transportation for handling cargo were changing. Intermodalism was just starting at about that time. Bigger vessels were coming online. Ports were beginning to play a major role in their communities. Ports were beginning to invest not just millions of dollars, but hundreds of millions of dollars. So, it was an ideal time to do some exciting and creative things.

MS: Now, part of the politics of your job, aside from managing the port and its operations, is that you have a relationship with this town, San Pedro, that has a proud, very independent kind of quality. Talk about that issue. Did that become part of your job too?

EB: Managing this port is not a simple matter. It's not just managing the day-to-day operations. This port sits in a community, San Pedro, Wilmington, that is actively involved in this port. They love this port. Many of the people who come from this community work at this port. So, on the one hand, people have an interest. You may view that as a negative, but it means people are interested. It means they understand how important this port is. They made their living from this port. They fished out of here. They worked as longshore people out of this port. They actually raised their children with an eyesight of this port. So, certainly, it presented challenges. But it also presented wonderful opportunities because people support what happens here in the port. But there were many issues, many challenging issues because people watch what you do. When they see changes, they want to know why. They want to know what things are going to have an impact on their lives. Certainly, when people did not grow up here and things begin to happen, they worry about noise and lights and truck traffic and trains and all of those issues. So,

it was certainly a period of time when we had to understand the community impacts and that we had to be good neighbors. We had to learn those lessons. We had to make sure that we knew we were not just building and growing a port in isolation, but we had to work with people who love this port and live nearby, but also people who were watching carefully what was going on here.

MS: So, when you started, what were some of the contentious issues that you had to deal with?

EB: When I started, some of the major issues that we faced were really growth issues. Our main task at that time was the implementation of what we call the 2020 plan. That plan was designed to implement the growth plan for this port. New terminals, a new cruise terminal, new recreation facilities such as the marina, a new Intermodal Container Transfer Facility, and began plans for the Alameda Corridor, but to put in lots of new container terminals. That also meant removing some of those other facilities that were here for many, many years; fishing facilities, as an example. Those were all very delicate issues. People were very concerned about those issues. People were concerned about the new truck traffic. With greater containerization, it meant we would have more trucks. It meant that we would have a greater impact on surrounding communities. So, people watched carefully and voiced concerns about those issues.

MS: Now, how did they voice concerns with you? Did you have or were there community meetings, or did you get this through leaders? How did you interface with the community yourself?

EB: Interface with the community here took place in a number of different ways. All of our meetings are certainly open, the Harbor Commission meetings, where people could come and voice their concerns on various issues. But more than that, there were any number of advisory committees where people could have some direct involvement in the planning. But people in this community are not shy about coming forward and catching you in a grocery store and saying something to you about it. Or when you're down here with your kids on a Sunday afternoon, they'll come up and say, "I'm concerned about something that you're doing over here. I'd like to come and talk to you about it," and they did. Whether it was community people or customers or members of the labor unions, everybody knew they had an opportunity to say something. There was a place for them to listen. They came and said something.

MS: Now, did you feel it was important or did you decide that it was important to live near the community? Or was that something that was not an issue for you?

EB: No. I actually had a home that was outside the community. I remember one day I was down here on a Saturday afternoon. I was shopping. My wife asked me to stop at the store and pick up some fruit and bring home. I went to the store. I was standing in line. I must have been approached by seven or eight people while in the store with issues related to contracts or projects that were underway. So, I knew that as wonderful as this community is, that in order for me to really be effective, I needed to have a little bit of drive time at the end of the day.

MS: [laughter] That is a good way of putting it. [laughter] Talk about the issues of the Todd Shipyard, which had such a long history here and was a source, for a long time, of income for workers here. Tell me about that story. What was going on with that?

EB: Todd Shipyard was a major employer here at the port for many years. Many people in this community worked at Todd Shipyard. As the shipbuilding industry began to evolve and change around the country, it began to do so here. We knew that they were scaling back. Labor issues began to dominate the landscape with Todd Shipyard, what the new labor force would look like, how they would get their funding, and where they would get their contracts. They began to tell us that they were going to scale back. Over a period of years, we could see it coming that with what was happening around the country, that facility was going to go away eventually. We knew that we had to develop plans for what was going to happen there. But first, our first and foremost priority was to try to save Todd Shipyard. We did everything we could to try and save it. Some things that you would not do in a normal free market enterprise, but nonetheless, we made major concessions to the leaseholders, trying to make sure that we did our part to ensure that we could keep those jobs there as long as possible.

MS: Can you give me some specifics? What was the economic contribution of Todd? What were the specifics that you did to try to keep them here?

EB: There were several thousand jobs provided by Todd Shipyard in its heyday. In addition to the direct jobs at the facility, there was an indirect economic benefit to this community. People who provided support services, vendors, and small businesses who provided – who were suppliers to the shipyards. So, it had a major economic role in this community. The port, as a specific example, we wanted to make sure that when it came to the part, that we could control the lease payments. This was not a major, major revenue source for the port. In fact, if I recall, it was one of the lower revenue-generating activities at the port. Certainly, compared to, say, a container terminal, the return on investment was very, very small. But the number of jobs was very, very high. So, we recognized that we had to have a role in trying to keep those thousands of jobs here as long as we could.

MS: What happened in the end?

EB: In the end, the shipyard closed. We knew that we had a cleanup issue there. We had a facility that had to be converted into some other use. So, our long-term plans included putting a container terminal there. That's what we see there today.

MS: Another change that took place, and this was already started before you were here, was the fishing industry. Talk about that, again, a very long tradition here. What happened to that?

EB: The fishing industry has a long tradition and long history in the Port of Los Angeles. Major tuna fleets and sardines made runs out of here for many years. People made their living out of here. You could go over on Terminal Island and see thousands of workers in those canneries, cutting up fish and canning them and making preparation to send food all over the world. As the seas began to fish out, as labor costs began to soar here, and cheaper labor developed and cheaper operations developed in other places, there began this tug on what would happen with the fish canneries here in San Pedro, and especially on the canneries on Terminal Island that had such a long history. So, they began to close. They began to move. In the final days, we had one or two canneries that remained open. The port, again, made an effort to try to hold onto those

jobs. The rents and the revenues coming from those operations were not very large to the port's bottom line, but the jobs were very significant in this community. Many of those jobs we knew were going to be lost when those canneries moved offshore. In the final days, the cannery out there was the only one left in the continental United States. We held on as long as we could. Finally, that one closed. The fishing fleet remained. The fresh fish began to grow and provide fish to the markets and restaurants here and even to Fisherman's Wharf in San Francisco and up and down the coast. So, the fleet continued to fish and provide seafood to people in the area, but the canneries went away.

MS: What year was that?

EB: I can't tell you exactly what year.

FS: I can look it up.

MS: You can look it up?

EB: Okay.

MS: A major, major change for the port, of course, was this beginning of the container era. Tell us about that. How did that happen? Why did that happen? What impact did that have on the port and on San Pedro?

EB: Containerization marked a major change in how we do business in ports all around the world and certainly had an impact right here in Southern California and at the Port of Los Angeles. Matson had its first ship running out of here with just a few containers sitting on top. It wasn't a major operation, container operation at the time. As we moved through the [19]60s and [19]70s and into the [19]80s, we began to see more and more cargo going into containers. Then came the major changes. Ships were designed and built differently. Facilities on the seaside had to be able to accommodate containers. So, this business changed completely. Ports had to change at that time. The way longshoremen did their work before, handling each piece, each article of cargo individually with hooks, was no longer the case. This stuff was now in these big steel boxes and could be moved through here without even seeing it. So, it caused major changes in the infrastructure and major changes in how the port would move this cargo out of here, whether it would be on trucks or on rail. It also changed the way the port designed and built its facilities. No longer would you need finger piers. You now have to have these large pieces of container terminals with large masses of land with heavy reinforcement to hold them, with lots of lighting and with these major cranes. Who is going to buy those cranes? Who's going to own them and maintain them? What size will those vessels be? How deep will the water be? How far ahead do you plan? What's the next generation of ships to come? What will be the next ways of moving cargo in and out of this basin? What will be the implications not just here at the port, but up and down these corridors in Southern California? All those issues came with the advent of containerization.

MS: What was the economic impact on the Port of Los Angeles? We know the physical impact. But what did it mean for the economy of this port?

EB: The economic impact meant that we could handle more cargo. It was much more efficient. We could service a greater area, not just the local area, but it meant that cargo could come through this port and move away from here. So, this port became a gateway for the rest of the country. Now, someone sitting in Ohio was now dependent upon cargo coming through the Port of Los Angeles. Someone sitting in Mississippi with a plant knew that they could ship their goods out or receive goods through the port. It all of a sudden became a major player on a national level. So, people began to understand its importance, not just as a facility here in San Pedro for providing service to several million people sitting behind this port, but to millions and millions of people sitting across this country. That became the importance of – the economic importance of the port.

MS: Explain what intermodalism is.

EB: The advent of intermodalism, this handling of containers from ship right on to rail in special rail cars was a major change in how the port began to conduct its business and how railroads did their business and how customers received cargo. It meant now that the port had to develop different types of facilities. The ideal is to have an on-dock rail to be able to move these containers straight from the ships to the rail. Before that, we had these vessels that would come here. They would take these containers off the ships, put them onto trucks, and haul them all the way downtown to the rail yards. There were three railroads servicing the port, three different lines. The advent of the Alameda Corridor with the Intermodal Container Transfer Facility in the middle meant now that that cargo could get there more quickly. It meant now that we could get that cargo off the ships, out of the port, and in the hands of the customers much more rapidly. It meant that someone sitting in a manufacturing plant now did not have to worry about where they would warehouse their goods. It meant that it would be warehoused on the road or on rail. So, they would be able to have their goods just in time to go to work, assemble them, and get them to their customers.

MS: Now, the Alameda Corridor, explain what that is. You can elaborate on more on what that meant to the whole system.

EB: The Alameda Corridor was a major step forward in handling cargo from the ports of Los Angeles and Long Beach. When we thought of the idea of having a single corridor, it was in response to concerns about what would happen with long-term growth in this basin. We knew that there would come a day when there would be nearly a hundred trains running in and out of these two ports. We knew that if you were sitting at the intersection of Alameda and Century, waiting for a hundred trains to go by, no matter how positive you felt about the port, you'd be concerned about that. We knew we had to do something about it. The two ports went to work to acquire those rights away from the three railroads at the time and consolidate all that traffic on one rail corridor and to build a highway that could handle much of the truck traffic leaving the port. The rail portion started, and instantly, instantly, trucks were reduced. More cargo went to rail, but the growth continued. One of the things we were not able to do was to get an exclusively dedicated highway for just trucks to run up and down the Alameda Corridor. It would in effect have been a third freeway in the area, in addition to the Long Beach and Harbor freeways. We weren't able to get that, but we did get the additional rail consolidation. So, those

three railroad rights-of-way reduced that traffic that went around those communities, put it on a shorter corridor, and got that traffic in and out of the ports much more rapidly.

MS: This is a job that has got to be more than its share of headaches and more than its share of sleepless nights. What were the things that were really the most troubling and challenging for you as you were managing this entity during this huge period of change? What were the things that were giving you sleepless nights? What were the things that were giving you the headaches?

EB: Coming to work at the Port of Los Angeles was an absolute joy. I smiled every day I came to work. Huge issues, huge challenges, and major, major problems that had to be addressed. But every day, a fun day because of the people, because of the employees, because of our tenants, and because of the work that we were doing here. This is a great place to work. This is a great place to live and a great place to play. There were many challenges facing us. The least of them, how do you develop these major facilities and find the necessary environmental offsets? I mean, you can't do an offset here in this area. You have to go 50, 60 miles away to develop a facility in Carlsbad.

MS: Explain that offset.

EB: In order to get credits to build a facility in the Port of Los Angeles, you have to mitigate or restore an area in some region that has like environmental conditions. Because most of the areas here have already been developed, we had to go and seek out areas away from the port, some as far away as 60, 70 miles, in order to develop the port. So, there were communities that received enhanced developments in this state as a result of work that took place here at the port. Those were major issues facing us. How do you finance these issues? Another major challenge, we had major bonding capacity, but have we ever gone out to borrow hundreds of millions of dollars to do major projects? How do you convince a bond market that is not used to seeing a \$250 million issuance from a port that this is a port that can more than pay that back? How do you issue bonds in the neighborhood of \$1 billion to build rail facilities knowing that you're going to pay for them with revenues, \$20, \$30 a box on forecast cargo that's going to be coming here? Lots of convincing. How do you do these things in an environment where very few people know what you do at the port? People expect that their cargo and their goods will be there. It's sort of like a utility. You turn on the light. You expect the light to come on. They go to the store. They expect the goods to be there. When they're not there, that's when they get worried. So, how do you make sure that people understand what you do? How do we figure out how to tell the story of the port not only to grown-ups who can easily understand the benefits when you couch it in terms of a job, but to fourth and fifth graders who are going to grow up? They're going to vote. So, we had to go everywhere to tell that story.

MS: When you were doing the Alameda Corridor – I know because I actually did some work for you guys on that project. We did a video for that. How do you convince somebody in Indiana or Ohio or South Carolina that the federal government should plunk a big bunch of bucks into a harbor that is so far away from them? What relation does it have? That must have been a huge challenge.

EB: We had to convince people thousands of miles away from this port that the Alameda

Corridor project was important to them. One of the things we did was a fairly comprehensive study on the economic impact by congressional districts all across the country so that we could walk into the office of a congressperson and say to them, whether they were in Pennsylvania or Louisiana, "In your district, plants produce, provide a certain number of jobs. They rely on the Port of Los Angeles to get their goods. This is the economic impact in your district." A fairly comprehensive study and a difficult study to do because this was data that had not been gathered to that point. So, we gathered that information. We took it to Washington D.C. and made the rounds to tell the story. So, we knew now that we had to work closely with our elected officials to convey that message, and with elected officials who had nothing to do with the port, had never been here. We began to invite delegations of elected officials to come here, people from Congress and people in the administration, to see what was going on and to understand the importance of this port and this port complex and what would happen here. It became a process of education, not just us. We asked our customers to do it, our tenants. It is sometimes much more effective to have a senior vice president from Sears and Roebuck go tell that story than a port director, the importance of making sure that those garments don't sit on that port waiting to be cleared, so, a major education process.

MS: You also had an international sales job to do. Because again, you wanted to attract people not to Seattle and not to San Francisco or San Diego. You wanted them to come to Los Angeles. What was that challenge?

EB: The major issue of getting people to understand the importance of bringing their cargo to the Port of Los Angeles was having them understand where we are and that we wanted them to come here. So, it meant setting up an international marketing network. It meant opening up more than twenty offices around the world. But more importantly, it meant going to them face-to-face, asking for their business. When we had their business, going back face-to-face, and saying, "Thank you." We only had two shipping companies of the more than seventy-five or eighty shipping lines that called here, only two headquartered in the United States. Everyone else is abroad. So, if you're going to say thank you to one of your customers, you have to get on an airplane and go. It also meant you had to take some heat back home because you're a part of a city government. They're saying, "Well, you're going off to these exotic places and spending all this money." These are the same people that generate revenue from \$10 to \$40 million per year for thirty to forty years. You better go say thank you to them. We also know that our competitors were doing the same thing. Our competitors had facilities just like ours. Now, we think our facilities are great, that they're designed and built to very, very high standards. They are. We also know that our revenue-sharing agreements were superb. They were able to lock in long-term agreements with customers that generated a lot of revenue for this port. But others did the same thing. Customers are smart. They take our deal. They take it to somebody and say, "Can you do this?" We knew we had to make a difference with service. So, customer service would become our edge. One of the things we did was we paid a visit to Jim Nordstrom, the Nordstrom stores up in Seattle. We asked the question, "How do you say it in Seattle and make it happen in Cerritos? How do you get an edge? How do you say thank you to your customers? How do you treat them a little differently? How do you get that little edge that you need to make them come here?" We also had a secret marketing weapon. We had the mayor of the City of Los Angeles. Tom Bradley went on trade missions with us. It's a lot easier to get somebody to come to a meeting when the president of the country is coming because the mayor is in town.

Then that lowly port director gets a shot at him.

MS: What were the big coups of bringing in during your tenure? Were there any big leases that were assigned that you feel particularly proud of getting to report?

EB: Long-term agreements with NYK, with Evergreen, and APL, those were all major, major activities that took place. Some of the smaller agreements, like with Yang Ming, because we knew they were going to be a growth company. We also knew that making a major agreement with the cruise ship consortium. We set up a consortium. We built them a cruise terminal. Before that, we had sort of put them off in a corner in warehouses. I think at a later point, we understood that was walking cargo. It was smart cargo. We should build them a new facility. We did. So, facilities, deepening the port, working up some of those long-term agreements, and going after those customers that are here today, even though they may not have been here at the time, calling on them for many years paid dividends today.

MS: Now, I heard there are rumors that there is another port nearby here. Talk about the relationship between San Pedro and Long Beach historically and during your tenure, and what it is now. It is really unusual to have two such prominent active ports side-by-side. Describe what you think is the relationship and the development of that relationship.

EB: There are two ports sitting in the San Pedro Bay. They once were separated by the U.S. Navy. The Navy sort of kept the peace between the two. The two ports go abroad. People sitting 5,000 miles away from here can hardly tell the difference. They say, "You're from San Pedro Bay." So, they come in. We want them to make a left turn. The Port of Long Beach wants them to make a right turn. Well, it doesn't happen that way. So, you go out. You fight like cats and dogs to get them. But the first thing is to get them into the Bay. It took us a long time to learn that. It took us a long time to learn the lessons that we wanted to get them here as opposed to sending them through the Panama Canal or going to Oakland or Seattle-Tacoma. We wanted them to come to this Bay. Then we would fight for them. So, it meant we had to learn some lessons of cooperation. We had to learn that the ICTF, the Intermodal Transfer Container Facility, had to be a joint venture. We learned that the Alameda Corridor had to be a joint venture, that there were only so many mitigation projects out there, and maybe we better go in together and understand that we had to do those things, that there were many, many issues where we had to work together. At the same time, we could still compete. The beneficiaries of the competition were still the customers because the people who call here will still come to the Port of Los Angeles and strike a deal. Go next door and see if they can make a better deal. So, we always have to watch what we're doing. We always have to be efficient. We always have to make sure that our facilities are top-notch. We always have to provide a top level of service. That competition kept us on our toes and keeps us on our toes today. That's why there have not been these arguments for a combination of two ports. Because once you combine them, you'll get single pricing, you'll get single facilities development, and customer service will deteriorate.

MS: You remember again during your tenure when in the competition with Long Beach, there is one that got away and one that you got that you remember particularly.

EB: I can remember in the days competing for tenants, every time a lease came up, we were

always right there. There was a time when Long Beach desperately wanted to get the Evergreen Shipping Line. We knew that we had to pay lots of attention to Evergreen Shipping. It meant that we had to spend lots of time in Taiwan talking to their people, making sure that we cut the best deal, making sure that we put together the best facility to meet their needs, and that we had to understand it. We were able to land them. There were others, the American President Line. We knew that this was something that meant a long-term future for the port, for this region, and for that tenant. We had to do our part to build a major facility. So, the key to making sure that we landed the major customers was to understand their needs and their future and to make sure that we could deliver on those things. It meant major investments on the part of the port. It meant taking some risks at times. But it meant identifying the key players and making sure that you pick them. Because if you don't pick the right one, then you have to live with that one.

MS: Is there any big fish that got away?

EB: Well, they all get away when you don't have facilities and when you don't have the ability to land them. For a number of years, Maersk was one of those where we just didn't have the facilities for them. We couldn't accommodate SeaLand because we didn't have the facilities. Changes in the industry, different accommodations, new facilities, and long-term development of major container terminals enabled us to be able to make agreements with them. Today, unlike facilities that we had when we first started in containerization even before I got here where you had 20-acre to handle a container customer like Korean Shipping, today, when you look at the major facilities out at Pier 400, those are small ports. If you added up the cargo that goes through one of those terminals, it would amount to the equivalent size of a major port in this country.

MS: Pier 400, of course, connects to Maersk. What is Pier 400? What is its importance? How did that help you get Maersk to come over here?

EB: Pier 400 was critical to the long-term development of the port. We knew that for the long-term security of this port, we had to have additional acreage. That acreage was created from dredging the main channel, obtaining those permits, and obtaining the funding to build out that major piece of land. The ports are the few places in the world where you make more land. It's one of the marvels of what we do at ports. We make additional land. Developing Pier 400 provided the cornerstone for long-term growth and development to build these mega terminals, providing deep water to capture the bigger ships that would come in, to bring on-dock rail right to the port side, and provide the kinds of facilities that enable us to move large volumes of cargo in and out of this facility.

MS: We also live in an era of environmentalism. That has been an issue increasingly involved with the Pier 400. It was the least turned. There are the coke and coal facilities that were debated. Talk about the impact of environmentalism on the port and the challenges that brought to you.

EB: Environmental issues have become a dominant activity in the operations of this port and other ports around the world. Here, it is an especially acute problem because of the proximity to homes and residential areas in the region. There's always been a sensitivity to environmental

issues. But it's grown especially as we've learned more about the impacts of port traffic and especially, the air quality issues that we now face. As we've learned more, we know that there is more that has to be done. There are limited things that can be done in ports that will impact entire shipping systems. You cannot enact rules here that will impact the entire – that will change the entire trucking or shipping business. But you have to start somewhere. You have to lead. So, that's always been one of the cases. The Alameda Corridor was really an environmental project. It was designed to remove truck traffic from the highways. Instantly, there were more than a million truck moves taken off the freeways and placed on the Alameda Corridor. By doing that, you reduce that air quality, the idling time, and all of the congestion out there. So, it was a positive impact on the environment. We have to find more ways to do things like that.

MS: What about the coke and coal facilities? Tell me that story.

EB: The coal facility here was designed – we knew that coal would be moving from the Four Corners area to the Far East. So, it became a joint venture. The port became a venture partner in that facility. The most important part of that facility, though, was the acquisition of access to deep water. In order to bring those deeper vessels in, the major vessels that would handle that coal, it also meant that we would have to provide deep water facilities that could enable us to use those for container operations as well. It provided additional land. That was the importance of the coal facility. It also meant that we would have then a coal chain that involved partners all the way from the mines to the steel producers. The rest was a product of what would happen with the economy of coal and how we would use coal in the future. But whether that project used or delivered 1 ounce of coal or not, its value to the port was providing the deep-water access that enabled the port to provide access for larger ships.

MS: First, how long were you an executive director? Tell us that final day, what your feelings were when you moved on.

EB: I was executive director for twelve years. I thought when I came here, I would be able to do what I wanted to do in about five years. It took longer. This is a business where it does take a long time. Many of the fruits of your work do not come about for years after you've gone. Many of the things that I did while I was here were actually accomplished on the watch of Roy Perry, my predecessor, and the same with Roy. The same is true now. It takes years for these projects to come about. Sometimes the easiest thing to do is to raise the money for these major projects. The permitting, the construction, and all of those other issues sometimes take many, many years. So, I spent twelve wonderful years here, visiting and making friends all around the world. When I decided to leave and go and become president of the Greater Los Angeles Area Chamber of Commerce, I did so with mixed emotions, happy and proud about any of the accomplishments that we had while here, and understanding some of the economic impacts that will never be understood by many people, knowing that we left behind a bit of a legacy, changes that will make for a better place. Certainly, sad that I'm leaving friends that I've made over the years, and wonderful employees here, a very happy family of people who have done a fabulous job, but also knowing that I would go and participate in a little different way in continuing the growth and development of the Southern California economy.

[end of transcript]