



News Release

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PORT IMPLEMENTS REDUCED TRANSSHIPMENT RATES

In an effort to bolster transshipment through the Port of Guam, Port General Manager Francisco P. Camacho announced today that the Authority will be dropping its transshipment rate for containers through a tariff policy memorandum. The new rate for all stuffed transshipment containers will be \$175. The Board of Directors approved the move at their meeting last Friday.

Under a policy memorandum that took effect in May, the Port had offered substantial volume discounts for transshipment containers. The published tariff rate is \$235 per container. The policy memorandum reduced that to \$225 per container for up to 49 containers, \$215 per container for up to 99 containers, \$185 per container for up to 149 containers and \$165 per container for over 150 containers. The new charge is across the board regardless of the number of containers transshipped.

Camacho said the move is an effort to help retain and expand the transshipment cargo coming to Guam. "Several of the smaller shipping companies are really hurting right now because of the economy and this reduction will directly benefit them," he said.

The reduced flat rate is something the Port was looking at implementing in the proposed tariff revision that was tabled earlier this year. Although initially the reduction will result in a minimal loss of revenue for the Port, it is expected to preserve a business that may be in jeopardy.

"It is more prudent for us to take a slight loss in revenues now and to concentrate on the long run by maintaining and expanding an existing business," Camacho said.

The new rates take effect Monday August 5, 2002 and will expire in six months. Prior to the expiration, the Port will conduct further analysis and decide whether to extend, adopt or rescind the rate.

30