

## **2014 Year in Review**

Strategic decisions over the past decade have positioned the Port of Vancouver USA to take full advantage of upticks in the global economy. Leveraging revenue, tax dollars, and federal and state grant funds, the port invested in critical infrastructure and assets, including rail, equipment and dock improvements. As reflected in the following 2014 summary of port business, these investments are paying significant dividends.

### **Record revenue, tonnage make 2014 biggest year in port's 103-year history**

Continuing a general upward trend in revenue, the port saw a 25 percent increase in operating income over 2013. Operating income rose from \$29.8 to \$37.5 million, making 2014 the best revenue year in the Port of Vancouver's 103-year history.

Total tonnage at the port was 6.6 million metric tons in 2014, an increase of 47 percent and another record-setting number for the port. Huge increases in grain exports and steel and wind energy imports pushed tonnage to impressive levels. Thirty-five percent more vessels and 23 percent more rail cars moved cargo to and from the port in 2014.

### **Operating income (25 percent increase from 2013)\***

- 2014 - \$37,547,076
- 2013 - \$29,878,920
- 2012 - \$32,561,000

### **Operating expenses (27 percent increase from 2013)\***

- 2014 - \$26,967,334
- 2013 - \$21,120,365
- 2012 - \$23,297,768

### **Net profit (21 percent increase from 2013)\***

- 2014 - \$10,579,742
- 2013 - \$8,756,496

- 2012 – \$9,263,006

**Total net asset increase in 11 years (178 percent increase over 2003)\***

- 2014 - \$474 million
- 2003 – \$170 million

*\*These numbers have not yet been confirmed by the Washington State Auditor's Office*

**Global demand drives impressive cargo tonnage increase**

In 2014, the Port of Vancouver saw a 47 percent increase in overall tonnage, taking tonnage to 6.6 million metric tons – another record-breaking number for the port. The port's cargo mix and tonnage is a good reflection of the national and global market, namely because materials essential to many industries move across its docks. This includes steel, bentonite clay, copper and wood pulp – all commodities that increased last year.

Grain exports are another indicator of the global market. As economies worldwide mature, consumers are demanding more grain products. All grains exported through the port saw gains in 2014, with impressive increases in corn and soybeans. These increases were made possible by partnership between the port and United Grain Corp., and both entities' willingness to invest in infrastructure to support the efficient movement of these products in a very competitive market.

Import volume more than doubled in 2014. Much of the increase was fueled by major gains in steel slabs and wind energy components, which require the port's unique equipment capabilities and laydown space. Subaru vehicle imports were up 18 percent, and the longtime port tenant continues to enjoy steady growth year over year.

**Total cargo tonnage (47 percent increase from 2013)**

2014 – 6,598,830 metric tons

2013 – 4,480,604 metric tons

2012 – 4,554,304 metric tons

**Vessel calls (35 percent increase from 2013)**

2014 – 452 vessels

2013 – 335 vessels

2012 – 351 vessels

**Total rail cars (23 percent increase from 2013)**

2014 – 56,291 rail cars

2013 – 45,584 rail cars

2012 – 40,430 rail cars

**Steady growth in exports continues**

Grain continues to be the largest export commodity at the Port of Vancouver by volume. Wheat, corn and soybeans combined saw a 53 percent overall increase from 2013. One factor affecting this increase is the growth of United Grain Corp. last year; the bulk agricultural commodity handler invested in its facility to take advantage of increased rail capacity from the port's West Vancouver Freight Access project. Scrap metal exports declined slightly due to fluctuations in currency and the global economy.

Below is a sample of the port's export cargo from 2012 – 2014.

**Overall exports (37 percent increase from 2013)**

2014 – 5,335,007 metric tons

2013 – 3,900,687 metric tons

2012 – 3,879,982 metric tons

**Copper exports (5 percent increase from 2013)**

2014 – 385,088 metric tons

2013 – 366,206 metric tons

2012 – 419,782 metric tons

**Bentonite clay exports (17 percent increase from 2013)**

2014 – 116,414 metric tons

2013- 99,457 metric tons

2012 – 145,606 metric tons

**Jet fuel exports (8 percent decrease from 2013)**

2014 – 31,294 metric tons

2013- 34,291 metric tons

2012 – 37,185 metric tons

**Wheat, soybeans and corn exports (53 percent increase from 2013)**

2014 – 4.29 million metric tons

2013 – 2.8 million metric tons

2012 – 2.6 million metric tons

**Wheat exports (31 percent increase from 2013)**

2014 – 2,588,643 metric tons

2013 – 1,970,112 metric tons

2012 – 2,346,112 metric tons

**Soy exports (89 percent increase from 2013)**

2014 – 741,675 metric tons

2013 – 391,984 metric tons

2012 – 195,503 metric tons

**Corn exports (115 percent increase from 2013)**

2014 – 962,909 metric tons

2013 – 447,007 metric tons

2012 – 63,000 metric tons

**Scrap metal exports (17 percent decrease from 2013)**

2014 – 351,675 metric tons

2013 – 424,868 metric tons

2012 – 538,078 metric tons

**Imports reach record numbers in 2014**

It was a great year for imports at the Port of Vancouver. Tenant Subaru of America had its best year ever at the port, with more than 81,000 automobiles imported from Japan. The port also saw the addition of two new types of imports in 2014: urea and steel slabs. Urea, an ingredient used as, or in, natural fertilizers, returned to the port with great numbers, bringing in just over 108,000 metric tons. The addition of steel slabs to our import repertoire helped us realize a 495 percent increase in steel imports over 2013. At the end of 2013, the port set a goal of increasing wind-energy component imports. We're happy to report we exceeded that goal in 2014 with a notable increase of 238 percent.

Here are some of examples of the port's tremendous year in import cargo.

**Overall imports (118 percent increase from 2013)**

2014 – 1,263,823 metric tons

2013 – 579,918 metric tons

2012 – 674322 metric tons

**Steel imports (495 percent increase from 2013)**

2014 – 590,170 metric tons

Of that, 424,071 metric tons were from steel slabs.

2013 – 99,225 metric tons

2012 – 165,304 metric tons

**Jet fuel imports (6 percent decrease from 2013)**

2014 – 65,503 metric tons

2013 – 70,000 metric tons

2012 – 81,581 metric tons

**Wind energy imports (238 percent increase from 2013)**

2014 – 25,228 metric tons

2013 – 7,470 metric tons

2012 – 47,876 metric tons

### **Pulp imports (22 percent increase from 2013)**

2014 – 73,282 metric tons

2013 – 60,082 metric tons

2012 – 55,888 metric tons

### **Subaru of America Inc. (18 percent increase from 2013)**

2014 – 81,718 vehicles

2013 – 69,378 vehicles

2012 – 46,084 vehicles

### **Diversity, expansion mark 2014 industrial accomplishments**

Industrial occupancy at the port continues to hover at an impressive 99 percent. The port's tenants offer a wide range of products and services – everything from wood paneling and aluminum extrusion to food transportation and electronics recycling. Some port tenants expanded operations in 2014, including Keller Supply Co., which doubled its space from 12,000 to 24,000 square feet. The port saw a 23 percent increase in rail cars, many from increased grain shipments for United Grain Corp., which saw big increases in corn and soybean exports. 2014 was also the first full year the American Empress docked at the port's Terminal 1 near the Red Lion Inn at the Quay. The riverboat attracted about 6,000 tourists to Vancouver's waterfront and downtown.

### **Environmental innovation, community investments continue**

For the fourth year in a row, the port continued its commitment to renewable energy through the purchase Renewable Energy Credits equal to 100 percent of its purchased electricity. The port also continued its efforts at innovative stormwater management through the use of biofiltration technology that enabled the port to meet its regulatory requirements to control zinc, oil and other runoff contaminants. The port's innovative stormwater management also included the installation of floating wetlands in its Terminal 4 stormwater retention pond to assist in reducing metals such as copper and zinc.

The port continues its installation of bike and pedestrian trails on Lower River Road. A grant awarded in 2013 will construct a new section linking the administrative building to C-Tran bus service. The grant also funded design of another section that will make all the trail pieces contiguous to Gateway Avenue. These projects are part of the port's overall plan to construct approximately 3.7 miles of safe passage for bicyclists and pedestrians along Lower River Road. When complete, the trail will connect downtown Vancouver to the Flushing Channel at Vancouver Lake. Future segments of the path will be funded as the

port's western properties, such as Columbia Gateway, are developed, or as additional grant funds are acquired.

The port has also entered into unique mitigation agreements with two local non-profit groups, Vancouver Watersheds Alliance and Friends of Trees. These agreements allow both groups to plant trees on behalf of the port to help mitigate for development of port properties and improve local urban tree canopy by establishing trees throughout the city of Vancouver.