Hanjin Pulls Plug On Port Of Portland

Jan Johansen  February 11, 2015

International shipping giant Hanjin, Shipping Company announced on February 10, 2015 that it will no longer be utilizing the Port of Portland for processing their container ships.

(Newswire.net -- February 11, 2015) Portland, OR -- The South Korean is the port’s largest customer and while it is terminating service with the city, it will continue using truck and rail carriers.

Hanjin accounts for over 75% of all of the container traffic at Terminal 6.

While Hanjin has not commented officially on the reason for their departure, the reason may be due to the over two year dispute with longshore workers.

This has not been the first time that Hanjin has threatened leaving as they announced similar plans two years ago but decided last year to stay as it reviewed the productivity and the costs involved.

Looks like they completed their review!

The announcement comes on the heels of a four day work stoppage by terminal workers where container ships await unloading. The International Longshore and Warehouse Union Local 8 had notified ICTSI, the terminal 6 operator on February 6 that they would not unload the vessel. Weekend work was also suspended by the Pacific Maritime Association in an attempt to gain leverage in union negotiations.

While longshoremen finally began unloading on the same day as the announcement, the work appears to be a day late and a dollar short.

Clearly the decision will have an impact on hundreds of jobs and is a clear blow to the region’s economy as Hanjin’s pullout will be a loss of an annual $83 million dollar customer, not to mention the much needed tax revenue to the port.

Remaining port customers Hapag-Lloyd, a German company who comprises about 25 percent of Terminal 6’s business, and Westwood Shipping, who send few ships through Portland have not made any announcements and will likely remain at the container terminal.

Politically the decision by Hanjin may be linked to Oregon Governor John Kitzhaber, who has long sided with the union workers.