

## *Southern Pride May 2008*

### **Hats off.**

To South Port, they have always been a fearless advocate for the Southland province not only as a good corporate citizenship which they display in their support for the Bluff community and the region in general and certainly display through their fifth stated objective "To assist the establishment of new industry and the growth of existing businesses in the southern region".

Why do I say this? Well four years ago, through shipping company restructuring, Southland lost an important service for our direct exports out of Bluff with what was known as the 'butter-fly' service, a terminology used for port to port freight loading pickup and although we were still left with an great support service from another international line, it did not suit the requirements of many of our larger exporters who then had to transport to Port Otago. This was not just an inconvenience for exporters it was a big increase in overhead and created a back log of traffic and freighting logistics issues, and it did create an economic disadvantage to the region.

South Port's management and their 'gutsy' directors who have never been known to sit back and sure they have to have a return on investment for the shareholders who incidentally the majority and largest shareholder is the Southland people through their 65% holding via the Regional Council, have be grappling with the wider issues that the changes had caused, came up with a plan. Working with the Mediterranean Shipping Company (MSC) we are to see not only the return of a service but an improved service. Effective from late May MSC, the second largest container mover in the world, will be servicing our exporters and importers on a weekly basic's through Bluff with their 'Capricorn' service. Exporters, Importers and the agents charged with freight movement logistics are delighted with the addition of this new tool in the armory of Southland products to market, and so they should be, but there is also another angle. With the shipping service comes the need for new infrastructure and the implementation of additional functions at the port, the result being that a full range of container support services will be established, this starts a momentum where as not only is it supportive to Southland industry but it puts security into Southland's ability to service Southland's exports, and from there we are likely to see new investment and industry in the region knowing that the cost and distance to market has just been shorted. Great stuff demonstrating that Southland is not as negative as some other parts of the country we are investing in our future and getting on with what we do best – being the tail in the fish, the part that continually moves the country along.

Richard Hay