The New Hork Eimes

February 23, 2006 The Operations

Work at Terminals Untouched by Firestorm of Security Debate

By PATRICK McGEEHAN

The work of taking what the rest of the world makes and moving it to American consumers went on as usual in New York Harbor yesterday. Giant cranes lifted steel containers off the decks of some of the world's biggest ships and stacked them for transfer onto trucks and trains bound for warehouses and stores.

The busy, noisy docks were just about the only place where the escalating debate over Dubai Ports World's acquisition of a British port operator did not drown out the central questions of just what a terminal operator does and how much responsibility it bears for security.

In interviews, port officials and executives with P & O Ports North America, a subsidiary of the British company, and other terminal operators said that while the Dubai-owned company would take on some security matters, for the most part the change in ownership would have little effect on the day-to-day life of the port.

The vast majority of workers who unload the big ships and send the containers on their way will be the same, whoever runs the place. At the Port of New York and New Jersey, as at other big American ports, the heavy lifting is done by members of the International Longshoremen's Association who are not employees of P & O Ports or its competitors.

One of those workers, Pasquale Petrecca, 31, said he was not too concerned about who owns the companies that run the terminals.

"If anything this might help us, give us more work," Mr. Petrecca said. "Any new company is good. It means more money, more revenue, more overtime. To me, it's about the dollar."

For now, P & O Ports operates container terminals at Port Newark and other big ports, including Baltimore, Philadelphia and New Orleans, as well as the passenger cruise-ship terminal in Manhattan. It is bound by federal laws and monitored by the Coast Guard and the Customs and Border Protection agency.

P & O's teams of managers, including 75 in the New York area, supervise the loading and unloading for their clients, the owners of the container ships. Few of the company's executives or employees, who have varied national backgrounds, ever come into contact with the containers or know what is in them, said Robert Scavone, an executive vice president of P & O Ports, who oversees security for the company.

When a 1,000-foot-long ship arrives from Shanghai, a team of longshoremen scrambles aboard to unlash

containers and open hatches. Other longshoremen operate the giant cranes that lower the containers onto the dock and still others match up the cargo with trucks that have been dispatched to carry it off to market.

"Any movement of cargo from the bottom of the ship to the tailgate of the truck leaving the port is handled by I.L.A. labor," said James A. McNamara, a spokesman at the union's headquarters in Manhattan. Even the porters who carry passengers' suitcases onto cruise ships on the West Side are longshoremen, he said.

The union added its voice this week to the calls for a rigorous investigation of Dubai Ports World and how it would operate in America. But Mr. McNamara said the union's members, who routinely work for companies based overseas, had no specific objections to the sale, only concerns about the role of the Dubai government.

"We don't think it's unreasonable to just review everything again and have the Bush administration reveal to the American people the exact nature of the background check and the security check to relieve the fears that are out there," Mr. McNamara said. "Whether they are legitimate or not, they are there."

Officials of Dubai Ports World have said that they intend to keep P & O Ports's management team in place after the purchase, which is scheduled to close on March 2, and they will abide by any security rules imposed on them.

"The change in ownership in no way changes who will be dealing with the day-to-day aspects of security," said Michael J. S. Seymour, president of P & O Ports, whose headquarters are in Iselin, N.J.

But those assurances have not doused the firestorm in Washington over what has been portrayed by several Congressional leaders as a foreign government taking over America's ports.

The Dubai company would not control the entire ports, but terminals within them. Some American ports, including those in Baltimore and Savannah, are operated by local authorities. But the Port of New York and New Jersey, like others in the Northeast, leases its docks to companies like P & O Ports to operate.

In New Jersey, Dubai Ports World would provide stevedoring services and operate half of the Port Newark Container Terminal, which is the third-largest of six container terminals around New York harbor.

Only two of the other five have American operators. The rest are controlled by shipping conglomerates from Hong Kong and Denmark.

All but one of the terminal operators are tenants of the Port Authority of New York and New Jersey and are responsible for maintaining security on the property they rent. They are required by federal law to file their plans for controlling access to their facilities with the United States Coast Guard, which has jurisdiction over port facilities.

The ports in the New York area have an additional layer of screening that is unique, port officials said. As a vestige of the investigations into the corruption that pervaded the waterfront in the early 1950's, the Waterfront Commission of New York Harbor, a bistate police agency, conducts background checks on every worker who comes into contact with cargo, said Thomas De Maria, executive director of the commission.

"The major concern is will this company bring in its own workers," Mr. De Maria said. "That's not a concern in New York and New Jersey, because of the waterfront commission. We are the gatekeepers."

The job of trying to spot suspicious cargo and check it before it leaves the port lies with the customs service, port officials said. At Port Newark, customs agents regularly choose a small number of containers — about 7 percent of all those that arrive — to be separated on the dock and scanned with a portable X-ray machine. Many of these are containers they consider suspect.

If they continue to suspect something is amiss, they can order the opening and emptying of a container. All containers leaving the terminal pass through radiation detectors on their way out.

Terminal operators like P & O Ports stand near the last line of defense against terrorists intent on sneaking weapons or hazardous material into an American port, Mr. Scavone said.

"If some bad guy put some bad thing in a container far away and managed to fool a carrier into agreeing to carry it and to fool the customs authority in that remote country into allowing it to leave," he said, "the real problem is the box never should have arrived in the port in the first place."

John Holl and Eric Lipton contributed reporting for this article.

Copyright 2006The New York Times Company	<u>Home</u>	Privacy Policy	Search	Corrections	XML	<u>Help</u>	Cont
--	-------------	----------------	--------	--------------------	-----	-------------	------