



## Boom proves temporary for Texas ports

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Immediately after Hurricane Katrina, Texas ports fielded lots of calls from companies and shippers looking to reroute goods bound for places like New Orleans and Gulfport, Miss.

A year later, Freeport is the only Texas port that has seen a significant boost in business. Damaged Gulf ports including Gulfport, Miss., the hardest-hit by Katrina, have battled back to reclaim at least some of their lost business.

"The gulf ports have been extremely resilient, coming back stronger than they were pre-hurricanes in several cases," said Aaron Ellis, a spokesman for the American Association of Port Authorities. "Except for Gulfport and Pascagoula, the ports really have roared back to pre-Katrina levels and beyond."

Port Freeport has begun sending paper to Central and South America that will be turned into large cardboard boxes for fruit shipments, but it has lost some of the new traffic it gained immediately after the storm.

Fruit shipments diverted to Freeport have gone back to Gulfport. But Port Freeport's volume and revenue are up 10 percent to 15 percent as a result of its new paper business.

"Companies have adopted this philosophy that they don't want to put all their paper eggs, per se, in one basket," Port Freeport Director Pete Reixach said.

Although Maersk Line, one of the world's top shipping companies, began rerouting some of its Louisiana-bound Central American traffic through Houston, Port of Houston Authority Executive Director Tom Kornegay said his port saw only "a very small amount" of diverted shipments.

At the Port of Corpus Christi, the story is similar.

"We still weren't totally out of the hurricane zone," said John Valls, the port's marketing manager.

Less than a month after Katrina, Corpus Christi, Houston, Galveston and Beaumont were among the Texas port cities preparing for Hurricane Rita, at one point a Category 5 storm that led to mandatory evacuations along the Gulf Coast.

Rita made landfall as a Category 3 storm near Sabine Pass, sparing Texas ports from severe damage.

Although repairs have been made all along the Gulf Coast, the devastation

caused by Hurricanes Katrina and Rita served as a lesson.

"Every port meeting that I've gone to in the last year, there's been some sort of presentation on the results of Katrina and Rita," Kornegay said. "All of the ports impacted have shared their stories, and that can have a real impact on your planning."

Planning is key for ports coming back after a hurricane, said Jean Godwin, executive vice president and general counsel for the American Association of Port Authorities.

"If you have a plan in place, it's a lot easier to get back up and running," Godwin said.

Part of the reason the Port of New Orleans was able to regain pre-Katrina cargo levels sooner than anticipated was because the damage it suffered was caused mostly by wind, not the unprecedented flooding that devastated the city. But the port still had to figure out how to get paychecks to employees, protect data, and get access to the information necessary to keep business moving.

Now, the port association is helping other ports plan for such scenarios — including linking hurricane-tested officials with those who have less experience.

Freeport's Reixach, though, is worried that port officials' commitment to hurricane preparedness and response capabilities is subsiding.

"Post-Katrina, there was a great concern about precautions to take in the event of

a hurricane, but now I sense that there's just not a high level of urgency," he said. "With the industry as a whole, there is a certain level of apathy, and that concerns me."