COMHLACHT CHALAFORT ÁTHA CLIATH
DUBLIN PORT COMPANY

Dublin Port Masterplan

Internal Report #5

Trade Cars

27th September 2011

Trade car volumes, 2000 to 2010

Trade vehicles (new and second hand cars, trucks etc.) are imported through three ports in the Republic of Ireland, of which Dublin Port is the biggest:

	2007	2010	% change
Dublin	144,866	47,333	-67.3%
Cork	77,415	30,343	-60.8%
Rosslare	25,739	17,767	-31.0%
Total	**248,020**	**95,443**	**-61.5%**
Dublin	***58.4%***	***55.8%***	

Source: CSO (with Dublin figures corrected)

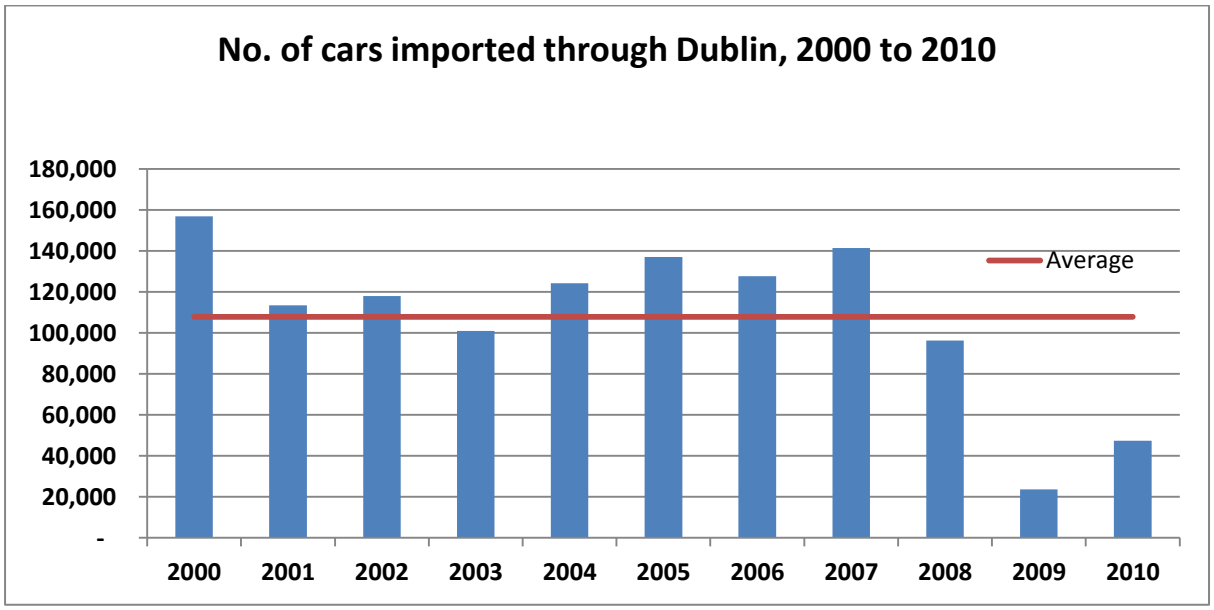
At the peak of the boom in 2007, 248,020 trade vehicles were imported through Irish Ports. Dublin Port accounted for 58.4% or 144,866.

By the end of 2010, the number of trade vehicles imported into Ireland had declined by 61.5% and Dublin Port's volume had declined to 47,333.

Over the period from 2000 to 2010, the average number of trade cars imported through Dublin annually was 108,000.

This average was greatly exceeded in 2000 (157,000 cars) and in the years up to the severe economic downturn in 2007.

From a low of 24,000 cars in 2009, annual volumes increased to 47,000 in 2010 and, at the time of writing, it appears that the volume for 2011 will be in this order.



Trends in trade car shipping services

Over the past decade there have been considerable changes in the nature of shipping services catering for trade cars.

In the past, cars were imported into Ireland primarily on large deepsea car carriers (operated by, for example, K Line and Wallenius), many travelling from the Far East and carrying cars for various countries in Europe including Ireland.

Given the small size of the Irish market, it became more economical for many of these large car carriers to discharge cars destined for Ireland in European ports (such as Zeebrugge) and to use dedicated Ro-Ro feeder services (e.g. UECC).

The large decline in the car market in recent years coincided with the commencement of Ro-Ro freight services from Continental Europe (Rotterdam and Zeebrugge) on which trade cars are carried as an additional cargo to Ro-Ro freight and, at this stage, the majority of cars transported into Dublin Port are carried on Ro-Ro ferries alongside other Ro-Ro traffic including freight trailers, containers and passenger cars.

	Ferries	Car carriers	Total	Ferries as %
2000	16,698	140,104	156,802	10.6%
2001	23,056	90,312	113,368	20.3%
2002	17,101	100,924	118,025	14.5%
2003	14,261	86,601	100,862	14.1%
2004	18,612	105,615	124,227	15.0%
2005	19,014	117,997	137,011	13.9%
2006	10,495	117,116	127,611	8.2%
2007	8,479	132,822	141,301	6.0%
2008	7,143	89,049	96,192	7.4%
2009	4,586	19,012	23,598	19.4%
2010	28,767	18,566	47,333	60.8%

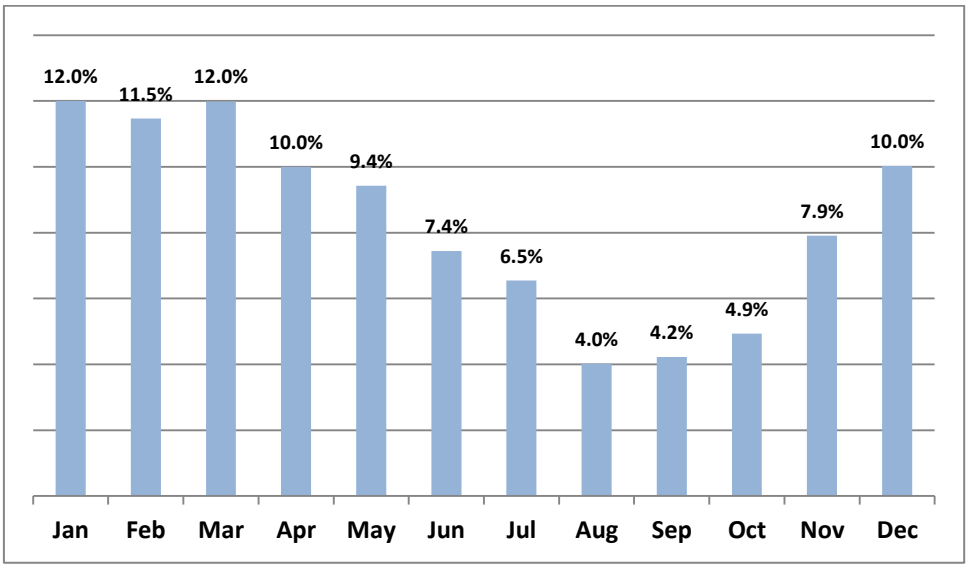
Source: DPC

The result of these trends is threefold:

- Firstly, the average size of trade car consignments has fallen.
- Secondly, these smaller car consignments are shipped more frequently
- Thirdly, 61% of trade cars are now shipped on multipurpose Ro-Ro ferries

Facilities for transit storage of trade cars in Dublin

From the Port's operational efficiency perspective, it is desirable to have more frequent shipments of smaller consignments of trade cars as they tend to require significant transit storage capacity. In addition, the business is concentrated around the end of each year and the first quarter of the following year required a seasonal demand for storage capacity.



In the past, the organisation of the storage of cars in Dublin Port was poor. Cars were fitted in wherever there was room; sometimes amidst Ro-Ro trailers or shipping containers, sometimes down side roads or between sheds. In addition, car storage compounds were outside of the Port's control with, for example, car transporter companies using the car storage yards to store their equipment.

In recent months, DPC has taken more direct control of car storage operations in order to achieve better utilisation of port lands. This includes the raising of the Port's historically low goods dues to generate a return from the transit storage of trade cars commensurate with the levels attained from other cargo types (such as Ro-Ro trailers, containers and petroleum products).

The arrangements also include measures to encourage the transit of trade cars through the Port. These arrangements are in the form of dwell time charges as described below.

Charge	Rate[1]	Comment
Goods dues	€12.00 per car	Increase from current rate of €6.43
Dwell time – Ocean Pier and similar quayside areas (excluding Ro-Ro terminals)	Storage available subject to prior agreement with DPC. 24 hours free storage from ship arrival. €15.00 per car per day or part thereof thereafter	The storage charge is high to act as a strong deterrent to overstayers
Dwell time – DPC car compounds (excluding Ro-Ro terminals)	Free storage period on day of discharge plus five calendar days. €5.00 per car per day or part thereof thereafter	Current free time is seven working days and the charge thereafter is €13.00 per car per day

It is against this background that we must plan for the provision of transit storage capacity.

Future requirements

Given the large year to year fluctuations in car volumes and the high peaks within the year, there is a balance to be struck in deciding how best to provide for the needs of the car trade:

1. The Port needs to be able to cater for the average volume experienced over the past decade (108,000 cars) and should, ideally be able to cater for peak years above this (such as in 2000 or 2007 when 157,000 and 141,000 cars were imported respectively).
2. Facilities need to be of a reasonably high quality with good even well drained surfaces, adequate lighting and high security.
3. Storage areas should be dedicated to the car trade to the greatest extent possible rather than cars being stored in areas alongside other cargo types such as freight trailers and containers.
4. The high mobility of cars should be exploited to allow for the use of port lands away from the quay wall which would not otherwise be used for other types of cargo such as unitised freight.
5. Assuming a planning volume of 150,000 cars, facilities would have to be sufficient to handle 18,000 cars in a peak month.
6. Assuming these volumes were evenly distributed across the peak month and an average dwell tome of three days, would imply a dedicated car storage facility would need storage capacity for 1,800 cars.
7. Given that volumes in the peak month will not realistically be evenly spread across the year implies that higher storage capacity would be required to avoid congestion bottlenecks disrupting the flow of trade cars through the Port.

[1] All charge rates are stated before VAT

Taking all of the above factors together, the Port has identified the 4.3 hectare site between East Wall Road and the Dublin Port Tunnel as a potential dedicated car storage compound (see the plan in the Appendix).

This site has storage capacity for in excess of 2,300 cars. Access to the site would require a bridge across Bond Road.

Whereas these lands were in the past thought about as being potentially suitable for development for alternative uses, there is little likelihood of their having any development potential for decades. Furthermore, if they can be used for the transit storage of trade cars, other lands within the Port closer to the quay walls will be available for storage of other cargo types (particularly Ro-Ro trailers and containers), thereby reducing the pressure to increase the Port's land area by reclamation.

Appendix – Location and layout of proposed car storage compound on East Wall Road