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15 *Minutes* With . . . **New Federal Maritime Commissioner Mario Cordero**



Long Beach attorney, college professor and former harbor commissioner Mario Cordero was recently approved by the U.S. Senate as one of five members on the Federal Maritime Commission. (Photograph by the Business Journal's Thomas McConville)

Mario Cordero, an eight-year Long Beach harbor commissioner who helped launch the Port of Long Beach's Green Port Policy in 2005 and the clean trucks program, is now taking on a different role on a much larger stage as one of five members of the Federal Maritime Commission (FMC) in Washington, D.C.

Once the U.S. Senate confirmed the appointment by President Barack Obama, the longtime Long Beach City College political science professor and workers' compensation lawyer moved to the East Coast into his own office. He attended his first meeting on June 8. He leaves behind an empty – and coveted – seat on the five-member harbor commission.

The independent federal agency regulates the nation's international ocean-bound transportation for the benefit of exporters, importers and the American consumer, according to the FMC Web site.

Cordero, whose term runs through June 30, 2014, is the only commissioner from a port authority and from the West Coast.

He says he brings exactly the kind of fresh, new perspective the FMC is looking for.

Although the FMC was once opposed to the clean trucks programs in Southern California due to fears of increased transportation fees and "anti-competitive" conditions, it has since taken a new look at environmental initiatives and public health impacts, according to Cordero. With the clean truck program nearing full compliance by January 2012, along with strides in incentivizing vessels to use low-sulfur fuel, the Long Beach port's environmental initiatives, he notes, have become a model for the rest of the world.

Cordero says that it was his involvement with the Green Port Policy that played a major part in his appointment. "I think it was, I'm sure, in large part due to what we've done at the Port of Long Beach, not only in terms of growth, but 'growing green,'" he says. "I think that is a measure that is now being looked at, particularly in this administration."

In this interview with Business Journal Staff Writer Sean Belk,



Mario and Gloria Cordero, a principal with ABC Advocacy Group in Long Beach, are long-time active members of the Long Beach community, each serving leadership rolls on a variety of organizations. Both are educators – he most recently as a professor at Long Beach City College, and she as a 5th to 8th grade teacher with the Long Beach Unified School District in the 1970s, followed by work with a state assemblyman then, beginning in 1983, a 17-year career with Southern California Edison where she continued to focus on education in addition to other responsibilities. He received his law degree from the University of Santa Clara; she received her masters in public administration from USC. (Photograph by the Business Journal's Thomas McConville)

Cordero shares his thoughts on his new role with the FMC, advice for incoming harbor commissioners and discusses national issues such as the Panama Canal expansion and free trade agreements. Cordero's passion for democracy, his Hispanic-American heritage and his community are readily apparent. Now, he says, he is stepping back from his prior duties to remain impartial on a board that regulates ports across the country.

LBBJ: What is your role with the FMC and what exactly does that involve?

Cordero: The role of the FMC, even though it's an independent regulatory agency primarily responsible for regulating ocean-borne transportation to the United States, also has jurisdiction over the intermodal process, which we call the non-vessel operating common carriers and freight forwarders. Then there are terminal operators and cruise lines. With that role, basically, we're talking about making sure that we have goods that flow in an efficient manner here in this country. The FMC's primary role is to ensure fair, efficient and reliable international ocean transportation. There's also another component to protect the public from unfair and deceptive practices.

LBBJ: What is the difference between being a harbor commissioner and having a seat on the FMC?

Cordero: On the FMC, you are essentially representing the nation on these issues as opposed to a commissioner on a port authority, in my case the Port of Long Beach, where the interest is to further the operations of the port. In Long Beach, we have a rather unique situation. Actually, it's not so much unique anymore, but there's a balancing component of making sure we work well with the city. So I think that same balance, so to speak, to a certain extent, would apply here, because in the end we answer to

Congress. We're not advocating a particular region or a particular port authority on issues that have up-close, national impact.

LBBJ: Is there a distance that you have to keep with the Port of Long Beach, given this new position?

Cordero: There is a distance that you have to take in that you don't want to be perceived that you have any biases or involvement with any particular port. But on the other hand, I think quite frankly [my appointment had] a lot had to do with the involvement and work that I did on the Green Port Policy. A second factor, I'm sure, was that the FMC needed a West Coast perspective and, more specifically, people who have that port authority experience . . . because, over the years – and it's certainly not by intent or design – the FMC has not had that. Clearly not from the West Coast. Also, I'm the only person on this commission that comes directly from a port authority as a commissioner. In my opinion, on a policy-making body, it's a very necessary perspective.

LBBJ: Are you going to continue your teaching and law practices?

Cordero: No. As part of accepting this appointment, a requirement was that you have to relinquish your involvement with all your activities, including your employment. That's what made this decision so difficult. I love teaching. I've been teaching at Long Beach City College for some 15 to 16 years . . . To a certain extent, teaching gave me one of the strongest perspectives one should have as a public servant: Democracy works and it's great. Part of that requires people to involve themselves in their democracy and, as a policy maker, to ensure that the decisions you make are fair to all involved. I think that was my experience at the Port of Long Beach.

LBBJ: How do FMC decisions relate to the Port of Long Beach?

Cordero: Chairman Richard A. Lidinsky, Jr., has really elevated the FMC in recent years to address some relevant matters. Environmental issues, for example, have been a subject of discussion. Can the FMC, or does the FMC, elevate itself as a clearinghouse for environmental initiatives? Let's take the practice of slow steaming, which the commission is looking at. What are the issues involved, not only in terms of the environmental aspects, but within the industry in terms of costs? These are rather interesting issues to debate [considering] the era that we live in; we talk about moving the goods in maritime terms, but we're also talking about moving those goods in an efficient and sustainable manner.

A good example, to put this into a local perspective in Long Beach, is I recently read that PierPASS in the Long Beach and Los Angeles area is now moving forward to increase the fee amount. That fee comes as a result of an agreement with the terminal operators and the port authorities in Los Angeles-Long Beach, which essentially has to be approved by the FMC. So when you look back at how PierPASS evolved, the FMC had to gauge from a cost basis whether the agreement with the terminal operators was going to hurt the industry. These are initiatives that come about in today's modern international trade community, because we are talking about urban areas with a unique scenario. In the case of PierPASS, we need to address the issue of making sure we spread out the operation so that we avoid issues of congestion on the 710 Freeway. I think those are areas in which the FMC involves itself in terms of making sure we not only protect the industry and movement of goods, but also protect the public from unfair and deceptive practices.

LBBJ: What is your perspective on the impacts the Panama Canal expansion will have on West Coast ports?

Cordero: There's been a lot of talk about the impact of the Panama Canal. We won't know the extent of the impact until probably 2019. The expansion is to be completed in 2014, but it will take a few years before West Coast ports are able to assess the impact. Some experts . . . believe the impact may not be as great as some people fear. I tend to follow that observation.

But let us suppose that there's a 10 percent impact. If you approach this as operating a business, as the Port of Long Beach does, and you know you may lose market share, you start exploring other markets. That's where Latin America comes in, because that canal runs two ways. It is possible that perhaps the South American market, in particular the great economic success stories of countries like Brazil, that in future years that market might use West Coast ports. . . . I know more and more people are now more sensitive to the potential of the Latin American market.

There is always going to be demand and an option to move cargo by truck, but I think the more we speak about the Western Hemisphere moving its trade and cargo by vessel up the Pacific Coast . . . these are the out-of-the-box type of thoughts that we need to have in California, and using our ports to develop that dialogue, be it Mexico or be it the Central American countries. . . . I

think that it's very important for ports to have dialogue with many markets in the world.

LBBJ: Are free trade agreements something on which the FMC is going to take action?

Cordero: The free trade agreements are something that Congress will be taking action on. But I'm sure once those come into place, the activity as a result of those trade agreements will be increasing. For example, we could increase trade with South America. The Central, and South American and Latin American trade is increasing now, but over the years it may be even more beneficial after the culmination of the Panama-Columbia Free Trade Agreement. Again, you need to begin to prepare to diversify your market.

LBBJ: Do you feel the appointment of your replacement on the Long Beach harbor commission should consider ethnic diversity?

Cordero: I think diversity is very important. Mayor Bob Foster has shown that in his appointments and in his policies. Whether the mayor chooses to exercise it for this particular opening, that's another question though. When you look at the involvement of the commission over time, I think diversity is important. One example of that is when I sat on the port, I placed a lot of emphasis on Latin America. I seemed to be at times uniquely focused on that as opposed to prior commissions which may have even been resisting them.

LBBJ: Do you have any guidance for incoming Long Beach harbor commissioners?

Cordero: When you come on to the Port of Long Beach as a commissioner, you should be prepared not only to discuss an agenda, but you should be prepared to be out there in the community representing the port. I think the commissioners in recent years have done a good job about that. I am confident the mayor will make the right choice. His office has done very well in making sure there's a balanced approach to appointments. . . . the fact that we're all in Long Beach, whether it be redevelopment or parks and recreation, we need to do what's best for the city and the community. Of course the harbor is rather unique. But, nevertheless, a commissioner should be very cognizant of the fact that it's also important to have that relationship with everyone in the city, be it the chamber, the nonprofits, or the educational community, because that's what I believe an economic engine has as a responsibility.

LBBJ: Is there anything else you would like to add?

Cordero: I think the average person in Long Beach may not realize the impact that the Port of Long Beach's environmental initiatives have had on the maritime industry, not only on a local and national level, but on an international level. I used to say, when I first became a port commissioner in 2003 . . . whatever these ports do, all eyes are on these two ports, Long Beach and Los Angeles. They are the leaders in containerization, for sure in the nation and one of the leaders in the world. It's interesting to see not only domestic ports, but also international ports moving forward with substantial environmental initiatives, which of course are balanced and prove that you can grow green. ■