

BALTIMORE SUN

The port is on a roll

State inaugurates new warehouse for storing paper

By Laura McCandlish

Sun reporter

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With imports surging, the first load of giant rolls of glossy paper have begun filling a new \$26.3 million state-built warehouse in South Locust Point.

As stevedores worked to transfer 5,550 rolls weighing as much as 7,000 pounds each from a Finnish freighter - a three-to-four-day job - port officials and executives of Finnish paper maker M-real yesterday said the new warehouse was already paying off with added business for the Helen Delich Bentley Port of Baltimore.

Increased shipments from M-real and another Finnish paper company, UPM-Kymmene Corp., have helped the port of Baltimore cement its position as the top importer of paper and other wood-derived materials in the country, said James J. White, Maryland Port Administration's executive director.

"We feel we have a real niche for forest products," White said at the official opening of the new 215,000-square-foot storage facility. "I don't think we'll see a significant drop [in imports], because they're doing consolidation."

Since signing a six-year renewable agreement with the port in November 2005, M-real has diverted shipments from Philadelphia to Baltimore, doubling its local imports to 300,000 tons annually, said Jorma Sahlstedt, M-real USA Corp.'s president.

In exchange, the Maryland Port Administration agreed to build the warehouse and a new rail loading dock and ramps that allow flatbed trucks to directly remove paper rolls from the belly of a ship.

While the U.S. economic meltdown has reduced domestic paper consumption and increased production costs for the Finnish company, Sahlstedt said, "I don't really see demand going down. The economy will come back."

Glossy paper imports last suffered a serious setback after the Sept. 11, 2001, terror attacks, said Ricardo L. Schiappacasse, director of forest products for the Maryland Port Administration.

M-real's paper is made into a range of household products: glossy magazines and catalogues, cosmetics packaging and the cartons that hold 12-packs of beer.

About 150 to 200 trucks a day carry out the paper rolls, which each weigh between 3,800 and 7,000 pounds a piece, Schiappacasse said. Other paper loads go out by railroad, on the CSX tracks that serve the terminal.

During White's first tenure as the Maryland Port Administration's director in 1999, he said he faced a dilemma: either tear down the sprawling South Locust Point paper sheds to create more land to stack containers, or build the facilities up.

A strategic plan put in place in the 1990s called on Baltimore to pursue paper and other niche cargo such as cars, farm and construction equipment.

White pushed for the port to increase its market share of paper and other related products, such as Brazilian-imported pulp and lumber. Paper imports have since surged, from 185,000 tons a year about six years ago to 1.4 million tons annually now, he said.

Baltimore also is one of the nation's top handlers of farm and construction equipment and auto exports.

Yesterday stevedores hired by BalTerm, the company that handles all of the public port's paper, gently wrapped forklift arms around the brown paper-covered rolls from a Dutch freighter, taking care not to tear the contents. They stacked rolls in a corner of the new warehouse, which can hold 10,000 of them.

BalTerm now employs 72 unionized longshoremen at South Locust Point and is adding eight to 10 more jobs, said Ron Cooper, the company's general operations manager. "What's nice about this business is that it's very labor-intensive," White said.

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Journal of Commerce

Port of Baltimore opens new paper warehouse

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By The JOURNAL of COMMERCE ONLINE

The Port of Baltimore on Wednesday opened a new 215,000 square-foot paper warehouse.

The new warehouse is part of an agreement signed between the Maryland Port Authority and paper maker M-real of Finland in 2005. The six-year contract with two six-year renewal options commits M-real to bring 300,000 tons of paper into the port annually.

The warehouse has a rail loading dock 810 feet in length and two long ramps 60 feet in length. The facility has a total of 12 loading docks and can accommodate approximately 10,000 rolls of paper.

Paper shipments will be trucked off ships via a new loading platform that opened in 2007.

Baltimore Forest Products Terminals LLP is the stevedore and terminal handler for M-real.