

Q & A WITH JOHN PARROTT

TWA members and others are talking to writer Sharon Babcock about enduring inspirations, life lessons, and perspectives from their experiences on the working waterfront.

This month is the 12th installment in the series: John Parrott, president of Totem Ocean Trailer Express (Totem Ocean).



“Residents of Alaska can buy a tomato, a fresh head of lettuce, or a gallon of milk because the state is served by a robust transportation system,” says John Parrott, president of Totem Ocean Trailer Express. “Everything in a store comes off our ships, including the cars in the parking lot and often the building itself. Thirty years ago major retailers were not present in Alaska. Now you can find a Fred Meyer or even a Cabellas -- an improved quality of life for the residents of this state. Much of that cargo moves by water through the Port of Tacoma.”

Since setting sail as a one-ship company in 1975, Totem Ocean has become the premier provider of ocean transportation service between the ports of Anchorage and Tacoma. A privately-owned Alaska corporation, Totem Ocean operates a fleet of roll-on/roll-off cargo ships in addition to providing overland highway and intermodal connections throughout greater Alaska, Canada, and the lower 48 states.

In 1984, Totem Ocean moved into a \$10 million facility on Tacoma’s Blair Waterway. In 2002, it moved its corporate headquarters from its longtime location in downtown Seattle to a new facility in Federal Way. John Parrott was named president of the company in 2009 after 10 years sailing around the world as chief mate of the company’s SS Northern Lights, as general manager for Sea Star Stevedore, and as Alaska general manager of Totem Ocean. In addition to overseeing the company, is a member of the Marine Transportation System National Advisory Council, a group established to advise the secretary of Transportation. He is a Tacoma resident and active in the local community, serving on the boards of Tacoma-Pierce County Chamber of Commerce, Seaman’s Services, and the Annie Wright Schools.

Q: What brought you to this work?

A: My family has roots in the Northwest and Alaska and a deep history in maritime life. I am the fifth generation. My father was a naval officer and aviator; I lived on a sailboat when my family took it through the Panama Canal and into the Atlantic when I was 12 years old. I was a Sea Scout, and early on learned to keep moving rain or shine. Those things set my direction. My grandparents taught me that the Northwest is a place where you have the chance to make a difference. In high school, I visited the Merchant Marine Academy in Kings Point, NY, decided to complete its program, and knew this was the business I wanted to be in.

Q: What might people not know about the Merchant Marine?

A: The first US Navy was made up of ships built in shipyards designed to build merchant ships. The Merchant Marine Academy grew out of the result of the fatalities from U-boat strikes in World War II. The Merchant Marine is part of a national sealift strategy in time of war. Because of the industry structure (Parrott is also a Navy reservist), the effective size of the Merchant Marine force can be doubled. In 2003, the US Military Sealift Command chartered Totem Ocean's SS Northern Lights to ship Marine Corps rolling stock, assist with the return of war equipment to the United States, and carry materials for rebuilding Iraq.

Q: What role does ocean transport services play in the economy?

A: That it is a critical part of the economy. Much moves by water and it is generally unseen. This was first a maritime nation, then rail-based, then road-based. Our economy has never stopped being maritime-based. As the impact of the cost of roads becomes felt, we learn that there are no "free" ways. When roads get congested, we look at rail. Although water is the most efficient and economical way to move goods, it is often looked to last.

Q: TOTE was recently named as a 2014 World's Most Ethical Company. Why?

A: That honor came to our parent company, Saltchuk, and came from the Ethisphere Institute, an independent center of research promoting best practices in corporate ethics and governance. It awarded three companies in the transportation and logistics industry this year. The award recognizes organizations that continue to raise the bar on ethical leadership and corporate behavior. The award was an affirmation of what we believe and what we were already doing. Our goals are: 1) do the right thing, and, 2) create work environments where anyone would be proud and comfortable to have their children work. That plays out in emphasizing safety. Every conversation and meeting begins with it. Add to that respecting ideas and creating an environment where people are happy. This comes from the company leadership and has been consistent throughout the years. We are proud that in the recent economic downturn we had layoffs but never cut employee training or our long-term commitment to assistance for education.

Q: What is TOTE doing with Liquefied Natural Gas?

A: We are the first maritime company in the nation to convert our fleet to natural gas. We are re-engineering Totem Ocean's two vessels serving in Alaska to run on natural gas and our parent company is building the world's first liquefied natural gas (LNG)-powered containerships to serve Puerto Rico. Tacoma will be the first port on the West Coast to have LNG supply. While LNG as a maritime fuel is not new, it's been around for more than 40 years in Europe, supply has not been available in the United States until now. LNG greatly reduces emissions and has an impressive safety and environmental record. LNG is created when natural gas is cooled to -260 degrees and the sub-zero temperature turns the gas to liquid which can then be transported in insulated tanks aboard ships. We started the process of converting our ships in 2012 and expect to be fully converted by 2017. Our converted, our ships will be well below even the world's most stringent air quality standards.

Q: What economic impacts affect your work?

A: The recent downturn in global shipping reminded port cities not to forget their base. It was a wakeup call to remind us of what made Tacoma successful in the past, a past where we could accomplish almost anything. The Port of Tacoma growth came from having a diverse base, this was also true during the post-downturn recovery. We learned that success takes hard work and an ability to look at the opportunities in a wider range of cargos and industries.