



NEWS RELEASE

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Rod Grout Steps Down As Pacifica Shipping's CEO

Rod Grout is stepping down from his role as chief executive of Pacifica Shipping and The Pacifica Transport Group after 25 years in the position.

He retires at the end of this month and will take up a consultancy role for The Skeggs Group of companies, owner of Pacifica's transport operations.

He is continuing as a director on the board of Skeggs, which also has interests in seafood, wine and tourism activities.

Mr Grout has led Pacifica's sea and land-based transport activities since the company began with one ship on the Wellington-Lyttelton run in 1985.

In that time he has pioneered many national transport initiatives including new coastal shipping routes, inter-modal freight connections and cargo distribution networks.

He was also closely involved with the New Zealand Shipping Federation, serving as its president for 12 years until 2008.

"To say that much has happened in the transport sector since 1985 would be something of an understatement," Mr Grout said.

"We have had the coast opened to overseas operators, the railway system privatised then rescued by the state, and unrelenting growth in road freight between main centres.

"Through all this coastal shipping has had to struggle for recognition against competition that operates tax-free, or is heavily state-subsidised.

"Coastal shipping is the only transport mode that has always covered its full infrastructure and operating costs and continues to do so."

Such a disadvantage failed to deter Pacifica Shipping from successfully expanding its network to four ships linking eight ports during the late 1990's and up to 2004.

"While we have had to reduce the number of vessels in our fleet of late, we are now carrying more containers than ever before," Mr Grout said.

"Despite the present government's apathy towards domestic shipping, I see companies like Pacifica playing a significant role in New Zealand's economic prospects in the years ahead.

“It is unrealistic to expect a doubling of internal freight volumes by 2030 to be handled by land transport, without the support of coastal feeder services connecting major ports.

“Mounting pressure to adopt one or two big hub port locations to accept the next-generation of international vessels is further justification for an expanded coastal feeder network.”

Mr Grout said he was baffled by the current government’s indifference towards fostering a healthier and more balanced transport sector.

“By failing to consider the need for a fair fiscal policy reflecting the strengths of all transport modes, this government risks our success as a trading nation,” he said.

“No country that operates efficiently can afford to overlook the importance of its shipping connections, both at domestic and international levels.”

For over a decade Mr Grout has strongly advocated progressive port consolidation and rail rationalisation, plus realistic road user charges that reflect the true cost of trucking goods long distances.

“It is gratifying to see more and more evidence that these issues loom as key influences in the transport sector, as highlighted in the Rockpoint studies for example.

“At the same time it is disappointing to see they are taking so long to come to fruition, but I have no doubt they will happen in time.”

Mr Grout was recognised for his services to the transport and maritime sectors when he was awarded the ONZM in the recent New Year Honours.

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