

Matt Beeton

Focus speaks to Matt Beeton about the importance of the Port of Tyne to the region, his role in making sure the sector collaborates more and the need to improve the impact of ports on the environment.

Can you give us a bit of background into the services you offer at the Port of Tyne and the essential role you play in the movement of goods and people?

The Port of Tyne is a wonderful place. It has been a port for almost 2,000 years and there are still remnants of the old Roman port. Traditionally it was a coal port, but that has dropped off over the last 10 years. When I started here in 2019 it was important to me that we began to think differently about our future. Now our focus is on clean energy, renewables and supporting our existing markets, such as automotive. We said goodbye to our last coal shipment in February and last year launched Tyne Clean Energy Park, to provide a convenient, versatile, strategic base for the north-east's rapidly growing renewable energy sector.

The port is one of only two deep-sea ports in the region and we can cater for more than 90% of the biggest ships in the world at our berths. Predominantly, we deal in bulk and conventional cargo, with the majority of our bulk being biomass. We provide the stock for Drax Power Station and Lynemouth Power in the north and we also ship 40% of the country's tea. The Port of Tyne is literally keeping the lights on for the UK.

We have a container terminal and last year we almost doubled its size, so we can now handle around 100,000TEU a year. Our cruise and ferry terminal has a roll-on/roll-off service and we are the second biggest car exporting terminal in the UK in addition to car imports, which is integral to our operation.

How does the work of the port benefit the region?

There are three kinds of port: private, municipal and trust; the Port of Tyne is a trust port. We are a self-funded entity, and one of the great things about that is that everything we make goes back into the port. The impact we have regionally is huge. We provide about £650 million a year to the region and support more than 12,000 jobs directly and indirectly. The port and the river Tyne is the gateway to the north-east. When you get to see first hand what comes in and out of the region and what we enable, it is truly phenomenal. The impact we have on the region far outweighs our size.

What are your main responsibilities as CEO?

In addition to running the everyday operations and various governance obligations I have to oversee, my main responsibility is making sure that the port doesn't work in isolation. I am committed to helping drive the entire maritime sector, not just the port, and providing opportunities to learn from one another. I want to ensure that the Port of Tyne is a catalyst for economic profitability and for the development of new industry clusters in clean energy, electric vehicles and logistics.

We have recently launched our Tyne 2050 strategy, which is aligned with the government's Maritime 2050 plan. Tyne 2050 is pretty ambitious, but that's intentional and it's a strategy built around the region rather than just the port. My obligation is to make sure the region and the port are in a better place than when I started the job.

MATT BEETON

CEO, Port of Tyne.

CAREER

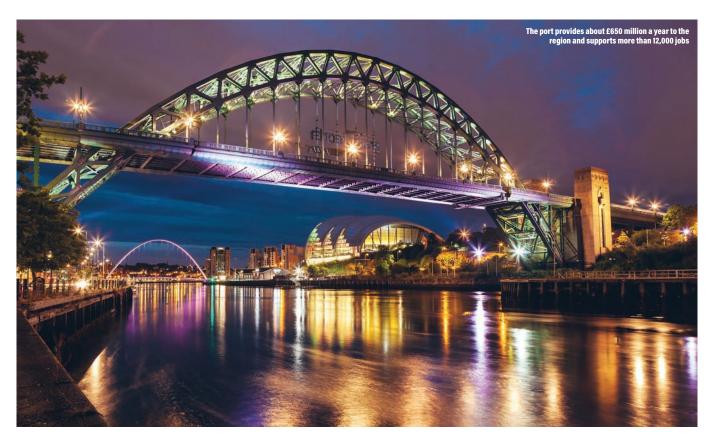
Matt Beeton has more than 20 years' experience within the road, rail and aerospace industries. His early career began with a graduate programme at Rolls Royce Aerospace, and he has held director positions at Rolls Royce, Bombardier, Serco plc, Northern Rail and National Express. He joined the Port of Tyne in 2019 with extensive experience in transforming business strategy, driving efficiency through smart technology and inspiring leadership, including increasing customer satisfaction and safety performance.

How has the recent coronavirus outbreak impacted the day-to-day running of the port?

It had an impact in the short term initially, but operations recovered quickly. We import and export around 500,000 cars a year and this was impacted quite significantly at the start of lockdown. Quite quickly, though, these major companies got back up and running. We did have some pressure around warehouse and container space too, but we responded well. We secured additional capacity and learned quickly how to run and work a socially distanced port.

Of course, there have been a few challenges.

Last year we had our biggest bookings for cruise liner services from the port, but they were put on hold. The ferry briefly stopped,



→ too, and impacted the critical freight route from Newcastle to Amsterdam. DFDS did incredibly well to ensure it was up and running in quick time, enabling freight to move efficiently once again.

What practical measures did you put in place to maintain core services and respond to the challenges you faced during the pandemic?

We've gone above and beyond to make sure the port plays its part in keeping things moving. We ensured we could continue to work whilst adhering to social distancing rules and we didn't once need to close the port. We got our practical measures in place very quickly. Face mask and sanitising policies were introduced and 90% of our office staff were able to work from home.

We did have a handful of positive tests, but considering the size and scale of the operation we run – and that the north-east was considered a bit of a Covid-19 hotspot for us to only have a handful of positives and to keep it like that is huge testament to the incredible work of our staff.

How proud have you been about the port's response to the pandemic?

One of the wonderful things about the port is its people. The north-east really is a unique place. The people are unique and our staff are absolutely fantastic. They love the port and it was great to see us classed as key infrastructure and deemed essential

workers. I'm incredibly proud of how our staff worked around the clock to ensure this was still possible. I didn't want a nation without tea on my watch!

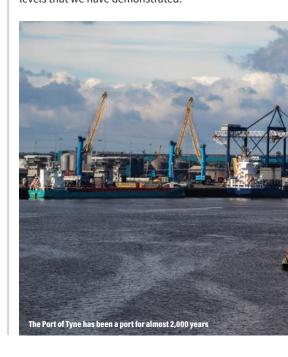
We have seen the friction at Dover recently. How important is it that the logistics sector works together to benefit from northern ports like your own? Do we have to move away from the south to ensure the success of the supply chains?

If we were going to design the ports and wider supply chain system again, we certainly wouldn't use the current design. Part of the problem is that 70% of the imports and exports into the north come through southern ports. I can't get my head around why we still put goods on to lorries just for them to drive north, spending more than 20 million idle engine hours and releasing all that carbon. The whole process is slow and the cost is huge.

If we were to design it again, we would need to look at tapping into the potential of direct shipping to northern ports and utilising coastal shipping to bring goods closer to the point of consumption. Some 95% of imports and exports come by sea, and if you could move some of that more evenly around the country it would definitely help. Routing containers into northern ports and then distributing goods through the country is quicker, cheaper, greener and there's less congestion for hauliers travelling from north to south.

How did you respond to the delays at southern ports and has this benefited your operation?

I think our advanced planning for Brexit led to some traffic coming our way. We saw some operators temporarily shift from the south as they witnessed delays in Dover and the feedback we've had from these has been really good. Some of those organisations didn't know we were such an efficient deep-sea port or that we could work to the levels that we have demonstrated.



One of the key themes that has become apparent speaking with you today is the importance of cross-sector collaboration. How important is this to you and to the way ports work?

We could be much better at collaborating. I'm keen for us to lead the way and we are getting people working in the sector to think differently. Before lockdown, we began working with different sectors and we were having great conversations with the likes of the Space Agency, Connected Places Catapult and Rolls Royce. Those conversations were so valuable in allowing us to learn from different industries and to better understand the way ports can work together in the future.

The UK prides itself on being the shipping nation of the world, but the Port of Tyne is the only port in the UK that is in the Connected Ports Organisation (CPO). The CPO brings together some of the best and biggest ports around the world and allows us to work collaboratively with various ports around the world and share data to see what lessons we can take forward. Undoubtedly, we should be doing much more of that between our own ports.

We hear a lot about the need to move goods away from our roads. Do you think rail freight is the answer and what role do ports have to play to ensure this happens?

I'm not sure rail freight is the answer to everything. For me, I believe coastal shipping is cheaper and more efficient than rail freight. I think we do need to get freight off the roads and rail will be crucial to this. The problem with the UK's rail capacity is that it's fundamentally a Victorian design



and we are spending a lot of money to upgrade it, but everything is largely focused on passengers.

This shift has to happen and is on the horizon, but it's not going to be a quick win and it's certainly not going to be cheap, which is where ports are going to come in handy. When we look at the future of our supply chains, short-sea shipping has to be part of that network. A feeder vessel emits seven times less CO_2 to move a container per km than an average laden HGV and it costs less.

Could you tell Focus a little about the Port of Tyne's Innovation Hub and its impact on the sector?

The hub was opened in the summer of 2019 and it was born out of the Maritime 2050 strategy. It is the only maritime innovation hub in the UK and I am extremely proud of that. We made a conscious effort to bring a lot of working partners into the hub, including PD Ports, which has demonstrated to the rest of the UK and industry that competitors can work together for the benefit of the industry, to collaborate with other businesses to deliver more creative solutions to make sure that business as usual still works, while also introducing digital and technology solutions.

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It's important to understand that it isn't simply just a Port of Tyne hub. It's about leaving our port walls and boundaries and creating a space where we can all collaborate and do the right things to progress the entire industry. That is the way the profession needs to work together because things are moving so fast.

Was the recent Brexit decision the best possible outcome in terms of a deal for the Port and the wider maritime sector?

Time will tell and we are where we are [with the deal]. It is our duty now to make sure we work with what we have and ensure that freight continues to flow without any friction. For the region it was a relief, because we were watching what Nissan would do. The north-east is one of the few net exporters in the UK and that is largely dominated by Nissan. Thankfully, it saw the trade deal as workable and it's excellent to have its commitment to the region.



↑ The Port of Tyne has the second biggest car exporting terminal in the UK, and imports and exports around 500,000 cars a year

How have you worked with government to ensure the success of your port now the transition period is over?

I actually think it has been quite beneficial to the port. I believe we were ready for the initial date when we were due to leave the EU. I've been impressed with how quickly we got our facilities up and running and in a position to make it all as efficient as possible. Considering the potential for disruption was so high, we've worked hard to keep that very low. We worked closely with DEFRA and had some input in developing the new Border Operating Model. We have put in extra facilities for the control of animal and plant foraging products that will go live in the middle of the year, so I think we have done pretty well.

How important do you believe the use of technology will be to the future success of ports?

It is crucial. I do get a little frustrated when we talk about smart ports and focus solely on automation being the sole driver of these projects. Automation for me is about making things more efficient. The real prize for technology and data will be when we recognise that we are only one part of a wider supply chain for the movement of goods from A to B. Once we realise this, we can feed data in across the whole process. We have to start to recognise that. As big and important as ports are, we are just one link in a long chain of events. Being able to connect the dots and make intelligent decisions with the mass of data that is available to us is the next step to being able to really benefit from technology.

How is the port showing its commitment to delivering a sustainable operation that will minimise environmental impacts?

There has been a lot of activity at the port around this issue. The main driver for doing all of this is for our children and generations to come. We want to be bold and be a



↑ The port works with the community and invites children into the port to demonstrate the opportunities that exist in the sector

disruptor, saying things out loud that the industry as a whole needs to take on board. Everything we do comes back to our strategy and the roadmap we laid out in our Tyne 2050 plan. We deliberately made it ambitious and some of the targets are 20 years ahead of Maritime 2050.

We have made Tyne 2050 part of our DNA. We are committed to net zero, moving to an all-electric operation and doubling diversity by 2030. Some 30% of our capital expenditure goes towards environmental improvements and our infrastructure improvement cases are not just economic; we also want environment to be a key factor in investment decisions.

What is the Port of Tyne doing to encourage more diversity and inspire young professionals to work for the port?

We are hiring for tomorrow rather than just today. We have a Tyne 2050 project called Fit for the Future, which is about attracting more diversity into the profession. Part of being fit for the future is the need to attract different skills. Today's graduates are digital and transformational graduates, not just engineers.

We have started to work with the community and invite children into the port to show them what we do, to see the boats, the wildlife, the dolphins and seals, and some of these kids would never know working for a port could open up these incredible opportunities. It's about tapping into them early.

Doubling Diversity is another one of our Tyne 2050 initiatives. That's something I'm very keen to succeed in. The industry is steeped in history, which is wonderful, but it comes with problems, as well. Attracting the right talent is something we need to get on top of. There is a starting to be a swell of engagement about getting diverse people into the maritime sector. It's not going to happen overnight, but we have to do more to put ourselves out there and shout from the rooftops about how exciting this industry is.

∨ Some 40% of the country's tea is imported into the Port of Tyne

How important is it for the ports sector to attract more young professionals?

The problem with ports by definition is that we are a border and so there's a big wall around what we do, and nobody really knows the intricacies behind what goes on inside a port. It's a fascinating, multiskilled, multifaceted and multidimensional sector and we don't shout about that enough. A big part of my job is to try and tell people what we do and how important it is. Ports are fundamental to every area of life, from the tea you drink to the car you drive, the more we shout about the industry the better.

