



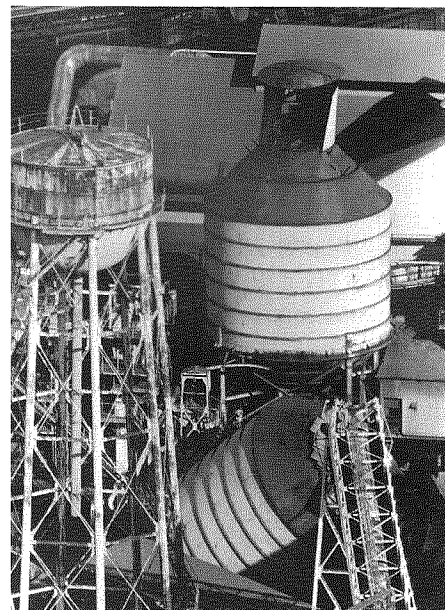
Water plays a vital role in sake production. It is used in preparing ingredients for the brewing, diluting raw materials and rinsing bottles.

As for the outlook for recovery, Misato

said, "There's no time for us to think about future prospects at this stage."

However, he had no doubts that the industry would get back on its feet at some point.

"We have been making sake here for centuries. We rebuilt the industry from scratch after World War II, which left the area destroyed," he said. "No matter how long it takes, we'll make it happen again."



**Crippled furnace at Kobe Steel** KYODO

## Portless

*Kobe harbor, once one of the world's largest cargo ports, fears permanent loss of customers*

By SACHIKO HIRAO

The Great Hanshin Earthquake on Jan. 17 deprived Kobe of its key role in international cargo trade, stirring fears that it will eventually be erased from the world cargo map.

Hit particularly hard were Kobe Port's container facilities, including gantry cranes to load containers and rail tracks to move the tall cranes, and all 35 of its container berths.

"None of the container berths are usable right now. We are checking the condition of the facilities and will start repairing those berths that were lightly damaged," said an official of the municipal port authority, which manages the 150-berth port area.

Kobe Port, which handles mostly finished and partially finished products, is the country's largest container port, moving about 2.5 million containers a year.

Now, time and reconstruction costs pose

a major barrier to restoring the port to its position as an international cargo center.

One week after the quake, the Hyogo Prefectural Government announced that it would cost an estimated ¥1.4 trillion to restore the port facilities. But total costs including loss of business are "uncountable," the municipal official said.

"We want to reopen as soon as possible. Maritime transport companies have switched to other ports such as Osaka and Yokohama. Once a new route for cargo distribution is established, attracting customers back to the old route is difficult," the official said.

Ranked as the sixth largest cargo port in the world, Kobe handled about 40 million tons of international container cargo in 1993, with sea links to about 500 ports in 135 countries, according to municipal port authorities.

Nippon Yusen K.K., a leading shipper that uses two container berths on Rokko

Island in Higashi-Nada Ward, stopped all shipping operations in Kobe after the quake, except for transporting stock in storage using land transport, said a spokesman for the company's Kobe branch.

The feet of five gantry cranes used by the company were damaged, and the berth has a 20-meter-long crevasse that is now filled with sea water, the spokesman said.

"We are waiting for information from the authorities on how they will restore the facilities. We have divided shipments to other ports in Osaka, Nagoya, Yokohama and Tokyo. But traffic at Kobe was far greater than at Osaka Port. We have no plans for new ships coming in," he said.

Matsushita Electric Industrial Co. used Kobe Port to export appliance parts to its factories abroad but is now sending the shipments through ports in Hakata, Osaka, Nagoya, Yokohama and Tokyo, a company spokesman said.

"We would hate to think the quake has ended Kobe's 130-year tradition as an international port," the municipal officials said.