Supply Chain Disruption & Port Congestion

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November 4, 2021
Supply Chain Impacts

- Unprecedented Cargo Surge
- No Place to Take Cargo
- Equipment Tied Up
- High Rate of Unused Gate Appointments
- Environmental and Quality of Life Impact
4+ Years of Trade Disruption

2018-2019 U.S.-China Trade Tensions
Tariffs & Retaliatory Tariffs

- Manufacturer Migration to Southeast Asia = Cargo Routing to U.S. East Coast
- Cargo Owners Pull Inventories Forward in Advance of Scheduled Tariff Increases
- Tariff Wars Exacerbate Trade Deficit Imbalances
- Record-Setting 2018 Volume

2020-2021 COVID-19 Disruptions
Distressed Supply Chain

- Economies Shutter
- China Manufacturing Halts
- Global and Regional Workforce Shortages
- Consumer-Driven Cargo Surge
- E-Commerce Boom
- Global Supply Chain Disruptions
- Container Shortages
- Shipping Price Hikes
- POLA Exports Down 31 out of 35 months thru Sept. (biggest declines since 2002)
- Record-Setting 2021 Volume
Goods vs Services, 2018-2021

Source: Bureau of Economic Analysis

- Goods (Q1 2018): $4.3T
- Goods (Q3 2021): $5.5T
- Services (Q1 2018): $9.4T
- Services (Q3 2021): $10.5T
Monthly Container Volume, 2018-2021

Source: Port of Los Angeles
Cum. Annual Container Volume, 2018-2021

Source: Port of Los Angeles
Containerships at Anchor & at Berth

- POLA
- POLB
- SP Bay
- At Berth

Graph showing the number of containerships over time from 5/7 to 10/22.
View of the Terminals
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<tbody>
<tr>
<td><strong>Ships At Anchor:</strong></td>
<td><strong>En route:</strong></td>
<td><strong>At Berth:</strong></td>
<td><strong>Total Containers in Terminals</strong></td>
<td><strong>Dwell Time:</strong></td>
</tr>
<tr>
<td>67 (37 POLA)</td>
<td>20 (9 POLA)</td>
<td>19 ships</td>
<td>74,324</td>
<td>9.7 Days</td>
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<tr>
<td>Avg. Dwell:</td>
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<td>Avg. Time at Berth:</td>
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<td>Rail Dwell:</td>
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<td>14.1 Days</td>
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<td>4.5 Days (13.4)</td>
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<td>8.8 Days (9.9)</td>
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<td>Labor Gangs</td>
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Terminal Dwell Times

Total Containers in Terminals

74,324

0-4 Days: 26,322 (35.4%)
5-8 Days: 12,501 (16.8%)
9-12 Days: 7,081 (9.5%)
13+ Days: 28,420 (38.2%)
Short Term Responses to Congestion

- Accelerate Cargo LA
- Presidential Announcement
- Fees and Incentives
- Accommodate Non-Drayage Drivers
- Long-term Workforce Development
- Repair Bad Order Chassis
- Open Empty Depot
- Increase Rate of Successful Outgates
- Chassis Availability
- Truck Power
- Incent Shippers to Pick Up Cargo
- Lack of Space
- Appt. Availability
- Empty Returns
- Make Port Land Available
- Explore 2-3 Strategic Sites throughout the Region
- Towards 24/7 Operations
- Improved Info Sharing
- Container Excess Dwell Fee to Free Up Terminal Space
- Sweeper Ships
Long-Term Responses

• Integrated Transportation, Environmental, Workforce and Economic Policy
• Permanent Activation of Port Cargo Support Facilities
• Goods Movement Workforce Training Center
• Information Sharing Across the Supply Chain
• Investment in Zero Emission Drayage
THANK YOU

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portoflosangeles.org