March 2, 2018

Mr. Harold Daggett  
President  
International Longshoremen’s Association  
5000 West Side Ave.  
North Bergen, NJ 07047

Mr. David Adam  
Chairman and CEO  
United States Maritime Alliance, Ltd.  
125 Chubb Avenue, Suite 350NC  
Lyndhurst, NJ 07071

Dear Mr. Daggett and Mr. Adam:

The undersigned organizations representing manufacturers, farmers and agribusinesses, wholesalers, retailers, importers, exporters, distributors, transportation and logistics providers, and other supply chain stakeholders are writing to express our deep concern about the recent breakdown in negotiations on a labor contract extension. Our associations represent a large cross section of businesses, workers and consumers who rely on and greatly benefit from global trade. Until negotiations broke down, we were encouraged by the possibility that the International Longshore Association and the United States Maritime Alliance might conclude negotiations well in advance of the contract expiration in September 2018. We strongly encourage both sides to return to the table as soon as possible and resume negotiations.

Reaching a contract extension before the current contract expires will provide supply chain stakeholders with the certainty they need for their operations. Supply chain disruptions arising out of previous contract negotiations are well documented. Such disruptions can have enormous adverse economic impacts. For example, disruptions on the West Coast caused marked shifts in business operations that benefitted East and Gulf Coast ports. Much of that new business has stayed on the East and Gulf Coasts, but could just as easily shift back to West Coast gateways, where a long-term contract is in place.

It is also important to note that even the threat of a disruption can have negative economic impact on the Gulf and East Coast ports, especially if shippers and beneficial cargo owners believe that operations will be slowed or shut down during peak shipping season next fall. Some industries will begin implementing contingency planning as early as this spring to ensure that cargo is not disrupted during peak shipping season in the fall. In the absence of negotiations, those contingency plans will definitely affect business at East and Gulf Coast container terminals.

We recognize the important issues both parties must resolve during negotiations. However, we believe those issues can only be resolved by negotiations. When talks are put on hold it causes great uncertainty, shifts in logistical plans and even economic damage.

The organizations below believe both parties can reach an agreement ensuring continued success and competitiveness for the foreseeable future. Thank you for your consideration.

Sincerely,

Agricultural Retailers Association  
Agriculture Transportation Coalition  
Airforwarders Association

Alliance of Automobile Manufacturers  
American Apparel & Footwear Association (AAFA)  
American Association of Exporters and Importers
American Coatings Association
American Cotton Shippers Association
American Farm Bureau Federation
American Feed Industry Association
American Forest & Paper Association
American Frozen Food Institute
American Home Furnishings Alliance
American Import Shippers Association
American Pyrotechnics Association
American Soybean Association
Association of Bi-State Motor Carriers
Association of Food Industries
Association of Global Automakers
Auto Care Association
California Alfalfa Association
California Bean Shippers Association
California Business Properties Association
California Cherry Export Association
California Farm Bureau Federation
California Grain and Feed Association
California Retailers Association
California Seed Association
California Warehouse Association
CAWA - Representing the Automotive Parts Industry
CONECT - Coalition of New England Companies for Trade
Consumer Technology Association
Corn Refiners Association
Distilled Spirits Council of the United States, Inc.
Fashion Accessories Shippers Association (FASA)
Florida Retail Federation
Footwear Distributors & Retailers of America (FDRA)
Furniture Shippers Association
Gemini Shippers Association
Georgia Retailers
Global Cold Chain Alliance
Grain and Feed Association of Illinois
Green Coffee Association
Halloween Industries Association
Harbor Trucking Association
Home Furnishings Association
Indiana Retail Council
Intermodal Motor Carriers Conference
International Association of Movers (IAM)
International Association of Refrigerated Warehouses
International Refrigerated Transportation Association
International Wood Products Association
Institute of Scrap Recycling Industries, Inc. (ISRI)
Juvenile Products Manufacturers Association
Meat Import Council of America, Inc.
Midwest Shippers Association
Missouri Retailers Association
Motor & Equipment Manufacturers Association
Motorcycle Industry Council
National Association of Beverage Importers
National Association of Chemical Distributors
National Association of Egg Farmers
National Association of Foreign-Trade Zones (NAFTZ)
National Association of Manufacturers
National Cotton Council
National Council of Chain Restaurants
National Council of Farmer Cooperatives
National Customs Brokers and Forwarders Association of America (NCBFAA)
National Fisheries Institute
National Grain and Feed Association
National Industrial Transportation League
National Lumber and Building Material Dealers Association
National Oilseed Processors Association
National Onion Association
National Pork Producers Council
National Potato Council
National Renderers Association
National Retail Federation
National Shippers Strategic Transportation Council (NASSTRAC)
New Jersey Motor Truck Association
New Jersey Retail Merchants Association
North American Export Grain Association
North American Meat Institute
NY/NJ Foreign Freight Forwarders and Brokers Association
Ohio Retail Merchants Association
Oklahoma Retail Merchants Association
Oregon Dairy Farmers Association
Oregon Farm Bureau
Outdoor Industry Association
Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc. (PCC)
Pacific Coast Rendrs Association  The Fertilizer Institute
Pennsylvania Retailers Association  The Hardwood Federation
Promotional Products Association International  The Toy Association
Retail Association of Maine  The Vinyl Institute
Retail Association of Nevada  Transportation Intermediaries Association
Retail Council of New York State  Travel Goods Association (TGA)
Retail Industry Leaders Association  U.S. Chamber of Commerce
Retailers Association of Massachusetts  U.S. Hide, Skin and Leather Association
Snowsports Industries Association  United States Fashion Industry Association
Sports & Fitness Industry Association  Washington Farm Bureau
Tea Association of the U.S.A., Inc.  Washington Retail Association
Texas Grain and Feed Association  Wine & Spirits Wholesalers of America
Texas Retailers Association