March 15, 2016

Mr. Robert McEllrath
President
International Longshore and Warehouse Union
1188 Franklin Street, 4th Floor
San Francisco, CA 94109

Mr. James McKenna
Chairman and CEO
Pacific Maritime Association
555 Market Street, Third Floor
San Francisco, CA 94105

Dear Mr. McEllrath and Mr. McKenna:

The undersigned organizations representing manufacturers, farmers and agribusinesses, wholesalers, retailers, importers, exporters, distributors, transportation and logistics providers, and other supply chain stakeholders urge the ILWU and PMA to begin early discussions on either a contract extension or a new contract with the goal to conclude negotiations before the current contract expires on June 30, 2019. We also encourage you to avoid a repeat of the disruptions and slowdowns that occurred during the 2014 contract negotiations.

While we are encouraged by your remarks at the recent Journal of Commerce Transpacific Maritime (TPM) conference, and are pleased that you recognize the negative economic impact of disruptions and slowdowns, we also know there will be important and difficult issues for both of you to resolve during the next set of negotiations. All the more reason, we believe, for those talks to begin as early as possible in order to lay the groundwork for a new contract, or contract extension, without major disruption.

We believe a new model for future negotiations needs to be developed, one which stresses early and continuous dialogue. In addition, we would like to see both of you pledge to avoid actions that would slow, stop, or disrupt cargo movement during negotiations. At a minimum, we urge you to maintain the arbitration mechanisms in the existing contract for the duration of the negotiations, even if the contract expires before a final agreement is reached.

The impact of cargo disruptions during the 2014 negotiations was widespread and affected many stakeholders at the ports and throughout the United States. The costs were enormously high for many economic sectors. We cannot afford a repeat in 2019.

Our organizations and the members we represent believe that both parties can reach an agreement to ensure the continued success and competitiveness of West Coast ports for the foreseeable future. Agreeing early to a long-term contract will provide the stability and predictability our collective members need, while protecting against any self-inflicted harm to the broader U.S. economy. Maintaining arbitration procedures during negotiations will also give a measure of certainty to the cargo interests who are ultimately the ports’ customers.

Thank you for your consideration of our request.

Sincerely,

Agricultural & Food Transporters Conference (AFTC)
Agriculture Transportation Coalition
Airforwarders Association

Alliance of Automobile Manufacturers
Almond Hullers & Processors Association
American Apparel & Footwear Association (AAFA)
American Association of Exporters and Importers (AAEI)
American Chemistry Council
American Cotton Shippers Association
American Farm Bureau Federation
American Forest & Paper Association
American Frozen Food Institute
American Import Shippers Association
American Potato Trade Alliance
American Pyrotechnics Association
American Soybean Association
American Trucking Associations
Association of Food Industries
Association of Global Automakers, Inc.
Auto Care Association
BizFed
California Business Properties Association
California Chamber of Commerce
California Farm Bureau Federation
California Fresh Fruit Association
California League of Food Processors
California Retailers Association
California Trucking Association
CAWA - Representing the Automotive Parts Industry
Chicago Customs Brokers and Forwarders Association
Columbia Basin Development League
Columbia River Customs Brokers & Forwarders Association
Consumer Technology Association (formerly Consumer Electronics Association)
Corn Refiners Association
Customs Brokers & International Freight Forwarders of Washington State
Customs Brokers and Forwarders Association of Northern California
Footwear Distributors & Retailers of America (FDRA)
Foreign Trade Association
Gamma Industry Processing Alliance (GIPA)
Global Cold Chain Alliance
Green Coffee Association
Halloween Industry Association, Inc (HIA)
Harbor Association of Industry & Commerce
Harbor Trucking Association
Home Furnishings Association
Idaho Potato Commission
Institute of Scrap Recycling Industries, Inc. (ISRI)
Intermodal Motor Carriers Conference (IMCC)
International Association of Movers (IAM)
International Association of Refrigerated Warehouses
International Fragrance Association, North America
International Refrigerated Transportation Association
International Source Suppliers and Producers Association (ISSPA)
International Wood Products Association
Juvenile Products Manufacturers Association, Inc (JPMA)
Los Angeles Area Chamber of Commerce
Los Angeles Customs Brokers & Freight Forwarders Association
Meat Import Council of America
Midwest Shippers Association
Motor & Equipment Manufacturers Association
Motorcycle Industry Council
National Alfalfa & Forage Alliance
National Association of Chemical Distributors
National Association of Egg Farmers
National Association of Manufacturers
National Cotton Council
National Council of Farmer Cooperatives
National Customs Brokers and Forwarders Association of America
National Electrical Manufacturers Association (NEMA)
National Fisheries Institute
National Grain and Feed Association
National Hay Association
National Oilseed Processors Association
National Onion Association
National Pork Producers Council
National Potato Council
National Retail Federation
National Shippers Strategic Transportation Council (NASSTRAC)
National Waste & Recycling Association
New York New Jersey Foreign Freight Forwarders and Brokers Association
North American Meat Institute
Northwest Food Processors Association
Northwest Horticultural Council
Outdoor Power Equipment Institute, Inc.
Pacific Coast Council of Customs Brokers and Freight Forwarders
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