

November 6, 2014

President Barack Obama  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear Mr. President:

The undersigned associations representing United States manufacturers, farmers, wholesalers, retailers, importers, exporters, and transportation and logistics providers are writing to express our deep concern about ongoing interruptions at West Coast port terminal operations and to seek your help to ensure the situation does not escalate to a complete shutdown of West Coast ports.

Labor contract negotiations between the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) began on May 15, 2014 and it seems little progress has occurred since the contract expired on July 1, 2014. Until recently, both parties to the negotiation had honored a self-imposed media blackout.

While the parties to the negotiation stated earlier this year that they would continue operations throughout the negotiations, we have seen crisis levels of congestion at the ports since September. Both parties recently issued press releases accusing each other of renegeing on this commitment.

The sudden change in tone is alarming and suggests that a full shutdown of every West Coast port may be imminent. The impact this would have on jobs, down-stream consumers, and the business operations of exporters, importers, retailers, transportation providers, manufacturers, and other stakeholders would be catastrophic.

The threat of a West Coast port shutdown is creating high levels of uncertainty in a fragile economic climate which has forced many businesses to once again undertake contingency plans that come at a significant cost to jobs and our economic competitiveness. The West Coast lockout 12 years ago cost the U.S. economy \$1 billion a day. It took half a year for the ports to clear the backlog and recover from this 10-day shut down. A shutdown now could be even more costly. A new study released in June by the National Association of Manufacturers and the National Retail Federation anticipates impacts at a much greater cost in 2014 – nearly \$2 billion in daily costs to the economy for a five-day interruption.

Our organizations believe that both parties can reach an agreement that will ensure the continued success and competitiveness of these ports for the foreseeable future. However, we would like to see an agreement reached without any shutdowns or further disruptions.

We believe immediate action is necessary and the federal government's use of all of its available options would be helpful in heading off a shut-down and keeping the parties at the

negotiating table. This includes encouraging the parties to begin working with a federal mediator through the Federal Mediation and Conciliation Service (FMCS). This approach was successful in resolving difficult negotiations for East and Gulf Coast ports just last year. Even if both parties refuse federal mediation, we believe the FMCS would benefit from beginning to monitor the negotiations. We further believe that if a strike or lockout occurs, the consequences would be so serious as to warrant you exercising the extraordinary authority granted under the Taft-Hartley Act (29 U.S.C. §§ 176-180) that would likely result in requiring the parties to work with the FMCS.

Thank you for your consideration.

Sincerely,

Agriculture Transportation Coalition (AgTC)  
Airforwarders Association  
Alliance of Automobile Manufacturers  
American Apparel & Footwear Association (AAFA)  
American Association of Exporters and Importers  
American Cotton Shippers Association  
American Farm Bureau Federation  
American Frozen Food Institute  
American Home Furnishings Alliance  
American Import Shippers Association  
American Potato Trade Alliance  
American Pyrotechnics Association  
American Trucking Associations  
Association of California Recycling Industries  
Auto Care Association  
Bicycle Product Suppliers Association  
BizFed  
CalChamber  
California Business Properties Association  
California Farm Bureau Federation  
California Trucking Association  
Columbia River Customs Brokers and Forwarders Association  
Coalition of New England Companies for Trade (CONNECT)  
Consumer Electronics Association  
Cookware Manufacturers Association  
Customs Brokers and Forwarders Assoc. of Northern California  
Customs Brokers and Freight Forwarders of Washington State  
Distilled Spirits Council of the U.S., Inc.  
Express Association of America  
Fashion Accessories Shippers Association (FASA)  
Food Marketing Institute  
Footwear Distributors and Retailers of America  
Gamma Industry Processing Alliance (GIPA)

Green Coffee Association  
Grocery Manufacturers Association  
Halloween Industry Association  
Harbor Association of Industry & Commerce  
Idaho Potato Commission  
Inland Action  
Inland Empire Economic Partnership  
Institute of Makers of Explosives  
Intermodal Association of North America  
Intermodal Motor Carriers Conference (IMCC)  
International Casual Furnishings Association  
International Irradiation Association  
International Source Suppliers and Producers Association (ISSPA)  
International Warehouse and Logistics Association  
International Wood Products Association  
Juvenile Products Manufacturers Association  
Los Angeles Area Chamber of Commerce  
Los Angeles Customs Brokers and Freight Forwarders Association  
Michigan Retailers Association  
Montana Retail Association  
Motorcycle Industry Council  
National Association of Beverage Importers  
National Association of Chemical Distributors  
National Association of Egg Farmers  
National Association of Manufacturers  
National Chicken Council  
National Cotton Council  
National Customs Brokers and Forwarders of America  
National Grain and Feed Association  
National Oilseed Processors Association  
National Pork Producers Council  
National Potato Council  
National Retail Federation  
National Shippers Strategic Transportation Council (NASSTRAC)  
National Turkey Federation  
North American Export Grain Association  
North American Shippers Association, Inc.  
Northwest Food Processors Association  
Northwest Horticultural Council  
Outdoor Industry Association  
Pacific Coast Council of Customs Brokers and Freight Forwarders  
PNASA – Pacific Northwest Asia Shippers Association  
Promotional Products Association International (PPAI)  
Propeller Club of Los Angeles-Long Beach  
Retail Council of Canada  
Retail Industry Leaders Association

San Diego Customs Brokers and Forwarders Association  
San Gabriel Economic Partnership  
Society of Chemical Manufacturers and Affiliates (SOCMA)  
Specialized Furniture Carriers  
Sports & Fitness Industry Association  
The Distilled Spirits Council of the United  
The Hardwood Federation  
The National Industrial Transportation League (NITL)  
The Waterfront Coalition  
Toy Industry Association  
Transportation Intermediaries Association  
Travel Goods Association (TGA)  
United States Council for International Business  
United States Fashion Industry Association  
U.S. Apple Association  
U.S. Chamber of Commerce  
US Hide, Skin and Leather Association  
USA Poultry & Egg Export Council  
Washington Council on International Trade  
Washington Retail Association  
Washington State Potato Commission  
Washington State Tree Fruit Association  
Washington Trucking Associations  
Women in International Trade, Los Angeles  
Wine & Spirits Wholesalers of America  
Wine and Spirits Shippers Association

cc: Members of Congress

Department of Transportation Secretary Anthony Foxx  
Department of Commerce Secretary Penny Pritzker  
Department of Labor Secretary Thomas E. Perez  
Federal Maritime Commission Chairman Mario Cordero  
Federal Mediation and Conciliation Service Acting Director Allison Beck  
The Honorable Jerry Brown, Governor of California  
The Honorable Jay Inslee, Governor of Washington  
The Honorable John Kitzhaber, Governor of Oregon