

December 3, 2012

The President
The White House
Washington, DC

Dear Mr. President:

The undersigned associations representing United States' manufacturers, farmers, wholesalers, retailers, and transportation and logistics providers are writing to express our deep concern about the labor situation in the ports of Los Angeles and Long Beach, California. We urge the Administration to quickly engage in the dispute to end the work stoppage at the ports and help the parties in their negotiations.

On November 27, 2012, the Marine Clerk Office Clerical Unit Local 63 (OCU), a unit of the International Longshore and Warehouse Union (ILWU) representing approximately 600 workers, broke off contract negotiations with fourteen marine terminal employers in Los Angeles and Long Beach, California. The OCU set up picket lines at 10 of the 14 terminals operating at the two ports. Other ILWU units not party to the negotiations have refused to cross these pickets, effectively shutting down the nation's largest port complex.

In the past six days, ocean carriers have begun to divert cargo to Mexico and Canada because there is great concern that diverting cargo to other U.S. ports would only widen the labor actions. Meanwhile, ships are beginning to back up in the harbor and port terminal operators are running out of room to store empty containers and other intermodal equipment. Even if labor returned to work today, it would take several weeks to undo the gridlock this disruption has already set in motion.

If this situation is not quickly remedied, far more dire consequences will result, including:

- Manufacturers requiring parts for their production lines may have to suspend operations;
- Exporters will fail to meet delivery times for their customers in the Far East;
- Exporters of perishable cargos have already been affected;
- Agricultural interests will have to divert production to domestic use, or freeze produce instead of shipping it fresh, thereby losing significant economic value;
- Retailers will be unable to get goods to their store shelves in a timely fashion; and,
- Importers, wholesalers, and U.S. consumer brands will face order cancellations if they cannot meet delivery dates.

While this labor dispute has affected fewer ports than the coast-wide lockout of 2002, the Los Angeles and Long Beach port facilities are the nation's busiest and critical for many exporters and importers doing business in the Pacific Rim. The 2002 labor dispute, which lasted for 10 days, cost the US economy \$1 billion a day.

We recognize the difficulties of government intervention in labor disputes. However, this dispute has already harmed many economic interests across the country, as evidenced by the

organizations listed below. We urge you to take immediate action and use whatever means necessary, including Taft-Hartley, to get labor back to work in the nation's largest port.

Sincerely,

Agriculture Transportation Coalition - AgTC
Alliance of Automobile Manufacturers
Amcot
American Apparel & Footwear Association
American Automotive Policy Council
American Cotton Shippers Association
American Farm Bureau Federation
American Home Furnishings Alliance
American Import Shippers Association, Inc.
American Meat Institute
American Trucking Associations
Arizona Retailers Association
Association of Food Industries
Association of Global Automakers
BizFed, Los Angeles County Business Federation
California Business Properties Association
California Retailers Association
California Trucking Association
Cheese Importers Association of America
Coalition of New England Companies for Trade - CONECT
Columbia River Customs Brokers and Forwarders Assn.
Connecticut Retail Merchants Association
Custom Brokers & Forwarders Assn. of Northern California
Custom Brokers & International Freight Forwarders Assn. of Washington State
Express Association of America (EAA)
Fashion Accessories Shippers Association (FASA)
Harbor Association of Industry & Commerce
Harbor Truckers Association
High Point Market Authority
Indiana Retail Council
Intermodal Motor Carriers Conference
International Wood Products Association
Louisiana Retailers Association
Los Angeles Area Chamber of Commerce
Los Angeles Customs Brokers & Freight Forwarders Association
Michigan Retailers Association
Midwest Shippers Association
Missouri Retailers Association
Montana Retail Association
Motor & Equipment Manufacturers Association
NAIOP Inland Empire

NAIOP SoCal
NAIOP's Southern Nevada
National Association of Manufacturers
National Cattlemen's Beef Association
National Cotton Council
National Council of Farmer Cooperatives
National Customs Brokers and Forwarders Association of America
National Grain and Feed Association
National Oilseed Processors Association
National Retail Federation
National Turkey Federation
New Jersey Retail Merchants Association
North American Export Grain Association
North Carolina Retail Merchants Association
Orange County Business Council
Oregon Seed Association
Pacific Coast Council of Customs Brokers and Freight Forwarders
Pacific Northwest Asia Shippers Association
Pennsylvania Retailers' Association
Propeller Club of Los Angeles-Long Beach
Retail Association of Maine
Retail Association of Nevada
Retail Industry Leaders Association
Retail Merchants of Hawaii
San Diego District Customs Brokers Assn.
South Carolina Retail Association
Southern California Shipper's Association
State Chamber of Oklahoma
The National Industrial Transportation League
The Waterfront Coalition
Toy Industry Association
Transportation Intermediaries Association
Travel Goods Association (TGA)
USA Poultry and Egg Export Council
U S Association of Importers of Textiles and Apparel
U.S. Chamber of Commerce
U.S. Hide, Skin and Leather Association
U.S. Shippers Association
Utah Retail Merchants Association

CC: Members of Congress
Department of Transportation Secretary Ray LaHood
Department of Commerce Acting Secretary Rebecca Blank
California Governor Jerry Brown
Los Angeles Mayor Antonio Villaraigosa
Long Beach Mayor Robert "Bob" Foster