

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 – America's Cotton Marketing Cooperatives  
American Apparel and Footwear Association  
American Cotton Shippers Association  
American Farm Bureau Federation  
American Home Furnishings Alliance  
American Import Shippers Association, Inc.  
American Meat Institute  
Association of Food Industries  
California Retailers Association  
Cheese Importers Association of America  
Coalition of New England Companies for Trade - CONECT  
Connecticut Retail Merchants Association  
Fashion Accessories Shippers Association (FASA)  
Harbor Truckers Association  
High Point Market Authority  
Indiana Retail Council  
International Wood Products Association  
Michigan Retailers Association  
National Association of Manufacturers  
National Cattlemen's Beef Association  
National Cotton Council  
National Customs Brokers and Forwarders Association of America  
National Industrial Transportation League  
National Retail Federation  
New Jersey Retail Merchants Association  
North American Export Grain Association  
North Carolina Retail Merchants Association  
Pacific Coast Council of Customs Brokers and Freight Forwarders  
Pennsylvania Retailers' Association  
Retail Association of Maine  
Retail Association of Nevada  
Retail Industry Leaders Association  
South Carolina Retail Association  
State Chamber of Oklahoma  
The Waterfront Coalition  
Toy Industry Association  
Transportation Intermediaries Association  
Travel Goods Association (TGA)  
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