

# **North America Operations Update**

Week of 23 Feb, 2015

Dear valued OOCL Customer,

The long awaited news that a tentative agreement has been reach between the ILWU and the PMA was received on Friday February 20th. West Coast terminal operations resumed over the past weekend, except for the Port of Oakland (more on that is included below). Our industry is now faced with the task of clearing the backlog caused by the past 4 months of labor slowdowns and extreme terminal congestion. Estimates are that the cleanup efforts will be ongoing for the next 2-3 months, which we will continue to keep you informed of this progress.

## **North America Rail Operations**

 Surges of Arctic air will continue to impact the BNSF's Northern Region, from North Dakota eastward, during the upcoming week. Temperatures are expected to run 20-30 degrees below normal on most days. As a result, the BNSF will continue to implement train length restrictions as necessary in response to below zero conditions.

## **Truck Power**

- Truck Power across the USA to perform import store door deliveries and export door pickups continues to be a major concern especially in the Midwest, Gulf, Northeast and Southern California.
- There are no truck power issues in Canada and Mexico.
- Please see our <u>Truck Power Map</u> on <u>OOCL.com</u> for more information regarding advance timing required for door movements.

# **Vessel/Loop Deployment Changes**

- <u>Terminal First Receiving Date</u> information site link for export cargo container receiving as reported by North America terminals continues to be updated daily on <u>OOCL.com</u> USA and Canada web sites.
- Seattle/Tacoma Port Call Changes: To assist with vessel service recovery resulting from U.S. West Coast port congestion the following service changes will take place:

**NP1 and PA1 services** will temporarily shift the Tacoma port call to Seattle. Cargo scheduled to load/discharge Tacoma will now route via Seattle per below.

PA1 service will resume Tacoma port calls with the Oakland Express 060E on approximately March 24, 2015.

Additionally, due to severe vessel delays on the west coast there will be no sailings in Vancouver for the NP1 service during the 2nd through 4th weeks of March.

#### NP1 Service

Zim Antwerp	025	ETA Seattle	24 February
OOCL Asia	073	ETA Seattle	27 February
OOCL London	030	ETA Seattle	06 March
Zim Rotterdam	026	ETA Seattle	13 March

## PA1 Service

Tokyo Express	060	ETA Seattle	23 February
NYK Diana	040	ETA Seattle	27 February
Dallas Express	076	ETA Seattle	19 March

**NP2 Service** will temporarily switch its Seattle port call to Tacoma. Cargo scheduled to load/discharge Seattle will now route via Tacoma. Impacted vessel/voyages are as follows:

Hyundai Brave	042	ETA Tacoma	28 February		
Seattle Express	035	ETA Tacoma	03 March		
Hyundai Mercury 039 ETA Tacoma 06 March					
Hyundai Faith	044	ETA Tacoma	12 March		
Hyundai Force	040	ETA Tacoma	17 March		
Hyundai Global	036	ETA Tacoma	31 March		

<u>PA1 - Temporary Los Angeles Port Omission</u> In order to help ease the current congestion at the Port of Los Angeles, the G6 Alliance has taken the step of implementing a temporary omission of an eastbound port call at Los Angeles for the PA1 service until further notice. The service will continue to call Port of Oakland.

The vessels omitting the Port of Los Angeles are shown below:

Augusta Kontor 003 West Kobe Express 080 West

During this temporary period of PA1 port call omission at the Port of Los Angeles, you are encouraged to use our alternative CC1, CC3, CC4 and JPX services for your Transpacific shipments. For Transatlantic shipments, there is no all water alternative during this time period. For alternate land bridge routing for your Transatlantic shipments during this period, please contact your Sales Representative. Service maps and schedules for all our services are available at <a href="https://www.oocl.com">www.oocl.com</a>.

<u>JPX Temporary Oakland Port Omission</u>. JPX service will temporarily omit Oakland call through week 12. Cargo normally booked ex Oakland on the JPX service can utilize the PA1 service as an alternative.

<u>SE3 Temporary Oakland Port Omission</u>. SE3 service will temporarily omit Oakland. The vessels omitting the Port of Oakland are shown below:

Hanjin Chongqing 035 West
Hanjin Port Kelang 036 West

Attached is our current vessel schedule for reference purposes. For the most up to date scheduling information please do refer to our interactive point to point or vessel schedule on <a href="https://www.oocl.com">www.oocl.com</a>.

**Vessels at Anchorage –** all US West Coast ports have vessels at anchorage with the number of involved vessels steadily increasing each week except for Oakland where port omissions by ocean carriers have increased significantly.

Vessel Schedule Feb 23.xlsx

## **Pacific Southwest**

 As of February 23rd there were 35 vessels at anchorage in Los Angeles/Long Beach which is a new all time high. Now that a tentative agreement has been reached we will continue to provide updated vessel scheduling information and terminal updates.

#### **Oakland**

- Oakland OICT operations were highly congested this week due to ongoing labor shortages and slowdowns. Productivity remains down by about 30%. In retaliation for no week-end and holiday work, the ILWU rescheduled their regular stop-work meeting for the 1st shift on Feb.19th, effectively shutting down the Port of Oakland. There were hundreds of trucks in line every other day, backed up outside the terminal gates on to Middle harbor Road. Gate turn times averaged well over 1 hour. The terminal suffered extreme labor shortages and import delivery lanes had to be closed due to the lack of Transtainer service and the high volume of trucks waiting in the yard. The terminal congestion is extreme. The last date that OICT had normal import delivery operations was on Dec. 30th.
- Oakland Trapac operations were highly congested this week due to ILWU labor shortages and slowdowns. The terminal was closed completely on Feb.19th as ILWU shut down the Port of Oakland. Export grain shipments remained in off-dock storage until Feb.20th and finally began receiving Friday, however, due to yard congestion, the terminal closed the gates at 2pm.

#### **Tacoma & Seattle**

- WUT Tacoma remained congested throughout the week. ILWU job action continued to slow down terminal operations by about 30% and severely impacted vessel schedules. The terminal posts an announcement on their web site which vessel(s) they will receive export cargo on the following day. The terminal's decision to accept export cargo is based on daily yard inventory levels and dwell times. Additional vessels may berth, however, due to labor shortage the time in port will increase. WUT is working two vessels on berth to have better gang allocations. Vessels need longer port time since working on day shift only.
- T-18 Seattle was extremely congested. No empties were accepted. Empty returns were diverted
  to Conglobal Industries container depot in Seattle. T-18 is working on day shift only therefore
  vessels require extra port time. Local import releases at the terminal remain slow, taking 7-8
  days due to yard congestion. We are expecting extreme congestion next week as well.
- The number of vessels at anchorage in Puget Sound averaged 14 per day this week. No weekend work is causing additional delays.

## Vancouver

• CN currently has enough cars on hand or enroute to DeltaPort and Centerm Terminals to cover the current demand although delays of 8 days or even more should be expected.

# **USA Midwest & South Central**

Cold and freezing temperatures caused lift machine breakdowns in CHI, CLE, and STL

#### **CN Montreal**

Termont terminal aging intermodal loads of 9 days caused by a shortage of railcars.

#### **CN Halifax**

- Due to continual bad weather in Halifax export reservations for both loads and empties continue to remain restricted to Ceres Terminal from Toronto and Montreal.
- Because of bad weather in the Maritimes, CN was not able to push railcars into Halifax causing ITM containers to dwell longer than normal.

#### **New York Terminals**

• Truck power lead time still remains 5-7 days in the NYC metro area.

## **Norfolk International Terminal**

- The situation at west coast ports has created a significant increase in export rail volume in Norfolk. We can expect to see delays and missed vessels in the upcoming weeks until normal shipping patterns are restored.
- Effective on March 2, 2015, loaded export containers arriving via truck at Norfolk International Terminals (NIT) will not be allowed to enter the facility until it is within 10 calendar days (ERD) of the vessel arrival.
- As record cargo volumes continue at Port of Virginia terminals, full-day (7 AM 5 PM) Saturday gates at NIT will be offered through Saturday, Feb. 28.

## **South Atlantic**

 Ice and snow slowing truck and depot production in Memphis on Friday and both Memphis and Nashville earlier in the week.

# Mexico

- Terminal, depot, trucking, and rail services all normal.
- Veracruz port was closed two days (Tue-Wed) due to bad weather.

Yours Sincerely,

**OOCL North America**