

June 2021 - Info Expeditor

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Transpacific Shipping Beset with Serious Problems, No End in Sight

Evey Hwang, CBFANC President



Evey Hwang, Alba Wheels Up, CBFANC President

Transpacific shipping 2021: bottle-necks and trainwrecks

COVID-19 year 2020 showed up and our industry faced exacerbated supply chain dysfunctions. Then, In 2021, the annual Chinese New Year slowdown did not slow. In March 2021 the Ever Given stuck at Suez Canal created a bottleneck that took weeks to clear (crew and cargo are still stuck there in insurance/limbo). The US rail system--the inland moves were already bad--literally went off the rails this year. We also face continuing equipment and trucking shortages. In May, COVID outbreaks at Yantian China further broke the

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- Report Raises Concerns of Power Shortage for Green Ports
- CBFANC Members Meet with Rep. Jackie Speier during PCC Mission to DC
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- WESCCON 2021 Live and In Person!!
- CBFANC Social Media

WESCCON 2021 Live and In Person!!

WESCCON 2021 will be held Oct 14-17, 2021 at Rancho Las Palmas Resort in Rancho Mirage CA. SAVE THE DATE!!!

WESCCON 2021 Scholarship Applications Are Available (see article from CBFANC President Evey Hwang, to the right) DEADLINE EXTENDED TO AUGUST 1, 2021!

CBFANC Social Media

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Events Around the Bay

transpacific supply chain. Now in mid-2021, continued consumer demand has pushed ocean rates to untenable highs and pushed transpacific shipping into unrecognizable depths. Demurrage and detention still remain expensive painpoints. Despite a lot of talk about the ocean shipping situation there are no solutions yet in sight. How can this unprecedented "train-wreck" be put back on the rails?

During May's DC Mission, we raised maritime concerns to Federal Maritime Commissioners and talked up infrastructure with congressional staffers. Our meetings with Congressman Garamendi's office were particularly productive. The lead staffer has been further informed through our PCC counsel Peter Friedmann, and we continue the conversation on options for enforcement of the Shipping Act.

Evey's Article Continues Here..

CBFANC offers CHB Prep School for October Exam

Chris Kammer, CHB Exam Chairman



Chris Kammer, Access Supply Solutions LLC, CBFANC Board Member

Free Introductory Overview Session on July 6, 2021 With an accelerating pace of change associated with digitization and other innovations, US customs processing has become increasingly complex. Never has it become more important for logistics professionals to obtain the premier credential in this field, i.e. the U.S. Customs Broker License. Please join a FREE introductory overview

- <u>P.A.E.I</u> Professional Association of Exporters and Importers
- www.paei.org.
- OWIT NC Organization of Women in International Trade Check website for updates
- Monterey Bay
 International Trade
 Association (MBITA) Monterey Bay
 International Trade
 Association
 Check Website for updates
- Norcal W.T.C. The Northern CaliforniaWorld Trade Center Check Website for updates
- <u>PTA.</u> Pacific Transportation Association Check Website for updates

session on Tuesday, July 6, 5:30-7:00 PM (Pacific Standard Time) via webinar to learn more about the license exam scheduled for October, preparation suggestions and our intensive preparation course. To receive the meeting link for the July 6 introductory overview, please reply to keith@secondjune.com

Course information, including the tentative class schedule and the registration fee, can be found

here: https://customsbuddy.moodle.school/ (Click the link October 2021 Customs Broker License Exam Prep to access the class site.)

Any questions regarding the exam and/or the course- you can reach the teacher by email keith@secondjune.com or telephone (650) 224-6680 or you can contact the CBFANC Customs Exam Chairperson- Chris Kammer at 650-477-2691 / chris.kammer@accesssupplysolutions.com

Important Topics Covered in June 29th PCC Meeting

Sandra Alvarez, Flexport LLC, CBFANC Legislative Committee



Sandra Alvarez, Flexport Customs LLC Update from Washington DC!

There's some buzz to anticipate an <u>influx of CF28's once CBP</u> <u>fully returns to offices.</u> There is mention that CBP will be looking into money trails, to ensure that finances and values are on the up and up.

China Trade Legislation passed the Senate a few weeks ago. The Senate would extend GSP. The House bill extends GSP, includes MTB, but does not include 301's. Overall, the House doesn't think that the Senate bill goes far enough with regard to labor protections under GSP. Very political and there appears to be a large divide between the House and the Senate over exclusions. Looking to be much later in the year for anything concrete on GSP, MTB, or exclusions. American Apparel & Footwear Association (AAFA) seems to be worried about tariffs from VN. The Trump Administration had launched a 301 investigation in October of 2020 to look over VN currency practices. The Trump Administration did indeed find that they were in fact hurting the US economy, but did not place tariffs on VN at that time. Leaving it to the Biden Administration. The AAFA concern is that the investigation has not been formally terminated. Something that the trade community should be paying attention to as well. At the PCC meeting there was a mention of the recent passing of Bob Haydari. The PCC acknowledges his contributions to our association and is sending condolences to his family.

CBFANC SFO Airline Guide Is Updated

Chris Ramos, Chairman, CBFANC Board of Directors



Chris Ramos, KSI Corp, CBFANC Chairman, Airport Committee Chairman

The SFO Airline Guide was recently updated on June 16, 2021 and resides on the 'Links' page on the CBFANC website for your convenience. Here is the link -

2021 SFO Airline Guide June2021.pdf (cbfanc.org)

For the benefit of all, we try to keep this as current as possible. So please contact us at airport@cbfanc.org if you have information regarding any updates that aren't reflected in the current version of the guide, so that we may amend it accordingly.

Please see the message from Korean Airlines just received - for an upcoming change to take effect on July 1,2021. We will update the guide with this info once it is effective.

The Korean Airline announcement, read here...

From 1776 to 2021, the USA Celebrates July 4th!



245 Years and counting! Enjoy this holiday and have a fun and safe July 4th.

FMC Fails to Include Freight Forwards on National Shippers Advisory Committee

Peter Friedmann, OurManInDC



On behalf of CBFANC and the PCC, Peter Friedmann sent the below letter to the FMC on June 30, 2021, as a response the

the FMC's decision to exclude Freight Forwarders from the National Shippers Advisory Committee:

Good afternoon Commissioners.

As the applications for the National Shippers Advisory Committee pour in, on behalf of the Pacific Coast Council of Customs Brokers & Freight Forwarders Assn, and the Agriculture Transportation Commission, I urge you to assure that the vast number of the nation's smaller BCOs' are represented.

Many exporter and importer BCOs have the volume and budget to hire personnel in-house to handle international shipping functions. But smaller exporters and importers cannot. For these transportation functions, they depend upon the independent freight forwarder; the smaller volume importers depend on their independent customs broker for all these transportation arrangements and management.

The independent freight forwarder serves as the defacto in-house transportation department of hundreds, if not thousands of US exporters. Customs brokers (frequently the same firm) perform the same role for small/medium importers.

Unless freight forwarders and customs brokers are included, the Committee will be unable to represent a very significant percentage of the nation's exporters and importers.

Peter

Peter Friedmann
Of Counsel to Lindsay Hart, LLP
FBB Federal Relations
Washington, D.C.
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WESCCON 2021 Scholarship Applications Deadline Extended to August 1, 2021

Evey Hwang, CBFANC President



For those who have never attended WESCCON and have at least two years in the logistics industry, this is a great opportunity.

For more than a decade, the **Pacific Coast Council and Avalon Risk Management** have offered scholarships to each of the West Coast associations, covering airfare, 3 nights of accommodations, and the WESCCON registration fee.

The application deadline is Sunday, August 1, 2021.

As a requirement for the scholarship, the winner must submit a written summary of their experience by Monday, November 1, 2021

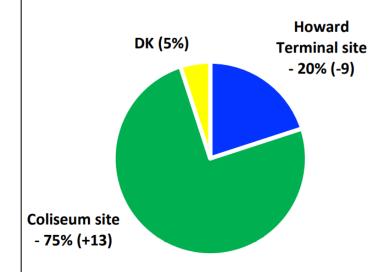
The CBFANC Board of Directors is looking forward to reading your applications and promoting the continued education of one of our members.

Thank you and best of luck! Regards, Evey Hwang CBFANC President

The link below will direct you to the application: https://www.cbfanc.org/docs/2021 SCHOLARSHIP APPLICATI ON.doc

Oaklanders Prefer Coliseum Over Howard Terminal for New A's Ballpark Development

East Oakland Stadium Alliance



BOTTOM LINE: According to a recent poll of Oakland voters conducted by FrederickPolls LLC, the preference for Coliseum site over Howard Terminal grows to 75% (+13 over initial 62% preference). Clearly, as Oakland voters learn facts about the limitations and costs of the Howard Terminal site, a vast supermajority chooses the Coliseum site. After hearing information about both locations, Oakland voters were asked: Which do you think is a better location for a new Oakland A's ballpark? • At the industrial waterfront Howard Terminal site, with the team's owners' plan for new development around the ballpark and infrastructure financed by a new tax district. --OR-- • At the current Coliseum site, already connected to BART and freeway access without costing port jobs or disrupting neighborhoods.



FMC Notified About Carriers Abuse of the Merchants Clause on Bills of Lading

Peter Friedmann, OurManInDC



Peter Friedmann, OurManInDC, PCC Counsel, AgTC Executive Director

<u>Peter Friedmann sent the below letter to the FMC on June 30, 2021</u>

Dear Commissioners,

I understand you are working on the problem of ocean carriers (or others) billing parties with whom they have no contractual relationship, and imposing their power on these independent entities to compel payment.

One such party that is the victim of this practice are the customs brokers, who work for the importers to assure compliance with laws and regulations pertaining to customs duties and other CBP and other agency (FDA, etc.) regulations. But lately being compelled to pay charges that are the responsibility of the carrier's contracted beneficial cargo owner.

Here is a description, from one such customs broker. If you or John wish to discuss this with any such party, or this customs broker, please advise so I can arrange. Peter's letter to the FMC continues here...

Container Volumes in Oakland Lag Behind Robust Volumes at Other West Coast Ports

Courtesy PMSA



Figures compare May 2019 to May 2021

At the Port of Oakland, inbound loads (92,558 TEUs) were up 7.7% from 85,970 TEUs in May 2019, while outbound loads slipped by 4.3%. Overall, Oakland handled just 1.5% more total TEUs this May (226,406) than it had two years earlier (223,102).

At the Port of Long Beach, the 444,736 inbound loaded TEUs that arrived this May were up 53.1% over the same month two years earlier when just 290,568 loads sailed into port. Outbound loads meanwhile rose 12.2%. Total TEU traffic (loads plus empties) jumped 58.2% to 907,216 from 573,623 in May 2019. Long Beach was the nation's second most active container port this May

For Volumes at LA, PNW, read here...

Report Raises Concerns of Power Shortage for Green Ports

Courtesy John McLaurin, PMSA



In Case You Missed it: Statement by John McLaurin, Pacific Merchant Shipping Association

Report Raises Concern of Power Shortage for Green Ports, PMSA Warns about Fallout to the Supply Chain

State policies requiring California's port supply chain to transition to zero-emission technologies by 2035 need to address challenges relating to providing an adequate energy grid supply coupled with resiliency to avoid significant impacts on the ability of California's supply chain to move cargo, according to a newly released report.

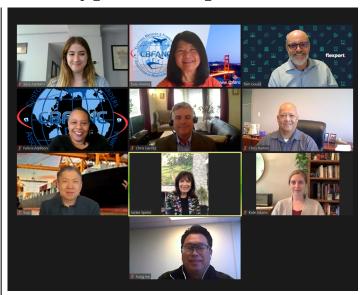
The report from engineering consultants Moffat and Nichol examines the energy grid requirements for vessels and the landside equipment that move cargo between the vessel and inland destinations.

Full Report

Details continue here, including full press release

CBFANC Members Meet with Rep. Jackie Speier during PCC Mission to DC

Evey Hwang, CBFANC President



Above, CBFANC participants at the PCC Mission to DC 2021 virtually meet with Rep. Jackie Speier (highlighted square above).

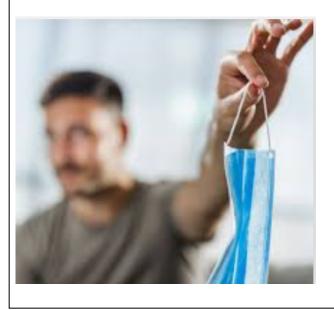
May 26, 2021 Legislative Meetings

On May 26, 2021, CBFANC Missionaries along with LA and San Diego associations met with staffers with offices of California Senators Alex Padilla and Dianne Feinstein. Productive meetings with staffers for Speaker of House Nancy Pelosi (CA-12, D) and House Representatives Barbara Lee (CA-13, D); Jackie Speier (CA-14, D) and; John Garamendi (CA-3, D). We had yearly wonderful meeting with Jackie Speier where we expressed our appreciation once again for her assistance in restarting fumigation operations at our Port five years ago as well as her unwavering support for her constituents on trade and local concerns

Read here for details about our important meeting with Rep. Garamendi's office

KEEP CALM, GET VACCINATED, THEN GO MASKLESS!





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