

November 2020 - Info Expeditor

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## Press Conference Decries Demurrage & Detention Abuses

Evey Hwang, CBFANC President



Vincent Iacopella, Alba Wheels Up, PCC Board President

Demurrage and Detention gets attention! Every port has its issues but none more than LA/LB (and NY/NJ). On November 16, 2010, Agriculture Transportation Coalition's **Peter Friedmann**, Harbor Truckers Association's **Weston LaBar** and Pacific Coast Council represented by **Vince Iacopella** held a Press Conference on the continuing congestion and demurrage situation in LA/LB. Ocean carriers and terminals were called to reform their unfair practice of charging demurrage and detention while terminals were inaccessible. Congestion from increased volumes over summer has not abated and discussion even made on revisiting the Shipping Act which has not been reviewed since 1984.

Press conference can be viewed:

https://www.youtube.com/watch? v=jiKffiw6FxE&feature=youtu.be

November 16, 2020 Letter sent to Federal Maritime Commission:

https://agtrans.org/wp-content/uploads/2020/11/Coalition-Letter Suspension-of-Detention-Demurrage DRAFT-11.13.20 Blast.pdf

By Friday, Pacific Coast Council associations received news on response from FMC opening investigation on ocean carrier and terminal practices. Additional stories on this topic appear in this month's issue of InfoExpeditor. Thank

# FDA to Meet with Brokers on November 5, 2020

FDA is hosting a virtual meeting with brokers on November 5, 2020. This meeting will give brokers a chance of ask questions, get updates on issues, and also learn of the workings within FDA during the COVID crisis. Please see the article in this newsletter for details.

### CBFANC Educational Events Schedule

#### **Topics**

November 18 - Export focused webinar December 9 - virtual Holiday meeting, election results to be announced!

#### **CBFANC Social Media**

Please connect with us!

Twitter - @cbfanc

LinkedIn - CBFANC

Facebook - CBFANC

#### **Events Around the Bay**

- <u>P.A.E.I</u> Professional Association of Exporters and Importers
- www.paei.org.
- <u>OWIT NC</u> Organization of Women in International Trade Check website for updates
- Monterey Bay
   <u>International Trade</u>

   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

you.

### **CBFANC and PCC Prompt FMC Investigation**

Evey Hwang, CBFANC President



Evey Hwang, Alba Wheels Up, CBFANC President

## Aggravated by the delays/congestion issues at our ports?

CBFANC and PCC members have continuously provided information on carrier and terminals practices, and in particular:

- 1. PCC Customs brokers have explained the massive sums which your importers have had to pay in demurrage and detention.
- 2. PCC freight forwarders have explained the impact of carriers cancelation and rejection of export bookings.
- Both brokers and forwarders have explained to FMC Commissioners the dysfunction caused by lack of appointments, changing ERD's, lack of free time, lack of notice, all which contribute to current supply chain dysfunction.

The Federal Maritime Commission decided to open a formal investigation on the long-sought objective: meaningful enforcement of fair and reasonable ocean carrier and marine terminal practices.

In coming weeks we will step up PCC broker and forwarder engagement with Congress, in order to support the FMC actions (see article by Peter Friedmann on next steps).

Clearly the Commissioners have lost patience. The carriers and terminals were poorly advised to ignore the FMC's Guidance on Detention and Demurrage, Commissioners are hearing from members of Congress about the export bookings being cancelled and denied. The Commissioners' actions are consistent with their obligation to enforce the Shipping Act and the interests of the US economy – exports, imports, agriculture, retailers, forest products, the service providers such as brokers and forwarders, etc.

**ACTIONS LEND POWER TO WORDS--Contact the FMC and Congress NOW!** 

#### Peter Friedmann, PCC Counsel, AgTC Founder



Peter Friedmann, Our Man in DC Actions are needed to support the FMC investigation into demurrage and detention abuses by carriers and terminals. What You Can Do Right Now:

- Send a quick email to the Commissioners, thanking them for this Investigation. You can, if you wish, give them some information as to how the carrier and terminal situation, the demurrage and detention charges, the export rejection is hurting you and your exporters and importers.
- Please mention you are a member of the PCC (or, Pacific Coast Council of Customs Brokers and Freight Forwarders).
- You can send one email to all 5 Commissioners, at once.
- Please copy Peter Friedmann, OurManInDC@
- · Here are their emails:

Chairman Michael Khouri <a href="mailto:mkhouri@fmc.gov">mkhouri@fmc.gov</a>
Commissioner Rebecca Dye <a href="mailto:rdye@fmc.gov">rdye@fmc.gov</a>
Commissioner Carl Bentzel <a href="mailto:cbentzel@fmc.gov">cbentzel@fmc.gov</a>
Commissioner Louis Sola <a href="mailto:lsola@fmc.gov">lsola@fmc.gov</a>
Commissioner Dan Maffei <a href="mailto:dmaffei@fmc.gov">dmaffei@fmc.gov</a>

## Call the Congressional Office and make Specific Request.

Find your Member of Congress here <a href="https://www.house.gov/representatives/find-your-representative">https://www.house.gov/representatives/find-your-representative</a>

Instructions continue here...

### The Future of Trade in a Virtual World

### **COVID 19 Pandemic Forces Reviews and Re-evaluation**

A thorough presentation was made at WESCCON 2020 by Terry Cummings, Amanda Barlow, and Patrice Lafayette of Roanoke Trade. The trade has plenty on its plate during the "new normal" caused by the pandemic.

Terry Cummings: Planning, Preparation and Protection in an Uncertain World



Terry Cummings
Vice President, Sales
Direct: 415.732.5471
Mobile: 415.845.6079
Terry.Cummings@RoanokeGroup.com

### Amanda Barlow: The Pandemic's Big Impact on ATA Carnets



Amanda Barlow
Regional Vice President, Western Region
Direct: 562.628.9306
Mobile: 917.208.7494
Amanda.Barlow@RoanokeGroup.com

Patrice Lafayette: CBP Response to the Crisis; The Trade Faces New Liabilities Now and In The Future.



Patrice Lafayette
Assistant Vice President, Sales
Direct: 562,628,9306

Please continue to the link below to read the presentations from Terry, Amanda and Patrice. They provide valuable and timely information about the issues, realities, and possible remedies in the age of COVID 19.

Click here for the presentations by Terry, Amanda and Patrice

### Is This Leadership?

Thomas Jelenic, VP, PMSA



Thomas Jelenic, VP, Pacific Merchant Shipping Association

(Editor's note: New California Zero Emissions Goals -- Is there nothing to be learned from history? Might hydrogen technology be better than electric? Mr. Jelenic offers a compelling essay on the latest and possibly most daunting challenge that our industry has ever encountered. We are publishing an abridged version of his essay and we hope that you will read Mr. Jelenic's comments, and contemplate the ramifications.)

California has adopted stringent zero-emission vehicle (ZEVs) requirements that seek to have ZEV sales increasing from 2% to 5% to 10% over a number of years. The year was 1990. The 2% goal was to be achieved by 1998 and the 10% goal by 2003. By the end of 2019, pure ZEV sales only made up 5.3% of the California market. California now has a regulatory ZEV goal for 10% of new car purchases by 2025. Twenty two years after the original deadline.

Demonstrating its belief that there is nothing to be learned from history, even recent history, California has once again issued a sweeiping technology mandate before the needed technology has been proven. The mandate bans the sale of internal combustion engine cars by 2035, while calling out "drayage trucks" to complete the transition by 2035. The order also call out off-road equipment, like cargo handling equipment (CHE) used in ports, to complete the transition to 100% ZE by 2035. The most recent analyses by the ports of Long Beach and Los Angeles have determined that there are currently no feasible ZE heavy duty trucks or CHE available for deployment. Yet CARB is already proposing to ban new trucks from serving California ports unless the trucks are ZE beginning in 2024, even though the technology needed to meet the ports' needs does not exist.

Mr. Jelenic's essay continues here...

### **Have Yourself a Merry Holidays Season!**

2021 is going to be great year, right? Right!!! CBFANC wishes everyone a wonderful holiday season and a happy, prosperous and healthy 2021.



We hope that you can join us for our annual Holiday meeting, which will be held virtually this year on December 9th. Please go to the EVENTS tab of the CBFANC website to register.



Happy New Year!!

# **Bruce Murley Appointed New CBP Area Port Director for San Francisco**

Bruce Murley has been named Area Port Director for San Francisco Port. Serving as APD of Honolulu for many years, Mr. Murley has stepped in as San Francisco APD previously and will permanently join our port during the second week of January. Mr. Murley will take over APD from Rich DiNucci who transferred August 1, 2020 to Office of Field Operations. Join us on January 26, 2021 in welcoming APD Bruce Muley at CBFANC's annual State of the Port (virtual event).

**Push Continues to Renew GSP** 

Evey Hwang, CBFANC President



**GSP Renewal Actions:** On Behalf of membership, CBFANC has joined GSP renewal efforts to remind Congress of the importance of GSP and continuation of global trade policies. Per Peter Friedmann:

"This is an easy and timely way to engage, to push for GSP renewal, and something each association can send to your

membership. It will also set the stage for GSP renewal in the next Congress, if this Lame Duck doesn't get it done this year."

Instructions from the Coalition For GSP can be found on the link below:

http://renewgsptoday.com/coalition-for-gsp-november-2020-letter-sign-on/

click here to read the letter to Congress from the Coalition for GSP

**Election Results to be Announced at CBFANC Annual Holiday Meeting** 

Chris Ramos, Chairman, CBFANC Board of Directors



The results of the recent **CBFANC election of new board members** will be announced on **December 9th**. This event will be part of the annual Holiday meeting which will be held virtually this year. <u>Please go to the EVENTS tab on the CBFANC website for information and to register</u>. We hope to see you then!



Chris Ramos, KSI Inc, CBFANC Board Chairman

Vaccine Delivery to Challenge Cargo Airlines

Jack Hubbard, Editor



The airline industry could be called upon to deliver as many as 20 billion COVID-19 vaccination doses, as pharma companies and shippers say that almost all vaccine supplies will be transported by air. Cargo space is already largely booked through February due to the holiday season and renewed consumer spending. Nonetheless, airlines said that they would make room for essential supplies such as vaccines. According to the Wall Street Journal (Oct 6, 2020), the CEO of Atlas Air Worldwide advises "This is going to be one of the biggest challenges for the airline industry." Compared to regular flu season vaccines, the COVID 19 vaccine will have much more urgent delivery needs and far larger volume. The Air Transport Association estimates that transporting a single dose to the global population would require the equivalent of 8,000 fully laden Boeing 747 flights.



# Our Man in DC Speaks to the Press About Crisis at Our Ports

Jack Hubbard, Editor





"Right now we are grappling with a true emergency--carriers refusing bookings for trans-Pacific agricultural exports and canceling those already booked," said **Peter Friedmann in the Wall Street Journal** (Nov 17, 2020). "We are getting locked out of foreign markets." Peter continues" We applaud renewed focus by the FMC on its role to protect the interests of the US economy, through vigorous enforcement of the Shipping Act. We ask that the enforcement begin promptly, as the injury to the economy and to agricultural exporters and their forwarders, truckers, is immediate and increasing."

Background information can be found here...

**New CARB Program Proposes Drastic Measures** 

Henry Osaki, Mutual Express, and TWG co-Chair

### CARB Advanced Clean Fleet Rule

- CARB is working on a new clean truck regulation
- 1st Workshop held 9/18/20
- The rule is for all trucks in California, but the initial focus is Drayage Trucks



- Goal: 100% electric drayage truck fleet by 2035
- Concept: Starting in 2023, any new truck entering the CARB drayage registry must be zero-emissions electric truck.

Per the above info, below is an urgent follow up message from Henry Osaki, Trucker Working Group Co-Chair. Henry works with Mutual Express.

There is an urgent issue on CARB's recent regulation where any new truck that registers into the CARB Compliance

Database (Drayage Truck Registry) stating beginning 2023

must be zero emissions. That's correct. Zero emissions for semi-trucks. For cars it's 2035. As you know we truckers must be registered in the CARB DTR so anyone with a new truck must register their brand new trucks 2023 or after. This is going to crash the market if not skyrocket existing rates, cut down on the number of trucks going in and out of the port. 2023 is still just over 2 years away. There isn't even any manufacturers out there for this or technology much less parts, kits, or anything!

No proper research, feasibility studies, factual effective numbers, and much of it based upon "well that sounds like a great idea".

Unchallenged, this is going to have a very severe and astronomically huge impact on all of us.

### **FDA Virtual Meeting Nov 5**

From CBFANC Agency Committee: FDA-Broker meeting November 5, 2020 10:00 a.m. to 12:00 p.m. FDA Division of West Coast Import is inviting Customs Brokers for a virtual semi-annual meeting for updates and discussion. Members are encouraged to join and to submit agenda items ahead of meeting.

Please RSVP to CBFANC for meeting details for broker meeting with FDA:

https://fda1.webex.com/webappng/sites/fda1/meeting/info/0 391c49fe8e3449f867e58a5762e19e8? MTID=mb07d9df2bec30d7b0087ff27dfcc7d37

# Comments on CES Applications Deadline: Nov. 22, 2020

CBFANC Ocean Committee



From CBFANC Customs and Ocean Committee, Important Notice from CBP inviting comments on CES Applications. Per Port of San Francisco Information Notice 728-21-03, invitation to submit comments on two Container Examination Stations applicants:

Customs Specialized Services, 1035 Watson Center Road, Carson, CA 90745;

Impact Transportation LLC, 2498 W. 19th St Bldg 806, Oakland, CA 94607.

Comments must be received within 30 days from the date of the Information Notice. Please submit your comments by November 22 2020 to:

U.S. Customs and Border Protection

Attn: Area Port Director 555 Battery Street San Francisco, CA 94111

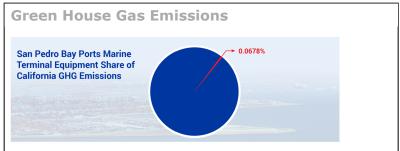
# **Consumer Electronics Show CES to be All Virtual** in 2021



Customs brokers and forwarders and logistics professionals have long considered CES held annually in Las Vegas to be one of the most important trade shows of the year. In 2021, however, the event will be strictly virtual due to COVID19 concerns. This development will have a big, negative impact on the struggling hospitality industry in Las Vegas. The CES is the largest event by exhibition space in the country, spanning nearly 3 million net square feet. More than 170,000 people from 164 countries, regions and territories attended the weeklong showcase earlier this year. The virtual CES 2021

will run from Jan 6 to Jan 9. (Source: Wall Street Journal, July 29, 2020)





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