

Universal Forwarding Overseas, Ltd. Newsletter

December 19, 2012

Universal Forwarding Overseas, Ltd.

UNITED STATES PORT CONGESTION SURCHARGE

The labor agreement extension between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX) is set to expire December 29. Negotiations have stalled between the ILA and USMX. If an agreement is not reached by December 29, the ILA will likely strike at all US East Coast ports.

In anticipation of a potential strike, carriers have filed Port Congestion Surcharges that will go into effect with any work slow down or stoppage. Surcharges will be assessed on each container moving into and out of the United States. Approximate surcharge costs are as follows:

- \$800 per 20' container
- \$1000 per 40' standard container
- \$1125 per 40' high cube container
- \$1266 per 45' container

Remember, in the event negotiations are not successful, the US Government may choose to declare a national emergency under the Taft-Hartley Act. This would postpone any work stoppage for 80 days.

UFO will continue to monitor the situation and provide updates as new information is available. If you have any questions, please contact Marc Mugfor at mmugfor@ufoltd.com.

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