

Universal Forwarding Overseas, Ltd. Newsletter

December 27, 2012

Universal Forwarding Overseas, Ltd.

ILA & USMX AGREE TO MEET

The U.S. Federal Mediation and Conciliation Service (FMCS) has announced the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX) have agreed to meet and continue negotiations before the current agreement expires on December 29. Further details regarding negotiations have not been released. Please reference http://usmxlaborupdates.com/ for notices as they are made public.

The ILA and USMX have been at a standstill in negotiations related to container royalties. If an agreement is not reached by December 29, a work stoppage is likely. The ILA will either strike against containerized cargo or the USMX will lock out ILA workers at all US East and Gulf Coast ports. Terminals are advising customers to have all import loads sitting on terminal picked up by this Friday. They are also encouraging everyone to return empty containers and chassis to avoid potential additional charges.

Remember, in the event negotiations are not successful, President Obama may choose to invoke the Taft-Hartley Act. This would postpone any work stoppage for 80 days. However, it is unclear how quickly the return to work would be implemented. Be prepared for delays, congestion and surcharges at all U.S. ports if the ILA chooses to strike or the USMX implements a lockout.

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.

WISCONSIN

Universal Forwarding Overseas, Ltd. 941 North Perkins Street Appleton, WI 54914 Phone: 920-731-0822 www.ufoltd.com

ILLINOIS

Universal Forwarding Overseas, Ltd. 1099 West Hawthorn Drive Itasca, IL 60143 Phone: 630-766-7121 www.ufoltd.com