

# **Universal Forwarding Overseas, Ltd.** Newsletter

September 22, 2014

Established 1978

### **ILWU & PMA NEGOTIATIONS CONTINUE**

The International Longshore and Warehouse Union and the Pacific Maritime Association continue daily negotiations in San Francisco. Since the ILWU and PMA reached an agreement last month on the critical issue of medical benefits, the current discussions have been about operational issues at marine terminals.

West Coast cargo volumes remain strong as the ILWU and PMA continue to keep cargo moving. Port congestion continues to be a problem as terminals struggle to deal with the container volume of megaships. Automation is likely the answer at ports to handle the volume, but of course the ILWU is concerned about the potential of job reduction. Negotiations likely include discussions on training longshoremen to prepare them for the emerging work opportunities like maintenance on the sophisticated cargo-handling equipment involved in the automation.

UFO will continue to monitor the situation and provide updates as information is made available.

#### **US PORT CONGESTION**

Congestion is heavy at major ports in the United States. Several factors are contributing to the congestion - holiday season imports, ports unable to handle the container volume of mega-vessels and limited chassis availability. The congestion and port delays result in vessel schedule changes and diversions.

A recent change that is adding to the congestion is that steamship lines are no longer providing chassis at terminals. Thus carriers have to rely on other providers. At this point the supply does not meet current demand. This affects container availability for export shipments as well as import delivery times.

UFO continues to monitor each export shipment until it is confirmed onboard the vessel. We will provide timely updates as information is made available to us. UFO asks for your understanding and patience as we work through these situations that are out of our control.

#### **TYPHOON UPDATE**

Due to Typhoon Fung-Wong, Ningbo port had ceased operations today, shipments will be monitored and updates will be sent.

Thank you for your continued support. Please contact Marc Mugfor (mmugfor@ufoltd.com) if you have any questions or concerns.

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