



ILWU and PMA Update

Nearly two weeks after the introduction of federal mediation into contract negotiations, port conditions and labor unrest remain unchanged. The PMA has discontinued all night vessel work in Seattle-Tacoma, Oakland and now Los Angeles and Long Beach. The PMA stated these actions allow the terminals to devote all resources on the night shifts to cleaning up the yards and creating space for containers that will be discharged the next morning. Additionally, the PMA stated that the ILWU has refused to dispatch sufficient skilled labor to operate yard cranes on night shifts. There were reportedly thirteen container ships at anchor in Los Angeles and Long Beach, seven in Oakland and another seven in Tacoma as of yesterday, January 15.

U.S. –Mexico Trade

U.S. and Mexico customs authorities hope to speed cargo movements across the border this year due to the mutual recognition agreement signed in October of 2014. The arrangement benefits shippers and carriers that are recognized as "trusted traders" which requires an extensive verification process. As the arrangement begins to take full effect, experts say that better truck data is needed to effectively decrease truck congestion at the border.

During 2013 and 2014, "Project 21" was able to provide high-level tracking, enabling trucks to pass through checkpoints faster. The project tracked trucks from maquiladora factories in Mexico and followed them throughout the entire Customs process. Project 21 concluded in 2014. However, experts feel a similar private project could help facilitate the necessary truck data to expedite cross-border trade.

Another concern of cross-border trade includes the imbalance of north and southbound shipments. With fewer southbound truckloads available, Mexican trucking companies have been vulnerable to higher operating costs, greater liability and lower profits. Additionally, truckload and less-than-truckload northbound pricing has increased due to this disproportion.

Space Constraint

Unitran's overseas agent network has advised that there are notable space constraints on vessels from India to U.S. East and West Coast ports. Many carriers are at full capacity, creating the possibility of rolled containers. Agents expect these conditions to continue through April. If you have any questions or concerns, please contact your local Unitrans International account manager.

Vancouver Drayage Conflict

Drayage driver representatives and the British Columbia's minister of transportation met yesterday, January 15, in an attempt to avoid another strike at Canada's largest container port. Drayage drivers accuse the provincial government of altering the Joint Action Plan by including unfavorable rules relating to minimum drayage rates, the movement of goods between off-dock facilities and the minimum age of rigs. The Joint Action Plan, scheduled to take effect on February 1, ended a previous drayage strike which lasted several weeks in March of 2014.

China Ban on U.S. Poultry

The Chinese government stated it will ban imports of U.S. poultry and egg products because of a recent detection of avian influenza in backyard poultry and wild birds in the Pacific Northwest. China is a key export market for U.S. chicken, turkey and duck products. From January through November of 2014, U.S. exports of these products to China totaled \$272 million. Chinese officials imposed the restrictions despite assurances by the U.S. Department of Agriculture's Animal and Plant Health Inspection Service that the influenza virus has not been found in any commercial poultry flock in the U.S.

Links of the Week

[Determining Value & License Value](#) and [Global Risks Report 2015](#)

INTERNATIONAL HOLIDAYS	
Holidays do not necessarily indicate close of business	
January 16	Democratic Republic of Congo
January 17	Democratic Republic of Congo
January 18	N/A
January 19	America Samoa, Ethiopia, Northern Mariana Islands,
January 20	Azerbaijan, Cape Verde, Guinea-Bissau, Mali, Zambia
January 21	Barbados, Bhutan, Dominican Republic, Nepal
January 22	Bolivia, Maldives



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