



June 2023 – Partial Container Tallies

As a reminder to our readers, we only cite the container volumes reported by the ports we survey. We chose to highlight how the ports are currently faring not against last year but vis a vis pre-pandemic 2019. Unless otherwise indicated, the container numbers appearing in this report represent TEUs.

In its July 7 press release, the National Retail Federation's Global Port Tracker (NRF/GPT) expected that June would ultimately see the arrival of 1.86 million inbound loads at the thirteen mainland U.S. ports it monitors. That would be down 17.5% from a year earlier but about 60,000 inbound loads (+3.3%) higher than the 1.8 million that made it ashore in June 2019, as reported in the August 8, 2019, NRF/GPT press release.

The **Port of Los Angeles** was the first major port to post its June container statistics. The 435,307 inbound loads that arrived at America's Port in June were up 9.8% over June 2019. Outbound loads (108,050), however, were down 22.4% over the same period. On the other hand, the port did ship 30.9% more empty TEUs this June than in June 2019. Other than the dreadful first-half of 2020, the Port of LA handled fewer loads and empties (4,137,379) in the first six months of this year than in any preceding year since 2016, when the port handled 4,133,595 total TEUs.

Next door, the **Port of Long Beach** handled 597,076 loads and empties in June, its least busy June since 2015. Inbound loads (274,325) were the fewest in any June since 2011. Outbound loads (94,508) were the fewest in any June since 2004. Owing to the much larger volume of empties moving through the port in recent years, total container traffic at the port through the first-half of this year (3,732,676) was actually up by 4.2% from the first-half of 2019.

Northern California's **Port of Oakland** certainly had a languid June, in part because of labor slowdowns. Inbound loads (66,295) were down by 18.0% from June 2019. Outbound loads (54,138) were not only off by 27.7% from four years earlier, they were the fewest recorded in any June so far in this century. Total container traffic YTD through this June (1,012,154) was 19.3% shy of the mark set during the first-half of 2019, which was the lowest number of loads and empties that passed through the port during the first-half of any previous year since 2009.

June numbers were even more alarming at the **Northwest Seaport Alliance** (Ports of Tacoma and Seattle). Inbound loads at the jointly managed Washington State ports (90,768) were down 26.0% from June 2019, while export loads (44,788) were off by 41.5%. Total container traffic through the ports in the first half of the year amounted to



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Port of **LONG BEACH**
THE PORT OF CHOICE





June Tallies Continued

1,394,347 loads and empties, down 27.2% from the same period in 2019.

June numbers were also dismal at the **Port of Prince Rupert**, where inbound loads (34,289) were down by 40.6% from June 2019. Outbound loads (10,603) were off by 30.5%, and total container traffic YTD (382,405) was 30.5% below the volume the British Columbia port handled in the first-half of 2019.

By contrast, back East, the **Port of Virginia** handled 124,338 inbound loads in June, a 10.4% gain over the same month in 2019. Outbound loads (82,414) were up 7.7% over the same period. YTD, total container traffic amounted to 1,580,449 loads and empties, an 8.7% increase over the first-half of 2019.

Moving further south along the Atlantic Seaboard, inbound loads at the **Port of Charleston** in June (95,831) represented an 11.3% gain over the same month in 2019. However, outbound loads (59,485) were down by 10.5%. Overall, total container traffic through the South Carolina port YTD (1,225,756) was just 1.5% higher than the volume handled in the first six months of 2019.

Down on the Gulf Coast, **Port Houston** handled 146,636 inbound loads this June, a 39.4% gain over the same month in 2019. Outbound loads from the Texas port (103,726) dipped by 2.5% over the same period. However, the 1,858,375 loads and empties the port has handled YTD was 27.2% (+396,966) higher than the volume that passed through the port in the first six months of 2019.

NUMBER OF THE MONTH



204,750

In the year's first-half, U.S. mainland ports handled 204,750 fewer loaded and empty TEUs than they had during the first-half of pre-pandemic 2019.

(Source: U.S. Commerce Department)

We Make Cargo Move



The Port
OF HUENEME



For the Record: Complete May 2023 TEU Numbers

Exhibits 1-3 provide the details on inbound and outbound loads as well as total container traffic (loads plus empties) through the North American ports this newsletter surveys.

The seventeen U.S. mainland ports tracked by this newsletter report having handled a total of 1,967,522 inbound loads in May. (We still count the Northwest Seaport Alliance Ports of Tacoma and Seattle as two ports even though they report their statistics jointly.) This May's total represented a 19.0% fall-off from the previous May's 2,429,268 inbound loads. Perhaps more significantly, though, those same ports took in 4.3% more inbound loads this May than they had in May 2019, a gain of 81,386 loads. While most U.S. ports recorded growth in inbound loads over May 2019, the most notable exceptions were on the West Coast, with the Ports of Los Angeles, Oakland, the Northwest Seaport Alliance as well as Canada's Prince Rupert all posting declines.

As for outbound traffic, our roster of U.S. mainland ports shipped 174,644 fewer loads this May than they had four years earlier, a decline of 15.6%. Apart from the two small California ports we monitor, only the Ports of Long Beach (+6.0%) and Jaxport (+19.4%) handled more outbound loads than they had in May 2019. Up in British Columbia, the Ports

Exhibit 1 May 2023 - Inbound Loaded TEUs at Selected Ports						
	May 2023	May 2022	May 2021	May 2020	May 2019	2023/2019 % Change
Los Angeles	409,150	499,960	535,714	306,323	427,789	-4.4%
Long Beach	361,661	436,977	444,736	312,590	290,568	24.5%
San Pedro Bay Totals	770,811	936,937	980,450	618,913	718,357	7.3%
Oakland	70,887	98,792	92,560	73,423	85,970	-17.5%
NWSA	78,151	120,624	134,246	86,129	111,730	-30.1%
Hueneme	7,968	10,120	8,690	2,712	5,557	43.4%
San Diego	6,050	7,522	7,888	7,514	5,836	3.7%
USWC Totals	933,867	1,173,995	1,223,834	788,691	927,450	0.8%
Boston	11,215	5,667	8,410	10,439	11,436	-1.9%
NYNJ	351,430	426,423	396,417	266,004	340,680	3.2%
Virginia	129,203	168,023	144,916	87,669	119,592	8.0%
S. Carolina	99,130	126,320	107,050	73,072	88,009	12.6%
Georgia	188,728	253,508	137,812	122,271	126,895	48.7%
Jaxport	33,053	24,187	33,940	23,661	30,022	10.1%
P. Everglades	27,205	35,583	30,443	19,410	25,619	6.2%
Miami	44,354	47,119	44,645	29,658	37,943	16.9%
USEC Totals	884,318	1,086,830	903,633	632,184	780,196	13.3%
New Orleans	9,592	9,645	11,678	13,725	12,994	-26.2%
Houston	129,745	158,798	132,853	99,509	107,126	21.1%
USGC Totals	139,337	168,443	144,531	113,234	120,120	16.0%
Vancouver	142,999	168,057	183,511	132,473	130,769	9.4%
Prince Rupert	42,557	45,053	56,706	36,439	57,578	-26.1%
British Columbia Totals	185,556	213,110	240,217	168,912	188,347	-1.5%

Source Individual Ports



May 2023 TEU Numbers *Continued*

Exhibit 2 May 2023 - Outbound Loaded TEUs at Selected Ports

	May 2023	May 2022	May 2021	May 2020	May 2019	2023/2019 % Change
Los Angeles	101,741	125,656	109,886	104,382	167,357	-39.2%
Long Beach	127,870	118,234	135,345	134,556	120,577	6.0%
San Pedro Bay Totals	229,611	243,890	245,231	238,938	287,934	-20.3%
Oakland	63,511	75,067	74,726	69,720	78,070	-18.6%
NWSA	42,713	46,201	63,558	59,595	70,541	-39.4%
Hueneme	1,522	3,428	2,498	678	1,389	9.6%
San Diego	584	1,120	971	360	298	96.0%
USWC Totals	337,941	369,706	386,984	369,291	438,232	-22.9%
Boston	5,604	2,143	5,944	4,086	6,853	-18.2%
NYNJ	110,695	118,552	134,458	95,462	132,315	-16.3%
Virginia	88,044	97,705	99,717	72,160	88,065	-0.02%
S. Carolina	55,201	53,312	73,281	58,972	71,399	-22.7%
Georgia	188,728	253,481	235,687	154,730	185,265	1.9%
Jaxport	50,382	44,588	50,311	38,528	42,180	19.4%
Port Everglades	31,443	35,199	33,655	20,643	35,805	-12.2%
Miami	24,133	28,693	30,790	26,545	35,357	-31.7%
USEC Totals	554,230	633,673	663,843	471,126	597,239	-7.2%
New Orleans	17,997	19,479	26,280	24,176	27,757	-35.2%
Houston	109,220	106,358	95,439	100,538	116,693	-6.4%
USGC Totals	127,217	125,837	121,719	124,714	144,450	-11.9%
Vancouver	63,897	61,801	92,611	96,902	95,220	-32.9%
Prince Rupert	10,909	10,918	16,313	16,282	19,458	-43.9%
British Columbia Totals	74,806	72,719	108,924	113,184	114,678	-34.8%

Source Individual Ports



May 2023 TEU Numbers *Continued*

Exhibit 3 May 2023 - YTD Total TEUs						
	May 2023	May 2022	May 2021	May 2020	May 2019	2023/2019 % Change
Los Angeles	3,304,344	4,537,291	4,551,444	3,070,413	3,773,862	-12.4%
Long Beach	3,135,600	4,172,366	4,029,532	2,830,855	2,904,003	8.0%
NYNJ	3,115,832	4,043,506	3,645,672	2,854,319	3,041,814	2.4%
Georgia	1,993,584	2,396,986	2,293,729	1,753,114	1,890,322	5.5%
Houston	1,542,392	1,573,242	1,315,166	1,216,877	1,209,921	27.5%
Virginia	1,316,451	1,537,774	1,400,356	1,063,446	1,215,124	8.3%
Vancouver	1,269,742	1,483,585	1,642,089	1,289,308	1,409,784	-9.9%
NWSA	1,142,115	1,497,609	1,536,764	1,277,228	1,572,029	-27.3%
South Carolina	1,022,665	1,240,472	1,103,388	939,772	1,007,011	1.6%
Oakland	856,363	1,015,183	1,079,299	969,804	1,051,254	-18.5%
Montreal	629,881	721,445	679,451	698,966	716,681	-12.1%
JaxPort	536,552	538,155	595,141	488,348	559,387	-4.1%
Miami	460,845	513,551	529,003	423,794	473,834	-2.7%
Port Everglades	438,007	473,334	439,628	405,080	443,339	-1.2%
Prince Rupert	317,540	437,495	434,563	398,508	454,406	-30.1%
Philadelphia	300,364	313,916	284,183	255,143	246,370	21.9%
New Orleans	193,457	183,147	227,874	253,900	263,431	-26.6%
Hueneme	108,857	110,421	89,828	77,958	55,810	95.0%
Boston	92,507	46,748	92,697	113,618	120,460	-23.2%
San Diego	66,439	67,323	66,785	65,409	59,633	11.4%
Portland, Oregon	56,500	61,567	32,953	19,081	20	∞

Source Individual Ports



May 2023 TEU Numbers *Continued*

of Vancouver and Prince Rupert shipped 39,872 fewer loads than they had in the same month four years earlier, a decline of 34.8%.

In the Top Port competition, **Exhibit 3** testifies to the Port of Los Angeles' status as the nation's busiest container port through the first five months of this year, with 3,304,344 loads and empties, topping the neighboring Port of Long Beach (3,135,600), which in turn edged out the Port of New York/New Jersey (3,115,832).

Container Contents Weights and Values

Why do we persist in torturing our readers each month with the figures in **Exhibits 4 and 5**, which represent U.S.

West Coast shares of the nation's box trade passing through mainland U.S. ports? For the simple reason that the TEU is not the only metric for evaluating containerized trade. Indeed, from an economic perspective, it may be one of the least helpful. Measures of Gross Domestic Product, for example, are denominated in dollars, not containers. What's in the box is nearly always more interesting and informative than the box itself. So that's why we offer up figures derived from data compiled by the U.S. Commerce Department from documentation submitted by the importers/exporters of record. While both exhibits show that the USWC shares in May increased from April, the exhibits also demonstrate that those shares were invariably down from a year earlier.

Exhibit 4 Major USWC Ports Shares of U.S. Mainland Ports Worldwide Container Trade, May 2023

	May 2023	Apr 2023	May 2022
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	34.6%	34.1%	36.9%
LA/LB	25.6%	25.0%	27.5%
Oakland	3.4%	3.6%	3.7%
NWSA	3.7%	3.8%	3.8%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	40.9%	39.4%	41.0%
LA/LB	31.9%	30.7%	32.4%
Oakland	2.9%	2.9%	2.9%
NWSA	4.6%	4.4%	4.6%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	32.0%	30.1%	35.3%
LA/LB	20.3%	18.1%	21.7%
Oakland	5.3%	5.5%	6.6%
NWSA	5.5%	5.5%	5.3%
Shares of U.S. Mainland Conatainerized Export Value			
USWC	27.5%	27.4%	28.6%
LA/LB	18.6%	17.7%	18.5%
Oakland	5.1%	6.0%	6.2%
NWSA	3.0%	3.3%	3.0%

Source: U.S. Commerce Department.

Exhibit 5 Major USWC Ports Shares of U.S. Mainland Ports Containerized Trade with East Asia, May 2023

	May 2023	Apr 2023	May 2022
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	53.2%	51.9%	56.6%
LA/LB	42.1%	40.9%	44.8%
Oakland	3.9%	4.1%	4.1%
NWSA	5.8%	5.7%	6.2%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	61.5%	59.5%	61.2%
LA/LB	49.2%	47.7%	49.4%
Oakland	3.5%	3.4%	3.6%
NWSA	7.0%	6.8%	7.0%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	54.2%	51.4%	59.7%
LA/LB	34.9%	31.5%	37.9%
Oakland	8.3%	8.3%	9.7%
NWSA	9.8%	10.2%	9.3%
Shares of U.S. Mainland Conatainerized Export Value			
USWC	58.0%	56.1%	56.9%
LA/LB	39.4%	36.6%	37.8%
Oakland	9.7%	10.9%	10.8%
NWSA	7.0%	7.8%	6.7%

Source: U.S. Commerce Department.



May 2023 TEU Numbers *Continued*

What the exhibits do not show is the extent to which the USWC market shares are down from pre-pandemic levels. For example, the USWC share of the containerized tonnage imported from worldwide origins in May 2019 was 38.6% and 57.4% from East Asia, both significantly higher than this May's shares.

Now that a tentative agreement on a new six-year contract has been reached by the Pacific Maritime Association and the International Longshore and Warehouse Union, we should soon begin to see data testing the various theories that have been bandied about on how much of the transpacific container trade will return to West Coast ports. Although some may venture conclusions based on whatever numbers may trickle in over the next month or so, we'll wait until we have at least one quarter of data in hand before venturing any thoughts.

Pandemic Era Import Surges and Ebbings at Pacific Coast Ports

There are a couple of ways of looking at the logistical consequences of the COVID-19 virus on containerized imports through the Pacific Coast ports of the United States and Canada. **Exhibit 6** displays the month-by-month volume of inbound loads beginning in January 2020.

Another way (**Exhibit 7**) of depicting the waxing and waning of the inbound trade is by looking at the year-over-year percentage increases or decreases for each port in every month since January 2020.

What's probably most remarkable about **Exhibit 7** is how relatively closely the peaks and valleys tracked among the various ports...except for the early part of 2021 when the import surge crested mainly in San Pedro Bay (and even there, mainly at the Port of Los Angeles). For most of the

Exhibit 6

Comparing West Coast Inbound Loads in the Pandemic Era

Source: Individual Ports

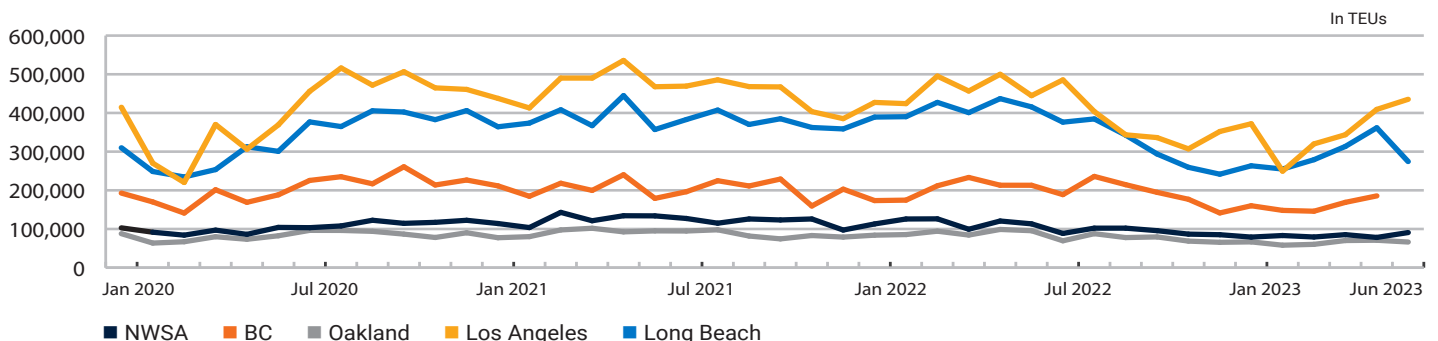
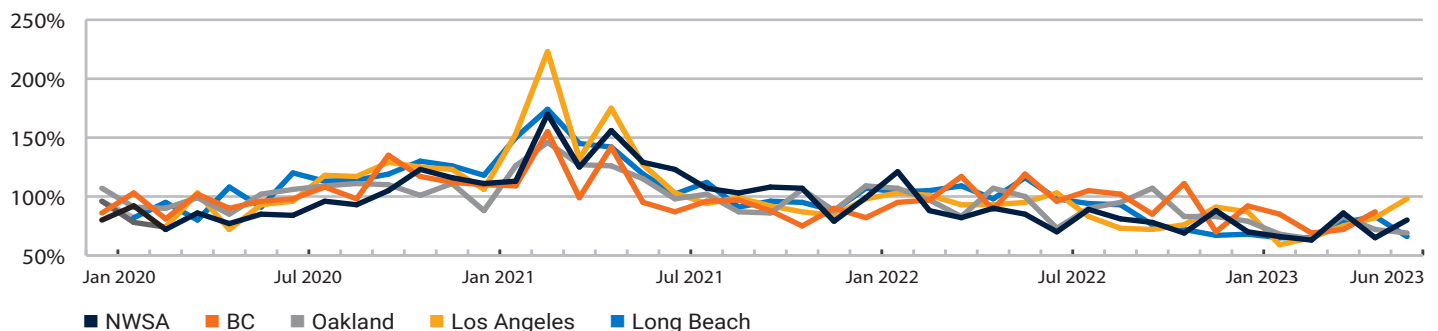


Exhibit 7

Pandemic Era Y/Y Changes in Inbound Loads at Pacific Coast Ports

Source: Individual Ports





May 2023 TEU Numbers *Continued*

past three-and-a-half years, however, the inbound trade at Pacific Coast ports on both sides of the border has risen and fallen pretty much in sync.

Unsettled Canadian Labor Issues

Who would have thought that longshore workers on the north side of the 49th parallel would ultimately prove to be more dyspeptic than their brethren to the south? Canadians are supposed to be so much nicer, so much more civil than us Yanks. But, while July began with an outburst of labor accord on the U.S. side of the border, members of the International Longshore and Warehouse Union Canada went on strike.

It's a strike that has hurt. As we have said before, a disruption that closes a port for one or two days is costly but not a calamity. But the longer work stoppages persist, the economic impact grows exponentially. Logistically, it will take many weeks to clear container backlogs and return the ports to their normal rhythms. But even worse may be the long-term damage not merely to the ports' reputations as reliable conduits for trade but to public confidence in the whole notion of globalization.

British Columbia's ports have been buffeted by numerous woes apart from COVID. Violent storms, protests by indigenous peoples, and now a 13-day strike have all brought into question the reliability of ports that have been struggling to recapture their pre-pandemic volumes of containerized trade. Statistics for June are not yet available, but through May of this year, total TEUs (loaded + empties) at the Port of Vancouver were down 9.9% from the same period in 2019, while traffic through the Port



Dietmar Rabich / Wikimedia Commons / "Vancouver (BC, Canada), Vancouver Center Terminal - 2022 - 1858" / CC BY-SA 4.0

of Prince Rupert was off by 30.1%. While there may have been some improvement in June, July's TEU tallies will certainly be disappointing.

As **Exhibit 8** shows, total container traffic of both loaded and empty containers moving through the two ports over the past ten years peaked in 2021 at 4,269,626. Last year's total (4,229,774) was down 0.9% from 2019.

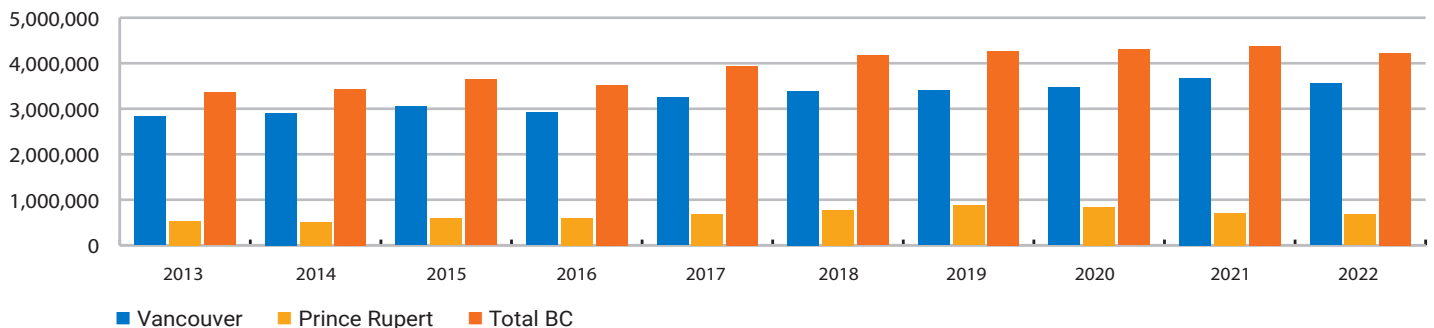
On an annual basis, inbound loads at the two British Columbia ports reached their highest level in 2021 at 2,446,916. But, for ports recently embroiled in a workforce controversy, it hardly bodes well that inbound loads through May of this year have been down by 14.7% from the comparable period in 2019.

Sobering is a word that reluctantly but ineluctably comes to mind in describing the volumes of loaded export containers leaving the two Canadian ports. In this respect, the peak year for containerized exports came in 2018 at 1,326,703 loads.

Exhibit 8

Total TEU Traffic Via British Columbia Ports

Sources: Port of Vancouver, Port of Prince Rupert





May 2023 TEU Numbers *Continued*

Exhibit 9

Inbound Loads at British Columbia Ports: 2013-2022

Sources: Port of Vancouver, Port of Prince Rupert

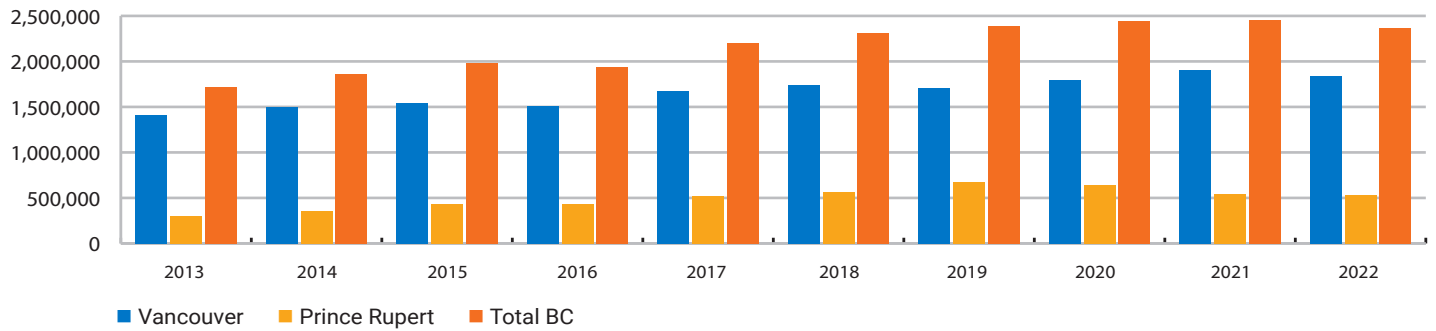


Exhibit 10

Outbound Loads at British Columbia Ports: 2013-2022

Sources: Port of Vancouver, Port of Prince Rupert

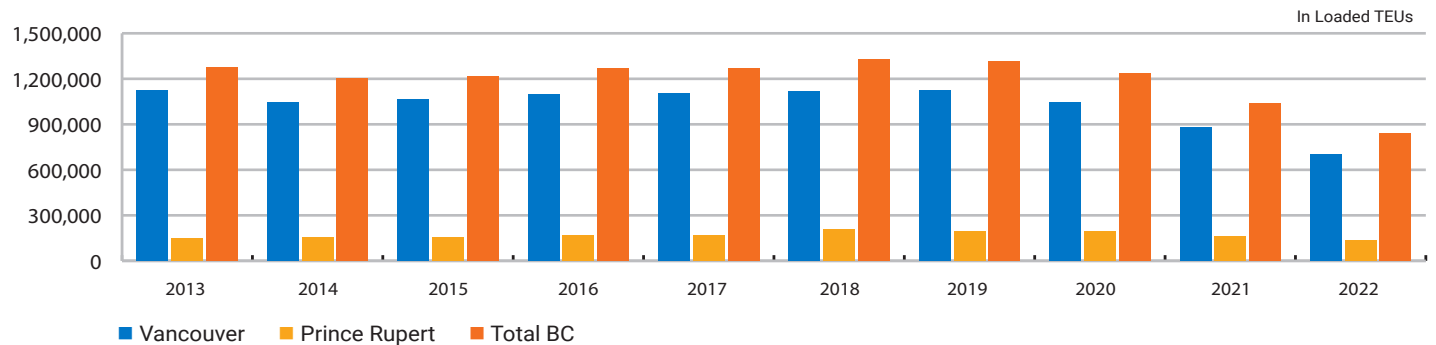
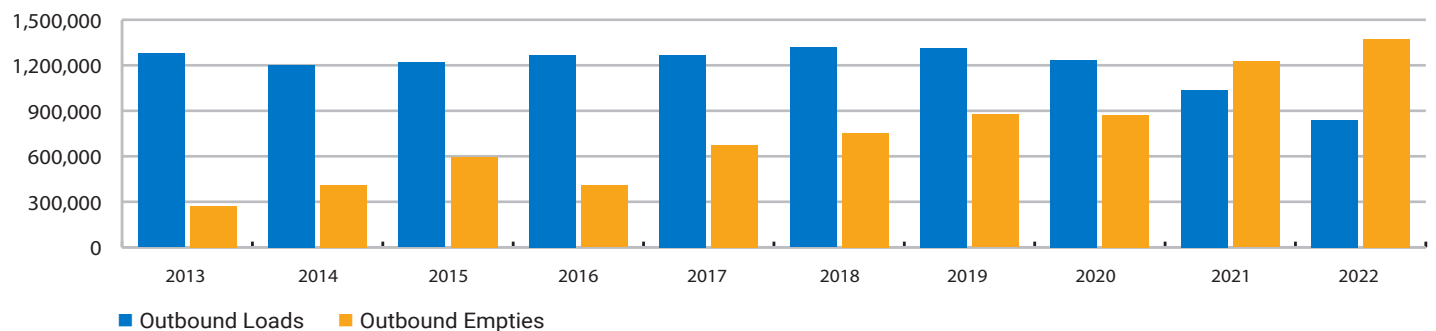


Exhibit 11

Outbound Loads vs. Outbound Empties at BC Ports

Sources: Port of Vancouver, Port of Prince Rupert





May 2023 TEU Numbers *Continued*

If nothing else, the British Columbia's two major container ports, one of which is Canada's busiest seaport, have become prodigious exporters of empty boxes, a trend that well precedes but was certainly accelerated by the disruptions brought on by COVID-19.

The Latest Numbers on the Top Three U.S. Container Ports

Exhibit 12 displays the number of inbound loads through the nation's three busiest container ports in every month since January 2019. Not surprisingly, the numbers have

been trending lower since last spring. Please note the usual one-month time lag in data reported by the Port of New York/New Jersey, which typically takes more than a New York minute to release its maritime trade numbers.

On the other side of the trade ledger, **Exhibit 13** reveals that the volume of outbound loads leaving the three major U.S. gateways has been waning since before the start of the pandemic, despite the relatively steady numbers posted (at least until this June) by the Port of Long Beach.

Exhibit 12

Inbound Loads at Ports of LA, Long Beach, and PNYNJ

Source: Individual Ports

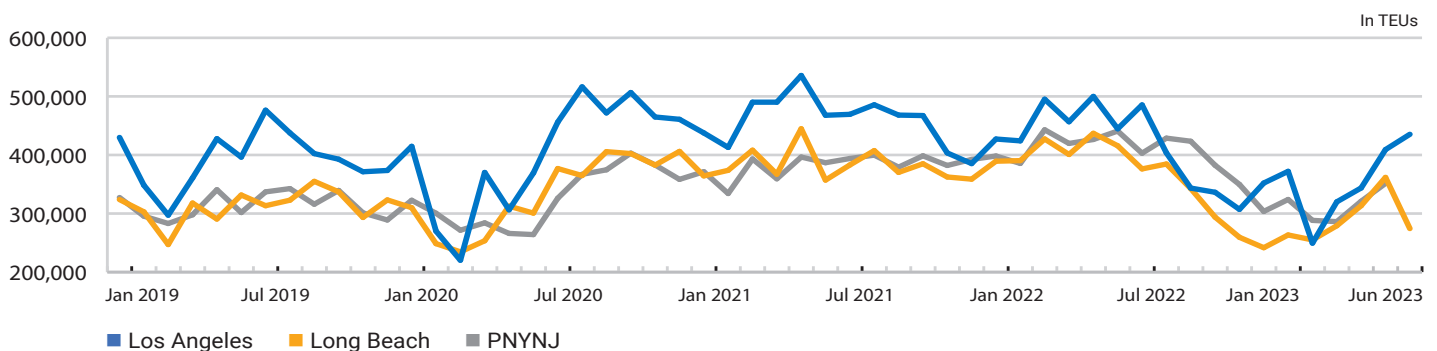
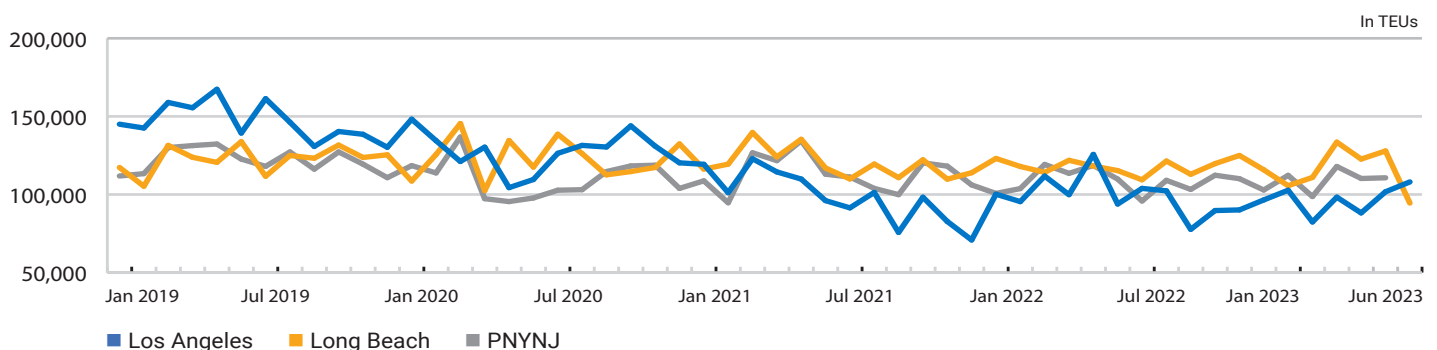


Exhibit 13

Outbound Loads at Ports of LA, Long Beach, and PNYNJ

Source: Individual Ports





Jock O'Connell's Commentary:

When Will Oakland's Ship Come In?

When CMA CGM's *Benjamin Franklin* tied up at the Port of Oakland on the last day of 2015, it seemed to herald a new era for Northern California's principal maritime gateway. At the time, the 1,300-foot-long vessel, with a capacity of 18,000 TEUs, was the largest container ship to ever call at a North American port. As the port's PR department proclaimed, the ship's arrival "symbolically opened the Trans-Pacific trade route between Asia and North America to megaships."

Although the *Franklin* did make a second visit to Oakland a few weeks later, it has never returned. Nor has the port enjoyed regular service from similarly large vessels. Far from expanding its role in America's transpacific container trade, Oakland's standing has slipped. Just in the years

since the *Franklin* last called, as **Exhibit A** reveals, overall container volumes at the port have actually declined, and Oakland has been overtaken by the Port of Virginia and Port Houston as gateways for the nation's East Asia container trade.

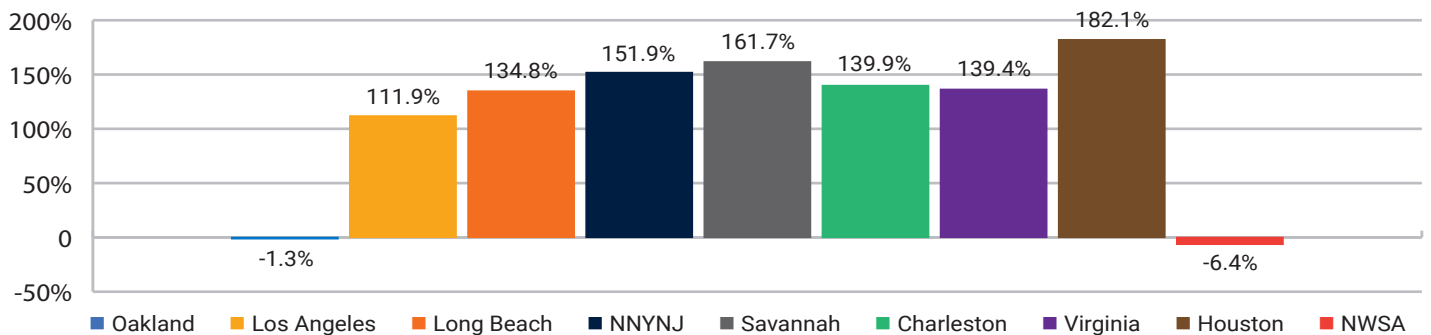
Unfortunately for the Port of Oakland, the period since 2016 has not been entirely anomalous. As **Exhibit B** graphically demonstrates, growth in the numbers of loaded and empty containers shipped through Oakland has been underwhelming for most of the past couple of decades.

At the turn of the century in 2001, Oakland was the nation's fourth busiest container port, trailing only the Ports of Los Angeles and Long Beach on the West Coast and the Port

Exhibit A

Post-Franklin (2016-2022) TEU Growth at Major U.S. Seaports

Sources: Individual Ports and AAPA Historical Data



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Commentary Continued

of New York/New Jersey on the East Coast. Since then, it has been surpassed by the Ports of Savannah, Charleston, Virginia on the Atlantic Coast and by Port Houston on the Gulf Coast. It also trails the volume of container traffic moving through the Northwest Seaport Alliance Ports of Tacoma and Seattle in Washington State.

If anything, the goal of growing or at least maintaining market share has been as elusive as meeting periodic forecasts for the port's container growth. As a senior port official has publicly conceded: "...actual volumes have consistently underperformed all previous forecasts".

It's not just that consultants hired to construct cargo forecasts tend to be a chronically optimistic and amiable bunch who are reluctant to upset their clients with an outlook that essentially says: Your port hasn't grown in twenty years, and we can't see any reason to predict

that anything will much change. So instead, Oakland has had forecasts, such as one produced just prior to the Great Recession, that anticipated that the port would be handling 5,087,000 loaded and empty TEUs by 2020. As the recession wound down, a revised forecast was commissioned that pared those numbers back to 3,427,000 TEUs. For those keeping score at home, the port actually handled 2,461,889 TEUs in 2020.

As the nation recovered from the Great Recession in 2010, Oakland was still the nation's fifth busiest container port. However, between then and 2022, total container traffic through Oakland edged up by a paltry 0.3%. Meanwhile, its chief competitors all posted substantial gains, as **Exhibit C** reveals. Only the Northwest Seaport Alliance Ports of Tacoma and Seattle fared worse than Oakland, with a 5.1% fall-off in container traffic between 2010 and last year, according to data from NWSA and the American

Exhibit B

21st Century Container Traffic at the Port of Oakland

Source: Port of Oakland

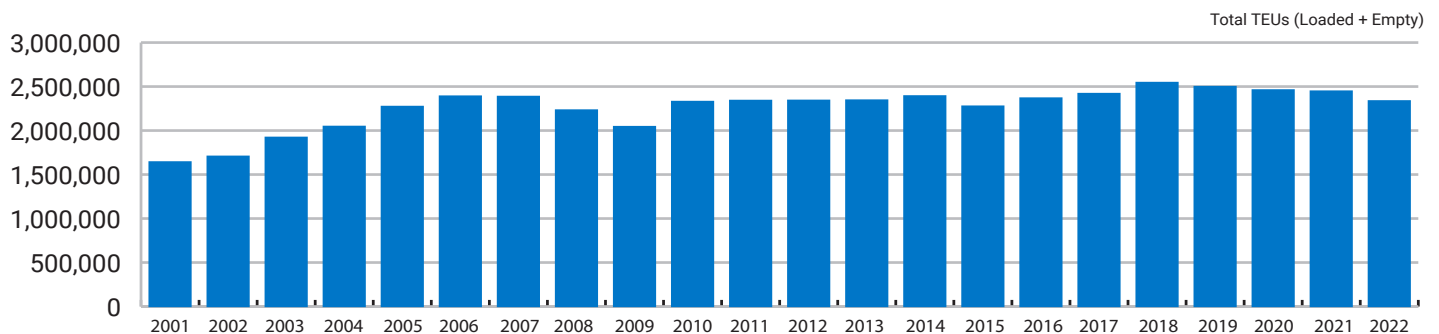
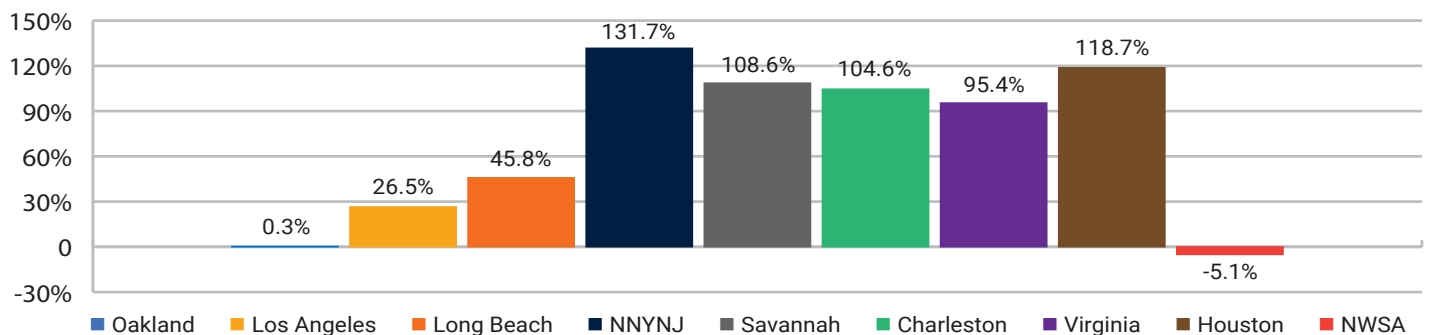


Exhibit C

2010-2022 TEU Growth at Major U.S. Seaports

Sources: Individual Ports and AAPA Historical Data





Commentary Continued

Association of Port Authorities.

Oakland's very latest numbers paint an even more discouraging picture of relative decline. Through the first-half of this year, total container traffic (1,012,154 TEUs) was not simply down by 19.3% or 242,831 TEUs from the first six months of pre-pandemic 2019, it was also the lowest volume of containers to transit the port in the first-half of any year since 2009. Inbound loads in the month of June (66,295 TEUs) were not merely down by 18.0% from June 2019, they were the fewest in any June since 2009. Outbound loads (54,138) in June were not just off by 27.7% from four years earlier, they were fewest outbound loads recorded by the port in any June *in this century*.

In the first six months of this year, inbound loads at Oakland fell by 17.3% from the same period in 2019, while outbound loads plunged by 22.5%. The port – once distinguished for handling more containerized exports than imports – has been seeing its outbound loaded TEU trade diminishing, as **Exhibits D and E** indicate. Comparing traffic last year with 2010 shows that outbound loads from Oakland were down 20.4%, while inbound loads rose by 23.5%. Worth emphasizing is that outbound loads last year (760,940) almost precisely totaled the 758,958 laden TEUs that sailed from the port in 2001.

Not surprisingly, there has been a clear reversal in the ratio of outbound to inbound loads at the port.

Exhibit D

Loaded Container Traffic at the Port of Oakland: 2001-2022

Source: Port of Oakland

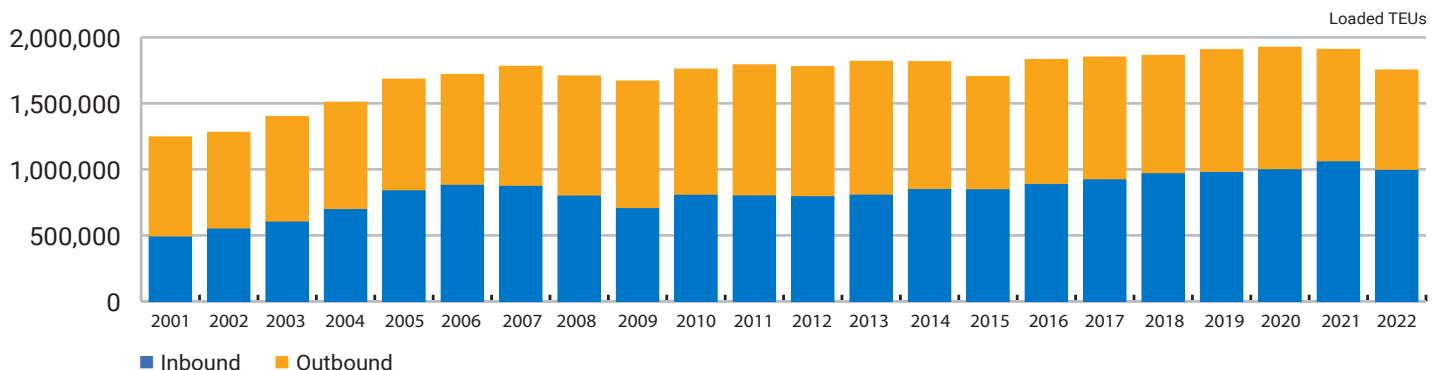
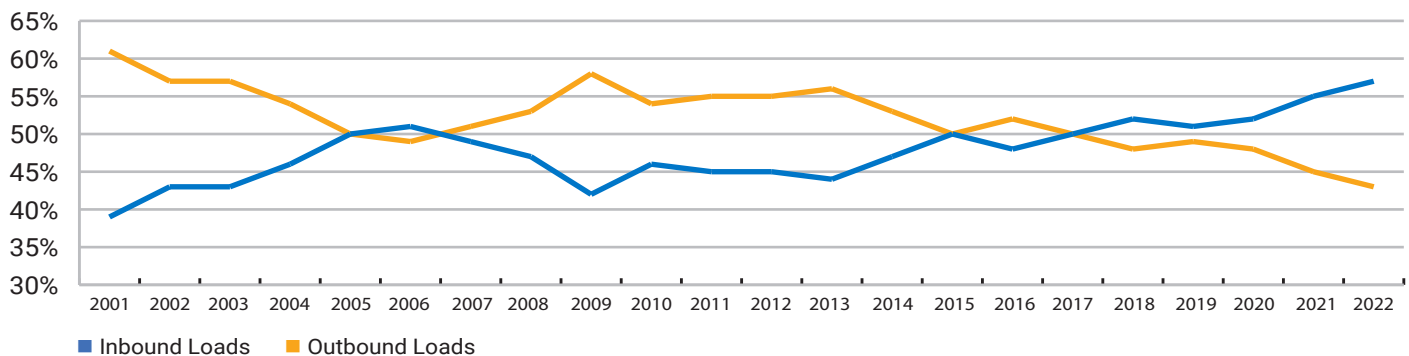


Exhibit E

Outbound vs. Inbound Loads at the Port of Oakland

Source: Port of Oakland





Commentary Continued

Where does the port go from here? How does it escape devolving into a niche port serving the considerable but still limited international shipping needs of the Bay Area and adjacent areas of Northern California and Nevada? Forecasts ultimately rely on fairly broad economic and demographic trends. But the population and economic growth outlooks for the region are fast being revised downward, and an unprecedented series of winter storms may only have forestalled the full impact of a prolonged drought on production agriculture in the Central Valley.

Oakland's fundamental problem is its perilous position in the routes charted by transpacific shipping. It is not a first-call port, although it aspires to become one. At least until the Great Disruption brought on by the COVID-19 pandemic, ships steaming eastbound across the Pacific normally called first at one of the big San Pedro Bay ports in Southern California, where they would discharge the majority of their containers. They would then journey up the coast to Oakland, where far fewer TEUs would be discharged, before sailing back across the Pacific. As the last port-of-call, Oakland did benefit from exporters eager to expedite their shipments, often of perishable agricultural commodities, to the markets of East Asia. For many years, that enabled Oakland to boast of being the only major U.S. seaport to export more than it imported. Way back in 2001, 60.9% of the 1,245,347 loaded TEUs that passed through the port were outbound. By 2018, however, inbound loads had gained the upper hand. Last year, 56.6% of all loaded TEUs were inbound.

Global trade dynamics being what they currently are, the Port of Oakland risks slipping into the diminished status of a regional port, one largely serving the import and

export needs of shippers in the San Francisco Customs District (SFCD) that encompasses Northern California down to Fresno and parts of northern Nevada including Reno. It is worth remembering that the Port of Oakland isn't the SFCD's primary international trade gateway. That distinction belongs to San Francisco International Airport. Indeed, what remains of the region's goods-producing industries is much more dependent on air freight than marine containers to intersect with the global economy. Last year, 58.7% of the SFCD's exports and 40.2% of its imports traveled by air, while cargo moving in containers across the docks at Oakland accounted for 29.0% of exports and 36.2% of imports.

A much too facile but widely touted bromide to solve Oakland's doldrums calls for the port to attract more first-call service. With more and more discretionary cargo being sent to ports on the East and Gulf Coasts, that's going to be a tough sell. Even if there were shipping lines that could be persuaded a profit could be made by sailing one or two vessel strings directly to Oakland, would that really be enough to much alter the reality that Oakland will continue to remain the stepchild of the much bigger Southern California ports, which continue to aggressively vie with Oakland for the agricultural export trade out of the Central Valley.

And, if ocean carriers cannot be found to offer first-call service, then what?

Disclaimer: The views expressed in Jock's commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.

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Something Quietly Consequential Happened at the Seattle City Council

By Jordan Royer, Vice President of External Affairs, Pacific Merchant Shipping Association

On July 18th the Seattle City Council did something of great importance yet most people will have no idea of just how consequential it really is. They moved to protect key industrial lands from redevelopment, ensuring that these areas will continue to generate good paying family wage jobs far into the future.¹

For over 16 years, the Seattle City Council has debated, but failed to act upon, an industrial land use policy that would protect the working waterfront. On July 18th, the Council approved the latest policy proposal from current Seattle Mayor Bruce Harrell. For years, developers have wanted to change the zoning to allow housing and commercial development. PMSA, the Port of Seattle, and a number of companies and waterfront labor unions have pushed back on these efforts which culminated in Tuesday's City Council vote.

While efforts to rezone and redevelop industrial lands continue up and down the West Coast – often sports related – Seattle's vote is one of the first to draw solid boundaries protecting maritime industrial lands. To understand the significance of this vote, some background is needed. In 1990, the Washington State Legislature enacted the Growth Management Act (GMA). The GMA was enacted to protect rural areas from urban sprawl. But the GMA also created Manufacturing Industrial Centers (MICs) throughout the state. In Seattle, there are 2 MICs, the Duwamish MIC (south of downtown) and the Ballard Interbay MIC (in Northwest Seattle). The idea was to protect these economically strategic areas from development in much the same way that the GMA protected rural areas.

Over time, however, smart land use attorneys have figured out how to find loopholes in local and state policies to allow development. The package that the Seattle City Council just passed is designed to close those loopholes and strengthen protections as envisioned by the GMA. But there is another planning layer that was created by the GMA. Cities were required to create Comprehensive Plans to address the requirements of the GMA. Generally known as Comp Plans, these are planning documents that are

updated from time to time that guide how a city grows and invests in infrastructure.

In 2009, then-Governor Chris Gregoire and State Legislators were concerned about development threats and its impact on port competitiveness. Gregoire signed a bill that became known as the Comprehensive Plans – Port Element. This required cities with large container ports – Seattle and Tacoma – to include a port element in their comprehensive plans that would address transportation, land use, and economic development issues. And the legislature specifically included intent language addressing development pressures:

"The legislature further finds that the container port services are increasingly challenged by the conversion of industrial properties to nonindustrial uses, leading to competing and incompatible uses that can hinder port operations, restrict efficient movement of freight, and limit the opportunity for improvements to existing port-related facilities."²

So why do State Legislators care so much about what happens in Tacoma and Seattle? It is because they understand that without competitive ports growing the import of containers, there is limited access to foreign markets for Washington State's agricultural and manufacturing businesses. Every import is an export opportunity.

So, will the City Council's action be well received in Olympia? The answer is surely yes. We will soon know how it is received in Seattle – seven out of nine council seats are up for election this year. There are 45 candidates on the August 1st Primary ballot. Incumbents are concerned that the overall low approval rating of the council will impact their electability. Will this vote make an impact on these races at all? Or will it be quietly consequential? You don't hear the average person discussing the Growth Management Act much. But it certainly matters.

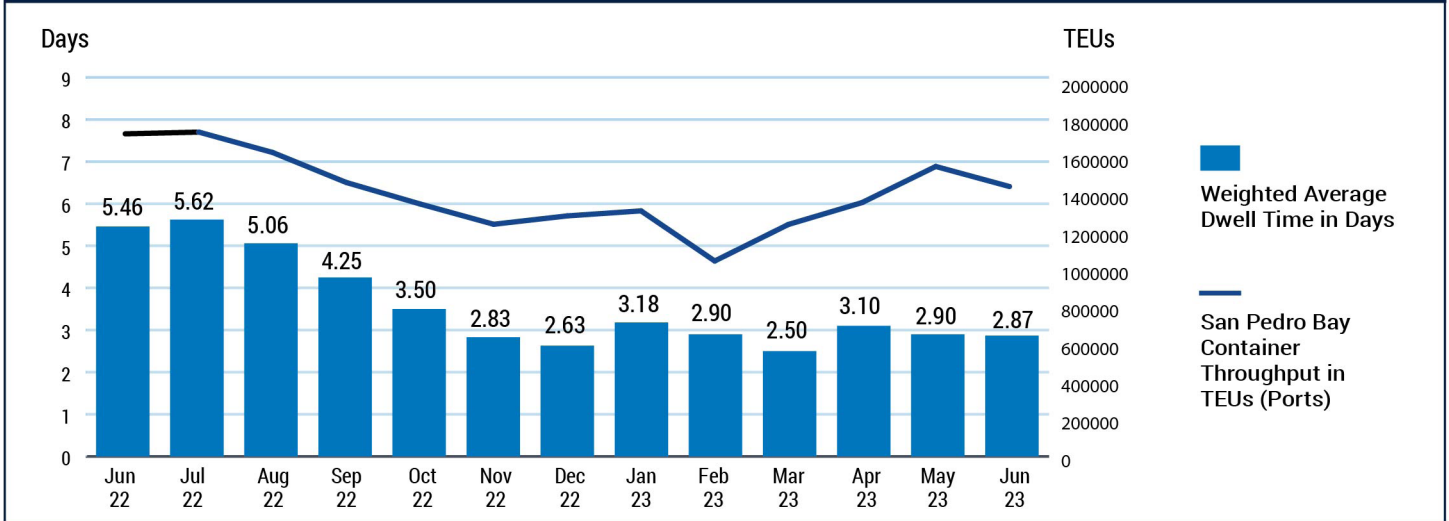
1. <https://council.seattle.gov/2023/07/18/seattle-city-council-passes-industrial-and-maritime-zoning-legislation-updating-the-citys-land-use-code-and-buoys-the-local-economy/>

2. <https://app.leg.wa.gov/rcw/default.aspx?cite=36.70A.085>

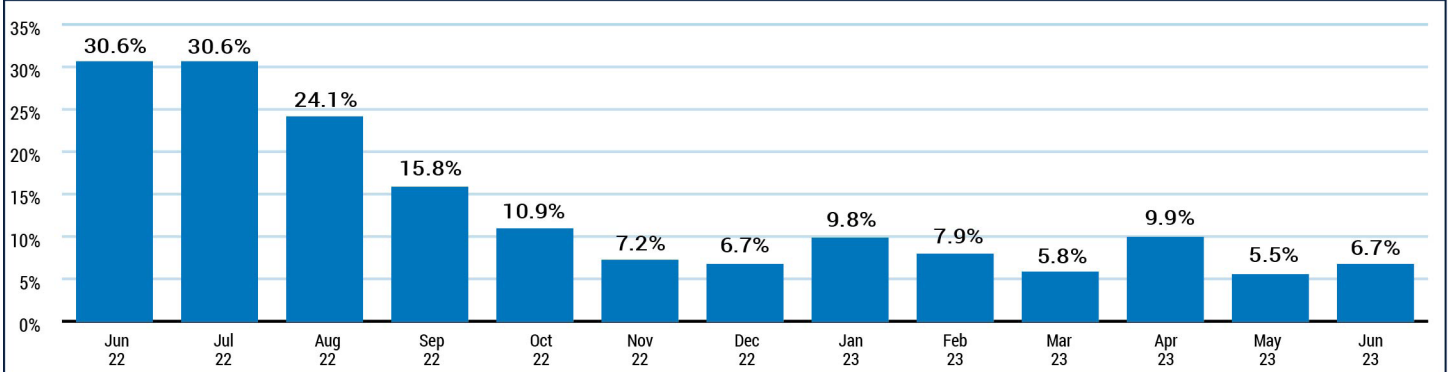


Container Dwell Time Is Down in June

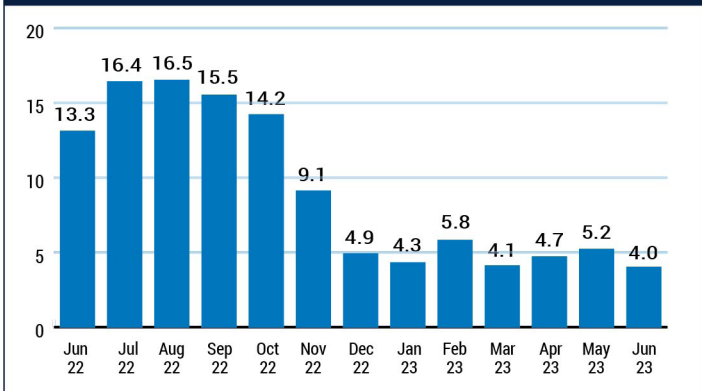
San Pedro Bay Weighted Average Inbound Laden Container Dwell Time in Days



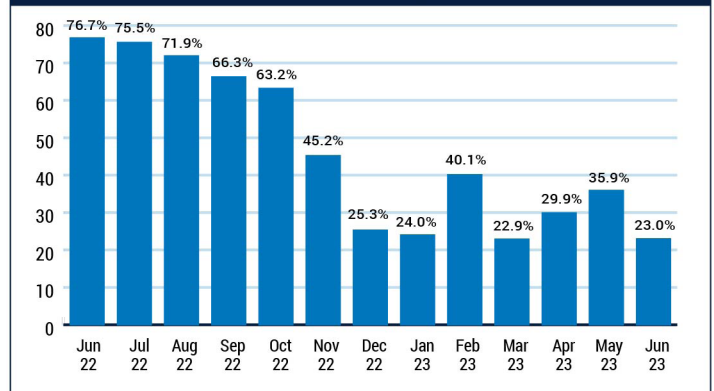
Dwell Time in Days % > 5 Days



Rail Dwell Time in Days



Rail Dwell Time in Days % > 5 Days



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