

# California District Export Councils



June 1, 2022

To: President Joseph R. Biden, Jr.

CC: U.S. Labor Secretary Marty Walsh  
U.S. Commerce Secretary Gina Raimondo  
Members of the California Congressional Delegation (via fax)  
Members of the Federal Maritime Commission

Re: Support for Supply Chain Efficiency

Earlier today, all five California District Export Councils convened for a conference. We begin by expressing our appreciation to the Biden Administration's continued focus on the disruptions facing our port infrastructure and logistics supply chains in California.

The over 60 District Export Councils (DEC) nationwide contribute leadership and international trade expertise to complement the U.S. Commercial Service's export promotion efforts through counseling businesses on the exporting process and conducting trade education and community outreach. The DEC members are appointed by the Secretary of Commerce. These international trade professionals use their knowledge and international business experience to act as consultants to small and medium sized businesses who want to export their products into markets outside of the United States. For more than 40 years, DEC's have served the United States by assisting companies in their local communities' export, thus promoting our country's economic growth and creating new and higher-paying jobs for their communities.

We ask for your ongoing focus on the contract negotiations currently underway between the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) before the July 1<sup>st</sup> contract expiration date. A timely and satisfactory resolution that advances the needs of both the workers and ports is imperative to avoiding further backups, delays and higher costs, which contribute to inflation in our economy.

California is the fifth largest economy in the world with a gross state product of over \$3 trillion. The U.S. Department of Commerce reported that, in 2021, California exports amounted to \$175.12 billion. California is a top exporter of computers, non-electrical machinery, chemicals, transportation equipment, and agricultural products. Computers and electronic products are California's top export, accounting for 22.6% of all the state's exports in 2021. CA top 10 Export Partners in 2021 were in order: Mexico (\$27.23 billion); Canada (\$17.89 billion); China (\$16.71 billion); Japan (\$11.86 billion); South Korea (\$11.62 billion); Taiwan (\$8.9 billion); Germany (\$7.6 billion); Hong Kong (\$6.76 billion); India (\$6.673 billion); and Netherlands (\$6.1 billion).

California is home to three of the nation's top 10 largest ports: Port of Los Angeles, Port of Long Beach, and the Port of Oakland. The Port of Los Angeles and the Port of Long Beach make up the top 2 in the country, respectively, together forming the San Pedro Port Complex. California ports see 40% of the nation's imports and almost 30% of the nation's exports, with the Port of Los Angeles handling 20% of all incoming cargo into the U.S. alone. The Port of Los Angeles' container volume was 9.3 million twenty-foot equivalent units (TEU) In 2019, handling an annual cargo value of \$276 billion.

*To avoid an ongoing cycle of congestion and ensure US ports are in a position to compete globally, we urge Federal investment and support for of infrastructure modernization and automation with workers skilled and prepared for these advanced jobs. The District Export Councils recognize the crucial role port workers have played in supporting our supply chain and logistics needs during the pandemic. It is crucial for California ports to address systemic operational challenges by enabling transparency and data sharing. Therefore, The District Export Councils call on the Biden Administration to continue to support the Federal Maritime Commission (FMC) in this effort, as well as the Ocean Shipping Reform Act of 2022 going through Congress.*

The five California DEC's believe that California's position as a global leader in international trade should be considered in any final agreement between the PMA and ILWU, and ask your Administration to urge the parties to address these important issues now to ensure a more efficient supply chain.

Thank you for your consideration of this important issue.

Sincerely,

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Chair, Northern California DE  
Attorney at Law



Bob Spence  
Chair, Inland Empire DEC  
President, Inter Asia Pacific



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