

## Port of Oakland hit record import volume in 2021

### One million+ import boxes crossed the docks; but exports dropped 8%

Containerized, loaded import cargo volume hit a new record at the Port of Oakland in 2021. The Port reported that it handled the equivalent of 1.05 million 20-foot import containers in 2021. That was the most in Oakland's 94-year history and 6 percent above 2020 totals.

Record import volume was achieved despite supply chain misery that plagued ports worldwide. Late-arriving ships, cancelled voyages and weeks-long delays at some ports hampered freight movement. Oakland's 2021 export volume declined 8 percent year-over-year because of the disruptions.

"We're gratified that our import business remained strong," said Port of Oakland Maritime Director Bryan Brandes. "Our emphasis now is on overcoming supply chain challenges that have hurt our export customers."

The Port said unprecedented U.S. consumer spending drove last year's import surge. Shipping lines devote more energy and resources to imports because they're better paying. The Port blamed the drop in exports on voyage cancellations, reducing the number of ships able to move exports overseas and a cargo container shortage for exports.

One number in the Port's year-end cargo report underscored the dichotomy in supply chain impact. Oakland reported that 55 percent of its 2021 cargo loads were imports; only 45 percent were exports. Historically, Oakland's business split 50/50.

The Port predicted more disruption in 2022 as trade growth continues to outpace supply chain capacity.

Oakland responded with two announcements:

- 1) a queuing system for arriving ships; and
- 2) an exclusive container yard with "empties" ready for exporters.

Oakland said it's collaborating with shipping lines to restore vessel services suspended in 2021. Some carriers skipped Oakland because of crippling delays at Southern California ports, the Port explained. Services began returning by the fourth quarter, → 03



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## New queuing process for container vessels expands to the Port of Oakland



A new queuing system for container vessels designed to enhance safety and air quality is expanding to the Bay Area, following the success of a similar update introduced by maritime industry leaders in Southern California.

Effective today, container vessels will receive an assignment in the arrival queue based on their departure time from their last port of call and wait outside a new Safety and Air Quality Area 50 miles off the Northern California coast until their appointed arrival time. The previous system placed container vessels into the arrival queue based on when they crossed a line 80 nautical miles from the coast.

The new process reduces emissions from vessels located near the Bay Area and allows more space between vessels – an important safety feature during winter storms. The new procedure also enables vessels to slow steam across the Pacific, thereby reducing overall emissions throughout their journey.

First implemented in November at the Ports of Los Angeles and Long Beach, the updated process has significantly reduced the vessel backlog in San Pedro Bay amid the historic supply chain congestion of recent months. The voluntary process was developed by the Pacific Maritime Association, Pacific Merchant Shipping Association and Marine Exchange of Southern California.

“The resounding success of the new container vessel queuing system in Southern California has set the stage for this expansion to the Bay Area,” said PMA President and CEO Jim McKenna. “This updated system has reduced the number of vessels at anchor near our ports, enabling safer operation for vessels and their crews as well as additional protections for coastal communities.”

The number of container ships at anchor and drifting off the coast of Southern California fell to 17 in early January, down from 86 when the updated process went into effect in mid-November, according to Marine Exchange of Southern California,

a nonprofit that tracks the movement of vessels.

Nine container vessels were anchored or awaiting a berth near Oakland as of January 7, 2022, a figure that is expected to rise in early 2022. The updated process is not designed to reduce the overall number of vessels calling on the port.

“The Port of Oakland is a powerful engine for the Northern California economy,” said PMSA President John McLaurin. “This new approach to vessel queuing will help protect this economic driver amid an unprecedented period for consumer demand and inbound cargo volumes.”

“The PMA, PMSA and Marine Exchange of the San Francisco Bay Region are implementing this vessel queuing process to promote a fair, efficient and reliable system in a chapter of unprecedented maritime congestion,” said Marine Exchange of the San Francisco Bay Region Executive Director Capt. Lynn Korwatch. “We look forward to our region reaping the safety and clean-air benefits as a result.” ●



**“We look forward to our region reaping the safety and clean-air benefits as a result.”**

**San Francisco Bay Region Executive Director Capt. Lynn Korwatch**

## White House calls out Port of Oakland as part of supply chain solution

Below are a few extracts from the Jan. 5 White House press briefing with Press Secretary Jen Psaki and Port Envoy to the White House Supply Chain Task Force John Porcari.

**MS. PSAKI:** Hi, everyone. Okay. So, today, we have another great guest to kick off the new year — our first guest in the new year: John Porcari, who is the former Deputy Secretary of transportation and currently the Port Envoy to the White House Supply Chain Task Force...

**MR. PORCARI:** Thanks, Jen. Hi, everyone. It's a real pleasure to be here. I'd like to give you an update on the work we've done as part of the Biden-Harris Supply Chain Task Force. But first, I'd like to give you a quick look back at how we got here.

The President saw early on how the pandemic was putting our supply chains to the test. In February, he issued an executive order requiring agencies to produce reports identifying challenges in our supply chains for a set of critical products and for a set of critical industries...



John Porcari,  
Port Envoy

When the first reports were released in June, he created the Supply Chain Disruptions Task Force at the Cabinet level to use every government lever to address the near-term disruptions related to the pandemic. One area he asked the task force to focus on was ports and trucking...

... we're ramping up efforts to ensure U.S. exporters are treated fairly. The Port of Oakland, for example, announced new actions to improve U.S. exports, particularly agricultural exports.

I'll be happy to take some questions...

**MS. PSAKI:** JJ (attendee at briefing)

**Q** Hi, thanks. You mentioned the Port of Oakland coming up with a short-term measure to ease — to alleviate some of the pressure on the agriculture exporters. Is there a long-term plan to help ease some of those same pressures on the ag industry?

**MR. PORCARI:** Yeah, it's a great question. And many people focus on the import of goods to the U.S., which is important. Exporting goods of all kinds, including agricultural products, is every bit as important.

The Port of Oakland partnership that we have is focused on both the short term and the long term. In the short term, making sure that agriculture exports that go out in containers are not disadvantaged by the global dislocations in supply chains. And in the long term, making sure that everything from the ocean carrier service that brings those American exports around the world to the physical facilities at the Port of Oakland and other ports are in place.

Again, it's a great example of where the Bipartisan Infrastructure Law can help build the infrastructure that we need today rather than relying on yesterday's infrastructure...

Click [HERE](#) to see the entire White House briefing. ●

### Import volume rebounds *from page 1*

the Port said. It added that it's lobbying to recoup the rest of them this year. According to the Port, more vessel calls would mean greater opportunity for exporters to reach overseas. ●



#### INDUSTRY RESOURCE LINKS:

- ▲ Oakland Portal
- ▲ Oakland Seaport Map
- ▲ Ocean Carrier Services
- ▲ Shipping Forms & Permits
- ▲ Shore Power & Vessel Commissioning
- ▲ Trucker Resources
- ▲ TWIC
- ▲ Maritime Services Directory



## Port of Oakland launches program to expedite ag exports

### Joint effort with State, Feds to move agricultural products abroad

The Port of Oakland is set to launch an interagency effort to improve the flow of agricultural exports at the Port. The program involves the use of additional yard space and equipment, restored export ship calls and assistance to export users. The goal is to provide relief to agricultural exporters who are facing shortages of export capacity and skyrocketing logistics costs.

The Port will open and operate a 25-acre off-terminal, paved container yard equipped to move containers off chassis and store them for rapid pick-up. The yard will provide access to equipment and provide faster truck turns without having to wait for in-terminal space. Agriculture exporters will be assisted by federal and state agricultural agencies to use the yard.

The Port of Oakland is the preferred export gateway for much of California's agricultural exporters and for refrigerated proteins. Under normal circumstances, the cargo volume at the Port is approximately 50% exports and 50% imports providing a match between inbound cargo and emptied containers for exports. However, the current import surge clogging up the ports is displacing ships and containers that are available to exporters, especially shipments of farm goods. The Port saw significant drops in export volume due to skipped

sailings of crucial export lines and lack of equipment for export cargo.

The situation was the catalyst for a convening of State and Port officials with farm producers and transportation executives to solve a year-old shipping crisis. At stake was the state's multi-billion-dollar agriculture export industry. The meeting was led by Governor's Office of Business and Economic Development Director Dee Dee Myers, State Transportation Agency Secretary David S. Kim and California Department of Food and Agriculture Secretary Karen Ross. Participants included seaport stakeholders within the broad and varied agricultural commodity sectors, freight forwarders, trucking and warehousing operators. The meeting resulted in a list of potential solutions to unclog the supply chain for agriculture exports.

"In the meantime, the Port--along with our federal and state partners--is ready to do everything we can to help provide room and relief to help our agricultural customers," said Port of Oakland Executive Director Danny Wan.

Biden Administration Port Envoy John Porcari facilitated frequent discussions with agricultural exporters, shipping lines and the Port of Oakland to lend federal

support. The discussions have focused on short-term and long-term solutions to support American agricultural exporters. Long terms solutions include:

- **Asset management including availability of containers and the chassis used to transport them over the road;**
- **Port and inland port operations, including off-dock container yards; and**
- **Long-term supply chain strategies and increased investment in critical port infrastructure.**



### PORT OF OAKLAND

The Port of Oakland oversees the Oakland Seaport, Oakland International Airport, and nearly 20 miles of waterfront including Jack London Square. The Port's 5-year strategic plan - Growth with Care - pairs business expansion with community benefits, envisioning more jobs and economic stimulus as the Port grows. Together with its business partners, the Port supports more than 84,000 jobs. ●

## Protecting Yourself & Others from COVID

- ✓ **Get Vaccinated, Including a Booster Shot if You're Eligible**
- ✓ **Stay Home if You're Sick**
- ✓ **Wear a Mask, and Make Sure it's a Good One**
- ✓ **Get Tested Before and After Traveling or a Gathering**
- ✓ **If Some of Your Group is Unvaccinated, Take Precautions**
- ✓ **Activate CA Notify**
- ✓ **Follow Local Guidance**
- ✓ **LEARN MORE**

