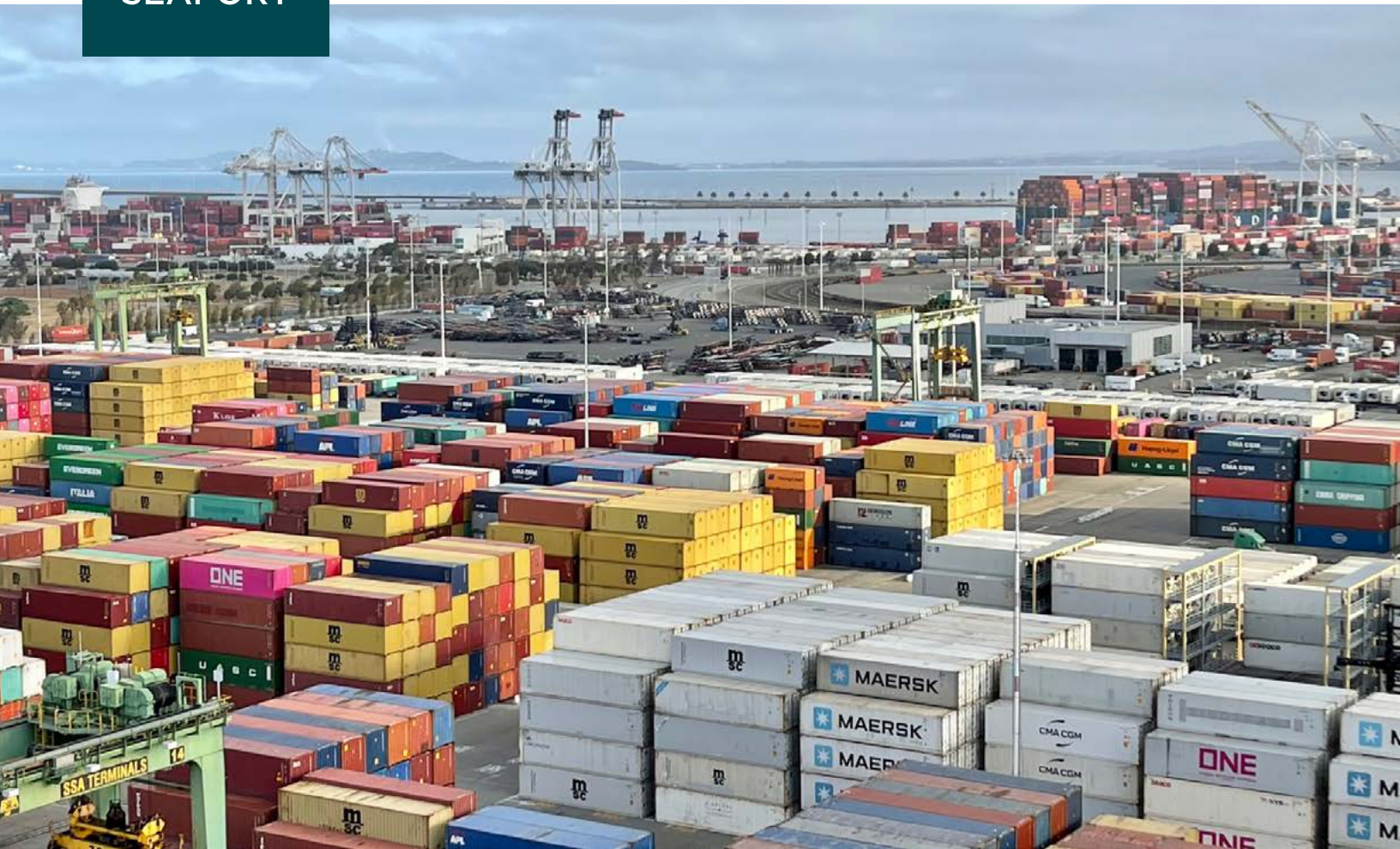




**PORT OF OAKLAND
SEAPORT**

APRIL 2021

MARITIME e-NEWS



March record cargo surge

Imports up 45 percent

There has been a massive onslaught of cargo at the Port of Oakland. The Port reported an all-time high container volume for import and export cargo in the month of March. The Port said there is no sign of the global surge in cargo business activity abating any time soon.

“Ships are full, ocean freight rates are sky high and the need for empty containers to ship more cargo is never-ending,” declared Port of Oakland Maritime Director Bryan Brandes. “We just don’t see conditions easing in the next several months.”

The Port said Oakland received the equivalent of 97,538 20-foot import containers in March. It said it shipped out the equivalent of 94,169 20-foot export boxes. Both totals were single-month records at the 94-year-old Port. March imports were up 45 percent from the same month a year ago. March 2020 was when the Port felt the initial impacts of the pandemic. Exports gained 12 percent year-over-year. The Port said most of its trade was with Asia.

Oakland’s cargo boom mirrors a nearly, year-long volume increase at many ports worldwide. The Port said its total volume is up about nine percent through the first three months of 2021. It attributed the gains to three factors:

- Pandemic-weary consumers purchasing overseas goods to counter lockdown fatigue, a phenomenon known as ‘retail therapy’:

continues on page 3

Trade analysis

Don’t expect the current boost in global containerized trade to slow down any time soon. Port of Oakland and shipping industry leaders foresee large cargo volumes at least through summer. Following a record-setting March, the Port said these factors argue for continued strong performance:

- Ocean freight rates remain high and vessel space is tight, indicating heavy demand.
- The U.S. economy, spurred largely by consumer spending, shows signs of bouncing back sharply from the coronavirus pandemic.
- Brisk peak-season trade is forecast beginning in August.
- Oakland appears to be well-positioned to benefit from current trade dynamics. Total cargo volume is up 9 percent in 2021. Shipping lines and cargo owners

continues on page 2

Customer Profile: PCC Logistics

U.S. West Coast ports are experiencing unprecedented growth in international trade. Containerized ocean cargo volumes are at record levels at the three, major California ports. Landside supply chain experts indicate they are benefiting from this business surge.

San Leandro, CA-based PCC Logistics reported this month that volumes and revenue have increased in the past year, but the 34-year-old warehousing and distribution company officials say that success has been a two-way street. PCC Logistics pointed out that it has supported ports in Oakland, Long Beach, Los Angeles, Seattle, and Tacoma by:

- Attracting additional cargo to the West Coast;
- Assisting ports manage a cargo glut by efficiently arranging import shipments for transport; and
- Building the various regions' reputations – especially in Oakland – as the primary export gateway for U.S. farm goods.

“We’ve worked with shipping lines and shippers and helped the Port of Oakland become one of the premier ports for export proteins shipped from the Southeast and Midwest,” said PCC Logistics Vice President, Brandon McDonnell. “And we work with many Fortune 100 companies.”

Firms such as PCC Logistics are considered strategic assets at Oakland’s seaport. That’s because outbound shipments account for nearly half of Oakland’s cargo volume comprised chiefly of farm goods – a PCC Logistics specialty – that strongly drive US commodities via the Oakland gateway. Agricultural export volumes may continue to grow as emerging Asian economies generate increasing consumer demand for high quality U.S. products.

PCC provides logistics services for the nation’s largest beef, pork, and poultry producers. To support their logistical needs, PCC operates 1.6 million-square-feet of warehousing, freezer, and temperature-controlled space up and down the West Coast. The company’s hallmark is transloading cargo from refrigerated rail cars to ocean shipping containers. West Coast rail connections from the U.S. interior mean that gateway ports can readily tap into abundant agricultural supplies to meet overseas demand on relatively short notice.

According to PCC Logistics, handling perishable commodities has been a challenge in 2021. An import trade boom amidst a global pandemic has resulted in equipment dislocations and some export container shortages. What’s more, US export vessel space at large has tightened as ocean carriers reposition empty containers back to Asia. Nevertheless, the company says it has been meeting client demands and successfully getting loaded containers onto outbound ships.

“We’re fortunate to have the most premier customer service team in the industry,” declared Mr. McDonnell. “The only way to ship successfully at the moment is to ensure that we are on the same page with our customers.

By understanding in advance the current challenges in the supply chain, we can then navigate through those challenges more successfully together.”

PCC Logistics handles both imports and exports in refrigerated and dry containers. It also manages East-West and North-South trade lanes with greater efficiencies by having sales offices situated in the U.S., China, and South America.

The company originated in 1988 cross-docking frozen protein and today operates nine independent business units specializing in services such as cargo consolidation, deconsolidation, and container transportation. Additional specialty services include long-haul trucking, overweight drayage, as well as over-dimensional and out-of-gauge cargoes.

PCC Oakland: 1700 Maritime St, (800) 458-4788

PCC Website: <http://www.pcclogistics.com>

PCC Facilities: Oakland and Long Beach, California; Seattle and Tacoma, Washington; Las Vegas, Nevada; International Sales Offices, Nicaragua, Brazil, Argentina, Chile, Peru, Ecuador, Paraguay, Hong Kong, People’s Republic of China

Trade analysis, from page 1

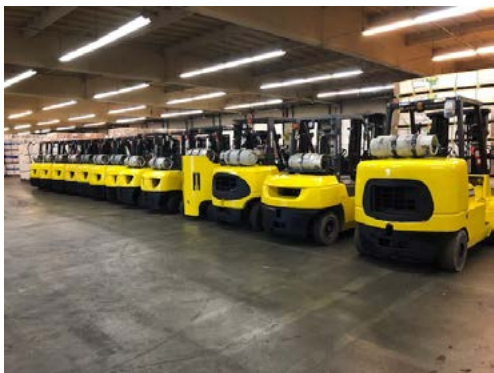
increasingly view the Port as a strategic trans-Pacific gateway. Major e-commerce retailers have established distribution hubs close to the Port. The end result is likely to be long-term gains in business for Oakland.

Here are some other trade trends shaping the Port’s business:

- Trade with China and Hong Kong is up sharply as those industrial powers recover from the pandemic. Oakland’s trade is up 90 percent with the Chinese ports of Shanghai, Ningbo and Yantian.
- Oakland import business in the trans-Pacific trade is migrating from North Asia – South Korea, Japan, Taiwan – to Southeast Asia and the Indian subcontinent.
- Export business is shifting from China to South Asia since China has banned shipments of scrap material such as wastepaper.
- Furniture, appliances and electronics are the primary imports coming from Asia.
- With more Oakland exports headed to South Asia, fewer containers are available in China to load U.S. imports. As a result, Oakland exports of empty containers are up 40 percent in 2021.

The Port has noted an operating trend with impact for its marine terminals and surrounding communities. It said that fewer ships are coming to Oakland, but they are carrying more cargo. According to Port data, vessel arrivals were down 21 percent last month from March 2020 totals. However, the average number of moves per vessel (export containers loaded, imports unloaded) jumped from 1,847 to 2,535.

The changing numbers reflect a strategic shift by ocean carriers to fewer-but-larger ships carrying more cargo. The upshot for shipping lines: reduced operating cost. For the Port, the benefit is less vessel crowding. Meanwhile, communities gain because fewer ships mean reduced air emissions.



Industry resource links:

- [Oakland Portal](#)
- [Oakland Seaport Map](#)
- [Ocean Carrier Services](#)
- [Shipping Forms & Permits](#)
- [Shore Power & Vessel Commissioning](#)
- [Trucker Resources](#)
- [TWIC](#)
- [Maritime Service Directory](#)

March record cargo surge, from page 1

- Retailers and manufacturers replenishing depleted inventories; and
- American exporters meeting unrelenting demand for high-quality U.S. products, especially farm goods.

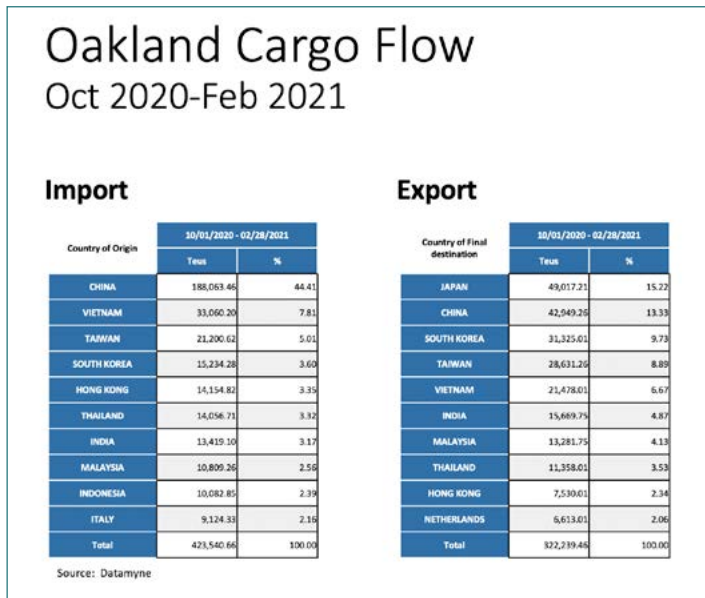
The Port said it was aided in March by introduction of a first-call vessel service. The new weekly service from French carrier CMA-CGM makes Oakland its first U.S. stop.

Oakland’s March export performance was particularly noteworthy, the Port said. It followed two months of export volume decline blamed on a dearth of vessel space to transport containers. The Port is a major export gateway because of its proximity to California’s Central Valley, sometimes referred to as a “food basket to the world”.

Container equipment flow

By the numbers

Containers exported from the U.S. to Asia are sometimes headed to different countries than the countries where empty containers are needed for loading goods from Asia that are destined for North American ports. The chart regarding cargo flow demonstrates the numbers behind the positioning of containers due to their respective destination ports. This results in the containers not always being located in the right place to meet supply chain needs.



Stay healthy: wear a mask, wash your hands and keep your distance. Useful links:

- **CA Industry guidance**
<https://covid19.ca.gov/industry-guidance/#top>
- **CA Counties information**
<https://covid19.ca.gov/roadmap-counties/>
- **CA COVID-19 testing**
<https://covid19.ca.gov/testing-and-treatment/#top>

COVID Vaccinations available for ILWU members at OAK

COVID-19 vaccinations provide protection against the virus that has killed more than a half-million people in the U.S. Getting a vaccination is a proven way to protect yourself, your loved ones, your friends, and your community from this dangerous virus. City Health is an approved vaccination distributor operating at Oakland International Airport (OAK). The Port of Oakland owns and operates OAK.

Vaccinations are available to ILWU workers through an online appointment system Tuesdays/Thursdays/and Saturdays with up to 90 appointments available each day. The appointment system is for the general public and not exclusive to the ILWU.

City Health (CHUC - City Health Urgent Care) Vaccine Distribution online link:

1. Log on (Using updated safari or chrome browser) to: <https://www.cityhealthuc.com/book-vaccine-appointment-port-of-oakland-moderna>
2. Individuals will need to bring:
 - a. A government issued ID, and
 - b. TWIC Card, and
 - c. Health Insurance Card, and
 - d. Authorization Letter from their immediate employer, that displays the employee’s name and badge number
 - e. This is to verify that the individual is currently employed by a Port of Oakland stakeholder or partner
3. Once an appointment date and time is secured, the individual will receive a confirmation email with details. The individual will also be asked, to provide additional information which will help expedite the visit; this can be done online or on site; but causes the visit to be a little longer if done during the vaccination appointment.
4. The vaccination location is: 9070 Earhart Rd, Oakland, CA 94621. Once at the vaccination location, on-site teams will further direct the individual. (Note that this location is not at the main part of OAK where travelers take major commercial airline flights.)



USS Oakland

In its nearly 94-year history, the Port of Oakland has been the stage for historic events. Amelia Earhart landed at and departed from Oakland Airport on her historic flights. Thousands of U.S. troops embarked from the Port to fight in the South Pacific or Vietnam. This month, the Port played host to another milestone moment. The littoral combat ship USS Oakland was commissioned at the Port April 17.

The vessel is the third to carry the name Oakland. The first, commissioned in 1917, served in World War I. The second, a light cruiser, received nine battle stars during World War II in the Pacific. The mast from the second USS Oakland is permanently installed at the entrance to the Port's Middle Harbor Shoreline Park.

The latest USS Oakland is the 22nd littoral combat ship in the U.S. Navy fleet. It's designed to operate near-shore but has open-ocean capability.

Scores of guests attended the commissioning at the Port from the safety of cars parked near the vessel's berth. Hundreds of others watched via Zoom in deference to coronavirus pandemic protocols.

"We now have a finished warship that is ready to be placed into commission," Acting Secretary of the US Navy Thomas W. Harker said during the ceremony. "She's a marvel of engineering which will extend our capabilities for any mission across the blue water from shoreline to shoreline."

Port of Oakland Executive Director Danny Wan and Maritime Director Bryan Brandes attended the event. Oakland Mayor Libby Schaaf paid tribute to the vessel and to her city.

"We could not be more proud to have this ship carry the name of our beloved city," the Mayor said. "As an Oakland native and the daughter of a proud veteran who served in WWII, I could not be more thankful for the incredible service that each and every one of you has provided and will continue to provide our great American democracy."

The ship's Executive Officer, Commander Derek Jaskowiak, served as master of ceremonies for the event. He said: "This ship and its crew are honored to bear the name, Oakland, and to continue the proud legacy of courage handed to us by those who have gone before us on the previous USS Oakland."



More skilled labor

The International Longshore and Warehouse Union (ILWU) and Pacific Maritime Association (PMA) agreed to training more union members for skilled positions at Port of Oakland marine terminals. Up to 150 ILWU members are being trained to operate cargo-handling equipment used on Oakland's terminals. About 50 dockworkers will be trained each month. The training completion is expected at the end of a three-month period.



Stay-at-home, pandemic-induced, American consumerism has been driving a huge increase in import cargo at ports up and down the U.S. West coast. The cargo surge is not an isolated event in the U.S. There seems to be an increasing demand for consumer goods around the world.

The increased skilled labor coming to the Port of Oakland and other California ports will help meet the strong cargo-handling demands and help work through the backlog of containerships at the ports.

Social media

Some links of interest to the Port's audience

The Suez Canal blockage as a catalyst for innovation

https://twitter.com/Splash_247/status/1386410206138048513

Box troubles still hitting forwarders in China and India as prices keep rising

https://twitter.com/star_asia/status/1385345214462799886

Q1 ship orders highest since 2008

https://splash247.com/q1-ship-orders-highest-since-2008/?utm_source=dlvr.it&utm_medium=twitter