

Port of Oakland gets supply chain visit from Port Envoy

John D. Porcari examines export logjam for White House

President Biden's Port Envoy visited the Port of Oakland on Nov. 16 in hopes of easing nationwide supply chain gridlock. John D. Porcari toured the Port seeking to break a logjam that's hampering shipments of U.S. agricultural exports overseas. At stake: billions of dollars of trade in farm goods with Asia.

Port officials gave the White House Supply Chain Disruptions Task Force envoy a first-hand look at the problems. Topping the list:

- Not enough ships or vessel space to transport agricultural exports that arrive in Oakland from California and the Midwest;
- Outbound vessels that leave behind exports in favor of empty containers needed in Asia to load U.S. imports; and
- The soaring cost of containerized cargo transport.



John Porcari (L), Port Envoy, and Danny Wan (R), Port of Oakland Executive Director

"A combination of factors is conspiring to cripple the export supply chain," said Port of Oakland Executive Director Danny Wan. "That's why we urged the Port Envoy to seek a comprehensive approach to the problem – there's no one silver bullet."

Supply chain congestion has hindered the U.S economy for much of 2021. Inability to move goods rapidly is blamed for everything from inflation to empty store shelves. It's also getting in the way of shipments to overseas markets. → 04



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PORT OF OAKLAND

Port of Oakland chief asks state help in supply chain crisis

‘We need solutions from all levels of government’ – Danny Wan

Speaking as President of the California Association of Port Authorities (CAPA), Port of Oakland Executive Director Danny Wan requested state help on Wednesday, November 3, to ease a U.S. supply chain crisis. He called for increased collaboration and solutions from all levels of government as containerized cargo continues to back up at California ports. Inaction could result in freight migration – and job loss – to other states, CAPA President, Danny Wan warned.

“The current congestion that we see today is a result of decades of underinvestment in our ports and supply chain,” Mr. Wan said at the California Legislature’s Select Committee on Ports and Good Movement. “Notably there is an 11-to-1 imbalance in federal transportation and waterside spending on port complexes around the country compared to those made here in our state,” he said.

Mr. Wan recommended everything from a state-funded supply chain investment fund to land dedicated to cargo container storage. His request came as scores of ships daily wait to berth at Southern California ports and cargo languishes on docks. The months-long supply chain crisis is blamed for consumer good shortages and a spike in U.S. inflation.

According to Mr. Wan, California ports have handled record cargo volumes in the past two years due to skyrocketing consumer purchasing during the pandemic that continues. The result has been a widespread supply-chain challenge not only for the U.S., but globally as well.

Government assistance at all levels is needed to further ease supply chain congestion, Mr. Wan urged legislators. More federal port funding must go to California, he said. Mr. Wan added that West Coast ports were under funded by comparison relative to their degree of national economic importance and jobs generation.

According to CAPA, California port activities employ more than half-a-million people in the state and generate an estimated \$9 billion in state and local tax revenue annually. More than 1 million California jobs and 3 million jobs nationally are linked to trade through CAPA member ports.

In addition to funding, here’s what else the Port of Oakland Executive Director asked for:

- Training centers throughout the state to develop a stronger supply chain workforce;
- Creation of a California freight policy that can authorize emergency action in times of cargo congestion; and
- Long-term state and federal infrastructure investment at ports.

“The California Association of Port Authorities represents 11 ports accounting for 40 percent of the nation’s imports and 30 percent of U.S. exports,” testified CAPA President Wan. “Assistance to the state’s ports is critical to supporting the U.S. economy,” Mr. Wan emphasized.

“The global congestion caused by our broken supply chain requires public policy changes that can be addressed by our state leaders,” Mr. Wan said. ●



Message from Maritime Director Bryan Brandes

We have all been challenged more than ever before during this once-in-a-hundred-year pandemic. Thank you for your contribution in working through this difficult year-and-a-half to keep goods moving and doing your best to support the supply chain, whether on the front lines as a marine terminal operator, trucker, or Longshore worker, or as a diligent logistics professional.

All of you have moved monthly record cargo at one time or another through Oakland and now we are seeing new routes being established and other routes restored. It could not have been accomplished without any of you!

We hope your Thanksgiving celebration was shared with family and friends in good health and peace. ●



INVESTING IN YOUTH FOR THE FUTURE

By Andrew Hwang, Port of Oakland Maritime Manager,
Business Development and International Marketing

Many people do not realize that port operations and logistics are careers related to STEM education. Port and supply chain machinery and systems involve science, technology, engineering and math.

In early October, I was contacted by a parent of a student who is in the FIRST® LEGO® League in Sacramento. According to the FIRST® LEGO® League website, the purpose is to introduce science, technology, engineering and math (STEM) to children ages four to sixteen through fun and exciting hands-on learning.

Participants in the FIRST® LEGO® League say they gain real-world, problem-solving experience through a guided, global robotics program. This can help students and teachers build a better future together.

The children saw news about congestion at ports and were interested in learning about how terminals work, the equipment used and the process of containers moving through a terminal. It is refreshing to see young people taking an interest in international logistics.

We first arranged a zoom call with the members of the team to answer initial questions and to get them excited about learning more. Word spread and a second team joined the adventure. There was so much interest, I offered to meet up with the teams at Middle Harbor Shoreline Park to give them the full experience of seeing ships and heavy machinery.

On Saturday, October 30th, the 2 teams, the Warriors and the Code Hackers made the 90-minute journey from Sacramento to Middle Harbor Shoreline Park at the Port of Oakland. Armed with curiosity and questions, the students asked about how the terminal equipment works, the process needed to move import and export containers, the products inside the containers, terminal safety and many other topics.

My biggest take-away was how prepared the children were with questions and prior research as well as their willingness to be engaged in the opportunity.

I honestly do not know who got more enjoyment out of that day - the children or me!

Their genuine interest made it worthwhile to spend part of my weekend teaching them about ports and the supply chain for which I have so much passion.

It is always fulfilling to be able to pay forward what this great industry has given to me. Young people today rarely consider going into logistics. On the surface, it is not as appealing as being a social media influencer or working for a tech company.

Given the chance to learn about what our industry does, I am confident that logistics is as “cool” as being a YouTuber!

Lastly, I would like to thank Ramona Dixon in the Port’s Social Responsibility Division for helping arrange access to the park and to park security to stay with the group to ensure the students’ comfort and safety.

Port reply: THANK YOU Andrew Hwang for taking the time to inspire these young people to consider ports and logistics as exciting and valuable career opportunities! ●

INDUSTRY RESOURCE LINKS:

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

Tips for Protecting Yourself & Others This Holiday Season

- ✓ [Get Vaccinated, Including a Booster Shot if You're Eligible](#)
- ✓ [Stay Home if You're Sick](#)
- ✓ [Get Tested Before and After Traveling or Gathering for the Holidays](#)
- ✓ [If Some of Your Group is Unvaccinated, Take Precautions](#)
- ✓ [Wear a Mask, and Make Sure it's a Good One](#)
- ✓ [Gather Outside or Increase Airflow in Indoor Spaces](#)
- ✓ [Follow Local Guidance](#)
- ✓ [Activate CA Notify](#)
- ✓ [LEARN MORE](#)



Visit from Port Envoy *from page 1*

Mr. Porcari sought out Oakland because it's a leading U.S. load port for Asia-bound agricultural exports. Agricultural exports from Oakland is valued at \$6.7 billion, the Port said. Oakland is the primary gateway for California fruit and nut exports as well as Midwest beef.

The Biden Administration named Mr. Porcari its Port Envoy in August. As Deputy Secretary and Chief Operating Officer of the Department of Transportation in the Obama-Biden administration (2009-2014), Mr. Porcari was directly involved in overseeing port, intermodal, maritime policy and maritime-related competitive grant programs throughout the U.S. Mr. Porcari has said that U.S. farm exports are a primary focus of the Biden Administration.

Port officials told Mr. Porcari that supply chain disruption hurts not only Oakland but jeopardizes U.S. economic growth. If American farm goods can't be shipped, overseas buyers will turn to producers in other countries, the Port explained.

The Port said there's reason for optimism as international shipping lines begin routing more vessels to Oakland. Some ships bypassed the Port last summer because of crippling delays at other West Coast stops. Those ships began returning to Oakland this month, the Port said. ●

Port of Oakland cargo volume off; blame vessel bypass

Forty-three percent fewer ships called last month due to delays elsewhere

Port of Oakland total cargo volume declined 20 percent last month. Containerized imports dropped 14 percent compared to October 2020 totals. Exports were down 27 percent. However, through the first 10 months of 2021, Oakland total cargo volume is up nearly 2 percent and import volume has increased 8 percent.

The Port attributed the monthly cargo dip to declining vessel traffic; 43 percent fewer ships stopped in Oakland last month than in October 2020. Some carriers bypassed Oakland and returned to Asia, following delays at Southern California ports.

Last month 61 ships called in Oakland, compared to 54 in September. A larger number of vessel arrivals is expected for November. Shipping lines have begun restoring Oakland vessel services suspended earlier in the year. ●



NPR's Morning Edition



Port of Oakland Executive Director Danny Wan talked about supply chain congestion and solutions on National Public Radio. Listen to the five-minute Morning Edition interview [HERE](#). ●