

West Coast ports up and running again

Elizabeth Weise, *USATODAY* 8:17 p.m. EST February 23, 2015

SAN FRANCISCO – West Coast ports began running at full speed Monday, the first weekday in more than two months operations have been even close to normal because of a labor dispute.

Dock workers and port owners agreed on a tentative contract late Friday night. But the economic impact of the interruptions on both imports and exports will be felt for months to come — especially in agriculture, say experts.

"There is nothing that we produce in agriculture here in the U.S. that cannot be sourced elsewhere in the world. If we don't supply dependably and affordably, we lose that business," said Peter Friedmann, executive director of the Agriculture Transportation Coalition.

"Perishables have been knocked out of markets, and our customers overseas have been forced to find other, non-U.S., sources for their meat, fruit, hay, cotton, rice, nuts, French fries, lumber and so much more," he said.

Cargo finally began moving on ports up and down the coast Monday, to the relief of both importers and exporters.

"There are 27 container ships waiting out in the harbor to get into berths today," said Lee Peterson, a spokesman for the Port of Long Beach in Southern California.

"We were working all weekend, but this is the first weekday we've been fully staffed," he said. "All the terminals are working, all the berths are full."

In Oakland, nine vessels were at berth and 18 were waiting to get into the port on Monday. Full operations were expected to resume on the night shift, port officials said.

Even so, port and trade groups say the congestion that built over during the labor slow down and closures during the dispute will take time to clear out.

"We're estimating anywhere from four to eight weeks before we can get past the backlogs," said Peterson. "We'll be running two shifts a day."

One of the areas hardest hit by shipping woes has been agriculture. West Coast growers exported more than \$5 billion worth of fresh fruits, vegetables and nuts in the final quarter of 2014, said Western Growers' president and CEO Tom Nassif.

The shipping slowdown hit at exactly the wrong time for farmers, many of whom have robust sales in Asia during the Lunar New Year, which began last Thursday.



Stacks of shipping containers sit at the Port of Oakland on February 6, 2015 in Oakland, California. (Photo: Justin Sullivan, Getty Images)

Fresh vegetables were planted months ago and citrus products harvested weeks ago to fill orders from Asian buyers.

The contracts were signed months and even a year ago. But when the produce and fruit were ready, there were no ships available to get them to their intended markets in time.

"It was a major problem for citrus farmers," said Ken Gilliland, director of international trade and transportation for the Western Growers. "They lost a crucial market this year. So that was a lot of potential sales lost."

Growers were less able to absorb the loss because of extreme weather across the United States. In a normal year, they might have diverted product they couldn't get to Asia to sell in the United States and Canada instead.

But "the East coast and the Midwest have been frozen — and not a lot of people run out to buy lettuce for salad when it's 20 degrees below," said Gilliland.

"There's no good time for something like this to happen, but when you put it all together, it's kind of been the perfect storm," he said.

Businesses that have been hit by the slowdown need to begin planning now for the next one, said Chloe Demrovsky, executive director of DRI International, a disaster planning organization.

The current contract between the International Longshore and Warehouse Union and the Pacific Maritime Association, representing shipping companies and port terminal operators, been negotiated to last for five years.

"So chances are, we'll see something similar in another five years. It would be good for ports and businesses to start thinking about that now," she said.

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