



# ***Supply Chain Update to the Joint Assembly Committee on Agriculture and Select Committee on Ports and Goods Movement***

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# Trade Disruptions Continue

## 2018-2019 U.S.-China Trade Tensions

### Tariffs & Retaliatory Tariffs

Manufacturer Migration to Southeast Asia  
= Cargo Routing to U.S. East Coast

Cargo Owners Pull Inventories Forward in  
Advance of Scheduled Tariff Increases

Tariff Wars Exacerbate  
Trade Deficit Imbalances

Record-Setting 2018 Volume

## 2020-2021 COVID-19 Disruptions

### Distressed Supply Chain

Economies Shutter  
China Manufacturing Halts

Global and Regional Workforce Shortages

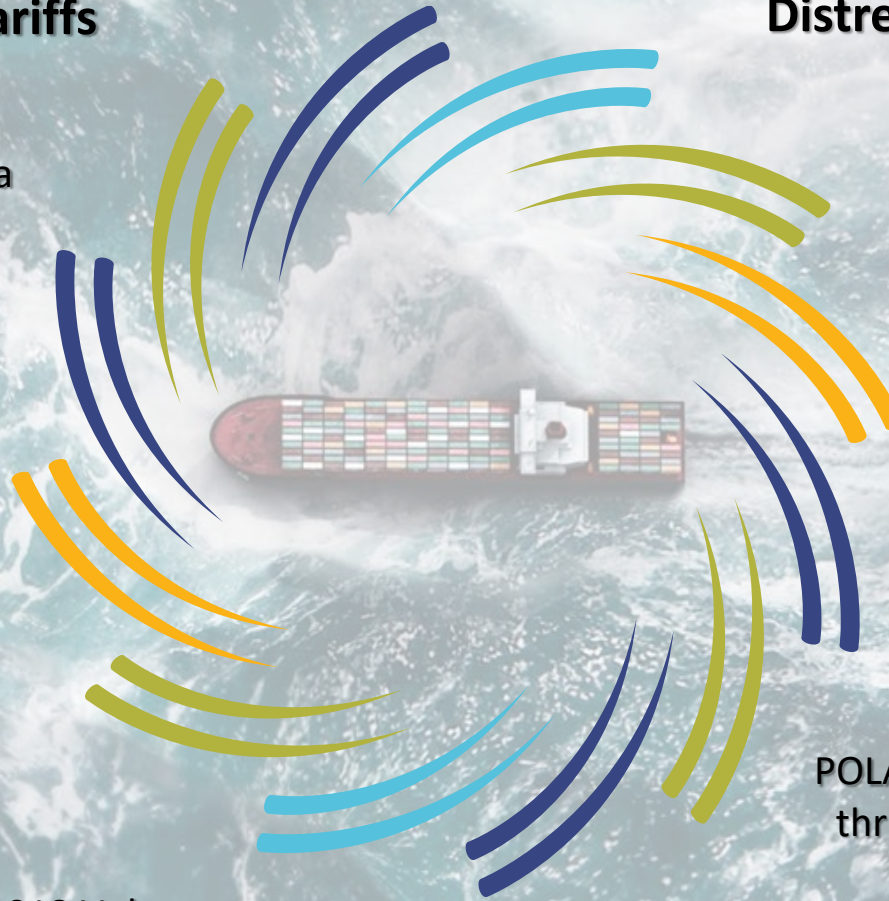
Consumer-Driven Cargo Surge  
E-Commerce Boom

Global Supply Chain Disruptions

Container Shortages  
Shipping Price Hikes

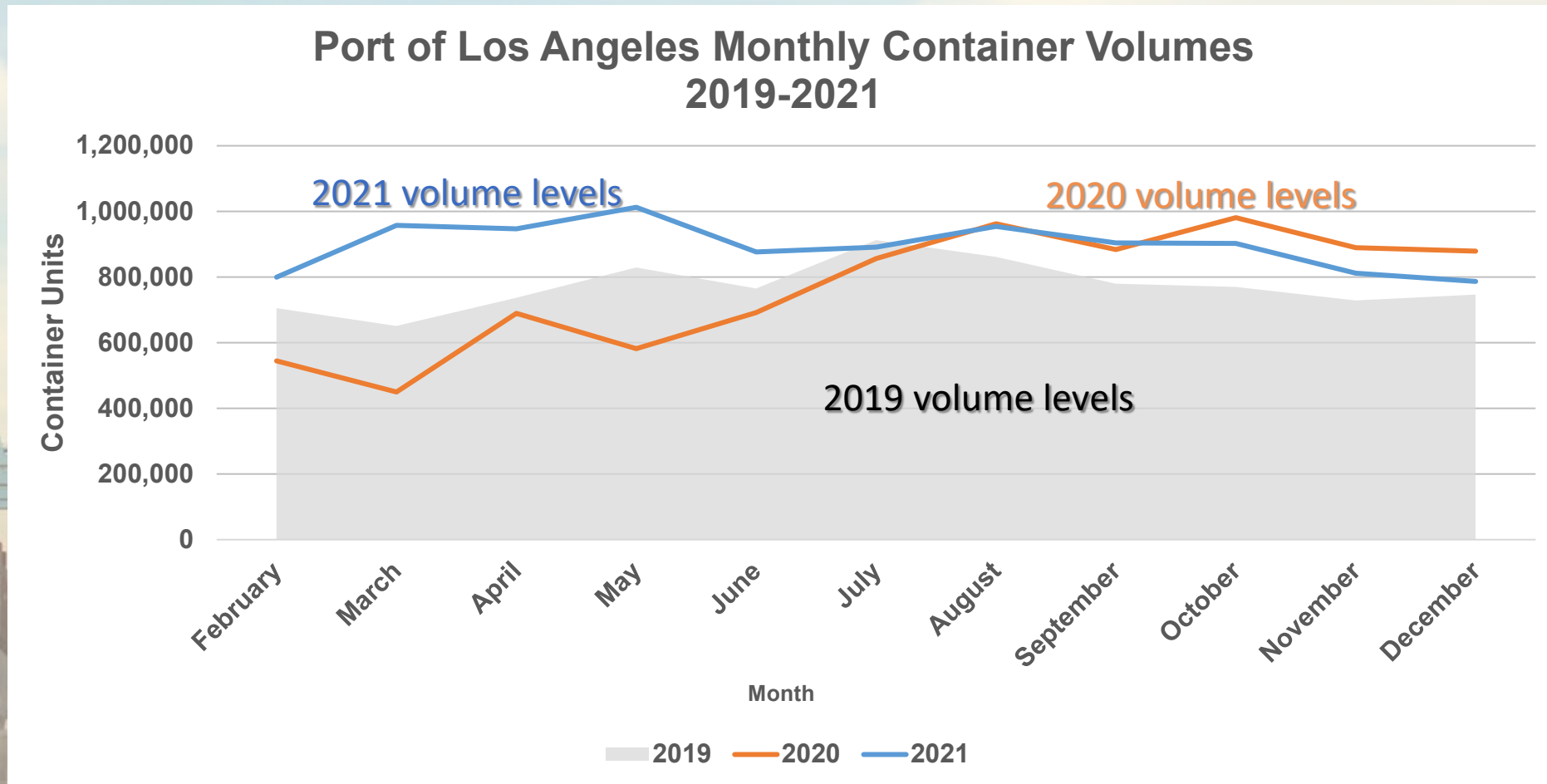
POLA Exports Down 34 out of 38 months  
thru Dec. (biggest declines since 2002)

Record-Setting 2021 Volume



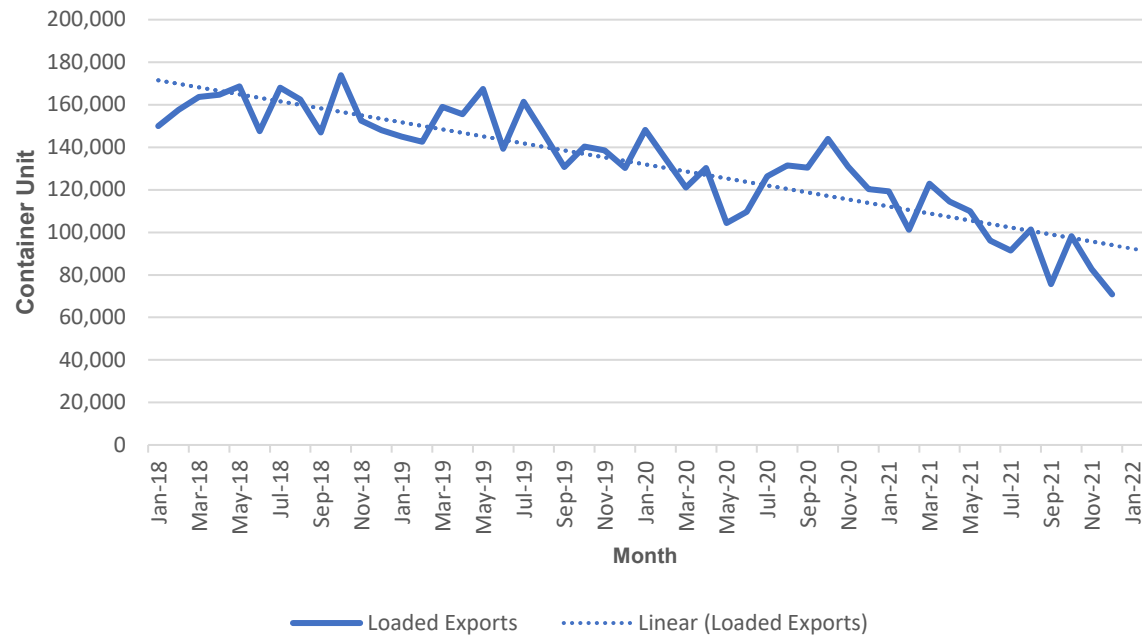


# Volume Surge Beginning Mid-2020

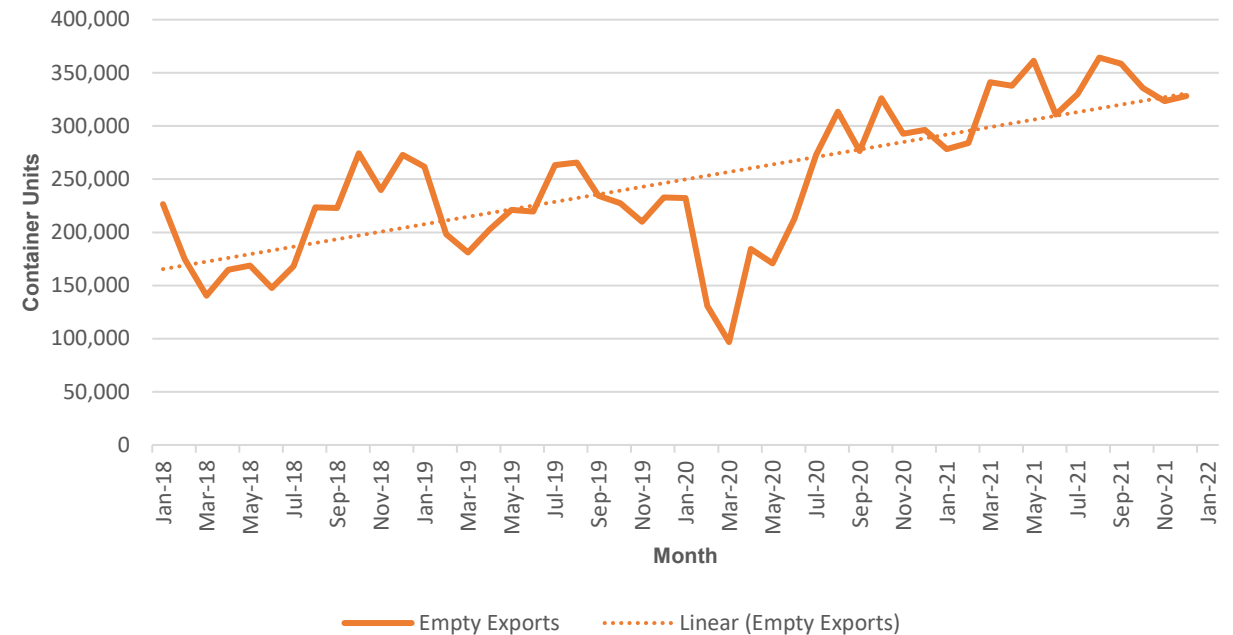


# Loaded Exports vs. Empty Exports

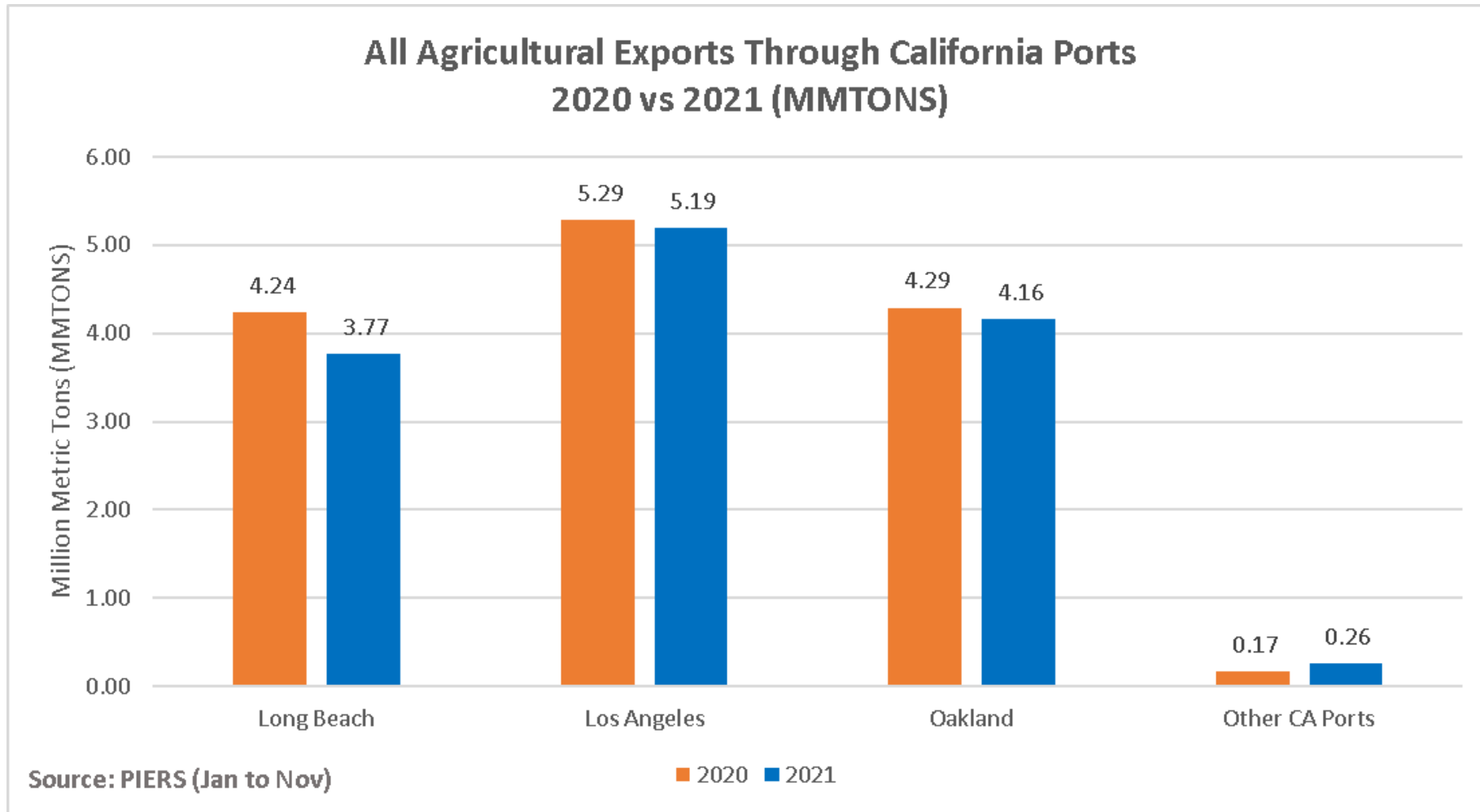
**Loaded Exports**  
January 2018 - December 2021



**Empty Exports**  
January 2018 - December 2021



# Agricultural Exports through CA Ports

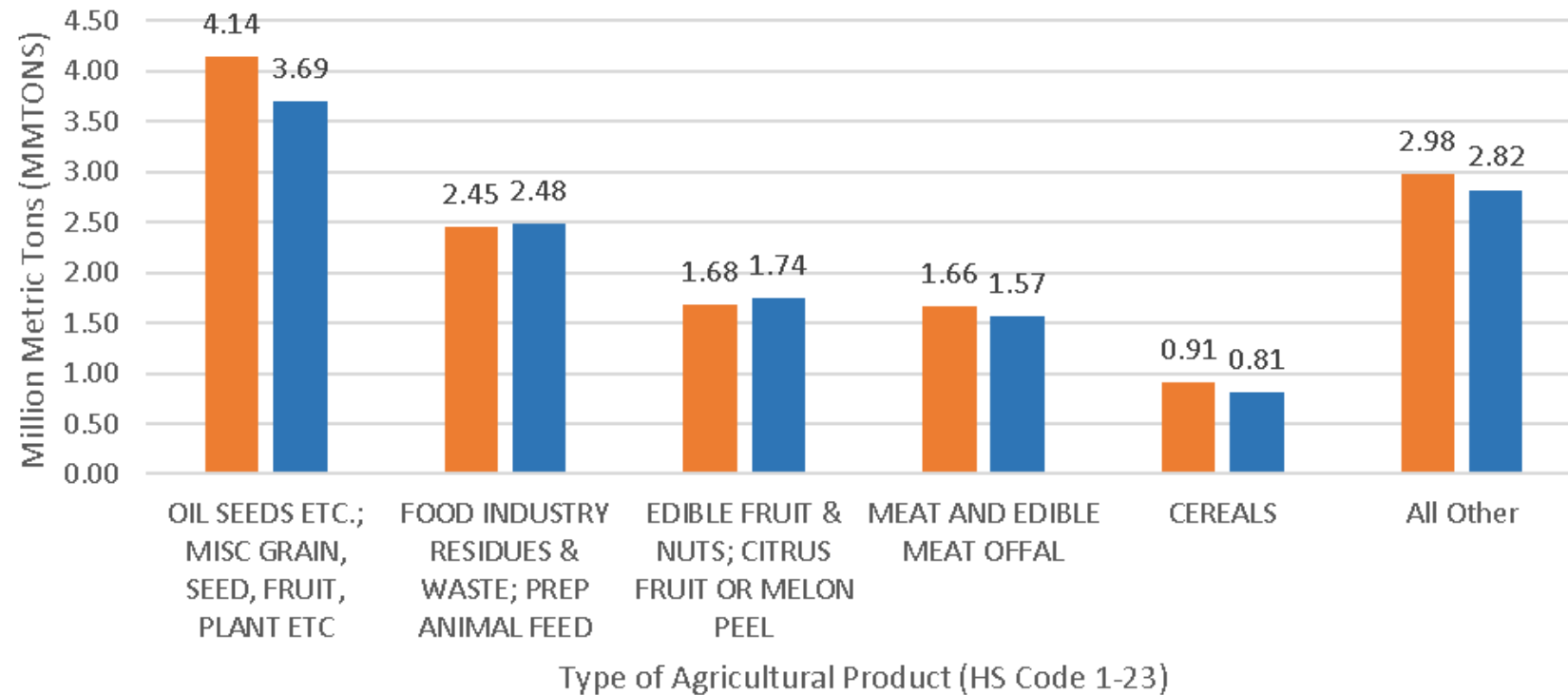


Source: PIERs (Jan to Nov)

2020 2021

# Top Five Exports, 2020 vs. 2021

Top 5 Agricultural Exports through LA, Oakland and Long Beach  
2020 vs 2021 (MMTONS)



Source: PIERs (Jan to Nov)

2020 2021

Source: PIERs (Jan to Nov)

2020 2021



# Short-Term Focus

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- Implement truck turn time, dual transaction and liner incentives to improve cargo flow
  - Expand use of info-sharing to improve supply chain visibility
  - Work with FMC on truck gate management, D&D/ERD pilot
  - Continue work on freight data architecture & standards
  - Better use of existing capacity



# Longer-Term Recommendations

- Continue convening comprehensive stakeholder dialogue including relevant federal and state agencies
- Improve supply chain digitalization – We are 30 years behind other nations
- Develop national & state export policy – Get American farmers and manufacturers back in the game. Identify best practices from targeted sector initiatives (recently announced dairy stakeholder working group)
- Develop workforce training centers – Create a pipeline of skilled labor
- Invest in infrastructure to enhance system resiliency and “Connect California”



# THANK YOU

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