

Distribution Channels

- **direct distribution channels:** company provides its own logistical team and transport vehicles to sell products directly to customers
- **indirect distribution channels:** company sells products wholesale to distributors/retailers, and pays third-party systems to transport their products for them



Ports of LA Long Beach

Ships at Dock: LA 21 Long Beach 18 = 39

Ships at Anchor: LA 25 Long Beach 20 = 45



White House appoints 'port envoy' to tackle congestion, bottlenecks

- John [Porcari's] expertise and experience with America's major trade gateways will be invaluable as the nation addresses supply chain challenges," Gene Seroka, executive director at Port of Los Angeles, said in an email. "His leadership will be immediate and significant as ports partner with the Biden-Harris Administration to find solutions."

The Omni-Channel Revolution

- Physical Option
- Online Option

Omni Channel Distribution

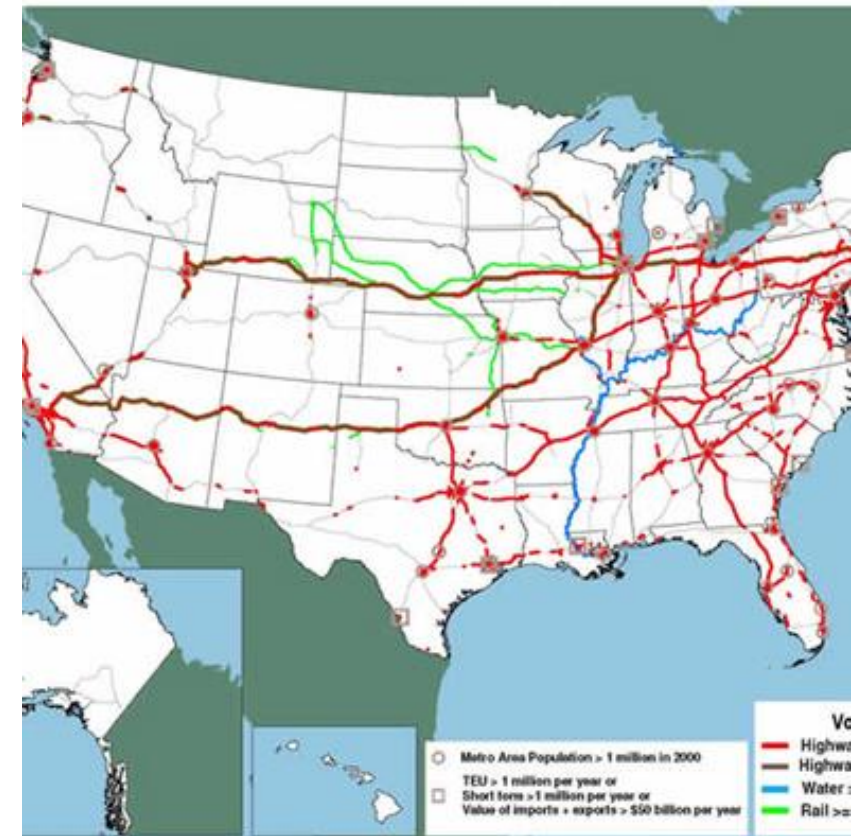




Ports of LA & Long Beach: The Big Dance

Why LA Long Beach?

- Close to Asia
- Deep Water = Big Ships
- Portside Land
- Highway Access East
- Rail Access East
- Large Consumption Area





Panamax _ Maximum Size for the Panama Canal

Costamare Triton

- **The neopanamax Triton** established a new record of total TEU capacity in the Canal, at 15,313 TEUs



HMM Algeciras

- HMM Algeciras is the world's largest containership with 24000 TEU capacity. South Korea to Europe via Suez.



GLOBAL SHIPPING ALLIANCES 2020



Ocean Alliance



CMA CGM



APL



COSCO SHIPPING



EVERGREEN



OOCL

2M



MAERSK LINE



MSC

THE Alliance



HAPAG-LLOYD



ONE



YANG MING



HMM

April 1, 2020





Seasick?

Port of Long Beach

- 2nd-busiest port in the United States (LA #1)
- 21st-busiest container cargo port in the world
- 9th-busiest port complex (with the Port of Los Angeles) in the world by container volume, after Shanghai, Singapore, Shenzhen (China), Ningbo (China), Busan (S. Korea), Hong Kong, Guangzhou (China), and Qingdao (China)



Difficult Peak Season LA/Long Beach

- With a second wave of container dwell times and ships at anchor approaching record levels, congestion in Southern California will get worse over the next three months when import volumes are likely to set new records, according to the executive director of the Port of Los Angeles.
- “Volumes will be strong in the traditional peak season due to unrelenting consumer demand,” Gene Seroka told a virtual press conference Tuesday.
- Seroka said the entire international supply chain is choked, with shipments piling up on factory floors in Asia, COVID-19 outbreaks affecting both port and warehouse labor availability in China and Southeast Asia, and vessels delayed leaving Asian load ports. In the US, ports and inland rail ramps are experiencing congestion issues and chassis shortages, and rail networks are stretched to the point where railroads are forced to pause or meter intermodal services.

Difficult Peak Season LA/Long Beach

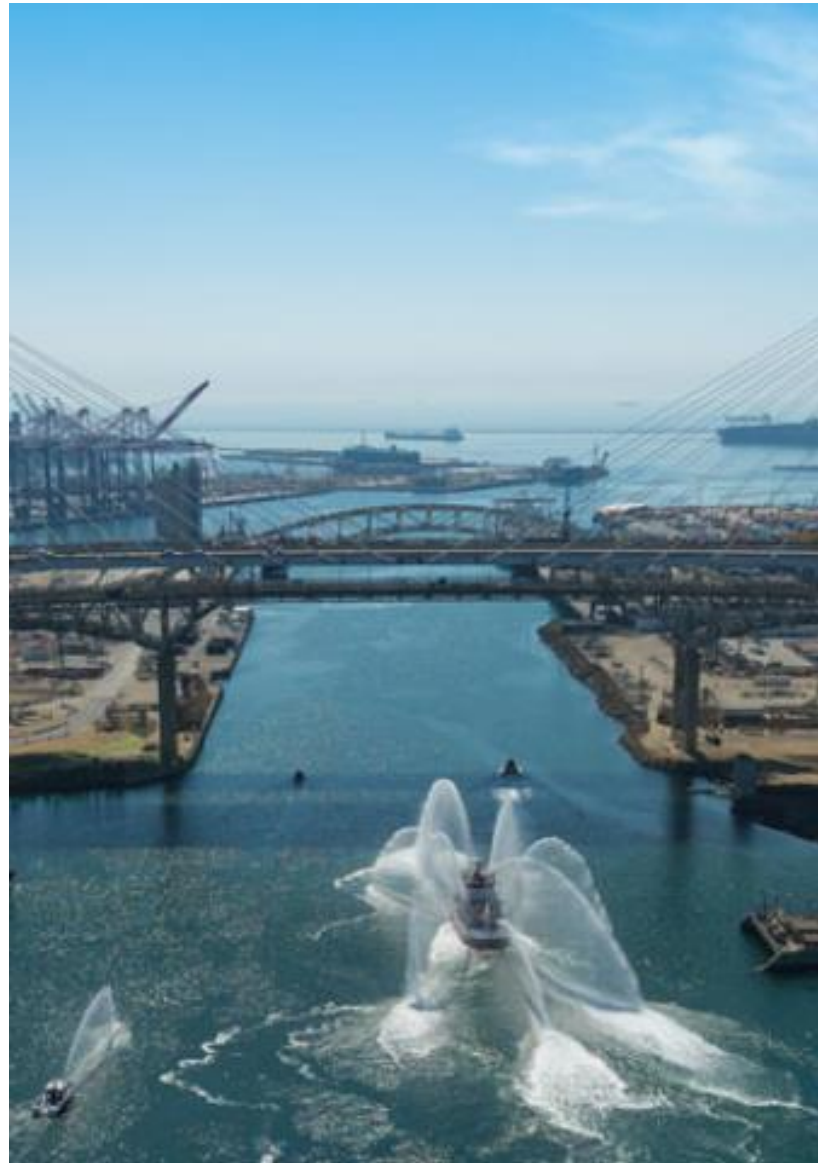
- While it is too late to produce results for the current peak season, which runs from August through October, the executive director of the largest US container port gave this advice to supply chain participants: “We as an industry need to improve our resiliency,” Seroka said.
- In the Los Angeles-Long Beach gateway, more vessels are going straight to the “parking lot” at anchorage as they wait for berthing space to open, and they are spending more days at anchor while terminals are working near-record numbers of ships each day, Seroka said.
- This analysis was confirmed by Tuesday’s anchorage report provided by the Marine Exchange of Southern California. There were 36 vessels at anchor outside the ports of Los Angeles and Long Beach, four short of the record set in February, and each vessel is spending an average of 6.9 days at anchor, up from about five days last month. There were 29 container ships being worked at the berths, two less than the all-time record of 31, according to the Marine Exchange.

Difficult Peak Season LA/Long Beach

- Container dwell times too high
- Warehouse congestion fueling chassis shortages
- Slowing empty equipment repositioning compounds Indian inventory woes
- Call for government to assist
- US intermodal congestion derailing peak season imports
- Additional oversight?
- No relief on the horizon

Difficult Peak Season LA/Long Beach





Port of
Long Beach



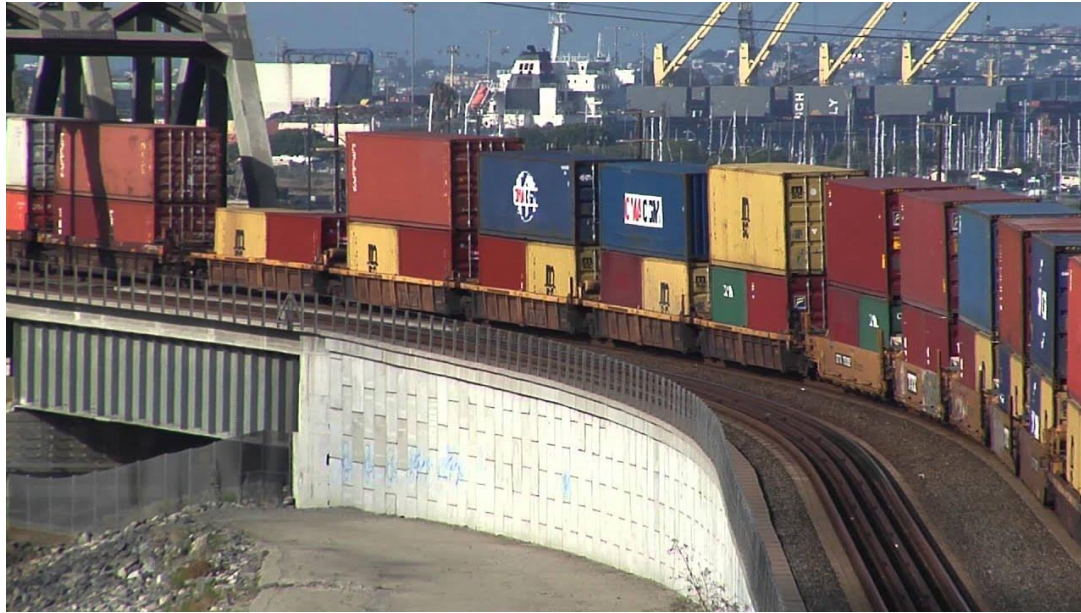
MSC Mia Arriving Long Beach

PORT OF LONG BEACH CONTAINER TRADE IN TEUS: FISCAL YEAR TO DATE – JULY 2021

Category	2021	2020	% Change
Loaded Inbound	3,889,267	2,990,353	31.1
Loaded Outbound	1,226,026	1,223,256	-2.2
Empty Inbound	133,917	99,312	34.9
Empty Outbound	2,695,234	1,795,565	50.0
Total (TEUs)	7,944,683	6,139,786	29.4

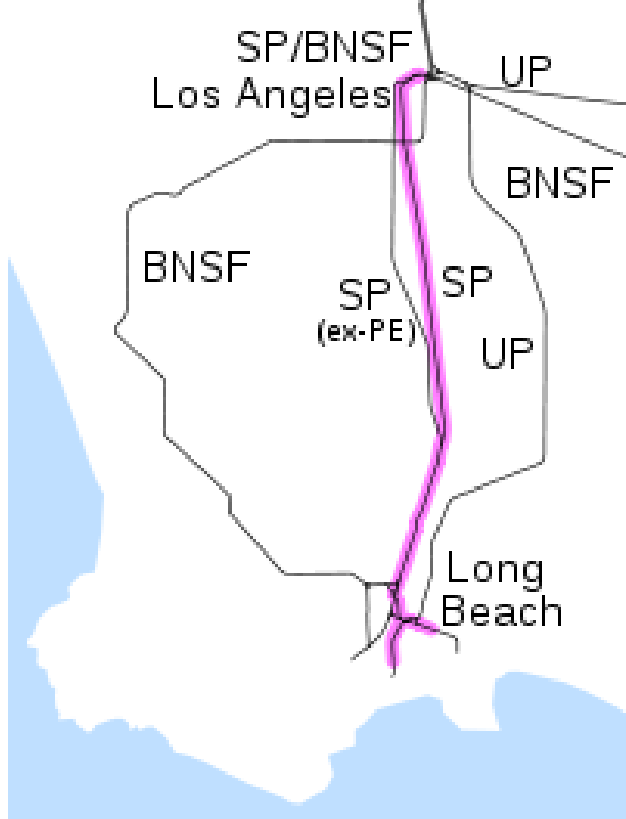
Intermodal Rail Double Stack

Long Beach/LA Port On Dock Rail



Los Angeles Rail Yard





Alameda Corridor

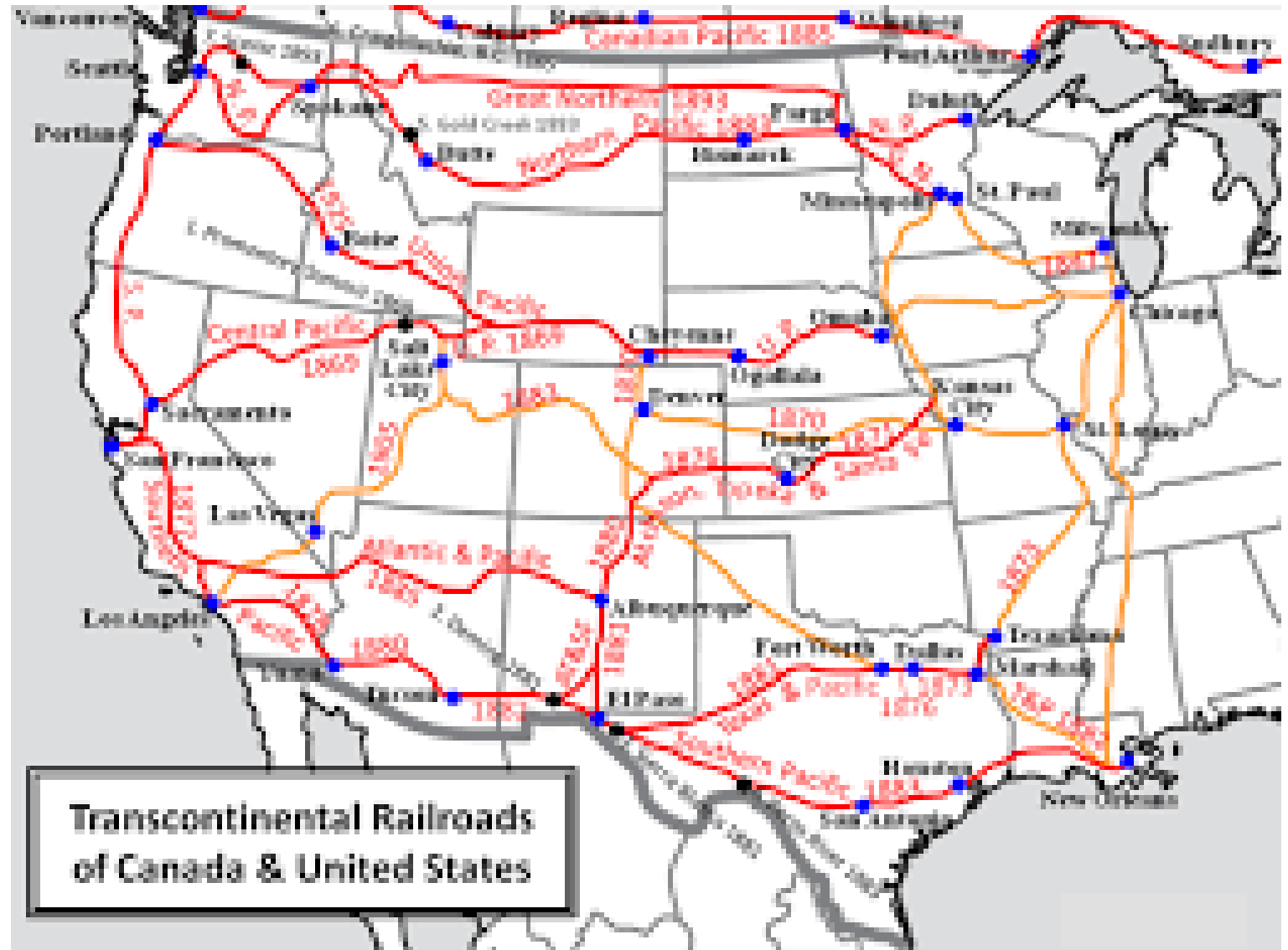
- The Corridor serves as **the primary connection for cargo-carrying train traffic moving between the ports of Los Angeles and Long Beach and the transcontinental rail network based near downtown Los Angeles**





Double Stack Rail Service

Transcontinental Rail



- A foreign trade zone is a designated area in the United States where companies can set up operations with exempted or deferred tariffs on foreign merchandise. FTZs make U.S. manufacturing more competitive by reducing or eliminating unfair tax burdens on companies that make or assemble finished products using foreign components.

- **FTZ BENEFITS**

- Merchandise may be stored within a Foreign Trade Zone for an unlimited period of time and avoid all duties and excise taxes.
- Merchandise may be opened, examined, assembled, mixed, cleaned, labeled or repackaged within a zone.
- Merchandise may be displayed, sampled or examined within the zone.
- Waste materials and damaged merchandise may be destroyed within the zone to avoid duties.

Dry Bulk Tenants

Terminal	B	D	F	G	T
Tenant	National Gypsum	CEMEX USA GP Gibson	Koch Carbon Mitsubishi Cement Morton Salt	Metro Ports	SA Recycling



Liquid Bulk Tenants

Terminal	B	F	S	T
Tenant	Marathon Petroleum Petro Diamond	Chemoil Marine	Vopak	Marathon Petroleum



Break Bulk & Ro Ro

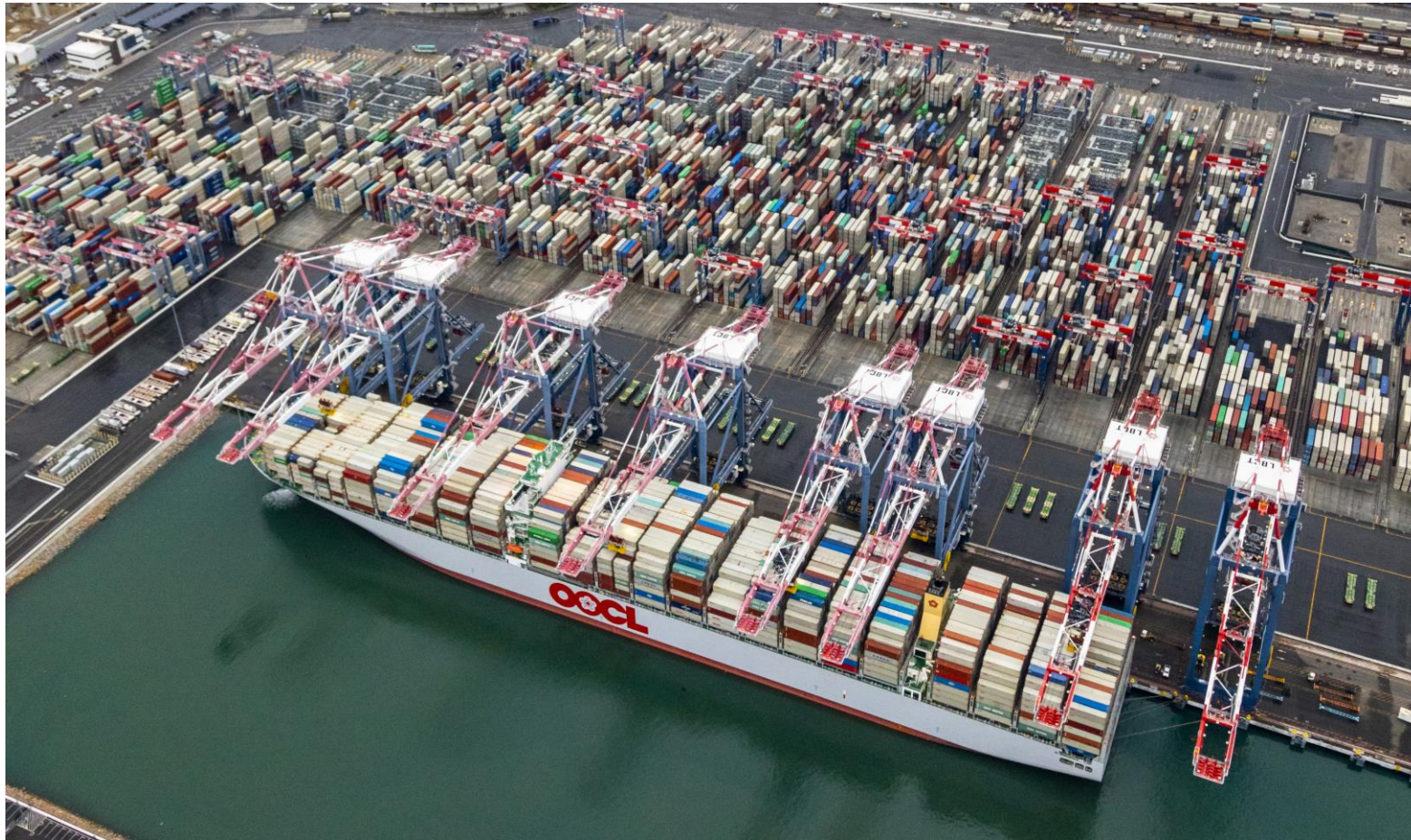
Terminal	B	D	F	T
Carrier	Toyota Logistics	Crescent Warehouse	Cooper (SSA) Crescent (SSA)	Fremont Forest



Long Beach Container Terminals

Terminal	ITS-Pier G	LBCT-Pier E	PCT-Pier J	SSA-Pier A	SSA-Pier C	TTI-Pier T
Alliance	The Alliance Independent	OCEAN Alliance	Ocean Alliance	Oceana Vessel Sharing Agreement + Independent	Independent	2M+Z+S
Carrier	ONE Hapag- Lloyd Yang Ming HMM MSC Maersk CMA CGM	OOCL COSCO CMA CGM Evergreen	COSCO OOCL CMA CGM Evergreen	Hamburg Sud Hapag-Lloyd ANL MSC Polynesia Line Pasha Hawaii Matson Wan Hai Lines Zim	Matson	Maersk MSC HSD SM Line ONE Hapag- Lloyd Yang Ming HMM

WORLD'S GREENEST CONTAINER TERMINAL POLB



The Middle Harbor Terminal Redevelopment Project is a 10-year construction program combining two aging shipping terminals into one of the world's most advanced and greenest container terminals.

Marine Terminal Operator

- Lease terminal from port
- Contract with carriers
 - Load & Unload Ships
 - Store Containers
 - Receive & Deliver Containers
 - Load & Unload Drayage Trucks
 - Load On Dock Rail
- Provide cargo handling equipment
- Order longshore gangs
- Supervise work
- Pay Longshore gangs via PMA
- Incentive to maximize the use of the least amount of ILWU labor
- Incentive to increase container in/out velocity with the least amount of labor

Long Beach
Marine
Terminal
Truck Gate



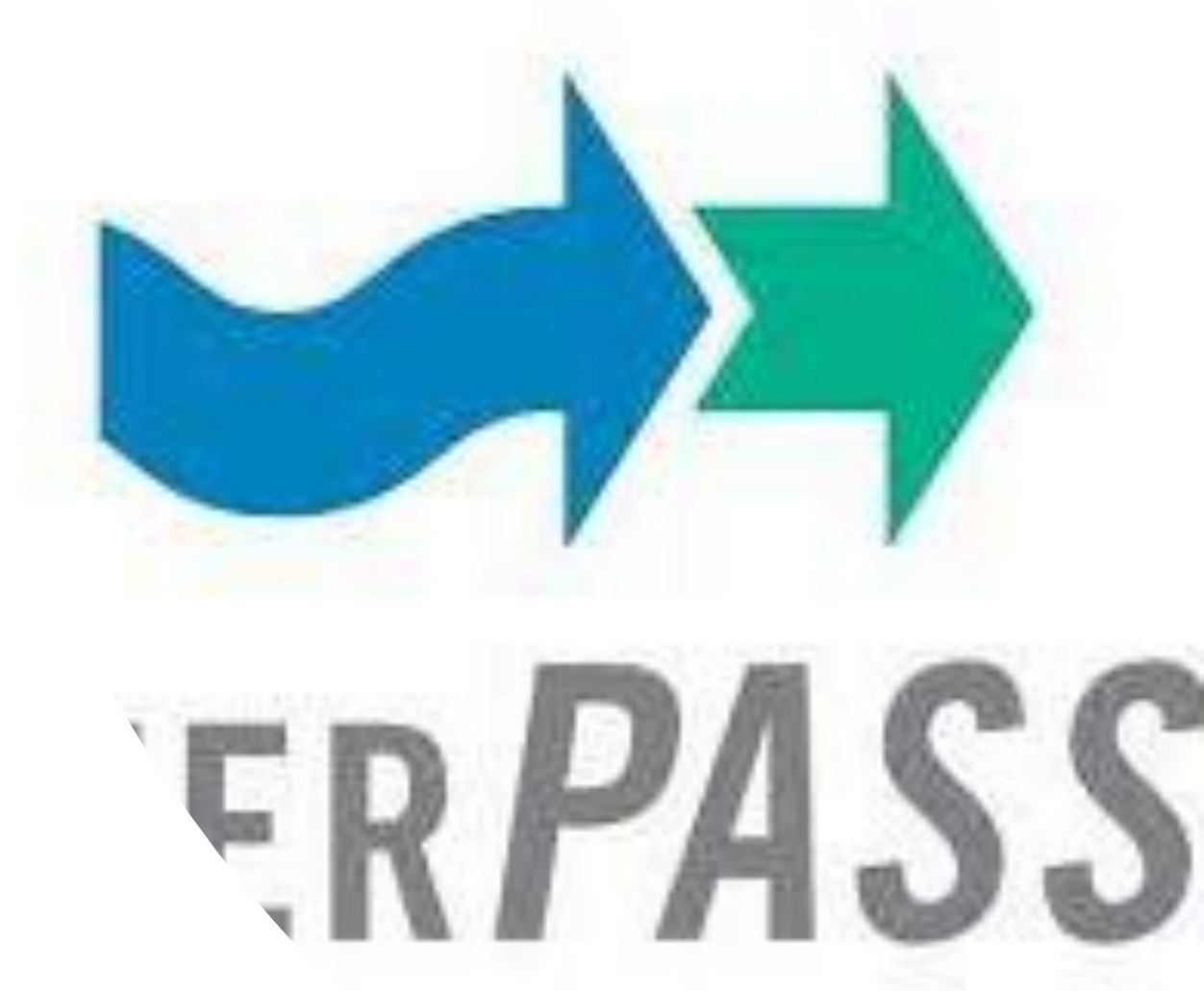


Pool of Pools: 58,000 Marine Container Chassis

- The "Pool of Pools" (POP) is a multi-pool agreement between the three major proprietary marine container chassis pools operating in the San Pedro Basin port complex. DCLP, TPSP and FLBP developed this agreement in response to port stakeholder desires to create greater chassis fluidity across the port complex, which is by far the largest in the United States.

Pier Pass

- PierPASS is a partnership among the marine terminal operators at the Port of Long Beach and the Port of Los Angeles aimed at easing truck congestion, improving security and helping air quality. All international container terminals in the two ports have five shifts per week and trucking companies are encouraged to spread their services among the shifts to prevent bottlenecks.



Container Ship Discharge



LA Long Beach Dock Workers

- ILWU International San Francisco
- Harry Bridges 1960 M&M
- Charlie Velson (Charlie the V) Honolulu
- 1971 @ 134 Day Strike (Steadymen)
- Local 13 Longshoreman
- Local 63 Marine Clerks
- Local 63 OCU Office Clerical
- Local 94 Foreman/Walking Bosses

Pacific Maritime Association

- The PMA's mission is to provide industry leadership to our member companies through innovative integrated labor relations, human resources and administrative services. Our membership consists of 70 ocean carriers and terminal operators who operate at the 29 West Coast Ports. These ports are a vital engine for economic activity in the United States.

PMA Member Companies

American President Lines, Ltd. APM Terminals Pacific LLC APS Stevedoring, LLC Benicia Port Terminal Company Ceres Terminals Incorporated CMA CGM (America) LLC Coast Maritime Services Consolidated Stevedoring Company LLC Cosco Shipping Lines (North America) Inc. Crescent City Marine Ways & Drydock Company, Inc. Evergreen Marine Corp. (Taiwan) Ltd. Everport Terminal Services, Inc. Fenix Marine Services, Ltd. Hamburg Sud North America, Inc. Hapag Lloyd AG Harbor Industrial Services Corporation Husky Terminal & Stevedoring, Inc. Hyundai Merchant Marine (America) Inc. Innovative Terminal Services Inc. International Transportation Service, Inc. Jones Stevedoring Company "K" Line America, Inc. Kinder Morgan Bulk Terminals LLC LBCT, LLC Maersk, Inc. Main Lines Inc. Marine Terminals Corporation Marine Terminals Corporation – Columbia River Marine Terminals Corporation of Los Angeles Marine Terminals Corporation – Puget Sound Marko Industries Inc. Matson Navigation Company, Inc. Mediterranean Shipping Company Metro Cruise Services LLC Metropolitan Stevedore Company Mitsui O.S.K. Lines, Ltd. NYK Line Ocean Network Express (North America) Inc. Ocean Terminal Services, Inc. OOCL (USA) Inc. Oregon Chip Terminal Inc. Pacific Crane Maintenance Company, LLC Pacific Northwest Auto Terminals, LLC Pacific Ro-Ro Stevedoring, LLC Pacific Terminal Service Company, LLC Pasha Hawaii Pasha Stevedoring & Terminals L.P. Portland Lines Bureau Port Maintenance Group (PMG), Inc. Port Service Group, LLC Reliable Line Service Sea Star Stevedore Company Siem Car Carriers AS SSA Marine, Inc. SSA Terminals, LLC Tacoma Line Handling Company Terminal Equipment Services, Inc. Total Terminals International, LLC TransPacific Maintenance Company, LLC Transpac Terminal Services, LLC TraPac, LLC Wallenius Wilhelmsen Logistics Washington United Terminals Watermark Terminal Solutions, LLC West Coast Crane Services, LLC West Coast Terminal and Stevedore, Inc. Williams, Dimond & Company Yangming Marine Transport Corporation Yusen Terminals, LLC Zim American Integrated Shipping Services Company, Inc.

Drayman

- Protecting the Right to Organize (PRO) Act (H.R. 842)
- AB5
 1. The worker is free to perform services without the control or direction of the company.
 2. The worker is performing work tasks that are outside the usual course of the company's business activities.
 3. The worker is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.²
- Pier Pass 2nd Appt
- Waiting Time
- Chassis PU & Returns
- Traffic to Inland Empire
- Destination not Open
- Inland Container Yard
- Terminal Shuttles
- Fee Exploitation
- Reliability

Drayman

- **Xin Da Yang calls at PCT and LBCT**
- When claiming containers discharging from the Xin Da Yang Zhou 77, please confirm whether your containers are at PCT or LBCT, and that your claim is updating at the correct terminal.
- The MTO is visible in the claim process, if you see the wrong one coming up, please send an email to pierpass.offpeak-TMF@pierpass.net and we will make the updates necessary to make your containers available for claiming at the correct location.



Port to
Warehouse
Trucking
(Drayage)



- Demurrage is what you pay for use of a container within a port or terminal beyond an allotted free time, which averages 4-5 days. Demurrage is **charged per day per TEU** (twenty-foot equivalent unit, which is the capacity of a 20-foot container). The fee increases in intervals of a few days.
- These charges are similar to demurrage costs, but they arise **outside the port terminal**. Detention is billed per container and per day, and the charged amount will vary per location, carrier and container type.

Put Away So
Cal
Warehouse

