



December 2021

November's TEU Numbers (So Far)

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Editorial note. Faithful readers of this newsletter will appreciate that, in the past, we have offered a few paragraphs of text enumerating the latest statistics on the volume of containers handled by the American and Canadian ports we monitor. Starting with this issue, we propose to dispense with much of the narrative and instead present what we have learned in a series of tables. Because we exclusively use the container counts provided by the seaports we monitor and because those ports take varying periods of time to report their monthly container tallies, these new tables will necessarily feature some gaps. Some ports (New York/New Jersey being the most notorious laggard) have not posted their November figures by the time we've had to hit the send button. So here, without further ado, is what we know now.

Perhaps the most intriguing takeaway in **Exhibit 1** is that, despite attention the national media has been lavishing on the huge number of ships lingering off the Ports of Los Angeles and Long Beach, the two ports actually handled 81,659 fewer inbound loaded TEUs in November than they had a year ago, a 9.6% fall-off. Of course, last fall was an exceptionally busy period at the ports as imports swelled to fill the nation's fulfillment centers. Still, we wonder how much the out-of-town press, obliged to report such a seemingly ironic result, will hew to the official explanation offered by the Port of LA that "half of the 86 container vessels that arrived in November had a capacity of less

than 5,300 TEUs, and smaller vessels can take nearly as long to process as larger ones." Left unsaid by the port was how many of the smaller vessels that turned up in November were "sweeper ships" sent to collect empty containers.

Up the coast, the Port of Oakland attributed its 6.5% year-over-year bump in inbound loads in November to additional vessel traffic. Congestion at the Southern California ports had disrupted normal rotations for several weeks in the fall and led vessels to bypass the San Francisco Bay Area gateway. In a December 15 press release, the port said that 75 ships had called in Oakland during November, the most in six months. That increase in ship calls, as **Exhibit 2** reveals, did not benefit exports from the Northern California port. But Oakland was scarcely alone. Except for Charleston and Port Everglades (barely), none of the major U.S. ports showed gains in outbound loads in November. We watch exports from Oakland because of its outsized role in California's agricultural export trade, especially the state's highly valuable overseas shipments of tree nuts. One supposition was that the sharp September and October drops in almond and walnut exports (as reported by the California Almond Board and the California Walnut Board) could be attributed largely to the fact that fewer ships were calling at Oakland for several weeks this fall. It's a supposition that remains to be tested.



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November's TEU Numbers (So Far) *Continued*

	Exhibit 1 November 2021 - Inbound Loaded TEUs at Selected Ports									
	Nov 2021	Nov 2020	% Change	Nov 2019	% Change	Nov 2021 YTD	Nov 2020 YTD	% Change	Nov 2019 YTD	% Change
Los Angeles	403,444	464,820	-13.2%	371,350	8.6%	5,128,035	4,366,177	17.4%	4,340,757	18.1%
Long Beach	362,394	382,677	-5.3%	293,287	23.6%	4,223,159	3,592,268	17.6%	3,435,208	22.9%
San Pedro Bay Totals	765,838	847,497	-9.6%	664,637	15.2%	9,351,194	7,958,445	17.5%	7,775,965	20.3%
Oakland	83,097	78,048	6.5%	77,367	7.4%	976,560	905,759	7.8%	893,929	9.2%
NWSA	125,892	117,151	7.5%	94,978	32.5%	1,367,378	1,131,349	20.9%	1,263,429	8.2%
Hueneme	9,882	5,276	87.3%	4,715	109.6%	91,822	44,687	105.5%	54,707	67.8%
San Diego	6,062	7,106	-14.7%	5,772	105.0%	74,537	68,469	8.9%	64,735	15.1%
USWC Totals	990,771	1,055,078	-6.1%	847,469	16.9%	11,861,491	10,108,709	17.3%	10,052,765	18.0%
Boston	5,883	10,461	-43.8%	11,538	-49.0%	86,866	124,984	-30.5%	138,196	-37.1%
NYNJ		382,912		301,123			3,562,361		3,482,007	
Maryland		47,148		47,148			478,225		482,796	
Virginia	141,617	125,214	13.1%	103,410	36.9%	1,521,938	1,193,758	27.5%	1,262,673	20.5%
South Carolina	127,081	93,369	36.1%	82,785	53.5%	1,176,191	939,434	25.2%	984,353	19.5%
Georgia	236,991	234,583	1.0%	173,863	36.3%	2,562,892	2,081,975	23.1%	2,046,532	25.2%
Jaxport		27,027		27,390			289,729		325,383	
Port Everglades	34,238	26,280	30.3%	26,959	27.0%	333,035	271,126	22.8%	290,053	14.8%
Miami	37,943	45,816	-17.2%	37,763	0.5%	497,177	396,239	25.5%	405,593	22.6%
USEC Totals										
New Orleans	9,354	10,915	-14.3%	10,155	-7.9%	116,250	126,088	-7.8%	123,540	-5.9%
Houston	152,528	122,475	24.5%	101,494	50.3%	1,485,724	1,167,919	27.2%	1,144,516	29.8%
USGC Totals	161,882	133,390	21.4%	111,649	45.0%	1,601,974	1,294,007	23.8%	1,268,056	26.3%
Vancouver	125,017	162,436	-23.0%	123,918	0.9%	1,764,598	1,630,118	8.2%	1,568,840	12.5%
Prince Rupert		51,272		58,181			584,435		616,904	
BC Totals										

Source Individual Ports



November's TEU Numbers (So Far) *Continued*

Exhibit 2		November 2021 - Outbound Loaded TEUs at Selected Ports									
	Nov 2021	Nov 2020	% Change	Nov 2019	% Change	Nov 2021 YTD	Nov 2020 YTD	% Change	Nov 2019 YTD	% Change	
Los Angeles	82,741	130,917	-36.8%	138,545	-40.3%	1,113,273	1,411,202	-21.1%	1,625,950	-31.5%	
Long Beach	109,821	117,283	-6.4%	123,705	-11.2%	1,323,999	1,343,518	-1.5%	1,347,409	-1.7%	
San Pedro Bay Totals	192,562	248,200	-22.4%	262,250	-26.6%	2,437,272	2,754,720	-11.5%	2,973,359	-18.0%	
Oakland	72,155	79,667	-9.4%	81,780	-11.8%	796,650	852,469	-6.5%	856,376	-7.0%	
NWSA	59,341	72,746	-18.4%	73,589	-19.4%	650,743	726,771	-10.5%	837,468	-22.3%	
Hueneme	3,836	1,318	191.0%	1,181	224.8%	28,280	11,167	153.2%	13,671	106.9%	
San Diego	652	450	44.9%	272	139.7%	5,838	3,312	76.3%	3,417	70.9%	
USWC Totals	328,546	402,381	-18.3%	419,072	-21.6%	3,918,783	4,348,439	-9.9%	4,684,291	-16.3%	
Boston	4,560	6,298	-27.6%	6,128	-25.6%	61,044	71,922	-15.1%	75,856	-19.5%	
NYNJ		118,712		119,422			1,217,152		1,349,679		
Maryland		21,032		20,254			204,352		215,100		
Virginia	84,002	89,032	-5.6%	77,241	8.8%	960,921	858,014	12.0%	887,839	8.2%	
South Carolina	67,639	64,447	5.0%	62,831	7.7%	757,829	707,573	7.1%	755,060	0.4%	
Georgia	102,508	113,357	-9.6%	119,126	-13.9%	1,297,433	1,309,097	-0.9%	1,359,049	-4.5%	
Jaxport		43,814		44,440			467,398		459,136		
Port Everglades	31,605	31,476	0.4%	39,665	-20.3%	356,392	310,684	14.7%	395,428	-9.9%	
Miami	24,020	25,633	-6.3%	35,774	-32.9%	311,869	316,216	-1.4%	381,432	-18.2%	
USEC Totals											
New Orleans	18,818	22,781	-17.4%	23,600	-20.3%	203,943	255,768	-20.3%	275,207	-28.9%	
Houston	94,933	102,755	-7.6%	107,927	-12.0%	978,322	1,124,005	-13.0%	1,163,306	-15.9%	
USGC Totals	113,751	125,536	-9.4%	131,527	-13.5%	1,182,265	1,379,773	-14.3%	1,438,513	-17.8%	
Vancouver	56,465	82,062	-31.2%	91,707	-38.4%	830,108	954,878	-13.1%	1,035,082	-19.8%	
Prince Rupert		12,949		15,250			174,880		174,726		
BC Totals											

Source Individual Ports



November's TEU Numbers (So Far) Continued

Further north, the Port of Tacoma and Seattle (operating as the Northwest Seaport Alliance) reported a 7.5% year-over-year bump in loaded import TEUs. Export loads plummeted, however. Further growth in container volumes is expected following next month's completion of a modernization project at Terminal 5 in Seattle.

The near universal drop in export loads hardly meant that ships were leaving U.S. ports empty. November saw a flourishing trade in outbound empties. At the two San Pedro Bay ports in Southern California, outbound empties in November represented 37.6% of total container traffic that month. Over on the East Coast, 30.8% of the 495,749 TEUs that passed through Savannah in November were empty outbound containers. Although Oakland stood out among the major USWC ports for having shipped more loaded than empty containers in November, nowhere was the imbalance in trade more acute than at the Port of LA, where outbound empties in November exceeded outbound loads by a factor of nearly four-to-one.

Detailing the October 2021 TEU Numbers

In the following pages, Exhibits 4-6 display the latest complete TEU tallies from the U.S. and Canadian seaports we monitor. In some cases, ports have revised their October container statistics in just the last few days. Those revisions are incorporated in the following three exhibits, which should be familiar to readers of this newsletter, who are again reminded that our policy is to cite only the TEU numbers reported by the respective ports. It is the only such compilation of port TEU data that we are aware of.

Exhibit 3	November 2021 Total TEUs (Loaded and Empty) Handled at Selected Ports				
	Nov 2021	Nov 2020	% Change	Nov 2019	% Change
Los Angeles	9,891,021	8,334,212	18.7%	8,590,884	15.1%
Long Beach	8,630,053	7,297,430	18.3%	6,966,772	23.9%
San Pedro Bay Ports	18,521,074	15,631,642	18.5%	15,557,656	19.0%
NYNJ		6,876,744		6,886,388	
Georgia	5,148,212	4,234,732	21.6%	4,238,344	21.5%
Vancouver	3,432,231	3,146,221	9.1%	3,126,993	9.8%
NWSA	3,482,104	3,018,565	15.4%	3,490,581	-0.2%
Virginia	3,197,307	2,553,014	25.2%	2,713,061	17.8%
Houston	3,150,062	2,724,721	15.6%	2,736,345	15.1%
South Carolina	2,505,244	2,100,390	19.3%	2,248,305	11.4%
Oakland	2,278,583	2,252,923	1.1%	2,306,497	-1.2%
Montreal	1,585,465	1,467,501	8.0%	1,609,900	-1.5%
JaxPort		1,179,338		1,235,362	
Miami	1,133,589	971,033	16.7%	1,049,363	8.0%
Prince Rupert		1,031,304		1,103,678	
Port Everglades	973,678	848,303	14.8%	949,196	2.6%
Maryland		961,599		991,781	
Philadelphia	682,983	589,094	15.9%	554,337	23.2%
New Orleans	451,413	523,081	-13.7%	586,218	-23.0%
Hueneme	199,756	154,010	29.7%	109,594	82.3%
Boston	176,717	242,984	-27.3%	277,979	-36.4%
San Diego	146,015	136,377	7.1%	129,504	12.7%
Portland, Oregon	93,195	49,826	87.0%	26	

Source Individual Ports



Exhibit 4 October 2021 - Inbound Loaded TEUs at Selected Ports

	Oct 2021	Oct 2020	% Change	Oct 2019	% Change	Oct 2021 YTD	Oct 2020 YTD	% Change	Oct 2019 YTD	% Change
Los Angeles	467,287	506,613	-7.8%	392,769	19.0%	4,724,592	3,901,357	21.1%	3,969,407	19.0%
Long Beach	385,000	402,408	-4.3%	337,062	14.2%	3,860,767	3,209,592	20.3%	3,141,921	22.9%
San Pedro Bay Totals	852,287	909,021	-6.2%	729,831	16.8%	8,585,359	7,110,949	20.7%	7,111,328	20.7%
Oakland	69,147	86,753	-20.3%	78,583	-12.0%	900,981	827,713	8.9%	816,563	10.3%
NWSA	123,328	114,569	7.6%	109,469	12.7%	1,241,488	1,014,198	22.4%	1,168,451	6.3%
Hueneme	10,176	4,829	110.7%	5,180	96.4%	81,940	39,411	7.9%	49,982	63.9%
San Diego	7,512	5,216	44.0%	5,284	42.2%	68,475	61,363	11.6%	58,963	16.1%
USWC Totals	1,062,450	1,120,388	-5.2%	928,347	14.4%	10,878,243	9,053,634	20.2%	9,205,287	18.2%
Boston	6,083	11,653	-47.8%	15,091	-59.7%	164,282	224,002	-26.7%	255,073	-35.6%
NYNJ	398,535	403,103	-1.1%	339,443	17.4%	3,812,566	3,179,449	19.0%	3,180,884	19.9%
Maryland	35,333	51,651	-31.6%	44,150	-20.0%	420,707	431,077	-2.4%	443,881	-5.2%
Virginia	148,212	131,770	12.5%	124,142	19.4%	1,380,322	1,068,544	29.2%	1,159,263	19.1%
South Carolina	107,773	96,563	11.6%	95,302	13.1%	1,049,110	846,068	24.0%	901,750	16.3%
Georgia	259,314	233,215	11.2%	199,483	30.0%	2,325,901	1,847,392	25.9%	1,872,669	24.2%
Jaxport	20,869	31,229	-33.2%	30,893	-32.4%	262,889	262,702	0.1%	297,993	-11.8%
Port Everglades	29,940	26,882	11.4%	23,304	28.5%	298,797	244,846	22.0%	263,094	13.6%
Miami	44,613	46,378	-3.8%	41,628	7.2%	459,234	350,423	31.1%	367,830	24.8%
USEC Totals	1,050,672	1,032,444	1.8%	913,436	15.0%	10,173,808	8,454,503	20.3%	8,742,437	16.4%
New Orleans	11,451	11,495	-0.4%	11,250	1.8%	106,892	115,173	-7.2%	102,464	4.3%
Houston	151,395	135,175	12.0%	110,585	36.9%	1,333,216	1,045,454	27.5%	1,043,022	27.8%
USGC Totals	162,846	146,670	11.0%	121,835	33.7%	1,440,108	1,160,627	24.1%	1,145,486	25.7%
Vancouver	172,170	193,219	-10.9%	136,138	26.4%	1,369,581	1,467,682	-6.7%	1,444,922	-5.2%
Prince Rupert	57,891	67,307	-14.0%	57,644	0.4%	456,076	533,163	-14.5%	588,723	-22.5%
BC Totals	230,061	260,526	-11.7%	193,782	187.0%	1,825,657	2,000,845	-8.8%	2,033,645	-10.2%
US/BC Totals	2,506,029	2,560,028	-2.1%	2,157,400	16.2%	24,317,816	20,669,609	17.7%	21,126,855	15.1%
US Total	2,275,968	2,299,502	1.0%	1,963,618	15.9%	22,492,159	18,668,764	20.5%	19,093,210	17.8%
USWC/BC	1,292,511	1,380,914	-6.4%	1,122,129	15.2%	12,703,900	11,054,479	14.9%	11,238,932	13.0%

Source Individual Ports



Exhibit 5 October 2021 - Outbound Loaded TEUs at Selected Ports

	Oct 2021	Oct 2020	% Change	Oct 2019	% Change	Oct 2021 YTD	Oct 2020 YTD	% Change	Oct 2019 YTD	% Change
Los Angeles	98,251	143,936	-31.7%	140,332	-30.0%	1,030,351	1,280,226	-19.5%	1,487,405	-30.7%
Long Beach	122,214	114,679	6.6%	131,635	-7.2%	1,214,178	1,226,235	-1.0%	1,223,704	-0.8%
San Pedro Bay Totals	220,465	258,615	-14.8%	271,967	-18.9%	2,244,529	2,506,461	-10.5%	2,711,109	-17.2%
Oakland	56,358	86,942	-35.2%	87,393	-35.5%	717,516	772,713	-7.1%	774,596	-7.4%
NWSA	58,102	64,282	-9.6%	79,321	-26.8%	591,405	654,026	-9.6%	763,879	-22.6%
Hueneme	4,134	1,207	242.5%	1,294	219.5%	24,444	9,849	148.2%	12,490	95.7%
San Diego	791	272	190.8%	202	291.6%	5,186	2,682	93.4%	3,145	64.9%
USWC Totals	339,850	411,318	-17.4%	440,177	-22.8%	3,583,080	3,945,731	-9.2%	4,265,219	-16.0%
Boston	4,011	8,047	-50.2%	7,999	-5.4%	56,484	65,624	-23.9%	69,728	-19.0%
NYNJ	120,250	118,281	1.7%	127,256	-5.5%	1,134,439	1,098,390	3.3%	1,230,257	-7.8%
Maryland	20,705	23,438	-11.7%	20,134	2.8%	209,258	183,320	14.1%	194,846	7.4%
Virginia	88,710	83,705	6.0%	86,557	2.5%	876,919	768,982	14.0%	810,598	8.2%
South Carolina	67,595	69,093	-2.2%	69,952	-3.4%	690,190	643,126	7.3%	692,229	-0.3%
Georgia	112,907	117,148	-3.6%	127,971	-11.8%	1,194,925	1,195,740	-0.1%	1,239,923	-3.6%
Jaxport	48,543	50,594	-4.1%	44,848	8.2%	487,009	423,584	15.0%	414,696	17.4%
Port Everglades	37,646	33,368	12.8%	38,158	-1.3%	324,786	297,208	9.3%	355,763	-8.7%
Miami	27,385	27,573	-0.7%	37,507	-27.0%	287,849	290,583	-0.9%	345,658	-16.7%
USEC Totals	527,752	531,247	-0.7%	560,382	-5.8%	5,261,859	4,966,557	5.9%	5,353,698	-1.7%
New Orleans	18,454	23,662	-22.0%	26,358	-30.0%	210,210	232,987	-9.8%	251,607	-16.5%
Houston	94,933	97,185	-2.3%	109,362	-13.2%	883,913	1,021,250	-13.4%	1,055,379	-16.2%
USGC Totals	113,387	120,847	-6.2%	135,720	-16.5%	1,094,123	1,254,237	-12.8%	1,306,986	-16.3%
Vancouver	69,185	89,933	-23.1%	87,362	-20.8%	773,641	872,816	-11.4%	943,375	-18.0%
Prince Rupert	16,565	15,322	8.1%	13,917	19.0%	135,488	161,931	-16.3%	159,476	-15.0%
BC Totals	85,750	105,255	-18.5%	101,279	-15.3%	909,129	1,034,747	-12.1%	1,102,851	-17.6%
US/Canada Total	1,066,739	1,168,667	-8.7%	1,237,558	-13.8%	10,848,191	11,201,272	-3.2%	12,028,754	-9.8%
US Total	980,989	1,063,412	-7.8%	1,136,279	-13.7%	9,939,062	10,166,525	-2.2%	10,925,903	-9.0%
USWC/BC	425,600	516,573	-17.6%	541,456	-21.4%	4,492,209	4,980,478	-9.8%	5,368,070	-16.3%

Source Individual Ports



Detailing the October 2021 TEU Numbers Continued

Weights and Values

Although the TEU is the conventional metric for measuring containerized trade, we also use two alternative measures – the declared weight and value of the goods loaded into those TEUs – to determine the share of the nation’s box trade that passes through the chief USWC ports. Please note that the percentages in the following exhibits are derived from data compiled by the U.S. Commerce Department from documentation submitted by the importers and exporters of record. Commerce then makes the data available with a time-lag of approximately five weeks.

Exhibit 7 shows how the three major USWC gateways have been faring with respect to their respective shares of containerized imports discharged at mainland U.S. seaports in October. Although the five major USWC maritime gateways obviously dominate the movement of containers through ports in the states of California, Oregon, and Washington, smaller USWC ports have boosted the major ports’ combined share of containerized import tonnage through mainland U.S. ports by 1.5-2.0%. In October, for example, the total USWC share of containerized import tonnage through mainland ports was 36.8%, a full two percentage points higher than the 34.8% share jointly held by the USWC Big Five. Similarly, the smaller USWC ports helped nudge the USWC share of containerized export tonnage in October to 34.1% from the 32.5% share held collectively by the Big Five.

On a value basis, roughly one-third of the \$80.75 billion in containerized imports that entered mainland U.S. ports in October came through San Pedro Bay.

Exhibit 6	October 2021 Total TEUs (Loaded and Empty) Handled at Selected Ports				
	Oct 2021	Oct 2020	% Change	Oct 2019	% Change
Los Angeles	9,079,561	7,444,464	22.0%	7,861,966	15.5%
Long Beach	7,884,565	6,513,908	21.0%	6,366,787	23.8%
San Pedro Bay Ports	16,964,126	13,958,372	21.5%	14,228,753	19.2%
NYNJ	7,455,786	6,137,859	21.5%	6,286,762	18.6%
Georgia	4,652,463	3,769,927	23.4%	3,875,380	20.1%
Vancouver	3,185,381	2,830,500	12.5%	2,869,050	11.0%
NWSA	3,156,500	2,716,633	16.2%	3,219,673	-2.0%
Virginia	2,906,546	2,273,146	27.9%	2,486,079	16.9%
Houston	2,835,486	2,461,791	15.2%	2,490,607	13.8%
South Carolina	2,254,533	1,893,324	19.1%	2,063,377	9.3%
Oakland	2,088,021	2,055,160	1.6%	2,109,141	-1.0%
Montreal	1,430,210	1,315,830	8.7%	1,462,596	-2.2%
JaxPort	1,160,832	1,068,615	8.6%	1,124,779	3.2%
Miami	1,046,806	870,698	20.2%	951,314	10.0%
Port Everglades	884,729	935,540	-5.4%	998,133	-2.8%
Maryland	882,897	768,103	14.9%	856,101	3.1%
Prince Rupert	854,249	867,913	-1.6%	909,243	-6.0%
Philadelphia	620,477	537,698	15.4%	512,923	21.0%
New Orleans	416,682	476,507	-12.6%	525,872	-20.8%
Hueneme	180,168	140,340	28.4%	100,622	79.1%
Boston	164,282	224,002	-26.7%	255,073	-35.6%
San Diego	133,765	122,351	9.3%	118,234	13.1%
Portland, Oregon	83,747	43,557	92.3%	26	
US/Canada Total	53,357,686	45,467,866	17.4%	47,443,738	12.5%
US Mainland Only	47,857,366	40,385,996	18.5%	42,113,959	13.6%

Source Individual Ports



Detailing the October 2021 TEU Numbers Continued

Exhibit 7 Major USWC Ports Shares of U.S. Mainland Ports Worldwide Container Trade, October 2021

	Oct 2021	Sep 2021	Oct 2020
Shares of U.S. Mainland Ports' East Asian Container Import Tonnage			
LA/LB	27.4%	28.8%	29.2%
Oakland	2.8%	2.8%	3.5%
NWSA	4.6%	4.2%	4.6%
Shares of U.S. Mainland Ports' East Asian Container Import Value			
LA/LB	33.5%	35.4%	36.1%
Oakland	2.3%	2.5%	3.3%
NWSA	6.3%	5.5%	6.2%
Shares of U.S. Mainland Ports' East Asian Container Export Tonnage			
LA/LB	18.9%	19.2%	21.4%
Oakland	6.5%	6.2%	7.1%
NWSA	7.1%	6.9%	7.7%
Shares of U.S. Mainland Ports' East Asian Container Export Value			
LA/LB	16.7%	17.3%	20.5%
Oakland	6.3%	6.2%	8.3%
NWSA	4.1%	4.1%	4.5%

Source: U.S. Commerce Department.

The total USWC share was 43.2%, of which the second-tier ports contributed 1.1%.

Smaller U.S. West Coast ports like the Port of Hueneme and the Port of San Diego are vital ports-of-entry for refrigerated containers laden with fresh fruit imports from Central and South America. Oregon's Port of Portland is busily re-building its international container trade, with the number of total TEUs handled through November of this year (93,195 TEUs) up from just 26 at this point two years ago. The Port of Everett (Washington) also handles several thousand containers a year, many of them on behalf of a local aircraft manufacturer.

While the maritime industry measures containerized trade in TEUs, economists generally prefer using currency

Exhibit 8 Major USWC Ports Shares of U.S. Mainland Ports Containerized Trade with East Asia, October 2021

	Oct 2021	Sep 2021	Oct 2020
Shares of U.S. Mainland Ports Containerized Import Tonnage			
LA/LB	44.5%	47.2%	45.9%
Oakland	3.0%	3.3%	3.8%
NWSA	7.2%	6.4%	6.7%
Shares of U.S. Mainland Ports Containerized Import Value			
LA/LB	49.3%	52.2%	51.7%
Oakland	2.5%	2.9%	3.9%
NWSA	9.2%	7.8%	8.7%
Shares of U.S. Mainland Containerized Export Tonnage			
LA/LB	34.0%	34.1%	35.5%
Oakland	9.0%	9.1%	8.7%
NWSA	12.5%	11.9%	12.1%
Shares of U.S. Mainland Containerized Export Value			
LA/LB	36.5%	37.0%	39.9%
Oakland	10.5%	11.0%	12.4%
NWSA	9.6%	8.6%	8.6%

Source: U.S. Commerce Department.

values. So it's worth noting that, while the Ports of Los Angeles and Long Beach saw their combined share of the declared value of U.S. containerized imports decline in October from a year earlier, the Port of New York/New Jersey (up to 17.6% from 17.3%) and Savannah (up to 10.1% from 9.4%) grew their respective shares.

As for their respective shares of the value of containerized exports, the two San Pedro Bay ports sustained a significant decline from last October, from 20.5% down to 16.7%. Also seeing their shares decline were the PNYNJ (to 13.6% from 14.6%) and Savannah (to 8.3% from 8.6%). Gaining share was Houston (to 12.1% this October from 10.0% a year earlier).

Exhibit 8 displays the shares of U.S. container trade



Detailing the October 2021 TEU Numbers *Continued*

involving the Far East handled by the five major USWC ports. Collectively, these five ports handled 54.7% of all containerized import tonnage that entered U.S. mainland ports from the Far East in October, down from their combined 56.4% share a year earlier.

Switching to Air?

Speculation has it that seaport congestion has led numerous importers of high-value or time-sensitive industrial components and consumer merchandise to ship those goods by air, notwithstanding the premium costs of airborne shipments. We have been closely watching the oceanborne vs. airborne import data for the past year or so. Compared with a year earlier, containerized import tonnage from the Far East was up 1.0%, while airfreighted import tonnage from the same countries jumped by 20.0%. By value, airborne imports were up 17.0%, while the value of the containerized imports rose by just 5.4%.

Marine Highways

The Biden administration has signaled a keen interest in establishing more marine highway routes to relieve pressure on existing road and rail – and more lately to help reduce the burden on the nation’s beleaguered seaports. So, on December 13, the U.S. Department of Transportation’s Maritime Administration awarded \$12.6 million in grants to nine marine highway projects around the country under the America’s Marine Highways Program. This is in addition to the funding approved under the Bipartisan Infrastructure Law to increase the use of inland waterways.

We went this route before when Mr. Biden was Vice President in 2010 when TIGER 1 awards were allocated to the Ports of Oakland, Stockton, and West Sacramento for the acquisition of equipment needed to move containerized cargo among the three ports. The hope was that containers filled with almonds, walnuts, and rice could be shipped from the two inland ports to Oakland. There was a potential public policy benefit in reducing truck traffic and diesel emissions on Northern California highways. There was also a potential benefit to exporters who could load containers beyond the weight limits allowed on the state’s roads.

So it came to pass that in August 2011, two barges were purchased by the Port of Stockton, and M-580 container service was finally initiated in April 2013.

Seventeen months later, in September 2014, the barge service was suspended, permanently.

As one trucking company’s newsletter commented at the time: “The M580 “green” marine highway is dead, and it never stood a chance. It was neither operationally practical, environmentally beneficial nor economically sustainable. It was a shameful waste of taxpayer dollars that was forced upon the region by naive, close-minded and politically motivated bureaucrats within DOT and MARAD. Every industry insider knew it to be a white elephant, yet red flags were ignored by environmental do-gooders.”

Three years later, the Port of Stockton reached out to MARAD for guidance on disposing of these assets. By February 2018, MARAD indicated the port could sell the barges if no other federally supported projects could find use for them.

Evidently, no one else wanted them. So, on October 18 of this year, Stockton’s Port Commissioners voted to execute a brokerage agreement with Pacific Rim Shipbrokers of Bainbridge, Washington, for the sale of barges, which had been christened M-580 A and M-580 B.

Nuts to Houston?

We continue to hear talk about tree nut growers in California’s Central Valley, frustrated with their alleged inability to move their produce out of the nearby Port of Oakland, shipping containers filled with almonds and walnuts by rail to the Port of Houston.

Sometimes, the talk we hear gets picked up by journalists who feel compelled to share this information with the reading, viewing, or twittering public. In that way, idle gossip being passed around down at the feed store gets passed off as gospel truth. A recent article in *Ag Alert*, a publication of the California Farm Bureau, quoted one prominent if not necessarily well-informed industry figure that the state’s nut processors have become “so desperate...to get shipments to their customers that they’ve resorted to paying more to move pistachios and walnuts via rail to ports in Texas and the East Coast.”

It is our prayer that reporters overhearing talk like this would ask to see the waybills before filing their reports.

Here at the *West Coast Trade Report*, we don’t sit around a potbelly stove down at the feed store chewing the fat and



Detailing the October 2021 TEU Numbers [Continued](#)

sharing fables. Our preference is to warm ourselves with the glow of computer screens displaying trade statistics compiled by reputable sources like the U.S. Government and based on information supplied on shipping documents submitted by the exporters of record.

Although we are seeing a sharp falloff in tree nut exports, our spreadsheets don't indicate a lot of nuts being shipped overseas through Buffalo Bayou and out through Galveston Bay.

Consider almonds. October is the latest month for which U.S. government export statistics that allow us to track commodity exports by port are available. That month saw 97,368 metric tons of almonds shipped from ports nationwide. Houston's share of the trade? 0.2%, down from 0.5% in September and 0.8% in August.

Then there's walnuts. 34,972 metric tons left U.S. ports during the month of October. Houston's share? 0.5%, up from 0.0% the month before. That's a trickle, not a massive diversion.

And there's pistachios. Unlike almonds and walnuts, the Ports of LA and Long Beach are the preferred ports through which pistachios travel abroad. In October, 42,128 metric tons of pistachios sailed overseas. Houston's share? 0.1%, the same as in September and actually down from 0.9% in August.

For the record, tree nut exports in November fell by significant margins from a year ago. The California Walnut Board reports that walnut exports in November were down 41.8% from a year earlier. The data also indicate that domestic shipments were off by 14.3% and that exports to Canada (most all of which are delivered by truck or rail) were down by 40.0%.

Pistachio exports were also down in November by 15.0% from a year earlier. Domestic shipments, however, rose 5.2% from last November.

The California Almond Board reports that November exports were down 20.2% from a year earlier. Domestic shipments were also off but by only 4.0%.

Christmas in Hawaii

It was hard to overlook the lede in a December 11 story in The Maui News by Serena Fukushima: "Nothing heralds the holiday season like the Christmas tree, but did you

know that most of Hawaii's Christmas trees are not from here?"

Yes, but from whence did they come?

Some years ago, when Hong Kong was still in British hands, an enterprising fellow would park his truck outside the U.S. Consulate and sell Christmas trees to consulate staff and any ex-pats who might wander by. When asked where they came from, his response sounded like a growl. When pressed, he would in frustration hold up an import certificate indicating the trees came from Oregon.

This year, as Ms. Fukushima's article went on to report, more than 150 shipping containers were expected to arrive in Hawaii containing more than 90,000 trees. About 99 percent of them are Douglas and noble firs, grown and shipped from Oregon. Once they arrive, they are inspected for invasive pests by the Hawaii Department of Agriculture. As it turns out, the odd twist in her article was that Hawaii's chief Christmas tree inspector these days just happens to be a man who had formerly worked for 17 years for the Oregon Department of Agriculture, partly as a Christmas tree inspector.

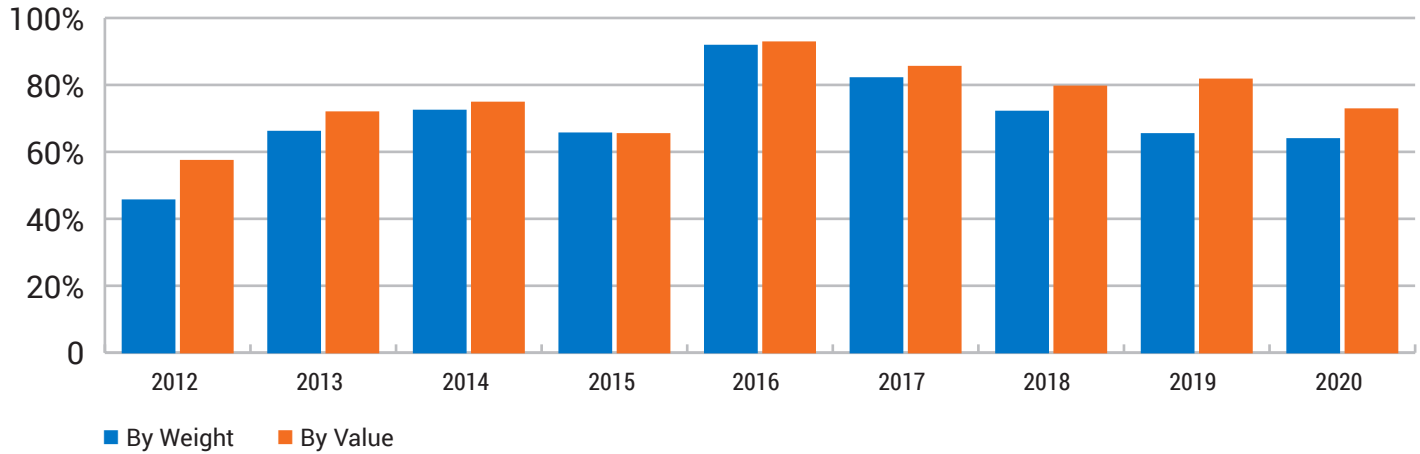
Of course, Hawaii isn't the only overseas destination for Oregon's Christmas trees. But it is clearly a trade driven by ex-pats and military deployments. Despite its tribulations of late, Hong Kong remains the biggest foreign market, with Singapore second. Surprisingly, the third biggest overseas customer recently has been the United Arab Emirates. Smaller shipments went to the Philippines, Japan, and China.

We expect that there will be an effort to blame ocean carriers for any decline in this season's shipments of Christmas trees from the Northwest Seaport Alliance Ports of Tacoma and Seattle. In 2020, the two facilities handled 64.9% of all Christmas tree exports from the U.S. It will be a few weeks before we see definitive numbers for this year. However, according to the U.S. Department of Agriculture, the 3.44 million Christmas trees Oregon growers cut and sold in 2020 was down 27% from 2015, a decline that was due to a 24% reduction in tree-growing acreage. In view of the record-setting heat wave Oregon endured this past spring and an ongoing drought, it would not be surprising to see this season's numbers move even lower.



Detailing the October 2021 TEU Numbers *Continued*

Exhibit 9 NWSA Share of U.S. Fresh Christmas Tree Exports
Source: U.S. Commerce Department



As **Exhibit 9** indicates, the share of the nation’s exports of fresh Christmas trees that have departed the Northwest Seaport Alliance Ports of Tacoma and Seattle has been declining since a 2016 peak, both in terms of weight and dollar value.

Factoid of the Month

Through the first ten months of this year, the nominal value of containerized imports at U.S. ports totaled \$774.18 billion, according to U.S. Commerce Department

calculations. Not only was that total 22.8% higher than a year earlier, it came to within a quarter of a billion dollars of exceeding the \$797.94 value of containerized imports in all of pre-pandemic 2019. More surprising, perhaps, is that the value of containerized exports from U.S. ports was also up on a nominal basis to \$231.01 billion from \$206.74 billion in the first ten months of 2020.

We Make Cargo Move



The Port
OF HUENEME



Jock O'Connell's Commentary:

Financing Crossborder Port Competition in the Pacific Northwest

November brought heavy rains to the Pacific Northwest, causing extensive flooding that tormented Vancouver and surrounding areas and temporarily severed road and rail links to the rest of Canada. Headlines worldwide strove to dramatize the plight of the imperiled city by running variations on the headline that ran in *The New York Times*: "Vancouver Is Marooned by Flooding."

That was certainly one way of framing the situation. But lest we forget, the Port of Vancouver is Canada's largest seaport and its chief gateway for trade with the Far East. Were the Canadians of British Columbia as self-obsessed as their British cousins, they might have preferred seeing headlines similar to one that appeared in a London tabloid when I lived there years ago: "Dense Fog Descends on Channel; Continent Cut Off."

In this column, I don't propose to talk about natural disasters. Still, especially for students of the relentless push for novelty in nomenclature, it does seem worth taking a moment to observe that the once-popular term "Pineapple Express" has evidently now been retired in favor of "Atmospheric River" as the preferred term for a describing a deluge of epic proportions.

Moving back on point, it is a shame we generally don't pay more heed to the ports of British Columbia and their cross-border rivals, the Ports of Tacoma and Seattle. Down here below the 49th parallel, the national media has lately been lavishing attention on port congestion in Southern California. Evidently, few news editors see much reason to dispatch reporters to the Pacific Northwest to check on maritime trade up that way, on either side of the border. To be sure, the wildfires and record high temperatures of this spring and summer did manage to shove aside the civic tribulations of the City of Portland to gain the region a measure of sympathetic national attention. But what role the ports on both sides of the border play in North America's global trade is a topic seldom broached, at least outside of the Pacific Northwest.

It's not as though the Ports of Prince Rupert and Vancouver in British Columbia (BC) and the Ports of Tacoma and Seattle in Washington State have been remote sideshows in the surging transpacific container

trade. To be sure, taken individually, their individual container numbers are dwarfed by the millions of TEUs flowing through the Ports of Los Angeles and Long Beach in Southern California's San Pedro Bay. Still, through the first ten months of this year, these four major ports in British Columbia and Washington State combined to handle 3,067,145 loaded import TEUs, the equivalent of 80.4% of all the inbound loads that arrived at the Port of New York/New Jersey (PNYNJ) during the same months. The four Northwestern ports also handled 1,500,534 export loads, a volume greater than the number of exported TEUs that left PNYNJ or Savannah or Los Angeles or Long Beach in the same period.

Since 2014, the Ports of Tacoma and Seattle have been operating as the Northwest Seaport Alliance (NWSA). Together, their container volumes have nearly matched Vancouver's. Through October, Vancouver handled 3,185,381 total TEUs (empties as well as loaded), while the two NWSA ports handled 3,156,500 total TEUs. Located approximately 1500 kilometers north of Vancouver, the Port of Prince Rupert has been struggling to fulfill its original promise. Nonetheless, it has handled some 884,729 total TEUs through October.

So what accounts for the relative success of the Canadian ports?

Various factors obviously come into play, but one key reason is the quality of the relationship the ports have had with their respective local and national governments.

On the U.S. side of the border, we are accustomed to local governments thinking that spectacle should take priority over commerce. Sports arenas and tourist attractions that infringe on seaport operations are commonly touted as somehow spiritually uplifting even if the economic benefits are almost invariably illusionary. Meanwhile, the dirty work of transporting billions of dollars in imports and exports is often decried in the same manner in which the lords and ladies of Downton Abbey disdain mere tradesmen. As for support from the federates in Washington, I have nothing to add to what LA Port Executive Director Gene Seroka has long bemoaned: that federal port money overwhelmingly goes to ports somewhere else.

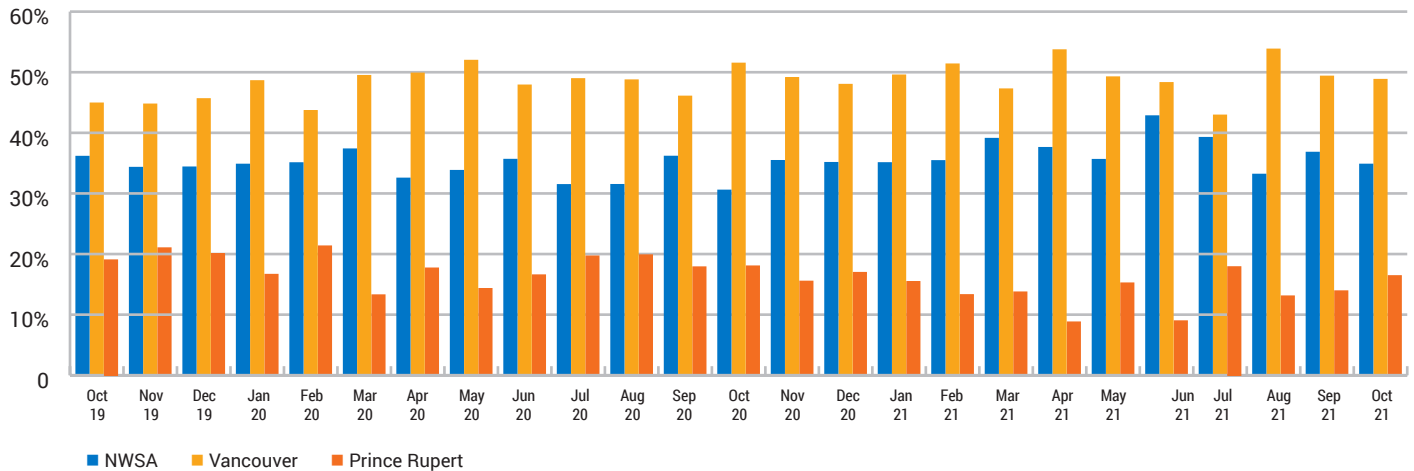


Commentary Continued

Exhibit A

Pandemic Era Shares of Inbound Loaded TEUs in the Northwest

Source: The Respective Ports



Now, interestingly but disingenuously, the Port of Vancouver likes to tout its financial independence from the Canadian public trough. As its website claims: “The Vancouver Fraser Port Authority, like all Canada Port Authorities, is financially independent, receiving revenues from terminal and tenant leases as well as harbour dues and other fees charged to shipping companies that call at the port. We are not financed with tax dollars and all profits are reinvested into port infrastructure and other improvements.”

That’s a wonderful example of being parsimonious with the truth. Of course, there are myriad ways of tapping public funds to enhance the competitive position of a port without sending a treasury check to help cover the cost of port operations. Allocating funds to help finance the restoration of a port’s flood-damaged road and rail links to the outside world are examples that immediately come to mind.

Fortunately, we now have a new study*, commissioned by the Northwest Seaport Alliance and the Ports of Long Beach and Oakland, that begs to differ with the Port of Vancouver’s interpretation of what constitutes financial independence.

Prepared by Davies Transportation Consulting, Inc. in collaboration with Hatch Consultants Associates, Inc., the October 2021 study documents the very substantial

financial assistance the British Columbia ports have received from Ottawa, substantially more than the competing Ports of Seattle and Tacoma have had from Washington, D.C. In the succinct words of the study: “Canada has treated its West Coast ports as a national priority.”

Here is what the study found: *Investments in port terminals and rail networks have been critical in enabling B.C. ports to succeed in increasing their share of North American container traffic, enabling them to take advantage of the economies of scale of large container vessels and longer trains. For IPI [inland point intermodal] traffic to U.S. destinations, efficiency of the rail system is crucial. CN has made substantial investments in longer sidings and other network improvements to enable the use of 12,000 foot (and longer) intermodal trains. Based on estimates from U.S. Surface Transportation Board Public Waybill sample, international intermodal rates from B.C. ports to the Midwest have averaged around US\$200 per container less than rates from Northwest Seaport Alliance, Port of Long Beach and Port of Los Angeles terminals over the last decade.*

The U.S. Midwest is the largest destination for international intermodal traffic arriving at Pacific Coast ports, and the Ports of Vancouver and Prince Rupert have been escalating their bid for higher shares of that traffic. Based on Intermodal Association of North America data,

*The full “Canadian and US Port Infrastructure Funding and Policy Study Final Report” is available on the NWSA website.



Commentary Continued

the Davies study found that B.C. ports' share of inland point intermodal traffic to the U.S. Midwest "increased from 2 percent in 2007 to 22 percent in 2020."

To determine the actual loonie vs. greenback disparities in port investments, the Davies study counted funds expended on "Direct Port" projects, which were defined as projects for which a port is either the lead agency and/or the infrastructure funded is on or directly adjacent to port property. Major Canadian transportation funding programs which provided funds to port-related projects since 2005 included the Asia Pacific Gateway and Corridor Initiative from 2005 to 2016 and the National Trade Corridors Fund from 2017 to 2021.

The Davies study determined that Canadian federal contributions to B.C. "Direct Port" projects over the last five years (2016 – 2020) totaled US \$372 million compared to US \$45 million for Washington State ports. For "Direct Port" projects since 2005, Canadian contributions to B.C. ports totaled US \$560 million compared to US \$92 million for Washington State port projects.

There are hopes things may be changing now that America's massive Infrastructure Investment and Jobs Act (aka the Bipartisan Infrastructure Law) has been enacted. Even so, it is unclear whether the grotesque

geographic disparity in federal support for America's ports – a disparity that has not favored West Coast ports – will be significantly redressed. Certainly, congested conditions at the Southern California ports have drawn an unprecedented measure of concern from the White House and Capitol Hill. But such concern can be fickle. A long-term commitment to bolstering the container-handling capacities of the supply chains passing through San Pedro Bay may be difficult to sustain once the current level of congestion subsides or as ports elsewhere in the country experience their own congestion issues. There are, after all, longstanding political reasons why federal funds earmarked for America's ports have been doled out more with an eye to narrow electoral priorities rather than with any objective assessment of which projects would most benefit the national economy.

Still, as the Davies study concludes: "Success in accessing federal and other non-federal funds for port-related investment is a fundamental challenge in ensuring that the ports can build the infrastructure needed to compete in the North American containerized cargo trade."

Disclaimer: The views expressed in Jock's commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.

All I Wanted for Christmas Was a Coherent Regulatory Policy

By Thomas Jelenić, Vice President, Pacific Merchant Shipping Association

Whether it's high-speed rail to nowhere, 1990 standards for electric vehicle passenger cars that are more than two decades delayed, or the most recent effort to transform the heavy-duty sector, California leadership continues to be more focused on setting goals rather than implementing programs and calling that leadership.

In order to avoid cries of heresy if the obvious isn't stated, I'll state the obvious. There is no doubt that transformation to a zero-carbon future is necessary. Again, the question is whether we are actually on that path and if we will get there with the least amount of harm. One of the single biggest challenges for this

transition is whether California will be ready when it dictates that industry must be ready.

One strange example of this is SB 671. The goal of SB 671 is laudable: through a stakeholder process identify five priority freight routes and begin infrastructure planning to support the transition to zero-emissions. This is critically important. In years past, when the transition to a zero-emissions future was more tentative and primarily market driven, there was much talk of the chicken and egg problem. Would new technology vehicles come first or would charging/fueling infrastructure come first? Now that the transition is no longer market driven but



All I Wanted for Christmas Continued

regulatorily driven, there can be no doubt; infrastructure must come first. The infrastructure must be ready when the regulations dictate that zero-emission equipment must be deployed. Otherwise, as one industry colleague says, the new equipment, like cargo-handling equipment and trucks, will be so much “yard art”.

Strangely, the planning report – not the actual infrastructure – is due December 1, 2023. That would be 30 days after the first zero emission requirements go into effect for port drayage. In this case, the agency responsible for implementing SB 671, the California Transportation Commission, is simply implementing the will of the Legislature. That agency did not set the schedule in SB 671, nor did it set the timing of new zero-emission regulations (that would be the California Air Resources Board). But that speaks to an enormous disconnect between what the Legislature thinks the rollout of zero-emissions technology will look like and what the actual proposals from regulators are. Is it any surprise that some fear that zero-emission equipment, at a cost north of \$300,000, may be left as art to be gazed upon rather than moving cargo?

In a different example, the California Air Resources Board (CARB) recently adopted the Heavy-Duty Inspection and Maintenance regulation (HD I/M). The program is essentially smog check for trucks. The twist in this case was that facilities that trucks visit would be responsible for checking the smog check status of every truck that enters the facility. Imagine if your local supermarket demanded to see your smog check before you could purchase groceries!

In any case, over the course of rule development, port stakeholders had one simple request of CARB: connect the HD I/M database with the State Drayage Truck Registry in order for trucks to be checked with the same data systems that are used to implement the Clean Trucks Program and CARB’s Drayage Truck Rule. Without the two databases connected, terminal operators may have to individually check each truck manually – an

impossible task for the 36,000+ daily inbound trips for San Pedro Bay alone. Over the course of months, CARB repeatedly stated that the request was reasonable, but would explicitly exclude committing to such an effort. During the adoption of the rule, CARB staff did state their goal was to make the regulation integrate into the existing systems as seamlessly as possible. While not a commitment, it may be better than nothing. Then again, in the land of Silicon Valley and Silicon Beach, one would be forgiven for thinking that the State should be able to guarantee that the most basic information technology component would be designed into such a transformational rule. But transformation is for the regulated, not the regulator.

In another strange twist, no one knows when this rule will go into effect. CARB does not know. Truck owners do not know. Facility operators do not know. All that is known is that it will not be sooner than July 1, 2023, and regulated parties will have 90 days warning. In essence, the agency that is solely responsible for designing the rule cannot be certain when it will have a properly working program, but the companies and individuals waiting from word on high must be capable of pivoting with a 90-day warning notice to the new rule under risk of penalty. There is something absurd about an agency shirking their own responsibility for providing regulatory certainty – particularly where they control their own destiny – but appear unsympathetic to how regulated parties need to respond to enormous uncertainty.

Individually, these two examples are arguably small matters. Unfortunately, they are indicative of how policy is being developed in California. Stating the goal is now more important than implementing the goal – implementation is someone else’s problem. The only concern is completing the jigsaw puzzle that is California’s future. The pieces of that future are seen as fixed and unchanging objects that can be gathered and arranged, rather than being both dynamic and constrained elements that make up our economy and lives. Diktat can surely make the puzzle piece fit.

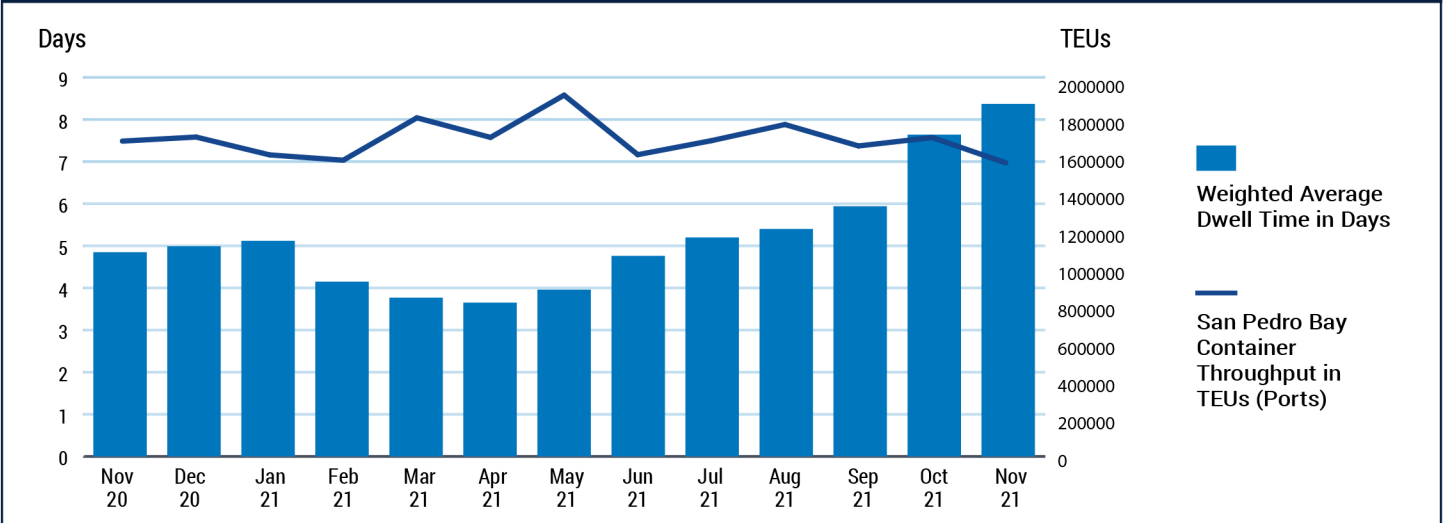
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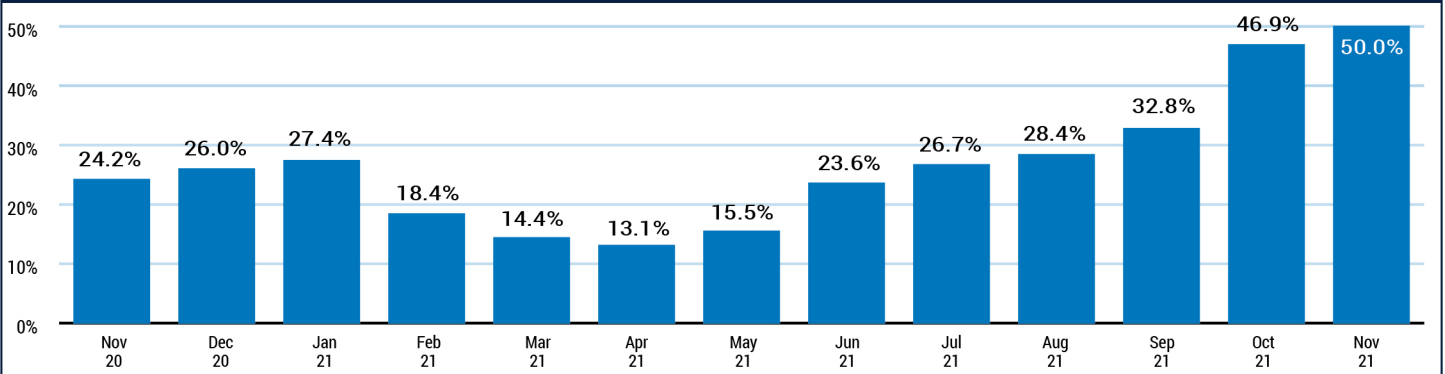


Import Dwell Time Is Up For November; Rail Dwell Time Is Down

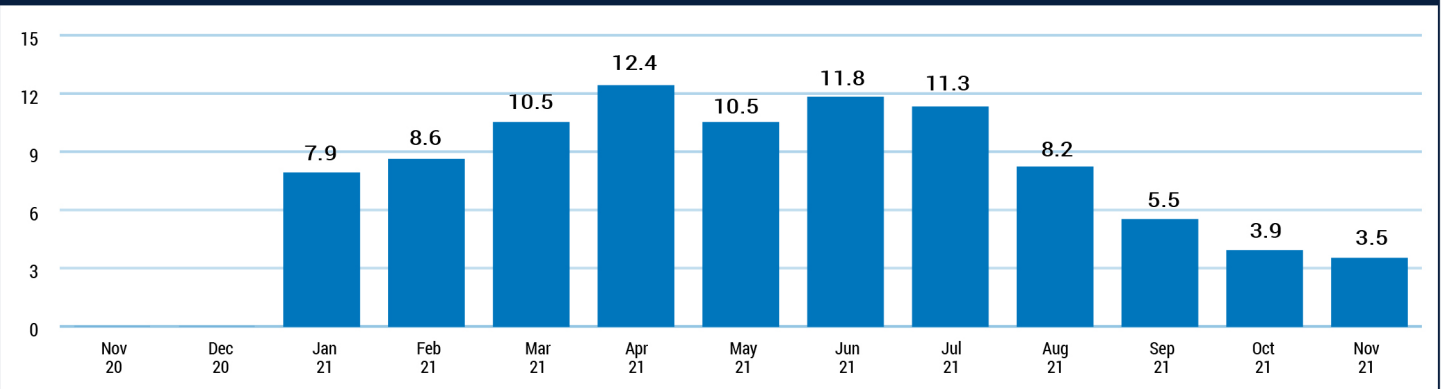
San Pedro Bay Weighted Average Inbound Laden Container Dwell Time in Days



Dwell Time in Days % > 5 Days



Rail Dwell Time in Days



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