



August 27, 2021 Volume 2, Nr. 34

Breaking records isn't really what adverse supply chain conditions should be about, yet here we are. If you live near or drive anywhere past the Los Angeles / Long Beach port complex, you see the ships and stacks of containers. If you're taking a ride south and looking out over the water, you're seeing evidence of what Splash247 reported on Thursday - [the more than 40 ships currently at anchor](#). This eclipses totals from January of this year and with what has been happening in Vietnam and Ningbo, as we enter the true "peak season" months, how and when the pressure is relieved remains unknown...

Number of the Day:

5.2

Average days incoming containers waited to leave by truck from the ports of Los Angeles and Long Beach in July, up from 4.76 days in June and breaking the record of 5.12 days in January, according to Pacific Merchant Shipping Association data dating to 2016.



FIRMs Code: W517

DISCLAIMER: The weekly FTA Newsletter includes content from recognized and respected national and worldwide sources. Some of these sources may put the story we are linking to behind a paywall, requiring the reader to have a subscription.



CA Supply Chain Success Initiative

We want to hear from you!

CITT has partnered with the Governor's Office of Business and Economic Development (GO-Biz), the California State Transportation Agency (CalSTA), and the Port of Long Beach to engage the diverse spectrum of stakeholders along the supply chain to identify the key challenges facing us all in moving freight through the state and beyond. We are also soliciting inputs on creative solutions to these challenges.

This California Supply Chain Success Initiative includes a Sep. 1 virtual workshop that will provide a forum for industry, community, and policy makers to refine and prioritize the solutions that will be critical in igniting collaborative discussion and problem-solving, as well as a follow-up in-person summit for decision makers to identify some solutions-driven and mutually agreed upon next steps to resolving them.

[REGISTER FOR WORKSHOP ON SEPTEMBER 1, 2021 AT 10-12 PM PT - CLICK HERE](#)

An important part of our engagement strategy, and one that will help to expand the discussion at the two workshops, is soliciting short videos from a wide variety of stakeholders that explain the urgency in resolving the challenges the supply chain is facing.

We are seeking responses to any of the following:

- *Are there ways of doing things better that add value to the supply chain?*
- *What does supply chain success look like for you or your organization?*
- *What is the biggest obstacle preventing you from getting there?*
- *What are the risks of doing nothing?*

Submit your video response to the questions listed made on a smart phone, no longer than 40 seconds via our [Google form](#). We ask that you include your name and affiliation.

With your help, we can initiate a dialogue that will facilitate broader collaborative engagement and kick start action to ensure California's position as the nation's leading trade gateway!

If you have any questions please contact the Center for International Trade and Transportation at (562)985-2875 or visit www.cpie.csulb.edu.

Government Actions and Trade

Vietnam Says it Will Not Side Against China, as US' Kamala Harris Visits
Vietnamese Prime Minister Pham Minh Chinh told China his country would not enter an alliance to confront Beijing, before he met US Vice-President Kamala Harris on Wednesday.

Biden's 'Middle Class Trade Policy' Requires Openness and More Honesty

A headline from a recent federal report stated that the U.S. economy got only small positive effects from four decades of trade deals. By 2017, the total gains amounted to only half a percentage point of GDP, according to the 390-page report from the U.S. International Trade Commission, an independent agency.

China Delivers More Covid-19 Vaccines to Vietnam on Eve of Kamala Harris Trip

The Chinese military has delivered 200,000 doses of Covid-19 vaccines to Vietnam, just a day before US Vice-President Kamala Harris is set to arrive in the Southeast Asia nation.

China-US Tension: Xi-Biden Meet May be Further Delayed as Beijing Considers a Virtual G20 Seat

The prospect of Chinese President Xi Jinping holding a face-to-face meeting with his American counterpart Joe Biden on the sidelines of the Group of 20 Summit in Italy this autumn have dimmed, according to sources familiar with arrangements.

CBP Officers Seize Counterfeit Designer Watches Worth Over \$2 Million

In July, CBP officers inspected a shipment invoiced as “Used Quartz Wristwatches”. After a thorough examination of the merchandise, the watches were determined to be counterfeit. On August 15, the watches were seized for Intellectual Property Rights (IPR) violations.

China Is the Biggest Winner From Africa’s New Free Trade Bloc

When the African Continental Free Trade Area (AfCFTA) was initially proposed at the African Union summit in 2012, it had two goals: First, build a pan-African agenda in trade and cooperation. Second, lift a large percentage of people out of poverty by instituting structural economic changes and cooperative legislation.

Time to Revitalize the Pursuit of US-Kenya Free Trade Agreement

In a letter to U.S. Trade Representative Katherine Tai, seven Republican senators have underscored the importance of resuming the negotiation of a bilateral U.S.-Kenya trade agreement.

FACT SHEET: Strengthening the U.S.-Singapore Strategic Partnership

The United States and Singapore are enduring strategic partners, and we share a strong tradition of working together to promote peace, stability, and prosperity in Southeast Asia and beyond.

China’s Coming Era of ‘Common Prosperity’ : What it Means for the Rich

When Chinese student Ding Xueliang was studying in the US city of Boston in the late 1980s, one of the biggest lessons he learned occurred outside the classroom.

AMS to Decrease Value Assigned to Cotton for Import Fees

The Agricultural Marketing Service is amending the Cotton Board Rules and Regulations to decrease the value assigned to imported cotton for the purposes of calculating supplemental assessments on imports collected under the Cotton Research and Promotion Program, it said in a direct final rule released Aug. 25.

China's 2021 Service Trade Fair Attracts More Foreign Financial Firms

The CIFTIS hosted 43 foreign financial institutions at the financial services exhibition in 2020, and this year saw the addition of 16 more. The exhibition will take place in Beijing from September 3 to 7.

The New US-Mexico-Canada Trade Deal is Fighting Corrupt Unions

Enacted in 2020 by president Donald Trump as part of his broad push against free trade, the deal included new tools for speedily enforcing labor rights laws, at the behest of Democrats and US labor unions. Now, under president Joe

Biden, American negotiators have twice deployed the “rapid response mechanism” (RRM) in the US, Mexico, and Canada Agreement (USMCA) to force better treatment of workers in Mexican factories that export goods to the US.

China's “PHASE ONE” Trade Commitments Expire Soon, Then What?

An ag economist says while China’s purchases of US ag goods are back to pre-trade war levels, the big question is what will happen when their purchase agreements under the Phase One trade deal expire at the end of the year?

Logitech Wins Classification Dispute, Gets Duty-Free Treatment for Webcams

Swiss computer peripheral and software company Logitech won its tariff classification challenge in the Court of International Trade, getting duty-free treatment for its webcams and ConferenceCams, per an Aug. 24 decision.



TRADE AND TRANSPORT ATTORNEYS



ROBERTS & KEHAGIARAS LLP
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FTA NEWS


Date:
Wednesday, September 30, 2021

Time:
9:00 AM - 3:00 PM PDT

Credits:
4 CCA Credits

Location:
Virtual Event


Cost:
Member Price: \$175 Partner
Non-Member Price: \$300



Foreign Trade Association
100 West Broadway, Ste. 660
Long Beach, CA 90802
P: 888-223-6459
E: info@foreigntradeassociation.com

Cancellations must be received in writing five business days prior to the event to receive a refund or to avoid being charged. Payment for the event is not deductible as a contribution or gift under federal law, but is most likely deductible as an ordinary and necessary business expense.

[Register Now!](#)



Foreign Trade Association Presents
Customs Valuation - 1-Day Virtual Course

DESCRIPTION:
This full day class is intended for compliance professionals with responsibility for U.S. and/or global customs compliance, and for management with finance responsibilities that impact the customs valuation of goods moving in cross-border transactions. The course will provide an in-depth review of the rules for customs valuation used in WTO member countries, with a particular emphasis on U.S. customs regulations and recent developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments. Topics will include:

- Transaction value and the alternative bases of appraisement
- CBP's policy on reporting transfer price adjustments
- Identifying and valuing assists
- Product development and engineering costs
- Royalties and license fees relating to intellectual property and technology
- Validating related party transfer prices
- Management fees and other inter-company charges that can impact customs value
- "First sale" and other duty saving structures
- Calculating deductive and computed value
- Reconciliation and other methods for reporting value adjustments to Customs
- Responding to Customs inquiries and audits related to valuation
- Penalties and how to avoid them

INSTRUCTORS:
Erik Smithweiss, Partner
Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP
Erik Smithweiss is a partner with GDLSK LLP. Erik has over 25 years of experience in the field of customs law and procedure and related litigation. Mr. Smithweiss represents clients on issues before U.S. Customs and Border Protection, Department of Commerce, Office of Foreign Assets Control, Food & Drug Administration, Consumer Product Safety Commission and other agencies that regulate the international trade in goods. His practice involves import restrictions, rules of origin, preferential trade agreements, marking and labeling, valuation, tariff classification, antidumping and countervailing duty compliance, trademark and copyright protection, Fish & Wildlife restrictions, and similar matters.

September 30, 2021 1-Day Customs Valuation Course

This full day class is intended for compliance professionals with responsibility for U.S. and/or global customs compliance, and for management with finance responsibilities that impact the customs valuation of goods moving in cross-border transactions. The course will provide an in-depth review of the rules for customs valuation used in WTO member countries, with a particular emphasis on U.S. customs regulations and recent developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments.

DETAILS SOON TO FOLLOW!

2021 Maritime Industry Salute Dinner

The International Seafarers Center's
Maritime Industry Salute Annual Dinner
honoring the ILWU and ITF

RESERVE NOW!

Join us
Sept. 16, 2021
USS Iowa

Dinner
Raffle Prizes
50/50

5:30 p.m. Reception, 6:30 p.m. Dinner

Proceeds benefit the International Seafarers Center

Various tables & sponsorships available. Individual tickets: \$150/person.
Proceeds benefit ISC. Eligible for tax-deductible donations (Fed. ID#33-0162030)
to: "International Seafarers Center," 120 S. Pico Ave., Long Beach, CA 90802
Ph: 562.432.7560, email: iscpolb.la@iscpolb-la.org.
Registration/payment online: www.iscpolb-la.org -Electronic Tickets
We accept American Express, MasterCard, Visa or check.



The International Seafarers Center of Long Beach-Los Angeles

presents

2021 Maritime Industry Salute Dinner

Honoring the ILWU and ITF Aboard USS
IOWA

Date: September 16, 2021 - 5:30 p.m

The international Seafarers Center (ISC)
for the ports of Long Beach and Los
Angeles is a non profit humanitarian
organization. This event will help support
ISC's mission to vaccinate all of the
seafarers that come to the ports. So far,
ISC has vaccinated over 5000 seafarers at
no cost to them.

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Environmental

Offshore Floating Solar Technology Receives World's First Class AiP

For the first time, a floating offshore solar technology has received an Approval in Principle (AiP) from one of the leading classification societies. According to Bureau Veritas which issued the approval to Dutch renewable energy company SolarDuck, this marks the beginning of a new era for this form of renewable energy.

Maersk Enters Agreement for 8 Methanol-powered Vessels

The vessels are expected to save around 1 million metric tons of CO2 emissions annually. The dual-fuel capability will make up 10%-15% of the total

cost of each vessel, according to Maersk, but it will also give the company more flexibility if fuel supply is limited.

The EPA is Banning Chlorpyrifos, a Pesticide Widely Used on Food Crops, after 14 Years of Pressure from Environmental and Labor Groups

On Aug. 18, 2021, the U.S. Environmental Protection Agency announced that it will end the use of chlorpyrifos – a pesticide associated with neurodevelopmental problems and impaired brain function in children – on all food products nationwide.

Commercial Fishing Policies Need to be Improved for Sake of Marine Environment — ecoRI News

Commercial fishermen are employing techniques that have been used for decades. The lower large nets from the stern of their vessels. Some of these nets are well over 100 feet wide. They are lowered to tend bottom as the trawler moves slowly forward for anywhere from less than a mile to up to 10 miles, or until there is so much strain on the cables that the net must be raised to be emptied.

Steelmakers Grapple With How to Cut Carbon Emissions

Cleaning up one of the world's dirtiest industries is key to hitting global climate goals, but the process is costly for companies

China Set to Expand Targets for Marine Environmental Protection

In 2017, the 19th National Congress of the Chinese Communist Party set the goal of creating a "Beautiful China" by 2035. An important piece of this puzzle will be revealed in the special five-year plan (FYP) for the marine environment.

Experts Say Carbon Border Adjustment Will Be Complex, and Hard to Make Fair Without Domestic Tax

A proposal to use a carbon border adjustment tax as a pay-for in legislation Congress hopes to pass this fall faces many obstacles, both political and technical. Politically, it must get support from all 50 Democrats in the Senate.



Got a story idea?

The FTA wants to hear from you! Is there a topic or industry that we're not covering that you'd like to see more of? Drop us an email by clicking the button below with your suggestions.

**EMAIL YOUR STORY
IDEA**



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FTA New Member Thank You!

The FTA would like to acknowledge our new members each week in our newsletter. We sincerely appreciate their support and participation. Your FTA leadership continues to focus on delivering value during this time of social distancing and know that as we move back to in-person events that the opportunities will only continue to expand.

Brenda Cordova, Grupo Legal Duanero

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Will Drones And Warships Be Enough To Tackle The World's Latest Piracy Hotspot?

By Libby George (Reuters) Helicopters hover above a patrol vessel in Nigeria's frenetic Apapa port as attack boats zoom past. On the dock, drones emblazoned with the Nigerian flag sit ready to deploy – all part of a \$195 million U.S.-backed "Deep Blue" initiative to deter pirate attacks in the world's most dangerous area for seafarers.

At Port of Los Angeles, More Boxes Leave Empty Than Loaded

Exports from the top ten US container ports slumped by 8.3% in July, compared with the same month of 2020, to 763,619 teu, while imports gained 14.3% to 2,096,076 teu, according to data from Blue Alpha Capital.

How Long Does it Take to Build a Shipping Container?

One indicator of just how quickly new boxes can be popped out: China's factories can theoretically work around the clock and add a second 12-hour shift, but haven't done so despite this year's historic demand. One reason they've kept to one shift (besides propping up container prices) involves customer preference.

China Shipping: Container Disruptions Inevitable at Ningbo-Zhoushan Port, but Impact May Be 'Marginal'

As rumors swirl about a possible reopening time frame for a key terminal at the world's largest port by cargo tonnage, analysts and industry insiders say any problems in the global supply chain could be milder than those seen earlier this year at China's Yantian Port in Shenzhen.

HMM Seafarers Threaten Pay Strike, Mass Resignation

More than 90% of HMM's seafaring union members voted to strike on Sunday and, if a resolution is not reached, the 453 union members are threatening to resign en masse tomorrow and apply to join Swiss-Italian rival MSC.

China Bulker Pileup Dwarfs California Container-ship Gridlock

Container ships stuck off Los Angeles/Long Beach are grabbing the headlines — with a record-tying 40 at anchor on Friday. But there's another massive shipping traffic jam out there, one that's holding up even more cargo.



**KNOWLEDGE...
EXPERIENCE...
DEDICATION...**

Not Middle Earth, but Middle Harbor - a decade later, completed and open for business.

Last Friday, the Port of Long Beach held a grand opening for their Middle Harbor terminal which was a decade and \$1.5 billion in the making. Billed as one of the greenest, most automated terminals in the United States, the work done could set the stage for what future terminals look like to keep up with the increasingly larger vessels and the number of containers they carry.



Logistics and Trade

Why You Can't Find Everything You Want at Grocery Stores

Industry executives say new problems are arising weekly, driven by shortages of labor and raw materials. Groceries including frozen waffles and beverages remain scarce as some food companies anticipate disruptions lasting into 2022.

Milkshakes off the Menu as McDonald's Hit by Supply Chain Issues

Fast food giant McDonald's has run out of milkshakes in most of its UK restaurants due to supply chain problems. The burger chain has also been left without bottled drinks across its 1,250 outlets in England Scotland and Wales as the lorry driver shortage takes its toll.

Global Trade Recovery from Coronavirus Shock May Have 'Peaked', as WTO says Outlook 'Overshadowed by Downside Risks'

A strong recovery in global merchandise trade from the shock of the coronavirus pandemic in 2020 may have peaked and its impending deceleration could be worsened by new virus outbreaks across the world, the World Trade Organization (WTO) said.

Walmart Opens Local Delivery Service to Other Retailers

The big-box retailer is opening up its in-house delivery platform, Spark Driver, to other businesses so that the independent contractors who are out delivering Walmart groceries and other merchandise can make additional deliveries along the way.

Bosch says the Semiconductor Supply Chains in the Car Industry no Longer Work

Coinciding with the surge in demand, several key semiconductor manufacturing sites were forced to halt production.

Samsung to Invest \$205 Billion in Chip, Biotech Expansion

A global chip shortage is affecting how quickly we can drive a car off the lot or buy a new laptop. WSJ visits a fabrication plant in Singapore to see the complex process of chip making and how one manufacturer is trying to overcome the shortage.

Supply Chain Vulnerability in Cloud Connectivity Platform Threatens 83 Million IoT Devices

A supply chain vulnerability in the ThroughTek “Kalay” network, a cloud-based communications platform used by an estimated 83 million Internet of Things (IoT) devices, could allow for remote compromise and control to include monitoring audio and video feeds and exposing passwords.

Skechers Boosts Spending on Distribution Centers to Meet E-Commerce Demand

The Manhattan Beach, Calif.-based retailer, which owned and operated 4 million square feet of facility space before the pandemic, plans to more than double its capacity by next summer, said Chief Financial Officer John Vandemore, who has served in the role since 2017.

Supply Chain Disruption Raises Concerns On Q2 Analyst Calls | SGB Media Online

Most vendors in the active lifestyle space reported better-than-expected second-quarter results and raised their 2021 guidance as demand remained resilient. However, supply chain concerns, marked by continued port congestion and recent factory shutdowns in Vietnam that could limit second-half growth.

What an Adult Tricycle Says about the World's Bottlenecked Supply-chain Problems

Catrike has 500 of its three-wheeled bikes sitting in its workshop in Orlando, Florida, nearly ready to be sent to expectant dealers. The recumbent trikes have been waiting for months for rear derailleurs, a small but crucial part that is built in Taiwan.

For E-Commerce Logistics Firm Radial, Christmas Is Coming Early. Very Early.

E-commerce logistics specialist Radial Inc. is accelerating its forecasting process and taking other steps as it prepares for a potentially tumultuous holiday shipping season clouded by the impact of the Delta variant on consumer spending.

Upcoming Events

Aug 29 - WIT-LA - WIT-LA Port-to-Port Conversation - 10:30 AM - 11:30 AM PT - Trade representatives from Consulates General and Trade Offices in Los Angeles and San Francisco will join us to provide a summary update on international trade relations with the U.S. and present their perspectives for opportunities for U.S. businesses in a panel discussion followed by Q&A - Register [here](#)

September 10 - HTA DrayTECH 2021 - 11:00 AM - 9:00 PM PT- The supply-chain is being digitized, equipment is getting cleaner and more efficient, and drayage is at the epicenter of it all. You can't afford to miss this year's HTA DrayTECH Conference. Learn about the emerging innovations that will help revolutionize the drayage industry - Register [here](#)

September 12-15 ICPA Fall Conference and Valuation Seminar -Hilton DFW Lakes Executive Conference Center, Grapevine, TX - Register [here](#)

September 14 - PAEI Webinar: Overview of International Trade & Export Control Developments in Asia Pacific Region -6:00 PM - 7:30 PM PT - Join us for this interactive "webinar" with our industry experts on an overview of international trade and export control developments in the Asia Pacific region and implications for global supply chains - Register [here](#)

September 16 - ISC 2021 Maritime Industry Salute Dinner - 5:30 PM PT - Honoring the International Longshore and Warehouse Unions and International Trade Federation - Register [here](#)

September 19-21 NCBFAA Government Affairs Conference - 8:00 AM - 5:00 PM PT - Grand Hyatt, Washington, D.C. - Register [here](#)

September 30 - 1-Day Virtual Customs Valuation Course - 9:00 AM- 3:00 PM PT - The course will provide an in-depth review of the rules for customs valuation used in WTO member countries, with a particular emphasis on U.S. customs regulations and recent developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments - *Details soon to follow*

October 12 - EXIM Webinar - Financial resources for building your export markets - 11:00 AM - 12:00 PM PT - *Details soon to follow*

October 14-17 – WESSCON 2021 – 9:00 AM – 5:00 PM PT- WESSCON offers one of the best opportunity to meet people in the global logistics industry – Register [here](#)

December 9 - LACBFFA Holiday Party 2021 - 6:00 PM - 10:00 PM PT -The Grand in Long Beach - Register [here](#)

December 31 - Webinar -LACBFFA APHIS CORE Webinar (Recording + Presentation Materials) - 9:00 AM - 5:00 PM PT - This workshop provides an overview on how to prepare for the mandatory APHIS Core filing date on 03/15/2021. Available resources and how to obtain admissibility guidance from USDA. Disclaimer tips and APHIS Core message set filing review - Register [here](#)

