



**September 17, 2021**  
**Volume 2, Nr. 37**

We're extremely excited and pleased to announce that later this month, the FTA will be hosting our first in-person event in a very long while - a social, after-hours mixer. It'll be outdoors and feature a bags tournament for those who like to play sports with beverages in hand. Don't miss the chance to see your friends as California opens. We'll also be mindful of the newest requirements for gatherings [that were announced just this week](#).

**Number of the Day:**

**220,777**

Combined loaded container exports from the ports of Los Angeles and Long Beach in August, in 20-foot equivalents, a 14.3% decline from the same month a year ago.



**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.

## **BREAKING NEWS**

### **SAN PEDRO BAY PORTS ANNOUNCE NEW MEASURES TO SPEED CARGO THROUGHPUT**

**Expanded Night and Weekend Hours Planned at Ports of Long Beach, Los Angeles**

Today, after consultation with multiple supply chain stakeholders and the U.S. Department of Transportation, the ports of Long Beach and Los Angeles announced bold new measures to improve freight movement and reduce delays through the ports as they continue to experience record volumes. These measures will enhance the ports' landside operations to help meet the unprecedented growth in cargo volume moving through the San Pedro Bay. Specifically, both ports will expand the hours during which trucks can pick up and return containers. Mario Cordero, Executive Director of the Port of Long Beach, announced that Long Beach will take the first step towards a 24/7 supply chain by maximizing nighttime operations. Port of Los Angeles Executive Director Gene Seroka announced that the Port of Los Angeles will expand weekend operating gate hours. Dubbed "Accelerate Cargo LA," the Port of Los Angeles' program will operate on a pilot basis to ensure that gate availability meets cargo demands and provides greater transparency to improve efficiency. In addition, both ports have called on marine terminal operators to incentivize the use of all available gate hours, especially night gates, to reduce congestion and maximize cargo throughput capacity.

"We appreciate the leadership of the Biden-Harris Administration in marshalling a response to the unprecedented global supply chain disruption so acutely felt here at the San Pedro Bay Port Complex," said Port of Los Angeles Director Seroka. "These steps, in addition to what has previously been recommended, demonstrate that the Port of Los Angeles will continue to innovate in order to manage this historic cargo surge."

"The Port of Long Beach is prepared to take bold and immediate action to help the supply chain move the record cargo volumes that keep our economy moving, and we appreciate the support and leadership shown by the Biden-Harris Administration," added Port of Long Beach Director Cordero.

The ports of Long Beach and Los Angeles will work closely with the trucking community to ensure that all truck operators understand how to take advantage of incentivized gate hours as well as the expanded opportunities that will be created to move cargo during non-peak times. In addition to expanded hours and incentivized reservation priority, the ports urge terminals and the trucking community to consider other corrective measures.

"I thank Directors Cordero and Seroka for their leadership and all of the men and women who have helped meet the challenge of moving extraordinary cargo volumes during a global pandemic," said John Porcari, the Ports Envoy to the Biden-Harris Administration's Task Force on Supply Chain Disruptions. "I look forward to continuing to work with all stakeholders to strengthen the resiliency of our transportation supply chain."

Ports are critical gateways to the U.S. economy. Approximately 70% by tonnage of all U.S.-international trade moves by water through our nation's ports. The San Pedro Bay ports move approximately 40% of all containerized cargo entering the U.S. each year and about 30% of all containerized exports. In addition to actions taken today, the ports are working closely with the White House Supply Chain Disruptions Task Force to alleviate bottlenecks and speed up the movement of goods to consumers, while expanding export opportunities for U.S. exporters, including agricultural producers.

The Port of Los Angeles and Port of Long Beach are the two largest ports in the nation, first and second respectively, and combined are the ninth-largest port complex in the world. Trade that flows through the San Pedro Bay ports complex generates more than 3 million jobs nationwide.



# Outside the Box

Innovation, sustainability and vision make Long Beach the Port of Choice.



Port of **LONG BEACH**  
THE PORT OF CHOICE

## Government Actions and Trade

### **FMCSA Awards \$76 Million in CMV Safety Grants**

“Together these grants represent the administration’s commitment to supporting strong state and local partnerships to reach our national goal of reducing commercial vehicle-involved crashes and saving lives,” FMCSA Deputy Administrator Meera Joshi said in a statement.

### **Readout Of Ambassador Katherine Tai’s Meeting with ASEAN Economic Ministers**

Ambassador Tai underscored the Biden-Harris Administration’s commitment to strengthening the U.S.-ASEAN economic and trade relationship, which is underpinned by the U.S.-ASEAN Trade and Investment Framework Arrangement (TIFA).

### **United States: The Year in Trade 2020**

Operation of the Trade Agreements Program 72nd Report

### **Chinese Ambassador to Britain Barred From Parliament Over Sanctions on Lawmakers**

Zheng had been expected to speak at the summer reception for the all-party parliamentary group on China on Wednesday at the Terrace Pavilion of the House of Commons. But the event was cancelled after Speaker of the House of Commons Lindsay Hoyle and Speaker of the House of Lords John McFall agreed Zheng could not enter until the sanctions were lifted.

### **U.S., South Korea Trade Chiefs Discuss Strengthening Supply Chain**

U.S. Trade Representative Katherine Tai and South Korean Trade Minister Yeo Han-koo, in a meeting on Monday, emphasized the importance of working together to strengthen supply chains, including for semiconductors, the office of the USTR said in a statement.

### **China Lobbies Australia for Help to Join Trade Pact Despite Spat**

China has this year reached out to Australia, Malaysia, New Zealand and possibly other nations for technical talks on details of the CPTPP, which was formed in 2018 despite the withdrawal of the U.S. under then-President Donald Trump, who described it as a “potential disaster.” The pact was originally conceived by his predecessor Barack Obama as an economic bloc to balance Beijing’s growing power.

## **Why is Biden Hesitating to Challenge China as East Asia's Major Trade Partner?**

One of the many critiques of President Biden's mismanagement of what became America's unceremonious and chaotic exit from Afghanistan was his misplaced insistence that he was bound by the Trump administration's agreement to withdraw all American troops from that country by May 2021.

## **Biden, China's Xi Jinping Hold First Call in Months**

President Biden and Chinese President Xi Jinping spoke by phone Thursday night in an effort to ease hostilities between the two powers and reset lines of communication after recent high-level meetings were described by U.S. officials as unproductive.

## **Expired Trade Program Gets Shot at Revival in House Budget Bill**

House Ways and Means Democrats aim to revive an expired program that helps workers and others who lose their jobs because of global trade, along with related initiatives for students, farmers, and others.

## **'Reversing Gears': China Increasingly Rejects English, and the World**

Authorities in Shanghai, the most cosmopolitan city in the country, last month forbade local elementary schools to hold final exams on the English language.



## **FTA NEWS**

## **FTA ONLINE COURSE**

### **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



**Date:**  
Wednesday, September 30, 2021

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

**Credits:**  
4 CCS Credits

**Location:**  
Virtual Event

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

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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.



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.

**Register Now!**

developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments.

Time: 10:00 AM - 3:00 PM PT

Pricing:

\$175 - Member

\$225 - Partner

\$300 - Non-Member

**REGISTER HERE!**

## 2021 FTA Outdoor Summer Mixer *In Person Event!*



### 2021 FTA Summer Outdoor Mixer

**Location: The Hubb, Long Beach, CA**

**Drinks & Food By:  
George's Greek Cafe**

Date: October 7, 2021

Time: 5:30 p.m. - 8:00 p.m.

The FTA invites you to join us on this summer night and meet with industry peers and colleagues.

**NETWORK . ACTIVITIES . PRIZES**

**DETAILS SOON TO FOLLOW**

## FTA Webinar

**October 12, 2021**

**Financial Resources for**



**FTA**  
Foreign Trade Association

**Financial resources for building your export markets**

**Ticket Prices**  
FREE for Silver, Gold & Platinum Members  
\$25 for other members  
\$45 for non-members  
\$200 Sponsorships Available

**Date:** October 12, 2021  
**Time:** 11:00 p.m. - 12:00 p.m.  
**PST Location:** Zoom Webinar

[Register Here](#)

Join FTA to learn from EXIM Bank, GBC International Bank, and LA SBDC Global how to grow your export business using EXIM export finance tools. You will learn:

- How to offer value to capital equipment sales with 5-year buyer-financing
- How to access EXIM guaranteed loans.
- How LA SBDC Global Initiative could assist your business access global trade opportunities
- Background on EXIM Bank, its policies and restrictions;
- How to sell on open account payment terms up to 180 days, safely and profitably
- How to finance pre-export inventory and post-export A/R

**GREG MOORE**  
Export Finance Director - Western Region  
Export-Import Bank of the United States

**SIMONA RACEK**  
International Expansion Advisor  
LA SBDC

**DAVID JOSEPHSON**  
Senior Vice President-Director of Export Finance  
GBC International Bank

[www.foreigntradeassociation.com](http://www.foreigntradeassociation.com) 888-223-6459 [info@foreigntradeassociation.com](mailto:info@foreigntradeassociation.com)

## Building Your Export Markets

Join the FTA to learn from EMIN bank, GBC International Bank and LA SBDC Global on how to grow your export business using EXIM export finance tools.

Time: 11:00 AM - 12:00 PM PT

Pricing:

\$25 - Members

\$45 - Non-Members

\$200 - Sponsorships

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## Environmental

### **Record Number of Environmental Activists Murdered**

Almost a third of the murders were reportedly linked to resource exploitation - logging, mining, large-scale agribusiness, hydroelectric dams and other infrastructure.

### **Protecting Jobs And The Environment: The Need For Green Tariffs**

The goal of reducing global warming, bills focused on a nation's internal activities do not do enough to reduce climate emissions caused by global supply chains. A fifth of carbon dioxide emissions come from multinational companies' global supply chains.

### **Diesel Exhaust Fluid Sensor Failures Sideline Thousands of Trucks**

The sensors, which measure the quality and level of diesel exhaust fluid (DEF) in the tank, normally retail for roughly \$300. But due to global computer chip shortages causing a backlog the part is being offered for sale — in some cases on digital retail sites such as eBay — for as much as \$7,000, according to

some industry technicians.

### **Tesla Co-Founder Aims to Build an Entire U.S. Battery Industry**

Straubel says the U.S. factory will produce material for 100 gigawatt hours of batteries a year by the end of 2025. That's enough for about 1.3 million long-range vehicles a year, on par with the biggest producers in Asia.

### **Power Outages from Nicholas Hit Energy Production, Vessel Activity**

Hurricane Nicholas on Tuesday took another swipe at U.S. Gulf Coast energy facilities, cutting offshore oil and gas output gradually recovering from the last storm and disrupting power to onshore pipeline, gas and chemical plants.

### **US House Panel Considers Climate Change, Transit Budget Sept. 14**

The transportation committee of the U.S. House of Representatives will have a big moment this week. On Sept. 14, the Democratic-led panel is scheduled to consider nearly \$60 billion worth of climate change and transit mobility budget proposals that would constitute a significant piece of President Joe Biden's domestic agenda.

### **Five Ways to Achieve a Greener Last Mile**

With consumer's growing expectations for next- and same-day deliveries — combined with highly inefficient supply chains dominated by legacy carriers — we're facing increased CO2 emissions and tremendous negative impacts on the environment.

### **Maersk CEO Says Construction of Fossil Fueled Ships Should Be Banned**

His comments, which were posted to social media, have generated a lot of attention from the industry, which is still seeking to finalize its strategy to reduce and eventually eliminate greenhouse gas emissions from the world's merchant fleet.



### **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.

**Your Name Here!**





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## Maritime

### **Risks in Shipbuilding and Chinese Law**

Considering risks of defective performance under shipbuilding contracts, Professor James Zhengliang Hu and Dr Meixian Song analyse the legal implications of risks embedded in shipbuilding contracts from the perspective of Chinese law and the shipbuilding industry in China.

### **FMC Picks 24 Shippers to Advise it on Container Issues**

FMC Chairman Daniel B. Maffei said in a statement the commissioners need rapid access to the perspective of importers and exporters on the ground dealing with the realities of ocean shipping everyday.

### **Shipping Options Dry Up as Businesses Try to Rebuild From Pandemic**

A handful of big shipping players control the majority of containers via giant vessels, leaving the world with fewer routes, fewer smaller ships and fewer ports that could keep the flow of goods moving when the pandemic disrupted operations, according to cargo owners and freight forwarders, who secure ship space to move cargo.

### **August Cargo Volume Exceeds 954,000 TEUs at Port of Los Angeles (video)**

The Port of Los Angeles processed 954,377 Twenty-Foot Equivalent Units (TEUs) in August 2021, just shy of last August's record of 961,833 TEUs. Eight months into the 2021 calendar year, overall cargo volume is 7,273,053 TEUs, an increase of 30% compared to 2020.

### **Marine Insurance and the FCA Test Case: the Impact of the Modified and Refined Test of Causation on Marine Insurance, in Particular, Marine Cargo Insurance**

The Supreme Court's judgment in *The Financial Conduct Authority v Arch Insurance (UK) Ltd* [2021] UKSC 1; [2021] Lloyd's Rep IR 63 (the "FCA test case") restates the law of causation, introducing refinements to the conventional rules of causation appropriate to the special circumstances of the Covid-19 pandemic.

### **New Guidance Helps Seafarers and Shipowners Navigate Pandemic Challenges**

The International Chamber of Shipping has worked with a coalition of industry partners to produce the new and updated guidance, which aims to empower seafarers and shipowners in order to protect and support themselves through

the next stage of the pandemic.

### **Investor scores a fortune selling container ships named after Patriots**

No one could have predicted the explosion in container-ship values in the wake of COVID, as consumer demand and congestion caused freight rates and charter rates to skyrocket. Mangrove, which bought its fleet pre-COVID, got lucky.

### **Record Number of Ships at Southern California Ports**

The Marine Exchange of Southern California on Friday reported a new record of 134 ships in port, including 74 total ships at anchor and 60 at berth. This sets a new all-time record for the number of ships in port. Among them, 86 are containerships and 55 are at anchor, both of which are also new records.

### **The World's Carriers Are Earning the Most Money Since 2008**

The global shipping industry is getting its biggest payday since 2008 as the combination of booming demand for goods and a global supply chain that's collapsing under the weight of COVID-19 drives freight prices ever higher.

### **NTSB: Officer's Error Likely Caused 2019 Shipwreck Off Georgia**

A top officer's errors in calculating the stability of a cargo ship loaded with nearly 4,200 automobiles likely caused the giant vessel to overturn along the Georgia coast, U.S. investigators said in a report Sept. 14.



## **Video of the Week**

### **Fossil fuel free shipping - what does it look like?**

Maersk's Chairman Søren Skou recently [called on the IMO to de-carbonize ocean shipping by 2035](#). In terms of "years to meet an environmental deadline," 14 doesn't seem like many. In the blink of an eye, it will be here, but it meets the urgency of the moment and the existential crisis of climate change. In this video, they discuss Maersk's purchase of containerships to be delivered in 2024 that will run on methanol.



## Logistics and Trade

### **Intermodal Freight Industry Ponders Investment in Resilience**

The industry problem with chassis availability for trucks to move containers left panelists divided on the issue's importance and the necessary fix.

### **Consumers Are Out for 'Revenge.' How Should Retailers and Suppliers Respond?**

Revenge spending as a phenomenon is hardly new; it often follows periods of deep economic despair. Call it an indication of the human desire to shake off disaster through positive action. Or maybe an urge to assert control over that which is ultimately uncontrollable. However, one wishes to spin it, "revenge" is upon us.

### **Echo Global Logistics to Sell Itself to Private-Equity Firm in \$1.3 Billion Deal**

The agreement would value Chicago-based Echo at \$48.25 a share, representing a roughly 54% premium over its closing price Thursday, the companies said Friday. The deal is expected to close in the fourth quarter and is subject to shareholder approval.

### **Amazon Pushes Average Hourly Pay Above \$18 to Lure 125K New Fulfillment, Transportation Employees**

Depending on where they are, candidates could receive signing bonuses up to \$3,000, plus benefits, paid tuition and "access to training programs that make these roles a springboard into a long-term career," per the release.

### **UPS to Buy Delivery Platform Roadie**

Buying Roadie thrusts UPS directly into the space, while addressing some of the limitations of using its own network for certain packages. UPS said that

Roadie drivers can deliver items that don't fit because of their size or because they are perishable.

### **How 9/11 Forced Efficiency Upon Supply Chains**

The post-9/11 supply chain has arguably become much more efficient today than it was before the attack, according to Jon Slingerup, Chairman and CEO at American Global Logistics. In identifying shippers – collecting and sharing data in the process – and better understanding the cargo hand-off points, government agencies and industry stakeholders worked together to improve safety without compromising the speedy movement of product.

### **Worker Shortage Adds to Supply Chain Snags, Caterpillar CEO Says**

CEO Jim Umpleby said it has had some isolated labor shortages in factories, but nothing significant for Caterpillar internally. The bigger issue is that many of its suppliers lack workers, adding to already increasing lag times for delivery.

## **Upcoming Events**

**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 21-23 EXIM 2021 Virtual Annual Conference -** 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 - Register [here](#)

**October 5 - 2021 CITT State of the Trade and Transportation Industry Town Hall Meeting "Chasing Supply Chain Sustainability: Balancing Economic Growth, Consumer Demand, and the Environment" - 7:30 to 10:00am PDT**  
A free in-person breakfast Town Hall meeting and Miretti Award Presentation  
Hyatt Regency Long Beach, 200 S. Pine Ave., Long Beach, CA 90802 - Register [here](#)

**October 7 - FTA End of Summer Mixer - 5:30 PM PT - 8:00 PM PT** The Hub, Long Beach, CA - Details soon to follow!

**October 12 - EXIM Webinar - Financial resources for building your export markets - 11:00 AM - 12:00 PM PT -** Join the FTA to learn from EMIN bank, GBC International Bank and LA SBDC Global on how to grow your export business using EXIM export finance tools - Register [here](#)

**October 13 - CalAsian's California Resiliency & Recovery Summit - 8:30 AM - 2:00 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](#)