



**December 3, 2021**  
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There are times when you put a security system in your house because you need it (or want it) and there are times you buy the generic "This house protected by such-and-such company" sign because it's the level of deterrent you need. With increasing scrutiny on the supply chain by the highest levels of government and the media writ large - and consumers connecting the dots of store shelves and online inventory, the question is whether or not things are truly getting better. It seems to be, if Monday's meeting at the White House is to be believed, as is the thrice-delayed fee at the ports of Los Angeles and Long Beach.

Or it could be that the threat of greater scrutiny, investigation and involvement by the government was enough to convince a supply chain riding a wave of profitability rivaling tech companies that they don't want to spoil a really good thing.

**FTA's 2021 HOLIDAY LUNCHEON**  
***Registration Now Open!***



# 2021 HOLIDAY LUNCHEON



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# 2021 HOLIDAY LUNCHEON

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 Western Overseas Corporation



Number of the Day:

# \$37.24 billion

Combined operating profit for container shipping lines worldwide in the third quarter, nearly equal to the entire combined operating earnings for carriers from 2010 through 2020.



FIRMS Code: W517

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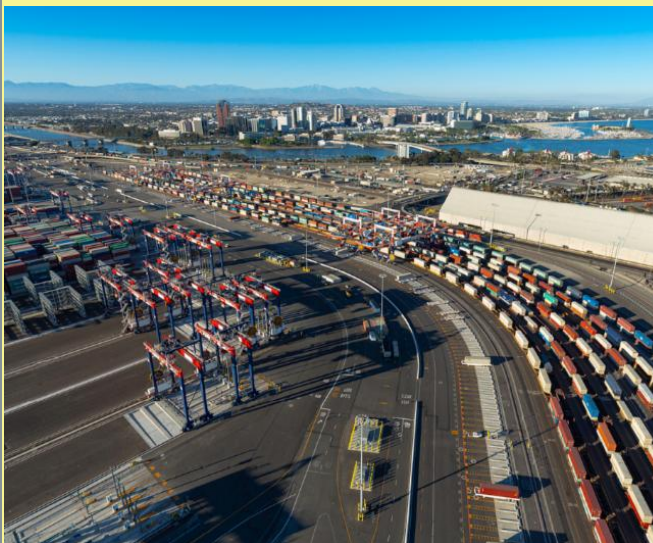
## **SoCal Infrastructure Coalition: WE WANT TO HEAR FROM YOU**

Infrastructure is one of the words on everyone's lips these days given the amount of money associated with the bills being discussed in Congress as we go to press. The FTA is part of a SoCal coalition that is discussing possible uses of the money once approved by Congress. Bearing in mind the pressing port congestion issue, one broad topic the coalition is trying to tackle is how possible infrastructure funding could be used to at least partially address the congestion challenges currently being faced. The goal of the coalition is to find a handful of priorities on which everyone can agree and raise those topics with Members and Senators as these bills work their way through the legislative process.

FTA wants to hear from its members about possible infrastructure projects in the SoCal area, whether designed to help impact port congestion or otherwise. Send your suggestion to [ac@tradeandcargoconsulting.com](mailto:ac@tradeandcargoconsulting.com)

## **FTA ADVOCACY MEETING**

Do you have import, export and other trade related issues about which you are concerned? FTA's Advocacy Committee is the place to raise those issues. Our next meeting is January 6, 2022 from 4:00 PM - 5:00 PM PT - Meeting link: <https://us02web.zoom.us/j/86986932640>



## **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**

### **CBP Ruling Rejects Protest 'Supplement' but Says It Can Be Considered as New Protest**

A protest supplement filed by an importer may not be considered by CBP as a



supplement but should be accepted as a new protest, CBP said in a recent ruling. Though the supplement was too late because it came after the relevant protest was denied and addressed an issue not included under the original protest, the supplement otherwise met all requirements for protests filed by CBP, the agency said.

### **Senate Letter to the FMC: "Container Excess Dwell Fees"**

### **India Pushes Renewed Trade Talks in Aftermath of Canada-China Tensions**

Canada and India are quietly setting the stage to reboot formal free-trade talks as the Trudeau government seeks economic alternatives to China following the dispute over the Meng Wanzhou-two Michaels affair.

### **Think Tanks Recommend Responses to Trade Coercion**

Their report, which calls trade coercion a growing threat, makes a distinction between protectionism and "the arbitrary application of trade measures – such as quotas, anti-dumping measures and/or phyto-sanitary barriers – with the deliberate intent of economically harming a trade partner."

### **Op-ed by Commerce Secretary Gina Raimondo and U.S. Trade Representative Katherine Tai: What New Steel and Aluminum Deals Mean for American Families**

The steel industry supports nearly 2 million Americans who, on average, earn 27% more than the median earnings for men and 58% more than the median for women, according to the Economic Policy Institute.

### **Joint Statement of the Trade Ministers of the United States, Japan, and the European Union After a Trilateral Meeting**

The Ministers agreed to renew their Trilateral partnership to address the global challenges posed by non-market policies and practices of third countries that undermine and negatively affect our workers and businesses.

### **Joint Statement on the Sixth U.S.-Republic of Korea Information and Communication Technology Policy Forum**

The United States and the Republic of Korea (ROK) reaffirmed their commitment to strengthening cooperation on digital economy policy issues during the sixth meeting of the U.S.-ROK Information and Communication Technology (ICT) Policy Forum held in Seoul from November 15 to 16, 2021.

### **Report Says Xinjiang Cotton Fabric Being Shipped to Other Countries for Finishing**

More than \$14 billion worth of Chinese raw cotton and cotton and cotton blend textiles was exported in 2019 from five major textile companies with ties to Xinjiang forced labor, according to a recent British study, conducted with the help of international scholars and Chinese reviewers and partly funded by the U.S. Agency for International Development (USAID).

### **RGV Agents Seize Multiple Smuggling Vehicles**

EDINBURG, Texas – Rio Grande Valley Sector Border Patrol agents seized three vehicles suspected of being used for human smuggling. The agents' quick action prevented the smugglers from completing their objective.

### **Previewing the U.S.-EU Dialogue on China**

The dialogue provides an important opportunity for the United States and the

EU to engage on a broad range of topics through a designated working group launched at the first high-level dialogue in May. Those groups cover six topics: reciprocity, including economic issues; resilience; human rights; security; multilateralism; and areas for constructive engagement with China, such as climate change.

### **WCO Releases Final 2022 Harmonized System Tariff Nomenclature**

The World Customs Organization recently announced that the final 2022 edition of the Harmonized System tariff nomenclature is now available on its website. The new edition, which replaces the 2017 version, will take effect Jan. 1, though WCO HS Convention members must implement the changes in their own tariff schedules.

### **WTO, IFC Heads Agree to Enhance Cooperation on Trade Finance**

In a joint statement, the two pledged to enhance existing cooperation to improve the analytics, identification and detection of trade finance gaps in order to better direct capacity building and other resources where unmet demand is greatest, particularly in Africa.

### **Why South Korea should join the CPTPP**

With the window closing on Seoul's leverage, time is of the essence.

### **USTR says moving to terminate India trade retaliation after tax agreement**

USTR said the agreement between the U.S. Treasury and India's Finance Ministry applies the same terms agreed to with Austria, Britain, France, Italy, Spain and Turkey, but with a slightly later implementation date

### **Free Trade Agreement Talks with U.K. Could be Delayed to January 2022**

The two sides have also had to shelve a plan for Commerce and Industry Minister Piyush Goyal to meet British Secretary of State for International Trade Anne-Marie Trevelyan on the sidelines of the WTO Ministerial Conference (MC 12) due to begin in Geneva on November 30.



**TRADE AND TRANSPORT ATTORNEYS**

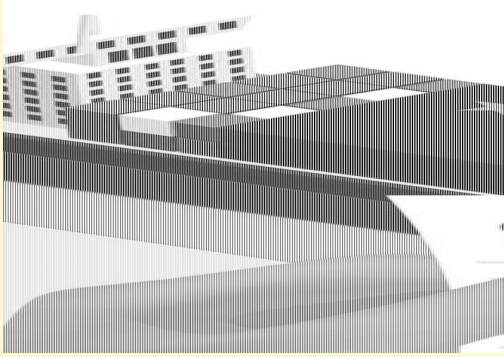
 **ROBERTS & KEHAGIARAS LLP**  
ATTORNEYS AND COUNSELORS AT LAW

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## **FTA NEWS**

### **FTA AND UPCOMING SECTION 301 PROGRAM**

The Foreign Trade Association is closely monitoring the Section 301 Action filed with the Court of International Trade and Section 301 updates provided by the USTR. We are pleased to announce that we will be preparing a program that will



shed light on the recent changes. Details on this program are soon to follow!

## FTA Webinar

**The San Pedro Bay Cargo Flow Update**

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

**Date:** December 8, 2021  
**Time:** 11:00 p.m. - 12:00 p.m.  
**PST Location:** Zoom Webinar

Please join the Los Angeles Customs Brokers and Freight Forwarders Association and Foreign Trade Association in this discussion with the ports on plans to improve cargo flow in the San Pedro Bay. Hear from the harbor drayage companies on what's working and what needs further improvement.

**MATT SCHRAP**  
CEO  
Harbor Trucking Association

**NOEL HACEGABA**  
Deputy Executive Director  
Port of Long Beach

**MARCEL VAN DIJK**  
Cargo Marketing Manager  
Port of Los Angeles

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**December 8, 2021**

### The San Pedro Bay Cargo Flow Update

Please join the Los Angeles Customs Brokers and Freight Forwarders Association and Foreign Trade Association in this discussion with the ports on plans to improve cargo flow in the San Pedro Bay

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

Pricing:

\$25 - Members

\$45 - Non-Members

\$200 - Sponsorships

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**Environmental**

### **China's Environmental Threat to Antarctica**

For the fifth year in a row, China, with Russian assistance, used an international forum to prevent the establishment of new marine protected areas along the coast of Antarctica. Beijing is increasingly interested in the southern continent, and for all the wrong reasons.

### **World's First Methanol-Fueled Towboat Planned for Launch in 2023**

Known as Hydrogen One, the vessel will be IMO 2030-compliant and meet all requirements of the US Coast Guard's Subchapter M regulations. The design comes from Elliott Bay Design Group using proven technology. ABB will supply the electrical power distribution and automation to e1 Marine's methanol-to-hydrogen fuel cell battery.

### **Greenpeace: Half a Century on the Frontline of Environmental Photo Activism**

On the organisation's 50th anniversary, former head of photography at Greenpeace International talks about the motives behind the creation of its picture desk

### **X-Press Feeders Places Order for Dual-Fuel Methanol-Powered Ships**

X-Press Feeders says the highly fuel-efficient vessels will align with its practices of environmental stewardship to achieve carbon-neutral shipping by 2050. "Moreover, they will help us move closer to the target of operating their first 'zero-emission ready' vessel by 2025," the company said.



### **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.

**Xhulio Kreci, Student Member**



*Coppersmith*  
Global Logistics

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New York | Portland | San Francisco | Seattle

## Maritime

### **The Problem with Chartering a Ship: Break Bulk is a Lost Art**

Break bulk is doable for large, well-capitalized companies, but there's no guarantee they'll achieve lower freight costs than using carriers.

### **Shipping Giant Offers Cash to Help Clear L.A. Port Glut**

CMA CGM Group said it will offer importers \$100 for each container removed from terminals at the ports of Los Angeles and Long Beach during daytime hours and within the first eight days of arrival. Pickups during nighttime and weekend hours get a \$200 incentive per container, the Marseille, France-based carrier said in a release.

### **Omicron Threatens Tankers but Could Extend Container Shipping Boom**

Assuming omicron is not a false alarm, it's more bad news for crude and product tanker rates, another positive for container shipping rates (with some downside risk also in the mix) and relatively neutral for dry bulk shipping, at least for now.

### **Marine Exchange: New Ship Queueing Process at Los Angeles and Long Beach is Working**

The updated system essentially establishes a "Safety and Air Quality Area" that extends 150 miles from the coast that inbound trans-pacific container ships are requested to avoid while awaiting a berth at the ports.

### **West Coast Dockworkers Reject Contract Extension, Setting Up Negotiations**

That sets up potentially contentious negotiations between the labor union, which represents West Coast dockworkers, and terminal operators and carriers on the West Coast, amid existing supply chain challenges. The current contract, which had already been extended one year, expires mid-2022.

### **US Labor Secretary Visits Top West Coast Ports as Union Talks Loom**

The U.S. labor secretary on Tuesday met with unions and employers at the nation's busiest port complex in Southern California as anxiety builds ahead of next year's contract negotiations covering roughly 22,000 West Coast dockworkers.

### **Jones Act Specialist Maritime Partners Acquires Fleet of Over 1,000 Vessels from J. Russell Flowers, Inc.**

The acquisition grows Maritime Partners' portfolio to approximately 1,600 vessels with an estimated fair market value of \$1.2 billion, making the firm the largest lessor of marine equipment in the United States.

### **California Ports Again Postpone New Surcharges**

The ports of Los Angeles and Long Beach again postponed a new surcharge meant to incentivize the movement of dwelling containers, the two ports announced Nov. 29. The ports originally said they would begin imposing the fee Nov. 15 (see 2111030027) but have postponed it several times (see 2111150054). The fee will now "not be considered prior" to Dec. 6, the ports said.

### **San Pedro Ports Delay Container Dwell Fee By Another Week Citing 'Improved Fluidity'**

In postponing the fee, the twin ports on Monday reported "improved fluidity" at terminals and a combined decline of 37% in aging cargo on docks since the fee was first announced on October 25th. The latest postponement comes after meetings today with U.S. Port Envoy John Porcari, ocean liner companies and marine terminal operators.

### **CMA CGM Launches Incentive Program for Early Container Pickup at Ports of Los Angeles and Long Beach**

The 90-day program, known as the Early Container Pickup Incentive Program, offers customers a rebate of up to \$200 per import container for pick-up via merchant haulers within the first eight days of arrival on terminals.



## **Video of the Week**

### **Sheepishly going to back to where it begins.**

The video's been around for a number of years, but CBP's Withhold Release Orders and the increasing pressure on importers to know the origins of their supply chains, the story of the \$75 cashmere sweater (at the time of the video) is a testament to the people who got all the way to their raw material and took an interest in every step of the process.



## Logistics and Trade

### **Advertisers Adjust Holiday Messages to Covid-19, Supply-Chain Challenges**

Companies are rethinking their advertising strategies this holiday season as multiple problems, from supply-chain constraints to continued worries about Covid-19, make it harder for brands to rely on traditional festive pitches.

### **Amazon Builds Out Network to Speed Delivery, Handle Holiday Crunch**

Amazon blanketed the country with more than 450 new facilities used to store, sort and ship items, according to logistics consultant MWPVL International, doubling down on a logistics empire that aims to deliver items in one day or less, and increasingly to do so without the help of third-party shippers.

### **Returns Volume and Costs Set to Climb in Pricey Supply Chain Environment, Survey Says**

Persistent supply chain bottlenecks throughout 2021 have influenced the holiday season approaches of retailers and consumers, which could affect when and how often shoppers return goods following the rush in purchases.

### **Dingell, Peters, Raimondo Host Roundtable in Michigan About Semiconductor Chip Shortage**

The roundtable discussion focused on the shortage's impact on Michigan, especially on auto workers, and how strong funding and collaboration is needed to boost the domestic manufacturing of semiconductor chips.

### **Former Roadrunner CFO Sentenced to 2 Years for Accounting, Securities Fraud**

A federal jury found Armbruster guilty on four counts, including securities fraud, misleading Roadrunner's auditors and two counts of falsifying Roadrunner's



books and records.

### **Toymaker Ty Air Shipping Products for the Holidays to Avoid Port Congestion**

More companies are taking their freight to the skies as the holidays begin, sacrificing the cost-effectiveness of ocean shipping to ensure products arrive in time.

### **Watch: Supply Chain Requirements vs. Solutions (video)**

One risks wasting huge sums by exploring supply chain solutions before identifying one's supply chain needs, says Steve Hopper, founder and principal of Inviscid Consulting.

## **Upcoming Events**

**December 8 - FTA Webinar - The San Pedro Bay Cargo Flow Update - 11:00 AM - 12:00 PM PT** - Please join the Los Angeles Customs Brokers and Freight Forwarders Association and Foreign Trade Association in this discussion with the ports on plans to improve cargo flow in the San Pedro Bay - **Register [here](#)**

**December 8 - LACBFFA - Export Essentials: How Freight Forwarders Work with Federal Partners to Deliver Value to U.S. Exporters - 1:00 PM - 2:00 PM PT** - Please join the Export-Import Bank of the United States (EXIM) and the U.S. Commercial Service in partnership with the Los Angeles Customs Brokers & Freight Forwarders Association (LACBFFA) to learn about government tools, resources, and services available to support U.S. small businesses in exporting their products - Register [here](#)

**December 9 - LAACA Holiday Party - The Los Angeles Airport Marriott - 11:00 AM - 3:00 PM PT** - Register [here](#)

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

**December 14 - FTA Holiday Luncheon - 11:30 AM - 1:30 PM PT - Parker's Lighthouse** - Register [here](#)

**January 24 - April 4 - FTA Customs Broker License Exam Preparation Course - 6:00 PM - 9:00 PM PT - *Details to follow soon!***

**February 27 - March 2 - ICPA Annual Conference-** The Grand Hyatt, San Diego, CA - Register [here](#)

**May 1 - May 4 - NCBFFA Annual Conference - 9:00 AM - 5:00 PM** - Fort Lauderdale, FL - Register [here](#)