

CUSTOMER ADVISORY

UPDATE 3: ILA PREPARES FOR STRIKE AT EAST & GULF COAST PORTS

September 30, 2024,

Dear Valued Customer,

As widely reported, the International Longshoremen's Association (ILA) and the U.S. Maritime Alliance (USMX) have not reached a resolution, and their contract expires at midnight tonight. However, there have been last-minute discussions between the two groups. A strike will cause a significant risk of work stoppage and delays across the entire network, even though it will occur on the East Coast and Gulf ports.

As stated by Freightwaves.com, "The union said 25,000 container and ro-ro workers and a total of 45,000 union employees will walk off the job... at 36 ports from Texas to Maine when the current master contract expires at midnight Tuesday (morning). The ports collectively handle more than 56% of all U.S. containerized imports annually." (Freightwaves.com: <u>Port employers, union exchange new contract offers in bid to avert strike, says USMX</u>)

Carriers have started implementing contingency plans, suspending inland cargo movements, and announcing multiple surcharges. The U.S. Federal Maritime Commission (FMC) has warned carriers and terminal operators against unfair detention and demurrage charges during the strike. All FMC statutes and regulations remain in effect, and the FMC is prepared to investigate and prosecute violations.

For more information, please see these articles from Freightwaves.com:

- Port employers, union exchange new contract offers in bid to avert strike, says USMX
- What to know about the upcoming ILA port strike

APL Logistics is actively monitoring this dynamic situation and will continue to provide updates as needed. If you have any questions, please contact your APL Logistics representative.

Sincerely,

APL Logistics

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