

PORT CONTAINER DRAY OPERATIONS

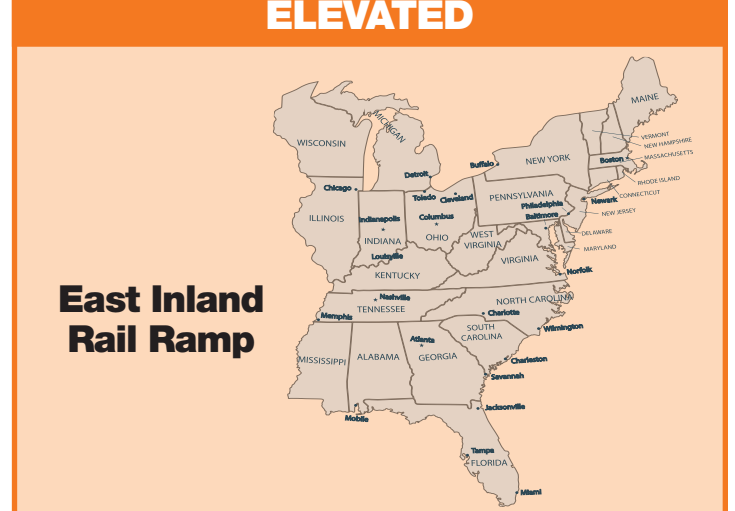
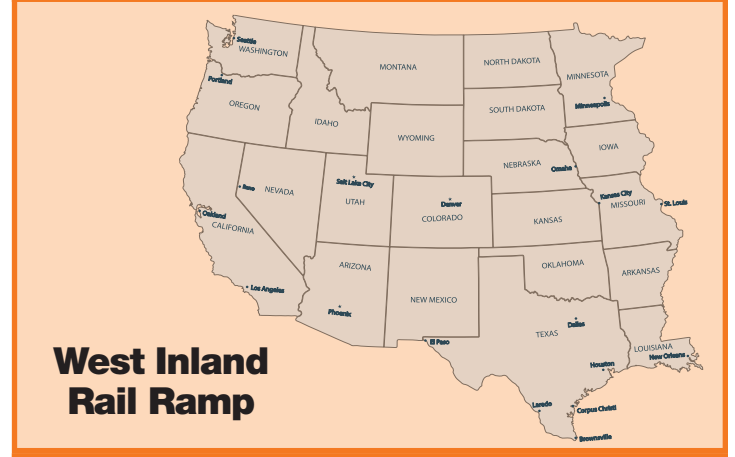
SEVERE

NORMAL



OCEAN/DOMESTIC CONTAINER RAIL RAMP OPERATIONS

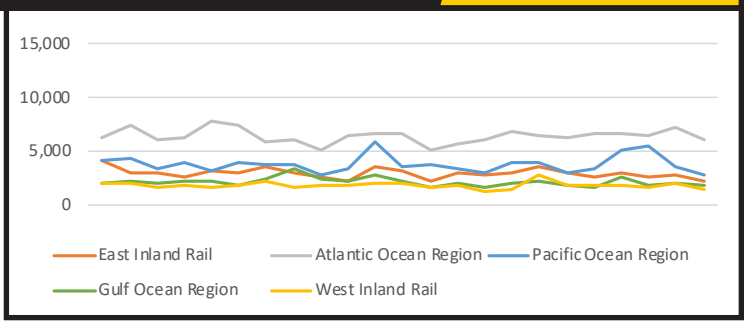
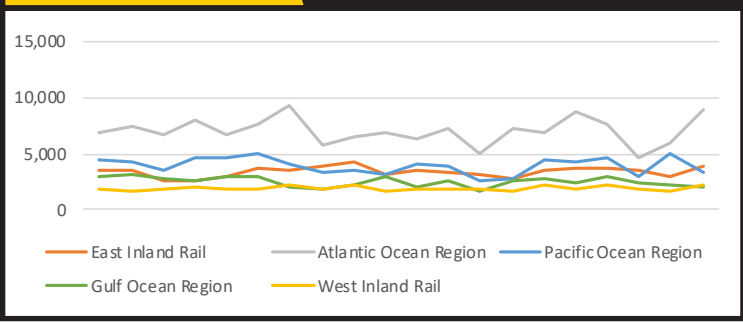
ELEVATED



FEB. 2023

US PORT/RAIL RAMP TRUCKING DEMAND

MAR. 2023









SUMMARY – APRIL, 2023

- + ILWU work slowdowns on April 6th, 7th, and 10th in LA/LB are the opening salvo in what will be tense ILWU and PMA negotiations over the next couple of months. This was the first major public display of how far both parties are apart and has moved this region to a SEVERE concern on the index. These tactics were employed during the last major labor dispute between the ILWU and PMA in 2015 and caused significant disruption. The negotiations between both parties should continue to escalate further, as the ILWU does not have the leverage it once did as volumes are significantly less due to economic factors and lost market share to the Gulf and East Coast ports.
- + Also of significant concern throughout the US ports and especially in LA/LB is the lack of empty return fluidity. In most cases dual transactions and off hours/off port

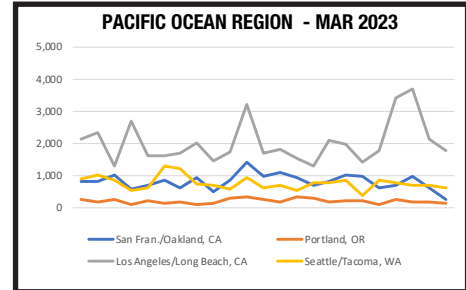
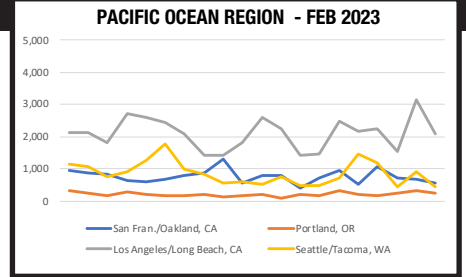
- termination facilities are the only options for truckers to terminate empties. This inefficiency will only drive up trucking costs and detention costs to BCOs as well as strain operations at the terminals. Reports are that MSC containers are becoming the most immediate concern.
- + Pricing for container bookings and trucking should remain steady throughout 2023 as reduced demand and supply will drive that paradigm. We are forecasting rates to lift in or around early Q1 2024 as trucking capacity will exit the market due to regulatory/downward rate pressure as well as ocean liners pulling equipment off the market.

PACIFIC REGION – SEVERE







	 Vessel Congestion	 Terminal Operations	 Chassis Availability	 Container Storage	 Transload Availability	 Outbound Capacity
SEATAC	●	●	●	●	●	●
OAK	●	●	●	●	●	●
LA/LB	●	●	●	●	●	●

OPPORTUNITY FOR OPERATIONAL EFFICIENCY – Avoid LA/LB for the next two months if possible. If booking to LA/LB is a must, add additional dray capacity immediately because it will be needed.

POTENTIAL HEADWINDS – Labor Disruption and empty container termination restrictions. Container storage availability in Oakland.

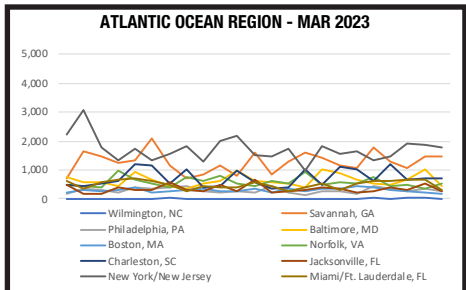
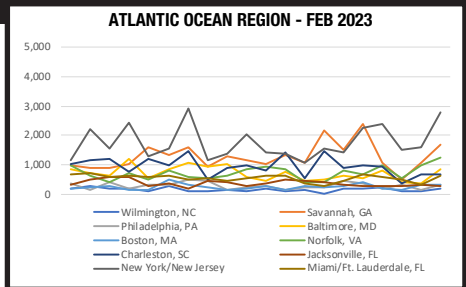


ATLANTIC REGION – NORMAL







	 Vessel Congestion	 Terminal Operations	 Chassis Availability	 Container Storage	 Transload Availability	 Outbound Capacity
NY/NJ	●	●	●	●	●	●
NORFOLK	●	●	●	●	●	●
CHARLESTON	●	●	●	●	●	●
SAVANNAH	●	●	●	●	●	●
MIAMI	●	●	●	●	●	●

OPPORTUNITY FOR OPERATIONAL EFFICIENCY – Consider booking Trans-Pacific freight to the East Coast as opposed to West Coast to avoid labor disruptions. Especially if the freight is not immediately needed. The increased transit time will provide additional “free storage”.

POTENTIAL HEADWINDS – Bring in additional dray capacity to handle potential increase in volume due to bookings to the East to avoid West Coast port labor concerns.

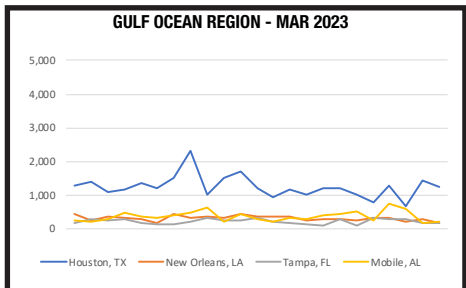
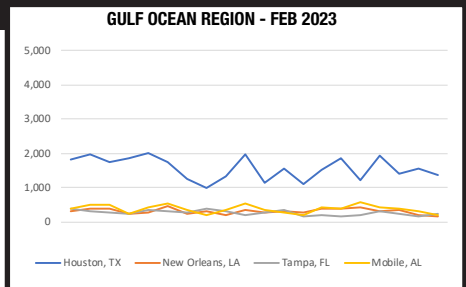


GULF REGION – NORMAL

	 Vessel Congestion	 Terminal Operations	 Chassis Availability	 Container Storage	 Transload Availability	 Outbound Capacity
TAMPA	●	●	●	●	●	●
MOBILE	●	●	●	●	●	●
NEW ORLEANS	●	●	●	●	●	●
HOUSTON	●	●	●	●	●	●







OPPORTUNITY FOR OPERATIONAL EFFICIENCY – Consider booking Trans-Pacific freight to the Gulf Coast as opposed to West Coast to avoid labor disruptions. This is the fastest path into the US for Trans-Pacific freight when avoiding the West Coast.

POTENTIAL HEADWINDS – Potential for congestion if Trans-Pacific booking patterns shift from the West Coast to the Gulf Coast.



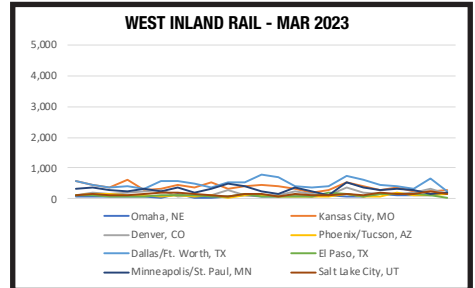
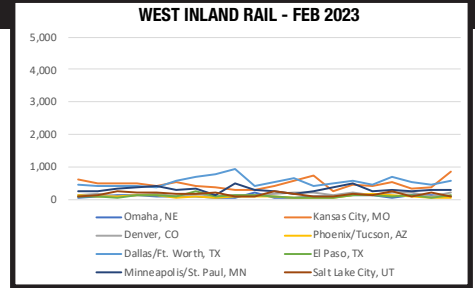
LEVEL OF CONCERN	●	●	●
	Normal	Elevated	Severe

WEST INLAND RAIL RAMP REGION – ELEVATED







	 Ramp Congestion	 Ramp Operations	 Chassis Availability	 Container Storage	 Transload Availability	 Outbound Capacity
SLC	●	●	●	●	●	●
DENVER	●	●	●	●	●	●
DALLAS	●	●	●	●	●	●

OPPORTUNITY FOR OPERATIONAL EFFICIENCY – Consider continuing booking to inland rail ramps via IPI to get freight closer to inland DC's. Onboard additional dray providers to get favorable per container/truck ratios.

POTENTIAL HEADWINDS – Beware of IPI freight entering the West Coast ports. Especially in LA/LB, as labor disruptions at the ports will affect those containers.

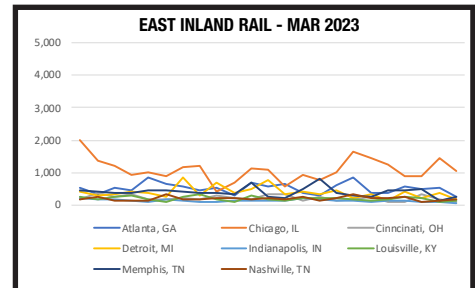
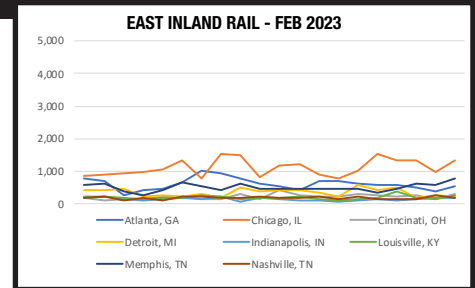





EAST INLAND RAIL RAMP REGION – ELEVATED

	 Ramp Congestion	 Ramp Operations	 Chassis Availability	 Container Storage	 Transload Availability	 Outbound Capacity
CHICAGO	●	●	●	●	●	●
MEMPHIS	●	●	●	●	●	●
NASHVILLE	●	●	●	●	●	●
CHARLOTTE	●	●	●	●	●	●
ATLANTA	●	●	●	●	●	●
COLUMBUS	●	●	●	●	●	●

OPPORTUNITY FOR OPERATIONAL EFFICIENCY – Consider continuing booking to inland rail ramps via IPI to get freight closer to inland DC's. Onboard additional dray providers to get favorable per container/truck ratios.

POTENTIAL HEADWINDS – Beware of IPI freight entering the West Coast ports. Especially in LA/LB, as labor disruptions at the ports will affect those containers.



LEVEL OF CONCERN	 Normal	 Elevated	 Severe
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ITS INSIDER ADVANTAGE OF THE MONTH

It is RFP season for trucking. Though it may go against conventional wisdom in container volume downturn cycles, bring on new providers to your network. Onboard new providers with a national footprint that have robust visibility platforms. If ILWU work slow-downs and stoppage continue you will need additional capacity as per container/truck ratios get unfavorable and/or booking to new ports in the Gulf/East Coast become needed.