

LOS ANGELES MAYOR ERIC GARCETTI LONG BEACH MAYOR ROBERT GARCIA

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CONTACT:

Phillip Sanfield, Port of Los Angeles, <u>310-732-3568</u> Daniel Brezenoff, City of Long Beach, <u>562-570-5027</u>

WITH LABOR DISPUTE RESOLVED, LOS ANGELES MAYOR ERIC GARCETTI AND LONG BEACH MAYOR ROBERT GARCIA PLEDGE NEW LEVELS OF COOPERATION BETWEEN PORTSAND SUPPLY CHAIN STAKEHOLDERS

Ports of Los Angeles, Long Beach Plan to Cooperate on Environmental, Security, Legislative, Supply Chain Logistics and Marketing Initiatives

LOS ANGELES & LONG BEACH, Calif. – Los Angeles Mayor Eric Garcetti and Long Beach Mayor Robert Garcia today thanked the International Longshore Workers Union and the Pacific Maritime Association for heeding their call to resolve the labor dispute, and announced plans for the Ports of Los Angeles and Long Beach to collaborate on a series of initiatives designed to meet the changing dynamics of seaborne trade and the impacts of those changes on cargo flow through the nation's largest trade gateway.

The two ports recently submitted to the Federal Maritime Commission an updated cooperative working agreement that clarifies and expands on their existing pact. The proposed update, now in a public comment period which ends this Wednesday, will enable the ports to work together on strategies that will benefit both ports in the areas of supply chain logistics and gateway marketing, as well as environment, security and legislative advocacy.

"With a tentative labor contract announced late last week, the Ports of Los Angeles and Long Beach must collaborate and invest in the future to reach new levels of cargo efficiency and reenforce our position as the Western Hemisphere's trade gateway to the world," said Mayor Garcetti. "With second-to-none infrastructure, a highly skilled labor force and unparalleled industry assets, our two ports need to work with stakeholders to promote our strengths and ensure that jobs and cargo continue to flow into Southern California."

"Now that our ports are moving again we plan to redouble our efforts to invest in port infrastructure, increase trade and ensure that we remain the best place to do business on the West Coast," said Long Beach Mayor Robert Garcia. "We are still the largest and most efficient port complex in the country."

The Port of Los Angeles and Port of Long Beach are the largest ports in the nation, ranked first and second respectively, and combined are the ninth largest port complex in the world. The two ports handle approximately 43 percent of the nation's total import traffic and 27 percent of its total exports. More than 3 million direct, indirect and induced jobs are related to cargo movement at the port complex. More than \$30 billion in national, state and local taxes are generated from port-related trade each year.

In recent months, the harbor commissions of both ports have requested from the FMC approval of an updated cooperative working agreement to work together on supply chain issues that include greater collaboration in the development of chassis supply and storage solutions, greater vessel call coordination, reduced truck turn-times, and solutions to help address congestion related to marine terminal operations.

"With an agreement in place, the ports of Long Beach and Los Angeles can focus on velocity, efficiency and environmental sustainability," said Port of Long Beach Chief Executive Jon Slangerup. "Together, we will quickly re-establish our gateway as the most efficient route between Asia and North America. We thank Mayors Garcia and Garcetti for their leadership and we will all work to clear the current backlog as quickly as possible and put in place new measures to move cargo quickly even during our busiest times."

"The changing face of seaborne trade is impacting major ports around the world," said Port of Los Angeles Executive Director Gene Seroka. "In order to keep our competitive edge, it makes good sense for our ports to strategize and help facilitate changes in the supply chain that will enhance Southern California's competitive advantage."

The ports have already been working with the three primary chassis pool providers as they finalize plans to open a "gray chassis pool" or "pool of pools" March 1 that will help ensure more availability and efficient positioning of the truck-trailer chassis used to haul containers to and from the port. The ports also plan to hold a supply chain stakeholder summit once the labor contract is ratified, in order to look at solutions to the cargo flow challenges specific to San Pedro Bay. Shortly, the ports will also re-convene to discuss a new generation of Clean Air Action Plan strategies following recent years of success in reducing air emissions from port-related goods movement in San Pedro Bay and across the region.