

CUSTOMER ADVISORY

U.S. East Coast and Gulf Ports Potential Strike
20 SEPTEMBER 2024



The International Longshoremen's Association (ILA), representing 45,000 workers at 36 U.S. ports, is preparing to strike on October 1st, 2024. This includes major ports like New York/New Jersey, Houston, and Savannah. If a new labor agreement is not reached with the United States Maritime Alliance (USMX), which represents shipping lines, terminal operators, and port employers, a complete work stoppage will begin when the current contract expires at midnight on September 30th. This strike would have significant consequences for U.S. supply chains, particularly for goods coming from Europe and other regions relying on transatlantic shipping routes.

In anticipation of the strike, some ports along the U.S. East and Gulf coasts have gone public with contingency plans, including staying open for business on weekends to manage potential disruptions. Additionally, ocean carriers have introduced surcharges for cargo en route to ports that may face closures.

Key Concerns:

- **Impact on Imports:** Roughly 50% of U.S. imports could be disrupted, prompting retailers and manufacturers to shift cargo to West Coast ports to mitigate risks.



A member of the **KWE** Group

DISCLAIMER: The subject matter of this announcement is provided for informational purposes only. Any and all data is obtained from internal and external sources believed to be true and accurate at the time of publication. Forward-looking statements derived from such data should not be taken as guarantees of future performance, nor should they be relied upon as fact. KWE is not responsible or liable for any inaccurate information contained herein, and under no obligation to update forward looking statements except as required by applicable security laws.

- **Backlog Estimates:** [Analysts estimate that it could take 4-6 days](#) to clear the backlog from a one-day strike. A two-week strike could delay port operations well into 2025.
- **Increased West Coast Traffic:** Ports like Los Angeles and Long Beach have already seen a surge in imports as shippers bring in goods ahead of potential disruptions. The Port of Long Beach recorded its busiest month in 113 years, with a 40% rise in imports during August.
- **Strain on Air Cargo:** A strike-driven surge in demand for air cargo capacity, if U.S. East and Gulf Coast ports are shut down, would come at the worst possible time for the air freight sector, which is preparing for a strong peak season with capacity already severely limited.

KWE will continue to provide timely updates and support to ensure the continuity of your cargo operations. For further assistance, please contact your KWE representative.

For further details, you can visit:

- [Port strike on US East Coast would spark supply-chain glitches from outset, shipping firm exec says | Reuters](#)
- [Largest port on U.S. East Coast, New York/New Jersey, begins prepping for what could be first union strike since 1977](#)
- <https://www.usmx.com/news>
- <https://ilaunion.org/ila-news/>