



## Update on Impending U.S. East and Gulf Coast Port Strike

The International Longshoremen's Association (ILA) has all but confirmed a strike notice for all Atlantic and Gulf Coast ports, set to commence at 12:01 a.m. on October 1st. This action, the first by the ILA since 1977, is expected to significantly disrupt supply chains, affecting 36 major ports and halting approximately 70% of containerized US exports and 56% of imports. In response, carriers have begun implementing contingency plans, including suspending inland cargo movements, and announcing congestion-related surcharges.

Additionally, the US Federal Maritime Commission (FMC) has issued a warning to carriers and terminal operators against unfair detention and demurrage (D&D) charges during the strike. The FMC emphasized that all statutes and regulations remain in effect, and violations will be investigated and prosecuted. Several carriers have already advised customers to relocate equipment to avoid potential D&D fees during the disruption.



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## **Key Points**

- 1. **Strike Notice**: ILA announced the strike is set to begin at 12:01 a.m. on October 1<sup>st</sup>, affecting all Atlantic and Gulf Coast ports from Maine to Texas.
- 2. **Operational Impact**: The strike, if it occurs, will disrupt operations at 36 ports, halting 70% of US exports and 56% of imports.
- 3. **FMC Warning**: Carriers and terminals are advised against imposing unfair D&D charges, with the FMC prepared to investigate violations.
- 4. **Airfreight**: In response to anticipated port disruptions, increased demand for airfreight is expected as shippers seek alternative ways to maintain the flow of goods.

## **Support and Assistance**

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

For more details, you can visit:

- Industry Advisory: All FMC Statutes and Regulations Remain in Full Effect in the Event of Terminal Closures Related to Possible Work Stoppage - Federal Maritime Commission
- Strike disruption begins: 'a frenzy' to come with extra demand for airfreight The Loadstar
- <u>USMX-ILA Negotiations Updates | USMXILA News ILA Union</u>
- No Deal in Sight as Dockworkers Union Blames Employers Over Stalled Contract Talks (gcaptain.com)
- Port Strike Countdown: Bananas, Medicine, and \$5 Billion Daily at Stake (gcaptain.com)
- https://ilaunion.org/ila-news/

