



America's Port

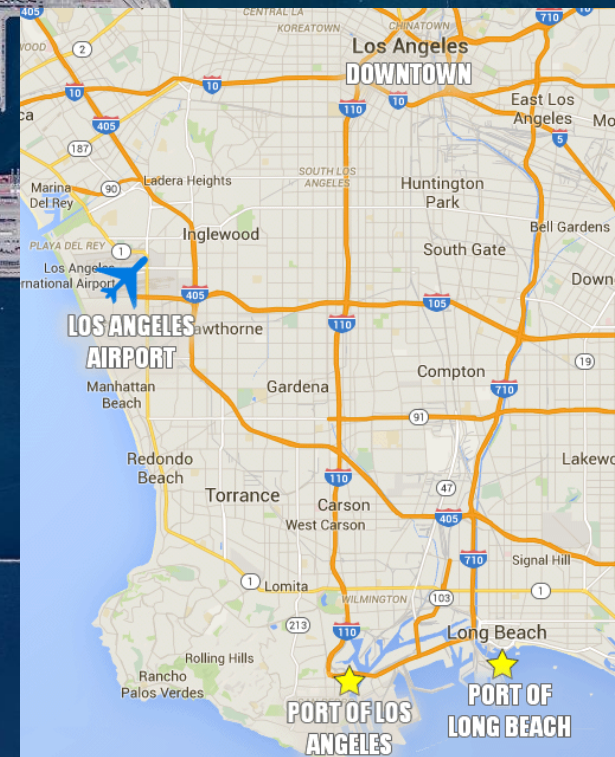
Port of Los Angeles Overview and The Impact COVID-19 on Trade

American Production & Inventory Control Society
Inland Empire Chapter (APICS-IE)

April 21, 2020



San Pedro Bay Port Complex



Port of Los Angeles at a Glance



- **Founded in 1907**
- **State Tidelands Trust**
- **Non-Taxpayer Supported**
- **Business Port Model**
- **5-Member Board of Commissioners**
- **4,300 Acres Land (1,740 hectares)**
- **3,200 Acres Water (1,295 hectares)**
- **270 Berths and 27 Cargo Terminals**
- **7 Container Terminals**
- **91 Ship-to-Shore Gantry Cranes**



9.3M
TEUs in 2019

9.5 M
TEUs in 2018

BUSINESS 

Our Lines of Business (2019)



VEHICLES

127,042 Units

SCRAP METAL

849,399 Metric Tons

STEEL

1,639,624 Metric Tons

LIQUID BULK

1,639,624 Barrels

FRUIT

1,639,624 Metric Tons

CRUISES

124 Calls

VISITORS

3.1 Million Approximately

TEUs

9.3 Million

Top Trading Partners & Commodities

Trading Partners



- | | |
|--------------------|---------------|
| 1. China/Hong Kong | \$128B |
| 2. Japan | \$38B |
| 3. Vietnam | \$21B |
| 4. South Korea | \$15B |
| 5. Taiwan | \$15B |

(In Cargo Value, CY2019)

Imports



- | | |
|----------------|-------------|
| 1. Furniture | 530K |
| 2. Auto Parts | 340K |
| 3. Apparel | 313K |
| 4. Footwear | 222K |
| 5. Electronics | 209K |

(Containerized, CY2019)

Exports



- | | |
|-----------------|-------------|
| 1. Wastepaper | 240K |
| 2. Animal Feeds | 181K |
| 3. Fabrics | 103K |
| 4. Scrap Metal | 101K |
| 5. Soybeans | 95K |

(Containerized, CY2019)

PORT RANKINGS BY MILLION TEUs

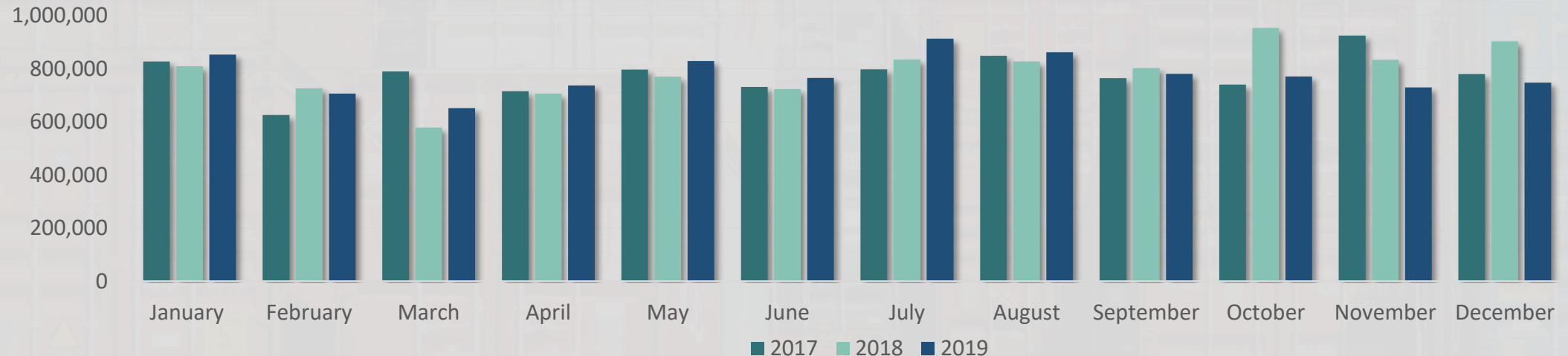
Global Ranking (2019)

1. Shanghai, China	42.0	6. Busan, South Korea	21.7
2. Singapore	36.6	7. Hong Kong	19.6
3. Ningbo, China	26.4	8. Qingdao, China	19.3
4. Shenzhen, China	25.7	9. LA & LB	16.9
5. Guangzhou, China	21.9	10. Tianjin, China	16.0

North American Ranking (2019)

1. Los Angeles	9.3	6. Seattle/Tacoma	3.8
2. Long Beach	7.6	7. Vancouver, Canada	3.4
3. NY/NJ	7.2	8. Manzanillo, Mexico	3.1
4. Panama (AMP)	7.0	9. Hampton Roads	2.9
5. Savannah	4.4	10. Houston	2.7

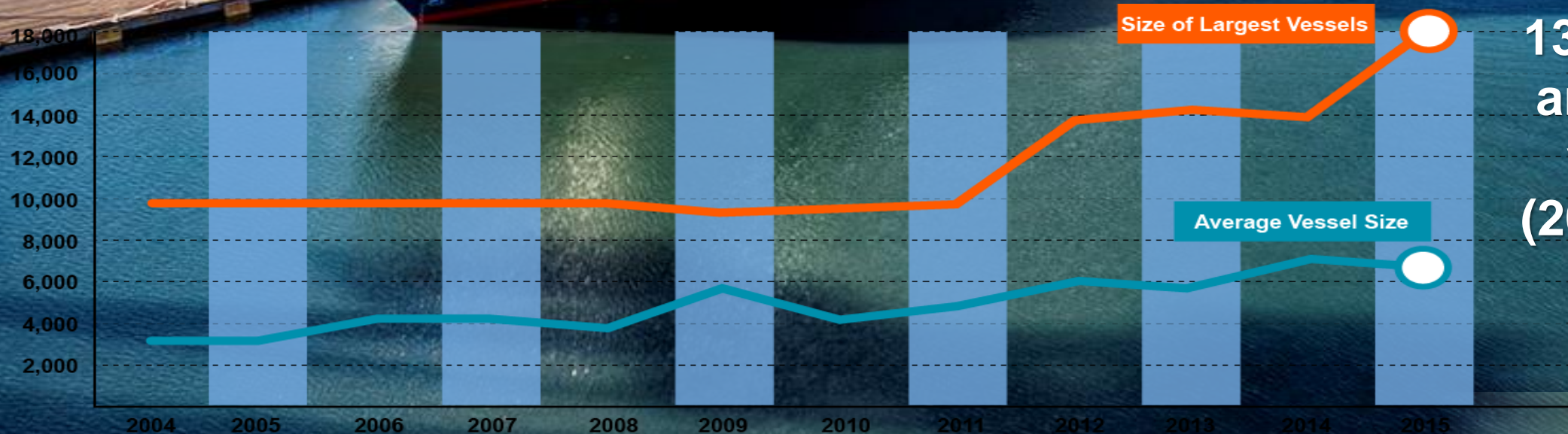
MONTHLY TEU COUNT



Growth In Ships Calling at the Port

57%

**Increase in
13,000 TEU
and larger
vessels
(2017-2018)**



IMPACT OF TARIFFS ON TRADE

SAN PEDRO BAY COMPLEX (Jan-July 2018 v 2019)

IMPORTS

-8.2% From China

+9.6% From All
Other Nations

EXPORTS

-1.4% To All Countries

-21.2% To China

CHINA BOUGHT LESS

Soybeans **-96.6%**

Glass **-81.6%**

Rubber **-74.5%**

Grains **-71.6%**

Scrap Metal **-63.4%**

Fruit **-58.6%**



Logs & Lumber **-35.9%**

Automobiles **-31.6%**

GROWTH IS SHIFTING IN ASIA



IMPORTS 2018 to 2019 (Jan-July)

	Cambodia	+51.0%
	Vietnam	+23.3%
	Singapore	+19.5%
	Thailand	+11.0%
	Indonesia	+12.5%
	Malaysia	+8.5%
	Japan	-0.1%
	Republic of Korea	-2.3%
	China	-8.2%

EXPORTS 2018 to 2019 (Jan-July)

	Singapore	+7.0%
	Malaysia	+8.6%
	Republic of Korea	-3.0%
	Japan	-5.9%
	Cambodia	-6.0%
	Indonesia	-13.1%
	Vietnam	-17.2%
	China	-31.4%
	Thailand	-33.1%

Economic Impact Regionally/Nationally



Employment

887

Actual Filled Positions at
the City of Los Angeles
Harbor Department

10-15k

Longshore and Terminal
Jobs in Los Angeles and
Long Beach

190k

Jobs (about 1 in 12)
in Los Angeles and
Long Beach

992k

Jobs (about 1 in 9)
in the Five-County Region

3M

Jobs Across the
United States

435

U.S. Congressional
Districts Touched by Trade

Trade Value

\$89.2B

Throughout California

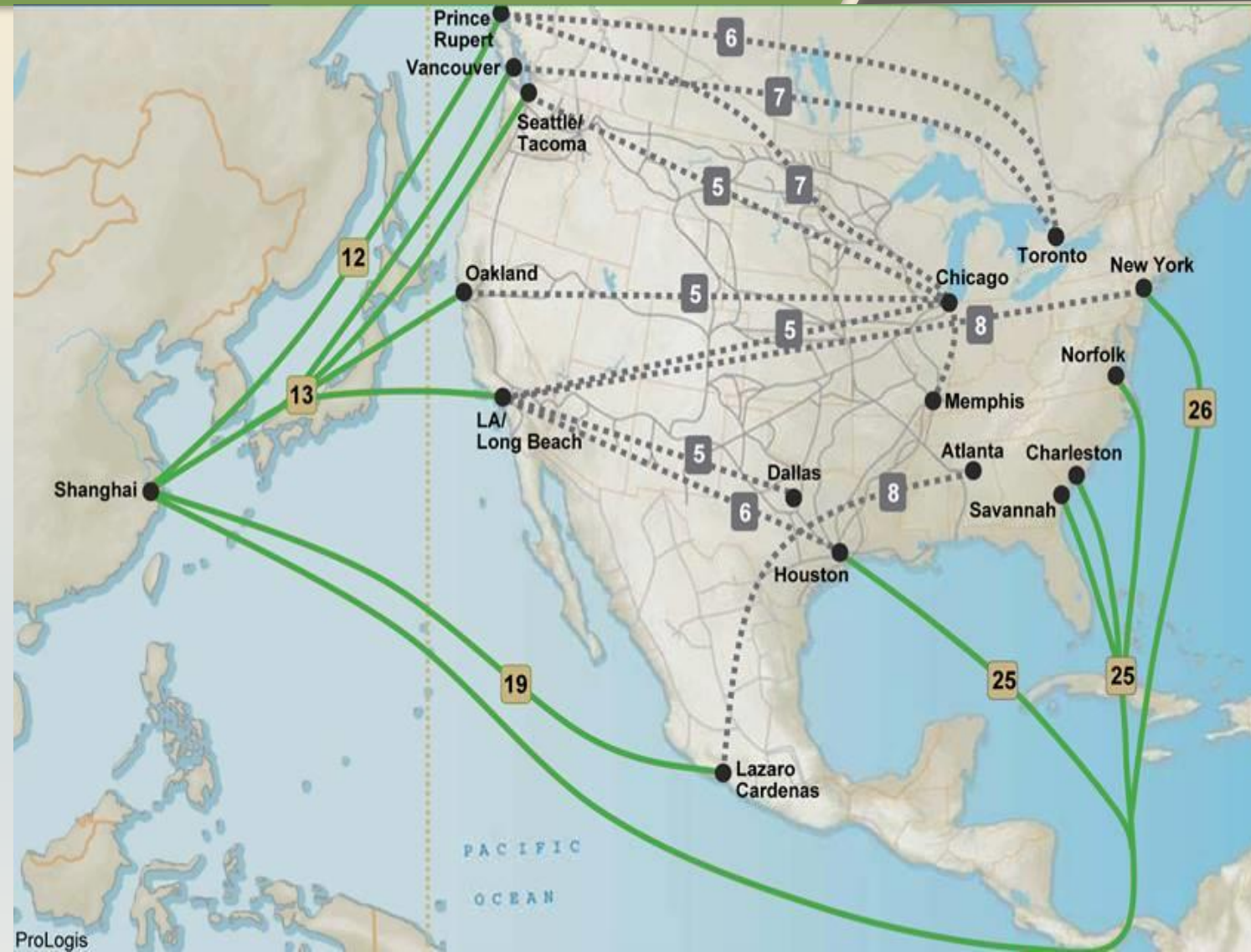
\$311.5B

Throughout the Entire
United States

A Gateway of Connectivity

- Mega-Region of 22 Million Consumers
- 15,000-Strong Longshore Workforce
- 1.8 Billion Square Feet of Warehouse/Distribution Centers
- 100 Trains Daily to and from the LA Basin
- 2 Class Railroad Carriers:
 - Union Pacific
 - Burlington Northern Santa Fe
- Access to Major Freight Hubs:

○ Chicago	○ Atlanta
○ Memphis	○ Houston
○ San Antonio	○ Denver
○ Kansas City	○ Dallas
○ New York	



PORT IS OPEN FOR BUSINESS



Governor Emergency Order States: Ports are Essential Infrastructure to keeping the Supply Chain Moving

- **Everybody is at Work**
 - Terminals Open
 - Ships Arriving
 - Longshore Workers on the Docks
 - Truckers Picking-up Cargo/Drop-off Cargo
 - Railroads Running
 - Warehouses & Distribution Centers Processing Orders
- **Safety Precautions**
 - 14,000 Gallons of Industrial Bleach
 - 32oz Spray Bottles
 - Evening Shift Starts 1-Hour Later
 - Cargo-Handling Equipment & Radios Sanitized, Face-Masks & Gloves Worn



Impact of COVID-19, 2020



- **Port Working with Federal Authorities**
 - U.S. Coast Guard
 - U.S. Customs & Border Protection
 - Center for Disease Control
- **Vessel Pre-Arrival Screenings**
 - USCG & CBP
 - 96-Hours Prior to Arrival
 - Container Ships, Tankers, Breakbulk Cargo, Auto Carriers, Cruise Ships, Others
- **Required to Report Illness of Any Crew Member or Passenger**
 - Failure to Report, Federal Penalty \$94,000 Per Incident
 - Any Affected Person, Quarantine on Vessel
- **As of Today, No Reports of COVID-19**

A composite image showing a microscopic view of COVID-19 virus particles. The top half features red and white spherical particles with prominent spikes, set against a dark red background. The bottom half shows similar particles in shades of blue and white, set against a dark blue background.

Impact of COVID-19, Feb/Mar. 2020

- **41 Cancelled Ship Sailings**
 - Between Feb. 11th – April 1st
 - Represents 26% of Normal Vessel Calls
- **Feb: 22.9% Drop in Overall Volumes**
 - Feb. 2019 vs. Feb. 2020
- **March: 31.3% Decline in Volumes**
 - March 2019 vs. March 2020
- **First Quarter 2020: Decrease of 18.7%**
- **Chinese Production Impacted**
- **Full Book of Business, Southeast Asia**
 - Cargo Moving from Vietnam, Indonesia, Malaysia

Impact of COVID-19, March 2020



- Empty Containers Stacking Up
- Exports Not Leaving Fast Enough
- Shipping Lines Answered the Calls of the Industry to Move Out Empties
- Mega Vessels Picking Up Empties
- Three 23,000 TEU Ships Arrive Empty
 - First Arrival March 31st
- Preparing for the First Wave of Imports
- Visibility Essential / Fluid Supply Chain
 - Forecast 14-Days Out Types of Cargo Arriving
 - Cargo Owners, Terminal Operators, Labor, Truckers, Equipment Providers, Railroads, Shipping Lines

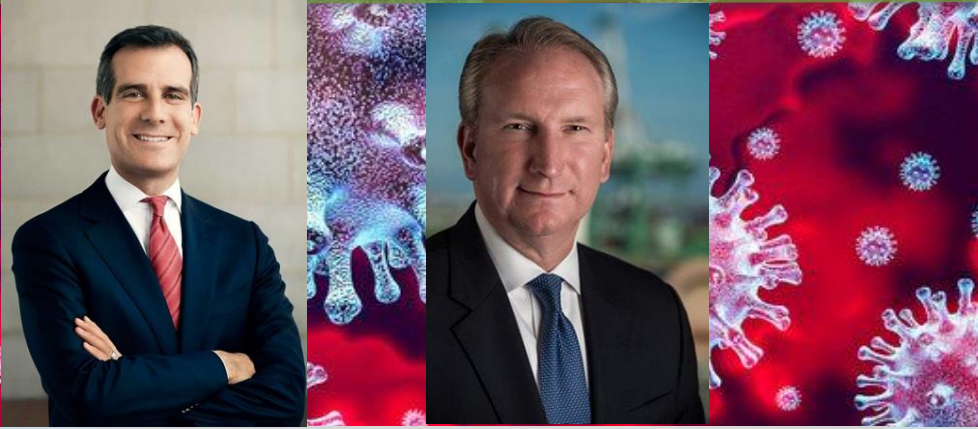
Impact of COVID-19, March 2020

USNS Mercy Arrived Friday, March 27th

- **1,000 Bed Hospital**
- **12-Operating Rooms**
- **Treat Only Non-COVID-19 Patients**
- **Handle Overflow of Acute Trauma Centers**
- **Allows Hospitals to Focus on COVID-19 Patients**



Impact of COVID-19, April 2020



LA Mayor Eric Garcetti Names Port's Executive Director Gene Seroka Chief Logistics Officer

- **Creation of Logistic Victory LA**
- **Coordinated Effort to Link Medical Suppliers with the Medical Community & Organizations in Need**
- **Resource Center to Prevent Competition and Price Gouging**
- **Personal Protective Equipment (PPE)**



Impact of COVID-19, April 2020



Launch LovLA.org Website

- Have Supplies
- Need Supplies
- Donate
- Apple Donates 160,000 Face Shields
- Medical Community Needs
 - N-95 Masks
 - Examination Gloves
 - Isolation Gowns
 - Ventilators, Intrusive & Non-Intrusive
 - IV Drip Apparatus

Impact of COVID-19, April Outlook



Good News

- **Workforce Labor Up 20% & Highest Level in 2-Months**
- **Moving 80-85% of Normal Cargo Capacity**
- **Chinese Production at 50% Capacity, Manufacturing Ramping-Up**
- **Anticipate 10% Uptick in Cargo Volumes**
- **Evacuating Empties & Export Cargos**
- **Continuing to Work with the Entire Supply Chain of Port Stakeholders**
- **Continue Working with the Medical Community**
 - Identify Medical Supplies in Shipments
- **August is Traditionally the Beginning of Peak Season**

Port of Los Angeles



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