



Navigating the World

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U.S. Congestion & Infrastructure Issues



In early 2021, the West Coast was heavily congested due to increased import demand. Though this is still very much the reality for areas like Oakland and Los Angeles, there is now a similar trend building in the Gulf Coast and Southeast ports, as well. Georgia, Charleston, Norfolk, and Houston were no strangers to congestion during the height of the pandemic, but for a time they were a safer bet for shippers to avoid the delays found on the West Coast. As more vessels plan

avoidance of the West Coast, these alternate ports are increasingly experiencing the issues brought on by the global shipping crisis.

West Coast Ports Still Experiencing Massive Congestion:

At present, there are more than 87 ships either docked or waiting to berth in LA alone and 400,000 TEUs sitting on the shores. This congestion has caused major delays and resulted in increased rates. The congestion issue stems from the combined lack of available truckers, congestion at rail hubs, limited chassis, and lack of storage space at warehouses.

Southeast Now Becoming a New Hot Spot:

Considering the West Coast is dealing with what seems to be a never-ending saga of backlog, it only makes sense to route cargo to what “seems” to be less busy ports. However, the U.S. demand for imported goods outmatches the capabilities of the logistics infrastructure in place. As more and more vessels are making their way to Southeast ports such as Savannah, Charleston, and Norfolk, these ports are experiencing the same issues already long plaguing California. Compared to last year, these ports have doubled their dwell times. It is not uncommon for containers to wait over 30 days until an option becomes available for their removal. Lack of space is the main issue, as these ports are not large enough to handle the massive influx in containers. With no space to store containers, vessels are stuck waiting to unload, and a ripple effect comes into play creating massive delays and extreme congestion at every juncture.

Houston More Congested:

As shippers are scrambling to find solutions, more and more ports have fallen prey to the congestion phenomenon. Houston, which recently endured some damage from Tropical Storm Nicholas, is now dealing with the issues seen elsewhere at other overly congested ports. Traditionally the Gulf Coast has been a good back-up option for shippers trying to avoid the West Coast, but recent volume increases have created new problems. Houston is now experiencing extended dwell time and heavily increased delays for delivery.

Why so Much Congestion, Everywhere?

While the Southeast and Gulf Coast are becoming the latest hot spots for congestion, the U.S. continues to suffer at all major ports. The biggest contributors to congestion continue to be poor rail infrastructure, limited trucking sources, chassis shortages, and lack of storage space. Experts agree that this current situation of shortages of chassis, truckers, warehousing, and poor rail performance will continue well into 2022 and beyond. Many experts are now admitting that this is, unfortunately, the new state of shipping.

Rail Issues:

Once cargo arrives in a port, it is crucial that it does not sit in the yard for an extended amount of time, as this space is very valuable and crucial for staging vessels. Often, containers are put on a rail to be delivered more inland, or to be moved to a new staging area. With the dramatic increase in demand, rail hubs are struggling to keep up. Indeed, a significant amount of improved infrastructure is needed to accommodate the volume. Cranes and heavy equipment, for example, are sorely needed but are only slowly being worked on.

Trucking Concerns:



Much like the rails, truckers play an important role in removing containers from ports. Unfortunately, lack of available truckers is one the worst bottlenecks in the industry. Spot rates are skyrocketing, and drivers are sparse. Shippers are often shocked to find that truckers are booked 2-3 months in advance in some of the more congested ports. If service is needed on priority goods, locating an available trucker will almost be impossible and rates will certainly be at a premium.

Current Market Conditions:

See below for the most up-to-date information on delays:



U.S. East Coast Major Concerns:

- NY / NJ: Expect extreme delays
- Savannah: 8 – 11 days dwell time
- Charleston: 5 – 6 days dwell time
- Miami: 5 – 7 days dwell time with heavy CFS backlog

U.S West Coast Major Concerns:

- LA / Long Beach: 12 - 16 days dwell time
- Seattle: 10 - 12 days dwell time
- Oakland: 4 - 6 days dwell time

U.S Gulf Coast Major Concerns:

- New Orleans: 24 hours dwell time
- Houston: 1 – 2 days dwell time

Rail Terminal Major Concerns:

Many major rails are experiencing severe congestion which is backing up terminals leading to limited gate capacity, rail car shortages, and delays.

- Philadelphia: equipment shortages and delays in picks up and deliveries are to be expected
- Charleston: equipment shortages and delays in picks up and deliveries are to be expected
- Chicago: server congestion is to be expected
- BNSF & UP/LAX/LGB: Increased delay time expected; limited gate capacity and reservations available



Equipment Shortages:

The following locations are experiencing continued chassis shortage impacting timelines for both import and export cargo:

- LAX/Long Beach: increased delay time expected, limited chassis
- NY: increased delay time expected, limited chassis
- Philadelphia: increased delay time expected, limited chassis
- Columbus: increased delay time expected, limited chassis
- Atlanta: increased delay time expected, limited chassis
- Nashville: increased delay time expected, limited chassis
- Louisville: increased delay time expected, limited chassis

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In order to serve you to the best of our ability, the Rose team hopes to share the most up-to-date industry-related information available. Our goal is to offer solutions, despite the challenges. For more information on port congestion, trucking and equipment shortages, please visit our [website](#).