



NEWS UPDATE

EAST & GULF PORT STRIKES

INCREASED OPERATIONAL COST

ROSE SOLUTIONS

UPDATES

A major strike by 45,000 dockworkers is scheduled for October 1, 2024, potentially halting cargo at key U.S. East and Gulf Coast ports.

The strike could disrupt 43% of U.S. imports, significantly impacting industries like automotive, pharmaceuticals, and agriculture.

Starting October 11, 2024, CMA CGM will impose a Local Port Charge to cover rising costs during the strike, adding further strain to supply chains.

Rose is prepared to offer proactive solutions, minimizing disruptions and keeping client operations running smoothly.

Airfreight remains unaffected and should be considered the first alternative to avoid delays caused by port disruptions.



SUMMARY

A major strike by 45,000 dockworkers is set to hit U.S. East and Gulf Coast ports on October 1, 2024, following failed negotiations between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX). This could disrupt 43% of U.S. imports. In response, CMA CGM will implement a Local Port Charge starting October 11, 2024, to cover rising operational costs during labor unrest. Rose is prepared to provide solutions to minimize disruptions and keep supply chains moving.

Strike Threat Set to Shut Down U.S. East and Gulf Coast Ports

The U.S. supply chain faces a major disruption as 45,000 dockworkers across the East and Gulf Coasts prepare to strike on October 1, 2024. This action, led by the International Longshoremen's Association (ILA), follows months of failed negotiations with the United States Maritime Alliance (USMX). The ILA is demanding a 77% wage increase over six years and a complete ban on port automation, which they argue threatens their jobs.



CONTINUED

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Major Supply Chain Disruptions Loom for Key Industries

If the strike proceeds, it could paralyze nearly half of America's cargo shipments, with 43% of all U.S. imports passing through these ports. Critical industries such as automotive, pharmaceuticals, and agriculture will be heavily impacted. Shipping delays could lead to shortages of goods, especially if the strike continues beyond a few weeks. Soybeans, meat exports, and other perishables could face serious delays, while consumers might see rising prices and reduced availability of products.

CMA CGM Implements Local Port Charge Amid Labor Unrest

In preparation for these disruptions, CMA CGM will introduce a Local Port Charge (LPC) starting October 11, 2024, which will apply to all shipments through U.S. East and Gulf Coast ports. The LPC is designed to offset rising operational costs during any labor unrest, adding further costs to already strained supply chains. Major ports such as New York, Savannah, and Houston will be affected, potentially slowing the flow of goods even further.

Rose: Delivering Solutions in the Face of Crisis

As this strike looms, Rose remains prepared. Our team is focused on providing proactive solutions, including rerouting shipments, optimizing supply chains, and staying ahead of regulatory changes. While the industry braces for potential chaos, Rose will ensure our clients experience minimal disruption and keep their operations running smoothly. We're committed to being your trusted partner through these challenging times.

ATTENTION

Airfreight services remain unaffected by the potential port strike and related disruptions. To minimize delays and maintain critical supply chain operations, airfreight should be considered as the first alternative for time-sensitive shipments.