

February 24, 2021

President Joseph R. Biden
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear President Biden,

As is being widely reported, one of the great commercial challenges of the on-going pandemic has been actions of ocean container carriers, including declining to carry our export cargo, severely injuring US agriculture, food and forestry product exporters, preventing us from delivering affordably and dependably to international markets. This is a crisis: unless the Shipping Act and other tools available to our government are applied promptly, agriculture industries will continue to suffer great financial losses; these carrier practices will render US agriculture noncompetitive for years to come.

According to their own public reports, the ocean carriers are enjoying their most profitable period in decades by controlling capacity and charging unprecedented freight rates, imposing draconian fees on our exporters and importers, and frequently refusing to carry U.S. agricultural exports.

These refusals and charges by the ocean carriers dramatically increase costs to our exporters, making foreign sales inefficient and uneconomical, rendering farmers and processors (for the first time), unreliable suppliers to the global supply chain. The international ocean container carriers which carry over 99% of our foreign commerce, are headquartered overseas - perhaps unaware of the injury their actions are causing to the US economy, as they profit from the pandemic.

The situation is so egregious that the Federal Maritime Commission (FMC) last year issued a Rule setting forth guidelines as to what would be reasonable carrier practices – however, none have been implemented by the carriers, deepening the crisis. While the FMC is undertaking further efforts to gain compliance, the damage being done to our agriculture and forest products industries is severe, increasing, and with lost foreign markets, may be irreversible.

The Shipping Act provides the FMC with the authority to prohibit unreasonable, unjust practices, and “to promote the growth and development of US exports through competitive and efficient ocean transportation...”. Given the urgency of this situation in commerce, we ask that these tools and any others available to our government be immediately applied to stem the current ocean carrier practices that are so damaging our agriculture exports.

Sincerely,

1. Agriculture Transportation Coalition
2. African-American Farmers of California
3. Agricultural & Food Transporters Conference of ATA (American Trucking Association)
4. Almond Alliance of California
5. American Farm Bureau Federation
6. American Feed Industry Association
7. American Forest & Paper Association

8. American Potato Trade Alliance
9. American Pulse Association
10. American Seed Trade Association
11. California Cotton Ginners and Growers Association
12. California Farm Bureau Federation
13. California Fresh Fruit Association
14. California Prune Board
15. California Rice Commission
16. California Walnut Commission
17. Cascade Shippers Association
18. Colorado Corn Growers Association
19. Consumer Brands Association
20. Corn Refiners Association
21. Dairy Farmers of America
22. DairyAmerica Inc.
23. Harbor Trucking Association
24. Hardwood Federation
25. Idaho Potato Commission
26. Intermodal Motor Carriers Conference of ATA
27. International Association of Refrigerated Warehouses
28. International Dairy Foods Association
29. Leather and Hide Council of America
30. Meat Import Council of America
31. National Association of Egg Farmers
32. National Chicken Council
33. National Cotton Council
34. National Council of Farmer Cooperatives
35. National Fisheries Institute
36. National Hay Association
37. National Milk Producers Federation
38. National Onion Association
39. National Pork Producers Council
40. National Turkey Federation
41. Nisei Farmers League
42. North American Meat Institute
43. North American Renderers Association
44. North Dakota Grain Growers Association
45. Oregon Potato Commission
46. Oregon Seed Association
47. Pacific Coast Council of Customs Brokers & Freight Forwarders Associations
48. Pacific Northwest Asia Shippers Association
49. Pet Food Institute
50. Potato Growers of Michigan, Inc.
51. Potato Growers of Washington, Inc.
52. Produce Marketing Association
53. Specialty Crop Trade Council
54. Specialty Soya & Grains Alliance
55. U.S. Apple Association
56. U.S. Dairy Export Council
57. U.S. Meat Export Federation

58. U.S. Pea and Lentil Trade Association
59. United Fresh Produce Association
60. United States Cattlemen's Association
61. US Forage Export Council
62. USA Dry Pea and Lentil Council
63. USA Poultry & Egg Export Council
64. USA Rice
65. Washington Farm Bureau
66. Washington State Hay Growers Association
67. Washington State Potato Commission
68. Western Agricultural Processors Association
69. Western Growers Association
70. Wine and Spirits Shippers Association
71. Wisconsin Potato & Vegetable Growers Association

CC: Secretary, U.S. Department of Agriculture, Tom Vilsack
Secretary, U.S. Department of Transportation, Peter Buttigieg
Chair, Council of Economic Advisors, Cecilia Rouse
Chair, Federal Maritime Commission Michael Khouri