



Re: Docket No. 22-19, Request for Information

The Consumer Brands Association champions the industry whose products Americans depend on every day, representing more than 1,700 iconic brands. From household and personal care to food and beverage products, the consumer packaged goods industry plays a vital role in powering the U.S. economy, contributing \$2 trillion to U.S. gross domestic product and supporting more than 20 million American jobs. The CPG Industry accounts for one-fifth of all freight shipping in the country. Consumer Brands appreciates the opportunity to provide comments to The Federal Maritime Commission on the benefits of issuing an emergency order requiring data sharing.

The consumer packaged goods industry is a major user of all freight models, including maritime shipping, for both import and export. Consumer Brands sees an opportunity for the government to further the development of supply chain and data sharing systems that would benefit all parties through industry-led and collaborative efforts. CBA believes that data sharing opportunities are greatest when there are clear and present benefits to all participating parties.

Data sharing is critical to advancing frictionless supply chains and the efficient movement of goods and services globally. In fact, data sharing may represent the greatest opportunity to drive additional efficiencies while maximizing resiliency and ensuring enhanced visibility across supply chains. This supply chain-wide visibility is noticeably lacking today, necessitating manual workarounds and negatively impacting manufacturers, shippers, logistics companies and consumers who are beholden to outdated systems and legacy processes.

Convening private sector supply chain stakeholders to encourage data sharing and to develop data and operational process standards is an important role for government to play. Consumer Brands has been encouraged by the work and previous recommendations of the Federal Maritime Commission, as well as the U.S. Department of Transportation's recently launched Freight Logistics Optimization Works (FLOW) initiative. Efforts to promote data sharing and build toward the development of a true "National Freight Data Portal" should build upon current initiatives, taking a long-term view to what's possible. Done correctly, Consumer Brands envisions such a national freight data portal and secure information exchange as *transformational* to U.S. supply chain competitiveness and resiliency.

Critically, government must endeavor to build buy-in and trust from supply chain stakeholders who are committed to data sharing. Temporary mandates to share data may demonstrate the potential of a national freight data portal, but private sector participants may be more willing to participate if they understand the mutual benefits and how their participation will enable future operational efficiencies. Moreover, if the benefits of data sharing are clear enough to justify a temporary mandate, rolling back requirements to share data after a period of elapsed time does not make sense – the new benefits should be preserved. Therefore, Consumer Brands believes in a strategic, coordinated effort across government agencies to build toward a national portal.



We envision that such a portal would also present multiple opportunities and use cases, especially if it's undergirded by a rigorous standards development process and functions as a secure exchange that can be utilized in different ways by various supply chain stakeholders depending on their needs.

Congestion and supply chain issues precipitated by the pandemic and record-breaking consumer demand demonstrated early the need for new and innovative supply chain solutions and government action to ensure we have a more resilient, efficient and competitive supply chain. This congestion, high levels of demand and declining maritime and port performance negatively impacts manufacturers who make the products that U.S. consumers rely and depend on every day. The lack of adequate information sharing has contributed to an emergency that is adversely affecting the CPG industry and the efficient movement of freight, thus impeding the ability to maintain a frictionless supply chain.

Further, ocean transportation congestion is causing severe delays to U.S. exporters, with U.S. export "door to port" transit times still well below pre-pandemic levels. This is in part due to inadequate visibility to the continually shifting vessel receiving windows and lack of containers at inland container depots. Exports being loaded in Midwest rail yards and inland container depots, where rail congestion is also contributing to the crisis, are most impacted. To overcome the delays, exporters are contracting with new warehouses on the east and west coasts near the ocean terminals. This shift has increased export distribution costs by up to 63% in some lanes. The severity of these delays is forcing global customers to source from alternative suppliers, threatening U.S. market share. The adverse effects of this crisis on long-term U.S. manufacturing output may become irreversible if swift action is not taken. Exporters need better visibility to potential window changes from ocean carriers to better prepare for shifts in the equipment allocated to each confirmed ocean booking.

Accelerating data sharing efforts and supporting collaborative, industry-led initiatives should be central to any potential emergency order issued by the Commission, rather than mandating a narrower, time-bound scope of action. If specific data elements are identified through consultation with private sector stakeholders as being particularly beneficial to short-term efficiency creation or addressing current congestion levels and lack of capacity, those should be prioritized and socialized with the broader supply chain community. In this regard, it is also critical to understand what requests and processes are already being supported through the Biden administration's Supply Chain Disruptions Task Force as well as FLOW.

Data sharing mandates, if any, should be drafted carefully based on this review and with an eye toward whether there are more collaborative, longer-term solutions that would accomplish the same or better outcome. Consumer Brands appreciates the opportunity to supply the Commission with input on supply chain data sharing initiatives. The consumer packaged goods industry believes strongly in the potential opportunities afforded through data sharing and we encourage the federal government to adopt a strategic mindset and long-term vision to foster collaboration and industry support. A national freight data portal and its underlying data



standards, processes and secure systems has the potential to dramatically strengthen supply chains and provide a foundation for transformational change. Consumer Brands envisions this data architecture and portal as the digital infrastructure underpinning the whole of U.S. supply chain competitiveness and resiliency for decades to come. We support any efforts from the Commission, the Department of Transportation or other government agencies to build toward this vision. Realizing the potential of data sharing efforts will require cooperation not only amongst the private sector, but within government as well, building toward a truly collaborative and mutually beneficial system.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom", with a long horizontal flourish extending to the right.

Tom Madrecki
Vice President, Supply Chain and
Logistics
Consumer Brands Association