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Director  
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Mr. William Cody  
Secretary  
Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, DC 20573

**RE: Docket No. 22-19, Request for Information; whether congestion of the carriage of goods has created an emergency situation causing a substantial, adverse effect on the competitiveness and reliability of the international ocean transportation supply system.**

The National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing 14,000 manufacturers in every industrial sector and in all 50 states, respectfully submits this submission for consideration by the Federal Maritime Commission (FMC) concerning Docket No. 22 – 19, whether congestion of the carriage of goods has created an emergency situation causing substantial, adverse effect on the competitiveness and reliability of the international ocean transportation supply system. The NAM appreciates the opportunity to provide input to the agency as it considers a potential emergency declaration on data sharing and subsequent related actions.

Over the past two and a half years, manufacturers in America have devoted significant time and resources to mitigating a variety of historic transportation supply chain challenges. In response to these unprecedented difficulties, ranging from unreliable delays and delivery schedules to historically high shipping cost increases, manufacturers have improved innovative business practices, reorganized logistical plans and adapted operational strategies to achieve growth and economic sustainability. Manufacturers have continued to provide American consumers and international trading partners with the essential goods and products necessary for economic prosperity. Efforts led by the FMC and other federal agencies focused on increasing efficiency in the ocean shipping environment are appreciated by manufacturers. Through the ongoing implementation of the Ocean Shipping Reform Act (OSRA) of 2022 and independent actions related to data sharing and pandemic impact investigations, the FMC has advanced significant policies and solutions to support a more balanced ocean shipping system at U.S. ports. Recent market data indicates that initial progress in these efforts is leading to results, including but not limited to the re-establishment of pre-pandemic norms in ocean shipping and its ancillary services. Manufacturers support these efforts and believe more FMC actions could be warranted. However, overly prescriptive approaches that could hinder ongoing market-driven solutions should be discouraged and avoided.

As the agency considers issuing an emergency declaration to respond to the current situation at U.S. ports and addressing the broader need to share data among shipping partners, manufacturers request that the FMC consider the competitive landscape of ocean shipping, reliable and synchronized data metrics and factors affecting flexibility of goods movement. Data sharing can be a pillar of successful federal engagement in existing market parameters, with a focus on voluntary contribution and coordination with industry partners. As has been found

through the initial reporting from the administration's Freight Logistics Optimization Works (FLOW) initiative, encouraging business partners to establish trust and reliability via advanced data sharing can improve efficient logistical planning and operations. Additionally, coordination with private sector entities engaged in ocean shipping and surface supply chain industries, as the FMC has pursued through the agency's own series of listening sessions and external outreach, can provide the necessary input for both realistic implementation goals and insight regarding potential challenges.

Service in the ocean shipping market has unquestionably been affected as global forces reacted to pandemic-related shutdowns, slowdowns and workforce impacts. Costs to move goods via ocean freight have exponentially increased, and while recent price points have shown a decline in the immediate term, baseline prices remain at historic highs. A range of factors contributed to the bottlenecks shippers experienced at major American ports over the past two and a half years, including an underutilization of existing infrastructure through preferential port selection by ocean carriers and selective omission of available port options as a response to scheduling demands. Flexibility for shippers to collaborate with ocean carriers on best practices to improve broader logistical networks would offer significant advantages for the entire shipping supply chain. Should the agency conclude an emergency situation exists in the ocean shipping marketplace, the NAM requests that these factors and others affecting operational chokepoints be considered in any resulting emergency order.

Data sharing among industry partners can lead to streamlined operations and decreased shipping and container dwell times, but only if appropriately verified and standardized to maximize effective utilization. The inefficiency that has plagued the ocean shipping industry for the past two years is directly connected to factors such as the unreliability of shipping schedules, available bookings and equipment access, among additional elements required for successful strategic planning and response in an ever-shifting ocean shipping marketplace. In order to attain the greatest benefit from mutual data usage, shippers and their shipping partners must obtain appropriate metrics necessary to improve existing data gaps. As the FMC considers applicable steps to potentially develop a temporary data sharing order, ensuring uniformity in reporting requirements and data points will lead to the most broad-based benefit and eliminate extraneous data collation from those entities developing new practices. Improving data sharing efforts through industry-driven collaboration and uniform practices would provide greater opportunity to improve long-term operations without negative complications resulting from a potentially prescriptive mandate.

A number of U.S. ports have recently updated their own guidelines and practices in response to ongoing delays, including recent actions by some to freeze available shipping windows over specific lengths of time. By ensuring a flexible but reliable scheduling window, these ports offer significant improvements for various parties in the shipping supply chain to plan and respond to the uncertainty afforded under current circumstances. Many ocean freight partners have altered additional business practices to improve systematic efficiencies in response to enhanced consumer demand and increased dwell times and overall costs. Collectively, the entities operating at U.S. ports, from ship to shore, are aligning in innovative practices for broader benefit as an outgrowth to market shifts and challenges over recent months. Any further agency action to impact port practices, carrier and shipper communications or mandates related to a potential emergency order should not conflict with the productive solutions that have been introduced in recent months, nor discourage the ongoing market-driven dialogue now occurring as part of collective efforts to advance innovative practices.

Manufacturers were actively engaged in advocating for the passage of OSRA and have supported the FMC's efforts to quickly and judiciously implement the law's provisions. As authorized under Section 18 of the bill, the Request for Information for which this submission is offered, allows the FMC to enact an emergency order for no more than 60 days, followed by a potential extension with unanimous Commission approval. Should the agency advance that order, it remains worth considering whether subsequent actions may improve port and shipping operations on a long-term basis rather than a short two-month window. If a data sharing order is propagated and produces positive results, the NAM would encourage further consideration of extended enactment following requisite industry input.

Manufacturers appreciate the FMC's focus on reviewing current market conditions in ocean shipping and developing reasonable and measured actions to stabilize ongoing conditions by making critical improvements. In considering an emergency order related to data sharing among industry partners, by focusing on the issues described in this comment from strengthening data reliability and standardization to improving service and encouraging a competitive ocean shipping industry to serve manufacturers in the U.S., potential agency action would benefit all parties in the ocean shipping supply chain. The NAM looks forward to continuing to work with the FMC as this deliberation and any subsequent resulting order may be issued.

***Submitted electronically by:***

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