



Possible strikes at US ports on the East and Gulf coasts

From October 2024

Dear customers,

We do have some updates available for you on the **possible strike action at the US East and Gulf Coast ports.**

As previously informed, the International Longshoremen's Association (ILA), which represents 45,000 employees, is preparing for **work stoppages from 1 October 2024** if a new collective agreement is not signed by 30 September 2024. The ILA is seeking a wage increase of almost 80 %. Automation concerns are a primary driver of the ILA's demands. The union fears that increased automation could lead to job losses and changes in working conditions.

The duration of a possible strike and which ports will be affected have not yet been determined.

Possible impact:

- The ongoing labor dispute between the ILA and USMX poses a significant threat to global supply chains. A strike could result in widespread disruptions, delays, and increased costs for businesses worldwide. Shipping lines have already announced port surcharges for shipments to the US-East Coast.
- While companies are actively working to mitigate the potential impact of a strike, such as rerouting shipments or seeking alternative transportation options, the consequences could be severe if the strike occurs.
- This is a complex situation involving multiple stakeholders, including the ILA, USMX, shipping companies, and governments. The outcome of the negotiations will have far-reaching implications for the global maritime industry.

We are closely monitoring the situation and will provide updates as they become available. Our teams can advise you on alternative routes or modes of transport, e.g. transporting your shipments by air freight, in order to minimize the impact on your supply chains.

Best regards,
a. hartrodt Deutschland (GmbH & Co) KG

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