

April 27, 2021

The Honorable Pete Buttigieg
United States Secretary of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Buttigieg:

We are concerned with challenges imposed by vessel-operating common carriers (VOCCs), who are declining to ship U.S. agricultural commodity exports from U.S. ports, and imposing hundreds of millions of dollars of punitive charges already determined to be unreasonable by the Federal Maritime Commission. The burden on hardworking exporters, manufacturers, farmers, ranchers and our rural communities is overwhelming. We urge the Department of Transportation to utilize all existing authorities to remedy the challenges experienced by U.S. agricultural exporters.

The last three decades in the ocean shipping industry have brought consolidation to a sector that once had dozens of carriers. A result of that consolidation is complete reliance on less than a dozen foreign carriers to deliver our agricultural products overseas. The tenuous nature of this arrangement is evident as VOCCs are delivering massive volumes of imported shipments to U.S. ports and then electing to leave without refilling empty containers with American goods and products.

Whereas shipping containers filled with imported goods are normally unloaded, sent to rural areas, filled with agricultural commodities and then shipped abroad, the lucrative freight rates paid by the import cargo, combined with congestion and delay at ports on our West and East Coasts are leading VOCCs to immediately return empty containers to their overseas ports of origin. The situation is exacerbated by carriers' failure to provide accurate notice to our exporters of arrival/departure and cargo loading times, and then imposing draconian financial penalties on the exporters for "missing" those loading windows – a practice that the FMC has found to be unreasonable.

Foreign markets are critical to American farmers and ranchers with more than 20 percent of agricultural production going abroad. It is cost prohibitive for producers to rework the supply chain and find alternative means of fulfilling their overseas contracts. This impossibility coupled with significant pricing increases explains estimates of nearly \$1.5 billion in lost agriculture exports. These losses come on the heels of trade conflict and pandemic that have wiped away markets globally. The mounting frustration of U.S. agriculture explains why a vast array of food and agriculture associations supported the Federal Maritime Commission's investigation Fact Finding No. 29, "International Ocean Transportation Supply Chain Engagement", to address VOCCs predatory or unreasonable behavior, and its Rule setting forth guidelines for Detention and Demurrage.

We need action now; not additional studies. We ask the Department of Transportation to assist the Commission in expediting its enforcement options. Additionally, we urge the Department of Transportation to consider its existing authorities to determine how it can assist with the transportation needs of the U.S. exporters and the farmers and ranchers they serve, in overcoming the current challenges in shipping goods and products. Thank you for your attention to this urgent matter and for considering our views.

CC: Secretary, U.S. Department of Agriculture, Tom Vilsack

Maria Cantwell, Chair, Senate Committee on Commerce, Science and Transportation
Roger Wicker, Ranking Member
Gary Peters, Chair, Subcommittee on Surface Transportation, Maritime, Freight & Ports
Deb Fischer, Ranking Member

Peter DeFazio, Chair, House Transportation & Infrastructure Committee
Sam Graves, Ranking Member
Salud Carbajal, Chair, Subcommittee on Coast Guard & Maritime Transportation
Bob Gibbs, Ranking Member

Sincerely,

Agriculture Transportation Coalition
AddTran Logistics, Inc.
Aden Brook Agri Sales USA, Inc.
ADM
Ag West
Agri Green Ent.
Agri-Mark, Inc.
AgriBilt Building Systems
Agricultural & Food Transporters Conference of ATA
Allbright Cotton
Allports Forwarding Inc.
Almond Alliance of California
American Bakers Association
American Cotton Shippers Association
American Dairy Products Institute
American Farm Bureau Federation
American Feed Industry Association
American Forest & Paper Association
American Log Exporters Coalition
American Pulse Association
American Seed Trade Association
American Sheep Industry Association
Andersen & Sons Shelling
Anderson Hay and Grain
Anderson Northwest LLC
Bains Farming, LP
Bartelson Transport
Beecher Lane Walnut, Inc.
BelGioioso Cheese, Inc.
Bell Bacon Farms
Blue Sun Farms, Inc.
Border Valley Trading

BOSSCO Trading LLC
Brandt Farms, Inc.
C K International, Ltd.
Calaway Trading, Inc.
California Citrus Mutual
California Cotton Ginners and Growers Association
California Dairies, Inc.
California Farm Bureau Federation
California Fresh Fruit Association
California League of Food Producers
California Prune Board
California Table Grape Commission
California Walnut Commission
Capay Canyon Ranch
Carriere Family Farms
Cascade Foothills Farmland Association
Cascade Organic Farms
Cascade Organic Flour
Cascade Shippers Association
Castle Shipping Lines, Inc
Central Washington Railroad
Chairman Madera County Board of Supervisors
Charles T. Creech Inc.
ClearFreight
Clemens Food Group
Columbia Basin Railroad
Columbia River Customs Brokers and Forwarders Association
Consumer Brands Association
Corn Refiners Association
Cotton Warehouse Association of America
Crain Marketing, Inc.
Creekside Farming Co.
Crest Container Lines Inc.
Croll Farms
Customs Brokers & International Freight Forwarders Association of Washington State
Customs Brokers and Forwarders Association of Northern California
D&C Distributors
D&D Ag Services LLC.
Dairy Farmers of America
DairyAmerica
Dale Packing, Inc
Darigold
Dart Hay
Davis Hay & Straw
Dayka & Hackett LLC
Derco Foods
Diamond Foods, LLC
Distilled Spirits Council of the United States

DLF Pickseed
Dunlea Farms Ltd
Eckenberg Farms Inc.
EFI Logistic Inc.
Eight Star Commodities
El Toro Export, LLC
El Toro Land and Cattle Company
Excel International, LLC
Farmers' Rice Cooperative
Firehorse Farms
Foodlinx, Inc.
Forage Export Transport Company
Forage Exporter and Diamond E Transport
Foraznor International, Inc.
Freeburg Hay LLC
Fresno County Farm Bureau
GFI Hay Processing
Gold Dust Potato Processors, Inc.
Golden Valley Farms
Grain Millers Inc.
Grassland Dairy Products, INC.
Greenfield LLC
Griffin Seed International LLC
Grove Services
Grower Direct Nut Company
Hajny Trading
Hardwood Federation
Hay Day Farms of Arizona LLC
Hay Day Farms of California LLC
Hazelnut Growers of Oregon
Heidel Hollow Farm, Inc.
High Desert Milk
Horizon Nut Company
Hughson Nut
Hulbert Farms, Inc.
Idaho Potato Commission
Idaho Pulse Crops Commission
Idaho-Oregon Fruit and Vegetable Association
IMC InterMarket Co. Inc.
Infinity Intermodal
Inland Empire Milling Co., Inc.
Institute of Shortening and Edible Oils
International Dairy Foods Association
International Express, LLC
International Ingredient Corporation
J.C. Janssen Farm
James Farrell & Co.
Jasmine Vineyards

JBF Distribution
Kevin Fox Farms
Kingsburg Orchards
Kintetsu World Express
L&M
Land O'Lakes Inc.
Larsen Hay
Leather & Hide Council of America
Leprino Foods Company
Lindsey Forwarders, Inc.
Los Angeles Customs Brokers and Freight Forwarders Association
Lyons Cotton, Inc.
MacMillan-Piper
Madera County Farm Bureau
Mariani Nut Company
Markarian Family LP
Marner Hay & Cattle Co.
Maryland & Virginia Milk Producers Cooperative Association
MCT Dairies, Inc.
Meat Import Council of America
MetaFoods LLC
Michigan Milk Producers Association
MidWay Straw Company LLC
Milk Specialties Global
Mohawk Trading Co., Inc.
Montana Pulse Crops Committee
Monterey County Farm Bureau
Multi Fruit USA
National Aquaculture Association
National Association of Egg Farmers
National Association of State Departments of Agriculture
National Beef Packing Company
National Chicken Council
National Cotton Council
National Council of Farmer Cooperatives
National Fisheries Institute
National Milk Producers Federation
National Oilseed Processors Association
National Onion Association
National Pork Producers Council
National Raisin Company
National Sorghum Producers
National Turkey Federation
Neigel Vintners LLC
Norseman Inc.
North American Blueberry Council
North American Meat Institute
North American Millers' Association

North American Renderers Association
North Dakota Dry Pea and Lentil Council
North Dakota Grain Growers Association
Northeast Dairy Farmers Cooperatives
Northern California District Export Council
Northern Pulse Growers Association
Northpoint Logistic
Northwest Horticultural Council
Nugget International Inc.
Number 9 Hay Trading Co. LLC
NuPhY, Inc.
O-AT-KA Milk Products Cooperative, Inc.
OBI Seafoods, LLC
Ohio Dairy Producers Association
OL-USA
Olam Cotton
Olive Glen Orchards
Ontario Dehy Inc.
Oregon Hay
Oxbow Animal Health
P-R Farms, Inc.
Pacific Northwest Asia Shippers Association
Pacific Soybean & Grain
Pacific Valley Foods, Inc.
Pandol Bros., Inc.
Paul Price Farms
Pearl Crop
Pet Food Institute
PolyExcel
Poppelreiter Farms
Produce Marketing Association
Proteus Commodities Inc.
Puris
Purnell Farms
Quality Trading Company, LLC
Randi B Farms
Ray-Mont Logistics America Inc
RB International
Rural & Agriculture Council of America
S.A. International, Inc.
Sacramento Packing, Inc.
Sage Hill NW
Salida Valley Ranch
San Diego Customs Brokers Association
Sartori Company
SB&B Foods, LLC
ShoEi Foods USA, Inc.
Skagit Seed Services, Inc.

Smith Seed Services
South Dakota Pulse Growers Assn.
Southeast Milk, Inc
Southwest Council of Agribusiness
Specialty Soya & Grains Alliance
Standlee Premium Western Forage
Steffen Hay Inc.
Stevens Hay Exports
Stewart & Jasper Marketing, Inc.
Stutzman Farms Inc.
SunnyGem LLC.
Sunrise Acres Egg Farm
Sunrise Trading
Sunsweet
Superior Farms
TenCate Geosynthetics Americas
Terra Nova Trading, Inc.
TGS Logistics
The Calaway Group of Companies
The Fertilizer Institute
The Gavilon Group, LLC
The Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc.
The Propeller Club of Northern California
Toyo Cotton Company
Triple I Press
TTS - Worldwide
Turley Cotton Co., Inc.
Tyson Foods, Inc.
U.S. Dairy Export Council
U.S. Forage Export Council
U.S. Meat Export Federation
U.S. Pea & Lentil Trade Association
U.S. Shippers Association
United Egg Producers
United States Egg Marketers, Inc.
Upstate Niagara Cooperative, Inc.
US Apple Export Council
US Nisshin Shokai
USA Dry Pea and Lentil Council
USA Poultry & Egg Export Council
USA Rice
Valley View Foods, Inc.
Valley Worldwide Logistics Solutions
Ward Rugh, Inc.
Warkentin Farms LLC
Washington Grain Commission
Washington Pulse Crops Commission
Washington State Potato Commission

Washington State Short Line Railroad Coalition
Washington State Tree Fruit Association
WeFARM Organics
Western Ag Enterprises, Inc.
Western Agricultural Processors Association
Western Growers Association
Western Nut Company
Western Pulse Growers Association
Whitby Ag Enterprises, LLC
Wilbur-Ellis Nutrition
Windrow Baling Products Inc.
Woodlyn Acres Farm, LLC
Zeeland Farm Services, Inc.
Zen-Noh Hay, Inc
ZFS Creston, LLC
ZFS Ithaca, LLC
5 Rivers Ag.
5G Rice Partnership