

September 13, 2024

The Honorable Joseph R. Biden President The White House 1600 Pennsylvania Ave NW Washington, DC 20500

Dear President Biden,

On behalf of the American Forest & Paper Association (AF&PA), I am writing to you to express urgent concern and to request your immediate assistance regarding negotiations between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX) on a new labor contract at our country's East and Gulf Coast Ports. The current six-year contract that covers all maritime container ports along the East and Gulf coasts will expire on September 30, 2024. While AF&PA is not taking a position on the provisions being negotiated, it is our understanding that the parties remain far apart as the deadline quickly approaches. Failure to reach an agreement will lead to a strike at all 36 ports, many of which are critical to more than \$5 billion in U.S. paper and forest products industry exports.

The American Forest & Paper Association serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and recyclable resources, generate renewable bioenergy and are committed to continuous improvement through the industry's sustainability initiative — <u>Better Practices</u>, <u>Better Planet 2030: Sustainable Products for a Sustainable Future</u>. The forest products industry accounts for approximately 5% of the total U.S. manufacturing GDP, manufactures about \$350 billion in products annually and employs about 925,000 people. The industry meets a payroll of about \$65 billion annually and is among the top 10 manufacturing sector employers in 43 states.

Additionally, our membership consists of a wide range of companies that rely on our nation's ports every single day for continuity of operations, exporting millions of tons of products from the very ports that could be shut down on October 1st. For example, in 2023, our industry exported over 5 million tons of products valued at over \$3 billion out of the Port of Savannah, GA, over 4.3 million tons valued at over \$1.2 billion out of the Port of Norfolk, VA, and over 3.7 million tons valued at over \$880 million out of the Port of Charleston, SC. Even a single day shutdown would cost millions and disrupt the supply chains of our member companies by multiple days. After only a few days of a shutdown, the ripple effects will require our companies to start making extremely difficult decisions concerning mill operations. If there is nowhere to send our products and no available rail, truck, or chassis capacity to carry them, our facilities are left with few choices.



We appreciate The Administration's focus on our nation's supply chains including your help bringing resolution to the West Coast port negotiations last year. We once again need your help to avoid a strike at all East and Gulf Coast ports so that U.S. consumers have products on store shelves this fall, and our members can continue to serve their global customers.

This is a critical issue for the U.S. forest products industry and so many other industries in our nation that rely on these ports. It is crucial that your Administration steps in to get the ILA and USMX back to the negotiating table and avoid any sort of port shutdown come October 1st. Please reach out to <u>David Ross@afandpa.org</u> with any questions and as always, we appreciate your consideration and support for American manufacturing.

Sincerely,

Heid Brock

Heidi Brock President and CEO American Forest & Paper Association

CC: The Honorable Kamala Harris Vice President

The Honorable Mike Johnson Speaker – U.S. House of Representatives

The Honorable Charles Schumer Majority Leader – U.S. Senate

The Honorable Mitch McConnell Minority Leader – U.S. Senate The Honorable Hakeem Jeffries Minority Leader – U.S. House of Representatives

The Honorable Tom Vilsack Secretary of Agriculture

The Honorable Gina Raimondo Secretary of Commerce

The Honorable Julie A. Su Acting Secretary of Labor

The Honorable Pete Buttigieg Secretary of Transportation