

Date December 11th, 2024

## **Subject Customer Advisory: US East and Gulf Coast Port Labor Dispute**

Dear Customer,

We are closely monitoring the market situation in the **United States** and would like to provide you with an update regarding potential work stoppages at the East and Gulf Coast ports on January 15th.

The status of contract talks between the USMX and the ILA is that an agreement was reached on October 3rd that ended the strike. However, this did not result in a new contract as both parties agreed in principle to salary terms, but not all issues were resolved. The existing contract was then extended until January 15th with the understanding that negotiations would resume to resolve the remaining issues.

Following the US elections during the first week of November the ILA and USMX resumed negotiations on a new contract however, negotiations broke down over differences on automation. At this time, it is not known when negotiations will resume.

If an agreement is not reached before January 15<sup>th</sup>, it is possible that another work stoppage could occur. We encourage the following proactive measures to help minimize the potential impact of a service disruption:

- 1. **Frontloading**: Consider building up inventory in advance of January 15<sup>th</sup> to avoid stock-out situations.
- Route via the US West Coast: Explore alternate routings to the USWC if it makes sense for your trade lane. Shipments can be onforwarded via rail or transloaded to the intended destination.
- 3. **Ensure containers are not left on the terminal:** As the deadline approaches, DHL operations teams will be working with our customers to expedite the pickup of containers from terminals ahead of the strike. Additionally, we will be coordinating export containers to avoid unnecessary charges wherever possible.

To ensure full visibility of your shipments during this period, we encourage you to utilize **myDHLi**, our digital platform that offers real-time cargo tracking and efficient booking management.

If you have any questions, please contact your local DHL Global Forwarding Sales or Customer Service representative. We appreciate your continued partnership and understanding during this time.

Kind regards
DHL Global Forwarding

\*Ocean freight exporting the U.S. is performed by Danzas Corporation d/b/a DHL Global Forwarding, a licensed NVOCC operating under license #000315. All other ocean freight services are performed by Danmar Lines AG d/b/a DHL Global Forwarding, a foreign registered NVOCC operating under organization #028623