August 2024 - Info Expeditor

What's New? **CBFANC President's Letter** <u>CBFANC President's Letter</u> **ILA-USMX** Contract Negotiations Update Oakland Maritime Access, Sustainability and Trade <u>Cybersecurity Point of</u> Contact - a blurb from CBP • FDA Product Code Workshop & FDA Food Safety Program Update Mentorship | Internship -**Opportunity** 2024 Steamship Night -FRIDAY September 20, 2024 WESCCON 2024 - Agenda Released and Keynote Speakers Announced! Education Committee (Evey Hwang and Sarah As the President of CBFANC I have some institutional Stroth) A Special Opportunity to Serve Your Port and Trade **Community** Save the Date! Holiday Happy Hour & Annual Meeting CBFANC Needs YOU! CBFANC Social Media **CBFANC Social Media** Please connect with us!

From the brief summary above it looks like Kamala Harris is unstoppable, but is she? I think the race will be close and still not clear who will win the electoral college, the only thing that matters for the office of the president.

Those of you that watched both Republican & Democrat nominating conventions, probably was scratching your head about what matters to us, the trade policy. To that, Donald Trump has doubled down for more of the same trade war with China. Or perhaps more like friend and foe alike as far as a flat tariff of 15% was proposed.

For Kamala Harris, there was a sliver of trade policy mentioned during her nomination acceptance speech and it went like this. https://youtu.be/Spnt Epepdo? si=154fN3IlaURIQ4Pc

21:51 – "prices on middle class families by almost \$4,000 a year. Well instead of a Trump tax hike, we will pass a middle class tax cut that will benefit more than 100 million".

Sung Wook (John) Lee, SW Logistics, CBFANC President



Sung Wook (John) Lee, SW Logistics, CBFANC President

knowledge of the democratic Presidential Candidate Kamala Harris. And by that, I mean for the last 10-20 years, Kamala Harris has cut her teeth here in San Francisco Bay Area as an Assistant District Attorney of Alameda County (unelected position), and in 2003 was elected to the District Attorney office of San Francisco county 2004-2011 beating out a progressive candidate Terrance Hallinan. From there she ran for the Attorney General for State of California and won that office easily and ran that office between 2011-2017. When Senator Barbara Boxer decided to not seek re-election, she ran for the US Senate and occupied that office from 2017-2021. As a sitting Senator, she was selected by Joe Biden as the VP and won against Donald Trump and now in 2024 is running for President of the United States.

Events Around the Bay

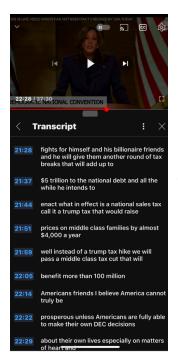
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- P.A.E.I Professional Association of Exporters and Importers
- www.paei.org.
- OWIT NC Organization of Women in International Trade Check website for updates

- <u>Monterey Bay</u> <u>International Trade</u> <u>Association (MBITA)</u> -Monterey Bay International Trade Association Check Website for updates
 <u>Norcal W.T.C.</u> - The Northern CaliforniaWorld
 - Trade Center Check Website for updates • <u>PTA.</u> - Pacific
- Transportation Association Check Website for updates



Let me know if this is how you read it, but to me Kamala Harris intends to lower tariffs and what that exactly will be proposed and become policy is unknown, but in my July 2024 Presidents Letter, mentioned a NBER study that referred to similar dollar figures of approx. \$3500 per family that will affect the 'most needy in our community' as far as more tariffs are concerned.

Will it mean that De-Minimis will be fully authorized? I will have to give this more weight now, and e-commerce will get their way and will be very hard to steer a new course from here.

Well, you heard it from me, and will keep you updated on policy

all the news that affects trade & policy.

ILA-USMX Contract Negotiations Update

Peter Friedmann, OurManInDC, PCC, AGTC



Peter Friedmann, OurManInDC

Will Longshore Work Continue at Atlantic, Gulf and Great Lakes Ports? ILA-USMX Contract Negotiations Update

> Peter Friedmann OurManInDC@FederalRelations.com

> > August 30, 2024

The current longshore contract covering virtually all ports on the Gulf and Atlantic coasts as well as the Great Lakes, expires September 30. The International Longshoremen's Association **(ILA)** representing the longshore workers, and the US Maritime Alliance (USMX) representing their employers, the ocean carriers and marine terminal operators, agree that the real negotiations haven't started yet.

The ILA President has threatened to strike, and in any case, says they will not continue working after the contract expires. [Recall that on the west coast, the longshore union (ILWU) continued working and negotiating with employers for a full year after their contract expired, until a new contract was agreed. There was some, but relatively little disruption during those 12 months.]

Despite ocean carriers current seemingly calm view that an ILA strike will be averted, the uncertainty has led importers to ship earlier, and route cargo via west coast ports. Record tonnage is coming into the US ports now, leading to higher freight rates and congestion. Both have begun abating in recent days. Fortunately, we are not seeing repetition of some actions of some carriers during the last supply chain crisis – when they declined US export cargo, so as to more quickly return to Asia to load imports, at much higher freight rates.

ILA officials will meet next week to go over specific wage demands and negotiating strategy, including steps they would take if a contract has not been agreed by Oct. 1. The ILA is pushing for a 77% wage increase over six years. This follows the significant increase the ILWU won for west coast longshore last year. Word on the street is that the USMX will be offering a very substantial wage increase but until the two sides move into full bargaining, it's all rumor.

Will there be a work stoppage? At this stage, we read tea leaves. First, the ILA has not ordered a coast wide walkout/strike for decades. Second, it may be meaningful that some carriers are announcing introduction of new services at some of the east and gulf coast ports worked by the ILA longshoremen...suggesting some confidence that there will not be a work stoppage on October 1. Third, USMX employers are already fully prepared to pay significantly, even dramatically, more wages to the longshoreman. Fourth, as it did in the west coast longshore contract negotiation, as well as in the rail, truck and other labor contract negotiations, the Biden Administration has pressed for and gained resolution, resulting in the unions achieving their goals. ILA has said it does not want the Administration to intervene, but merely the threat of it may make it unnecessary.

Bottom line: no question that the ILA members will be gaining a hefty pay raise, which ultimately will be paid by the shipping public.

Oakland Maritime Access, Sustainability and Trade

Evey Hwang, Ocean Committee



Evey Hwang, Ocean Committee



Oakland Maritime Access, Sustainability, and Trade On August 13th CBFANC joined O-MAST* coalition members with Nisei Farmers League for joint Sustainability Coalition. CBFANC joined O-MAST coalition members with Nisei Farmers League on addressing California Air Resources Board (CARB) regulations. Coalition includes O-MAST, farmers, truckers, local governments (mayors and councilmembers). Core discussion on severe repercussions from CARB regulations, energy/power reality, lack and costs of infrastructure/transport, state lack of understanding on industry realities. Significantly, farmers would be affected by CARB's Advanced Clean Fleet (ACF) regulations as much as truckers. It's not just the aggressive push for zero emissions vehicles. The 2020 At-Berth Regulation for "ocean-going vessels" have been in effect since 2023.https://ww2.arb.ca.gov/our-work/programs/ocean-

<u>going-vessels-berth-regulation</u> Then there is the Indirect Source Rule which Southern California's Air Quality Management District (AQMD) which will affect emissions from warehouses and adjacent heavy traffic areas.

The Coalition's next steps include letter campaign to Sacramento and CARB for a meeting with industry and community stakeholders for understanding on energy and lack of infrastructure in face of unrealistic deadlines. Per Sustainability Coalition's letter "Since our initial correspondence of December 19, 2023, our Coalition has requested a meeting with you to discuss the future of the California economy in light of the lack advance planning, community outreach, equipment availability, infrastructure development, subsidies, and technological feasibility that is necessary to enact the state's current zeroemission and other environmental mandates."

*O-MAST is the acronym for Oakland Maritime Access, Sustainability and Trade. O-MAST is the rebranding of the East Oakland Stadium Alliance (EOSA). CBFANC joined EOSA in 2019 with other concerned maritime stakeholders to resist the Oakland A's land development deal (stadium and luxury condos) at Howard Terminal. After five long years resulting in the coalition's success in fighting off the A's land grab, the coalition agreed to continue with (re)building and sustaining maritime business at the port.

If you are interested in learning about or joining the Sustainability Coalition, please reach to <u>ocean@cbfanc.org</u>. To unsubscribe from this group and stop receiving emails from it, send an email to <u>board+unsubscribe@cbfanc.org</u>.

Cybersecurity Point of Contact - a blurb from CBP

Chris Kammer – Technology & Social Media Chairperson



Chris Kammer – Technology & Social Media Chairperson

CBP Recommends Adding a "Cybersecurity Point of Contact" to Your ACE Portal Account In recent years, U.S. Customs and Border Protection (CBP) has seen a dramatic increase in cyberattacks on members of the Trade community

causing significant costs and disruptions.

CBP is actively working to prevent and mitigate these impacts, often connecting with trade partners to resolve disruptions caused by cyberattacks. Ensuring CBP has the correct contact information for a rapid response is critical.

To this end, we are urging all Trade members to add a Technical Point of Contact (POC) designated for Cybersecurity to their ACE portal account for CBP to contact if a legitimate cybersecurity threat is identified. This benefits both your business and CBP – please click on link below to learn how to add your contact information https://www.cbp.gov/sites/default/files/assets/documents/202 4-Apr/Modernized%20ACE%20Portal%20-

%20Account%20Types%20%281%29-508C.pdf

FDA Product Code Workshop & FDA Food Safety Program Update

CBFANC Education & Agency Committees



The CBFANC Education and Agency Committee were pleased to host a FDA Product Code Workshop on August 27th and FDA Food Safety Program on August 28th. The Division of West Coast Imports conducted a one-day workshop for the purpose of training in the area of product code building and information requirements. The workshop covered the basic process of building the FDA product code for Foods, Dietary Supplements, and Cosmetics & Radiation-Emitting Products. Presentations also covered the Industry, Product Class and most importantly the Process Indicator Codes. In addition, FDA will explain the affirmation of compliance codes for products such as canned foods, radiation-emitting products, and medical devices. Training was informative and engaging, well received by all who attended. Some insights learned were on how cancelations needed to be closed fully with CBP and FDA; transmitting with code "ERR" for replacement entry for "Entry Review Requested" and to request WCID Compliance Branch on local FDA and CBP port guidelines for re-export and destruction (sites) procedures.

We are grateful for the following presenters for the Product Code Training and Food Safety Program: Consumer Safety Supervisor Ryan Borges Consumer Safety Supervisor Keeshunna Daniels Import Specialist CDR Cristina Mosquera Consumer Safety Supervisor Jessica Lee Consumer Safety Supervisor Marissa Chan. For the August 28th Food Safety Program, presentations were centered on assisting on understanding and increasing confidence of compliance in the FDA entry process. Attendees learned about Low Acid canned foods, updating addresses to FDA (and not just CBP), and other resource aids. Great tip on new products or concerns to contact

fdaimportsinquiry@fda.hhs.gov

(https://www.fda.gov/industry/import-program-food-anddrug-administration-fda/contact-fda-import-program) CBFANC also invited two non-agency agrea experts Tom Sidebottom with Regulatory Science Consulting and Gary Cooper with Law Office of Gary Cooper. Both were on hand as trade resources on best FDA entry practices. Tom Sidebottom presented on FDA's Data Dashboard which is an outstanding resource tool for filers and importers. Mr. Sidebottom also shared a significant update that by end of year, all labs will need to be accredited through the FDA. Basically an introduction on how to "work smarter - not harder". We would have welcomed more time for Gary Cooper to present on understanding the FDA process and especially legalities on Refusals. We were grateful to both Gary Cooper and Tom Sidebottom for sharing the risks and recommendation to check on Prop 65 requirements. Singular to California and now pertinent to FDA requisites, food products and food surface packaging may be subject Prop 65. CBFANC will curate member feedback if to present an additional program on this important safeguarding on Prop 65 and FDA labs concern

We were honored to have on both days the **West Coast Import Division (WCID) leadership Dr. Kathleen Turner, Program Division Director; Carla Fernandez Borges, Supervisory Safety Officer; Gordon Chu, Director of the Investigations Branch and; Lawton Lum, Director of the Compliance Branch.** After the Food Safety Program, we were grateful to have a FDA-Broker meeting with WCID. We learned about the ongoing FDA reorganization of food imports which was started last year. Divisions may be realigned with focus on human foods and animal feeds. We have requested to hear about updates and/or when reorganization is complete.

A valued concern raised was FDA resources to support Customs Brokers on FSVP. The Foreign Supplier Verification Program is the FDA Food Safety Modernization Act (enacted in 2011) program requirement to provide assurance that foreign suppliers of food products met same requirements of US food product companies. We have made a request to WCID leadership to communicate to FDA headquarters of the need for further outreach. Since its implementation in 2017, many food importers are still in the dark and FDA may need to do additional outreach. <u>Customs Brokers can not bear the</u> <u>responsibility of educating food importers and simply can not</u> <u>bear the implied liability on FSVP enforcement due to FDA's</u> <u>lack of direct outreach to Importers.</u>

CBFANC Education Committee Chairs Evey Hwang and Sarah Stroth welcome your feedback and suggestions at <u>education@cbfanc.org</u>



Mentorship | Internship - Opportunity Paul Glanting, Director of Career Services and Professional

LAM FAMILY COLLEGE of BUSINESS SAN FRANCISCO STATE UNIVERSITY

Innovate Sustainably. Lead Responsibly.

Are you interested in an intern or perhaps in mentoring the next generation of trade compliance specialists?

The Lam Family College of Business at San Francisco State University is one of the largest business schools in the country with approximately 4000 students. Since 1964, we have been accredited by AACSB International—the gold standard for business school accreditation—a rigorous accreditation earned by less than five percent of business schools worldwide. We offer a wide array of programs such as International Business, Management, Marketing, Business Analytics, Accounting, Decision Sciences, Information Systems, Economics, Labor Studies, and Hospitality, Tourism, and Events Management.

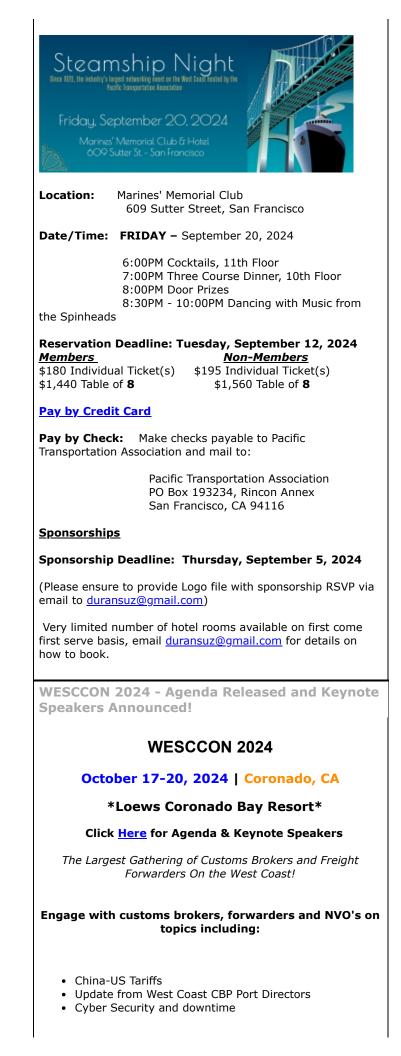
Our college has over 200 students majoring in International Business, Decision Science, and Business Analytics. Our students are well-prepared to work in international trade and global supply chain management. To boot, we offer a trade compliance course taught by a trade compliance professional with over 30 years of experience in the field. This is a unique pathway that is not taught in every business program.

We would love to explore partnering with you and your organizations! If you have any <u>internship</u> openings (or need guidance on creating an internship), we would be happy to connect!

We also have a robust <u>mentorship program</u> that pairs students with industry professionals, and we're always looking for new mentors!

Even if mentorship or internships are not of interest, we'd love to have you get involved in our college! Please feel free to contact Paul Glanting, Director of Career Services & Professional Development, at <u>pbg@sfsu.edu</u>. Thank you!

2024 Steamship Night - FRIDAY September 20, 2024



- Challenges faced by Logistics providers: warehouse, port, drayage, equipment, and more
- The Regulatory Environment and Compliance Challenges in the Air Freight Sector
- Licensed Broker Continuing Education
- Future technology in the supply chain
- CES Procedural challenges
- 2024 Elections: What are the Trade Risks?
- The current Green transition of the trucking Industry by California Transportation Department
- And much more!

Questions? Contact <u>Info@PacificCoastCouncil.org</u> or 202-783-3333

Sponsorships and Exhibit Booths Available Contact: Info@PacificCoastCouncil.org

Education Committee (Evey Hwang and Sarah Stroth)





Evey Hwang

Sarah Stroth

Upcoming Events

The Truth About Drawback 09/18/2024

Save the Date - CBFANC Holiday & Annual Meeting December 5th 2024 12/05/2024

A Special Opportunity to Serve Your Port and Trade Community

CBFANC Chairperson, Evey Hwang



Evey Hwang, CBFANC Chairperson

CBFANC Board of Directors 2025 Elections



We are seeking member participation on the CBFANC Board of Directors. If you are a professional member of CBFANC and are interested in serving on the CBFANC Board of Directors, please request another member to nominate you for the upcoming elections.

Nominations can be sent to info@CBFANC.org

If you know a fellow CBFANC professional member who you think would be a great addition to the Board of Directors, contact the person and endorse with a nomination in their favor to info@CBFANC.org



Board terms are for three years. The board meets every month for dinner or online meetings.

This is your chance to be an industry leader, engage with agency partners and help shape the future of our trade. Nominations will be welcomed through October with elections held by <u>November 1, 2024.</u> The election results will be announced at our annual meeting/holiday gathering to be held on <u>December 5,</u> 2024.

Save the Date! Holiday Happy Hour & Annual Meeting

CBFANC Board



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