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Home > July cargo surge along East, Gulf coasts provides no relief from port congestion

Bill Mongelluzzo, Senior Editor | Aug 31, 2022 12:57PM EDT



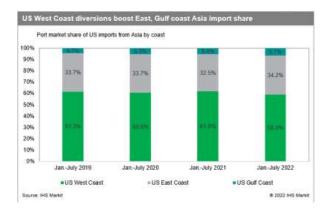
Asian imports moving through West Coast ports declined in July year over year, helping to ease vessel backlogs and congestion. Photo credit: Shutterstock.com.

Asian imports landing at ports along the US East and Gulf coasts surged in July, offering no respite from the vessel backlogs and terminal congestion experienced by those regions in recent months. West Coast ports, meanwhile, saw a year-on-year drop in cargoes from Asia, demonstrating why those gateways have experienced far less congestion than last summer.

The shift in import volumes continued a trend that began earlier this year when retailers looked to avoid West Coast ports to mitigate the risk of potential disruption from ongoing longshore labor talks. Those negotiations between the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) continue and no delays linked to the talks have occurred.

Asian imports moving through East Coast ports in July increased 14.3 percent year over year, while

volumes along the Gulf Coast jumped 24.2 percent, according to data from PIERS, a JOC.com sister product within S&P Global. West Coast ports saw imports from Asia fall 5.2 percent from July 2021, the data showed.



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Many retailers are committed to the routing decisions they made earlier this year, so East and Gulf coast ports could continue to experience congestion issues through the peak season.

"We have diversified our port exposure and expect less than 40 percent of our second-half inventory will go through West Coast ports covered by the ILWU contract," Columbia Sportswear CEO Tim Boyle said in the company's Q2 earnings report.

The East Coast's share of US imports from Asia in July was 34 percent, up from 30.5 percent in July 2021, while the Gulf Coast's share rose to 7.2 percent from 6.3 percent. The West Coast's share dropped to 58.6

percent from 63.4 percent year over year, according to PIERS.

The increased volumes moving through East Coast and Gulf Coast ports in July was especially evident in the busiest gateways, which were also the most congested ports with the largest vessel

backlogs. Asian imports were up 18.7 percent in New York-New Jersey, 17 percent in Savannah, and 21.6 percent in Houston.

Conversely, Asian imports in July were down 3.2 percent in Los Angeles-Long Beach, 16.2 in Oakland, and 17.7 percent in the Northwest Seaport Alliance of Seattle and Tacoma. The vessel backlog in Los Angeles-Long Beach on Tuesday was 11, down from its peak of 109 container ships in January, according to the Marine Exchange of Los Angeles-Long Beach.

JOC Analyst Cathy Roberson contributed to this report. Follow her on Twitter at: @cmroberson06.

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