

Empty containers piling up in Los Angeles-Long Beach after January import surge



Terminal operators in Los Angeles-Long Beach say truckers are not using all of the appointment slots that are available to them, especially during the night shifts. Photo credit: Felipe Sanchez / Shutterstock.com.

Bill Mongelluzzo, Senior Editor | Mar 20, 2025, 2:28 PM EDT

The surge in imports landing in Southern California during January amid a rush to beat new US tariffs and Lunar New Year factory closures has resulted in a significant buildup of empty containers awaiting a return trip to Asia in drayage yards and marine terminals.

The growing backlog has also resulted in finger pointing among stakeholders over how to address the problem.

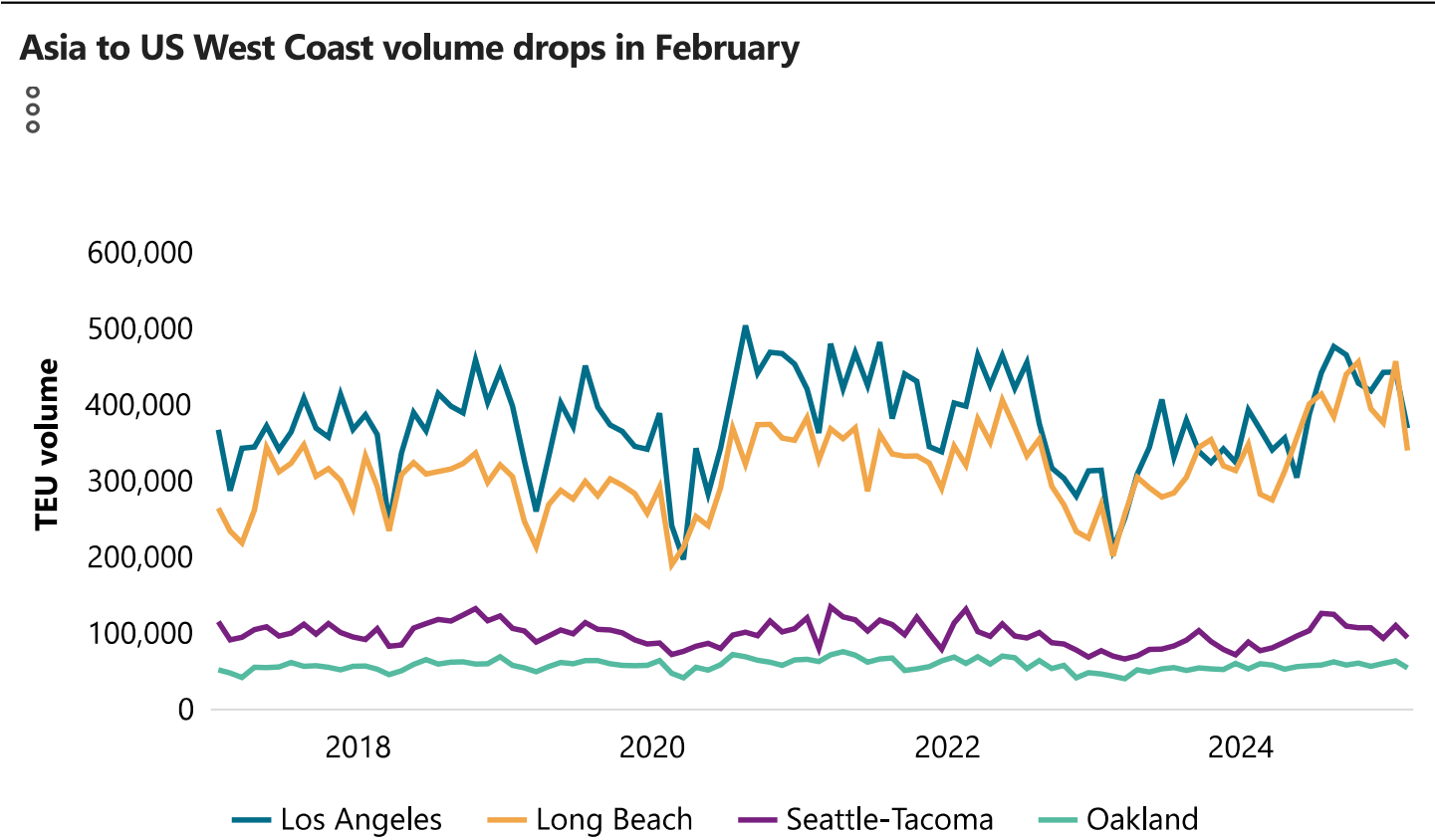
The empties are creating a costly logistics problem for drayage operators in Southern California, according to Matt Schrap, CEO of the Harbor Trucking Association. Schrap said many of the empties are sitting on chassis at the yards of drayage operators,

taking up space and inhibiting the return of the equipment before free storage time runs out at the marine terminals.

One way to address the problem is for marine terminals to open more appointment slots for truckers so they can return the containers and chassis before detention and demurrage charges kick in, Schrap told the *Journal of Commerce*.

“If you can’t get an appointment, you have to pay the late fees and demurrage fees,” he said.

The threat of tariffs from the new Trump administration and an earlier-than-normal Lunar New Year that began Jan. 29 resulted in a cargo rush in Southern California at the start of the year. Imports from Asia were up 31.3% in Long Beach in January and 12.6% in Los Angeles year over year, according to PIERS, a *Journal of Commerce* sister product within S&P Global.



Source: PIERS, S&P Global

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6M

1Y

3Y

YTD

MAX

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At the same time, US exports through Southern California are down, so most of the containers must be returned to Asia empty. Gene Seroka, executive director of the Port of Los Angeles, told a press conference this week that exports in February from Los Angeles were down 18% year over year, while empty containers were up 16%.

Trucker appointment slots a factor

Because the empties cannot be returned to Asia quickly enough to prevent the containers from accumulating at the marine terminals, they have created a backlog at some terminals and at drayage operators' facilities in Southern California.

"Volumes are high. We get it," Schrap said.

But Schrap said the marine terminals continue to make it difficult for truckers to get sufficient appointment slots for empty container returns. Also, he noted, some terminals will only allow an empty to be returned if the trucker also picks up a loaded inbound container, a process known as a dual transaction.

Terminal operators disagree with Schrap's assessment. They note that Los Angeles-Long Beach is the only US port complex to consistently keep its gates open for 10 shifts each week. The terminals said they offer sufficient appointments to handle empty container returns, but a number of slots go unfilled each day because many truckers do not want to make appointments at inconvenient times, such as late at night or on weekends.

SSA Marine, which operates three of the six container terminals in Long Beach, intentionally caps its truck traffic during the day gates in order to push more truck calls into the night shift. If SSA and other terminals didn't do that, the freeways from the port would be overwhelmed during daytime hours, said Sal Ferrigno, SSA's vice president in Southern California.

Ferrigno said SSA attempts to maintain a mix of 55% of truck calls during the day shift and 45% at night. However, drayage companies are not using most of the nighttime slots that are available to them.

"Those guys need to work at night," Ferrigno said.

Schrap said the empty container situation varies from ocean carrier to ocean carrier and terminal to terminal. Alan McCorkle, president of Yusen Terminals in Los Angeles, said containers have been flowing freely at his facility despite the January cargo surge and a February that was stronger than usual.

Yusen, according to McCorkle, continues to experience unused trucker appointment slots during the terminal's day and evening shifts. About 6% to 12% of its daytime appointment slots go unfilled or are no-shows, and about 16% to 20% of its nighttime appointments are not used, he said.

Yet another factor at work this time of year is that terminals must catch up with the backlog of empty containers that occurs when ocean carriers blank sailings during the Lunar New Year lull, said Noel Hacegaba, COO at the Port of Long Beach.

"Terminals, in an effort to manage blank sailings, are limiting the return of empties," he said. "Because of the strong influx of imports in recent months, there are more empties across the system that need to be repositioned back to Asia."

Who should pay for container storage?

Schrap said an even greater problem for truckers is "a complete unwillingness" by ocean carriers and intermodal equipment providers to pay drayage companies for storing their containers and chassis until the units can be returned to the terminals.

"History has shown that it is cheaper for [equipment providers] to stage boxes at motor carrier yards [at no cost] as opposed to finding off/near-dock return locations or paying the MTO [marine terminal operator] to store them," Schrap said.

Seroka noted that according to the Pool of Pools, which is operated by the three largest chassis providers in Southern California, the average chassis street dwell time in the region is about six days.

"We'd like to see it at four days," Seroka said.

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