

Office of the Secretary Washington, D.C. 20250

April 30, 2024

THE HONORABLE DANIEL B. MAFFEI Chairman Federal Maritime Commission

THE HONORABLE LOUIS E. SOLA Commissioner Federal Maritime Commission

THE HONORABLE MAX VEKICH Commissioner Federal Maritime Commission

THE HONORABLE REBECCA F. DYE Commissioner
Federal Maritime Commission

THE HONORABLE CARL W. BENTZEL Commissioner Federal Maritime Commission

RE: Support of FMC's Empty Container Availability Data Collection

Dear Chairman Maffei and Commissioners Dye, Sola, Bentzel, and Vekich:

The U.S. Department of Agriculture (USDA) is writing in support of the Federal Maritime Commission's (FMC) <u>notice</u> to collect data on the number and location of empty marine intermodal shipping containers available for export use. Finding available containers is one of the biggest transportation challenges facing U.S. agricultural exporters, particularly products originating in the U.S. heartland. The lack of transparency in this area of the container market increases costs, delays shipments, and in some cases leads to lost sales for U.S. producers.

Data that monitor the location and volume of empty containers available for export are crucial to U.S. exporters and policy makers. However, the current gap in this data leaves shippers vulnerable to equipment imbalances and policy makers without a measure of available container export capacity. Thus, FMC's data collection will penetrate one of the opaquest levels of the export transportation supply chain. Exporters can use these data to (1) find containers to fill overseas orders, (2) make decisions on where to locate new business investments, and (3) watch historical trends to balance their demand with equipment supply. Policy makers can use these data to gain a broad view of the U.S. container market, helping to inform policy decisions and target investments to support U.S. exports.

FMC's proposed container data collection builds on previous work produced by USDA's Agricultural Marketing Service (AMS). From 2012 to 2017, AMS published the weekly Ocean Shipping Container Availability Report (OSCAR) that provided a snapshot of containers available for export at 18 intermodal locations around the country. However, this was discontinued due to a lack of participation from ocean carriers. In 2022, in the face of immense pressure to find enough containers to meet overseas demand, the dairy industry sent a letter and other stakeholders requested USDA and Department of Transportation (DOT) resume publication of OSCAR, as it would have offered exporters much needed transparency and insight during the extended supply chain disruptions. Therefore, USDA and agricultural exporters across

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the country appreciate FMC's effort to increase transparency and data reliability which will facilitate export movements.

While multiple government agencies have statutory authority to collect similar transportation and freight related data on behalf of their representative constituents, such an approach is inefficient and produces undue burden on the industry. USDA values our close partnership with DOT and FMC to jointly eliminate such a burden while still meeting the needs of the industry under a single coordinated data collection effort. We continue to support FMC spearheading this effort because ocean carriers are the primary source of data for empty container availability and are already accustomed to submitting their data to FMC.

In addition, this proposed data collection emphasizes the critical language of the Ocean Shipping Reform Act of 2022 (OSRA 22) to promote the movement of exports, and it aligns with similar empty container data requirements within OSRA 22. For example, OSRA 22 mandates FMC to collect data on the movement of empty containers on vessels, which is critical to understanding how carriers move empty containers to serve import movements. Complementing this data with landside empty container availability data would provide the complete picture of overall equipment availability—empty containers both in transit and available landside for U.S. exporters. Having both datasets provides the full spectrum of carrier empty equipment management, providing needed insight for U.S. exports. Furthermore, by collecting and disseminating this data through FMC, industry is assured of the data's impartiality, consistency, and confidentiality.

USDA fully supports the efforts of FMC to build this program to better serve U.S. exporters.

Sincerely,

Juf & Maffet

JENNY LESTER MOFFITT

Under Secretary

Marketing and Regulatory Programs