



April 21, 2022

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., SW
Washington, DC 20250

The Honorable Pete Buttigieg
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Ave., SE
Washington, DC 20590

Dear Secretary Vilsack and Secretary Buttigieg:

On behalf of American dairy farmers, manufacturers, and exporters, we are grateful for your ongoing efforts to address the supply chain and ocean freight transportation issues that have affected agricultural exports from the United States during the last two years. Your leadership and the interagency collaboration between the U.S. Department of Agriculture (USDA) and U.S. Department of Transportation (DOT) have demonstrated innovation and dedication that is reassuring to those who have been grappling with these export challenges.

Consistent with that, we are writing to submit to you further recommended steps we hope USDA and DOT will consider that would provide additional relief and support to agricultural producers and exporters, as the ocean carrier challenges continue to persist.

- First, as you may know, the Agriculture Marketing Service (AMS) previously issued a report on the availability of ocean shipping containers at locations across the United States. This report, called the Ocean Shipping Container Availability Report (OSCAR), was developed by AMS based on voluntary information provided by certain ocean carriers, which own these containers, and provided weekly snapshots about the availability and location of containers at ports and other intermodal facilities. However, USDA discontinued this report a few years ago, and it has not been recently published.

Container availability has been one of the leading challenges that American agriculture producers have faced with respect to the export of their goods to foreign markets. The OSCAR reports would be a valuable resource that would have significant benefits for shippers of dairy and other agriculture producers, among

other stakeholders. **We strongly recommend AMS resume the publication of OSCAR reports.**

- Also with respect to container availability, we have two operational recommendations. **The first entails real-time tracking of containers as a component of the new Freight Logistics Optimization Works (FLOW) initiative, which can facilitate more in-depth awareness by all stakeholders about the location and availability of containers.** Of course, the ocean carriers generally own the containers, and this would require coordination with them, but tracking would enable the resumption of the OSCAR reports, and better enable access to containers for export purposes. **Connected to this recommendation is another effort to enable ‘dual turns’ of containers, wherein containers delivering imports to an in-land location may be provided directly to an export-focused shipper, rather than being sent back empty to the port.** This can increase container and supply chain efficiency, enable greater access to containers for exporters, reduce fuel use and reduce shipping costs for a variety of stakeholders. This may be undertaken through pilot projects with carriers and could be supported through the USDA’s Commodity Credit Corporation resources dedicated to supply chain challenges.
- **Our members have also advocated for ‘fast lane’ concepts that incentivize the flow of agricultural exports into and from ports and we ask USDA and DOT to work on implementing this approach.** This would include trucking lanes at port terminals that are dedicated to the expeditious delivery of perishable agriculture goods to ports, especially to meet short ERD windows, and prevent those laden trucks from getting delayed in long port terminals trucking lines. This should also include incentives for ocean carriers to load more export containers, instead of empty containers, and which could include preferred or prioritized berthing access to accelerate the vessels exit from anchorage and a speedier departure from the port.
- Finally, our members have generally had positive reactions to the pop-up terminal yards that the USDA has facilitated in Oakland and Seattle. These port facilities, especially in Seattle, have enabled greater access to containers and improved the ability to secure vessel accommodations with short earliest-return-date windows at those ports. However, as valuable as they have been, these pop-up yards are distant from many inland food production locations, requiring additional trucking and trans-loading activities that can be costly and extremely challenging to secure. **To address this, we encourage USDA to consider establishing similar facilities at inland locations such as Minneapolis, Chicago, Detroit, Salt Lake City and Kansas City, and to provide incentives to promote their use by carriers.**

Thank you for your consideration of these recommendations. We’re very grateful for you and your collective staff standing up for agriculture producers during this ongoing export

shipping challenge, and your advocacy within the Administration and publicly for more to be done.

Sincerely,

Handwritten signature of Krysta Harden in black ink.

Krysta Harden
President and CEO
U.S. Dairy Export Council

Handwritten signature of Jim Mulhern in blue ink.

Jim Mulhern
President and CEO
National Milk Producers Federation