October 14, 2020

Drayage Service Disruption

Dear Valued Customer,

The available capacity for equipment (motor & chassis) and drivers in both U.S. Los Angeles/Long Beach and New York/New Jersey markets is presently insufficient to satisfy demand due to vessel bunching and increased volumes in recent months. As a result, international drayage carriers servicing these port terminals are implementing a congestion surcharge.

The primary drivers that are exacerbating the current market condition include but not limited to:
- Congestion due to increased import volumes
- Limited dual transactions and mandatory appointments for both pickup and empty return
- No chassis equipment in either market on terminal and Steamship Line (SSL) alignment to specific chassis providers (IEP's) reducing throughput
- Increased container pre-pulls to avoid rail storage
- Extensive free time tying up equipment

What the industry hoped would be a short-term challenge is now forecasted to last longer than expected. Due to this situation that is beyond our control, C.H. Robinson will be passing through the inland congestion charge received from our drayage providers accordingly. This will apply on door moves to/from the terminals outlined below. You can expect your Account Manager to keep you informed on the latest market conditions and communicate effective date and levels.

Market	Terminals
LA/LB	All Terminal locations (ITS, SSA, LACT, PCT, LBCT, CAL United, YTI, STS, and Eagle Marine) *To/from all door locations, IPI ramp routings not impacted.
NY/NJ	All Terminal locations (Global Container terminal, Newark Container terminal, APM, Maher, and New York Container terminal) *To/from all door locations, IPI ramp routings not impacted.

Sincerely,
C.H. Robinson