



we wearSM jobs

November 30, 2012

The Honorable Barack Obama
President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President,

We are writing to call your attention to the increasingly dire situation at the ports of Los Angeles and Long Beach, CA. As members of the Board of Directors of the American Apparel & Footwear Association (AAFA), we maintain dual roles both as representatives of the U.S. clothing and shoe industries, and as leaders of American businesses which employ tens of thousands of people. As such, we would like to express our grave concern for the economic well-being of our commerce, consumers, and country, all of which will be adversely affected by recent developments in our West Coast ports. We urge you as President of the United States to take immediate and necessary action to restore full operations at the ports.

We are very familiar with the pressing need for uninterrupted flow of trade through U.S. ports. This was exemplified most recently by the events of Hurricane Sandy, in which temporary shutdowns of major Northeastern ports seriously affected our ability to get products to market, a setback that we continue to recover from. The requirement for continuous port operations is even more important on the West Coast - as it stands, 98 percent of apparel and 99 percent of footwear sold in the U.S. is produced globally, and over 45% of these products come through these ports. The reliance of our industry and the U.S. economy on these ports cannot be overstated - in 2002, a 10-day coast-wide labor lockout backlogged over 300,000 containers and cost U.S. commerce an estimated \$1 billion daily. Ultimately, American consumers are the ones affected by disruptions on any scale - as end-users of products, they bear the everyday brunt of shortages, higher good and component prices, and delayed shipments. And as leaders of American companies which contribute to the job market all over the country, we know that detrimental effects on our business lead to lost jobs for American citizens in an already weak economy.

Unfortunately, over the last 72 hours work stoppages have materialized in the Port of LA/Long Beach. Negotiations for a new contract between the International Longshore & Warehouse Union's (ILWU) Local 63 Office Clerical Union (OCU) and the Harbor Employer Association (HEA) recently broke down and strike action has spread throughout major terminals in both ports, effectively shutting down operations where the stoppages have taken place. Any OCU work stoppages may be supported by ILWU dockworkers coast-wide, which would effectively grind commerce to a halt.

We urge you to step in now and sustainably bring the negotiating parties back together in order to end this economically detrimental situation. As business leaders we must make decisions in a rapidly narrowing window of time whether to enact injurious contingency plans to accommodate our product shipments. Recovering from Hurricane Sandy has put a toll on the U.S. economy and industry enough - to add to the burden with port shutdowns in major West Coast trade hubs is dangerous and irresponsible for our country's health.

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Thank you for your time and consideration in the matter. If you have any questions or concerns, please contact AAFA's Transportation Laision, David Lapidus, at 703-797-9049 or DLapidus@wewear.org.

Sincerely,

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