

Logistical consequences of strikes in American ports: Expert commentary

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Port NOLA

The strike, which began on 1 October, affected 36 American ports on the East Coast and in the Gulf of Mexico, stretching from Maine to Texas. This protest will undoubtedly impact global supply chains.

These terminals play a significant role in international trade, serving as key hubs for the transportation of goods to and from Asia, Oceania, and Europe, including trade with Poland. States like Texas, Georgia, Louisiana, and Pennsylvania are among the largest importers of goods from Poland and the eastern ports are their logistical gateway.

According to predictions, nearly 15% of global shipments could be affected, and the disruptions will impact not only the US market but also Canada and Mexico.

It is also important to note that even if the strike ends quickly, its consequences will be felt for a longer time. Some analysts suggest that for every week of the strike, there will be 4-6 weeks of supply chain disruptions.

Logistics doesn't tolerate calm. Port disruptions will result in delivery delays, port congestion, and increased transportation costs, including additional fees for congestion and cargo idle times. Some shipping companies have announced that the start of the protests will lead to the introduction of new surcharges.

The situation at East Coast ports could be a real challenge for companies relying on the just-in-time delivery model. Industries such as automotive and pharmaceuticals may be particularly affected.

These are sensitive sectors— even short delays can significantly disrupt their production processes, leading to further issues with product availability on the market. What are the transport alternatives?

Delivery through western ports and the necessity of transporting cargo to the eastern part of the country require long road or rail transport across the continent. Moreover, shipping vessels from Europe to these ports involves crossing the Panama Canal, which repeatedly faces capacity issues, partly due to climate change and low water levels.

Canada? There are protests there as well. Even if Canadian ports were operating normally, they could serve as alternatives for Detroit or Chicago, but not for ports in the Gulf of Mexico. Of course, there's still air transport, but it is a much more expensive option and has limitations in terms of cargo capacity.

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Rohlig SUUS Logistics is the largest Polish logistics operator and one of the leading ones in Central and Eastern Europe. It specializes in the integrated management of logistics and global supply chains. It implements logistics processes based on road, sea, air, rail, and intermodal transport, as well as contract logistics, customs services, and project cargo.