



Common Questions Regarding Supply Chain Congestion and the Port of Hueneme

What is the economic impact of the Port of Hueneme/Oxnard Harbor District?

The Port of Hueneme is one of the most productive and efficient commercial trade gateways for niche cargo on the West Coast. The Port is governed by five locally elected Port Commissioners. The Port moves \$11.4 billion in goods each year and consistently ranks among the top ten U.S. ports for automobiles and fresh produce. Port operations support the community by bringing \$2.2 billion in economic activity and creating 20,032 trade-related jobs. Trade through the Port of Hueneme generates more than \$173.2 million in direct and related state and local taxes, which fund vital community services. In 2017, the Port of Hueneme became the first port in California to become certified by Green Marine (a third party certifier for marine environmental sustainability) and was voted the Greenest Port in the U.S. at the 2017 Green Shipping Summit.

Are ship vessels coming into the Port of Hueneme fuller as a result of the backlog at the Los Angeles and Long Beach ports?

Yes, this situation is adding to the supply chain pressures. For example: If a vessel has a 2,500 TEU* (twenty-foot equivalent unit) capacity and it is only discharging and loading 50 percent of its TEU capacity at the Port of Hueneme and at the rest at other ports, it is now using 100 percent of its TEU capacity to load and discharge all of it at the Port of Hueneme. By skipping other congested port calls, it aims to do most of the export/import business here. Or if the vessel was not full previously sailing full, it is fuller now with new exporters and shippers that used to utilize other carriers that have agreements with other Ports but prefer to use Port of Hueneme's shipping lines since it's not congested here.

Can some of those vessels in Los Angeles and Long Beach come to the Port of Hueneme?

The simple answer is the vessels are too large to fit in the Port of Hueneme's turning basin and to use the berthing facilities. A large amount of the vessels in Los Angeles/Long Beach waiting in line are over 10,000 TEU capacity (they hold approximately 5,000 containers) for Transpacific Trade (out of Asia). Some vessels carry as many as 18,000 TEUS (approximately 9,000 containers). The Port of Hueneme's typical vessel capacity is 2,500-3000 TEUS (approximately 1,250-1,500 containers).

How are importers/exporters managing the supply chain congestion issue?

The Port of Hueneme can and is building resiliency into the supply chain. Local exporters of agriculture commodities are getting left behind from vessels racing back to Asia to get more import containers because the ocean carriers make significantly more



money on imports. These local exporters have chartered their own vessels that are suitable for our infrastructure and are using the Port of Hueneme to avoid congestion in the larger ports. They have been able to get their product to market in places like South Korea and Japan. Importers are also looking to charter their own smaller vessels and use the Port of Hueneme to build resiliency into their supply chains for more time sensitive commodities. These opportunities will require increased capacity from customers at sites off-port and importers are doing their best to optimize their existing facilities to stage increased volumes. The Port of Hueneme is part of the solution.

Is the Port of Hueneme limited on the type of goods and produce it receives?

Yes, because we do not move hazardous cargo. The Port of Hueneme specializes in perishables, fresh produce, cars, and fertilizer. Over 50 percent of the Port's annual volume is fresh fruit imports and exports.

Has the Port's container business increased?

Yes. The Port of Hueneme's container business is up 43 percent as of the second quarter of Fiscal Year 2022.

***NOTE:** A TEU is a term the maritime industry uses for quantifying container volumes. There are 20-foot containers that go on international ocean carriers, but usually international shipping containers are 40 feet. A good rule of thumb - Divide the TEU number in half and you get the number of containers. A 2,500 TEU ships carries approximately 1,250 containers. This is a typical size vessel for the Port of Hueneme.