



March 15, 2022

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20050

Dear President Biden:

On behalf of the National Restaurant Association, and the one million foodservice locations we represent, I write in regard to the upcoming contract negotiations at our nation's West Coast ports between the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU). We are concerned that failed or stalled negotiations will lead to additional supply chain disruptions for restaurants, which are already struggling with rising inflation and major supply chain concerns.

As you are well aware, the restaurant industry remains incredibly weak, with approximately 90,000 restaurants now closed because of the pandemic. Additionally, after adjusting for menu-price inflation, eating and drinking place sales in January were nearly \$3 billion lower than mid-2021 level. Congress appears unlikely to replenish the Restaurant Revitalization Fund, leaving hundreds of thousands of restaurants uniquely vulnerable to supply chain disruptions.

In order to avoid any further delays, we urge the Administration to work diligently with the parties to ensure that a successful, timely resolution is achieved. A solution that meets the needs of both the workers and the ports is imperative to support our nation's supply chain needs and our economic recovery.

West Coast ports account for over 44 percent of our nation's port traffic, which translates into over 230 million import and export containers annually. Unfortunately, these ports are currently not equipped to deal with the backlog, and failed negotiations would only exacerbate the situation. In the past, negotiations between the PMA and ILWU have created gridlock and supply chain issues, costing up to \$1 to \$2 billion a day. As our nation grapples with continued disruptions and uncertainty, it is essential that these negotiations proceed smoothly. Even a brief port slowdown will likely heighten inflationary pressure and harm American businesses and their customers.

We appreciate your Administration's continued focus on solving our nation's supply chain challenges, and urge your continued leadership in bringing all parties to a successful resolution.

Sincerely,

A handwritten signature in blue ink that reads "Sean Kennedy".

Sean Kennedy
Executive Vice President, Public Affairs
National Restaurant Association