## EDITOR'S PICK

## East and Gulf coast dockworkers are on strike. What it means to the St. Louis region.

Hannah Wyman Oct 1, 2024

> s the clock ticked past midnight Tuesday morning, about 45,000 dockworkers at 36 ports along the East and Gulf coasts walked off the job, leaving vessels full of shipping containers and those waiting to be filled with exports at a standstill.

> Experts say many companies have pushed to get a surplus of inventory into the U.S., aiming to reduce impact of the strike. As for the St. Louis region, 63% of its transported goods come through the West Coast, where port workers are still on the job, said John Ogilvy, branch manager of logistics company OEC Group St. Louis.

> But Suchin Prapaisilp, president of Global Foods Market in Kirkwood, said the strike could decrease the store's inventory.

"One week, we'll be fine. ... Two weeks is not too bad," Prapaisilp said of the strike. "Three weeks is a big problem."

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Prapaisilp said they've stockpiled certain canned goods ahead of the port strike, but he's still worried about receiving things like European products too late for the holiday season. And he anticipates having to explain to upset customers why some products are more expensive than usual in the weeks to come. Already, he said, they've been having issues getting products from the Middle East, due to the ongoing Israel-Hamas war.

"We planned to get ahead," Prapaisilp said. "It'll impact everyone who imports."

The striking workers are members of the International Longshoremen's Association, whose contract with the United States Maritime Alliance expired on Oct. 1. The two have yet to parse out a new agreement as the union continues to demand higher wages and a ban on automation.

Ogilvy, of OEC Group St. Louis, said that for years people knew that the ILA contract would expire Oct. 1. As a result, many retailers ordered earlier and increased shipments to get their goods on the ground in time for the upcoming holiday season.

"I don't know if it's going to be catastrophic," Ogilvy said. "If this goes more than a week, we'll start seeing congestion and lack of capacity. They'll be raising rates, but not like a COVID situation."

Clayton-based footwear company Calares said a majority of its shipments come into West Coast ports.

Some companies have diverted their shipments to the West Coast in anticipation of the strike, and others may now opt for air freight, so, if the strike ends sooner rather than later, Ogilvy said this could just be a "bump" for businesses. And the Midwest may see more train and truck traffic, as rerouted goods are transported eastward from West Coast ports, he said.

But, consumers might notice some perishables missing from store shelves, like cherries and bananas. **According** to the American Farm Bureau Federation, over 75% of the nation's bananas arrive at ILA-handled ports. Other affected goods include imported beer and liquor, car parts, furniture, clothing, coffee, sugar and more. A spokesperson with General Motors, which has a plant in Wentzville, said it might be too early to assess the strike's impact on the automaker.

"We are carefully monitoring the situation and have contingency plans in place," spokesperson Kevin Kelly said in a statement. "We will continue to work to mitigate any significant impact to our operations and will make adjustments as needed."

When asked for further details on contingency plans and what parts of the company will be impacted, Kelly said it is too early to get into the specifics.

Schnucks and Dierbergs Markets also said they are closely monitoring the situation, but that it is too early to comment on potential effects.

On Monday, in hopes of avoiding a strike, the **U.S. Maritime Alliance**, which represents ports, upped its wage offer nearly 50%, but the union is seeking a 77% raise, which would be a \$5-an-hour raise for each of the six years of the new contract.

"The Ocean Carriers represented by USMX want to enjoy rich billion-dollar profits that they are making in 2024, while they offer ILA Longshore Workers an unacceptable wage package that we reject," the union said in a **statement** Monday. "ILA longshore workers deserve to be compensated for the important work they do keeping American commerce moving and growing."