



Port of Oakland says canceled sailings could hit cargo volume

Freight moving smoothly but 10 percent of vessel calls scrubbed in May, June

Press Releases, Seaport

April 27th, 2020

Oakland, Calif. – April 27, 2020: Fewer container ships would likely mean less cargo at the Port of Oakland this spring. That was the message Oakland Maritime officials delivered to the Harbor Trucking Association last week.

The Port told freight haulers via video conference that 20 May and June voyages to Oakland have been scrubbed. The result could be a 5-to-15 percent drop in containerized cargo volume heading into summer.

“It’s a clouded picture,” said Port of Oakland Business Development Manager Andrew Hwang. “About 10 percent of our scheduled vessel arrivals have been canceled by shipping lines, but we don’t know if that will translate into a similar drop in volume.”

The Port blamed vessel cancelations on the coronavirus pandemic which has stunted global trade. With consumer spending down, there’s less merchandise to load onto ships. That means fewer vessels needed between Asian manufacturing centers and U.S. ports. Import volume is expected to suffer the biggest cargo decline in coming months, the Port said.

Demand for Oakland exports remains strong, but voyage cancelations could place some markets beyond reach, the Port explained. Fruit, nut and meat exports are particularly coveted by overseas trading partners, especially in Asia, the Port said. It added that Oakland exports to South Korea increased 31 percent last month, and to Japan, 18 percent.

The Port said cargo is moving smoothly through Oakland. There are no shortages of labor or equipment, it added.

The Port cautioned, however, that the coronavirus pandemic could permanently alter container transportation practices. Shipping lines may consolidate more cargo on bigger ships while reducing the frequency of voyages, the Port said.

Supply chains could be altered, too, the Port said. For example, the online purchasing explosion prompted by shelter-in-place orders may hasten distribution center reconfiguration or consolidation. Distribution hubs could be relocated to more central locations to serve population centers from fewer outlets.

“We’ll be facing a new normal,” said Mr. Hwang. “Distribution patterns will change...it won’t be like it was.

About the Port of Oakland

The Port of Oakland oversees the Oakland Seaport, Oakland International Airport, and nearly 20 miles of waterfront including Jack London Square. The Port's 5-year strategic plan - Growth with Care - pairs business expansion with community benefits, envisioning more jobs and economic stimulus as the Port grows. Together with its business partners, the Port supports more than 84,000 jobs. Connect with the [Port of Oakland](#) and [Oakland International Airport](#) through Facebook, or with the Port on Twitter, YouTube, and at www.portoakland.com.

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