



National Electrical Manufacturers Association

The Association of Electrical Equipment  
and Medical Imaging Manufacturers  
[www.nema.org](http://www.nema.org)

March 15, 2022

The Honorable Joseph Biden  
President of the United States  
The White House  
1600 Pennsylvania Avenue NW  
Washington DC, 20050

The Honorable Martin Walsh  
Secretary  
United States Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

Dear President Biden and Secretary Walsh:

The National Electrical Manufacturers Association (NEMA) writes to urge you to proactively engage leadership of the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) to jump start labor contract negotiations in advance of the looming expiration of the current contract agreement on June 30, 2022. The impending contract expiration presents your administration with an opportunity to work with the ILWU and PMA to avoid additional supply chain disruptions and shipping delays which may result in the event of protracted contract negotiations later this year.

NEMA represents more than 325 electrical equipment and medical-imaging manufacturers that make safe, reliable, and efficient products and systems. Member companies support more than 370,000 American manufacturing jobs in 6,100 locations across all 50 states. NEMA companies play a key role in industrial products and systems, transportation systems, building systems, lighting, utilities, and medical-imaging technologies. Further, NEMA companies and the electroindustry will play an essential role in the implementation of the recently enacted infrastructure law, with fully one-third of its funding streams indirectly or directly tied to the work of NEMA companies and the broader industry.

Ongoing supply chain issues tied to the COVID-19 pandemic have caused Member companies to scramble to procure components to be able to continue to manufacture their products. Companies report having to divert internal resources to focus on material sourcing due to the lack of a reliable consistent supply of materials available in the market today. Further, many NEMA products are often designed to be built assuming all parts are available. In many cases the manufacturing of member company products is sequential, and if there are missing components, it can prevent companies from successfully manufacturing. Having ports shut down even for a limited time would result in substantial additional supply chain disruptions for the electroindustry.



As you know, there is a substantial amount of recent history with these negotiations and a record of federal intervention. Following the expiration of the ILWU’s labor contract with the PMA on July 1<sup>st</sup>, 2014, a nine-month negotiations process occurred between the ILWU and PMA, ultimately lasting until February 20<sup>th</sup>, 2015.<sup>1</sup> At the time, media reports noted that “the months-long labor dispute at 29 West Coast ports created a massive backlog of cargo that has disrupted the flow of freight across the entire country. The congestion had forced container ships to anchor at bay for weeks at a time before being unloaded and had also caused critical slowdowns in intermodal and truck transportation services. Delivery times had moved from an average of 20 to 30 days to as much as 90 days since the beginning of the crisis...”<sup>2</sup> In 2015 President Obama dispatched his Secretary of Labor, Tom Perez to meet with ILWU and PMA officials in order to come to a resolution on the matter; the intervention precipitated a successful resolution to the contract dispute by mid-February 2015.<sup>3</sup>

The Biden-Harris Administration has committed to supporting our ports and has taken historic action to work with the private sector to resolve supply chain issues. In November 2021 Secretary Walsh visited the ports of Los Angeles and Long Beach and noted that “This administration’s commitment to ports and supply chains goes far beyond the holidays,” and “Standing with local officials, unions, employers, and port leadership today, we are focused not only on solving immediate issues —we are also building strategies for long-term resilience.”<sup>4</sup>

Given the urgency of current supply-chain disruptions, inflationary pressures affecting all aspects of the U.S. manufacturing value chain, long lead times needed for manufacturing investments, and volatility in sourcing material components currently experienced by NEMA member companies, and the federal government’s conciliatory power to bring parties together to solve supply chain issues, we urge you to actively engage with the ILWU and PMA early and often to ensure that the contract negotiations are resolved in a timely and satisfactory way for both parties that avoids creating additional disruptions in our nation’s supply chains.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Debra M. Phillips', is written over a white background.

Debra M. Phillips  
President & CEO

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<sup>1</sup> <https://www.averittexpress.com/public/resources/knowledgeCenter/2015/PMA-ILWU-Reach-Agreement.jsp>

<sup>2</sup> *ID*

<sup>3</sup> <https://www.theguardian.com/us-news/2015/feb/14/obama-labor-secretary-perez-california-ports-dispute>

<sup>4</sup> <https://www.dailybreeze.com/2021/11/30/us-labor-secretary-marty-walsh-latest-official-to-swing-through-ports-of-la-long-beach/>