

West Coast Ports Play Critical Role in Supplying Retail Goods

Robin Lanier is the senior vice president of industry affairs for the International Mass Retail Association (IMRA). Lanier oversees IMRA policy on international trade while managing the IMRA's political action committee and grassroots programs.

Q: What is the International Mass Retail Association?

Robin Lanier: The International Mass Retail Association represents the fastest growing retailers in the world – discount department stores, home centers,

catalog showrooms, warehouse clubs and discount drugstores – and the manufacturers who supply them. The IMRA provides services, such as



The Regina Maersk enters San Pedro Bay on her maiden voyage.

Photo: Port of Long Beach

conference programs, research studies and government relations programs to its 200 retail members

and more than 600 supplier members.

Representing more than \$411 billion in annual sales, IMRA retail members operate more than 106,000 U.S. stores and employ one in every 10 people in the United States. Our members are among the nation's biggest end-users and provide retail services to virtually everyone in the United States. Some of our largest retail members include Wal-Mart, Target, Kmart, Home Depot, Best Buy, The Limited, Dollar General and Food Lion.

Spotlight: United States and Pacific Rim Maritime Trade

The shift of economic power from Europe to Asia over the past four decades has resulted in U.S. West Coast ports becoming the nation's leader of waterborne containerized cargo value and volume.

Recent research from the PMA indicates in 1997, waterborne containerized cargo moved between U.S. West Coast ports and Asian and Pacific Rim nations:

- Accounted for 90 percent of the value and 75 percent of the total tonnage of West Coast waterborne containerized cargo;
- Comprised 77.6 percent of the total value of all U.S.-Asian trade;
- Weighed more than 103 million short tons (one short ton equals 1.1023 metric tons), and;
- Was valued at \$232.8 billion.

At the same time, U.S. exports to Asia account for one-third of America's foreign sales. This is no surprise considering that Japan is the world's second largest economy, with a strong appetite for American goods. In fact, the total value of waterborne containerized trade with Japan far outranks the dollar value of all the other U.S. trading partners shipping cargo in and out of West Coast ports. In 1997, U.S. waterborne containerized trade with Japan was valued at \$89 billion and represented 38.5 percent of the total dollar value of waterborne containerized cargo from Asia and the Pacific Rim.

Although China ranks third in total tonnage, its \$50.8 billion value of cargo is second only to Japan.

Q. What do your members require from participants in the transportation supply chain?

R.L.: International Mass Retail Association members have invested millions of dollars in redesigning their domestic supply chains to increase profitability and success. Mass retailers have made an art in squeezing costs out of delivering large quantities of goods. As a result, our member companies have been able to provide great quality and very low prices.

The redesign of the supply chain is now moving beyond our national borders. Speed is everything. Retailers don't want to tie up large amounts of money in inventory that is held over long periods of time. It used to be standard for products, like imported apparel, that orders were placed and →

April 15, 1999
Vol. 2, No. 8

PMA Today is a publication dedicated to highlighting West Coast port activities and developments as they relate to economic and international trade issues in the 21st century. We hope you enjoy PMA Today and find it to be a valuable informational resource. For more information about PMA, please visit our Web site at <http://www.pmanet.org>.