## Texas & Florida Governors Pitch Shippers to Send Containers to Their Ports Amid California's Logjams

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by <u>Tyler Durden</u>, <u>ZeroHedge</u> November 6, 2021

Congestion at <u>Southern California's top ports is so</u> <u>severe</u> that governors on the other side of the US advertise their ports are ready for businesses and can handle the overflow.

Bloomberg News observes multiple ports across the Gulf Coast and US East Coast are less congested than Los Angeles and Long Beach ports. The twin ports are the largest in the Northern Hemisphere and are responsible for 40% of US containerized volume. Currently, 79 vessels are waiting to offload at these ports, causing major supply chain disruptions.

In response to the congestion, Texas Gov. Greg Abbott launched a new campaign to reroute container ships at backlogged ports in California to the Lone Star state. He tweeted, "Texas ports are open & ready to help fix America's supply chain backlog. We can get goods out faster & at a lower cost than California due to our centralized location."

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We can get goods out faster & at a lower cost than California due to our centralized location.

Choose Texas.pic.twitter.com/6nE0DjYJxB

- Greg Abbott (@GregAbbott TX) November 1, 2021

Last month, Florida Gov. Ron DeSantis called on shippers to reroute their vessels from backlogged West Coast ports to Florida, where the capacity to berth vessels and offload cargo is plentiful.

"We have to make sure people can go Christmas shopping as normal. We have to make sure that all the necessities are there," DeSantis said. "And if it's because ships are sitting off the coast somewhere else, and they can be rerouted here, and we can get all those shelves stocked, then we want to be a part of that solution."

However, there's a significant obstacle with container ships rerouting from the West Coast. That issue, well, it's time and will add an extra ten days to the sail due to an extra leg through the Panama Canal. But with wait times increasing across West Coast ports, it could be advantageous to head to other ports.

Florida's Port of Jacksonville could be the next best option for carriers as their facilities are one truck drive away from 100 million consumers.

"If you're trying to move it to this side of the United States and you're parked off the coast of California, those 10 days are now being eaten up," East Coast, Florida Ports Council President Michael Rubin said. "They're probably less than what you're paying now."

Severe West Coast port congestion could be temporary reworking

containerized flows into the US as overflow may be headed to less clogged terminals. This could be one way to alleviate supply chain disruptions that have resulted in surging inflation and product shortages nationwide.

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