

International Trade
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Puget Sound cargo shipping drops sharply as coronavirus pandemic stalls trade

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Mount Rainier looms large over the Port of Seattle as seen from the Bainbridge Ferry in this file photo. Cargo shipments were sharply down in April... (Bettina Hansen / The Seattle Times)

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As cargo volumes to major Washington ports fall amid the coronavirus pandemic, shippers are canceling sailings and ports are shutting their gates to trucking operations some days of the week, causing backups, delays and container shortages.

Total containerized shipping volume fell by 23.5% last month compared with April 2019 — the steepest slide since the start of the pandemic, confounding port officials' initial expectations trade could begin to normalize in the second quarter after [March's nosedive](#).

For the year so far, container trade is down 17.5%. Seven more ships canceled sailings in April, bringing the number of so-called blank sailings to 39 for the year. The Northwest Seaport Alliance, the marine cargo partnership between the ports of Seattle and Tacoma, expects another 18 vessel cancellations between now and the beginning of July.

The canceled sailings “create a ripple effect across the whole supply chain,” Alliance CEO John Wolfe said in a news conference. “Purchasers could be experiencing delays in

the arrival of their cargo based on inconsistent sailing schedule.”

Overall, canceled sailings have cut vessel capacity by roughly 30%, said Peter Ku, Seattle-based branch manager at OEC Group, a global freight forwarder. “Space is very tight right now,” he said. “There’s a lot of people having issues getting [goods] onboard.”

In part, global shipping firms cut sailings to keep rates high before the time came in May to sign new annual contracts with exporters, Ku said, as overseas production plummeted during the coronavirus lockdown. Trade between the United States and China had already been snarled by a long-running trade war that caused American exports to China of some goods, [like soybeans](#), to fall nearly 75% from the start of the tariff dispute.

Compared with last year, full imports were down just under 14% and full exports fell 17.6%. The biggest driver behind last month’s low cargo volumes was a colossal drop in empty container shipments, Wolfe said — international imports and exports of empties both fell nearly 60% year-over-year.

That could spell havoc for future trade. Exporters rely on a steady supply of empties at port to send their cargo overseas.

“Will the import containers be there so our guys can scramble to find them? That’s something we’re going to have to wrestle with going ahead,” said Bruce Abbe, a trade adviser with the Specialty Soya and Grains Alliance, a nationwide industry group for food-grade soybean and grain companies that rely on containerized cargo. “We’re seeing spot shortages of containers in some locations. Unreliable delivery time is a concern for us now.”

Washington farmers are also having trouble finding empty containers to export their produce.

In the past three months, Washington agricultural exporter F.C. Bloxom has had to delay shipments “two or three times” because the company has been unable to locate empty refrigerated containers, said traffic manager Bryan Gonzalez.

“Normally, that would never happen,” he said.

Less cargo coming in and going out means less work for truckers, too, said Brandon Beetham, the vice president of trucking industry group Washington Trucking

Associations.

At many companies, trucks are now running only a few days a week, Beetham said. “These are challenging times indeed.”

Meanwhile, truckers are stuck in backups as long as six or seven hours at cargo terminals in Seattle and Tacoma, up from two hours before the pandemic. Fewer vessels calling at port mean terminals have closed their gates to truckers some days of the week — creating pileups when they are open.

In March, officials anticipated shipping from Asia would return to normal as factory production picked up. At that point, the NWSA plotted just seven blank sailings in April and May.

But by mid-April, the picture had worsened significantly. Wolfe forecast “soft” numbers going forward — though at the time, domestic trade still looked strong. Buoyed by strong demand in Alaska for essentials like groceries, domestic shipping in March rose 3% over 2019.

Those gains were wiped clean last month. Domestic trade dropped roughly 8% in April, including an almost 11% fall in Alaska shipping.

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