



**Founded in 1976, USMEF works to  
create new opportunities in  
international markets for U.S. beef,  
pork and lamb**



# Impact of red meat exports on U.S. agriculture

Last year, the U.S. exported 1.2 million metric tons of beef, valued at \$7.13 billion – this equated to 14% of total production and \$300 per head of fed slaughter

Pork exports totaled 2.18 million metric tons valued at \$6.67 billion – this equated to 27% of total production and \$63 per head



# This year, exports have struggled

Exports have slowed in 2015, especially in the first quarter

This was due in part, but not entirely, to the West coast port crisis

Other headwinds, including exchange rates and unusually large supplies of beef and pork from major competitors, are also key factors



# Heavy reliance on ocean freight

About 1/3 of U.S. meat exports travel by truck to Mexico and Canada

The other 2/3 utilize ocean freight, except for a small volume of high-end product that travels by air



## **West coast ports are critical, especially for chilled (never frozen) exports**

About 70% of waterborne red meat exports exit the U.S. via West Coast ports

For beef, three of the top four ports are LA, Long Beach and Oakland (Houston is #2)

For pork, four of the top five are Oakland, LA, Tacoma and Long Beach (Norfolk is #4)

Chilled exports are even more heavily reliant on West coast ports – and this is unlikely to change



# Losses due to the port labor impasse are difficult to quantify

Never a formal strike or formal lockout, and slowdown varied by port

Product was not literally “lost” but re-routing, freezing and extended storage all caused severe financial losses – and depressed prices in the domestic market

Canceled orders are damaging enough – but lost customers that must be won back are extremely costly



# Moving forward

While the West Coast ports will always be our main gateway, USMEF is encouraged by early contract extension talks for East/Gulf Coast ports

We hope this is an indication of lessons learned over the past year, when industries relying on port operations suffered enduring damage



# Questions?

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