

The National Retail Federation is calling on President Joe Biden to address the U.S. port congestion that is impacting trade as the economy swiftly recovers from the pandemic.

"Our nation's supply chains are stressed because of the COVID-19 global pandemic, and they continue to struggle through our economic recovery," Matthew Shay, the NRF's president and CEO, wrote in a letter to President Joe Biden on Monday.

"We would like an opportunity to discuss the impact these issues are having on the nation's retailers, our workers and our customers, as well as potential solutions to address current and future disruptions.

"The supply chain disruption issues, especially the congestion affecting our key maritime ports, are causing significant challenges for America's retailers."

The retail trade group warns that these problems have added "days and weeks" to supply chains, led to inventory shortages and added significant transportation and warehousing costs.

"In many instances retailers will absorb these costs and not pass them along to consumers," he said. "However, many smaller retailers may have no choice but to pass along these costs, especially as they face other challenges with reopening their businesses."

The NRF warned that these port congestion problems threaten the group's recent forecast for retail sales and the broader economy to boom this year.

"NRF recently revised our annual sales forecast for 2021, anticipating that retail sales will now grow between 10.5 percent and 13.5 percent to more than \$4.44 trillion this year as the economy accelerates its pace of recovery," he said.

"Several factors may dampen the full potential for achieving this growth, notably the ongoing supply chain issues impacting retail and many other sectors of the American economy. We are confident with the right attention to these ongoing supply chain challenges, however, that we can continue to drive economic growth and job creation to help the ongoing economic recovery."

The NRF said a recent survey of member companies found that 97% of retailers indicated they have been impacted by port and shipping delays. More than two-thirds said they had to add two to three weeks to their supply chains because of the congestion issues.

Shay went on to say: "We need strong leadership from the administration to galvanize attention to the current situation as well as work to resolve long-standing issues that limit safe and efficient port operations."

"As the administration undergoes supply chain reviews for critical sectors, including transportation, addressing the current state of our nation's ports and freight movement needs to be a critical component of the strategy. As trade continues to grow, we need to make sure we have truly 21st-century ports and freight movement."