

July 8, 2021

The Honorable Joe Biden
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

On behalf of the Footwear Distributors & Retailers of America (FDRA), we appreciate your focus on addressing the current shipping challenges facing U.S. footwear companies and consumers. FDRA is the footwear industry's trade and business association, representing more than 500 footwear companies and brands across the U.S. This includes the majority of U.S. footwear manufacturers and over 95 percent of the industry, from small family-owned businesses to global brands.

Our industry depends on an efficient and reliable transportation system to provide more than 2.4 billion pairs of shoes to U.S. consumers every year – or 7.4 pairs for every man, woman, and child in America. However, the current shipping environment places a significant burden on footwear companies delivering footwear to the U.S. market. Many footwear businesses struggled throughout the COVID-19 pandemic, and the retail sector was hit particularly hard. Now as we slowly emerge from the pandemic, footwear companies face substantial shipping costs, container shortages, and transit delays.

The negative impact can be felt across the country. With an artificially constricted supply of vessel capacity controlled by a small number of ocean carriers, it has become increasingly difficult for companies to secure vessel space. Many companies are forced to pay space guarantee surcharges that continue to escalate, with some seeing fourfold increases in shipping fees. Others have reported that carriers refuse to honor existing contracts. Often, the best-case scenario is agreeing to pay exorbitant rates to book space on a vessel with a sailing date that is delayed, sometimes for weeks. This practice destroys speed to market efforts, results in lost sales, and vastly multiplies costs for U.S. businesses during an already difficult time.

The current environment of shipping delays, refusals, and excessive charges harms footwear companies, workers, the communities they support, and consumers across America. FDRA stands ready to work with you and your Administration as you explore ways to address this critical issue.

Sincerely,



Matt Priest
President & CEO
Footwear Distributors and Retailers of America