



May 1, 2013

Cager Clabaugh
ILWU Local 4
1205 Ingalls St
Vancouver, WA 98660

Augusto Bassanini
United Grain Corporation
900 Washington St
Suite 700
Vancouver, WA 98660

Re: Grain Elevator Labor Negotiations

The Port of Vancouver strongly urges your leadership in resolving the lingering dispute between your organizations. We have heard from both sides that the parties are willing to negotiate. We encourage you to come together in face-to-face meetings and reach a mutually agreeable resolution as soon as possible.

It has been over six months since the Grain Handlers Agreement between the International Longshore and Warehouse Union and the Pacific Northwest Grain Elevator Operators expired. Currently, emotions and tensions due to this drawn-out standoff are rising and altercations are becoming more frequent. This strained work environment may lead to unintended and unfortunate consequences for all involved.

Throughout this dispute, the Port of Vancouver has expressed sincere hope that negotiations would be productive and completed in a timely manner. In addition, the port has been explicit in its priorities: keeping people safe, protecting property and keeping the port open for business.

The port's business activities support 2,300 direct jobs, over 50 industrial tenants, and cargo handling activities at 13 shipping berths, creating over \$1.6 billion in economic benefit to the region annually. We are making every effort to maintain the port's ability to generate economic benefit for the community during this protracted dispute, but it becomes more difficult every day.

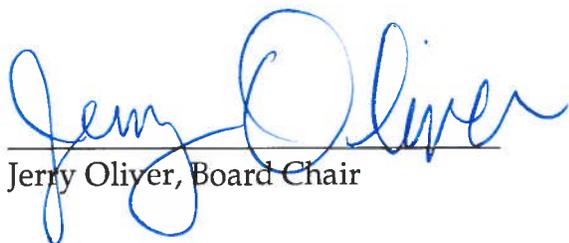
As you know, global trade is highly competitive. The ability to move cargo safely and efficiently increases a port's competitiveness, and when a port is successful, surrounding communities benefit. In the short-term, delays and disruptions in the logistics chain negatively impact port business, impacting tenants and customers, area

businesses, and local workers. Excessive delays and disruptions hurt our region's global reputation and can cause cargoes to be rerouted to other countries and other regions of the U.S. Resolving this issue peacefully and quickly is in everyone's best interests.

For these reasons, we ask that you to take a proactive step, collectively, to return to the negotiating table and commit to resolving your differences so that the grain elevator can operate to its full potential. We believe there is leadership on both sides of the dispute capable of finding a path through this challenging situation and we strongly encourage you to resume your discussions.

Sincerely,

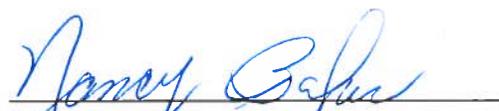
PORT OF VANCOUVER USA



Jerry Oliver, Board Chair



Brian Wolfe, Commissioner



Nancy Baker, Commissioner