



**FR. MEYER'S SOHN**

FORWARDING BUSINESS

# **Impacts of COVID-19 on the Global Supply Chain**

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# Impacts of COVID-19 on the Global Supply Chain



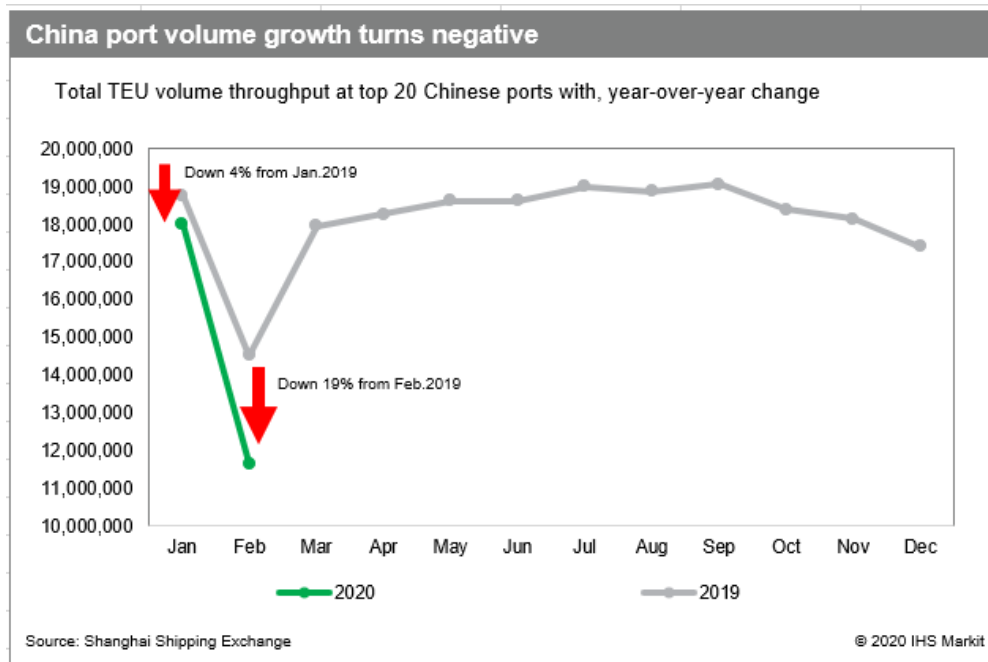
## Topical Agenda:

- Ocean freight / equipment impacts
- Ports / Terminals / Container Dray operations
- Past / Present / Future effects

# Ocean freight / equipment impacts



- Chinese New Year / Coronavirus outbreak (COVID-19)



- Blank / void sailings
  - “Carriers in January announced 60 blank sailings through February to all of North America due to Lunar New Year factory shutdowns. Since then they have announced more than 20 additional blank sailings into April due to the coronavirus.” – JOC*
- Equipment deficits / surcharges



# Ports / Terminals / Container Dray



- US ports remain operational with some support staff working remotely
- North American port throughput is 20% lower than average in Feb / March
- Non-essential receivers not open to receive cargo
- Container drayage operational
- Port disruptions near to outbreak (China); have since returned to normal
- Effects are now Worldwide – i.e. Italy & Spain, India



# Past / Present / Future effects



- **Past –**

- We're roughly 2 months behind China; assume a similar trajectory

- **Present –**

- Following the CDC guidelines to “flatten the curve”
- Monitoring / adjusting shipping operations day by day
- Prioritizing of inbound cargo is happening
  - i.e. medical supplies vs. discretionary commodities

- **Future –**

- Outlook is cautiously optimistic
- SSLs / Terminals remain operational







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