

March 19, 2020

## UPDATE: Coronavirus Outbreak

Dear Valued Customer,

We continue to monitor Coronavirus Disease 2019 (COVID-19) globally. We remain fully operational, continuing to service all global and domestic transportation while adhering to government and health regulations. All our locations have business continuity plans and strategies in place to allow our employees to work remotely as the need arises and ensure our customers and carriers receive uninterrupted service. We continue to work closely with our customers on production planning and forecasting as the situation remains fluid.

Here are the most recent updates:

- Demand continues to exceed capacity in Asia as production in China returns to full efficiency. Currently, all Asia ports and airports remain operational. We continue to work closely with our customers to accommodate their supply chain needs in the fluid environment – including offering air charter services and expedited FCL and LCL programs from Asia and Europe.
- There is a shortage of empty container supply across Europe due to lack of imports from Asia. Currently, there is an elevated need for reefer empties.
- Along with cargo planes, passenger planes are being used to transport cargo into key Europe hubs. Currently, there is enough capacity available with the current demand. Demand may decrease due to the volatility and slowed production on non-essential products.
- Europe truckload continues to experience delays in cross-border shipments. View the latest crossing times [here](#).
- In Australia, the Queensland Maritime Safety Authority recently announced requirements for Port of Brisbane in Queensland. Vessels cannot enter a Queensland pilotage area until 14-days have elapsed since the vessel left any country outside Australia. This applies to all vessels that have departed a country outside Australia after 15<sup>th</sup> March AST. Exceptions to this restriction apply to New Zealand, Papua New Guinea and several South Pacific origins.
- Also in Australia, regarding New South Wales, Port of Sydney, vessels cannot berth until 14-days have elapsed since the vessel left any port within Mainland China.
- While Transport Canada currently has no nationwide emergency declaration, provinces have begun to issue their own. On March 18, the province of British Columbia issued an emergency suspension of hours of service rules for COVID-19 related relief operations. Details can be found [here](#).
- In Houston, operations are currently suspended at Bayport and Barbours Cut terminals. An ILA worker who recently worked at both terminals has tested positive for Coronavirus (COVID-19). Out of an abundance of caution, Port Houston has temporarily closed both terminals while a full investigation is conducted. All decisions on vessel schedules, demurrage, and all others will be determined as soon as possible. All updates will be communicated as information becomes available. Port Houston's other facilities, including general cargo terminals remain open. The Houston Ship Channel and the 200-plus private terminals that comprise the greater Port of Houston are operational.

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Our information is compiled from a number of sources that to the best of our knowledge are accurate and correct. It is always the intent of our company to present accurate information. C.H. Robinson accepts no liability or responsibility for the information published herein.



- We will likely see an increase in volume on the U.S. West Coast at the end of the month and beginning of April as China's factories continue to ramp up production.
- We are prioritizing shipments within our network to increase the velocity of deliveries of products that are in support of the fight against the pandemic as well as consumer staples such as food and paper products.
- For North America less-than-truckload (LTL), capacity is stable, and carriers are making deliveries on normal schedules. Exceptions to this are inside home deliveries as well as non-essential goods to "Shelter-in-Place Locations". Carriers are also discouraging deliveries to restaurants.
  - Carriers are continuing to operate as close to normal under these conditions.
  - Services have been impacted due to various states and municipalities ordering businesses and buildings to be closed.
  - Carriers/trucking are considered an essential service, so they can continue to operate. However, some consignees and shippers are closed due to the "state of emergency."
  - As we talk to the carriers, they are saying the key is to know if the shipper/consignees is open before moving the shipment. As carriers can't make delivery the networks get backed-up and questions about disposition of the freight come into play (storage charges, return freight, what party pays for the freight, etc.).
- North America rail and drayage capacity remains available for the time being, but we are anticipating tightening as the market shifts to accommodate coronavirus-driven demand. An increase of thefts from carrier yards have been reported leading many to keep units within the security of rail ramps to avoid exposure.
- As local and state trucking rules are adjusted, we encourage you to view the latest updates in more detail [here](#).

Links to additional resources:

- [WHO](#) updates and [CDC](#) updates
- [CBS News](#) update and [BBC News](#) update
- [COVID-19:Implications for business](#) (McKinsey & Company)
- [Global Cases](#) (Johns Hopkins CSSE)

We will continue to monitor the situation and provide updates as needed. For previous advisories, please visit our Client Advisory page on our website. Here is a direct link to the most recent update:  
3/18/2020 – [UPDATE: Coronavirus Outbreak](#)

Thank you for being our Valued Customer. If you have any questions, please do not hesitate to contact your C.H. Robinson commercial representative for further information.

Sincerely,  
C.H. Robinson

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