CLIENT ADVISORY

March 25, 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 by region:

North America

- For more detailed updates regarding North America surface transportation including truckload, intermodal, less-than-truckload and sourcing click here.
- States around the U.S. and provinces in Canada continue to enact "Shelter in Place" or having nonessential businesses close. Majority of those who have implemented these include transportation, logistics and ports as essential and therefore will continue to operate. We continue to monitor the status on a state by state/province by province basis and will report any exceptions.
- Some carriers across modes and ports are prioritizing essential goods, such as medical equipment related to COVID-19. Specifically, the Port of Virginia is prioritizing COVID-19 test kits, ventilators, medical grade facemasks, etc. If your shipment contains essential goods, please notify your account manager and we can make the port and/or Customs aware.
- Warehousing space is getting tight due to lack of outbound activity from warehouses compared to inbound. We continue to watch this closely and work with our customers on space and inventory management through the volatile market.
- All U.S ports remain operational. Seagirt Marine Terminal at Port of Baltimore will be temporarily closed on March 30th and 31st.
- U.S. Customs and Border Protection's (CBP) New York Field Office released a <u>memo</u> stating importers
 or their agents are encouraged to provide advance notification to CBP when they are expecting
 shipments of pandemic relief materials in order to expedite the shipment.
- This week CBP issued <u>CSMS# 42124872</u> Information for Filing Personal Protective Equipment and Medical Devices During COVID-19. The U.S. Food and Drug Administration (FDA) is providing instruction to the import community regarding the submission of entry information for personal protective equipment and certain other devices. Information provided covers Non-FDA-regulated general purpose personal protective equipment (masks, respirators, gloves, etc.), Products authorized for emergency use pursuant to an Emergency Use Authorization (EUA), and Products regulated by FDA as a device, not authorized by an EUA, but where an enforcement discretion policy has been published in guidance.

Asia

 Ports and airports remain operational as demand continues to exceed capacity in Asia and production in China returns to full efficiency. We continue to work closely with our customers to accommodate their supply chain needs in the fluid environment – including offering expedited FCL and LCL programs from Asia.

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.



South Asia

- As of March 25, 2020, India issued a lockdown for 21 days to help stop the spread of COVID-19.
 Essential services and goods, which includes transportation and logistics, are an exception and will continue to operate.
- Although international and domestic flights have been grounded, the lockdown does not apply to cargo
 planes. Additionally, some passenger airlines plan to convert their aircrafts to operate as a cargo plane.
 Currently, enough capacity is available for the demand.
- Ports and Customs in India and Sri Lanka will remain open with limited personnel.
- Many ocean carriers have activated their Business Continuity Plans and will announce any rotations
 they need to make in order to comply with the mandatory quarantine of 14-days for all vessels and
 crews.
- Blank sailings are expected in the days to come as shippers are not able to pick up containers due to the lockdown and labor shortages.
- Empty yards in many regions are closed to comply with government regulations.
- Central Warehousing Corporation in New Delhi announced the temporary closure of their warehouse until the situation returns to normal.

Europe

- Currently, capacity has not surpassed demand due to multiple non-essential businesses closing and production on essential products taking priority. 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 Europe.
- Europe truckload continues to experience delays in cross-border shipments. View the latest crossing times here.

Oceania

- Australian and New Zealand governments have implemented additional precautions to prevent the
 further spread of COVID-19. However, at this point, no restrictions have been placed on freight,
 logistics or commercial supply chains as they are considered an essential service during this time.
- Concessions have been widened by the Maritime Safety Queensland (MSQ), only vessels that have departed from ports within Mainland China and South Korea are subject to the 14-day quarantine period.
- The Fijian government has decided to cease acceptance of all container vessels at the port of Lautoka with immediate effect. The port of Suva will remain open to enable continued access of shipping services to Fiji.

Latin America (LATAM)

- Continued delays at port terminals relating to import clearances and export processes.
- Ocean carriers are regulating supply to follow demand; blank sailings and equipment imbalance continues to be an issue on all trades.
 - Quarantine and plant closures may impact regular production for the coming weeks.
- Although international inbound passenger flights are restricted, we continue to have air charter services available in the region to aid our customers.

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)

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 continue to monitor the situation and provide updates as needed. For previous advisories, please visit our <u>Client Advisory page</u> on our website. Here is a direct link to the most recent update:

3/23/2020 – <u>UPDATE</u>: <u>Coronavirus Outbreak</u>

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

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.

