

## **CORONAVIRUS COVID-19 UPDATE – 18<sup>th</sup> March 2020**

All of you will have read the headlines and listened to the information that has been broadcast by the various news and media outlets.

The outbreak of Coronavirus (Covid-19) is creating operational challenges globally in a multitude of different ways. These challenges look like they will continue in some markets for some period of time to come.

The positive is that China factories are manufacturing. The reports are that they are working at around 80% capacity. Whilst there are still some issues with drivers for inter-province transport and equipment shortage in some cities, China is recovering quickly and for the most part airports are operational, ports are all open and working as normal and transport is improving each day.

TCF International offices and all of our partners and agents globally are working. Some are experiencing “work from home” quarantine restrictions, but all are functional and continuing to operate as normal as possible.

Currently all staff of TCF are working from our offices. The Health and safety of our staff is paramount whilst doing everything we can to reduce the impact on our clients. Should the advice from government and the health authorities change, we are ready to implement plans that would ensure continuity of operation and communication whilst protecting staff. TCF’s operational systems and communications are all now functioning with Cloud based solutions. If and when we decide, or are required, to have staff working from home, we are ready and prepared to do so. Your usual TCF contacts remain unchanged and can be reached at their normal phone and email addresses.

Whilst China is improving, other countries are feeling the effects on supply chain and daily operations. North America, Europe and most countries in Asia and the Pacific have implemented some plan of “lock down”. The effects on Air Cargo movements are devastating with carriers implementing price increases and/or surcharges in an effort to recover costs. Restricted capacity is making air freight movements just as difficult.

Regarding ocean movements, the imbalance of containers globally as a direct result of the China shut down, means that containers in some countries and origins are unavailable, and will need to be located and transported at higher costs in order to provide the equipment needed. Some carriers, in certain markets, have already implemented Imbalance Surcharges, while others have announced General Rate Increases (GRI) for April like the one TCF reported on the 2<sup>nd</sup> of March from China, Korea, Hong Kong and Japan.

**TCF suggests that ALL orders be placed well in advance**, or as early as possible from all origins regardless of the current Coronavirus reported Status, in order to avoid delays. We will continue to do everything we can to find the solution and provide the service for our customers during this period.

We will continue to keep you informed as early as possible to any new or unforeseen logistics challenges appearing.

If you have any questions regarding this topic, please contact your local TCF representative.

Thank you for your continued support and stay safe and healthy.