

# THE SOURCE

## Stories of HEROES of the Coronavirus

### In Her Words

A newsletter by Sophia Jones, managing editor of *The Fuller Project*, a journalism nonprofit that reports on global issues impacting women.

**Inside this issue**  
**Cover Story:**  
**Heroes of the PANDEMIC**

### 'Grammie's Taking Food to Other People': A Trucker Keeps Trucking

Ingrid Brown, a truck driver, can't easily find masks or disinfectant supplies. She worries about getting infected, or infecting others. But she keeps going. Published in the NY Times, April 17, 2020



Credit...Sol Cotti

Ingrid Brown loves the peace of the night, especially these days. When the sun sets, it's just her and the road, her truck lights illuminating the highway stretching out ahead. The quiet is "like a breath of fresh air," she says. As America stocks up and hunkers down during the coronavirus crisis, Brown isn't sheltering in place at home in North Carolina. Instead, the 58-year-old outspoken truck driver and grandmother of six is on the road, crisscrossing the U.S. in an 80,000-pound truck filled with produce. Over the past two months, as highways have quieted, schools have closed, and non-essential shops have shuttered, Brown has delivered fruit, vegetables, eggs, and

dairy products from coast to coast, making stops in Missouri, Florida, North Carolina, New York, New Jersey, Ohio, Texas, Arizona, California, Oregon, Arkansas, and Washington.

Brown is one of some 3.5 million truck drivers in the U.S., more than 200,000 of whom are women, keeping America well fed and well stocked during the pandemic. These days, Brown drives largely without protective equipment. She can't easily find masks or disinfectant supplies to wipe down her truck. While some large trucking companies have provided supplies to their personnel, many truckers are left to protect themselves. "We're going into this naked," Brown said by phone, as she drove through Missouri earlier this month. "We are running through a fire with a pair of gasoline pants on. That's what's happening. Drivers have no protection."

As someone who is in regular contact with people across the country, she says, she could become a carrier and infect someone else. Brown also worries that she could fall ill, thousands of miles from home. Her years long battle with melanoma skin cancer might mean she's more at risk if she gets the virus. Two years ago, doctors removed a third of her throat. Just a few weeks ago, she was hauling produce with fresh stitches in her leg and lip from surgery to remove cancerous and precancerous cells. Even so, Brown has no plans to go home anytime soon. She loves trucking, and "America moves by truck," she says. The "rona-19," as she calls it, can't keep truckers' home. They're essential workers who make up the backbone of a hugely important, yet troubled, industry. Nearly all of America's produce, goods, and equipment are transported by truck. "The babies will tell you, 'Grammie's out taking food to other people,'" said Brown, speaking fondly of her young grandchildren back in Georgia. "And as soon as this is over, when everybody gets well, Grammie is coming straight home in the big truck."

Brown has been driving trucks for four decades. When she's not on the road, she FaceTimes with her grandchildren and advocates safe working conditions and better opportunities for truckers. Despite the millions of truck drivers on the road, there is an overall shortage of big-rig truck drivers like Brown, even though the percentage of women in trucking increased by 68 percent from 2010 to 2018, according to data from the American Trucking Associations. **Continued on page 2**

◆ Front Page cont'd	
◆ MSC survives CYBER ATTACK	2
<b>Small Plates—Int'l Tidbits</b>	
• Custom Tariffs Suspended	3
• Cargo & Passenger Jets	
• DuPont Idles Plants	
◆ Fuel Report	4
◆ Trivia	
◆ US energy, more exports than imports	
<b>Small Plates—Supply Chain Tidbits</b>	
◆ Boeing Reopens in WA	5
◆ VA port closing for Corona Virus	
<b>Small Plates—Trucking &amp; the Economy</b>	
◆ White House Celebrates Truckers	6
◆ Floating Oil	
<b>Small Plates—Transport Tidbits</b>	
◆ US Business to leave China?	7
◆ PRC factories back, sales aren't!!	
<b>Special Feature: TRENDS</b>	
Southeastern Freight Lines celebrating 70 years in Columbia SC and Atlanta GA	8



## A Trucker Keeps Trucking

(Front page article continued)

It's a grueling job that can keep truckers far from their families for long stretches of time, in difficult working conditions. She's one of the founding members of the nonprofit Women in Trucking, a national organization that supports women truck drivers in an overwhelmingly male-dominated industry, advocating sexual harassment education, better safety measures, like better lighting and surveillance cameras at truck stops, and safer seatbelts for women. (It takes the length of two football fields to stop an 80,000-pound truck going 65 miles an hour, Brown says, and truck seatbelts aren't designed for most female bodies.)

This isn't the first time Brown has worked through a crisis. In 2017, when billowing prairie fires wiped out farmland and killed livestock in Oklahoma, she donated her truck, time, and fuel to haul hay from Minnesota to help the "families who lost everything." But this crisis is different. It poses an invisible threat, one that can linger for days before you even know you're sick. She's in touch with a network of colleagues across the country to navigate the health risks and find safe places to eat, shop, use the bathroom and shower. Coronavirus certainly makes the job harder: Shipments are no longer predictable. Orders for essential items like medical goods and food have skyrocketed in recent weeks to keep up with demand, while other shipments have been canceled as stores, hotels and restaurants shut down operations.

Meanwhile, millions of Americans are isolated at home, cooking up a storm. Brown recently unloaded a shipment of cabbage at Hunts Point Produce Market in the Bronx, in New York City. They were running dangerously low on cabbage before she showed up. "I didn't realize New York City ate so much cabbage," Brown said, laughing. "I guess they like slaw." On the road, meals and supplies are more difficult to come by. Many restaurants are closed. Truck stops are running out of certain goods, and truckers can't easily pull into parking lots — like a Target, or a Walmart — to buy essentials if there isn't a designated truck parking space. Even if they can, Brown says, coveted items — like Clorox wipes — are mostly out of stock.

The other day, Brown pulled into the Ingrid R. Brown Petro truck stop and travel center in Oklahoma City, Okla. (yes, it's named after her in recognition of her decades of dedication to the trucking community). Brown asked a few truck drivers at the Petro if they'd seen hand sanitizer sold inside. There wasn't any. The next morning, after finishing an interview with Fox & Friends (she frequently makes appearances as a trucking advocate), one of the men — a "gentleman" from Iowa, as Brown described him — walked up to her truck and offered her a one-ounce bottle of hand sanitizer. It was half full. "I don't have much, but I'd love to share this with you," he said. It "just touched my heart," Brown said. And it's far from the only act of kindness in recent weeks. Across the country, hotels, companies, and individuals have been stepping up to help feed and house truckers.

One luxury hotel in Lava Hot Springs, Idaho, offered to house truckers for free, so they could have a comfortable place to sleep outside of the cramped quarters of their truck cabs. "How blessed this is," Brown said. She was thrilled. And then, a change of heart. She called back to cancel the reservation. The manager was shocked. "I can't come," she told him. "I can't do that to you." Brown didn't want to sicken the manager and his family, or the hotel and cleaning staff, if she was unknowingly an asymptomatic carrier of the coronavirus. "If I don't protect y'all by protecting myself," she said, "this is not going to stop."

## Shipping Line Confirms Cyberattack Brought Down Booking Platform

By Costas Paris, WSJ, April 15, 2020

Mediterranean Shipping Co., the world's second-largest container line, said a cyberattack at its Geneva headquarters had brought down its website for about five days and prevented customers from making bookings on its main online platform. "After a thorough investigation, we confirmed that it was confined to a limited number of physical computer systems in Geneva only and we determined that it was a malware attack based on an engineered targeted vulnerability," MSC said Wednesday after its website came back online. The privately held shipping line added that no data was lost or compromised. MSC said it wouldn't comment on the incident beyond its prepared statement.

The company, which operates about 16% of all container shipping capacity with a fleet of about 570 vessels, said it shut down its Geneva servers when the outage hit its network Friday. It said bookings still could be made through dedicated brokers or third-party online platforms during the outage. Cyberattacks have the potential to cripple the operations of shipping and logistics companies for weeks, leaving loaded ships stranded at sea and terminal operations suspended. In 2017, A.P. Moller-Maersk A/S suffered a \$300 million loss after its operations were hit by the Petya malware attack that affected numerous companies and government agencies around the world.

**CONTACT OUTSOURCE FREIGHT FOR ANY TRANSPORTATION OR LOGISTICS NEEDS**

[outsourcoperations@outsourcfreight.com](mailto:outsourcoperations@outsourcfreight.com)

John Nickandros, VP Sales

Tel # 774 222-0087

## U.S. Suspends Tariffs for Some Importers Affected by Coronavirus

Move won't apply to goods imported from China, steel or aluminum

By William Mauldin, WSJ, April 19, 2020

The Trump administration said it would allow some companies to delay payment of import tariffs due to economic hardship triggered by the new coronavirus, but the relief was much more limited than many officials and business leaders had signaled. The Treasury Department on Sunday announced a rule in conjunction with U.S. Customs and Border Protection to allow companies to delay for 90 days the payment of tariffs on certain goods coming into the U.S. in March and April. U.S. importers seeking a tariff-payment delay must “demonstrate a significant financial hardship” and have operations that are “fully or partially suspended during March or April 2020 due to orders from a competent governmental authority limiting commerce, travel, or group meetings.” The measure fell short of the across-the-board tariff deferral or even elimination sought by big business groups and retailers.

President Trump’s special tariffs on Chinese goods and steel and aluminum imports weren’t included in the tariff-deferral offering, and other punitive tariffs on dumped and subsidized products also can’t be delayed, according to the temporary rule. Chad Wolf, acting homeland security secretary, said the decision “gives the Administration the ability to help the trade community and U.S. businesses who keep critical supply chains for U.S. manufacturers moving during this unprecedented time.” The latest plan to delay for 90 days the payment of tariffs—essentially taxes at the border paid by U.S. importers—follows previous moves to delay corporate income-tax payments during what is expected to be a sharp economic downturn. Rep. Kevin Brady of Texas, the top Republican on the House committee that oversees trade, said the new tariff measure “will free up much-needed cash, allowing these businesses to pay these duties when they, as well as the economy, are on sounder footing.”

The tariff issue rekindled a sensitive debate in an election year, with the steel industry, trade hawks and lawmakers who support domestic industries rejecting earlier proposals to delay payments. Backers of tariffs and Mr. Trump’s “America first” trade policy have emphasized that any payment delays don’t amount to forgiveness of duties on imported goods. The divide between products—with some eligible for delays while others aren’t—is likely to generate complaints from industry and could sow confusion. Many goods are subject both to ordinary tariffs allowed under international agreements and special tariffs stemming from Mr. Trump’s trade war with Beijing or other punitive duties.

While the Trump administration quickly and broadly delayed payments of personal and corporate income taxes, the suspension of tariffs has aroused intense debate within the administration. The administration’s defense of tariffs has complicated efforts to delay payments, according to people familiar with the debate. Mr. Trump has often said Chinese or other exporters pay the tariffs. In fact, U.S. importers pay them and frequently pass the extra cost on to American retailers, wholesalers and consumers.

The Wall Street Journal on March 27 reported the administration was moving to delay tariffs payments broadly. Asked about the Journal report that day, Mr. Trump called it “fake news.” Mr. Trump has touted tariffs as a way to encourage domestic manufacturing and put pressure on trading partners to open up their markets to U.S. exports. At the same time, tariffs raise the costs of raw materials and components for auto makers and other manufacturers. American steel producers and others that benefit from tariff protection are likely to push hard against any efforts to roll them back, especially during an election year and an economic downturn.

## Dupont Idles Car-Materials Plants

By Austen Hufford, WSJ, Apr 20, 2020

DuPont de Nemours Inc. said it idled several manufacturing sites that serve the auto industry after major U.S. car makers halted production, the latest example of how coronavirus-related stoppages are ricocheting through the supply chain. The maker of nylon and other materials for the auto industry said on Monday that it had suspended its financial guidance for the year and was delaying capital investments, citing the uncertainty around the pandemic and global softening in the automotive, energy and other industrial markets. The company also said it had secured commitments for up to \$3 billion in new financing that would help the company weather the downturn. DuPont said its first quarter adjusted earnings per share would come in at 82 cents to 84 cents, above the 68 cents forecast by analysts.

## U.S. Set to Join Global Push Allowing Cargo Shipments in Passenger Jet Cabins

By Andy Pasztor, WSJ, Apr 12, 2020

U.S. air-safety regulators are poised to allow cargo shipments in the cabins of passenger planes to give airlines greater flexibility amid the coronavirus crisis, according to people familiar with the matter. The new guidance, the people said, is slated to be issued in coming days and is expected to resemble moves made by carriers and foreign aviation authorities from Canada to Ethiopia to the Middle East. Normally, operating restrictions and aircraft structural limits mean passenger jets must put all cargo in the bellies of aircraft. But in consultation with plane makers and airlines, Federal Aviation Administration officials are ready to lift those restrictions.

**Call Outsource and together take a look at your complete Supply Chain end to end**  
**IS YOUR COMPANY:** \* moving freight efficiently (NOT SUFFICIENTLY) \* on time and on budget  
\* in synch with CBP regulations \* correctly classifying your products  
\* would faster freight movement allow for earlier customer invoicing?  
**Over 200 years’ collective experience in trade & transportation, international & domestic**  
**Call or Email John Nickandros 774 222-0087 (jnickandros@outsourcefreight.com)**

# TRIVIA QUESTIONS

- 1) **Who Wrote the book "1984"?**  
 A. Herman Hesse      B. Ray Bradbury      C. George Orwell      D. John Steinbeck
- 2) **In 1981 which new Television Network began?**  
 A. MTV      B. Telemundo      C. Spike TV      D. Cartoon Network
- 3) **Palm Springs, CA elected who as Mayor in 1988?**  
 A. Clint Eastwood      B. Sonny Bono      C. Jerry Springer      D. Arnold Schwarzenegger
- 4) **Which year in the 1980's was The McNugget introduced?**  
 A. 1985      B. 1987      C. 1982      D. 1983
- 5) **What Toy Company introduced a series of dolls that mixes with history in 1986 ?**  
 A. Cabbage Patch Kids      B. American Dolls      C. Dear American Dolls      D. Polly Pocket
- 6) **Which Supreme Court Justice, elected by President Obama, graduated from Harvard Law School in 1986?**  
 A. Elena Kagan      B. Sonia Sotomayor      C. Samuel Alito      D. Sandra Day O'Connor

Answers Later In The Newsletter

## FUEL REPORT

U.S. On-Highway Diesel Fuel Prices\* (dollars per gallon) <http://www.eia.gov/petroleum/gasdiesel/>

	4/06/20	4/13/20	4/20/20	Change from week ago	Change from year ago
U.S. National Average	\$2.548	\$2.507	\$2.480	↓-0.027	↓-0.667

### U.S. total energy exports exceed imports in 2019 for the first time in 67 years

By: AJOT, Apr 20 2020

Energy exports from the United States reached an all-time high of 23.6 quadrillion British thermal units (quads) in 2019, marking the first time in 67 years that annual U.S. gross energy exports exceeded U.S. gross energy imports, according to the U.S. Energy Information Administration's (EIA) Monthly Energy Review. Gross U.S. energy imports were 22.8 quads in 2019, the lowest since 1995. Last year was the first year when the U.S. exported more energy than it imported since 1952, a year when the volume of energy imports and energy exports was much lower than it is today. Net U.S. energy imports have fallen from a peak of 30 quads in 2005, and they have decreased every year since 2016. Last year's change in net energy trade in the United States—from 3.6 quads of net imports in 2018 to 0.8 quads of net exports in 2019—was the largest change in U.S. energy trade since 1980.

Last year's change in U.S. energy trade was largely driven by decreases in net imports of crude oil. Natural gas net exports also increased, and net trade of the other energy sources remained similar to their 2018 levels. In 2019, the United States continued to be a net importer (importing more than it exports) of crude oil and—to a much smaller degree—electricity and a net exporter (exporting more than it imports) of coal, coal coke, natural gas, petroleum products, and biomass. Crude oil: U.S. crude oil net imports, by energy content, decreased 31% from 2018 to 2019. This decrease of 4.1 quads (the equivalent of about 1.9 million barrels per day) accounted for most of the change in the net U.S. trade of total energy. In 2019, gross imports of crude oil decreased, and gross exports of crude oil increased. The United States has been a net importer of crude oil in every year since at least 1949 (the earliest in EIA's energy trade data series). In 2019, Canada was both the largest source of U.S. crude oil imports and the largest destination for U.S. crude oil exports.

Petroleum products: Gross exports of petroleum products are the largest category of U.S. energy exports, but in 2019, gross exports of U.S. petroleum products decreased from a record high in 2018. The United States has been a net exporter of petroleum products in each year since 2011. In 2019, Canada was the largest source of U.S. petroleum product imports, and Mexico was the largest destination for U.S. petroleum product exports.

Natural gas: Gross exports of U.S. natural gas reached a record of 4.7 quads (nearly 12.8 billion cubic feet per day), up 29% from the previous year, continuing a five-year trend of annual increases. Gross U.S. natural gas imports also fell by 5% from the previous year. The United States has been a net exporter of natural gas since 2017. In 2019, Canada was the largest source of U.S. natural gas imports, and Mexico was the largest destination for U.S. natural gas exports.



## Boeing to Resume Commercial Airplanes Production in Puget Sound By: AJOT, Apr 17, 2020

Boeing will resume all Commercial Airplanes production in a phased approach at its Puget Sound-region facilities next week, after suspending operations last month in response to the COVID-19 pandemic. At all of its sites, the company has taken extra precautions and instituted comprehensive procedures to keep people safe and fight the spread of COVID-19. “The health and safety of our employees, their families and communities is our shared priority,” said Stan Deal, president and CEO of Boeing Commercial Airplanes and senior executive in the Pacific Northwest. “This phased approach ensures we have a reliable supply base, our personal protective equipment is readily available and we have all of the necessary safety measures in place to resume essential work for our customers.”

Approximately 27,000 people in the Puget Sound area will return to production of the 747, 767, 777 and 787 programs, supporting critical global transportation infrastructure, cargo services and national defense and security missions. The 737 program will resume working toward restarting production of the 737 MAX. Boeing South Carolina remains in a suspension of operations at this time. Earlier this week Boeing restarted mostly defense production operations in the region with approximately 2,500 people. Employees in the Puget Sound for the 737, 747, 767 and 777 will return as early as third shift on April 20 with most returning to work by April 21. Employees for the 787 program will return as early as third shift April 23, with most returning to work by April 24. The company’s practices reinforce enhanced cleaning, employee health and physical distancing in partnership with employees. Aligned with federal and state guidance, these practices include:

- Staggered shift start times to reduce the flow of employees arriving and departing work
- Visual controls such as floor markings and signage to create physical distance
- Face coverings will be a requirement for employees at Boeing sites in Washington. Employees are strongly encouraged to bring in their own procedural mask or face covering; those who do not have a mask available will be provided with one.
- Providing required personal protective equipment to employees working in areas where physical distancing cannot be maintained for an extended period
- Asking employees to perform self-health checks before coming to work and to stay home if they are ill
- Employee wellness checks at the beginning of every shift and voluntary temperature screening at many manufacturing locations
- Contact tracing when an employee tests positive for COVID-19 to reduce risk to teammates
- Continued virtual meetings and employees who can work from home will continue to do
- Transportation and common areas adjusted for physical distancing

Hand-washing stations in high-traffic areas and additional cleaning supplies available

Enhanced measures will continue until conditions allow for a return to regular work and cleaning processes. Boeing will continue to monitor government guidance on COVID-19, assess impact on company operations and adjust plans as the situation evolves.



## Virginia Closes Port Terminal as Volumes Dive From Coronavirus Impact

By Costas Paris, WSJ, April 17, 2020

The Port of Virginia will shut down one of its six terminals on Monday, the latest action by U.S. seaports to scale down operations as trade demand declines amid coronavirus-driven restrictions. “We have witnessed a marked decline in current and forecasted volumes from our shippers and ocean carriers,” the port said in a statement.

Virginia is home to the sixth-largest container port in the U.S., part of a sprawling facility that also includes the world’s largest naval base, ship repair services and dry-bulk berths for coal exports. The port reported last week that cargo volumes in March were off 9% from a year ago, including a 9.2% drop in overall container traffic. There were also 16 fewer ship calls than in March 2019, a 12.5% decline from last year.

Container vessel operators in recent weeks have canceled hundreds of sailings affecting schedules into the summer and have idled a record 13% of their capacity to conserve cash as demand has waned, according to maritime data provider Alphaliner.

Trade data group Panjiva says overall U.S. seaborne container imports fell 10.1% in March from a year ago, including a 34% decline in shipments from China, where lockdowns on factories to contain the spread of the coronavirus sharply curtailed exports.

Virginia said it will close its Portsmouth Marine Terminal, on the west bank of the Elizabeth River, which handles container ships and general cargo vessels.



## ATA Joins President Trump in Recognizing America's Truck Drivers at White House

Truckers Honored for Critical Role in COVID-19 Response

4/16/20 Press Release from American Trucking Association (ATA)

Arlington, Virginia – Today, the American Trucking Associations joined President Trump at an event on the White House lawn to recognize the critical role our nation's truck drivers are playing in America's response to the COVID-19 pandemic. During the event, President Trump and Transportation Secretary Elaine Chao lauded truckers as "heroes" for their efforts during the crisis. "In the war against the virus, America's truckers are really the foot soldiers that are carrying us to victory," President Trump said. "Truckers are playing a critical role in vanquishing the virus, and they will be just as important as we work to get our economic engine roaring."

Several drivers were invited to the podium to share personal stories of delivering critical goods during the pandemic, from hand sanitizer to medical supplies. "As a professional driver, I am proud to stand here representing my fellow drivers out there doing the important work of delivering for America," said Stephen Richardson, a professional driver with Big G Express from Decatur, Alabama. "I am proud to be a truck driver and I am especially proud of the work all of the drivers are doing now in response to this crisis."

In addition to Richardson, Charlton Paul, UPS Freight, Chester, New York, and Tina Peterson, FedEx Ground/Ravenwood Transport, Blaine, Minnesota, all spoke of their experiences, and received a gold key from President Trump, which he called an expression of thanks for their "essential" work. A truck from ATA-member FedEx Ground and the ATA's image truck – Interstate One – served as a backdrop for the President's remarks.

"President Trump is absolutely correct in calling America's truck drivers 'the lifeblood of our economy.' As he said, they truly are 'brave, bold and incredible' heroes," said ATA President and CEO Chris Spear. "We thank the President and Secretary Chao for recognizing these drivers, who are touching the lives of Americans in a very tangible way, and for appreciating the hard work and sacrifice these men and women are making to deliver shipments of food, medicine and other crucial supplies to the frontlines of the fight against this virus."

America's trucking industry is the lifeblood of the U.S. economy. Nearly 71% of all freight tonnage in the U.S. moves on the back of trucks. Moving 10.5 billion tons of freight annually requires more than 3.6 million heavy-duty Class 8 trucks and over 3.5 million professional truck drivers. Without our industry, the American economy would grind to a halt.

Whenever there is a "Quotable" or "Number of the Day" in the Outsource newsletter it comes from the Wall Street Journal's daily logistics newsletter written by Paul Page.

### Number of the Day

103.1 million

Barrels of oil held in 'floating storage' in March, the equivalent of about 52 very large crude carriers, according to Bimco.

### Quotable

"We've seen more floating-storage contracts signed for 12 months in the last three weeks than we've seen in the last three years."

— Jefferies analyst Randy Giveans.

## 7 Advantages to Outsource Inc

Today, ninety percent of Fortune 500® companies rely on 3PLs for outsourced logistics and supply chain services, according to an Armstrong & Associates report. Whether you're a B2C or B2B company, how promptly and efficiently you react to customer orders has a direct bearing on customer loyalty, retention and earnings.

- 1. Focus on Core Business
- 2. Gain Access to Technology
- 3. Drive Efficiency and Cost Savings
- 4. Improve Risk Management
- 5. Acquire Custom Solutions
- 6. Develop Internal Staff
- 7. Improve Customer Satisfaction

### Corporate Projects

National, Regional or Local

Relocating a D/C

Fixture Roll-Out

Manage large customer orders, LTL, Truckloads, Expedited, International

Let Outsource provide professional project management for all logistics and transportation needs.

For information:

Contact John Nickandros 774 222-0087

OR

outsourceoperations@outsourcefreight.com



## **Pandemic Makes U.S.-China Economic Breakup More Likely, U.S. Businesses in China Say**

By Trefor Moss, WSJ, April 17, 2020

SHANGHAI—The coronavirus pandemic is making the “decoupling” of the U.S. and Chinese economies a more realistic prospect, American companies in China say, as it disrupts supply chains and further strains relations between the two countries. In March, 44% of 25 large U.S. companies surveyed said decoupling would be impossible, down from 66% in October, the American Chamber of Commerce in China and the American Chamber of Commerce in Shanghai said. The results of the March survey by the two organizations, published Friday, found more than a quarter of the companies plan to start sourcing some or all of their materials from different locations after the pandemic—though in some cases different regions of China rather than outside the country. Only 16% said they intended to shift some or all of their production outside China. And while 40% of companies said their supply chains would remain the same, over half said it was too early to say whether the pandemic would change their long-term supply strategy.

The coronavirus—which hit China first, shutting down factories and cutting supply chains many global companies depend on—has heightened awareness of the need to diversify away from China to spread risk, said Ker Gibbs, president of AmCham Shanghai. “It’s about diversification as opposed to a complete relocation,” Mr. Gibbs said.

Even before the viral outbreak, some companies were questioning the wisdom of their supply-chain reliance on China, where labor costs are rising and with the U.S.-China trade dispute increasing the political risk. The coronavirus disruption has some countries vocal about the need to bring manufacturing and supply chains back home. In late January, U.S. Commerce Secretary Wilbur Ross said the outbreak in China could help bring jobs to America. Trump administration adviser Peter Navarro, recently tasked to coordinate government-business cooperation to tackle the pandemic, has called for the country’s medical supply chains to be U.S.-based. Japan this month said it would offer subsidies to draw back makers of medical goods and other products from overseas, as well as to support corporate efforts to diversify supply chains and avoid overreliance on a single country. Meanwhile, Beijing—concerned about the departure of foreign capital—has looked to help foreign businesses resolve shutdown-caused bottlenecks and called for countries to work together to stabilize the global supply chain.

The shock from the pandemic is forcing companies to reappraise how they manage their supply-chain risk, though U.S. companies manufacturing in China for the Chinese market would be unlikely to move their networks overseas, Mr. Gibbs said. Political risk is also now top of mind for many U.S. companies in China, as the coronavirus worsens a U.S.-China relationship already frayed by the two-year trade war, according to Mr. Gibbs. The message from U.S. companies in Shanghai is one of “disappointment in the leadership in both countries” for allowing the pandemic to become a political flashpoint, he said.

### **Pandemic Conundrum** (editor’s headline)

Just as China’s factories get back to almost full production, demand from across the Pacific has collapsed. To match the heavy decline in bookings on the trans-Pacific, carriers have made a new round of capacity withdrawals, with an extensive blanking sailing program now extending into June. The idle vessels are being kept close to the trans-Pacific trade routes for rapid reactivation if demand improves, but there remains little clarity on when that will happen.

- Greg Knowler, Senior Editor, Asia, JOC

### **Quotable**

**“It is very likely that this year the global economy will experience its worst recession since the Great Depression.”**

— Gita Gopinath, the IMF’s chief economist.

### **Quotable**

**“Consumers have changed how they eat, and it’s rippling back right to the farm gate.”**

— Dennis Rodenbaugh of Dairy Farmers of America.

**Answers  
to  
Trivia**

#### **Transportation Management**

Multi-modal Service  
Carrier Management  
Auditing Services  
Supply Chain Coordination

#### **Supply Chain Management**

Supply Chain Engineering;  
Collaboration;  
Leadership  
Strategic Management  
Consulting

Outsource –  
The Freight  
Management  
Company

#### **Profit Improvement Plan**

Leverage Opportunity Analysis  
Baseline Measurement  
Profit Improvement Measurement

## Southeastern Freight Lines' Columbia and Atlanta Service Centers Celebrate 70 Years of Service

By: AJOT Apr 17 2020

Southeastern Freight Lines, the leading provider of regional less-than-truckload (LTL) transportation services, is celebrating its 70th anniversary of providing quality without question service after its founding in 1950, including 70-year milestones at its first service centers in Columbia, South Carolina, and Atlanta.

### Starting the Journey in South Carolina

Then, serving as Southeastern's corporate office and headquarters, the Columbia service center originally employed seven to eight people who served the corporate office and also ran the terminal. Today, the Columbia service center has grown to 102 dock doors and more than 161 employees and is located at 4025 Sunset Blvd. The corporate office employs an additional 542 employees out of its Lexington, South Carolina, headquarters at 420 Davega Road.

### Expanding to Atlanta

Even when Founder W.T. Cassels Sr. made the first deliveries for Southeastern Freight Lines from Columbia, he was already planning the company's expansion into Georgia. The Atlanta service center was the second Southeastern terminal to open and operated out of a filling station for the first few years. There were no interstates in the 1950s, so drivers traveled on a two-lane road from Columbia to Atlanta. Today, the facility has grown to 140 dock doors and more than 330 associates and is currently located at 4061 Moreland Avenue in Conley, Georgia.

### Building a Legacy

To start Southeastern Freight Lines, Cassels Sr. took out a loan for \$5,000 for working capital and started with 12 trucks, 20 people and a philosophy about how to run his business.

"Our company has weathered many storms since my grandfather made Southeastern's first delivery, and I'm proud to carry forward his legacy of building roots in each community where we operate," said W. Tobin Cassels III, president of Southeastern Freight Lines. "While the trucking industry has evolved in many ways over the past 70 years, along with the changing landscape of technology and infrastructure, the mission of the company remains the same: to meet or exceed the needs of every customer – every single time."

The company now operates 89 service centers, employing more than 8,211 associates across 13 states, Canada and Puerto Rico, and has undergone numerous upgrades in trucks and trucking technologies to provide essential services and support the country's vital supply chain needs.

Visit the Southeastern Freight Lines YouTube channel to learn more about the founding and history of the company from Chairman W.T. Cassels Jr.



Let Outsource find "CHUNKS OF COST" to take away from your supply chain through analysis, finding efficiencies through proper freight management principles

Call John Nickandros, VP Sales    Tel # 774 222-0087    to speak of the potential for meaningful savings

Outsource Inc. 72 Sharp St., Hingham, MA 02043 Tel 781 340-5656 or 800 286-5306