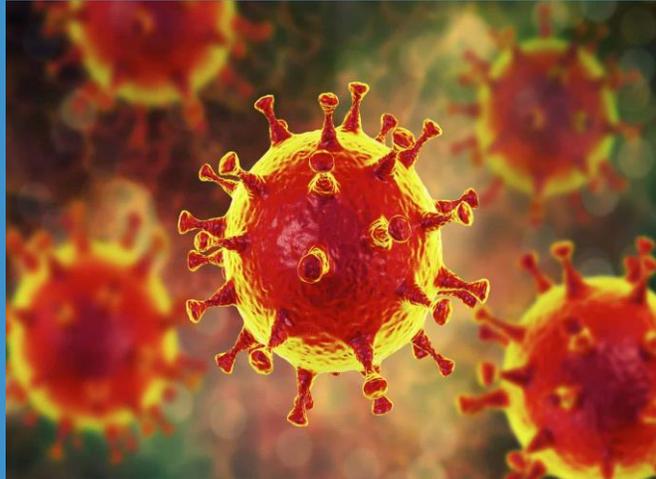


# CORONAVIRUS

## THE STATE OF THE SHIPPING INDUSTRY



For information regarding Coronavirus Global Cases, visit the [John Hopkins University Coronavirus Resource Center](#)

### China factories back up and running

Factories in China have opened back up and are ready for business after being closed for Chinese New Year and the Novel Coronavirus. Their production levels may be affected by the decrease in global demand while other countries are now dealing with Coronavirus and its impact in their area.

### Air Freight Status

Currently, there is a lack of space available for shippers to transport their goods through their normal cargo planes. Airlines that have seen a decrease in the passenger capacity are researching alternatives to keep their planes moving and reduce costs. American Airlines just recently moved a full passenger plane of cargo only out of Dallas.

### Container shortage in U.S. affecting shippers

The lack of imports coming into the United States, combined with the increase in blank sailings by the carriers, has caused a shortage of equipment to haul exports from the U.S. This will lead to delays in getting product out to other countries, along with an increase in the amount of product having to be stored in distribution centers and warehouses.



### BLANK SAILINGS CAUSE DELAYS

The Coronavirus has crippled the cargo manufacturing in China. The low volumes of cargo being produced, coupled with the lack of available truckers to haul cargo, has caused a decrease in the number of containers to be ready for sailing. Due to low volumes, the carriers have implemented several blank sailings to cut costs, which in turn causes many shipments to be delayed across the world.

## U.S. Customs to offer Aid to Importers through Duty Deferral

This is new and we have limited information available currently; however, U.S. Customs may allow Importers to request deferral of payment of Customs duties on a case-by-case basis during the Coronavirus pandemic. There are no details at this time regarding the length of deferral or conditions of deferral approval; therefore, we will wait for more information to be provided in the coming days regarding this assistance program. Contact your U.S. Customs Broker for more information on Duty Deferral.



## Looking ahead: How will the Coronavirus affect future Supply Chain Industry?

Although the future is uncertain, we should expect a disruption in the market due to the lack of product on the water from China to other parts of the world. The industries that will suffer the most are those that are most dependent on factories in China for their products. This may result in a temporary shutdown until these companies receive the product from China to continue working again. Since China manufacturing is almost 100% operational and truck capacity is back to normal in most provinces, when the products are finished, things will start moving again. When the containers start moving from China, other areas of the world will then have containers to export their product. U.S. anticipates it could be weeks or months to regain normalcy. **For more information, see video [here](#).**

## U.S. ports, truckers and warehouses remain open

U.S. ports, warehouse and freight transportation remain open and exempt from the “Shelter-in-Place” mandates as they are deemed essential services by the U.S. government. Many companies have implemented work from home procedures when possible and have taken extra safety precautions for those who are unable to work remotely.

## SEACORP IS OPEN AND READY TO HELP LET SEACORP HELP YOU NAVIGATE THE WAY THROUGH THE CORONAVIRUS

With the uncertainty of the virus and the quarantine recommendation, SEACORP has arranged for all employees to work remotely until safe to return to the office. We are operating on normal business hours to ensure that there are very few disruptions to our customer service and your supply chain needs. Let us help you navigate through this difficult time and keep your supply chain moving as much as we possibly can.

SEACORP is a Federal Maritime Commission Licensed NVOCC specializing in container exports and imports to/from USA. SEACORP also has domestic property brokerage and can help you with any domestic trucking across the U.S., Canada and Mexico.

Website: [WWW.SEACORPNC.COM](http://WWW.SEACORPNC.COM)

