

Shipping Challenges Cause Medical Supply Delays

Demand for shipping and transportation services have increased significantly. COVID has reduced the labor available to move these products through the supply chain. These backlogs and congestion are producing significant delays, uncertainty, and cost increases.

Ocean



Empty shipping containers are needed in Asia to ship medical supplies back to the U.S.

Shipping Time 2.5x Longer

- Lack of empty containers causing **2-3 week backlog** in Asian ports
- U.S. typically returns 1 empty container for every 2 it receives; currently **1 container sent back for every 3-4 received**
- Container shipping rates **4x higher**

Ports



Ships wait longer to dock, and unloading times are longer too.

Delays On Arrival 3x Longer

- Container ships anchoring **8-11 days** while awaiting dock space
- With fewer workers available due to COVID, offloading can take **3x longer**
- **1-2 week** unloading delay in U.S. ports

Land



A dramatic increase in e-commerce is exacerbating the shortage of commercial drivers.

Driver Shortages And Rail Delays Limit Delivery Capacity

- **62% increase in e-commerce** over past year exacerbating driver shortage
- Truck driver availability at **lowest point in 3 years**
- Freight volume by truck **up 37%** over last year

IMPACTS



Increased
Costs



60% of global goods
move by container



Sources: CNBC, DC Velocity, Freight Waves, HIDA Research, Los Angeles Times, Mastercard Spending Pulse, Pacific Merchant Shipping Association, Reuters, Supply Chain Dive, The Japan Times, Wall Street Journal, Webb Analytics.