

OEC NEWS

OUR EXPERTISE YOUR ADVANTAGE

EXTRAORDINARY PORT CONGESTION
CONTINUES TO PRESENT SIGNIFICANT
CHALLENGES

CONTAINER PRODUCTION RATE
STRUGGLING TO KEEP PACE WITH DEMAND

CRANBERRIES
FUN FACTS

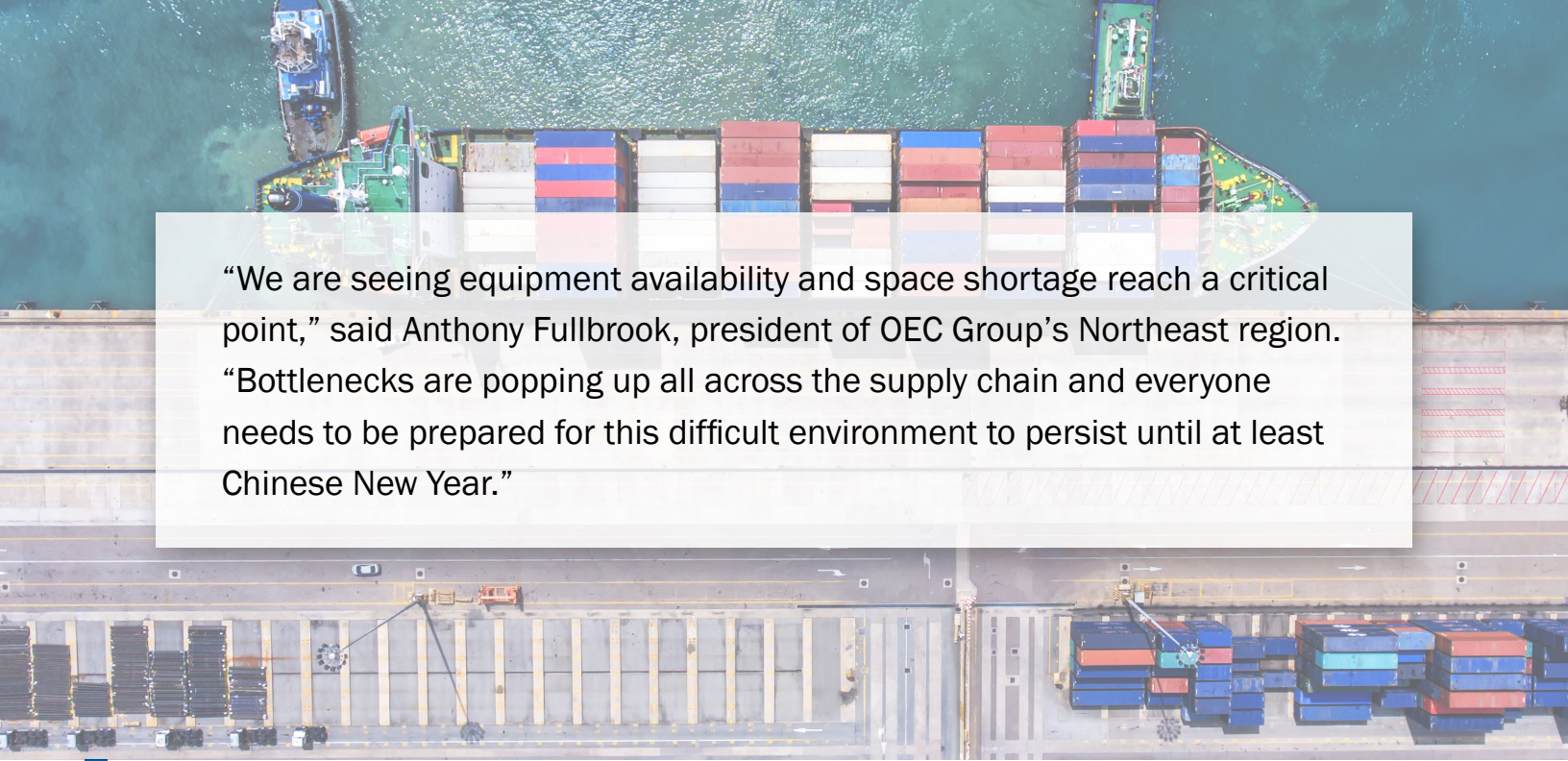
ABOUT
OEC GROUP

EXTRAORDINARY PORT CONGESTION CONTINUES TO PRESENT SIGNIFICANT CHALLENGES



Long-term congestion is now proving to have more serious implications in both the far east and at major US ports.

Backlogs at Los Angeles-Long Beach are making it difficult to acquire basic equipment, such as chassis, and truckers have been increasingly difficult to hire. Between the requirement of dual transactions, long turn times, and general confusion, even high wages aren't enough to bring on new truckers. On the East Coast, New York – New Jersey is equally congested due to additional volumes from extra loaders stalling there, as well. Our partners across the Pacific are not faring much better. This long and extraordinary peak season has left carriers with a severely dwindling supply of available equipment in Asia at the ports of loading.



“We are seeing equipment availability and space shortage reach a critical point,” said Anthony Fullbrook, president of OEC Group’s Northeast region. “Bottlenecks are popping up all across the supply chain and everyone needs to be prepared for this difficult environment to persist until at least Chinese New Year.”

Another developing issue that will have global repercussions is shortages in the global container fleet. The initial shock of COVID-19 threw a wrench into predictable, cyclical container supply and demand. Containers simply weren’t needed, so manufacturers relaxed production of new units, and carriers preemptively began increasing their scrapping cycle for the most beat-up units. When demand shot up just a few months ago, manufacturers of new containers were slow to replace scrapped inventory, let alone keep up with additional demand, adding further pressure to existing inventory.

“In the end, customers need an advocate to ensure that their cargo gets to its intended destination as quickly as possible,” said Peter Hsieh, regional vice president of sales and marketing for OEC Group. “These days, customers need to choose a recognized market leader with a known voice to work on their behalf, otherwise their cargo may be delayed for much longer than originally intended.”

CONTAINER PRODUCTION RATE STRUGGLING TO KEEP PACE WITH DEMAND



The lingering effects of COVID-19 on global trade persist, now affecting the availability of shipping containers.

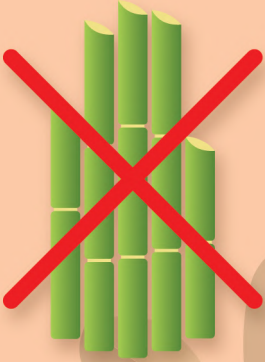
Typically, the total supply of containers is always in excess of demand and is never fully used. Upkeep is accomplished through the retiring of old containers and the yearly manufacturing of brand-new replacement units. However, this year, container inventory at ports of loading became imbalanced due to a few unforeseen variables, including the early scrapping of old units at the onset of COVID-19, late reordering and slow manufacturing of new replacement units, and the extraordinary peak season.

As the demand for goods increased so did pressure on container inventories, straining the capabilities of top manufacturers in the industry. Due to the resulting container deficit, carriers are experiencing an extreme shortage of containers at ports of loading.

“Efforts to build new containers are falling short of global demand,” said Steve Myers, Regional Vice President of Operations. “At the moment, manufacturers are basically operating at capacity to catch up with demand. We do not expect to see equipment imbalance recover until at least Chinese New Year.”

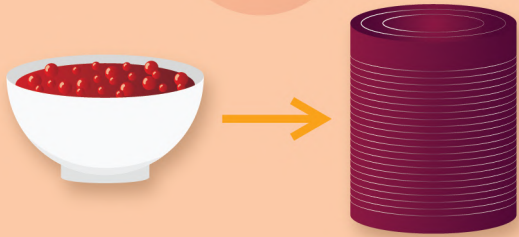
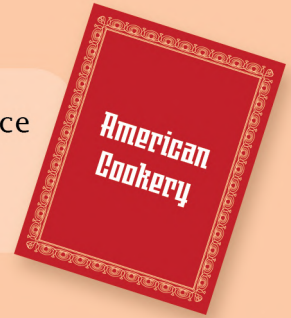
Cranberries

FUN FACTS



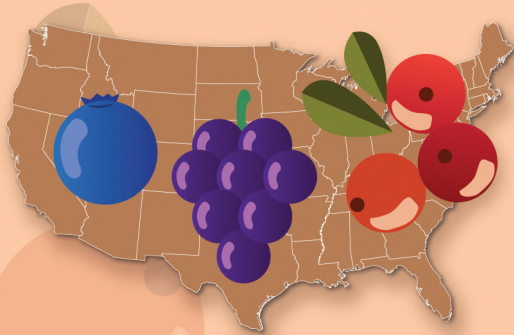
Due to the pilgrims' difficulty growing sugar cane on American soil, it is highly unlikely that cranberry sauce was enjoyed at the first Thanksgiving.

The first recorded recipe for cranberry sauce was found in the first American cookbook ever written, *American Cookery* (1672).



Although Ocean Spray began canning cranberry sauce in 1912, their product did not resemble the polarizing jelly cylinder until 1941.

During the Thanksgiving season, Americans buy around five million gallons of jellied cranberry sauce.



Cranberries, blueberries, and Concord grapes are the only three major fruits native to North America.

Most Native American tribes referred to cranberries as *ibimi*, which translates to "bitter berry".



ABOUT OEC GROUP

At OEC Group, we have demonstrated our commitment to customer service in trans-Pacific trade for more than 35 years. Founded in 1981, OEC Group had a vision to provide comprehensive logistics services to clients. Today OEC Group serves destinations throughout the world and has grown into one of the leading logistics providers in North America. With over fifty offices worldwide, we take pride in being close to your cargo at all times.

OEC Group is monitoring and adapting to the changing market. We are well positioned to make continuous improvements to your supply chain using the fastest, most efficient and cost-effective services available. We work tirelessly to stay on top of the ever-changing logistics industry with the goal of delivering the most current information and services to you, our customer.

Our business is making our logistics expertise, your competitive advantage.