May 2020 Issue 22

OEC NEWS

OUR EXPERTISE YOUR ADVANTAGE



AS THE EAGLE SOARS THE DRAGON AWAKENS

As America's economy begins to wake up from the Coronavirus, China is ramping up its efforts to be able to meet the increased demand to the supply chain. Specifically, OEC is seeing an increase in demand for household good items such as kitchenware, entertainment systems and gardening products.

Driving America's demand for these products is the change in lifestyle caused by the pandemic, as consumers have realized that certain items are essential to cope with government stayat-home orders. As a result, China is helping to increase its output on these goods because consumers have made it clear that they are prioritizing and ready to purchase household items that will make their lives at home more comfortable, livable and enjoyable. "A NEW IMPORTANCE HAS BEEN PLACED UPON THE PRODUCTS THAT AMERICANS USE AT HOME AND THIS CAN LEAD POTENTIAL BOOM IN A VARIETY **HOUSEHOLD PRODUCTS** BEING SHIPPED," SAID ANTHONY FULLBROOK, U.S. EAST REGION PRESIDENT HERE AT OEC GROUP. "WE ANTICIPATE CHINA TO HELP MEET THIS DEMAND AND PREDICT SHIPPING INCREASE IN THESE TO BE SIGNIFICANT BECAUSE PEOPLE WILL LIKELY STILL BE SPENDING MORE TIME AT HOME FOR THE FORESEEABLE **FUTURE AS EVENTS THAT DRAW CROWDS WILL REMAIN TOTALLY** OR PARTIALLY CLOSED."



OEC is expecting demand for shipments of household goods from China to intensify over the summer. The demand will be compounded by myriad businesses' need to replace recently sold goods, given how emergency COVID-19 restrictions have prevented many of them from replenishing depleted inventories. Additionally, OEC expects retailers from other industries that cancelled orders during the lockdown to reanalyze the market and order products based on the current demands of the consumer.

"WHILE THE FIRST HALF OF THE YEAR HAS BEEN A SIGNIFICANT CHALLENGE, I THINK THERE IS AMPLE REASON FOR OPTIMISM," FULLBROOK ADDED. "THE DEMAND FOR GOODS AND CHINA'S INCREASED OUTPUT HAS PUT THE ECONOMY BACK ON THE PATH TOWARD ITS ZENITH."

FLYING HIGH!

OVERCOMING CHALLENGES TO IMPORT PPE DURING A PANDEMIC

As the coronavirus raged on in the United States, the demand and need for personal protective equipment (PPE) grew exponentially. OEC Group understood the urgency of the situation and wanted to use its expertise to help import this much-needed equipment.

OEC moved quickly because the customers — a variety of organizations performing essential services — had no time to waste. The company formed Team Mask: a multidepartment group of executives tasked with running a smooth PPE import operation that avoids shipment cancellations and moves the masks, gloves, testing kits and other materials on time from China to New York.

"WE'RE OPERATING ON A 24-HOUR SCHEDULE TO MAKE SURE THAT OUR PPE ORDERS PROCEED EXACTLY AS PLANNED," SAID PETER HSIEH, REGIONAL VICE PRESIDENT OF SALES AND MARKETING HERE AT OEC GROUP. The team knew that the fastest way to import PPE was via air freight. However, just as the urgent need for the equipment necessitated air travel, COVID-19 restrictions led to cancellations of hundreds of daily flights to the U.S. from China. Due to the air cargo space shortage, freight rates kept soaring to new heights.

The team decided that the most effective way to import PPE was to acquire more buying power and lower costs. It accomplished this goal by chartering passenger aircraft. While the practice would be exorbitantly expensive under usual conditions, the effort was aided by remarkably low fuel prices and other factors that made it financially feasible.

Customs officials on both sides of the Pacific reacted quickly to the pandemic ensuring both safety and flexibility. In order to stay consistent with the latest regulatory changes and help move things along more efficiently, Team Mask worked very closely with the factories and customs, giving our locally licensed customs brokers in China enough time to ensure compliance.

"THE FLIGHTS WE'VE CHARTERED HAVE BEEN CRUCIAL TO THE SUCCESS OF THIS WORK, AS HAVE OUR RELIABLE BROKERAGE PARTNERS IN CHINA," HSIEH ADDED. "OEC WILL KEEP WORKING NONSTOP TO ENSURE THAT THE SHIPMENTS CONTINUE TO MOVE EFFICIENTLY."



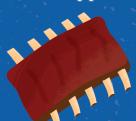
Many OEC employees across different departments continue to work around the clock on the PPE shipments, allowing the company to bring in much-needed materials at arguably one of the most urgent times in modern history.

-★ May is BBQ Month ★

Here Are Some Fun Facts

According to Major League Eating, the current record for baby back ribs is held by Patrick Bertoletti, who disappeared

5.24lbs in 8 minutes.



OKLAHON

Oklahoma has the most barbecue restaurants per capita

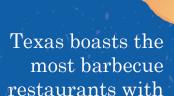
In the early 1900s New York was known for its barbecue.



The world's largest barbecue took place in Nuevo Leon, Mexico and had over

45,000 people.

The best woods to barbecue beef and pork with are hickory, mesquite, oak, and pecan.



2,238.

75 percent of all US households own a grill

OEC()GROUP

Last year, the US imported the most barbecue sauce from Taiwan, China, and the Philippines.





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.