

July 10th, 2020

Operations Update #12: COVID-19

To Our Valued Business Partners,

As ONE North American management continues to monitor the impact of COVID-19 on our industry, we would like to provide an update on the key operating areas which are affecting all of us.

This is a fluid situation with significant changes occurring quickly, and we will continue to provide updates as these impact our supply chain.

North American Network Status Update (July/10 additions in red below)

The NA network remains very fluid without any significant backlog or disruption.

Operation	
Localities	No local/state regulatory restrictions impacting the transportation network.
Labor	Thorough equipment cleaning and physical distancing continues at ocean terminals. No significant impact to production.
Shipper Warehouses	No notable restriction in customer cargo acceptance and devanning of containers.
Terminals	Cleaning and physical distancing processes are in place with no significant impact on terminal operations No on-going terminal service issue outside of rail and vessel notes below.
Railroads	No major impediments impacting rail flows in NA. Import rail dwells of over 7 days in Vancouver and over 5 days in Prince Rupert due to high import volumes and car shortages. CN car supply has been short due to washouts on their network following heavy rains and crew shortages with furloughed staff not returning to work quickly enough. The backlogs are expected to continue through the month of July.
Trucking	No notable supply, regulatory or operational concerns at this time.

Vessel Operations	Due to import rail backlogs and high cargo volumes, Deltaport (VAN) and Prince Rupert terminals are facing yard congestion which will start to impact the terminals' ability to work vessels. Vessel delays are anticipated as a result.
Depot Network	Depots are mostly operating as normal. Empty inventories are adequate to tight (depending on location) with no empty receiving restrictions in place nationally.
Chassis	Chassis supply remains ample even as import volume is strong.
ONE Network Map	Follow below hyperlink to view local conditions in ONE's NA Network: North America Network Map ***NOTE: eCommerce Login Required
ONE Terminal Calendar	Follow below hyperlink to view ONE's terminal closure calendar: Terminal & Depot Gate Calendar ***NOTE: Google Login Required

Sincerely,

Ocean Network Express (North America) Inc.
