

RESILIENCE360

COVID-19: Lessons learned from the COVID-19 crisis and preparing for a recovery

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Freight Forwarders' Forum 2020



DHL

RESILIENCE360

- Resilience360 provides a market-leading solution for supply chain risk management
- DHL innovation project as response to Japan earthquake 2011
- R360 was launched in 2014 as an official DHL product
- Spun out in 2018 to accelerate growth and gain expertise through Venture Capital
- AI-based capabilities through the improvement of data science support and utilization of machine learning and natural language processing
- Today over 100 customers



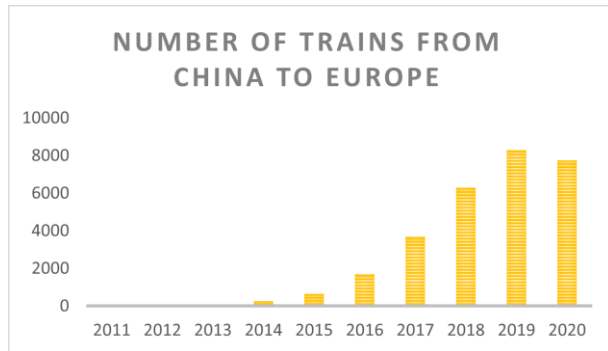
COVID-19 impacts on supply chains

OCEAN

- **Port congestion:** Safety measures, absenteeism and equipment shortages cause delays.
- **Capacity shortages:** Record rates due to capacity management by ocean carriers.

AIR

- **Capacity shortages:** Overall capacity remains 25 percent below 2019 levels. May take years before full recovery.
- **Shipment delays:** Rerouting of low-paying cargo causing delays.



Trade lane	Current Freighter Percentage	Change to pre-COVID-19 levels
Trans-Atlantic	66%	+33%
Trans-Pacific	83%	+24%
Europe-Asia	80%	+30%

Change of air cargo capacity by carrier type since COVID-19 outbreak

COVID-19 survey: Multimodal solutions becoming more important www.resilience360.com

SURVEY RESULTS ON IMPACT FROM COVID-19 PANDEMIC ON GLOBAL SUPPLY CHAINS

- Greatest logistics-related challenges appeared to be in **air cargo capacity shortages** (62 percent), trucking shortages (49 percent) and ocean freight disruption (42 percent).
- Companies mainly responded by paying premium for air cargo (37 percent), increasing stock levels (23 percent) and **using multi-modal solutions** (15 percent).
- The main drivers behind these decisions were **more reliable service** (33 percent), avoiding congestion (21 percent) and lower costs (14 percent).
- Most respondents said they would **continue to use ocean freight instead of air freight** (24 percent).

The importance of supply chain visibility

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WHY HAS VISIBILITY GROWN IN IMPORTANCE

- Global supply base
- Network complexity
- Inventory Strategy



THANK YOU!

For further questions, feel free to reach out to me at:

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