



Congestion Timeline

2018-2019

- Trade Wars with China leads to a swell of imports to get ahead of impending tariffs
- This begins to overwhelm some Western gateways

January 2020 | China shuts down and goes into quarantine because of COVID-19 outbreak

- This forms the beginning of supply chain disruptions from Southeast Asia
- Shortages begin to manifest in USA and abroad

February 2020 | USA issues a public health emergency and travel restrictions

- Global travel is halted
- International air travel comes to a near standstill limiting air freight capacity

March 2020 | Major events begin to cancel; USA goes into quarantine

- This causes a massive shift in consumer spending
- Consumers begin to “stock up” on certain items including toilet paper—leading to shortages
- With restaurants and most retail stores shut down, online ordering for everything from home goods to groceries surges
- Demand for personal protective equipment (PPE) surges adding to an already backlogged retail supply chain
- China begins to fully re-open their factory floors
- USA and North American factory floors, as well as distributors, experience intermittent shutdowns and outages because of localized COVID-19 outbreaks
- This becomes impactful for suppliers, as well as downline for consumers creating further disruption for supply chains

April 2020

- Many small trucking companies begin to shut down due to freight volumes plunging

May 2020 | USA official death toll from COVID-19 passes 100,000, USA total cases reach 2M

- This leads many states to prolong reopening plans
- This leads to sustained quarantine and USA consumer demand for household goods surging higher

June 2020

- Idle fleets spike to nearly 600 containerships—about 20% of the world’s fleet

July 2020

- Roll Pools begin in Asia—created by excess cargo that cannot be loaded due to upsurge and continuous overbooking
- Empty returns are rejected in USA due to terminals overrun with incoming containers leaving them with no room to process empty returns

September 2020 | Peak Season begins to take hold

- Severe port congestion begins to manifest—leading to delays in getting containerized cargo ships berthed timely
- This is happening while many locales are still in lockdown leading to massive labor shortages
- Long lines at container terminals lead to less turns for dray carriers further exacerbating delays
- Domestic freight carriers start to get overwhelmed by freight volume and driver shortages

October 2020

- Record levels of cargo causing severe congestion on all coasts over the 2020 holiday season

November 2020

- Truckers are unable to handle their normal weekly flows due to increased idle time at congested terminals, as well as a lack of chassis availability, results in nationwide rate increases across all trucking modes

December 2020 | EUA's issued by FDA for first COVID-19 Vaccines

- Rapidly increasing European freight rates begins new competition that shifts equipment away from Transpacific in favor of Asia-Europe trade
- Idle fleets are down to about 100 ships by year-end

January 2021

- USA vaccinations begin to ramp up through winter and spring 2021
- Reopening begins to take place further straining supply chains
- Container shortages begin to manifest globally
- West Coast congestion increases in January as some 800 ILWU longshoremen infected with Covid or in quarantine due to exposure.
- Massive backups begin to ensue at Port of Los Angeles/Long Beach

February 2021 | Texas Deep Freeze

- Power is knocked out to approximately 4.5M homes and business
- Food, water, generators, and other items vital to sustain life are rushed to Texas contributing to an already imbalanced L/T ratio

- Freight terminals throughout North America are forced to embargo cargo bound for Texas
- A backlog of outbound shipments from Texas also ensues
- This knocks oil and petrochemical plants vital to the plastics industry among others offline
- As a result, demand for these products skyrockets adding again to an already strained global supply chain
- Vessels at anchor outside LA/LB ports spike to 40 (over 0.5M TEUs afloat) waiting between one to two weeks to be worked in port

March 2021 | Suez Canal Blockage by Evergiven

- Evergiven (a 20,000 TEU Ship) becomes stuck in the Suez Canal for six days
- This delays hundreds of thousands—if not millions—of containers from delivering to their destinations worldwide
- This leads to an even greater imbalance of capacity globally to handle shipping demand
- More shortages of vital materials are reported including chips for the auto making industry
- Capacity for air freight is further strained
- Domestically, demand for trucking continues to outpace supply leading to further delays

May 2021

- Overwhelmed by incoming containers, BNSF creates “Lot W” by staking more than 11,000 containers across two sets of tracks, three-high and two miles long. Containers remain there up to two months, until finally moved to “Lot S” for pick up in July and August
- I-40 bridge in Memphis is closed for repairs (for three months) causing two-hour detours between terminals on either side of the bridge, which effectively removes some 20% of truck capacity, containers, and chassis from the system. More than 5,000 containers sidetracked waiting to get unloaded

June 2021 | COVID-19 outbreak in Chinese Port of Yantian

- Shipping delays from China to USA
- This leads to even greater demand, as transit time and lead time for products from China are already at all-time highs
- Spot rates for import cargo from Southeast Asia surge

July 2021 | Port delays and congestion reach all-time highs on full USA reopening

- Container shortages persist
- Congestion at ocean ports begins to manifest at inland ports, as well
- Freight volumes swell the nation’s railroads, truck terminals and distribution network
- Demand for drivers and trucks far outweighs capacity again creating bottlenecks for shippers throughout North America
- Railroads begin embargoes on ocean containers to inland ports further straining seaports and infrastructure to transload containers

- Union Pacific has 25 miles of rail cars backed up and waiting to get unloaded in Chicago—institutes one week embargo shutting off all IPI moves to Chicago