

The Pandemic's Implications for Supply Chains & Freight

Metropolitan Washington Council of Governments Presentation

May 2021

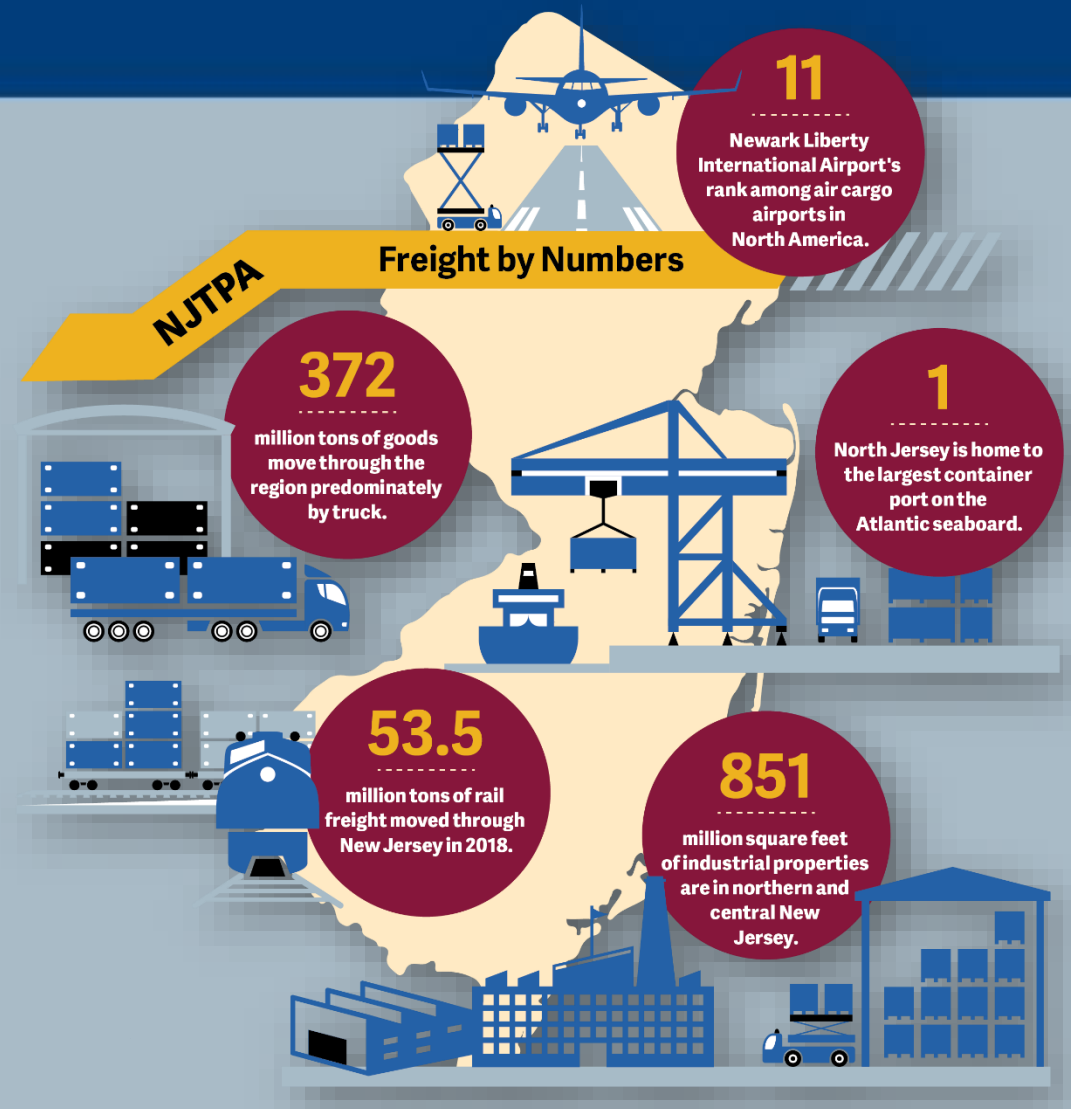


Anne Strauss-Wieder
Director, Freight Planning
North Jersey Transportation Planning Authority



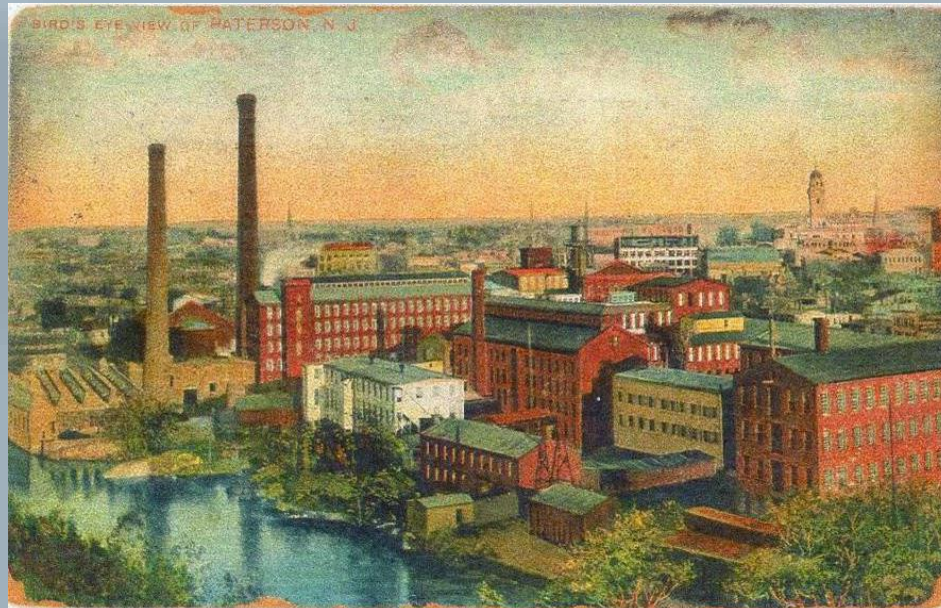
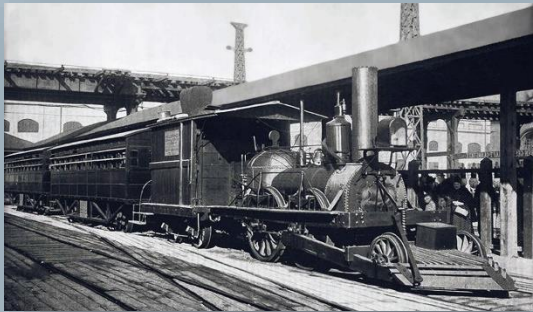
Freight Activity in the NJTPA Region

- 851 million SF in NJTPA region
 - 140 buildings added since 2016
- Largest Port on the East Coast – nearly 7.6 million TEUs in 2020
- Robust Rail Freight Network –
 - 2 Class Is, Conrail, shortlines
- Extensive Roadway Network



New Jersey: A History of Supply Chain Innovation

- Birthplace of the American Industrial Revolution
- One of the earliest US railroads
- Birthplace of containerization – the Ideal X



Functional Disruption Tools and Phases

- Toolbox: Coordinate, Collaborate, Communicate
- Phases: React, Retool, Reshape



COVID-19 as a Supply Chain Disruption

K

Abrupt Increases in Demand

Examples: Personal Protection Equipment, Cleaning Supplies, Food, Household Items, Ecommerce Provision

Sharply Decreased Demand

Examples: Restaurants and Office Building Supplies, In-Store Retail

React: Keep Critical Goods Flowing

- Pivot to manage changing product demands and supply chain issues.
 - 94% of the Fortune 1000 companies experienced supply chain issues in February 2020
- Adjust to changing equipment capacity while anticipating future surges.
 - Port of NY/NJ “Blank Sailings” – 25 in June 2020 and 19 in July 2020
- Keep the workforce safe and healthy.
- Enhance information systems connectivity



Collaborate, Coordinate, Communicate

- Activate and/or form public/private sector teams.
- Proactively and immediately address freight movement issues.
- Identify and address the range of resident and business needs.
- Understand and address the multi-state considerations and issues.








North Jersey Transportation Planning Authority (NJTPA) ...

March 24 at 8:21 AM · 🌐

Looking for employment? Logistics and transportation companies and supermarkets are hiring. The state has launched a dedicated website with available positions: jobs.covid19.nj.gov

STATE OF NEW JERSEY COVID-19 JOBS AND HIRING PORTAL

The State of New Jersey has developed a centralized resource to match talent with opportunities in industries on the front lines of serving New Jerseyans during the outbreak. Did you lose your job or have your hours reduced as a result of COVID-19? Businesses across New Jersey need thousands of workers for immediate hire. Learn more about who is hiring in your community. Employers in critical industries should submit information about openings with urgent hiring needs related to COVID-19 at jobs.covid19.nj.gov/intake.

 <p>Amazon SHIPPING, LOGISTICS AND TRANSPORTATION</p> <p>Locations Avenel Bellmawr Burlington Carteret Cherry Hill Closter Cranbury Edison Logan Township Marlton Moonachie Princeton Robbinsville West Deptford</p> <p>Positions Warehouse Team Member, Shopper Team Member</p>	 <p>UPS SHIPPING, LOGISTICS AND TRANSPORTATION</p> <p>Locations Bound Brook Edison Mount Olive Parsippany Saddlebrook Secaucus South Brunswick</p> <p>Positions Package Handler - Various part-time shifts starting from 10AM until 11PM</p> <p>Approximate Number of jobs 1,696 across all sites in NJ</p> <p>Shifts Wages</p>	 <p>Shop-Rite GROCERY STORES AND FOOD DELIVERY</p> <p>Locations 145 locations across New Jersey see full list at https://shop.shoprite.com/Store-Locator</p> <p>Positions Priority positions are Grocery Clerk Cashier Health and Beauty Clerk Dairy Clerk Nonfoods Clerk Produce Clerk</p> <p>Approximate Number of jobs 1,450 estimated - average of 10 per store</p> <p>Requirements</p>
--	---	---

Governor Phil Murphy ✓

March 23 at 12:28 PM · 🌐

NEW: Businesses across New Jersey are looking to hire THOUSANDS OF WORKERS, including those who lost their jobs or have had hours reduced as a result of #COVID1... [See More](#)



Truck Driver Survey: Delivering Goods During the Pandemic

- Undertaken by a consortium of 13 public agencies.
- Distributed by trucking associations.
- Received nearly 300 responses.
- Asked:
 - How truck movements changed during this phase of the pandemic response
 - About the availability of parking facilities
 - What rest area amenities were sought by drivers.

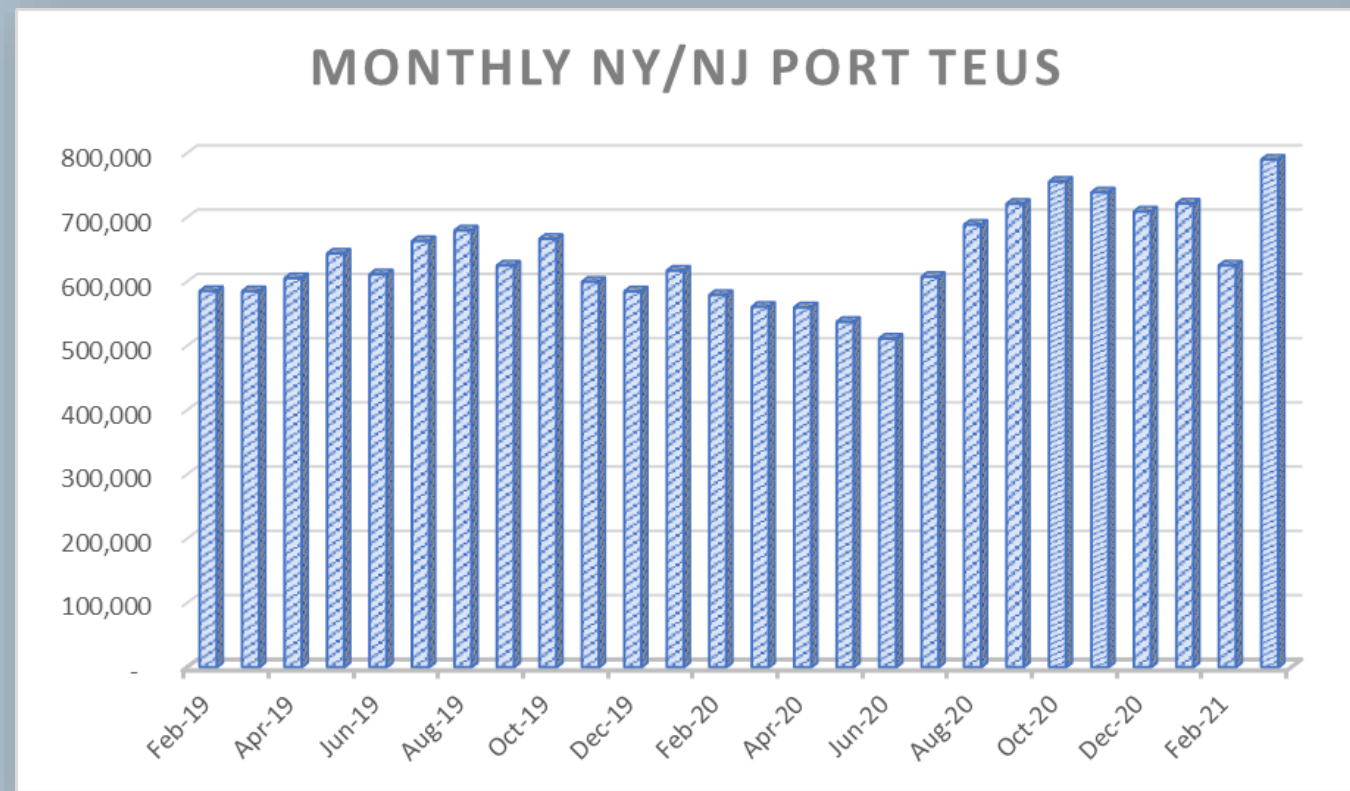
Read the Report

View and download the summary at:
<http://bit.ly/FreightWorkingGroup>



Reboot: The Intermediate Phase

- Assess Operations:
 - Customer needs, suppliers, production facilities, distribution facilities, transportation, information systems
- Manage Changing Freight Flows
- Ensure Workforce Health



Reshape: Context Changers

- Increased ecommerce and “buy online pick up in store” (BOPIS)
- Increased online grocery store sales



Source: Forbes



The Pandemic Accelerated the Use of Ecommerce

Comparing growth: US **ecommerce** vs. **total retail*** sales
Year-over-year growth, 2010-2020

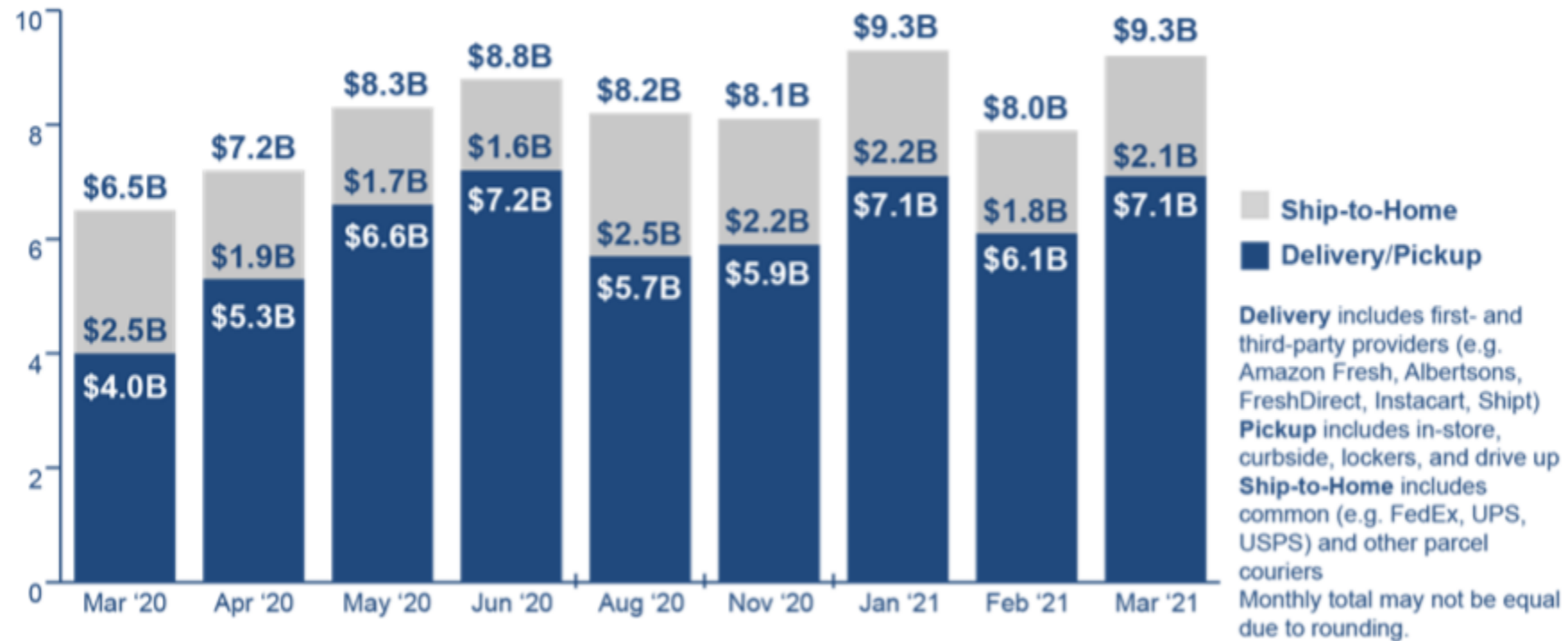


Source: Digital Commerce 360, U.S. Department of Commerce; Updated January 2021

*Total retail figures exclude sales of items not normally purchased online such as spending at restaurants, bars, automobile dealers, gas stations and fuel dealers

Total U.S. Online Grocery Sales: March 2021

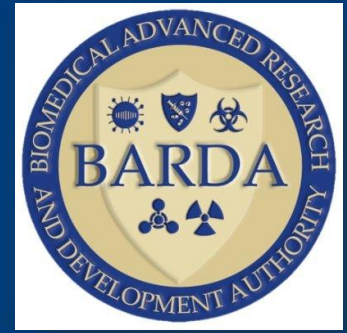
Total spending past 30-day periods



Sources: Brick Meets Click/Mercatus Grocery Shopping Survey, Mar 2021; Brick Meets Click Grocery Survey Feb, Jan 2021; Nov, Aug, Jun, May, Apr and Mar 2020



Reshape: Production Facility and Supplier Shifts



Biomedical Advanced Research & Development Authority Grants:

- \$117M — needles & syringes (Retractable Technologies, Inc; Becton, Dickinson and Company; and Smiths Medical, Inc)
- \$204M — glass tubing and vials (Corning Pharmaceutical Technologies and Corning Incorporated)
- \$143M — high performance glass/plastic vials (SiO2 USA)
- \$49M — sterile injectable drug products (Thermo Fisher Scientific)
- \$700,000 — continuous manufacturing process platform (Snapdragon Chemistry)

Reshape: Context Changers

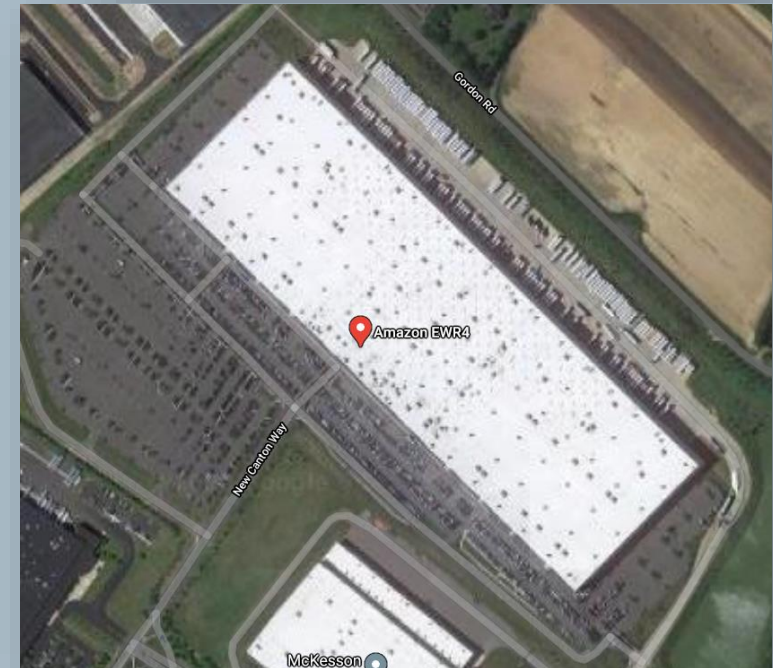
- Shift to having more inventory
- Increased importance of information technologies
- Continuing workforce shortages
- Enhanced deployment of automation



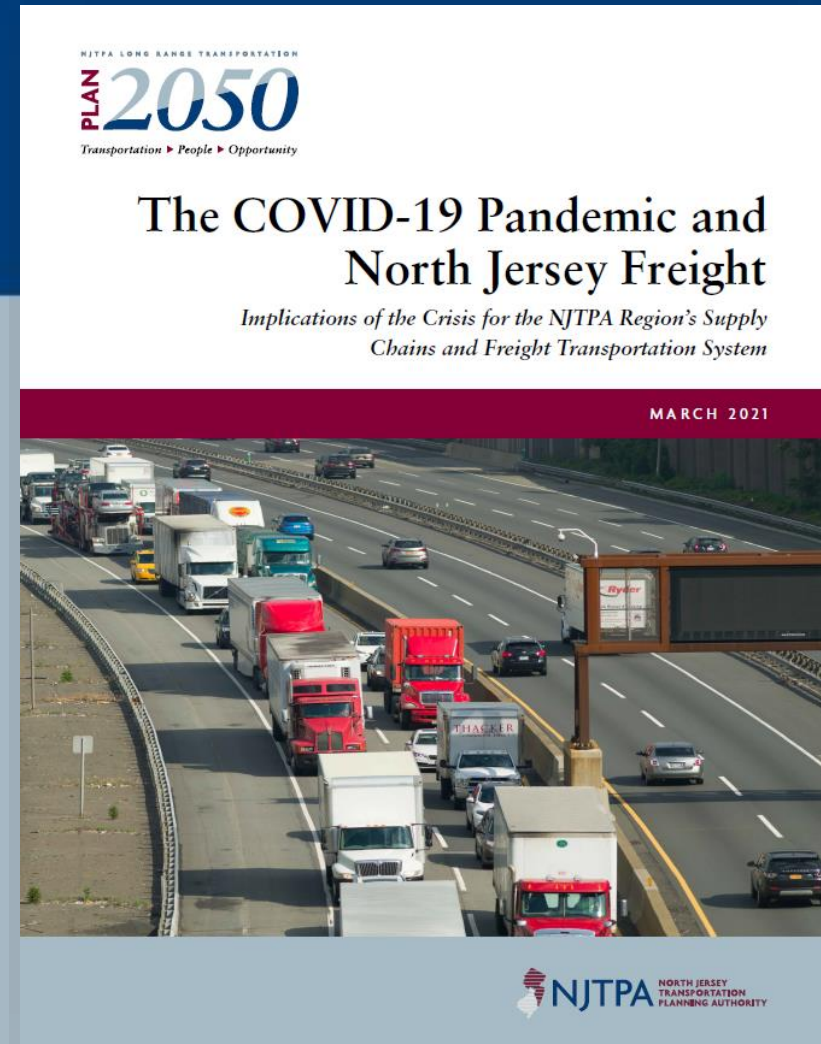
Source: Joliet Herald News

Implications for the Region

- Pursue potential new production operations
- Anticipate more industrial space requirements
- Address workforce needs and accessibility
- Continue to optimize the multimodal freight system
- Proactively address information and automation technologies requirements



Download the Report



Download the Report at:

https://www.njtpa.org/NJTPA/media/Documents/Planning/Plans-Guidance/Planning%20for%202050/njtpa_Covid-19_freight_report.pdf



Thank You



Find us on
Facebook!

follow us on
twitter 



Find Us On
Instagram



SUBSCRIBE
TO OUR CHANNEL

Defining the Vision. Shaping the Future.



NJTPA

**NORTH JERSEY
TRANSPORTATION
PLANNING AUTHORITY**

Anne Strauss-Wieder

Director, Freight Planning

(973) 639-8404

Strauss-Wieder@njtpa.org