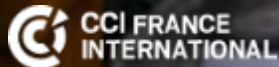




# FIGHTING COVID-19 WITH AGILE SUPPLY CHAIN



WITH



AT THE BEGINNING...

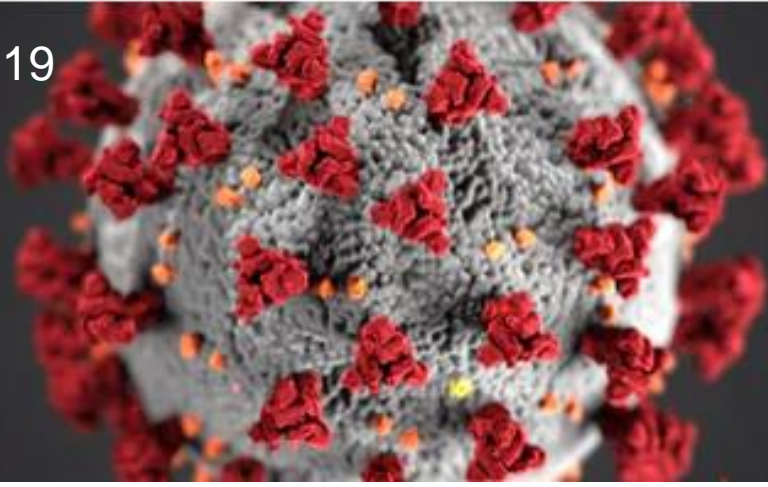
武汉华南海鲜批发市场  
WUHAN HUANAN HAIXIAN PIFA SHICHANG

↑ (P) 停车场  
← (P) 停车场

NOV, 2019



# THE COVID-19 OUTBREAK

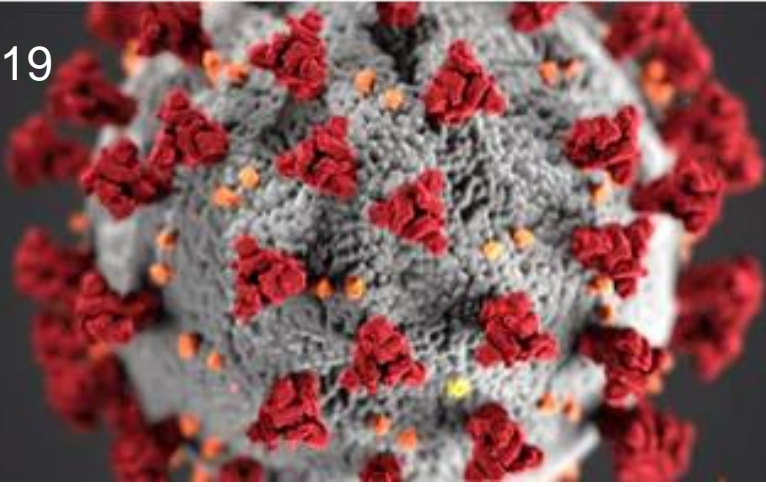


**555**  
CASES



**JAN 22, 2020**

# THE COVID-19 OUTBREAK

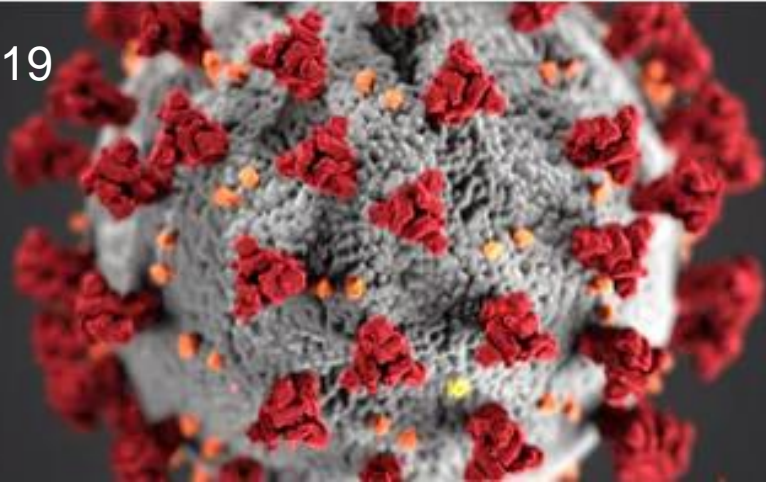


**17,572**  
CASES



**FEB 22, 2020**

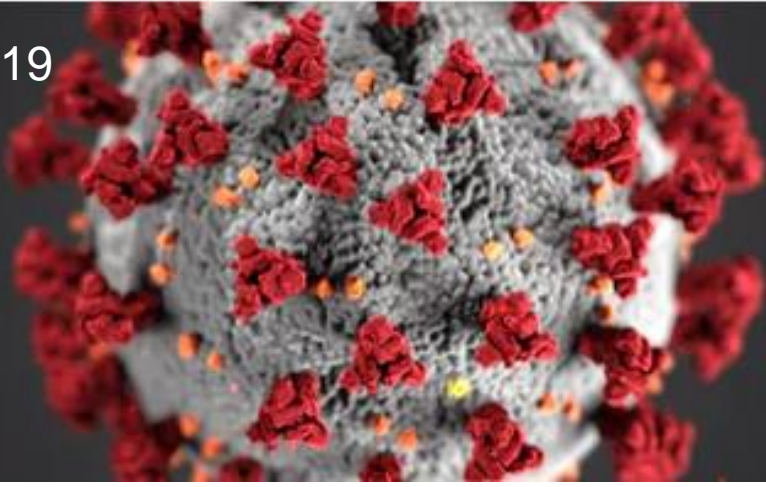
# THE COVID-19 OUTBREAK



**336,943**  
CASES



# THE COVID-19 OUTBREAK

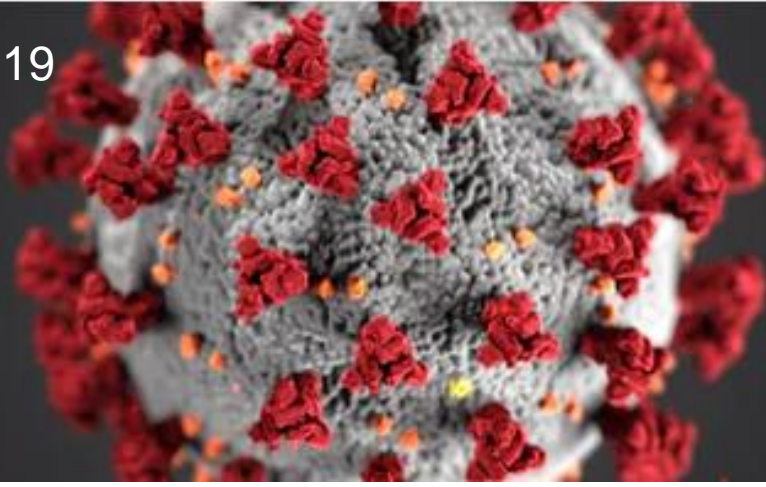


**2,624,089**  
CASES





# THE COVID-19 OUTBREAK



**4,634,068**  
CASES



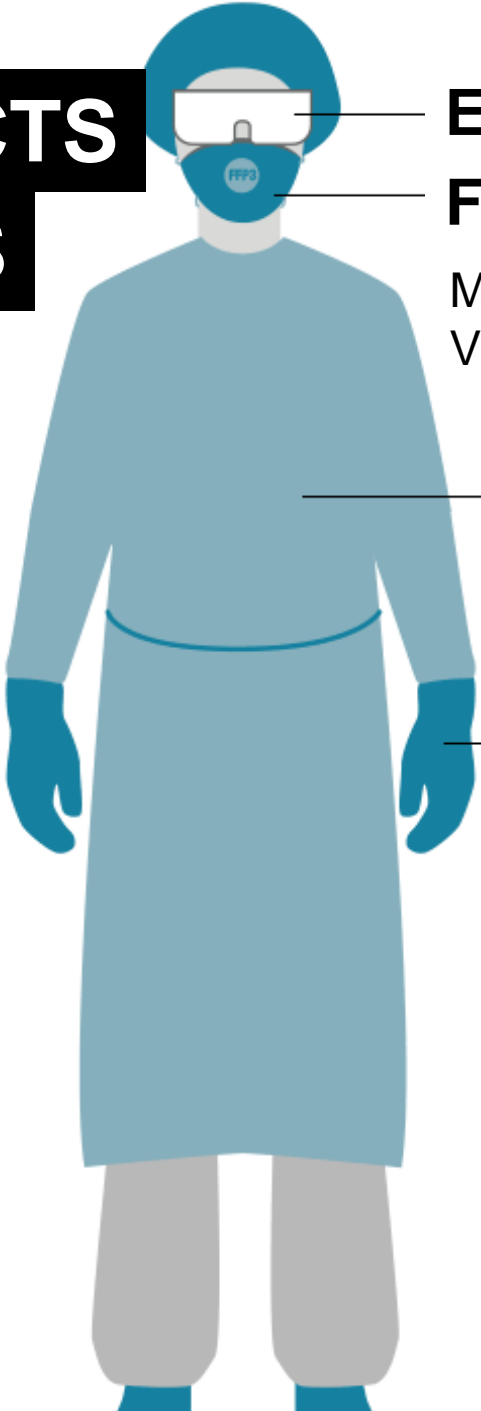
**LEADING TO**



**A GLOBAL  
UNFORESEEN HUGE DEMAND  
FOR MEDICAL PRODUCTS**



# MEDICAL PRODUCTS DIFFERENT TYPES



**EYE PROTECTION**

**FACE MASKS**

MEDICAL  
VS. PROTECTIVE



**PROTECTIVE  
CLOTHING**

**MEDICAL  
GLOVES**

**COVID-19  
TEST KITS**



**RESPIRATORY  
VENTILATORS**



# CHINA, WORLDWIDE LEADER OF MASKS MANUFACTURERS



IN 2019

90% OF USA & 70% OF JAPANESE  
MASKS PRODUCTION RELY ON CHINA



**NOW,**  
**CHINA'S DAILY MASK**  
**PRODUCTION CAPACITY**  
**AND ACTUAL OUTPUT EXCEED**  
**300 MILLIONS**  
*VS. 110 MILLIONS IN MARCH*





© Xinhua



© Xinhua

# WITH CUTTING-EDGE FACILITIES



© Bangkok Post



© Wang Zhao AFP

**#1 SOURCING**

**#2 EXPORTING**

**#3 SHIPPING**

**#4 AT DESTINATION**

**#5 OUR ADVICES**

# SOURCING

FINDING THE RIGHT PRODUCTS

AT THE RIGHT PRICE &

AT THE RIGHT TIME

#1





# SOURCING CHALLENGES

> **FINDING THE RIGHT PRODUCTS:**  
QUALITY OF THE PRODUCTS,  
MEDICAL VS. NON-MEDICAL

> **AT THE RIGHT PRICE:**  
FIRST PAID, FIRST SERVED & OUTBID FROM  
OTHER COUNTRIES (USA, SAUDI ARABIA)

> **IN THE RIGHT FACTORY:**  
MANY MIDDLEMEN, EVERYBODY BECOMES  
MASK PRODUCER OR TRADER

> **WITH THE RIGHT DOCUMENTS,  
CERTIFICATES AND PACKAGING**



# LEADING TO THE DRAMA OF LOW QUALITY MEDICAL PRODUCTS

Los Angeles Times

CALIFORNIA

## How a stockpile of 39 million masks was exposed as fake

NEWS

## Coronavirus: Netherlands recalls 'defective' masks bought from China

Hundreds of thousands of masks sent to Dutch hospitals have been recalled after tests showed they failed to protect the face or had defective filters. The Netherlands recently bought 1.3 million masks from China.



## Finland discovers masks bought from China not hospital-safe

News Desk

Agence France-Presse

THE GLOBE AND MAIL

CANADA

SUBSCRIBE

LOG

## Canada says one million face masks from China failed to meet proper standards, won't be sent to provinces

STEVEN CHASE

NATHAN VANDE

OTTAWA, BEIJIN

PUBLISHED 2 DA



The Brussels Times



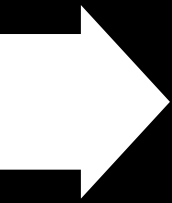
3 million FFP2 masks delivered to Belgium last week were rejected because they did not meet the required quality standards.

## Border Protection officers seize 2,000 counterfeit 3M masks shipped from China, feds say

Terry DeMio Cincinnati Enquirer

Published 3:21 p.m. ET Apr. 23, 2020 | Updated 3:23 p.m. ET Apr. 23, 2020





# LEADING TO THE DRAMA OF LOW QUALITY MEDICAL PRODUCTS

Los Angeles Times

CALIFORNIA

## How a stockpile of 39 million masks was exposed as fake

NEWS

### Coronavirus: No masks bought from

Hundreds of thousands of masks showed they failed to protect the... bought 1.3 million masks from C



bought from



CANADA

### Canada says masks from meet proper be sent to provinces

STEVEN CHASE >  
NATHAN VANDERKLIPPE > ASIA CORRESPONDENT  
OTTAWA, BEIJING  
PUBLISHED 2 DAYS AGO

at week were rejected  
y standards.

## Border Protection officers seize 2,000 counterfeit 3M masks shipped from China, feds say

Terry DeMio Cincinnati Enquirer

Published 3:21 p.m. ET Apr. 23, 2020 | Updated 3:23 p.m. ET Apr. 23, 2020





# EXPORTING THE GOODS FROM CHINA

#2



# **EXTENDED LEAD TIMES** DUE TO **THE INCREASE OF PRODUCT CONTROLS** **COMPLEXIFYING THE SUPPLY CHAIN**

THE  
GLOBE  
AND  
MAIL\*

CANADA

SUBSCRIBE

LOG IN



## Two cargo planes return empty to Canada from China without medical supplies

STEVEN CHASE >

PUBLISHED APRIL 21, 2020

UPDATED 3 DAYS AGO

**UNPREDICTED & FREQUENT CHANGES**  
**IN THE EXPORT REGULATIONS FOR**  
**MEDICAL PRODUCTS IN CHINA**

**LATEST**

**CHANGES:**

**10 APR**

**17 APR**

**26 APR**

**...**



# CONGESTIONS TO ARRIVE TO AIRPORTS WITH MASSIVE TRAFFIC JAMS



**17-21 HOURS** BEFORE ARRIVAL CUT-OFF



A wide-angle photograph of a large industrial warehouse. The floor is covered with hundreds of stacks of cardboard boxes, some on pallets and some on the floor. The boxes are mostly brown and yellow. In the background, there are metal structures, possibly conveyor belts or shelving units, and bright overhead lights. The overall scene depicts a very busy and full storage facility.

**TERMINAL WAREHOUSES ARE,  
OVERWHELMED WAREHOUSES AROUND  
THE AIRPORT ARE TOTALLY FULL**

**CUSTOMS ISSUE NOT HELPING WITH  
LONG DAYS WAITING TIME TO EXPORT**



# CONSEQUENCES

SHIPMENTS MUST BE CLEARED

**MAX 3 DAYS** BEFORE DEPARTURE &

ACCESS TO AIRPORT BEFORE THE CUT OFF.



# SHIPPING THE GOODS ASAP

LEADTIME INCREASES,  
PRICES INCREASES, BUT  
DEMAND NEEDS IT FOR YESTERDAY

#3



# IN A CHALLENGING ENVIRONNEMENT WITH THE **DECLINE IN THE NUMBER OF FLIGHTS** IN THE WORLD



ONE WEEK OF AIR TRAFFIC IN 2019, MAR

Map : flightradar24.com in The Guardian & France / Photo © L'Obs



2019, APR

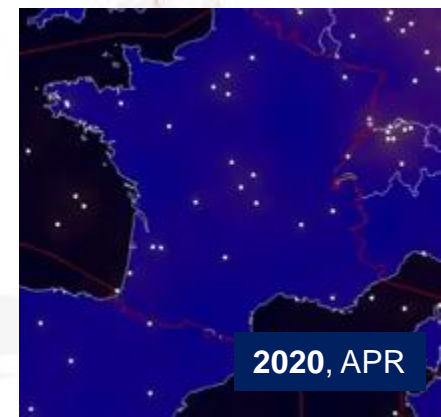


# IN A CHALLENGING ENVIRONNEMENT WITH THE **DECLINE IN THE NUMBER OF FLIGHTS** IN THE WORLD



ONE WEEK OF AIR TRAFFIC IN 2020, MAR

Map : flightradar24.com in The Guardian & France / Photo © L'Obs



2020, APR



WITH, MORE THAN HALF OF THE PLANES  
IN THE WORLD ARE **GROUND**





# MOST COUNTRIES SEE MORE CANCELLATIONS FOR INTERNATIONAL FLIGHTS THAN FOR DOMESTICS ONES

## Global Scheduled Flights Change year-over-year

Week compared with equivalent week in previous year i.e.  
Monday 6 January 2020 vs. Monday 7 January 2019.

**OAG**

Region	Jan	Feb	Mar	6 Apr	13 Apr	20 Apr	27 Apr	4 May	11 May
ALL	0.8%	-8.6%	-14.8%	-59.2%	-64.9%	-67.2%	-66.8%	-69.9%	-68.4%
Spain	-3.7%	-1.8%	-23.2%	-92.6%	-94.2%	-95.1%	-94.1%	-92.3%	-92.1%
Hong Kong	-9.7%	-46.5%	-77.6%	-92.3%	-94.2%	-94.5%	-93.2%	-90.6%	-89.7%
Germany	-8.5%	-6.9%	-30.7%	-92.8%	-92.5%	-93.7%	-92.9%	-90.5%	-91.2%
<b>Singapore</b>	-0.1%	-16.1%	-43.1%	-89.9%	-92.5%	-97.1%	-95.9%	-97.0%	-96.9%
Italy	-3.3%	-4.2%	-48.0%	-89.0%	-92.2%	-91.2%	-80.2%	-78.1%	-78.3%
France	-0.8%	0.4%	-15.3%	-87.0%	-92.1%	-91.7%	-91.8%	-91.9%	-91.1%
UK	-3.8%	-3.3%	-22.8%	-90.7%	-92.0%	-93.2%	-93.5%	-92.5%	-92.3%
Australia	-3.5%	-3.2%	-5.7%	-78.1%	-84.6%	-83.7%	-84.4%	-83.0%	-83.6%
Sweden	-9.2%	-5.6%	-22.7%	-84.2%	-84.4%	-90.0%	-89.8%	-88.5%	-88.5%
UAE	-1.9%	-3.0%	-23.1%	-84.4%	-78.5%	-79.7%	-81.4%	-78.1%	-77.4%
South Korea	2.2%	-11.6%	-49.5%	-59.3%	-60.5%	-58.8%	-48.5%	-49.5%	-50.7%
USA	1.7%	1.2%	-2.2%	-45.2%	-58.0%	-60.8%	-63.5%	-74.5%	-74.7%
India	2.1%	6.3%	7.6%	-71.1%	-79.9%	-88.5%	-93.6%	-90.9%	-86.8%
China	4.3%	-55.1%	-40.2%	-46.2%	-42.6%	-42.4%	-39.2%	-32.0%	-27.4%
Japan	2.4%	-3.5%	-16.5%	-32.0%	-40.1%	-44.4%	-44.6%	-47.0%	-47.9%

Source: Schedules Analyser

# LEADING TO CHARTER SOLUTIONS



**1 PLANE = +/- 10,000,000 MASKS**



# AND ALSO UNUSUAL SOLUTIONS SUCH CONVERTING PASSENGER FLIGHTS TO CARGO



# AT DESTINATION, A CUSTOMS ISSUE...

#4



# A DILEMMA FOR NATIONS

**MEDICAL EMERGENCY**



+



+



**CHEAP**  
**HIGH VOLUME**  
**QUALITY ?**

VS.

**NEED TO CONTROL**  
**WHAT COMES IN**



**EXPENSIVE**  
**LESS VOLUME**  
**QUALITY**



**CUSTOMS AT DESTINATION:  
EACH COUNTRY HAS IT OWN SET OF  
RULES TO IMPORT THE GOODS**

**FRANCE & GERMANY HAVE  
VERY STRICT RULES**

**VS.**

**INDULGENT RULES  
NETHERLANDS, UK,  
AFRICA & USA**



# HOW TO MANAGE YOUR WAY OUT OF THIS JUNGLE ?

## 5 ADVICES

#5



**SUPPLY CHAIN LEAD TIMES MUST BE  
INTEGRATED IN THE PLANNING**

**HARD TO BARGAIN  
FIRST TO PAY, FIRST SERVED**





**PICK UP AS SOONS AS IT'S  
PRODUCED TO AVOID ANY OUTBID**

# **ANTICIPATE CUSTOMS DOCUMENTATION AT ORIGIN & DESTINATION**

**ANTICIPATE THE BOOKING 10 DAYS IN  
ADVANCE TO SECURE FLIGHTS ASAP**





**SWITCH  
TO CRISIS MODE!**

**THREE MOVES**



# 1 SETTING UP OF AIR FREIGHT BRIDGES FROM CHINA TO THE WORLD

## **2 TRANSFER OF THE OPERATION TEAMS TO AIR FREIGHT TEAMS: FROM RECEPTIONIST TO THE TOP MANAGEMENT**



# 3 PROVIDE DAILY CUSTOMS GUIDANCE AND UPDATES



**1 BILLION  
MASKS  
&  
3.000 TONS  
OF MEDICAL  
EQUIPMENT  
SENT TO OVER  
55 COUNTRIES!**

**WE DELIVER SOLUTIONS !**

# **NEXT STEP: FROM EMERGENCY PRODUCTS TO DAILY NEEDS:**



**SWITCH OF SUPPLY CHAIN ORGANIZATION FROM FAST EXPENSIVE AIR FREIGHT TO ECONOMICAL SOLUTIONS (SEA FREIGHT, RAIL...)**





*May 21, 2020*

*Presented by Loïc BENATTAR with the French Chamber of Singapore  
Bansard International Vice-President, Asia-Pacific*

