



ACC NEWS



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INDUSTRY NEWSPAPER

Week 28 of 2020

YOUR WEEKLY UPDATES



Ports



Retail



Rail



Shipping



Handling



Beverages



Road



Supply Chain



C-Stores



Healthcare



Still So Much To learn

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- Currently, organizations around the world are strategizing ways to return workforces to being **GlobalTrade** back in-office and other places of work, as the world begins to re-open post-pandemic. Guidelines issued by federal, state, and local agencies will be key drivers of what the new normal looks like in a corporate setting.
- The new reality is that workplace environments will be anything but “normal.” Organizations will operate with reduced in-office staff, manage both remote and in-office team members and combat economic slowdown by reducing spending and optimizing resources.
- Here are four technology solutions that will help enterprises navigate and operate in a new reality:
 1. **Automation Solutions** - Business process automation has become a strategic enabler of business agility for present-day organizations. Specifically, robotic process automation (RPA) has quickly become an essential tool that an increasing number of CIOs are utilizing across their organizations.
 2. **Chatbots** - As social distancing and a global remote workforce are the new normal during these unprecedented times, it’s helpful to boost collaboration and productive engagement across an organization’s remote teams through chatbots. Chatbots help reduce the load on the technical support team and cut operational costs.
 3. **Communication and Collaboration Platforms** - Communication and collaboration platforms like Microsoft Teams, Basecamp, and others help bridge the gap between physical presence and remote collaboration. With the new social distancing guidelines and protocols, a combination of virtual and in-person work environments will be essential to ensuring business continuity across an enterprise
 4. **Hybrid Cloud Infrastructure** - Hybrid cloud infrastructures have changed the way enterprises store, access and exchange data. In the wake of the global pandemic, it will tremendously alter the landscape of corporate environments. Hybrid cloud is a computing environment that uses a combination of private cloud and public cloud services.
- As a result of the business impacts that COVID-19 has had, a new wave of technological innovation is sweeping across industry to transform aspects of business. As organizations look to combat an economic depression, they will need to implement technology solutions to “get the job done” with the limited staff they have on hand.

Visualizing the World's Biggest Retailer

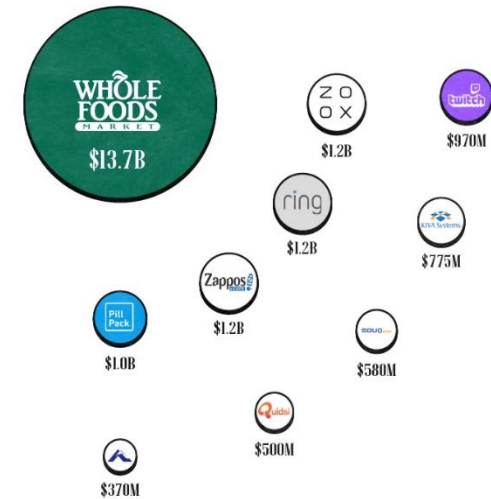
10 LARGEST PUBLIC U.S. RETAILERS IN 2020

MARKET VALUE, JULY 1 2020, USD



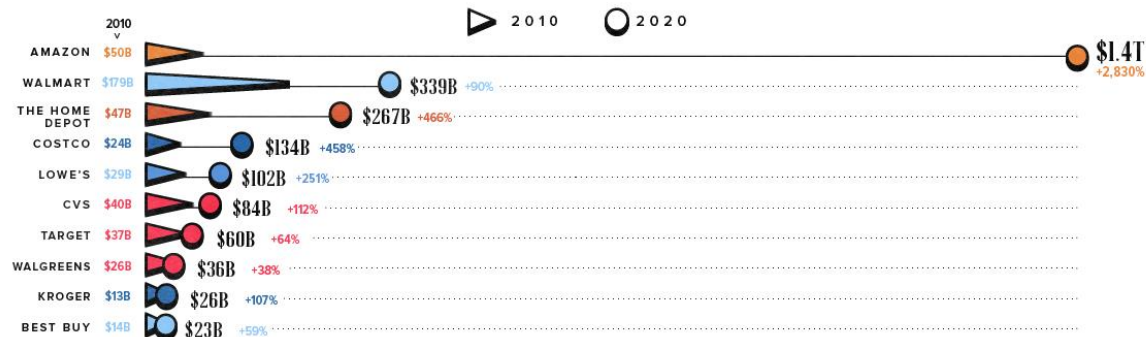
AMAZON'S 10 LARGEST ACQUISITIONS

ACQUISITION VALUE, USD



10 LARGEST PUBLIC U.S. RETAILERS 2010 VS 2020

MARKET VALUE, NORMALIZED % CHANGE, USD

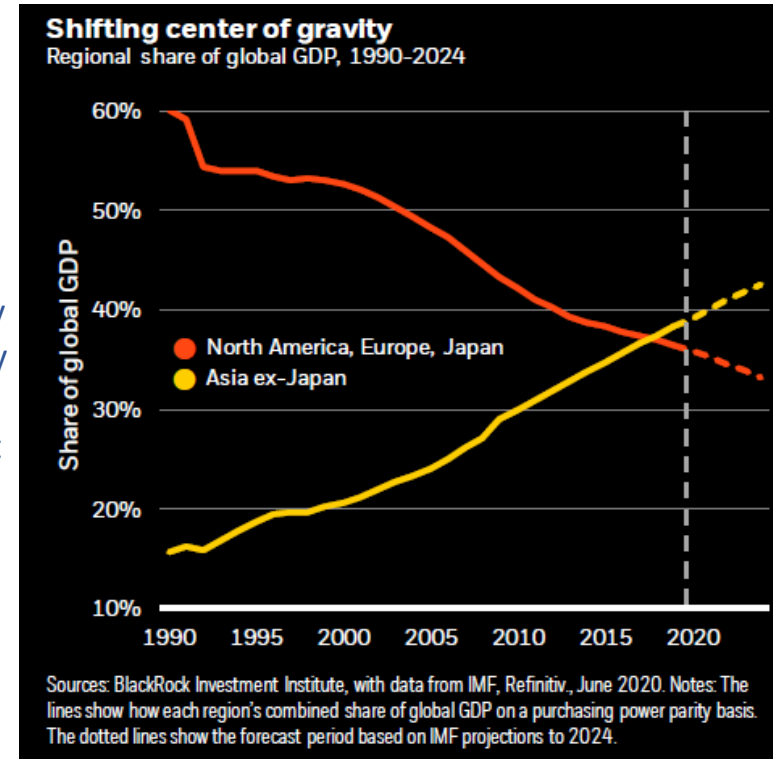


Still So Much To Learn

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The pandemic has added fuel to geopolitical dynamics already underway. The post-coronavirus world is likely to be characterized by **four key themes**:

1. **First**, the world is increasingly becoming bifurcated, with the U.S. and China at opposite poles. Intense rivalry looks set to affect nearly every dimension of the U.S.-China relationship — regardless of the U.S. election outcome. Other countries will increasingly be pushed to choose sides. Decoupling is focused on — but not limited to — the technology sector. This means investors need exposure to both markets, especially as the center of gravity of global growth is moving to Asia, as the shifting center of gravity chart shows.
2. **Second**, the pandemic is poised to accelerate deglobalization as it magnifies nationalist and protectionist trends. The crisis adds to existing pressures such as global trade tensions and populism. This threatens to disrupt the web of global supply chains at the expense of efficiency. It may lead to onshoring the production of strategic goods.
3. **Third**, government intervention in economies is likely to become more entrenched. Unprecedented policy support comes with strings attached — including curbs on share buybacks and dividend payouts — and companies increasingly will need a social license to operate.
4. **Lastly**, the pandemic exacerbates inequalities within and across countries. It has hit hard emerging economies with more limited institutional capacity. Domestic polarization is on the rise too, with the U.S. presidential election set to take place against the most tumultuous domestic backdrop since 1968. The two parties are as far apart on policy as they have ever been, making the result consequential for markets.



BLACKROCK



Walmart US to launch pop-up drive-in theaters CNBC

- Walmart has announced a partnership with media group Tribeca Enterprises to launch a total of 160 drive-in movie theaters in supercenter parking lots across the US. The program will be titled Walmart Drive-In.
- The move comes as drive-ins, previously considered a relic of the past, have seen a resurgence since the coronavirus outbreak amid consumer safety concerns. As retailers continue to expand their ecosystems to include more non-retail experiential and social elements, the retailer's most recent initiative will serve as a brand building exercise in local communities, as well as a consumer data collection and advertising opportunity. Walmart has tested the media space before, owning streaming platform Vudu for some time before selling to Fandango. In early May this year, rumors emerged of Amazon considering a buyout of AMC.

Amazon US postpones Prime Day to October CNBC

Amazon US is postponing its marquee shopping event Prime Day until at least early October.

Nordstrom tells landlords to expect just half their rent until January 2021

Nordstrom June 3 notified landlords of its full-line and off-price Rack stores that it will pay only half the occupancy costs for the remainder of the year, according to a letter from President of Stores Jamie Nordstrom to property owners, which was obtained by Retail Dive. A Nordstrom spokesperson didn't immediately respond to Retail Dive's request for more information or comment.

Amazon to expand Go-Grocery Footprint

Amazon in the US is expanding its portfolio of large-sized Go grocery stores, featuring the retailer's cashierless 'Just Walk Out' technology, with new outlets planned in Redmond (Washington) and Washington D.C. At 10,000 square feet, these bigger-sized stores are roughly five times larger than Amazon's 26 'Go' convenience stores but feature the same customer tracking technology with cameras and sensors linking purchases to an individual's account. Amazon is also opening Amazon Go smaller format convenience stores in Seattle, Chicago and Washington D.C. Expansion of the larger format 'Go' grocery stores indicates positive results from the company's first launch in Seattle in February 2020.



Mcommerce Will Account for More than Half of UK Retail Ecommerce Sales this Year



- Retail mcommerce sales in the UK will grow to £61B in 2020, according to our latest estimates. And for the first time, retail mcommerce sales will make up more than half of total UK retail ecommerce sales.
- We expect UK retail mcommerce sales to grow throughout the forecasting period and reach £105.28B by 2024, when mcommerce will make up 63.0% of total retail ecommerce sales and account for 20.2% of total retail sales.
- The lion's share of UK mcommerce sales comes from smartphones.
- This year, smartphones will account for £38.23B in UK retail mcommerce sales vs. the £22.45B coming from tablets. And we expect the smartphone sales share to continue rising as tablet's share decreases.
- A few factors are contributing to the decline. Consumers aren't upgrading tablets as often as smartphones; the new features manufacturers highlight each year are not compelling enough to entice consumers to upgrade. Smartphones are also becoming more advanced, and mobile screens are getting larger, making it easier for consumers to shop this way.

Retail Mcommerce Sales in the UK, 2019-2024

	2019	2020	2021	2022	2023	2024
Retail mcommerce sales (billions of £)	£50.36	£61.14	£68.42	£79.81	£92.17	£105.28
—% change	15.1%	21.4%	11.9%	16.6%	15.5%	14.2%
—% of total retail ecommerce sales	48.0%	50.8%	54.2%	58.0%	61.0%	63.0%
—% of total retail sales	10.4%	14.0%	14.6%	16.3%	18.2%	20.2%

Note: includes products or services ordered using the internet via mobile devices, regardless of the method of payment or fulfillment; includes sales on tablets; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales

Source: eMarketer, May 2020

Tesco demands supplier price cuts in discount battle



- Tesco has reportedly asked suppliers to agree price cuts as it steps up its battle with budget supermarkets.
- The move is part of its shift to an "everyday low pricing strategy", which will see it use fewer promotions.
- A Tesco spokesperson said: "We are committed to open, fair and transparent partnerships with all of our suppliers."
- Tesco has given suppliers a deadline of 10 July to agree, according to the Grocer.
- Several suppliers told the trade publication that they faced pressure from the supermarket to lower their prices.
- A Tesco spokesperson told BBC News: "We have been speaking to suppliers about how we can work together to continue giving our customers great value."



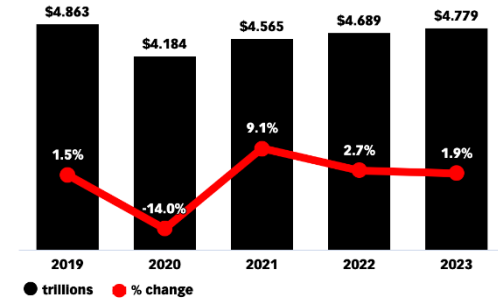
Is Omnichannel Retail Brick-and-Mortar's Saving Grace?



- It's long been understood that US retail is over-stored. At about 23.5 square feet per person, the US has more retail space per capita than any country worldwide, according to a 2018 analysis by Cowen and Company. For reference, No. 2 Canada has 16.8 square feet of retail space per capita.
- Consequently, US retail has undergone substantial downsizing. Last year, more than 9,300 stores shuttered, according to December 2019 data from Coresight Research, an increase from the 5,844 stores that closed the previous year. As of March 2020, roughly 630,000 stores temporarily closed to contain the spread of the coronavirus.
- According to our latest estimates, US brick-and-mortar sales will decline 14.0% in 2020, equating to a loss of nearly \$680 billion from 2019. As a share of overall retail, this represents 85.5%, a loss of 3.5 percentage points from last year.
- There is a growing divide between stronger and weaker retailers. Many weaker stores that were already challenged pre-pandemic will likely find themselves in even more distress. There is a running list of retailers that sought Chapter 11 protection, including JCPenney, Neiman Marcus and J.Crew, and more will likely follow.
- But the more dominant players like Walmart, Target and Best Buy are only getting bigger. For one, some have remained open during the pandemic, which is no doubt a huge upside. As importantly, focusing on omnichannel and the seamless integration between online and offline has also helped them navigate the past few months. That's worked well with recent acceleration in ecommerce as more consumers turn to online channels out of necessity.

Non-Ecommerce Retail Sales

US, 2019-2023



Source: eMarketer, May 2020

www.eMarketer.com

Brooks Brothers files for bankruptcy

- Brooks Brothers, founded in 1818, filed for bankruptcy.
- The retailer, which generated more than \$991 million in sales last year, has more than 200 stores in North America and 500 worldwide.
- It has already decided to close roughly 51 stores, a decision it attributes to the pandemic.



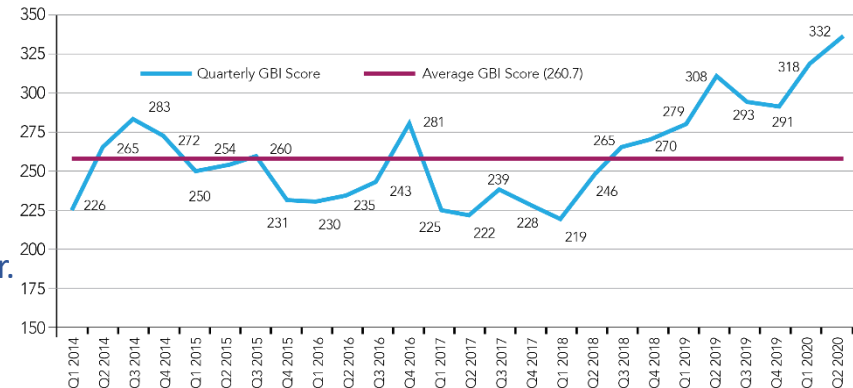
Categories moving online during COVID are likely to move there for the long term *Edge Retail Insight*

- Despite slowing performance of specialist retailers, some categories like Electricals, Leisure and Household & Pet Care will still experience growth, boosting sales via generalist channels such as hypermarkets and ecommerce.
- In fact, ecommerce will get a sustainable boost from the lifestyle changes brought about by the pandemic. Consumers forced to shop online for the first time during the pandemic will now have a greater motivation and fewer perceived barriers to more actively seek online solutions.
- Brands not already doing so, should enhance their online strategies now, as categories moving online during COVID are likely to remain there for the long term.

Global economy to contract by 5.2% in 2020: Report **Outlook** THE NEWS SCROLL

- The global economy is likely to contract by 5.2 per cent in 2020 with the coronanvirus still spreading and the economic prospects of countries across the world looking muted, says a report.
- According to Dun and Bradstreet's Country Risk and Global Outlook Report, that covered 132 countries, the wider global context remains somber and the global economy will not reach pre-pandemic levels of activity again before 2022. "D&B is currently forecasting that the global economy will contract by 5.2 per cent in 2020 - the biggest decline since the Second World War and a far stronger contraction than the 1.7 per cent recorded in 2009 during the global financial crisis," the report said.
- For the second successive quarter, Dun & Bradstreet's GBI score worsened to its highest-ever level. The Q2 score of 332, up from 318 in Q1, is now at an extreme level, having trended upwards from its record low of 219 in Q1 2018. This rise indicates the high level of uncertainty facing businesses that operate cross-border. The Q2 score is also well above the long-term average of 260.7.

GLOBAL BUSINESS IMPACT SCORE



Still So Much To Learn

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Thematic Strategy 3Q20: Beyond Pandemic

A DBS Study points to 5 major post-pandemic trends. As consumers and companies adapt to the “new normal”, we believe there are five major trends that will take hold in the post-pandemic world and they are:

- Diversification of supply chains
- The rise of alternative meat
- WFH – the new normal
- Accentuation of e-Commerce
- e-Sports – the new alternative

Walmart US' Amazon Prime competitor to launch in July

Walmart is reportedly set to launch a new subscription service called Walmart + later this month, bringing it in closer competition with Amazon Prime. The new service costs USD98 a year and is expected to offer benefits such as unlimited same-day grocery delivery, early access to promotional events, and savings at Walmart fuel stations. The program was originally due to launch earlier this year, before Walmart had to redirect its efforts towards the coronavirus pandemic.

Bed Bath & Beyond Closing 200 Stores; Sales Plunge 49%

- Bed Bath & Beyond said it plans to close 200 of its stores over the next two years and said its first-quarter sales fell 49% due to the effects of the COVID-19 pandemic.
- The impact of the COVID-19 situation was felt across our business during our fiscal first quarter, including loss of sales due to temporary store closures and margin pressure from the substantial channel shift to digital,” CEO Mark Tritton said in a statement.

Walmart Asda trials grocery home delivery with Uber Eats

Walmart-owned British grocer Asda has announced a partnership with Uber eats, trialing rapid home delivery within 30 minutes after order. Initially operating in Leeds and Birmingham, customers can choose from more than 300 private label and branded everyday items, including ready meals, fresh fruit & vegetables and alcoholic drinks.



NRF forecasts lowest peak season since 2014

- Import levels at U.S. ports, which have dropped significantly across the country as a result of the pandemic, are expected to remain lower than last year heading into the fall, according to a new forecast from the Global Port Tracker published by the National Retail Federation (NRF) and Hackett Associates.
- "Economic indicators show that the recession brought on by the pandemic may be easing, but retailers are being conservative with imported merchandise this year," NRF VP for Supply Chain and Customs Policy Jonathan Gold said. "The outlook for imports is slowly improving, but these are still some of the lowest numbers we've seen in years."
- U.S. ports handled 1.53 million TEUs in May, down 17% year over year (YoY). June is estimated at 1.69 million TEUs, down almost 6% compared to last year. The forecast shows October being the busiest month of peak season, with 1.7 million TEUs expected to be handled (an almost 10% YoY drop), which would make it the lowest peak since 2014.

Meijer Opens Five New Supercenters In The Midwest

Meijer announced that the Grand Rapids, Michigan-based grocery chain opened five supercenters across the Midwest. Located in Manitowoc, Wisconsin; Sycamore, Illinois; Bad Axe, Michigan; and Brimfield and Lorain, Ohio, the 159,000-square-foot supercenters offer a state-of-the-art shopping experience, providing customers multiple ways to shop.

The world's most valuable brands are ...

- Technology companies, led by a U.S. digital commerce giant, dominated an annual ranking of the world's most valuable brands.
- Amazon maintained its position as the world's most valuable brand as its brand value jumped 32% this year to \$415.9 billion and accounts for a third of the Top 100's total growth.
- Apple held on to the second spot as its brand value rose 14% to \$352B. Microsoft came in third, at \$326.5B, followed by Google, at \$323.6B, and Visa, at \$186.8 billion. (The top 10 brands are listed at end of article.)
- The total brand value of the Top 100 global brands reached \$5 trillion

Rank 2020	Brand	Category	Brand value 2020 (\$MN)	Brand value change	Rank 2019
1	Amazon	Retail	415,855	32%	1
2	Apple	Technology	352,206	14%	2
3	Microsoft	Technology	326,544	30%	4
4	Google	Technology	323,601	5%	3
5	Visa	Payments	186,809	5%	5
6	Alibaba	Retail	152,525	16%	7
7	Tencent	Technology	150,978	15%	8
8	Facebook	Technology	147,190	-7%	6
9	McDonald's	Fast Food	129,321	-1%	9
10	MasterCard	Payments	108,129	18%	12



June 2020 Online Grocery Scorecard: Growth in sales & HH penetration continues



June 2020 Brick Meets Click/Mercatus Grocery Shopping Survey, in the last 30 days: brick meets click.

- Online grocery sales grew over 9% to \$7.2B, compared to May's \$6.6 B.
- This continued growth is driven by a 16% increase in orders (85.0M vs. 73.5M in May) and relatively strong spending per order (\$84 in June vs. \$90 in May).
- Household penetration rose to 35%, as the total number of customers who ordered groceries online for delivery or pickup reached 45.6M for June vs. 43.0M for May.
- Purchase frequency also climbed 9% versus the prior month as active households placed an average of 1.9 online grocery orders for either delivery or pickup up in June, up from the average of 1.7 in May.
- The growth in June illustrates that the use of online grocery delivery and pickup services is becoming a more integral part of how a broader base of consumers shop, as both order frequency and household penetration continue to increase.

June Scorecard: Online Grocery Delivery & Pickup

Total US – Past 30-day activity*

Performance Metrics	Aug 2019	March 2020	April 2020	May 2020	June 2020
Sales (Past 30 days)	\$1.2 B	\$4.0 B	\$5.3 B	\$6.6 B	\$7.2 B
Spend (Average per order)	\$72	\$85	\$85	\$90	\$84
Orders (# Past 30 days)	16.1 M	46.9 M	62.5 M	73.5 M	85.0 M
Customers (# Active during past 30 days)	16.1 M	39.5 M	40.0 M	43.0 M	45.6 M
Frequency (Monthly average/customer)	1.0	1.2	1.6	1.7	1.9



* Excludes online orders shipped to home via common or contract parcel carriers.

Sources: Brick Meets Click/Mercatus Grocery Survey, June 2020; Brick Meets Click/Mercatus Grocery Survey, May 2020; Brick Meets Click/Symphony RetailAI Grocery Survey, April 2020; Brick Meets Click/ShopperKit Grocery Survey, March 2020; Brick Meets Click Grocery Survey, August 2019.



June Scorecard: Online Grocery Delivery & Pickup

Total US – Past 30-day activity*

Performance Metrics	June 2020
Sales (Past 30 days)	\$7.2 B
Spend (Average per order)	\$84
Orders (# Past 30 days)	85.0 M
Customers (# Active during past 30 days)	45.6 M
Frequency (Monthly average/customer)	1.9

* Excludes online orders shipped to home via common/contract parcel carriers.

Source: Brick Meets Click/Mercatus Grocery Survey, June 2020

Still So Much To Learn

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US trucking regains 44 percent of jobs lost to pandemic JOC.com

Unadjusted Labor Department employment numbers show motor carriers have recovered about 44% of the jobs lost from February to April.

Four large fleets set to test TuSimple self-driving tech in Southwest *Overdrive*

- 3 major for-hire carriers and a large private fleet have partnered with autonomous truck developer TuSimple to test the company's self-driving technologies in real-world operations over the next four years. As part of a plan to build out a geographical network of lanes nationwide, UPS, U.S. Xpress, Penske Truck Leasing and private fleet McLane plan this year to deploy TuSimple's autonomous truck tech, which is a system that retrofits onto existing trucks.
- This year, the four carriers will operate on highways between Phoenix, Tucson, El Paso, Dallas, Houston and San Antonio. That testing network builds on a \$95 million round of funding the Arizona-based TuSimple received last February. It said then it intended to use the funds to expand its testing fleet in Arizona and then into Texas.

US government to crack down on supply chains linked to human rights abuses in Xinjiang

- The Department of Homeland Security (DHS) will take "increased enforcement action" against **SUPPLYCHAIN DIVE** "actively investigating companies and corporate officials who knowingly benefit from" — forced labor and other ongoing human rights abuses concentrated in Xinjiang, China, according to a joint business advisory released Wednesday by Customs and Border Protection (CBP), DHS, the Department of Commerce and the State Department.
- The move comes after President Donald Trump signed the Uighur Human Rights Policy Act into law on June 17, which authorized sanctions against select Chinese officials for their role in interning members of the Uighur population, Muslims and other ethnic minority groups, in forced labor camps. The workers in the facilities produce components and finished goods for a number of global industries, from apparel to high-tech electronics.
- "CEOs should read this notice closely and be aware of the reputational, economic, and legal risks of supporting such assaults on human dignity," Secretary of State Mike Pompeo said during a press conference Wednesday.



Logistics jobs being axed in their thousands – but there will be opportunities.



- It takes only a cursory glance at LinkedIn to see how many people have lost their jobs, especially in aviation.
- But there is hope, according to recruitment experts. Logistics is an expanding sector, and there has always been demand for high-quality logistics professionals, Kim Winter, global chief executive of Logistics Executive Group, told Loadstar Premium last month.
- And within that sector, there is particularly big growth in e-commerce and technology – in fact, he explained, pretty much every company needs coders at the moment. Re-skilling could be a crucial step in finding new work.
- Between 2016 and 2022, the global logistics market size is projected to grow at a CAGR of 3.48%. Within that, e-commerce logistics will grow at 21.2%, while the 3PL market is expected to grow at a CAGR of 7.1% from 2020 to 2027. And that will require additional people.
- “The second-tier logistics organizations are sizeable and still growing, and they need more people, “ said Mr Judd. “You will end up finding a space in logistics while logistics itself is still growing. Take Maersk, it’s looking for skilled logistics workers. The industry is still a central one now.”
- However, he adds, re-skilling, mirroring the way companies are changing, will benefit job-seekers. “Digitization is the new economics. We are taking on a lot of people who are re-skilling into coding. There is huge demand in the tech community. And there are new industries, such as renewables.”

USMCA takes effect. How does it affect supply chains? **American Shipper**

Firms are struggling to determine whether ramping up nearshoring or absorbing tariff costs from overseas suppliers is the most cost-effective strategy under the new NAFTA.

U.S. Passenger traffic figures coming out of the July 4th holiday weekend. **American Shipper**

Carriers are flying at higher load densities in recent weeks and are adding more flights, mostly on domestic networks. July is starting out stronger, but it will be important to watch whether the rapid spread of the coronavirus in parts of the U.S. changes people's minds about traveling again or whether governments will impose restrictions that make travel more difficult.



Vehicle insurance report paints grim picture for industry, rates FREIGHTWAVES

- The commercial auto insurance market, which includes truck insurance, has been a weak performer for years. That isn't likely to change anytime soon. That's the conclusion of a report by the AM Best ratings agency. The very title of the report — “Profitability Remains Elusive” — signals that any relief for truckers coming from an improvement in the finances of the insurance industry in general will be a tough hill to climb.
- In the same way that operating ratio is the most basic measuring stick of trucking and transportation profitability, combined ratio is the benchmark for insurance. Just like an OR of more than 100 signals unprofitability, so does a combined ratio in insurance.

PPP money poured into trucking; did it keep capacity alive? FREIGHTWAVES

- With data out about the impact of the Paycheck Protection Program (PPP) on the trucking sector, the debate can now turn to how big an impact it has had on capacity and keeping companies alive.
- A quick glance at the data creates the impression that a large chunk of the trucking industry has been kept afloat by PPP money. And that was the point of the entire PPP program: to keep employees employed and companies operating as the country closed down to throttle back the pandemic.
- But if you do the math, as Aaron Terrazas, the director of economic research at Convoy, did, the picture changes.
- In an email to FreightWaves, he compared the number of companies that received PPP loans of all types — under \$150,000, where the identity is not disclosed, and above \$150,000, where it is — and came to this conclusion: About 8.5% of all trucking companies in the U.S. got money from PPP. (To get the number of companies under \$150,000, as Terrazas did, you would need to aggregate the state-by-state spreadsheet of all 50 states.)
- Are those companies being kept alive by PPP funds? In an email to FreightWaves, Greg Feary of the law firm Scopelitis Garvin Light Hanson & Feary said the data shows that while there are “many mid to small over the road companies that apparently got PPP loans, I would not be too quick to conclude the majority of trucks or trucking capacity, or even a substantial minority, are currently being propped up by PPP loans.”
- Whether the PPP program kept capacity alive that might have disappeared is a difficult question to answer. The trucking market had already been through a difficult year to 18 months going into the pandemic and the PPP program.



European Passenger Travel Response to COVID-19

Key findings:

1. Every European country hit their lowest VMT (vehicle miles travelled) during COVID within three weeks of each other, 23 March through 6 April.
2. 10 out of 19 countries have met or exceeded their pre-COVID levels by mid-June. Vehicle miles traveled ranges from 122% in Finland to 67% of the pre-COVID level in the UK. However, when seasonally adjusted, VMT has only reached normal levels in Denmark and Finland.
3. While VMT continues to grow, the rate of growth has decreased in the last four weeks, and in some countries and cities, is half the rate of growth seen in April and May.
4. VMT decreased significantly due to country lockdowns in attempt to slow the spread of COVID-19. Spain had the largest overall drop of any country analyzed, at just 12% of its pre-COVID level.
5. Italy saw VMT fall the 2nd week in March, while Spain, France and Germany saw their largest week to week drop by the third week. The UK's largest drop occurred at the end of March, seeing its VMT fall by 56% in one week.

Report attached

Amazon to build massive Little Rock fulfillment center

Retail logistics service provider Amazon said it has secured permission to begin construction on a new fulfillment center in Little Rock, Arkansas. The 825,000-square-foot facility, which will be built on an 80-acre site along Zeuber Road, is expected to open in 2021. Amazon said the site will employ more than 1,000 people.

Amazon to power cargo jets with sustainable fuel

- Amazon's air cargo operation is contributing to meet the company's goal of being carbon neutral by 2040 with an agreement to purchase up to six million gallons of jet fuel made from renewable sources.
- The fuel blend, which includes feedstock of agricultural waste fats and oils, has the ability to reduce Amazon Air's carbon emissions by 22%, Sarah Rhodes, vice president of Amazon Global Air said on a video describing the initiative and showing Prime planes being loaded with cargo and refueled.



Werner expands big and bulky final-mile service into Canada

Werner is expanding its final mile service to Canada, the company said in a news release Tuesday. It will provide "delivery and related services" to residential and business addresses in every province and territory.

Driver concerns top executives' priorities, even during the coronavirus

- The issues that concern drivers, including pay, remain fleet officials' top issues, even during the pandemic. While fleet officials are addressing virus mitigation, the C-suite is focused on driver shortages, driver retention and possible shortage solutions, such as lowering the minimum age to drive a Class 8 truck on the interstate from 21 to 18.
- Trucking has historically made changes and followed business trends, but usually after other industries, making it a secondary trend adopter, said Max Farrell, CEO and co-founder of WorkHound, a software company that allows employees to make anonymous feedback. The COVID-19 pandemic has made it possible for trucking to be a leader, not a "laggard," in workplace innovation and improvements.
- Some innovations, like in-cab cameras, are controversial with some drivers, but his company worked to address concerns and was able to reduce accidents by 125% after in-cab camera use.

Coronavirus may have cost global haulage industry more than €550bn

- The road freight industry has lost over half a trillion euros in revenue due to the coronavirus pandemic, new research from the International Road Transport Union (IRU) has found.
- "Our research points to the immediate need for measures targeted to the industry that match the scale of the current situation," said IRU secretary general Umberto de Pretto.
- "Even at the peak of the crisis, road transport remained flexible, operational and continued to play its unique role. Now, global recovery efforts are endangered without clear government action to support road transport operators," he added.
- The research, garnered from IRU member countries, found road freight operators across the world had experienced an average decline of 18% in revenue this year, which globally amounts to €550bn – although some regions have been harder hit than others.



Supply Chain Update

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WEEKLY FUEL REPORT

06 JUL 2020

* These figures do not include taxes or transportation costs.

USA	06/08/20	06/15/20	06/22/20	06/29/20	07/06/20
DOE AVERAGE	2.396	2.403	2.425	2.430	2.437
RETAIL TO WHOLESALE FUEL SPREAD*	1.089	1.120	1.014	1.101	1.013
RACK PRICE*	1.226	1.202	1.318	1.245	1.331
DIESEL TRUCK STOP ACTUAL PRICE PER GALLON	2.315	2.322	2.331	2.347	2.344

Want more? SONAR users get exclusive access to the detailed breakdown and insights.
Learn more at: SONAR.FreightWaves.com

TRUCKING FREIGHT FUTURES || MARKET ACTIVITY JULY 7th, 2020

SONAR TICKER	DESCRIPTION	PRICE	CHANGE
FUT.VNU202007	NATIONAL LONG HAUL VAN	1.541	0.004 (0.26%)
FUT.VEU202007	EAST LONG HAUL VAN	1.547	0.005 (0.32%)
FUT.VWU202007	WEST LONG HAUL VAN	1.659	0.003 (0.18%)
FUT.VSU202007	SOUTH LONG HAUL VAN	1.417	0.003 (0.21%)
FUT.VCA202007	CHI to ATL LONG HAUL VAN	1.699	-0.002 (-0.12%)
FUT.VAP202007	ATL to PHI LONG HAUL VAN	1.931	0.017 (0.89%)
FUT.VPC202007	PHI to CHI LONG HAUL VAN	1.011	0.000 (0.00%)
FUT.VLS202007	LAX to SEA LONG HAUL VAN	2.498	0.006 (0.24%)
FUT.VSL202007	SEA to LAX LONG HAUL VAN	0.820	-0.001 (-0.12%)
FUT.VLD202007	LAX to DAL LONG HAUL VAN	1.878	0.005 (0.27%)
FUT.VDL202007	DAL to LAX LONG HAUL VAN	0.955	0.001 (0.10%)

TRUCKING FREIGHT FUTURES || JULY 2nd, 2020

WEEKLY MARKET SUMMARY



VAN LINE RATE (PER MILE) WEEKLY CHANGE

VAN LINE	RATE (PER MILE)	WEEKLY CHANGE
NATIONAL LONG HAUL	1.534	0.048 (3.23%)
EAST LONG HAUL VAN	1.538	0.072 (4.91%)
WEST LONG HAUL VAN	1.653	0.031 (1.91%)
SOUTH LONG HAUL VAN	1.410	0.040 (2.92%)

FREIGHTWAVES.COM/FREIGHTFUTURES

FREIGHTWAVES

Still So Much To Learn

ACC

Gartner's 2020 Magic Quadrant for Transportation Management Systems

The transportation management system market continues to grow globally. Challenges in transportation such as talent availability, visibility and volatile delivery requirements are increasing the need for technology. Supply chain technology leaders can use this research to evaluate the TMS market.

Market Definition/Description

- Multimodal domestic transportation management systems (TMSs) are a subset of the global TMS market. TMSs generically refer to the category of software that deals with the planning and execution of the physical movement of goods across the supply chain. (See “Gartner’s Model for Holistic Multimodal Transportation Management Systems: Core Capabilities” and “Gartner’s Model for Holistic Multimodal Transportation Systems: Extended Capabilities.”)
- This Magic Quadrant specifically focuses on holistic multimodal domestic TMSs for use by shippers (such as manufacturers, retailers, distributors and wholesalers) or non-asset-based, third-party logistics (3PL) organizations. “Holistic,” in this context, means a TMS that incorporates all basic capabilities, as defined by Gartner, for a TMS, and “domestic” refers to movements within a region, mainly through domestic modes of transportation.
- The primary emphasis of this Magic Quadrant is on systems that support for-hire transportation management operations. This is where users employ transportation companies across a variety of shipping modes, including over the road, private/dedicated fleet, small package, rail and intermodal. Global companies and companies that import products from different regions also use air and ocean as a main transport mode, which are part of the international TMSs, but are, in some cases, covered by the multimodal domestic TMS vendors.
- This research covers multiple TMS delivery and implementation approaches.

A copy of the report is available online at <https://www.gartner.com/doc/reprints?id=1-1YOHJNA&ct=200327&st=sb>

BLU JAY
SOLUTIONS



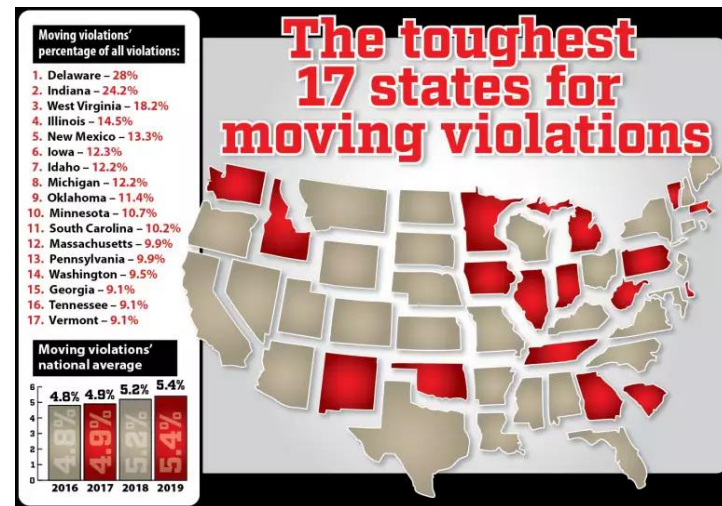
Still So Much To Learn

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Toughest 15 (plus 2) states for moving violations ahead of enforcement blitz kicking off July 12

Overdrive

- Since 2016 (see graph below), moving violations' share has crept higher every single calendar. That continues something of a long-running trend nationally, though equipment-related violations still account for the lion's share of violations with a national average of 75.8%, given longstanding practice among many states and, of course, the myriad of things that can go wrong with a truck.
- In some of the top five states shown, July 2019 enforcement efforts were equally, if not more so, focused on moving violations.
- Delaware's moving violation share among its total violations was almost 6 points higher in July than the average for the year, Indiana's 2.5 points up, West Virginia showing an extra 7.5 percentage points, and Illinois and New Mexico about level with their 2019 average.
- When it comes to roadside stops of trucks, more involved inspections do routinely occur, Turner added. "Normally, a Level 3 [driver] inspection," which includes a credentials and hours of service check, "will take place when a CMV is stopped, as the inspection is the mechanism to report the violation to FMCSA through the inspection software."
- Operation Safe Driver Week runs officially through Saturday, July 18.



Still So Much To Learn

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Container freight rates still on the up – a peak season after all? gCaptain

- The Shanghai Containerized Freight Index (SCFI) comprehensive index continued its positive run this week, rising 5.4% to 1,055.13 as the major tradelanes all registered gains.
- The Asia-US west coast component of the SCFI recorded another 8.5% jump in container spot rates, to \$2,920 per 40ft, while rates to the US east coast increased by 4.7% to \$3,459 per 40ft.
- Rates for the US west coast are now some 70% higher than a year ago, with US east coast rates ahead 24%.
- Transpacific carriers are rushing to 'unblank' sailings to the US west coast to take advantage of the unexpected demand spike, including OOCL which yesterday announced the reinstatement of two cancelled voyages at the end of the month.

Mixed fortunes for Australian trade: air freight subsidies but ocean constraints gCaptain

- Aussie exporters received a shot in the arm today with news of a fresh round of subsidies for agri-filled freighter flights – but importers face capacity constraints on ocean freight.
- An extra A\$240m has been earmarked for the International Freight Assistance Mechanism (IFAM), launched in April after agricultural exporters were left reeling by the sudden elimination of 91% of air cargo capacity.

Montreal longshore workers, employers agree to talks as strike begins JOC.com

Montreal waterfront employers a decade ago locked out longshore workers for several days, after the union authorized a strike after an 18-month impasse in contract talks.

Need for speed drives ships toward Pacific ports American Shipper

- The effect of the coronavirus, reported by FreightWaves, was a shift from air cargo to premium ocean service.
- Advantage West Coast ports. Former air-cargo shippers with time pressures don't take the long route to the East Coast.
- If rates from Asia to the West Coast are rising at a faster pace than to the East Coast, this implies more demand to the West Coast.



Troubled shipping lines turn to state support

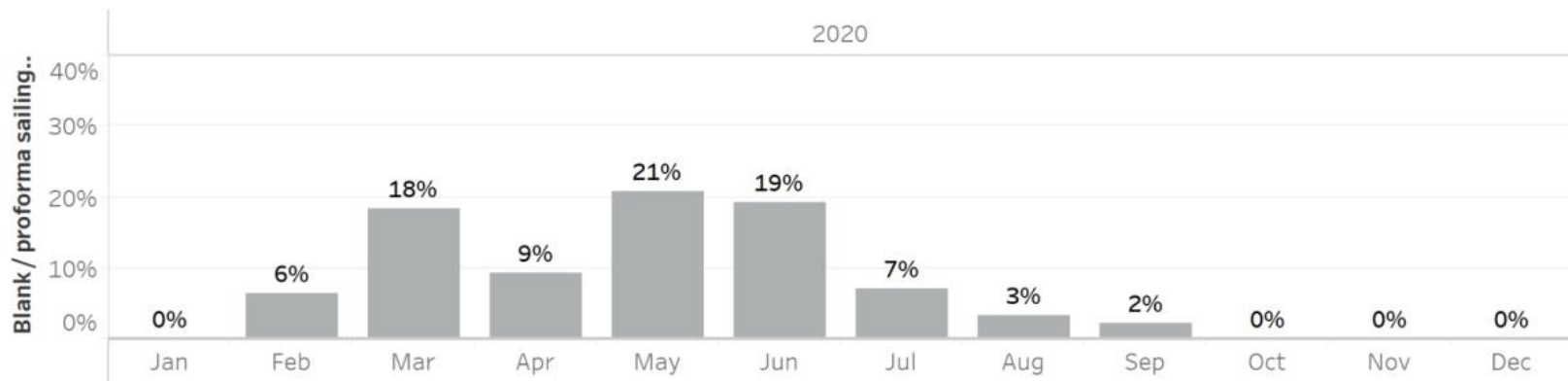
- Some of the world's biggest shipping companies are turning to government support to ride out the fallout from the coronavirus pandemic.
- Private French container line CMA CGM SA, the world's fourth largest liner company by capacity, secured last week a €1.05 billion (\$1.12 billion) syndicated loan from three banks— HSBC and Société Générale and BNP Paribas — which is 70% guaranteed by the French government.
- CMA CGM also needs help in managing its \$17.5 billion debt. This year it faces roughly \$1.7 billion in maturing loan and bond payments, while its shipping volumes are expected to shrink about 10% in a weakening global trade environment.

Blank sailing data

More evidence can be gleaned from carrier scheduling decisions. The more forward capacity blanked, the fewer forward bookings for cargo slots. If carriers were blanking more sailings to the East Coast than West Coast, it would imply more confidence in bookings to the latter.

Blank sailings, percentage of total - trade overview - by arrival date

Far East -> Central America - Caribbean - North Coast South America & Far East -> East Coast North America - Head haul



Still So Much To Learn

ACC



Container shipping laden with 'antiquated processes' **American Shipper**

- Until container carriers can agree on a common "business language," the electronic conveyance of important information will be lost in translation, according to Digital Container Shipping Association (DCSA) CEO Bagge.
- He said that the 9 members have 6 different definitions for what constitutes a vessel's arrival in port.
- "That's hugely problematic. Imagine the same problem happening in the airline industry. If the airlines had different definitions of when a plane took off or arrived, it would cause havoc," he said.
- "In the container shipping industry, it is OK. Because the physical and data definitions are individually defined, you will end up standing on your own island if you choose to go to a blockchain because vessel arrival will mean different things," Bagge said.
- The 9 companies represented by DCSA, which was founded in April 2019 to push for digitization standards, carry about 70% of the world's containerized traffic.

Harbor Trucking: PierPass fee hikes drive away business **American Shipper**

- The increase of 4.2% to \$33.47 per TEU goes into effect in August.
- The adjustment matches the combined 4.2% increase in longshore wage and assessment rates that take effect in early July, according to the West Coast MTO Agreement (WCMTOA), which announced the increase Tuesday.
- Beginning Aug. 1, the TMF will be \$33.47 per TEU and \$66.94 for all other sizes of container.
- The WCMTOA said the TMF helps offset the cost of operating extended gate hours. Labor costs are the largest single cost component of longer gate hours, it said.
- But Harbor Trucking Association (HTA) CEO Weston LaBar said the price increase could drive away more business.
- "While the HTA appreciates the willingness of PierPass to adopt a new model and understands the costs they need to cover, we as a gateway need to reassess how we do business to lower any cost burdens for shippers to use our ports. The death-by-a-thousand-fees approach has hurt our gateway by driving away business, resulting in a 19.4% loss in market share for the West Coast container ports since 2006," LaBar said.
- "All of us lose when cargo goes elsewhere and the increase in the TMF, coupled with existing fees and new fees such as the clean truck rate, are creating a cumulative cost that some shippers aren't willing to pay," he said.



Ocean Alliance passes 2M to take the lead on Asia-Europe market share



- The Ocean Alliance has overtaken the 2M alliance, adding the market share lead on the Asia-Europe tradelane to its already dominant position on the transpacific.
- The vessel-sharing alliance of CMA CGM, Cosco (including OOCL) and Evergreen did not follow rivals 2M and THE alliances in temporarily suspending an Asia-North Europe loop through to October and has lifted its capacity share to 39% from 37% a year ago, according to Alphaliner data.
- Market share in terms of capacity offered by 2M partners Maersk and MSC remains at 37%, while the THEA grouping of Hapag-Lloyd, ONE, Yang Ming and HMM is down two percentage points, at 23%.

MSC charters 11 vessels at discounted rates



- MSC was quick off the mark to take advantage of the depressed charter market, agreeing to snap up eleven 8,000-8,800 TEU vessels on long-term charters at discounted rates. The charters, to cover a demand uptick, have been agreed at daily hire rates of less than half the US\$29,000 fixtures made prior to the pandemic.
- "MSC is used to embarking on fixing campaigns when charter markets reach a low. This time is no exception," said Alphaliner. While its 2M partner, Maersk, has concentrated its recent activity in the charter market in the smaller sizes on generally short-term periods, MSC has taken a longer-term view on charter on charter party durations, which are mostly for 12-24 months.
- Although both carriers have returned significant tonnage to owners, due to Covid-19, MSC's lower net reduction has now taken the carrier to within 200,000 TEU of Maersk's 3.9 million TEU top-ranking capacity spot.

Container shipping faces continuing low demand and capacity withdrawal

Sea-Intelligence

- Sea-Intelligence says container shipping is expected to see current low demand levels persisting, consequently leading to high levels of capacity withdrawals. Demand for global container shipping is anticipated to take a hit following IMF recently updating its outlook for the global economy revising a negative 3% recession for 2020 to a deeper minus 4%. In terms of world trade, a previous projection of negative 11% for 2020 is now revised to negative 11.9%, with the 2021 rebound revised down from 8.4% to 8%.



HMM names world's largest box ship 'HMM Hamburg' **FREIGHTWAVES**

- South Korea's HMM has held a naming ceremony for the world's largest container ship, the HMM Hamburg, at Daewoo Shipbuilding & Marine Engineering's shipyard in Geoje, South Gyeongsang Province.
- The HMM Hamburg is the fifth of the seven ships that HMM ordered from DSME.
- "The shipping industry is a key factor in securing export competitiveness and a pivotal industry that has a great ripple effect on the shipbuilding and port industries," Vice Finance Minister Kim said in his congratulatory speech.
- The South Korean shipping firm is slated to receive a total of 12 24,000 TEU-class ships - seven from DSME and five from Samsung Heavy Industries - by September this year. Among the 12 ships, six vessels have already been deployed on European routes so far, including HMM Algeciras, which was delivered by DSME in April.

South Carolina to open first new US box terminal in 11 years **Shipping Gazette**

- The South Carolina Ports Authority, in adopting its annual budget, announced the opening of the first new US container terminal in 11 years.
- The SCPA plan projects that the ports will handle more than 1.24 million pier containers from July 1 through June 30, 2021. The board expects US\$264.2 million in operating revenues, which is estimated to generate \$81.4 million in operating cash flow.

CMA CGM hikes rates from Asia to Africa on July 16 and again July 20 **JOC.com**

CMA CGM will levy a rate increases of US\$150 per TEU from the Asia, excluding Japan but including the east coast of India to Mozambique on July 16 with an increase of \$200 per TEU from July 20 on Far East cargo bound for West Africa.

NCB Calls for Container Stowage Reforms **JOC.com**

The National Cargo Bureau (NCB) – a U.S. inspection body authorized to certify compliance with Dangerous Goods regulations – reports in a newly published white paper that a recent inspection initiative revealed an alarming number of containers carried by sea include mis-declared dangerous cargoes that represent a serious safety risk to crew, vessel and the environment.



Another peak season runs aground as ocean carriers extract capacity **Sea-Intelligence**

- Ocean carriers are bracing for muted demand during the usual peak shipping season, with supply chains still rattled by the Covid pandemic and retailers in the US and Europe reining in, reports the Wall Street Journal.
- SeaIntelligence Consulting says the cancellations equate to the withdrawal of more than four million TEU of capacity and that carriers have continued to drop departures scheduled for the third quarter, signaling expectations of continued weak demand by major Western importers.
- "Fears of a virus resurgence means retailers will bring in only what they know they can sell," said SeaIntelligence CEO Lars Jensen. "There is a muted run-up to Black Friday in the US that kicks off the holiday shopping and we expect container volumes to be down 10 per cent overall this year. There is no peak season, just fleet management to cut costs."

Containership demolition increasing, but scrap prices have fallen 25% this year



- With the containership charter market in the doldrums, demolition sales have picked up, with reports of a number of vessel sales.
- According to the most recent data from Alphaliner, as at 22 June, there were 66 containerships of 7,500 teu to 12,500 teu in lay-up, along with 49 of more than 12,500 teu.
- A broker source advised that, given the expected ongoing weak demand and the depressed charter market, a number of 10,000 teu ships would be candidates for scrapping.

Tiny fraction of containers lost at sea **American Shipper**

- Latest World Shipping Council report shows average trending downward to 779 containers lost annually.
- At any given point in time, more than 6,000 vessels carrying containers are sailing the world's seas. While ship fires and capsizes make international headlines, container losses actually are few and far between.
- In fact, an average of only 1,382 containers were lost at sea per year between 2008 and 2019, the WSC said. That represents less than one-1,000th — or .0006% — of the roughly 226 million shipped each year carrying more than \$4 trillion worth of cargo.



Food Delivery Expects No Summer Slowdown PYMNTS.com

- As Americans head into Fourth of July barbecues and related celebrations, they are showing few, if any, signs that they're declaring independence from the takeout and delivery services that have surged in popularity during COVID-19's social distancing.
- Need proof? Just look at the sums that popular delivery options are fetching.
 - Uber Technology is reportedly offering \$2.6 billion for Postmates – and is facing competition from at least one rival, a private equity firm.
 - DoorDash, the country's largest deliverer of restaurant meals, could be valued as high as \$15 billion following a likely infusion of capital from existing investors.
 - And then there was last month's news that Just Eat Takeaway was eating Grubhub in an all-stock deal valued at \$7.3 billion.
- The proof of the new services' popularity isn't only in what restaurants and delivery services are doing, but in what they're not doing amid surging demand – which is overloading systems in some cases.
 - Taco Bell joined the list of restaurants overwhelmed by online orders on Tuesday (June 30) after extending the scope of its established "Taco Tuesday" free food offer.
 - The interest among established buyers in growing food delivery operations is far more than a U.S. phenomenon. U.K. regulators recently approved Amazon's \$575 million purchase of a 16 percent stake in Deliveroo, a London-based food delivery business that operates in both England and Australia.

Hemp industry must guard against cutting corners Hemp Industry Daily

- U.S. hemp producers have been scraping together a supply chain of processing and retail since 2014, and the work isn't done. But the industry needs to work together to protect the supply chain even as it's developing, said Chad Rosen, CEO of Victory Hemp Foods in Kentucky.
- Talking about the hemp grain market at Hemp Industry Daily Conference Direct this week, Rosen applauded hemp operators for scrambling to get products to market quickly to help the public access the plant's health benefits. But he said the industry needs to self-police anyone cutting corners or employing unsafe methods to do so.



7-Eleven and Coca Cola launch Hong Kong concept store InsideRetail^{ASIA}

7-Eleven has teamed with carbonated beverage brand Coca Cola to open a new themed store in Hong Kong. Located at in Tsim Sha Tsui, the 7-Eleven x Coca Cola concept store is dressed in the distinctive Coke red. As well as the modern Coke livery, the counter features a banner with nostalgic advertising.



C-stores Get A Lift From Evolving Technologies in COVID-19 Fight ConvenienceStore

- With the spread of COVID-19, food service operators have had to rethink many of their practices to ensure the safety of their employees and their customers. According to the CDC, operators of c-stores and other food retail establishments should develop a COVID-19 health and safety plan to protect both employees and the public.
- Fortunately, new tools are quickly becoming available to help increase efficiencies in this area. One such example is the new Task Management application, available exclusively through DayMark's MenuPilot® Kitchen Automation Platform. This application gives managers the ability to track and oversee employee assignments, scheduling, and health, while also giving staff the ability to document the progress of ongoing operations in both the front- and back-of-house. The app can also host training material for additional cleaning and sanitization procedures that are vital to maintaining a safe and healthy working environment.
- Perhaps most importantly, the Task Management application features a unique added utility that records daily health details, including temperature levels—ideally taken with an infrared thermometer or no-contact body temp scanner, as temperature monitoring becomes an increasingly important part of the reopening process—and a variety of symptoms employees may be experiencing. When staff members are designated as 'sick,' they cannot be assigned tasks until they are determined to be healthy.
- Equally important to food service operators is providing customers with the products they want and need. Early in the pandemic, many food retailers ran out of products due to customer demand. Tracking received shipments of goods, including non-conformances, short-ships, and vendor performance is a daunting task when working to meet customer demand. Tracking short, out-of-spec, or incorrect orders can be a nightmare for food service operators.



FDA Authorizes IQOS as a Modified Risk Tobacco Product



- Alternative tobacco products just moved a step forward in the United States.
- The FDA approved Philip Morris International's Modified Risk Tobacco Product application for IQOS, an electrically heated tobacco system. In doing so, the agency found that an IQOS exposure modification order is appropriate to promote the public health, according to PMI.
- The decision includes the IQOS device, Marlboro Heatsticks, Marlboro Smooth Menthol Heatsticks, and Marlboro Fresh Menthol Heatsticks, according to the agency.
- IQOS is the first electronic nicotine product to be granted marketing orders through the FDA's MRTP process.



Walgreens US pilots small-format pharmacies *Edge Retail Insight*

Walgreens is rolling out a small-sized pharmacy format, with a total of 30 outlets currently operating on a pilot basis. The stores offer a reduced range of items, with a focus on health & wellness products, OTC drugs and snacks. A key feature of the new format is personalized service through pharmacists.

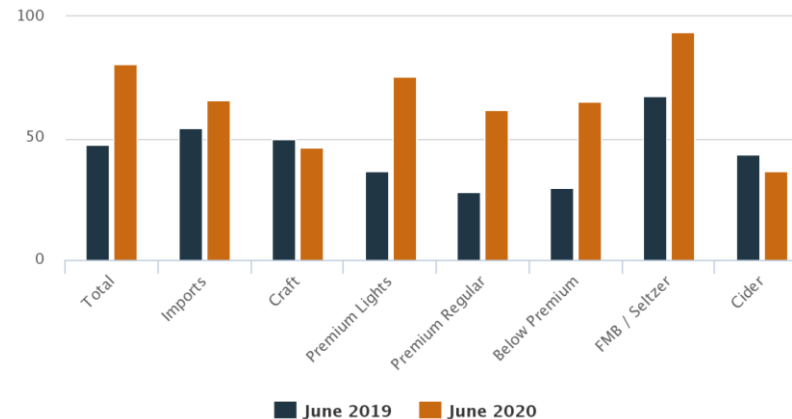
Beer Purchasers' Index for June 2020



- The total Beer Purchasers' Index for June 2020 reached an all-time high mark of 81, significantly above last year's reading of 48 in June 2019. Ahead of a July 4th load-in to retail and reported shortages for some popular packages, the "at-risk inventory" index for total beer (inventory at risk of going out of code in the next 30 days) fell to an all-time low reading of 27 in June 2020 from 49 in June 2019.
- The index surveys beer distributors' purchases across different segments and compares them to previous years. A reading greater than 50 indicates the segment is expanding, while a reading below 50 indicates the segment is contracting.

Beer Purchasers' Index All Segments

An index of 50+ in a segment means volumes in that segment are expanding and an index below 50 indicates that volumes in that segment are contracting.



Still So Much To Learn

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New Jersey hospitals are revamping supply chains for 2nd coronavirus wave BECKER'S **HOSPITAL REVIEW**

- Hospitals across New Jersey — one of the states hardest hit by the COVID-19 pandemic — are taking unprecedented measures to revamp their supply chains in preparation for a potential second wave of the virus, the New Jersey Herald reported.
- An executive at Atlantic Health, based in Morris Plains, told the New Jersey Herald that its six hospitals plan to stockpile enough personal protective equipment to last 90 days at a burn rate 20 percent higher than the worst day they've seen so far in the pandemic.
- Atlantic also has 50 percent more ventilators than it did before the pandemic.
- Holy Name Medical Center in Teaneck said its goal is to have more than a year's worth of supplies on hand. It is working to standardize its ventilators and is investing in expanded inventory of home telemonitoring equipment in an effort to keep patients at home and out of the hospital.
- "We want to make sure if the virus returns, we'll be more effective at managing them at home as long as possible, in real time with clinical connectedness, regular videoconferencing and monitoring of all vital signs," Holy Name CEO Michael Maron told the New Jersey Herald.
- It may seem surprising, but the foremost goal of most hospitals facing a renewed threat is to treat patients at home, so they don't need to be admitted, said Dr. Daniel Varga, the chief physician executive at Hackensack Meridian Health. That is the simplest way to prevent hospitals from being overwhelmed.
- That will require deploying nurses and materials in the community. Patients may need home oxygen supplies, via oxygen tanks or a machine that concentrates room oxygen. They need oxygen-saturation monitors and other devices that connect electronically to a central hub, where a nurse or doctor can respond to any alarms. And they need visits from home health nurses.
- Holy Name is investing in an expanded inventory of home telemonitoring equipment, Maron said. "We want to make sure if the virus returns, we'll be more effective at managing them at home as long as possible, in real time with clinical connectedness, regular videoconferencing and monitoring of all vital signs."
- Rather than isolate coronavirus patients in individual rooms around the hospital, whole wings or sections will be dedicated to those patients, with staff who won't switch into other areas.



Nurses union warns of supply shortages as COVID-19 cases grow



- One of the largest U.S. nursing unions warned that spikes in COVID-19 cases across the country are causing shortages of ppe similar to what was seen in the early days of the pandemic, The Hill reported.
- National Nurses United said that while overall access to supplies has improved since March, nonacademic and rural hospitals still face supply shortages.

Six months into coronavirus pandemic, scientists say exact source may never be identified

South China Morning Post

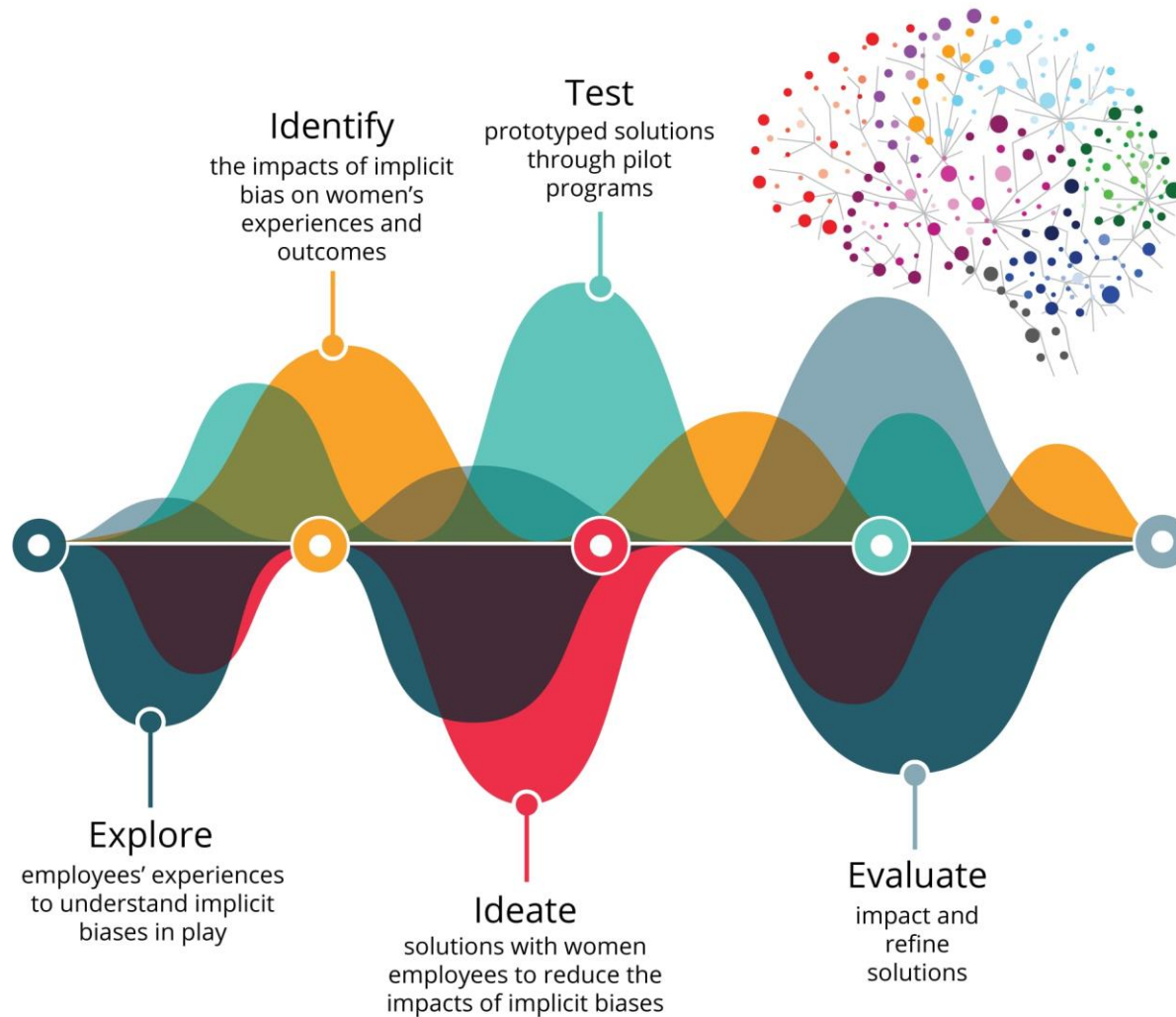
- As the World Health Organisation prepares to send a team into China to investigate the origin of the Covid-19 disease, scientists with experience tracking virus behaviour say the search could take years of work and may not reach a definitive conclusion.
- The consensus is Sars-CoV-2, the coronavirus that causes Covid-19, likely came from a bat. It may have found its way into another animal, shifting genetic shape along the way, enabling it to latch onto human cells. Once in a human host it was carried on trains, buses and planes to infect the world as people breathed it in and coughed it out.

Healthcare is in the midst of a ‘paradigm shift’

FORTUNE

- Will the pandemic lead to a revolution in health care science?
- That was the tantalizing possibility taken away from day one of Fortune Brainstorm Health.
- Bristol Myers Squibb CEO Giovanni Caforio - “My hope is this will be a galvanizing moment,”. “What we have learned is to work collaboratively like never before, to challenge our thinking, and to accelerate the drug development process. We have done things in six months that would have taken five to ten years.” Caforio believes the industry can “take the learnings of the last six months and apply them to other challenges, like cancer”—or heart disease.
- Jennifer Doudna, the biochemist who helped pioneer gene-editing technology CRISPR, cited the work of Thomas Kuhn, who argued scientific revolutions tend to be episodic—with “paradigm shifts”—and not continuous. “We are in a moment like that,” Doudna said. “We are seeing some really interesting things happening right now,” born from the pandemic, that are accelerating science. “These are all changes that are likely to stick around.”

Figure 1. Design thinking applied to implicit gender bias



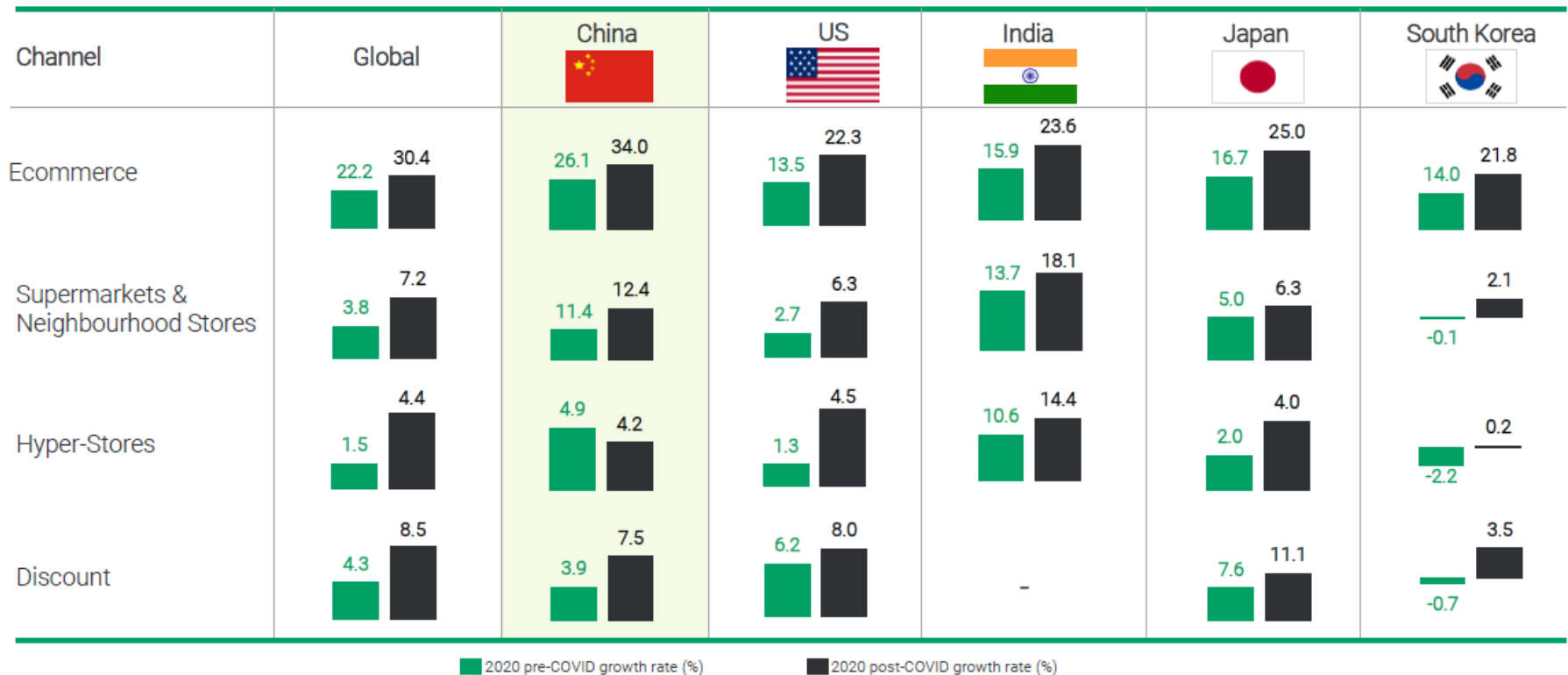


CLOSE-UP ANALYSIS, TOP CHANNELS

China Compared to Other Markets- Channel Overview

Changes to 2020 Channel Forecasts – Pre vs. Post-COVID-19 Growth Rates (%)

Click into the Retail Market Monitor for COVID updates of growth dynamics across channels, retailers and categories.



Edge Retail Insight

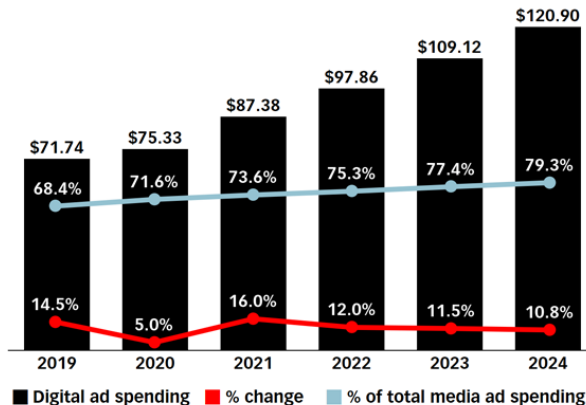
Still So Much To Learn

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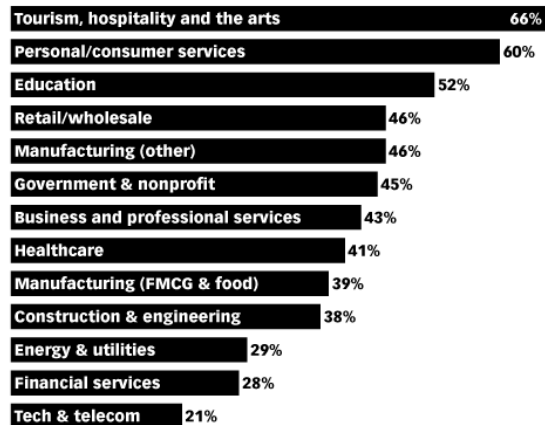
Digital Ad Spending in China, 2019-2024

billions, % change and % of total media ad spending



B2B Organizations in Select Countries* Experiencing Significant Disruption due to the Coronavirus, by Industry, April-May 2020

% of respondents in each group



Net Digital Ad Spending in China, by Company, 2020

	Ad revenues (billions)	% change
Alibaba*	\$27.05	6.5%
Tencent	\$9.49	15.5%
Baidu	\$7.85	-14.3%
—iQiyi	\$0.53	-27.8%
Sina	\$1.50	-12.1%
—Weibo	\$1.32	-13.3%
Sohu	\$0.57	-17.5%

What Is Holding US Adults Back from Buying a Home?

% of respondents, by generation, Aug 2019

	Millennials (23-38)	Gen X (39-54)	Baby boomers (55-73)	Total
Income isn't high enough	52%	54%	55%	51%
Cost of living is too high	45%	38%	31%	37%
Student loan debt	23%	15%	5%	16%
Credit card debt	16%	21%	10%	15%
Family/friends unable to help	16%	11%	5%	12%
Other	9%	8%	12%	10%
Nothing	18%	20%	28%	23%





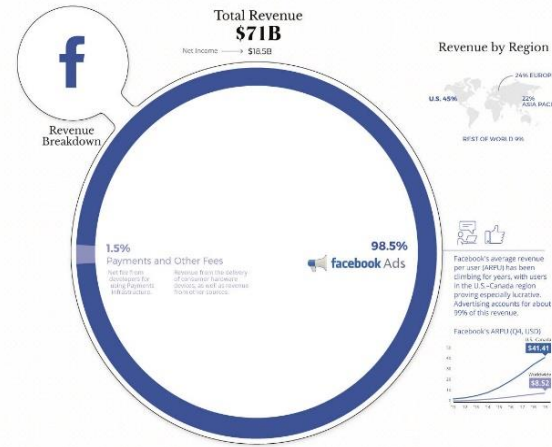
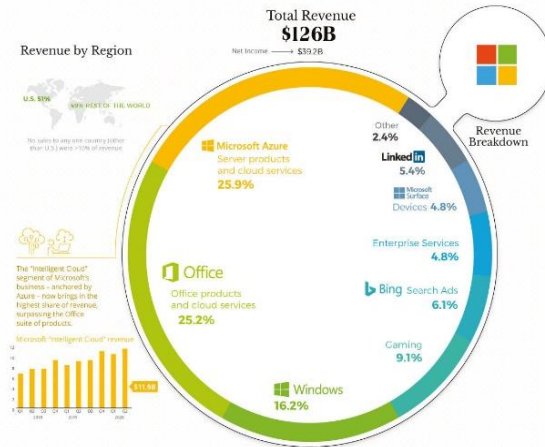
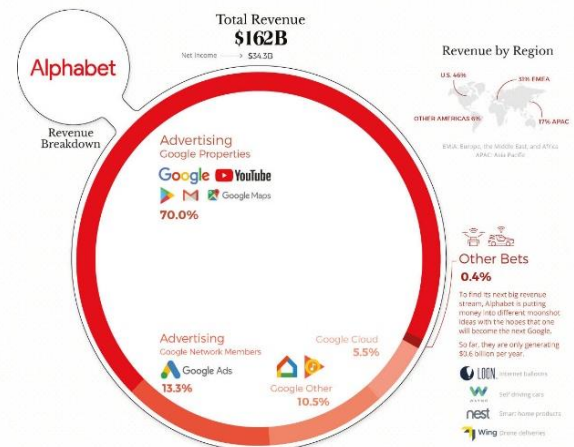
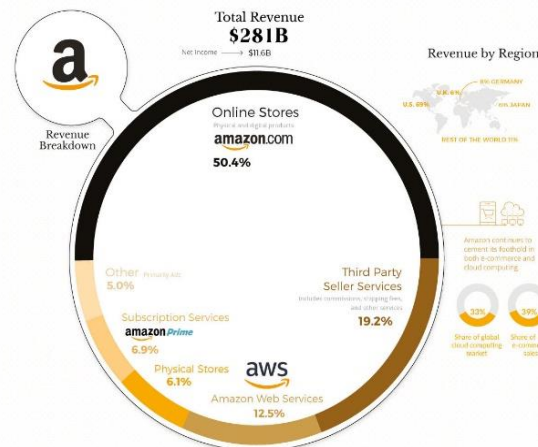
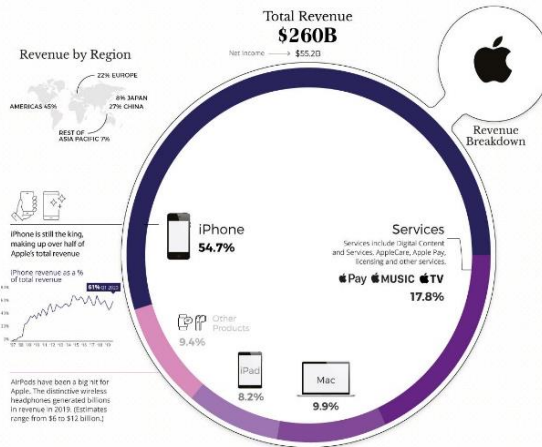
How Tech Giants Make Their Billions

35

BREAKING DOWN THE REVENUE STREAMS OF TECH'S LARGEST COMPANIES

The Big Five tech companies generate almost \$900 billion in revenues combined – an amount that rivals the GDP of countries like Saudi Arabia and the Netherlands.

How do they earn their billions?



Still So Much To Learn

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The Cost of 1G of Mobile Data in Every Country

