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Dear client,

Firstly, we at Profreight, want to wish all of you a very happy, healthy and prosperous new year. Thank you for your continued business over the last year and here is to hoping for even more cooperation this coming year.

As you are probably already aware, the shipping industry is going through a period like no other in recent history. We are always working diligently with our trucking company partners to make sure the delivery process is as smooth and as efficient as possible. As a company we have always put our clients needs at the top of the list and have always tried to fight on our client's behalf for the best possible rates.

Here is where our trucking company partners have reached out to us with the following issues they are facing, which in turn affects the delivery times and costs to your company

- **Lack of equipment (chassis /reefers/triaxle/LowBoys etc)**

- Due to the abovementioned backlog in returning empty containers, the truckers are now experiencing a shortage of chassis and/or equipment, as these are being used to hold the empty containers in yards while awaiting return appointments. This shortage stretches to the local chassis pool, which then means there is a very low supply and excess demand. This can lead to an increase in chassis prices and also a delay in picking up a container in a timely manner, causing **demurrage** and/or storage charges.

- **COVID- As you all are aware, I am sure, the new Omicron variant has spread like wildfire and over a million new positive cases were reported all over the country, in a 2-3 day span around Christmas. This had led to the following issues**

- Truckers are advising of a shortage of drivers due to covid cases. Administrative and office staff is also reporting a high increase in covid cases, and so some truckers are down by more than half their team currently. All this leads to the same problem of availability. Some of the trucking companies that are the worst hit have rejected any new deliveries and even rejected some deliveries they had previously accepted. In this case our choices are limited, we can either shop for another trucking company that can match the quoted price, which based on the above points could take weeks, leading to excessive demurrage and/or storage costs, or to accept an alternate trucker at a higher cost. We have seen the latter approach being more cost effective overall as delays can add up to weeks in most cases.

- **The shipping lines are not accepting empty containers back to the port, which in turn can lead to the following extra costs**

- Per Diems (Per diem, or detention, is charged for each day past the number of "free" days that a container is away from port).
- Extra chassis fees while containers are waiting to be returned
- Storage charges at truckers yard, where they hold the empty containers awaiting return appointments



As always we will try our best to keep these extra costs down to a minimum, but in these times, there are no guarantees we can offer. We will try and make you aware of any extra costs at the time they occur, to the best of our knowledge.

Please feel free to reach out to us incase you have any questions or concerns about any of the above

Thank you for your continued business and here is hoping that 2022 is an even better year for everyone

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