

WHITEPAPER

# Supply Chain

The Rocky Road Back  
to Business as Usual



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# The Rocky Road Back to Business as Usual

The pandemic has sent a shockwave throughout the economy, exposing how tenuous supply chains can be. The steady inflow and output of products so fundamental to every market sector have been thrown into disarray. While the initial wave of product hoarding (remember toilet paper shortages?) may now seem a distant memory, it actually foreshadowed greater problems ahead.

Today, the persistence of ongoing supply chain issues may be attributed to several factors. Scarce commodities, labor shortages and border closings all contribute to complicate the situation and signs suggest these concerns will linger for the foreseeable future. With such uncertainty around the ongoing availability of products, hoarding any available supplies as they appear only places additional strain on the flow of goods.



## Few Industries are Unaffected

In the past month, 56% of Americans have experienced a supply chain shortage when trying to purchase a product. Further to that, 69% of Black Americans are more likely to have encountered a supply chain issue. Food, clothing, health and beauty products, and consumer electronics are registering the most common shortfalls in the past month. However, the problem is reverberating throughout a broad cross section of the economy.

### Possible Outcomes

Take the semiconductor (microchips) industry as a prime example of the interdependency of supply chain relationships. Automakers, consumer electronics, appliances, the power industry and LEDs among many others all compete for supplies. Within each of those industries, it takes only a single pinch-point in the entire chain to effectively stop production.

Producers may choose to forego features that rely on chips and release inferior versions of products to meet demand. Others simply must wait, which means consumers must also wait. Meanwhile, short-staffed port and trucking operations are unable to keep pace with deliveries and backlogs continue to swell.



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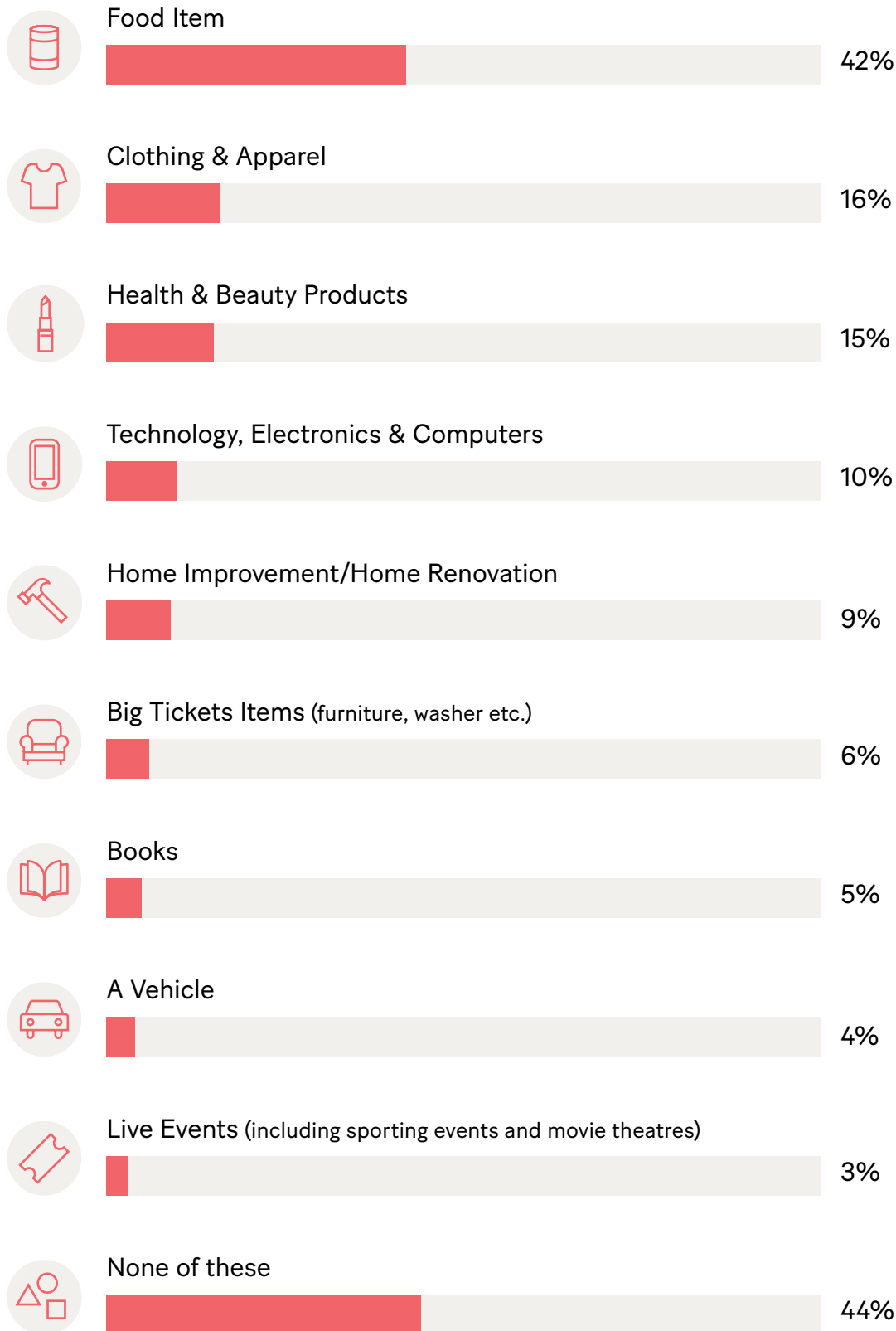


69%

Black Americans are more likely to report having experienced a supply chain issue

# Supply Chain Shortages in October in 2021

% Finding Product out of Stock in Past Month



# On Hold for the Holidays

Eighteen months into the pandemic and the scale of supply issues lingers across a range of industries. Business leaders warn that disruptions will continue for the foreseeable future. As the holiday season approaches, many companies are actively recommending that consumers buy early – if they can buy at all. One certainty is that the catch-all response, common frustration and sometimes excuse that will remain in high rotation will be, ‘supply chain.’

**QUESTIONS THAT MATTER.  
ANSWERS THAT COUNT.**

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