

September 2021, Issue 77



### SafeSourcing e-Newsletter

Have comments, questions, or suggestions about the SafeSourcing e-Newsletter? Let us know what you think by emailing us at the following address. We look forward to hearing from you!  
[events@safesourcing.com](mailto:events@safesourcing.com)

#### Trivia!

What is Dead Net?

[www.safesourcing.com](http://www.safesourcing.com)

## Industry News

### *Still a Struggle for Retailers, Grocers, and Shippers*

#### Target Posts Jump in Sales

Target Corp. business is coming back after last summer's Covid-19 pandemic upended consumer spending. The corporation reported increased revenue in the second quarter this year. In-store and online purchases rose 8.9 percent from last year. Last year revenue rose 24.3% because people were stockpiling on groceries and many retail chain stores were closed. The growth in the second quarter was due to clothing purchases and food. "We believe that America still embraces stores, and the traffic we're seeing tells us that stores continue to play a very important role," Chief Executive Brian Cornell said on a conference call. This report comes one day later than Walmart Inc. reported strong results in foot traffic. Target executives said that the Delta variant's spread has not resulted in skeptical consumer behavior.

Target said they are working with transportation companies and suppliers to try to avoid volatility in the supply chain which has led to cost increases for toys for the holiday season. ■

*Omar Abdul-Baqi, WSJ, 8/19/2021*

#### INSIDE THIS ISSUE

1	Plastic Waste
2	Price Increases
2	Trivia! Answer

#### COMING NEXT ISSUE

Oct.	Answer to our Trivia!
------	-----------------------

#### Recent Savings

##### Frozen Bread

Savings were over 38% of total spend. ■

##### Pork Protein

Savings were over 36% of total spend. ■

\*Please [contact SafeSourcing](#) to schedule your RISK FREE event today.

## Keeping Grocery Shelves Full

Some grocery stores executives claim they are still facing supply challenges equal to what was happening in 2020, when hoarding led to empty shelves. New problems are also arising with labor shortages and shortages on raw materials. Products such as frozen waffles and beverages remain scarce. It is expected these challenges will last until 2022.

Rouses Market reported that they are having trouble keeping shelves filled from pet food to canned goods. The chain of more than 60 stores sometimes only receives 40% of what has been ordered. This has prompted Mr. Rouse and staff to try and secure products earlier and more often. Prior to the pandemic, approximately 90% of the products ordered were received. In order for grocers to keep their shelves full, they are trying to rethink how to procure products. Some grocers are carrying fewer flavors or sizes. Smaller retailers are having much more difficulty than large chains. Albertsons Cos. said they are feeling commodity challenges as well as labor difficulties. When the pandemic first started, paper goods and canned soups were hard to find. Now there are new problems — resin, aluminum and other raw materials used for packaging are running short. Manufacturers are having a hard time keeping up with the demand either because people are staying home because of the virus or because they have stimulus checks to rely on. ■

*Jae won Kangaroo, WSJ, 8/23/2021.*

## Container Jams

Jammed ports in Southern California (the largest US gateway for seaborne trade) are flooded as imports stack up in containers. Thirty-seven container ships stacked up at ports in Los Angeles and Long Beach. Hundreds of thousands of boxes are awaiting shipping to retailers. Just a few months ago, the largest number of ships at port was nine. Holiday imports are arriving earlier in order to beat delays later. “The West Coast congestion is one of a number of global bottlenecks as ports juggle strong consumer demand and shortages of workers and equipment caused by pandemic-related health and safety measures.” Airfreight is an alternative for many shippers, but it’s much more expensive.

The amount of imports arriving in Southern California warehouses is driving up rent and making space harder to find. This has a domino effect causing a strain on truck and rail capacity. Boxes are stored for an average of ten days as they are sorted to move inland. Pre-pandemic the wait time averaged three days. ■

*Paul Berger, WSJ, 8/18/2021*

## QUESTIONS AND ANSWERS

**Q:** How can I subscribe or unsubscribe to these newsletters?

**A:** You can subscribe or unsubscribe to these free newsletters by simply going to our [website](#), and clicking the option “e-Newsletter” or by contacting us directly at [events@safesourcing.com](mailto:events@safesourcing.com).

**Q:** I have run events in the past, is there any chance I could be saving more?

**A:** Yes. No matter when your past event ran, the team at SafeSourcing can find ways for your company to save.

**Q:** I want to know more about what SafeSourcing does. Who can I talk to about this?

**A:** You can contact a customer services representative by calling us at 1-888-261-9070 or by going to our [website](#) and trying our “Risk Free Trial” offer.

## Trivia! From August 2021 Issue What does CAO mean?

Computer-Assisted Ordering uses a point of sales system in order to calculate inventory and determine popularity of certain products. It analyzes the data to figure out which products sell best, based on seasonal trends. The computer’s predictions are made based off of the physical inventory in a store and number of items sold and creates a purchase order.

[events@safesourcing.com](mailto:events@safesourcing.com)

[www.safesourcing.com](http://www.safesourcing.com)

### LEGAL DISCLAIMER

THESE NEWSLETTERS ARE PROVIDED “AS IS” AND WITHOUT ANY WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED. WITHOUT LIMITATION, THERE IS NO WARRANTY OF NONINFRINGEMENT, NO WARRANTY OF MERCHANTABILITY, AND NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. ALL WARRANTIES ARE EXPRESSLY DISCLAIMED.

USER ASSUMES THE FULL RISK OF USING THIS SPECIFICATION. IN NO EVENT SHALL WE BE LIABLE FOR ANY ACTUAL, DIRECT, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES ARISING FROM SUCH USE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**SAFE SOURCING**

[www.safesourcing.com](http://www.safesourcing.com)