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COVID-19 Impact on Imports

Jennifer Polanz

As of press time, COVID-19 was beginning its spread in the U.S., but seemed to have reached its peak in China. Who better to check in with than Tom Durkin, owner of Glenhaven Home & Holiday, a company that organizes trips to Asia to buy direct from factories there.

When I caught Tom, he had just returned from a buying trip with retailers, in fact. He modified that itinerary for buying garden products for spring 2021 to factory visits in Bali, Vietnam and India, removing China. However, he had price quotes online from those factories for his customers. He says his tour group experienced heightened screening, like temperature checks via forehead scanners and thermal imaging cameras at restaurants, hotels and airports. However, the countries they visited either had zero or very few confirmed COVID-19 cases at the time of the tour.

I asked him how he thought the impact of COVID-19 on Chinese plants would affect holiday shipments. "We were already on guard with Chinese New Year being January 25; we knew orders were going to be challenging this year," he says, adding that's why he scheduled his Christmas-buying trip for December, so factories had a chance to order raw materials and begin production. "The plan (for Chinese factories) was to come back February 15 and start working. Now it's closer to March 1 to March 15."

He says the factories he works with were back up and running when we talked on March 9, but they weren't fully staffed. "Delivery will be impacted," he predicts. "There is a long trickle-down effect with these delays because of the double impact of the virus keeping people away from work and the Chinese New Year in late January, which already put them behind the eight-ball a little bit."

That means retailers who do a big holiday business might need to plan ahead and figure out a Plan B or even C when it comes to staging, promotions and events for that season.

Tom also notes that future product development could be impacted, as travel from the U.S. to Asia was still being limited as of press time, and often times, American companies will send staff to the factories to aid in product design.

Have you heard from wholesalers or manufacturers you work with? Let us know what they're saying by emailing me at jpolanz@ballpublishing.com. **GP**