



Navigating The Supply Chain

By: **Melissa Mihalis**

The pandemic has shown how fragile international supply chains can be, says Glen Parkinson, executive member of Canadian Club Toronto (CCT). Speaking at the ‘Navigating The Changing Supply Chain Landscape’ hosted by CCT, he said the unpredictability has caused some to make it, others to fall behind, and all to feel the consequences of the supply chain crisis. Nonetheless, companies are navigating this fast-evolving landscape to stay afloat during this time.

‘Whiplash’

In the first seven months of this year, the volume of goods traded from Asia to North America was about 1.3 times what it was pre-pandemic. That higher demand shifted drastically and has forced companies to strategize.

Businesses have had to rethink about retooling their supply chain, says Parkinson. The supply chain crisis has left store shelves empty, online orders unfulfilled, a shortage of labour, and companies with a need to improvise what they once knew about accessing supply for their companies.

Supply chain issues were not very existent in the first few months of the pandemic, says Warren Spitz founder, president, and chief executive officer of UCS Forest Group. Therefore, ironically, having a surplus of inventory was the initial fear.

However, “that changed overnight and we have seen an unprecedented demand.” Therefore, businesses have had to work

closely with suppliers to compensate for the demand. “I would call it a whiplash,” says Spitz.



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Manufacturing efficiency relies on seamless movement internationally. Where companies imported supplies abroad to be more cost efficient, they have been forced to seek product elsewhere and more likely closer to home.

However, this is costly and not feasible for all industries. Also, this could potentially

lead to another excess of product once the global supply chain normalizes once again, says Linda Seymour, president and chief executive officer of HSBC Bank Canada.

Companies Stay Durable

The supply chain has become unpredictable and strained how companies conduct business. However, they’ve proven durable against the shift. “Whatever they’ve had to do to survive or thrive in these most challenging of circumstances, they’ve done it,” says Seymour.

Companies have begun supply relations in local countries and overall diversified their supply chains, changed materials to more accessible ones, have moved out manufacturing jobs to compensate for the labour shortage, built online stores, and have launched new programs to cope.

But this is not enough for all businesses. “The government needs to realize their losing money daily by this supply chain issue and probably need to come up with a government task force as soon as possible to facilitate,” says Martin Lieberman, chief executive officer of Building Materials Inc.

There is not necessarily an indication when this crisis will come to an end and ‘normal’ patterns in access to supply from overseas will commence. But staying on top of trends, treading cautiously, and by adapting to the times, businesses can continue being resilient until that normalcy is established once again. ❖

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