

## Freight Industry - Update HAULAGE

23.09.2021

*Dear Consumer,*

As we move towards Q4 of this unprecedented challenging year, a new one awaits.

As you have may have seen or heard in the news, the UK is currently experiencing a severe haulage crisis. We, **Ascot International (1996) Ltd.**, are doing all that we can to mitigate delays and unforeseen costs considering the below major disturbances.

The main concerns at present for the company are with deep sea containerized haulage. Not only have we seen significant increases in the freight prices ex China and India, but we are incurring major delays on standard shipping times and facing increases on costs once the vessel arrives at UK seaports. Due to the UK Haulage crisis, we cannot always guarantee a timed delivery service as per our normal practice. Our logistics team are working tirelessly to minimise disruption with thorough forward planning and regular communications with the haulage companies. If you do need a dedicated delivery service, this will incur extra charges to secure. We will keep you updated of any such fees on existing and/or future orders.

There are numerous reasons why the UK is facing this domestic challenge, here I bring a few to your attention;

Firstly, shipping lines are building bigger vessels which have more container capacity. This was an International Maritime organization initiative to reduce carbon emissions. This has caused a major impact to the UKs main seaports resulting in congestion.

Secondly, the shipping lines simply cannot deliver the containers from quay in the timeframe which we are used to. There are not enough drivers or equipment available to handle the increased volumes of containers.

Thirdly, Brexit and the COVID-19 pandemic have impacted the haulage industry dramatically. Not only have we seen over the last few months a significant rise in sea freight rates, as UK importers, we are now facing extortionate demurrage charges once the vessel has arrived at port. Shipping lines are struggling to deliver the container within the free time period, the only party who will bear this cost is the importer. The shipping lines and ports are charging their standard charges per day, the longer the cargo sits at the port we incur these unnegotiable, unavoidable at present, extra costs.

It has now come to light that some lines are rejecting delivery to door terms and cannot facilitate the delivery at all. This has resulted with them requesting ourselves or freight forwarders to appoint a merchant haulier who can deliver on our behalf. This again means extra cost. The merchants charge will be higher than any rates agreed with the line, and we will also face a LOLO charge. To make the situation even worse, the merchants are now being hired by the shipping lines or other large

corporations to work on their behalf meaning availability of such services is becoming increasingly difficult to obtain resulting in extra days charges and delays incurred at the port.

Whilst these disturbances and disruptions are largely beyond our control, we will maintain our high standards of customer service and endeavour to keep the communications channels open with you at each step to advise of any delays and/or incurred costs.

If you would like any further information or advice pertaining to an existing or new shipment, please do not hesitate to contact us.

Yours sincerely,



**Chris Whitney**

Operations & Logistics Manager

*All offers and quotations are made subject to stock being unsold at the time, force majeure and that an order is received as per our T&Cs. Ascot International (1996) Ltd. also reserves the right to review prices in the event of any unforeseen major change in currency or raw material costs. Please note, any increase with demurrage, haulage, and freight during dispatch of the order, the difference of sea freight/airfreight will be charged to the consignee/buyer in the final invoice. Ascot International (1996) Ltd endeavor to deliver as per the date promised however, cannot guarantee timed delivery unless dedicated service has been requested by consignee/buyer, service will be chargeable in the final invoice.*