

Clearwater, Florida
Date: January 26, 2023

Increases in Ocean Freight Due to Red Sea Region and Panama Canal Disruptions

We have an important update regarding ocean freight. As you may be aware, there have been significant disruptions in both the Red Sea region and the Panama Canal, leading to substantial increases in ocean freight cost.

The Red Sea disruptions, which include political tensions and security concerns, have resulted in heightened risks and challenges for shipping companies operating in the area. These challenges have had a direct impact on the availability of shipping routes and the overall efficiency of maritime transportation. Additionally, the Panama Canal is experiencing a severe drought and has now reduced vessel crossings by a third.

Due to these disruptions, the cost of transporting via ocean freight has risen considerably. In recent weeks we have seen our negotiated contract rates roughly double, with no relief in sight. The increased expenses incurred by shipping companies have been passed on to us as manufacturers.

To mitigate the impact of these ocean freight increases, our supply chain team is working very closely with our shipping partners to ensure we are making every effort to minimize the impact to you, our valued customer.

We appreciate your understanding and cooperation during this challenging period. Our commitment to delivering high-quality disposable gloves remains unwavering, and we will do everything in our power to minimize the impact of these disruptions on our operations.

Should you have any questions or require further clarification, please do not hesitate to reach out to your dedicated sales representative. We value your business and look forward to continuing our successful partnership.

