



IANA
INTERMODAL ASSOCIATION
OF NORTH AMERICA

COVID-19: An Update for the Drayage Community

2020, Thursday, March 26th, 2:00 PM ET



Housekeeping

- Panelist presentations will be followed by audience question and answer session
- Audience audio will be muted
- Submit questions at any time for Q&A session at the end of the webinar presentations
- A recorded version of this webinar, including the slides, will be available in the near future



Today's Panel

- Eric Gallien, Associate Director, Illinois Trucking Association
- Hal Pollard, Director of Education, Intermodal Association of North America
- Terry Stone, Global Managing Partner, Health & Life Sciences Practice Group, Oliver Wyman
- Adriene Bailey, Partner, Surface Transportation, Oliver Wyman
- Alan Karickhoff, Research Analyst, American Trucking Associations
- Dan Meyer, Division Administrator, Federal Motor Carrier Safety Administration
- Collin Mooney, Executive Director, Commercial Vehicle Safety Alliance
- Debbie Sasko, AVP, Information Services, Intermodal Association of North America

Agenda

1. Eric Gallien, ITA & Hal Pollard, IANA: Introductions
2. Terry Stone & Adriene Bailey, Oliver Wyman: Current Coronavirus Situation and what is anticipated to happen over the next several months?
3. Alan Karickhoff, American Trucking Associations: What are the potential economic impacts/scenarios?
4. Dan Meyer, FMCSA: What is the current regulatory environment, and what is anticipated to come?
5. Collin Mooney, CVSA: How is law enforcement dealing with/addressing this in the field?
6. Debbie Sasko, IANA Information Services/UIIA: Detention/Demurrage, What to do if there are issues with it and free time?
7. Q&A

A close-up, first-person perspective shot from the driver's seat of a car. The driver's hand is visible on the steering wheel. The dashboard features a central infotainment screen, a red emergency brake button, and various control knobs. The background shows a blurred road with white lane markings, suggesting the car is in motion. The text "Let's Get Started" is overlaid in a large, white, sans-serif font across the upper portion of the image.

Let's Get Started

Current Coronavirus Situation and What is Anticipated

Terry Stone & Adriene Bailey
Oliver Wyman

CURRENT UNDERSTANDING OF COVID-19 FACTS

Current pace of spread and understanding of the disease suggest that we must take aggressive action

	Key facts	Implications
Contagion	<ul style="list-style-type: none"> R0 for COVID-19 is currently estimated at between 2 and 3 (with edge of range estimates closer to 1.4 and 3.6), which means each person infects 2-3 others³; R0 for the seasonal flu is around 1.3⁴ 	COVID-19 is twice as contagious as the seasonal flu
Current human immunity	<ul style="list-style-type: none"> No herd immunity exists yet as the virus is novel in humans 	Social distancing (quarantines, WFH, school closures) is the only “brake” to slow the spread
Incubation period	<ul style="list-style-type: none"> The infectious period is a median of 5.5 days (up to 14 days)^{1,10}, while the annual flu is commonly a 3-day period¹; data suggests that viral shedding continues beyond symptom resolution⁶ 	People are contagious for longer periods than the flu or other illnesses, requiring longer bouts of quarantine to truly suppress spread
Fatality	<ul style="list-style-type: none"> Case fatality rates are trending at 4.9% globally⁸ (vs. 0.1% for the flu)⁹ 	Fatality is orders of magnitude higher than typical influenzas
Portion of cases asymptomatic but contagious	<ul style="list-style-type: none"> COVID-19 can be spread asymptotically⁵ Diamond Princess testing estimated asymptomatic rate of 17.9%²; emerging sources in Asia suggest rates potentially higher rates 	People who feel “fine” are capable of – and are -- transmitting COVID-19 to others
Portion of cases reaching “critical” / “severe” infection	<ul style="list-style-type: none"> Approximately 19% of confirmed cases are considered “severe” or “critical”, requiring hospitalization, and 1/4th of those need ICU beds⁷ 	Hospital systems risk being overtaxed (ICU beds, ventilators, PPE) meaning case fatality rates could rise further

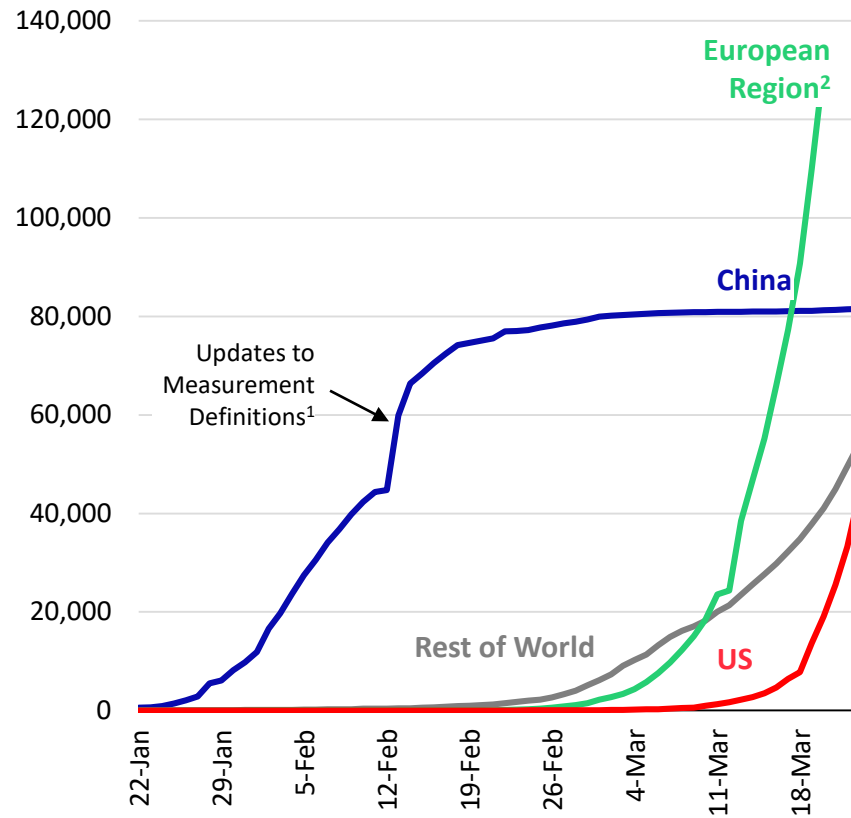
1. CDC. 2. Eurosurveillance Paper ([link](#)). 3. The R0 for the coronavirus was estimated by the WHO to be between 1.4 -2.5 (end of January estimate) ([link](#)), other organizations have estimated an R0 ranging between 2-3 or higher ([link](#)); 4. CDC Paper ([link](#)); 5. JAMA. “Presumed Asymptomatic Carrier Transmission of COVID-19” 6. MedRxiv. “Clinical presentation and virological assessment of hospitalized cases of coronavirus disease 2019 in a travel-associated transmission cluster”. Mar 8. 2020. 7. China CDC, JAMA ([link](#)). 8. JHU. 9. CDC. 10. Annals of Internal Medicine ([link](#))

COVID-19 TRENDS AND SPREAD OF THE DISEASE

The number of new cases in China has slowed – likely due to significant containment measures – as the outbreak spreads to other countries

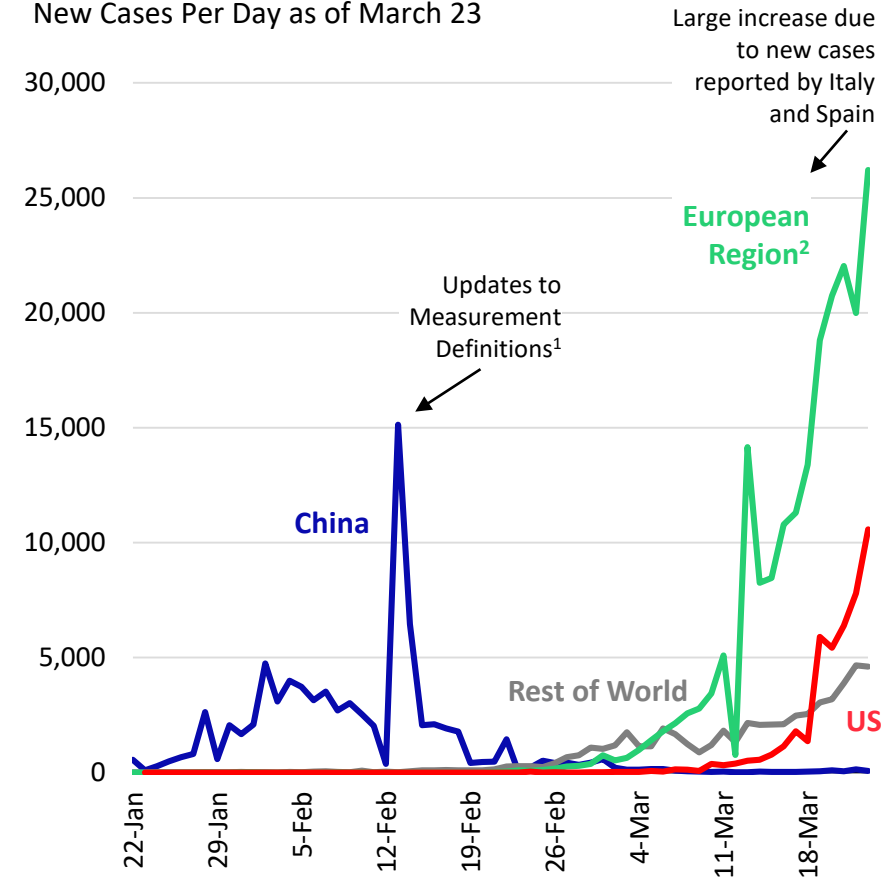
Confirmed Cases of COVID-19

Cumulative Number of Cases as of March 23



New Cases Per Day of COVID-19

New Cases Per Day as of March 23



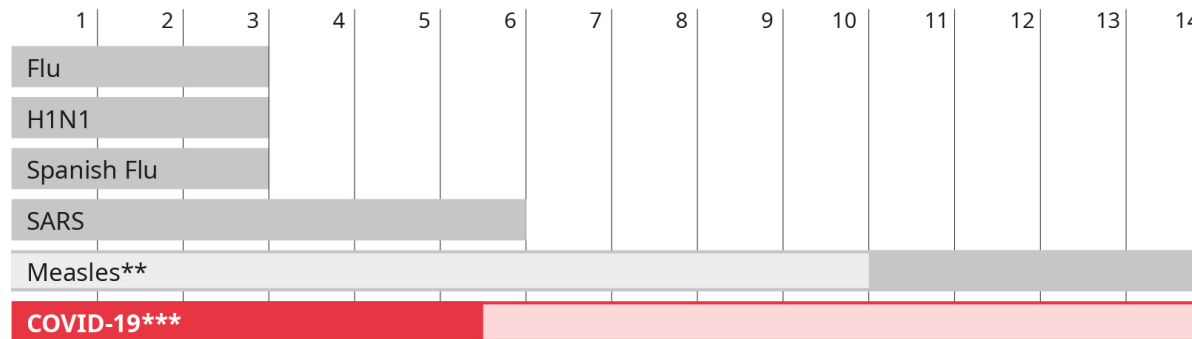
Source: John Hopkins University & Medicine Coronavirus Resource Centre

1. Until February 17, the WHO situation reports included only laboratory confirmed cases causing a spike in total cases. Some sources include this update as of February 13. The jump due to inclusion of non lab confirmed cases is not included in the new cases data in WHO situation reports.; 2. Includes countries categorized under "European region" based off of latest WHO Situation Reports

HOW DOES COVID-19 COMPARE TO OTHER DISEASE OUTBREAKS?

The infectious cycle of COVID-19 is unlike that of any other outbreak we have seen before

Incubation Timeline (Days)*, 1



*All but SARS have the potential for asymptomatic transmission

**Symptoms most commonly appear on Days 10-14

***The median incubation period for COVID-19 is 5.5 days, but symptoms can develop as late as 14 days post exposure

Why does this matter?

- The combination of a longer incubation period with asymptomatic transmission means that there is a longer window of time during which infected individuals are unaware that they are contagious

Why is quarantine 14 days?

- While the median incubation period is 5.5 days, symptoms have been documented to occur over a longer time frame; 14 days should capture 99% of all cases²

What do we still not know?

- We still do not accurately understand the full infectious period for COVID-19

What we know about the infectious cycle?

- Multiple sources confirm asymptomatic transmission, but the exact timing of when an exposed individual becomes contagious is not known^{3, 4, 5}
- Viral loads build rapidly and continue to shed until 6-12 days after symptoms have cleared⁶

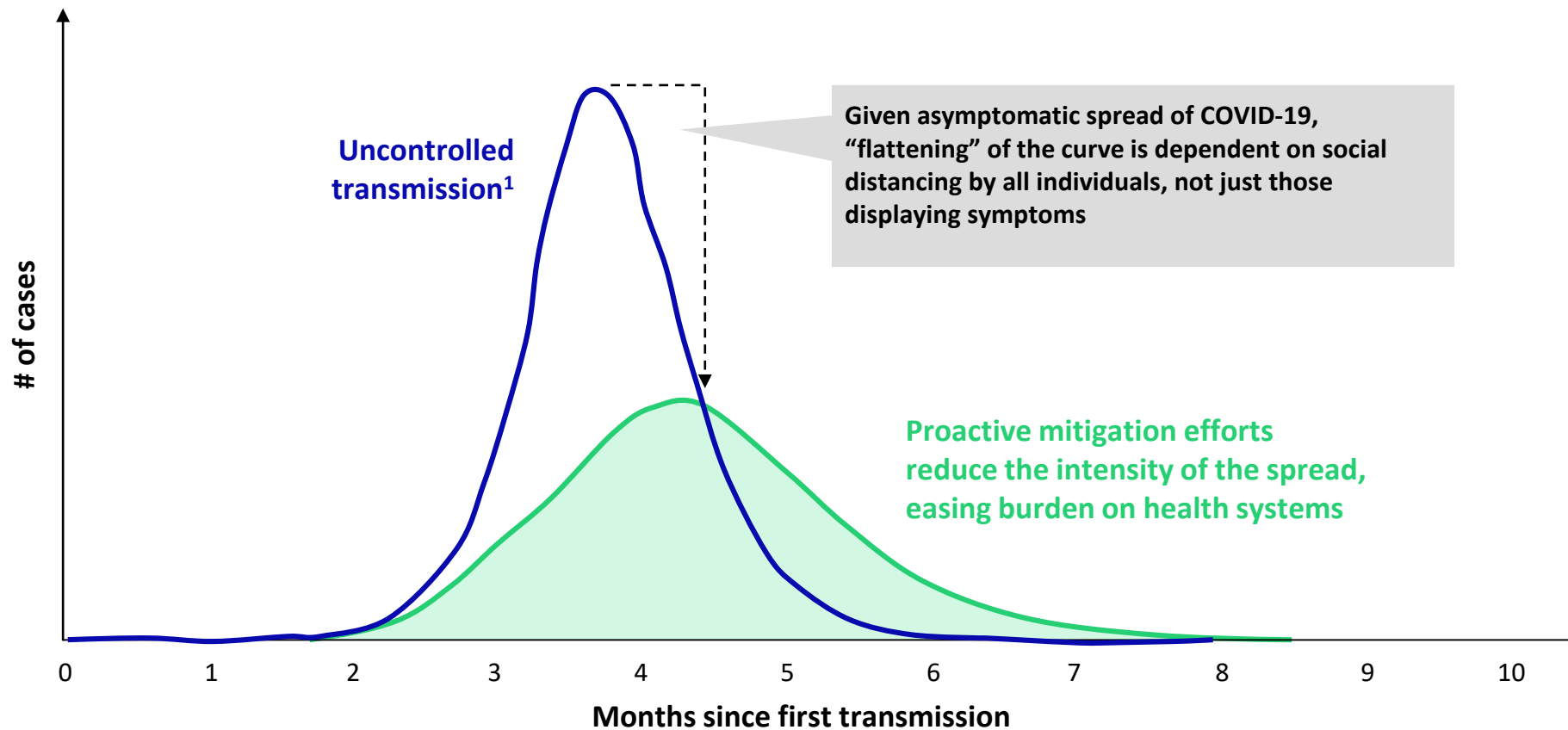
1. CDC 2. Annals of Internal Medicine ([link](#)) 3. JAMA ([link](#)) 4. NEJM ([link](#)) 5. Science ([link](#)) 6. medRxiv ([link](#))

HOW CAN MITIGATION MEASURES LOWER THE BURDEN OF THE PANDEMIC?

Proactive and swift mitigation measures (e.g., social distancing) are critical to control the spread and reduce the overall burden on the healthcare system, as ~15–20% of confirmed cases require hospitalization

Illustrative COVID-19 transmission with and without mitigation measures

Timing and width of peaks may vary between countries

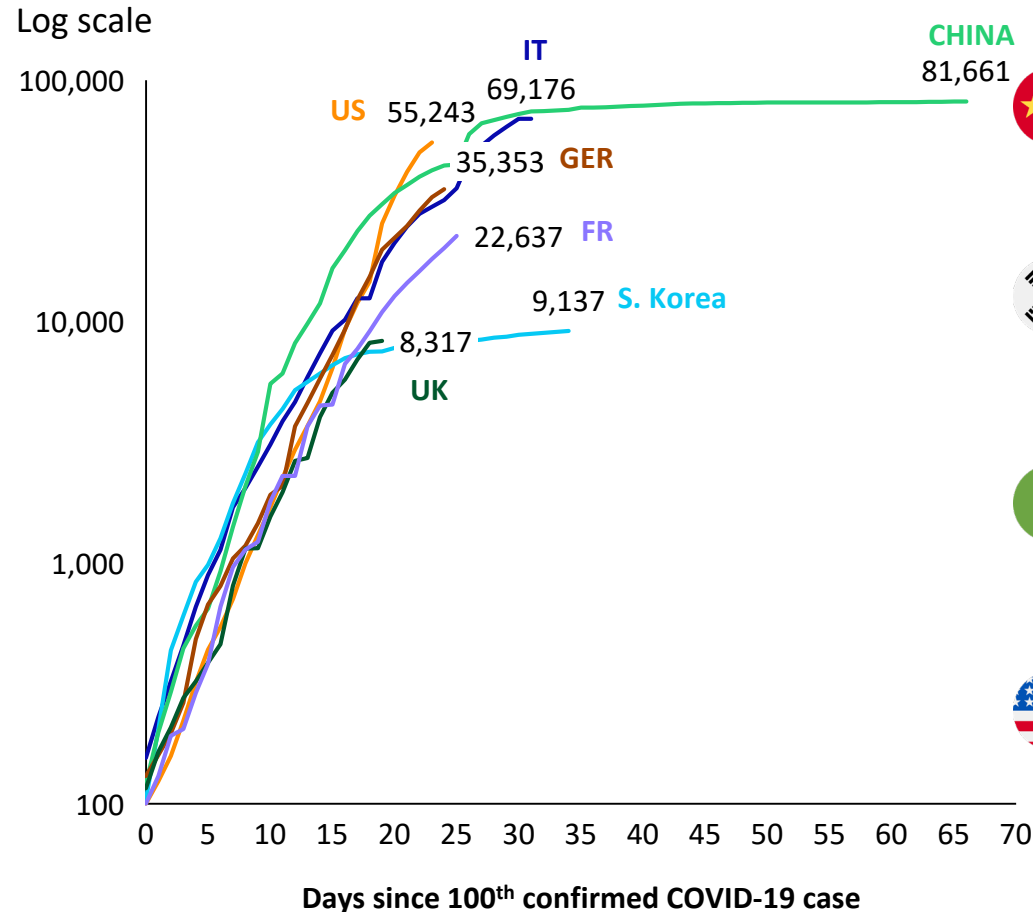


1. Assuming case-based isolation only

Source: Adapted from "How will country-based mitigation measures influence the course of the COVID-19 epidemic". Lancet. Mar 6 2020. [https://doi.org/10.1016/S0140-6736\(20\)30567-5](https://doi.org/10.1016/S0140-6736(20)30567-5)

MOST COUNTRIES – INCLUDING THE US – CONTINUE TO SEE EXPONENTIAL GROWTH AND ARE FAILING TO FLATTEN THE CURVE

Select international comparisons



- Enforced city-wide quarantine of Hubei post-outbreak
- Early containment outside Hubei halted growth
- Mobile monitoring / enforcement (via WeChat, etc.)

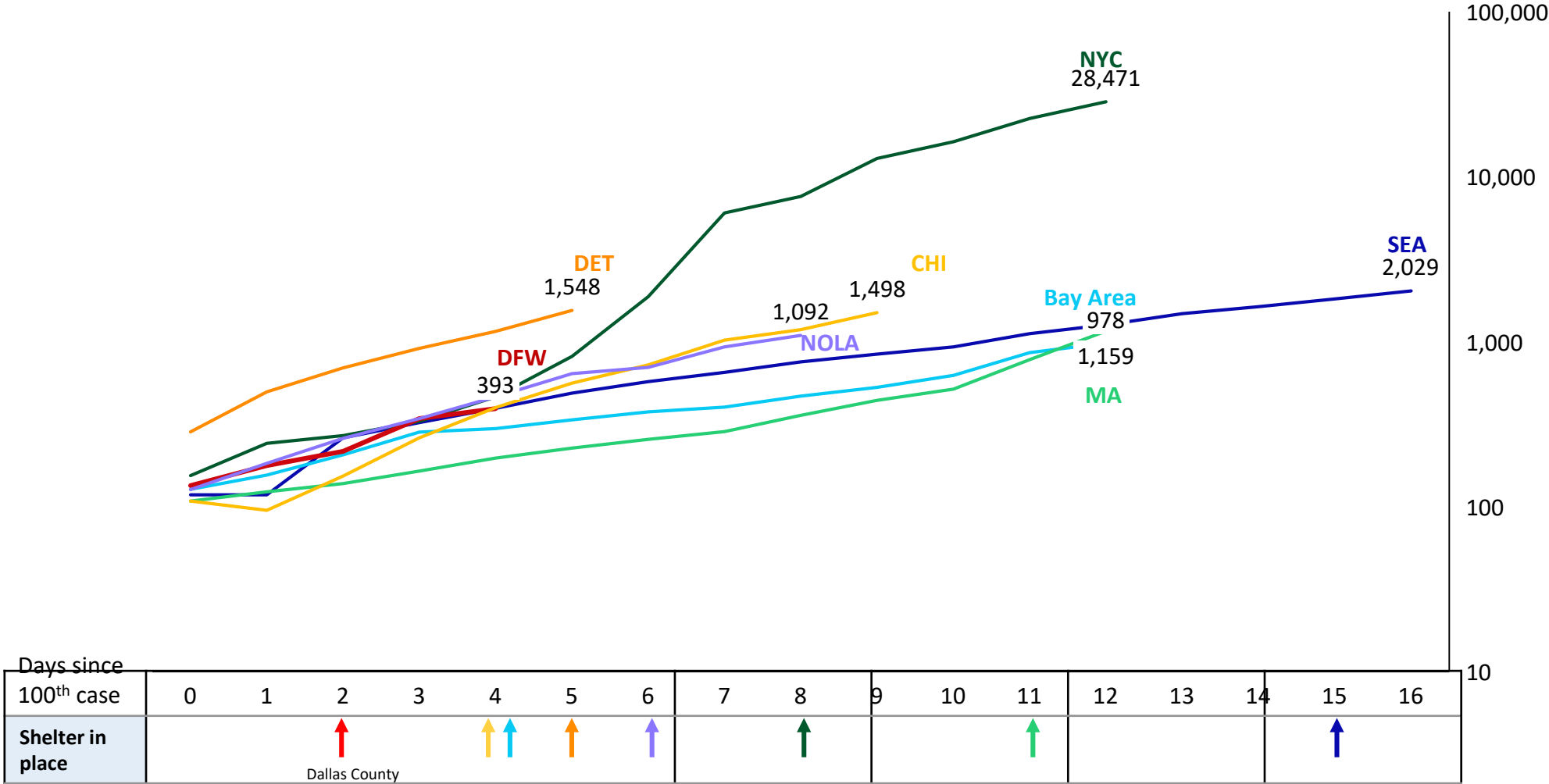
- Massive early testing (270k, 70X per capita vs. US)
- Quarantined patients monitored via mobile app
- Epidemic response in place from SARS outbreak

- Initial lockdown limited, at 8k cases (day 15 in chart), with ongoing travel still permitted
- Broader shutdown at 12k cases (day 17 in chart)

- Response largely left to each state / locality
- Lack of broad testing till now suggests pending uptick
- Militaristic measures seen in Asia feel less likely
- Recent uptick in containment efforts in many geos

Sources: JCSSE (Johns Hopkins), local news and county health departments, as of 3/17. Pre-WHO China data from [NHC](#) Containment sources: [China](#), [S. Korea](#), [Italy](#)
 100th case on: Italy: 2/23, S. Korea: 2/20, US: 3/2, China: before 1/18, UK: 3/5, France: 2/29, Germany: 3/1; End point and figures for all countries is 9:45 am on 3/25

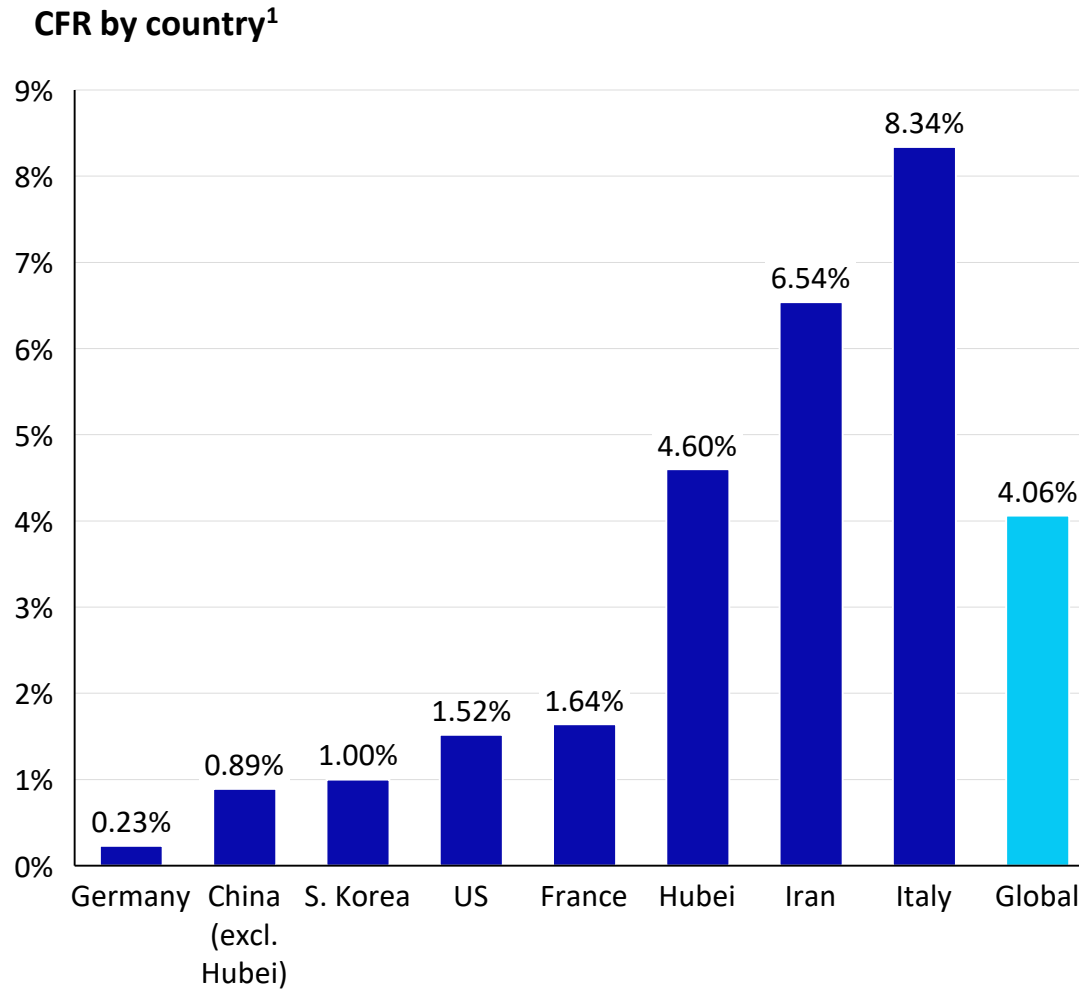
THE CASE COUNT OF COVID-19 CONTINUES TO GROW ACROSS THE UNITED STATES



Note: Day 0 = Day of the 100th confirmed case in each metro area ; SEA: 3/8/20 , Bay Area: 3/12/20 , NYC: 3/12/20, MA: 3/12/20, DFW: 3/20/20 ; CHI: 3/15/20 ; DET: 3/19/20 ; NOLA: 3/16/20
 Note: Most shelter in place orders were announced (less Bay Area) between March 20th and 23rd 2020

CASE FATALITY RATE (CFR) BY COUNTRY

While the global CFR is a useful metric to understand COVID-19, country-specific CFRs range by an order of magnitude



What is driving the variation?

- **Position along the trajectory of the outbreak:** For many countries (e.g., Europe, US), the vast majority of cases have not yet resolved and the CFR is changing rapidly
- **Breadth of testing:** Broader testing leads to a larger confirmed base of patients, decreasing CFR
- **Distribution of key risk factors within the population:** Age, gender and pre-existing conditions have a significant influence on mortality (see next page); countries with higher CFRs have a population skewed towards these risk factors (e.g., Italy has the second oldest population on earth)
- **Health system threshold:** Every country has a health system capacity, that when exceeded, will result in the inability to provide sufficient support to all patients thereby resulting in a higher CFR

1. Calculated as Number of Deaths / Total Confirmed Cases as reported by Johns Hopkins University as of 3/18/20

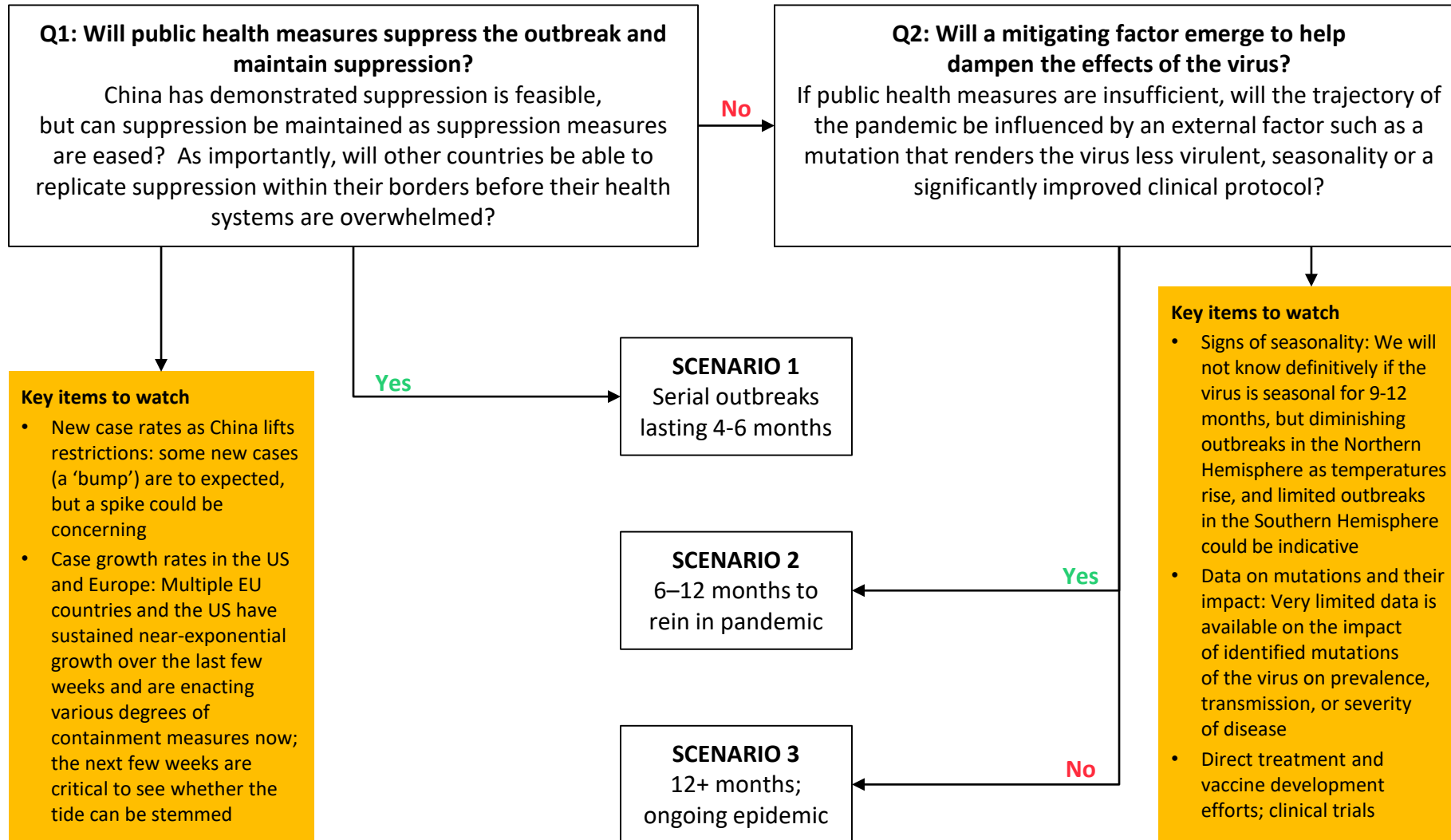
OPPORTUNITY FOR PHARMACEUTICAL INTERVENTIONS

While researchers are exploring potential existing therapeutics and new vaccines which could relieve the COVID-19 disease burden, the path is not short as clinical trials and subsequent manufacturing ramp-up will take months

	Therapeutics	Vaccines
Description & Status	<ul style="list-style-type: none">• No existing therapeutics are currently FDA approved to treat COVID-19, though studies and trials are underway to test efficacy of existing drugs for COVID-19• Three general classes of therapeutics which act differently could be tested / approved: 1) Antiviral – slow virus spreading, 2) Symptom relief, 3) Immune system enhancement• Front-line physicians are using some therapies off-label, which are approved for other indications• Several clinical trials are underway with the CDC:<ul style="list-style-type: none">– Remdesivir (antiviral) – Gilead – originally for Ebola, but low efficacy -- highly limited supply– Hydroxychloroquine (antiviral) – generic –used to treat Malaria -- limited supply	<ul style="list-style-type: none">• Several vaccine types could be considered for COVID-19 : 1) traditional protein-based (longer development, manufacturing timeframe but proven approach), 2) mRNA-based (quick to design but less proven technology and efficacy, 3) DNA-based (quick to design but less proven technology)• At the outset of the pandemic, multiple biotechs have moved to create a COVID-19 vaccine – the first out of the gate are mRNA varieties<ul style="list-style-type: none">– Moderna, a biotech, is the first to have launched clinical testing of an mRNA vaccine in humans on 3/16/20 – but has not yet partnered with a larger, scaled PharmaCo– Pfizer and BioNTech have partnered to test another mRNA vaccine starting in in late April 2020
Key hurdles	<ul style="list-style-type: none">• Even if off-label efficacy was confirmed, significant manufacturing and distribution capacity would be needed to ramp up production of existing therapeutics; current global stores insufficient	<ul style="list-style-type: none">• Large-scale manufacturing capacity would be needed and is not readily available/scalable (GSK Shingrix example demonstrates multi-year lag between vaccine approval and production scale)• Timelines to produce required safety and efficacy clinical trial results estimated to take 12-18 months, even if ‘fast tracked’

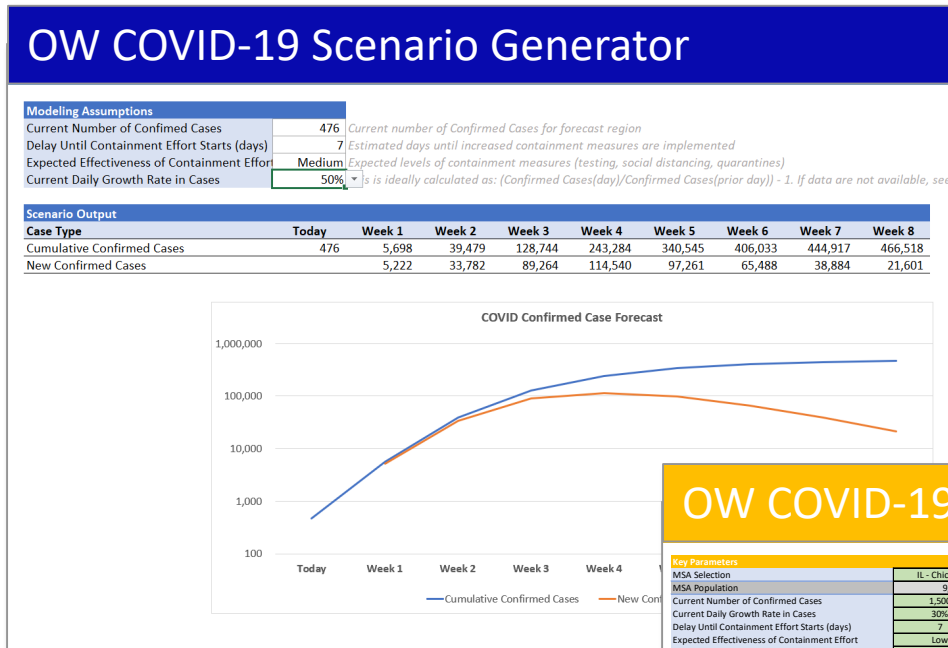
Source: Credit Suisse Equity Research.

HOW LONG COULD THIS LAST? HOW MIGHT THIS PLAY OUT?



OUR SCENARIO FORECAST GENERATOR HELPS TO QUANTIFY POTENTIAL SCENARIOS

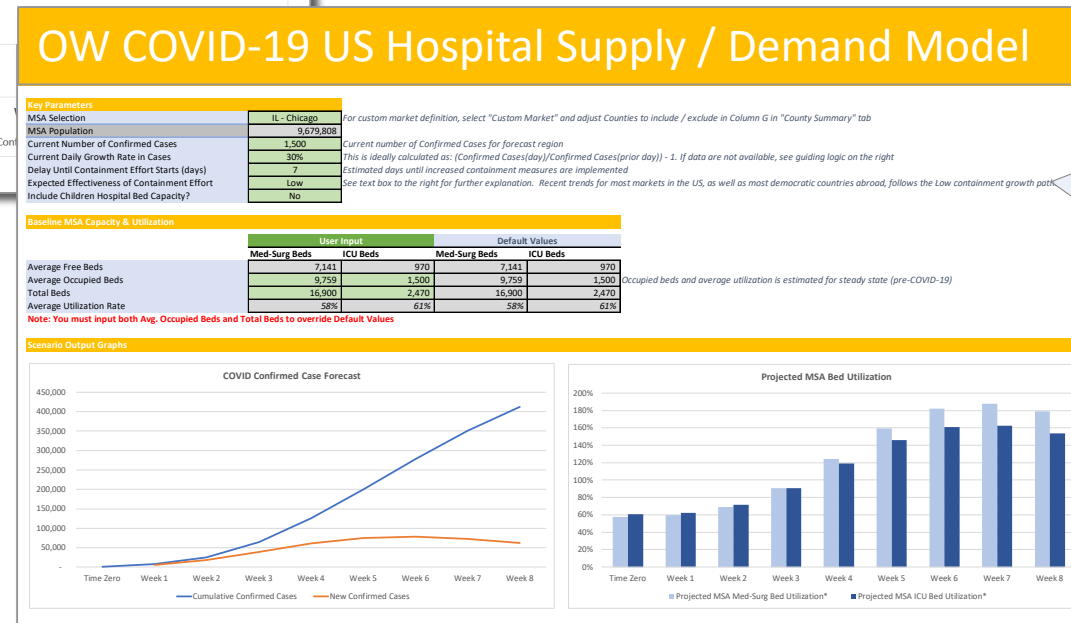
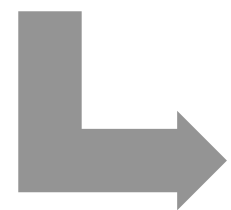
The model paints the picture of the “book-end” scenarios and a range of trajectories in between and is now incorporated into our hospital supply and demand model



Oliver Wyman created a model to forecast the number of confirmed cases in a region or area based on the starting number of cases, daily case growth rates, the speed with which officials move to enact containment measures, and the effectiveness of those measures.

The model has been applied to forecast scenarios for hospital capacity in US geographies.

Link to the model can be found at <https://oliverwymangroup.wufoo.com/forms/s12hwj5h0qqcxx1/>



TRANSPORTATION INDUSTRY CONCERNS

- **Keeping the Supply Chain Fluid**
 - We cannot allow the network to snarl with uncoordinated actions across stakeholders – e.g., shippers shutting down with no plans to take and ground containers off site is already starting to back up freight at Ports
- **Creating National Standards for Essential Functions**
 - Currently every state and municipality must develop their own guidelines and enforcement procedures which is a nightmare for companies that operate across jurisdictions
- **Protecting the Supply Chain Workforce**
 - We need to implement protocols that protect transportation workers from infection – as well as provide assurances around next steps and support when someone falls ill
 - Clarity of priority and availability of rapid testing for essential supply chain personnel is an imperative to keep confidence and workforce commitment

QUALIFICATIONS, ASSUMPTIONS AND LIMITING CONDITIONS

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What are the Potential Economic Impacts of the Pandemic

Alan Karickhoff
American Trucking Associations

What is the Current Regulatory Environment

Dan Meyer
FMCSA

Emergency Declaration

- Declaration first issued on 3/13/2020, expanded on 3/18/2020
- New link is: www.fmcsa.dot.gov/COVID-19
 - Subsequently issued FAQs to address industry questions on 3/19/2020 and follow-up on 3/25/2020
 - Transportation must be in direct support of the relief efforts of the COVID-19 outbreaks
 - Mixed loads restricted
 - Restocking vs Replenishing
 - Currently set to expire on 4/12/2020, unless an extension is still needed.

Drug & Alcohol Testing

- Office of Drug & Alcohol Policy & Compliance Guidance (ODAPC) guidance
 - <https://www.transportation.gov/odapc/compliance-with-dot-drug-and-alcohol-testing-regulations>
- FMCSA issued Drug Testing Guidance on 3/23/2020
 - <https://www.fmcsa.dot.gov/emergency/fmcsa-covid-19-drug-alcohol-testing-guidance>
 - Guidance effective through 5/30/2020

CDL & Medical Certification

- State Driver's Licensing Agency Relief
 - <https://www.fmcsa.dot.gov/emergency/notice-state-drivers-licensing-agencies-federal-motor-carrier-safety-administrations>
- Notice of Enforcement Policy for relief from specified FMCSRs for CLP holders, CDL holders, and non-CDL drivers
 - <https://www.fmcsa.dot.gov/emergency/enforcement-notice-expiring-cdls-32420>
 - License must have been valid on February 29, 2020 and expired after March 1, 2020
 - Does not impact planned safety suspension or revocations
 - Effective through June 30, 2020

CDL & Medical Certification (cont)

- Waiver for States, CDL holders, CLP holders, and Interstate Drivers
 - <https://www.fmcsa.dot.gov/emergency/fmcsa-cdl-waiver-32420>
- Provides relief for CDL/CLP holders unable to renew or unable to provide medical certification status to SDLA
- Each Motor Carrier **must** notify FMCSA within five (5) business days of any Federally reportable accident involving any driver operating under this waiver
- Expires on June 30, 2020

Additional Guidance

- TSA Enrollment Services
 - https://www.tsa.gov/sites/default/files/esvp_covid-19-faqs-03202020.pdf
 - Provides FAQs for TWIC card issues
- Pipeline & Hazardous Materials Safety (PHMSA)
 - <https://www.phmsa.dot.gov/news/phmsa-enforcement-policy-notice-regarding-hazardous-materials-training>
 - Provides enforcement discretion for HM employer unable to provide recurrent HMR training requirements
- Enforcement Discretion for Temporary Operating Authority
 - <https://www.fmcsa.dot.gov/emergency/notice-enforcement-discretion-emergency-declaration-2020-002-covid-19-03-20-2020>

Future Actions

- Continuing to Monitor Industry Issues and Concerns
 - Monitoring rest area and truck stop closures
 - Report and areas of concerns with drivers being stopped and asked for papers or documentation of being essential
 - Report any localities that may be imposing quarantine/curfew orders or challenges with CMV truck stops, fuel/centers to your local Division FMCSA Office
- Questions Regarding Emergency Declarations
 - FMCSADeclaration@dot.gov

How is Law Enforcement Addressing this in the Field

Collin Mooney

CVSA

Detention/Demurrage, What to Do if There are Issues With it and Free Time

Debbie Sasko

IANA Information Services/UIIA

UIIA: Detention & Demurrage Issues

- **Applicability of Force Majeure (Section G.12)** – Case-by-case basis depending on conditions present at the specific facility and whether the conditions precluded the MC's ability to pick-up or return equipment.
- **Dispute Resolution** – Initially dispute the charges with the specific UIIA Equipment Provider.
- **Binding Arbitration Process** – If no resolution through initial dispute opportunity to submit for binding arbitration. Exhibit D of the UIIA establishes the guidelines for this process.

UIIA: Binding Arbitration Process

- **Acceptable Types of Charges to Submit under the Binding Arbitration Process**
 - Per Diem/Detention
 - Maintenance and Repair
 - Equipment Use/Rental Charges

Note:

Disputes involving storage/demurrage charges are not acceptable under the binding arbitration process and should be handled with the EP directly.

UIIA: Binding Arbitration Process

- **Binding Arbitration Established Timeframes**

- Invoiced Party (Moving Party) will have 15 calendar days from the Invoicing Party's (Responding Party) response to the initial dispute to submit its claim for binding arbitration.
- Invoicing Party (Responding Party) will have 15 days to submit comments on the arbitration claim.
- Arbitration panel has 45 days from receipt of the case to render its decision. Decisions are based on the terms of the UIIA and EP addenda.
- Parties have 15 days from receipt of the binding arbitration decision to comply with the ruling.

UIIA: Binding Arbitration Process

- **How to Submit a Binding Arbitration Claim**

- Complete Notice of Intent to Seek Binding Arbitration Form and Supporting Documentation Form
- Include copies of invoices, EIR documentation and any other supporting documentation such as e-mail communications, terminal screenshot showing limitations or restrictions, turnaway tickets, dispatch records, etc.
- Send the complete arbitration claim via e-mail to Sherry Parnell at sherry.parnell@intermodal.org.

A blue Freightliner truck is parked on a paved surface at a port. In the background, there is a large suspension bridge with green towers and a stack of colorful shipping containers. The sky is clear and blue.

Questions?

Enter your questions in the control panel

For More Information

- For more information about COVID-19 and the response:
<https://www.intermodal.org/coronavirus-update>
- To sign up for COVID-19 Transport related updates:
<https://lp.constantcontactpages.com/su/VSY6y6/P2020>
- Emergency Declarations/Waivers compendium:
<http://www.iltrucking.org/coronavirus-emergency-declarations>
- If you have questions for ITA, please contact:
Eric@iltrucking.org
- If you have questions for IANA, please contact:
hal@intermodal.org



Stay Safe!



The Illinois Trucking Association & the Intermodal Association of North America would like to thank you for participating today and for keeping our country moving!

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