

NOTICE: STG Facilities Nationwide Congestion & Storage Free Time

Dear Business Partner,

The unprecedented import volumes combined with industry-wide space and labor shortages continue to have a trickle down impact on the ability to keep the freight moving timely. We have been experiencing degraded turn times, drayage capacity shortages, outbound capacity shortages, inconsistent vessel berth dwell times, limited terminal appointments in certain ports, extended wait times, along with other obstacles. These issues are creating significant inefficiencies throughout ocean terminal operations nationwide. With that said, we are looking at every possible solution to face these challenges and keep the freight moving.

With several facilities in our network operating at over 95% capacity and others continue to see the same challenges, we will provide regular updates on where we are reaching capacity. For example, Atlanta and Charleston are approaching 100% capacity. In addition, our CFS partners like in Norfolk have reached capacity which is causing delays to our NJ IPI service to that market. In this case, we encourage our clients to reroute cargo to another IPI destination such as Baltimore, DC, Richmond or another destination that may fit your client's needs to further avoid service delays.

We do not foresee immediate changes in volume and project this backlog will continue through at least the first quarter of 2022. In order to alleviate space constraints in our facilities, we are reducing the number of free days networkwide from 5 business days to 4 business days with the first weekend as free time **effective Monday**, **August 30**, **2021**. We hope that this reduction of import storage time will speed the movement of cargo throughout our network to improve the turnaround times. We ask for your support in picking up freight as soon as possible once available in our facilities. Please communicate the importance of this with your transportation partners or book with us directly via Quick Quote to have STG deliver your freight to the final destination.

Please contact your sales representative or account manager with further questions