



# Supply Chain Market Conditions and Mitigation Strategies





# Presenters



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# Agenda

- Supply Chain Impacts and Market Drivers
- Current Trends and Projections
- Fireside Chat – Project Level Strategies
- Q&A

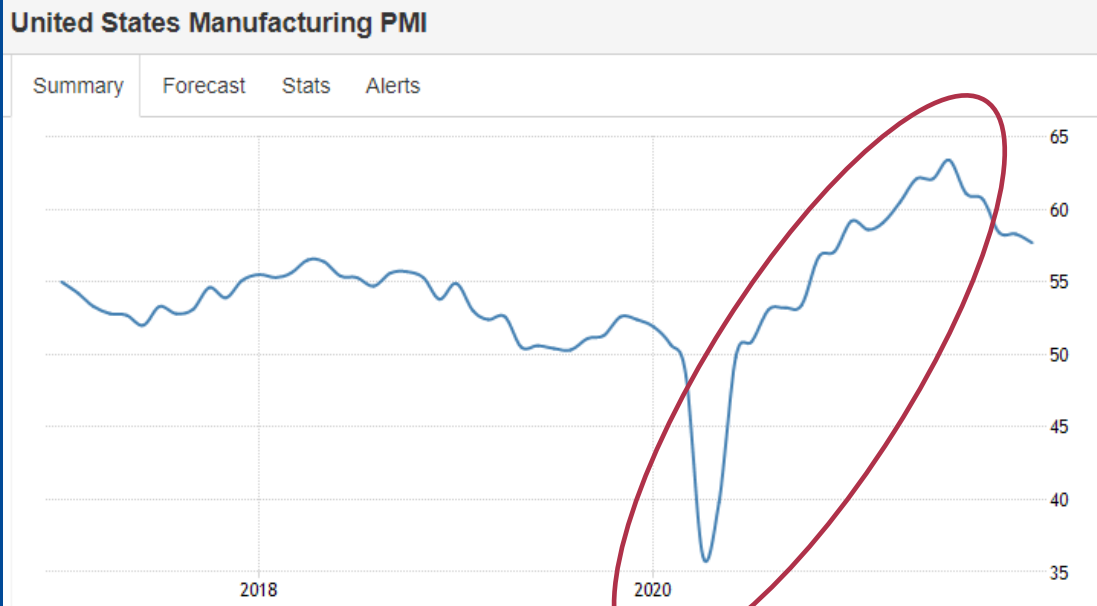
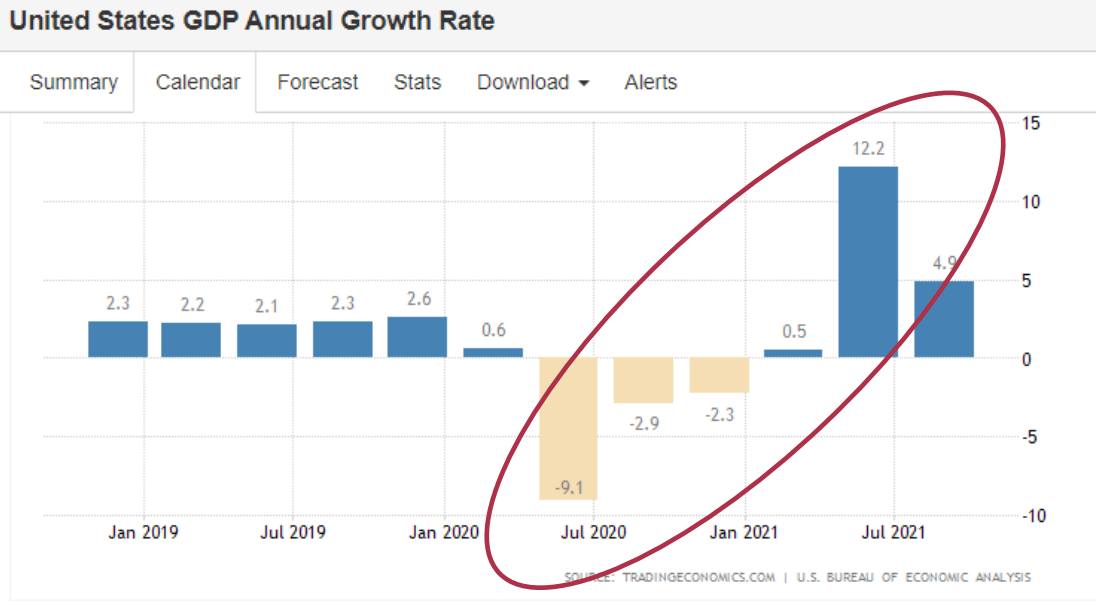
# COVID 19

A photograph of a wooden sign on a sidewalk. The sign is rectangular with a dark, possibly black, background and white, distressed, hand-painted text. The text reads "SORRY WE'RE CLOSED DUE TO COVID-19" in all caps, arranged in five lines. The sign is mounted on a wooden frame with four legs. In the background, there is a city street with a paved sidewalk, a road with yellow markings, and some buildings and vehicles. The scene is brightly lit, suggesting daytime.

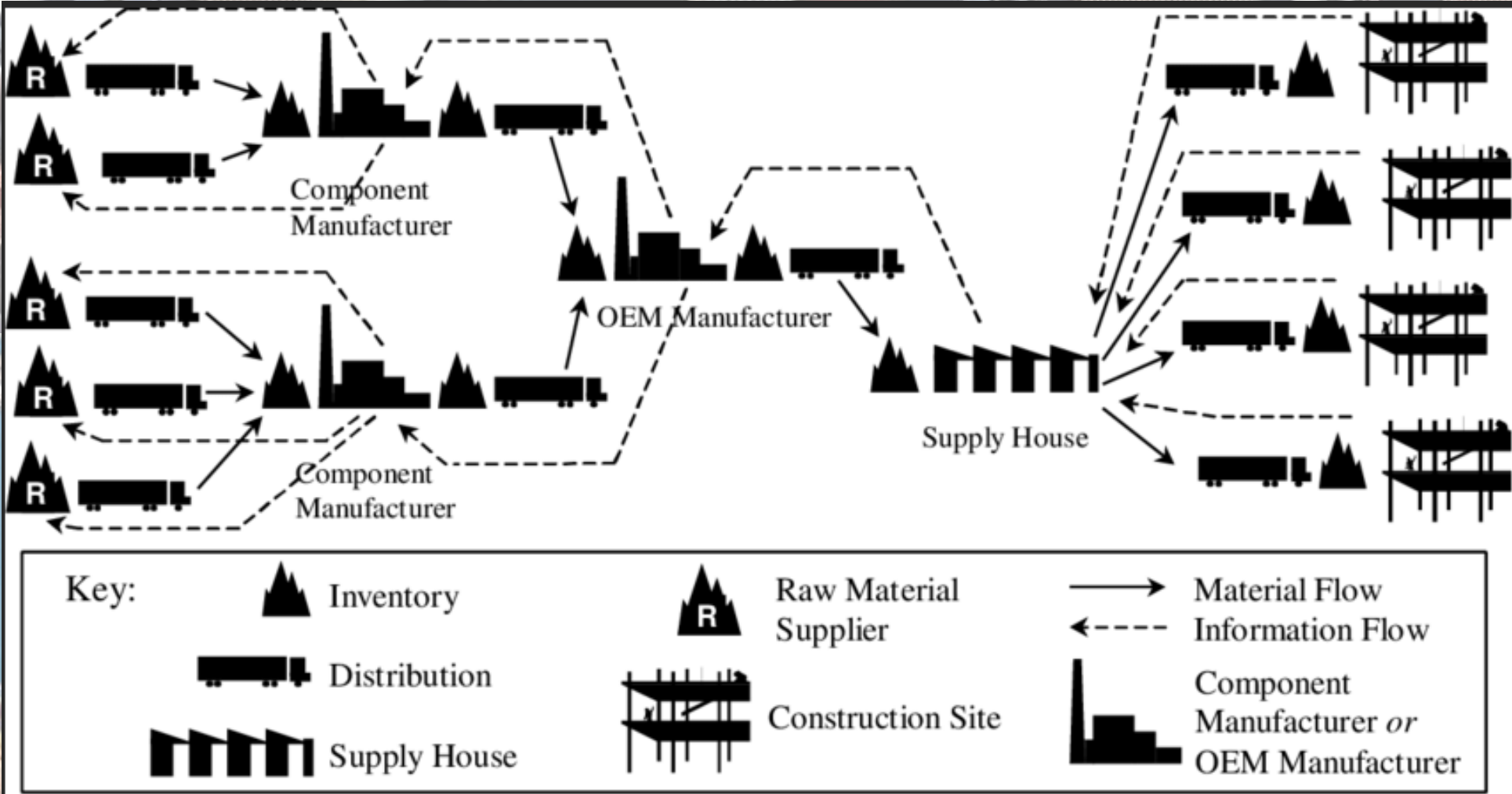
**SORRY  
WE'RE  
CLOSED  
DUE TO  
COVID-19**



# Manufacturing and Production Disruption – From Despair to Overdrive



# Shipping Imbalance

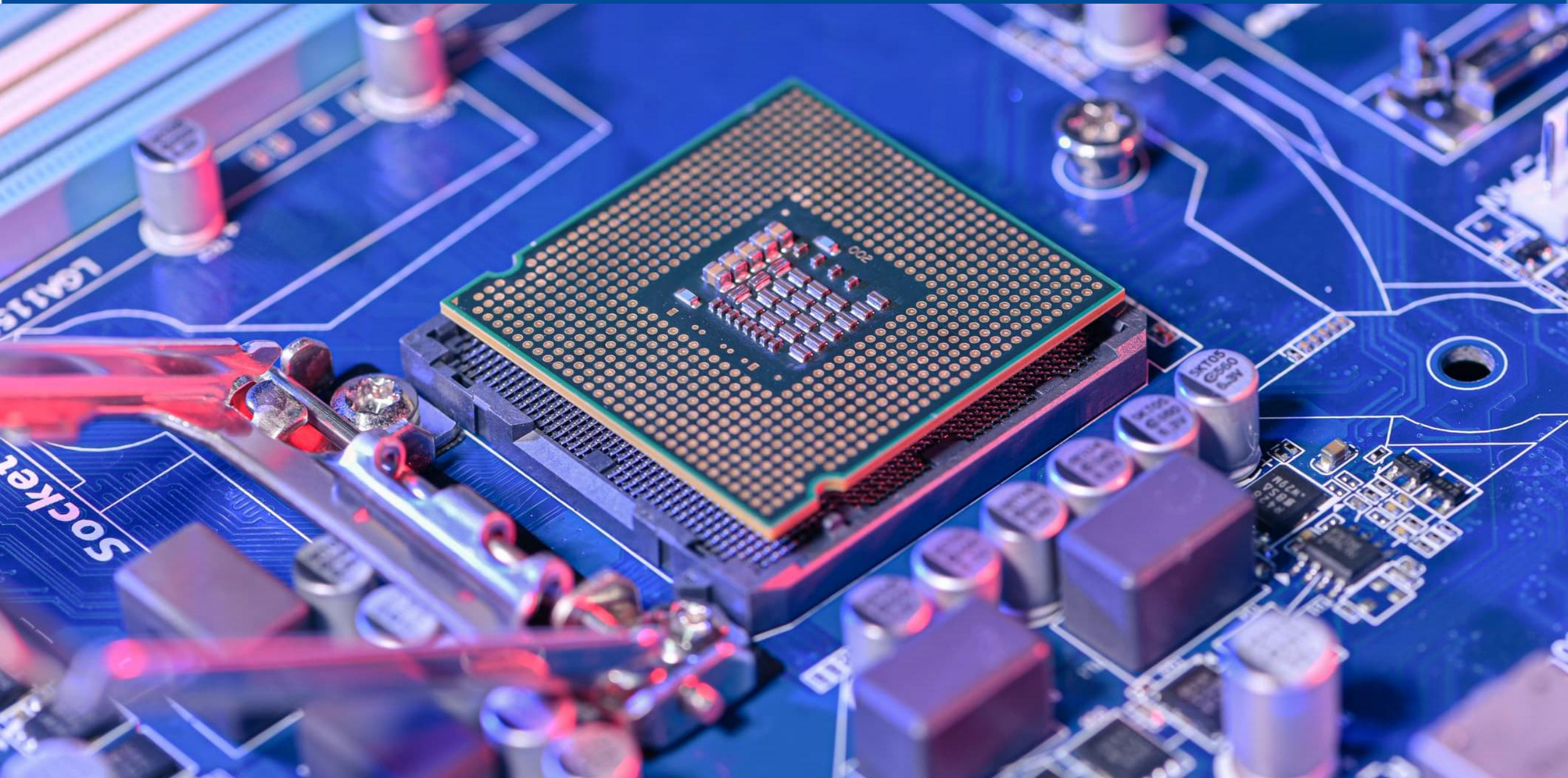








# Chip Shortages





# Construction Demand Shifts





# Stockpiling





# Labor Shortages





# Market Trends

SKANSKA

Download Report

Q3 2021  
**Construction Market Trends**

Construction escalation forecast report and analysis for key U.S. locations and materials developed by Skanska USA Building's Project Planning Group.

Learn More

<https://www.usa.skanska.com/markettrends>

### Lead Time and Price Snapshot

Click a category to view details

Roofing Products	Appliances	Electrical Gear
Structural Steel	Elevators, Escalators, Moving Walks	Electrical Commodity Materials
Architectural Interiors	Plumbing	Lighting
Wood-Based Building Materials	HVAC Equipment	Lab Casework and Fume Hoods
Doors and Hardware	Building Control Systems	

Special considerations: Logistics Transportation

### Roofing Products

Current Status: Lead Time Price

6-12 Month Forecast: Lead Time Price

Roofing material lead times continue to extend. Roofing system deliveries can be as long as 10 months, depending on the materials specified. The toughest product to get is polyISO insulating panels. Lead times for polyISO are now greater than 10 months. In some cases, polystyrene insulation can be substituted for polyISO. However, many projects are taking advantage of this substitution and now polystyrene lead times can be as long as four to six months, depending on the source.

Click for further analysis

Status Key Trending Up Significantly Trending Up Stable/Consistent Fluctuating Trending Down

## Scheduling Lead Times

Material/Equipment

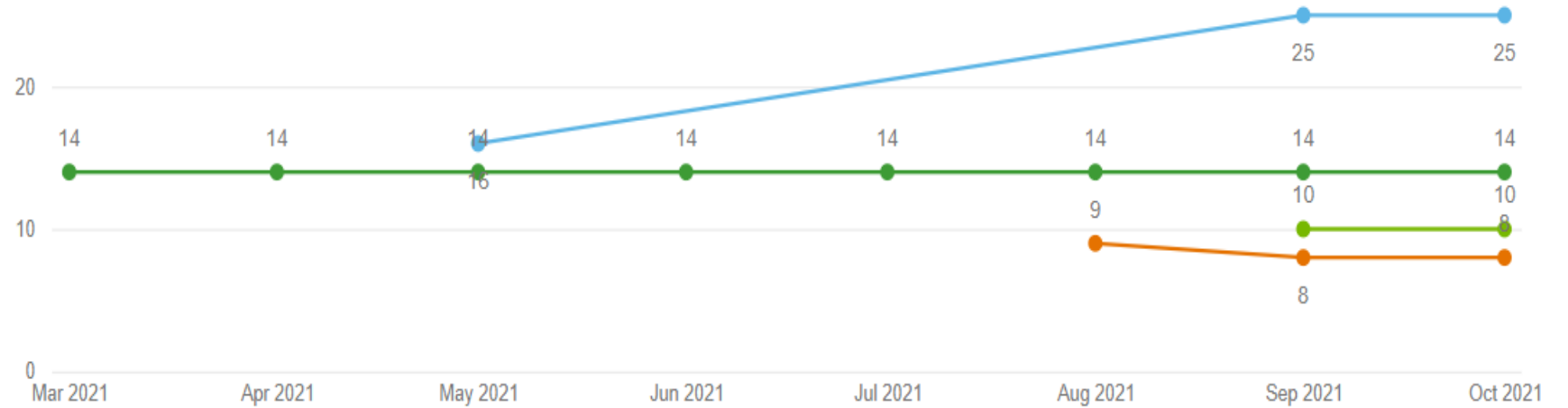
D3030 Cooling Systems - Air Cooled Chillers - Small Scroll

\* This data should be used as reference, please confirm with specific manufacturers on your project before adding lead time in the schedule.

Lead Time indicates the time from the material/equipment is approved until it arrives to the project site.

Lead Time Trend by Manufacturer

● Carrier ● Daikin ● JCI ● Trane



Select material / equipment from the filter above to see its lead time trend.


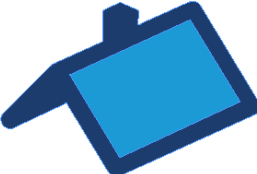













**Air Cooled Chillers - Small Scroll**

### Lead Time (in Weeks)

Uniformat ID	Material / Equipment	Manufacturer	Lead Time Before Escalations	Nov 2020	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021



# Material and Equipment Supply Chain Outlook for 2022

					
	<b>Structural Steel</b> Engineered Bar Joists	<b>Roofing</b> PolyISO Insulation	<b>HVAC</b> AHUs/RTUs	<b>Electrical Gear</b> UL 1558 Switchgear	<b>Transportation</b> Trucking/Rail
	<u>Lead Time</u> <u>Price</u>	<u>Lead Time</u> <u>Price</u>	<u>Lead Time</u> <u>Price</u>	<u>Lead Time</u> <u>Price</u>	<u>Dwell Time</u> <u>Price</u>
<b>Expected Trend</b>	 	 	 	 	 
<b>Current Lead Time</b>	32 weeks	52 weeks	30-40 weeks	38-52 weeks	10-13 days
<b>Expected Change (6-12 months)</b>	Down      +0-5%	Stable      +5-10%	Down 20%      +10-15%	Stable      +8-15%	Down 4-6 days      +5-15%

Most Troublesome Categories During 2021

\*(time containers wait to be loaded to truck or rail)

# Project Level Strategies Fireside Chat



# Q&A



**NC★DOA**  
Department of Administration