

How is Supply Chain Disruption Impacting Industrial CRE?



What hasn't COVID disrupted? At this point, the shocking headlines exploring the ways the coronavirus is impacting the world has become the 'new normal.'

It's clear that the virus has made waves everywhere, but the one thing everyone is keeping an eye on is the industrial sector.

The warehousing business has been actualizing all of e-commerce's promises, adapting to every new trend, and being increasingly flexible along the way. But, the already busy world of industrial kicked up yet again when COVID-19 cropped up.

The virus immediately caused discrepancies in supply and demand by hitting the global industrial complex where it hurts. Industrial giants in China, Europe, and the US. all faced serious lags as producers shut down, staff members were compromised, and market demands surged as people hurried to stock up on everything and more.

The list of contributing factors goes on, but before we dive into more breaking news, let's take a moment to digest and assess what we've learned so far.

Here's a comprehensive look at how COVID's supply-chain disruptions are affecting industrial real estate:

Supply Chain Stress Felt Everywhere

The supply chain is a complex web of efforts that fuels global needs. Through the supply chain, industries are interconnected in surprising ways. In a situation like this, when an issue impacts one area of business, it has the power to shake them all.

It's not just industrial that's taking the hit. COVID has put an unexpected stop to the global commercial market. Hotels, restaurants, entertainment, transportation, retail, and just about everything else has been put on pause; and these stalemates are quickly spreading, multiplying, and expanding.

Because of these multi-sector interruptions, industrial real estate, which is connected to them all, is being hit at all angles.

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More Orders, More Problems

At a time when industrial is facing its own issues, the entire world is relying on warehousing to keep things flowing.

Talk about a big responsibility. The industrial sector is being inundated with orders, deliveries, and demands as they keep all necessary stores stocked up and fulfill e-commerce purchases.

It seems like these two modes of operation are what everyone in the world is depending on right now. Industrial is possibly more important than it has ever been before - which is a big statement, considering the weight that industrial already supports.

Bringing Their A-Game

So how is the industrial sector responding? With dedication, organization, and a whole new level of diligence.

Warehousing is bringing top-tier excellence and giving it their all to make it through this tragedy.

They're putting health and safety measures at the top of their priority list by implementing stringent antiseptic measures. Technology is being employed to maximize results and mitigate problems. Essential orders are being processed first so that people aren't waiting for necessary items.

More than anything, industrial real estate is pivoting according to every new update and immediately taking action steps to overcome supply chain roadblocks. After all, if industrial were to start slacking, the supply chain issues would only get worse.

It's up to CRE's industrial sector to keep it all together, and they're doing a stellar job so far.

