

## TOP LINE

As companies start to reopen and recover from the initial COVID-19 lockdown, many will now be considering how they can streamline their business to save costs and/or [harden their business model](#) against future shocks presented by second or third wave lockdowns.

Although it may be alarmist to say that '[globalization is dead](#)', there is certainly strength in the argument that it is dead in its present form. 'Just in time' procurement may, arguably, now be an unacceptable risk for certain business models.

The nature of a pandemic and the different approaches taken by governments to contain their own outbreaks, means that even if a business recommences operations in its host country, that is not to say that its [suppliers overseas](#) will be operating under the same conditions. It is becoming increasingly likely that we will need to find a way of co-existing with COVID-19 for the foreseeable future. [Organizations flexible enough to adapt](#) and ride the wave will survive – and perhaps even flourish. Those that cannot or will not, will undoubtedly struggle.

### *Questions to Consider:*

*How will emerging local, state and federal lockdowns impact my business? What real-time information will business leaders need to enable a timely and economically viable shift in production between competing suppliers during these unpredictable times? What levels of increased investigative Due Diligence must be taken to ensure legislative compliance and to protect brand reputation?*

## COVID-19: THE HIGHLIGHTS

As parts of the world enter a [second wave](#) of Coronavirus infections, the [impact on manufacturing](#) will continue. There are fears that while nations such as [China](#), [Australia](#) and [New Zealand](#) will take a robust approach to containing local breakouts, this may not be universally replicated. The world needs to reopen for business if it is to avoid the enormous societal fallout of a deep economic depression, and that while mobile working can work well for certain business functions, [there are increased risks to be managed](#), and the need for passenger and material physical travel still remains. Unless there is a unified and global approach to this pandemic, its effect will remain with us for many years.

## BEYOND THE NOISE

**Supply Chain Security:** The early 21<sup>st</sup> century has seen a huge shift in production to the Far East due to the commercial benefits of cheap labor and reduced local legislations. Lessons learned in the past six months indicate that companies would be advised to explore parallel supply chains in other regions, including [Africa](#) and the [Indian](#) sub-continent, or even closer to home to maintain business continuity in the event of spiraling transport costs and local lockdowns due to COVID-19 outbreaks.

This diversification will itself bring with it a degree of risk in that appropriate Due Diligence must be undertaken to ensure new Suppliers remain compliant with all relevant production standards and legislations. This forced exploration will however present opportunity for those bold businesses who may benefit from innovative production techniques and models that would have otherwise remained undiscovered. It will also open up the opportunity for competition markets which have otherwise been dominated by a small number of established organizations, and drive forwards potential for investment and growth of new ventures.

### TRUSTED RESOURCES: for numbers & guidance

[Johns Hopkins University](#) – Coronavirus Resource Center

[World Health Organization](#) – COVID-19 Pandemic

[Center for Disease Control](#) – Coronavirus (COVID-19)

*Please contact Secure Source International at [info@securesource.com](mailto:info@securesource.com) to schedule a leadership roundtable with our intelligence and security experts to dive into these topics and discuss security, research support, and related best-practices..*