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SafeSourcing e-Newsletter

Have comments, questions, or suggestions about the SafeSourcing e-Newsletter? Let us know what you think by emailing us at the following address. We look forward to hearing from you!

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Trivia!

What does Horizontal Exchange mean?

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Industry News *Coronavirus*

Monitoring the Coronavirus

The World Health Organization will meet once again to determine whether the pneumonia-like virus amounts to a global health emergency – something it had decided against doing last week. “The outbreak has killed at least 170 people and infected more than 7,700 others. In China, coronavirus cases have now surpassed the number of SARS cases that erupted there during the deadly epidemic in the early 2000s.”

Japan, Australia, and several other countries are evacuating citizens from central China. A recent flight carrying about 200 Americans landed in California, where they'll be screened and monitored for three days by health officials. More evacuations are expected early next week. United Airlines and American Airlines have scaled back on flights to and from China. British Airways and Lufthansa have suspended those flights to and from China.

Some companies are starting to pull away from China during all of this. Google temporarily shut down all offices in the country. Starbucks has closed more than half of its nearly 4,300 Chinese stores. ■

The Skimm, 1/30/2020

Recent Savings

Paper Bags

Savings were over 12% of total spend. ■

Stretch Film

Savings were over 35% of total spend. ■

*Please [contact SafeSourcing](#) to schedule your RISK FREE event today.

Global Economic Effect of Corona-virus

"Delegations of dark-suited trade negotiators shuttling back-and-forth between Washington and Beijing seemed to hold the world economy's fate in their hands last year. So when the U.S.-China phase-one trade deal was signed in mid-January, the path finally seemed clear for an acceleration in investment, trade, and global economic growth."

Lunar New Year is China's equivalent to Thanksgiving or Christmas. Families reunite for a week of feasting, shopping, and moviegoing. The holiday started on January 24, just as the severity of the Coronavirus outbreak was becoming clear. Wuhan, China is a transport, steel, and auto manufacturing hub with 11 million people. Wuhan locked down its buses, trains, and airports, but an estimated 5 million people left during the holiday, some of them carrying the virus with them to nearby towns, bigger cities, and around the world. "Since then, more areas have been locked down and the holiday has been extended for an additional week in 14 provinces. They include export powerhouses Guangdong, which includes the tech city Shenzhen; Shanghai, home to China's largest port and a newly built Tesla Inc. plant; and Jiangsu, where Nike shoes are manufactured. The provinces accounted for almost 69% of China's gross domestic product in 2019, according to Bloomberg calculations." ■

Malcolm Scott, Bloomberg Businessweek, 2/1/2020

QUESTIONS AND ANSWERS

Q: How can I subscribe or unsubscribe to these newsletters?

A: You can subscribe or unsubscribe to these free newsletters by simply going to our [website](#), and clicking the option "e-Newsletter" or by contacting us directly at events@safesourcing.com.

Q: I have run events in the past, is there any chance I could be saving more?

A: Yes. No matter when your past event ran, the team at SafeSourcing can find ways for your company to save.

Q: I want to know more about what SafeSourcing does. Who can I talk to about this?

A: You can contact a customer services representative by calling us at 1-888-261-9070 or by going to our [website](#) and trying our "Risk Free Trial" offer.

China Closes Half of Their Starbucks Locations

China has temporarily closed more than half of its Starbucks locations due to the coronavirus. According to the Seattle-based company, China is their second largest market with over 4,292 stores. The fiscal second-quarter financial results for Seattle look bleak. Chief Executive Kevin Johnson reported that Starbucks remains optimistic about the long-term future of China.

"Other chains including McDonald's Corp. and Yum China Holdings Inc. also have closed in China as the virus has spread. The outbreak has weighed on the shares of U.S. brands with big Chinese footprints, along with the markets overall."

Starbucks digital loyalty program, along with new beverages (particularly cold beverages), bolstered sales globally. Holiday sales also contributed to first quarter results. ■

Heather Haddon and Micah Maidenberg, WSJ, 1/29/2020

Trivia! From January 2020 Issue

What does Effective Competition mean?

Effective Competition is a market condition which exists when two or more competitors, acting independently, actively compete for an agency's business in a manner which ensures that the customer will be offered the lowest price or best overall value to meet its minimum requirements. Suppliers must be acting independently (not in collusion) and vying for the same business in order for the competition to be effective.

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