

# SUPPLY CHAIN connect™

September  
2024

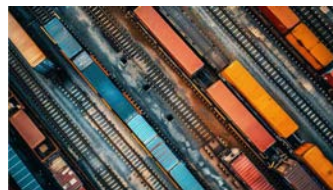
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# Americans Remain Skeptical About Electric Vehicles

Vehicle cost, range, charging capacity and a lack of national charging infrastructure are keeping Americans from testing the waters of EV ownership.

Nearly one in five cars sold worldwide in 2023 was electric, but sales in the U.S. are leveling off as issues like cost, range, charging capacity and a lack of charging stations keep Americans from getting behind the wheel of a new electric vehicle (EV). That's according to a [recent survey](#) from the Energy Policy Institute at the University of Chicago (EPIC) and The Associated Press-NORC Center for Public Affairs Research.

On a positive note, six in 10 Americans cited saving money on gas and vehicle maintenance as reasons to purchase an EV, along with reducing their personal impact on climate change. And given the option between a more expensive EV made in the U.S. and a less expensive electric vehicle made in China, the majority of Americans report they would purchase the American-made vehicle. This holds true if told that the American-made vehicle cost \$500, \$1,000, \$2,000 or \$5,000 more than the Chinese vehicle.

“Many Americans still aren’t sold on going electric for their next car purchase,” [CBS](#) reports. “High prices and a lack of easy-to-find charging stations are major sticking points.” The survey results show that the Biden Administration’s election-year plan to raise EV sales is encountering resistance from American drivers.

“Only 13% of U.S. adults say they or someone in their household owns or leases a gas-hybrid car, and just 9% own or lease an electric vehicle,” [CBS](#) adds, noting that a new EPA rule requires that about 56% of all new vehicle sales be electric by 2032, along with at least 13% plug-in hybrids or other partially electric cars.

“Auto companies are investing billions in factories and battery technology in an effort to speed up the switch to EVs to cut pollution, fight climate change — and meet the deadline,” it says.

## Reversing the Trend

Right now, some auto companies are reining in their EV plans. Fisker recently filed for bankruptcy protection, GM has backed away from its initial EV plans and Volkswagen recently canceled the U.S. release of its new EV sedan, [Autoblog](#) reports.

More recently, Ford recently walked back plans to develop a new SUV EV, adding to a “drumbeat of news from carmakers that have delayed or scrapped investments in EV models, factories and battery projects,” [WSJ](#) reports.

Vehicle production for Ford’s next-generation all-electric pickup truck plant in Tennessee was supposed to start in 2025, according to [CNBC](#). The automaker has since canceled its plans for the three-row electric vehicle.

“This is really about us being nimble and listening to responses from our customers,” Ford CFO John Lawler said in a statement. “We’ve been out in the EV market here for over two years, and we’ve learned a lot, and what we’re understanding is that customers want more electrification choices.”

## Cost Matters

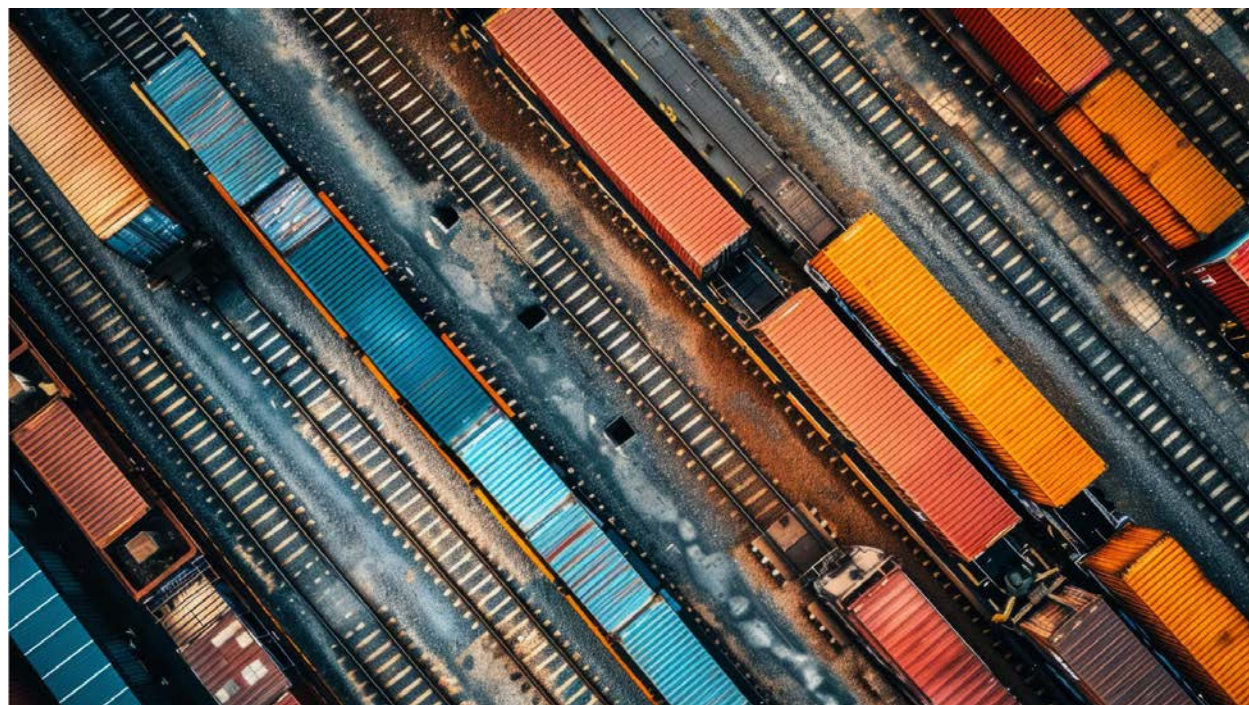
In “[Why Americans aren’t buying more EVs](#),” [Ars Technica](#) breaks down some of the key obstacles to EV ownership. For example, it says the price for a new EV averaged just less than \$57,000 in May, compared with an average of a little more than \$48,000 for a car or truck with a traditional engine.

The starting price for a Tesla Model Y was just less than \$43,000 during the first quarter. The Ford F-150 Lightning, the electrified version of the best-selling pick-up truck in the U.S., was teased at \$42,000 when it went on sale in May 2022 but now starts at \$55,000—more than \$11,000 above the petrol-powered F-150.

“Used EVs are cheaper, with a vehicle less than five years old costing about \$34,000,” it says. “But they remain more expensive than used cars with traditional engines, which average about \$32,100—and they make up just 2 to 3 percent of used vehicle sales.”

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## August Supply Chain News Wrap-Up

Here are some of the biggest supply chain-related events and news that made headlines last month.

**W**orry over whether Canada's two largest rail companies would strike has been backburned thanks to government intervention, but global supply chains may not be completely out of the woods yet. In August, The Canadian Pacific Kansas City railroad and the Canadian National Railway locked out workers after they failed to reach a new contract deal with Teamsters Canada Rail Conference.

The Canadian government ordered the rail companies and the Teamsters into binding arbitration. And while the work stoppage lasted less than 17 hours, during that time it did threaten to disrupt shipments of cars, timber, petroleum products and grain across Canada and the U.S., the [Washington Post](#) reports.

It may not be all smooth sailing ahead. [Reuters](#) says the union representing over 9,000 Canadian rail workers is now challenging the federal government's effort to mandate binding arbitration that would end an unprecedented rail stoppage at both of the country's main freight rail carriers.

The Teamsters union also filed notice to strike on Monday at Canadian National Railway, Canada's largest railway. "The union's moves are the latest twist in labor disputes at CN and Canadian Pacific Kansas City which locked out Teamsters members," the publication reports, "triggering a simultaneous rail stoppage that business groups said could inflict hundreds of millions of dollars in economic damage."

### Red Sea Dangers

Iran-aligned Houthi militants continue to attack international shipping near Yemen in solidarity with Palestinians in the war between Israel and Hamas. In August, one casualty of these attacks was a Greek-flagged tanker. The tanker was adrift in the Red Sea after repeated attacks that started a fire on the vessel and caused the ship to lose power, [MarineLink](#) reports.

The 164,000 dead-weight tonnage (dwt) tanker has one million barrel crude oil cargo onboard and if the vessel breaks up it could be one the largest tanker oil spills in history, according to [Seatrade Maritime News](#). Sounion is the third Delta Tanker-operated ship targeted by the Houthis.

This and other attacks are forcing ship owners to reroute vessels away from the Red Sea and Suez Canal to the longer route around the southern tip of Africa, cascading costs and delays through global supply chains. "The Houthis so far have sunk two ships and killed at least three crewmembers," [MarineLink](#) says. "Experts say their attacks will not stop until Israel and leaders of the Palestinian group Hamas agree to a ceasefire in Gaza."

According to [S&P Global](#), the ongoing attacks have forced ships to divert around Africa instead of transporting goods into Europe via the Suez Canal. "This has extended shipment times by up to two weeks," it adds, noting that the impact of these shipping delays has "varied so far during 2024," but that they picked up in July and are now running at nearly four times the long run average.

"While this is still well below the peak impact seen during the pandemic," [S&P Global](#) says, "it represents an impact on supplier delivery times of the likes not seen by the PMI surveys in the 15 years of data available prior to the pandemic."

### Blockchain in the Supply Chain

As organizations and governments try to figure out where blockchain fits into the broader scheme of things, the food supply chain stands to benefit substantially from the advanced technology.

In [From source to stomach: How blockchain tracks food across the supply chain and saves lives](#), SettleMint's Matthew Van Niekerk writes about how blockchain provides trans

parency and traceability across food supply chains, and how the technology's widespread usage within the food industry will "improve accessibility and quality of produce, ultimately saving lives."

"A blockchain-run food supply chain would also resolve issues around data privacy and security within the sector," Van Niekerk writes. "Efficiently-run food supply chains can positively impact communities and lives across the globe. Ultimately, being able to track food from source to stomach improves the health and wellness of communities everywhere."

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BRIDGET MCCREA | Contributor



# A New Way to Report Cyberattacks

The Cybersecurity and Infrastructure Security Agency (CISA) rolls out a new cyber incident reporting portal as part of its ongoing effort to improve cyber incident reporting.

Last year, a total of 2,365 reported cyberattacks impacted more than 343 million victims—a 72% increase in data breaches since 2021, which previously held the all-time record. As the number of attacks continues to rise, the cost of a single data breach now averages nearly \$5 million.

These cybersecurity breaches impact both the private and public sector, both of which are being called upon to “report” these incidences for everyone’s benefit. To make the reporting process a little easier, the Cybersecurity and Infrastructure Security Agency (CISA) recently rolled out a new “CISA Services Portal” meant to improve the agency’s cyber incident reporting process.

According to CISA, the secure platform offers enhanced functionality for cyber incident reporting, including integration with login.gov credentials. Users can save and update reports; share submitted reports with colleagues or clients for third-party reporting; and search and filter reports. Users can also use the platform to engage in informal discussions with CISA.

“Any organization experiencing a cyberattack or incident should report it – for its own benefit, and to help the broader community,” said CISA Executive Assistant Director for Cybersecurity Jeff Greene, in an agency [press release](#).

“CISA and our government partners have unique resources and tools to aid with response and recovery, but we can’t help if we don’t know about an incident,” Greene continued. “Sharing information allows us to work with our full breadth of partners so that the attackers can’t use the same techniques on other victims, and can provide insight into the scale of an adversary’s campaign.”

## The Benefits of Voluntary Cyber Reporting

As part of the portal rollout, CISA also released a voluntary cyber incident reporting resource that helps entities understand “who” should report an incident, “why and when” they should report, as well as “what and how to report.” The agency is encouraging all organizations to take advantage of the service and voluntarily report cyber incidents.

“Regardless of whether an organization is, or may later be, subject to regulatory cyber incident reporting requirements, reporting cyber incidents to CISA today benefits all of us across government and industry since cyber incidents have the potential to impact the economy, public health, and our national security,” the agency points out on its [Voluntary Cyber Incident Reporting](#) resource. “It also helps inform our collective understanding of the national cyber threat landscape.”

Here are seven different benefits of proactive cyberthreat reporting that CISA emphasizes:

1. Enables rapid identification of ongoing incidents and increased understanding of successful mitigation measures.
2. Facilitates the identification and sharing of information on exploited vulnerabilities and measures that can be taken to address those vulnerabilities.
3. Supports CISA’s ability to share information to enable non-federal and federal partners to detect and counter sophisticated cyber campaigns earlier.
4. Contributes to a more accurate and comprehensive understanding of the cyberthreat environment.
5. Supports sharing of information about common threat actor tactics, techniques and procedures with the information technology community.

6. Allows law enforcement entities to use reported information to investigate, identify and prosecute perpetrators of cybercrimes.

7. Enhances CISA’s ability to identify trends and track cyber threat activity across the cyber threat landscape.

## New Reporting Mandate on the Near Horizon

CISA’s new portal was introduced ahead of new reporting requirements that will go into effect in 2025. “While cyber incident reporting is voluntary today, the launch of the new portal comes as the agency prepares to implement the landmark Cyber Incident Reporting for Critical Infrastructure Act (CIRCIA),” [Federal News Network](#) reports.

The law will require organizations across all 16 critical infrastructure sectors to report serious cyber incidents to CISA within 72 hours and ransomware attacks within 24 hours, the publication adds, noting that the law requires CISA to issue a final rule by October 2025.

“In its proposed rule, CISA estimates that the reporting requirements will apply to more than 300,000 organizations,” Federal News Network says. “The agency expects to receive at least 25,000 incident reports within the first year of the rule becoming effective.”

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By SUPPLY CHAIN CONNECT STAFF



# Purdue & Panama: Partnering for Semiconductor Growth

**Purdue University and the country of Panama join forces to enhance educational opportunities and workforce development for the Central American country's semiconductor industry.**

In August Purdue University and the country of Panama signed a memorandum of understanding (MOU) focused on enhancing educational opportunities and workforce development with an emphasis on developing and strengthening the Central American nation's semiconductor industry.

According to Purdue, the MOU also centers around creating training programs, research opportunities and academic exchanges in critical areas, including cybersecurity, supply chain management, emerging technologies and other fields.

Purdue President Mung Chiang signed the strategic agreement with Ramón E. Martínez de la Guardia, Panama's ambassador to the U.S. "At Purdue University, we are proud to collaborate with the Republic of Panama on this key initiative, advancing innovation and educational cooperation in emerging technologies and strategic supply chains, especially in semiconductors," Chiang said, in a [university press release](#).

"This MOU underscores Purdue's strength as America's leading university in semiconductors, recognized for our trailblazing workforce development efforts, cutting-edge research and growing global partnerships with like-minded partners," Chiang continued. "Following U.S. Secretary of Commerce Raimondo's engagement with the Republic of Panama last year, we enthusiastically look forward to this collaboration as America continues the execution of the 2022 CHIPS and Science Act."

## Collaborating on Future Agreements

In addition to their new MOU, Purdue and Panama will also be collaborating on future agreements that "would provide students in Panama with access to Purdue programs in advanced disciplines," the university says. They'll also explore the feasibility of establishing a Global Workforce Development Center for Advanced Technology in Panama to support regional efforts in semiconductors, cybersecurity and other emerging technologies.

"Together with Purdue University, we aim to cultivate an innovative ecosystem that will drive economic and human resource development while positioning Panama as a regional leader in technology and semiconductor advancements," said José Alejandro Rojas, Panamanian minister counselor for private investment. "As a proud Panamanian and Purdue University alum, I am thrilled about the strategic alliance forged between our government and Purdue University."

According to [Inside Indiana Business](#), Purdue inked a similar MOU with the Dominican Republic in July. The university has also signed agreements with other international industry partners, including French software maker Dassault Systèmes and Belgium-based semiconductor research company Imec.

Additionally, a South Korea-based semiconductor and memory chip maker, SK hynix, is planning to build a nearly \$4 billion advanced packaging fabrication and R&D facility for microelectronics in West Lafayette, Ind., where Purdue University is based.

## Bolstering Workforce Development Efforts

Last July, the U.S. State Department announced that it will collaborate with the Panamanian government and other "like-minded partner nations" to explore opportunities to

diversify and grow the global semiconductor ecosystem. The partnership was enabled by the International Technology Security and Innovation Fund, created as part of the CHIPS and Science Act.

"Panama joins an expanding list of countries that are attempting to grow their semiconductor industry," Purdue reports, adding that in April the country's government launched a national initiative to develop and promote microelectronics and semiconductor activities. "The alliance with Purdue will help bolster those efforts through academic collaboration and workforce development."

Focused on Panama's potential as a hub for semiconductor assembly, packaging, and testing (AT&P), Outsourced Semiconductor Assembly and Test (OSAT) and other value-add services, these new initiatives build on the country's strengths in logistics and digital services; the transport and utility infrastructure undergirding its well-developed energy and tourism sectors; and Panama's political stability.

"Panama is a place for development of connections," ROPAN-AMA General Administrator Carmen Gisela Vergara Mas told [Site Selection Magazine](#). "This is an industry that has so much potential for growth, from over \$575 billion in value in 2022 to around \$1.3 trillion globally by 2029."

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# Boosting Global Semiconductor Production in India

Israel is planning a major investment in India's semiconductor sector in the near future. Here's what we know so far.

After suffering through an extended component shortage both during and after the global pandemic, organizations and governments around the world are devising new ways to boost this industry segment and ensure continuity of supply. The [CHIPS and Science Act](#), for example, aims to strengthen the U.S. semiconductor industry, reduce reliance on foreign suppliers and enhance national security.

India is also putting a lot of effort into enhancing its own semiconductor manufacturing sector, and is currently seeking foreign investments for the development and design of fabs; assembly, testing, marking and packaging (ATMP); and other products. Known as the "India Semiconductor

Mission," the effort is already gaining traction and attracting proposals from global sources, according to [India Briefing](#), which is tracking business activity in this area.

## Israel Throws its Hat into the Ring

Israel is the latest country to reveal its interest in helping India boost production of semiconductors and related products. India Briefing says a recently proposed \$10 billion (839.47 billion rupees) joint semiconductor fab proposal by Israel's Tower Semiconductor and India's Adani Group is currently under review as part of the India Semiconductor Mission (ISM).

[Reuters](#) says the two groups plan to invest the money in a semiconductor project in India's western state of Maharashtra. It says India expects its total semiconductor market to be worth \$63 billion by 2026, and that the \$10 billion semiconductor plant in Maharashtra will initially have a capacity of 40,000 wafers.

The Tower Semiconductor investment will be used by an Israeli company to establish a facility in Parnel, in the Raigad district, [AI-Monitor](#) reports. "India is currently trying to position itself as one of the biggest microchip producers by encouraging foreign companies to set up manufacturing facilities there," the publication adds.

This new project is part of a larger effort to attract more foreign investment in India's semiconductor industry. In February, [AI-Monitor](#) says the country's prime minister approved \$15.2 billion worth of investments for domestic semiconductor fabrication plants, including a proposal by the local conglomerate Tata Group to build the country's first major chip-making facility.

And on a recent visit to Singapore, the prime minister signed a deal to strengthen microchip production in India in light of the southeast Asian nation's decades of experience in the sector, [AI-Monitor](#) reports. Singapore accounts for around 10% of global chipmaking output and some 20% of semiconductor manufacturing equipment production.

## Reducing Reliance on Imports

Housed under the group's flagship and incubator Adani Enterprises Ltd., the new project will be built over three to five years, [Yahoo! Finance](#) reports. The chips manufactured at the upcoming facility will be used in drones, cars, smartphones and other mobility solutions. It says Adani Group is entering a sector that is a "key focus area" for Indian Prime Minister Narendra Modi's administration.

"Modi is looking to turn the world's most-populated country into a technology superpower, lure more international chipmakers and cut reliance on expensive imports," says [Yahoo! Finance](#), noting that semiconductors have grown into a crucial resource amid an escalating tech rivalry between the U.S. and China, with many nations reviewing the risk of relying too much on imports and investing heavily in developing domestic capabilities.

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## 6 Top Procurement Trends

Here are six top trends that McKinsey & Co., says are impacting procurement teams in 2024.

Today's procurement teams face multiple, simultaneous demands. They have to mitigate the impact of inflation while managing the supply and supplier risks that can damage a reputation or threaten business continuity.

"That's driving a change in approach," McKinsey & Co. says in its most recent procurement benchmarking report, "with companies abandoning old approaches to globalization and supplier consolidation in favor of a new model that prioritizes supplier diversification and risk management."

A lot of procurement departments are also managing increased price volatility with fast, dynamic approaches to "hedging against future cost increases or taking advantage of savings opportunities in favorable markets," the company adds. Finally, procurement teams also stand at the forefront

of their organizations' "sustainability transitions," and are often tasked with identifying, qualifying and developing future sources of resource-efficient, low-carbon inputs.

Clearly, both procurement teams and their leaders have a lot on their plates right now. Here are some of McKinsey's predictions on how these trends will play out over time and what's coming next for the procurement function:

**1. CPOs step up.** McKinsey says most CPOs are embracing these challenges and the more "strategic roles" that they've been given within their respective organizations. This trend will likely continue as procurement departments'

missions become even more intertwined with broader organization goals.

**2. Technology and digital transformation keep CPOs up at night.** McKinsey says the modern procurement environment can expose weaknesses in an organization's processes, tools and digital infrastructure. "Some executives worry that they don't have the information they need to make effective decisions," it says. "They have a limited view of the organization's total spend, too much data that is inaccurate or of poor quality, and difficulty integrating data from multiple sources to create a comprehensive and accurate category view."

**3. There's no shortcut to procurement excellence.** High-performing procurement functions don't excel in just one or two maturity dimensions—they excel in many of them, McKinsey says. In fact, it says leaders achieve twice the maturity of laggards across six broad dimensions: procurement strategy, category management, digital, data and analytics, organization and skills.

**4. Digital infrastructure is a differentiator.** When McKinsey compared top procurement organizations to their mid-tier peers, it found that top performers have maturity scores at least 40% higher than average players in strategy, digital, and data and analytics. "The best procurement organizations understand that success in today's complex and fast-moving environment requires mastery of data-driven decision-making," it says. "They have invested in the digital infrastructure and analytical tools and capabilities needed to achieve this goal."

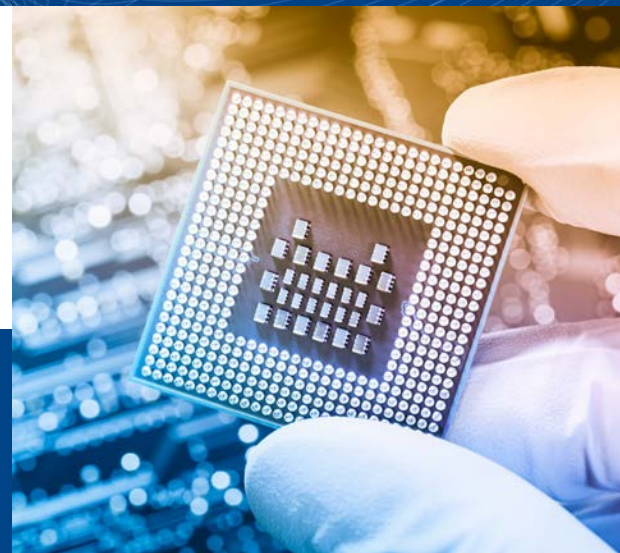
**5. Sustainability goals are leaving some organizations in the dust.** Environmental, sustainability and governance (ESG) is another area that separates the leaders from the laggards on the procurement front. It says leading procurement organizations achieve sustainability maturity scores that are close to their average scores for other dimensions. "These companies have integrated sustainability goals into their overall performance strategy and are developing the tools and capabilities they need to assess and continually improve sustainability performance," it says. For lower-performing companies, sustainability maturity tends to lag far behind most dimensions, suggesting that these companies haven't yet grasped the challenge (or value of) sustainable sourcing.

**6. Technology is leveling the playing field for smaller organizations.** McKinsey says changes in the technology landscape are eroding the advantages traditionally enjoyed by larger organizations. For example, sophisticated ana-

lytics tools and data platforms are increasingly accessible through lightweight, cloud-based or modular deployments. "From enhanced digital capabilities to integrated sustainability strategies, leading procurement organizations are using innovative approaches to stay ahead," McKinsey adds. "While larger companies have historically led the way, advances in technology are leveling the playing field and creating opportunities for smaller players to improve their procurement practices."

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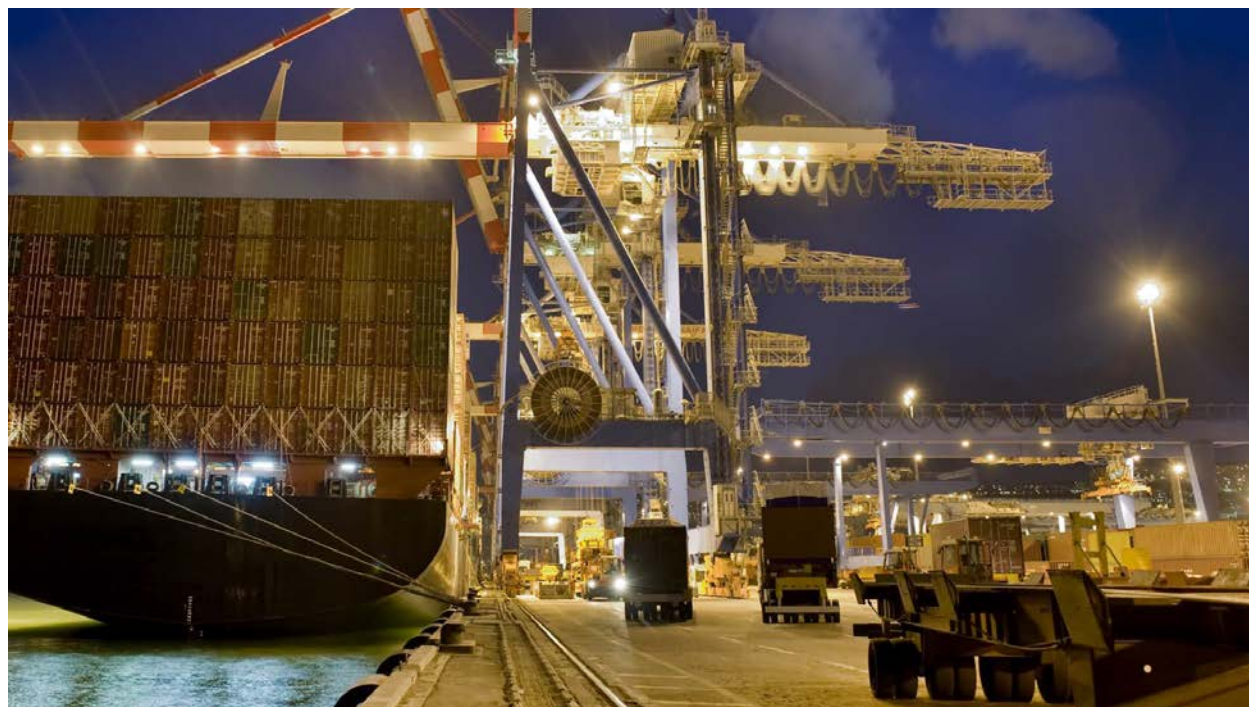
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By SUPPLY CHAIN CONNECT STAFF



# Dockworker Strike Could Impact Supply Chains

With 45,000 dockworkers preparing to strike this week, ship traffic at 36 U.S. ports could be impacted.

About 45,000 dockworkers along the U.S. East and Gulf Coasts are threatening to strike this week, a move that would shut down ports that handle about half the nation's cargo from ships, according to CBS.

The International Longshoremen's Union is demanding higher wages and a ban on the automation of cranes, gates and container movements that are used in the loading or offloading of freight at 36 U.S. ports.

"Whenever and however the dispute is resolved, it's likely to affect how freight moves in and out of the United States for years to come," CBS adds.

"If a strike were resolved within a few weeks, consumers probably wouldn't notice any major shortages of retail goods," it continues. "But a strike that persists for more than a month would likely cause a shortage of some consumer products, although most holiday retail goods have already arrived from overseas."

## Bracing for the Impact

CBS says that a prolonged dockworker strike would "almost certainly" hurt the U.S. economy and that even short strikes cause disruptions. It says the longshoremen's union and the United States Maritime Alliance, which represents the ports, haven't met to negotiate since June, when the union said it suspended national talks to first complete local port agreements.

Assessing the potential supply chain risks, should the strike occur, PYMNTS says the disruption could upend both domestic and foreign supply chains across multiple sectors. It would be the first coast-wide dockworker strike on American shores since 1977 and it could create delays, shortages and rising costs at a time when inflationary pressures and economic uncertainties already weigh heavily on the economy.

"With the holiday shopping season approaching, businesses may be forced to scramble for alternatives to meet consumer demand, risking either product shortages or costly air freight shipments to maintain inventories," PYMNTS points out.

"As businesses brace for the potential strike at U.S. ports, the importance of proactive planning cannot be overstated," it adds. "While the exact outcome remains uncertain, the potential consequences of a labor disruption at key maritime gateways are clear: delays, higher costs and strained supply chains."

## Election and Political Implications

In "Port Strike Looms Over the US Supply Chain Weeks Before Election," Bloomberg says the trade gateways impacted by the strike handle more than half of all goods shipped in containers to and from the U.S. A weeklong strike could impose a \$4.5 billion to \$7.5 billion hit, it estimates. The auto parts supply chain would be particularly hard hit in a strike, it adds.

"Just as U.S. policymakers shift focus from curbing inflation to shoring up the job market, the economy faces a jolt that threatens the kind of supply-chain disruption and consumer discontent rife during the pandemic — and possibly puts your daily dose of bananas at risk," gCaptain says. "This time, the shock looms just weeks before a knife-edged election."

If a strike occurs, gCaptain says the flow of consumer goods, components for factories and certain vehicles would seize up, disrupting auto supply chains and other manufacturing networks in election battleground states. "Refrigerated fruit imports and fresh meat exports would face spoilage and diversions," it adds, "leading to shortages and higher prices."

Because the two sides remain far apart at the negotiation table, many prognosticators are predicting that a strike will happen. Axios says that trade groups are asking the White House to step in and either avert the strike or step in once one starts.

"We are monitoring and assessing potential ways to address impacts to U.S. supply chains related to operations at our ports, if necessary," said White House Spokesperson Robyn Patterson in a statement. "That said, we continue to encourage the parties to continue negotiating towards an agreement that benefits all sides and prevents any disruption."

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## Is Supply Chain Slipping Off of the C-Suite Priority List?

**A new EY survey finds that 88% of C-suite professionals view their supply chains as cost centers.**

All eyes were on the world's supply chains during the global pandemic, when the very concept of taking goods from the point of raw materials to the end-user came under unprecedented scrutiny. Suddenly even individual consumers were conversing about supply chain disruptions, shortages and interruptions—all of which were impacting their daily lives on many different levels.

As with any major disruptive event, as the pandemic began to fade in the rearview mirror it took with it the major emphasis on supply chain-related concerns, interruptions and even

opportunities. Now, a new EY report reveals that supply chain may be slipping off of the C-suite's list of top priorities in favor of other concerns and challenges.

The [EY 2024 Supply Chain Survey: Bridging the C-Suite Disconnect](#) is based on insights from 347 U.S. supply chain leaders from various industries whose companies have at least \$500 million in annual revenue. In it, EY explains how supply chain issues quickly became a top priority on corporate agendas during the pandemic, and how supply chain leadership “rose to the occasion and delivered significant value.”

However, the company's new survey of C-suite and supply chain executives suggests that, as the worst of the crisis subsides, the sense of urgency around this issue may be giving way to complacency.

“The series of supply chain shocks that started with the pandemic elevated the role of supply chain leaders in the C-suite, but executive teams are increasingly reverting to outdated views of the supply chain as a cost center rather than a growth engine,” said EY's Ashutosh Dekhne in a [press release](#). “Our research uncovered concerning perception gaps between supply chain and C-suite executives around the value of supply chain, the digital maturity of supply chains and the value of cross-collaboration.”

### 88% See Supply Chains as Cost Centers

While 90% of supply chain leaders say their CEO “appreciates” the supply chain's impact on financial performance, most C-suite executives (88%) still view supply chains as cost centers. Although most (78%) supply chain leaders report their organization is back to focusing on supply chain cost management post-pandemic, 88% of supply chain executives say their organization's supply chain has a vital role in enhancing the customer experience by promptly addressing customer needs (vs. 76% of C-suite).

“This can have implications for how performance is measured and whether supply chain executives have a seat at the table for discussions on growth and financial priorities,” EY points out.

EY also found that supply chain executives are “significantly more likely” than the C-suite to recognize the benefits of breaking down silos and collaborating internally across functions (e.g., planning, procurement, manufacturing, logistics), as well as externally with vendors.

“While supply chain executives are attuned to the operational benefits of collaboration and technology, likely due to their closer involvement with day-to-day supply chain activities, the C-suite prioritizes financial outcomes and strategic objectives,” the company points out, noting that the C-suite expects such collaboration to be taking place at an operational level.

“Although every company possesses a unique culture and leadership style, disconnects can be substantial enough to hinder supply chain performance, diminish the morale and motivation of supply chain teams, and restrict the strategic use of the supply chain to enhance revenue growth and elevate customer satisfaction,” EY adds.

### Turning Attention to the Customer

Right now, EY says 84% of supply chain leaders are more focused on internal operations than customer needs, with 76% indicating they prioritize making new and innovative products over creating the best customer experience.

“In fact, only 44% of supply chain leaders report tracking customer satisfaction (e.g., net promoter score or similar metric) as a supply chain KPI,” says EY, which adds that this may account for some of the disconnect between the C-suite—which often tracks customer satisfaction and loyalty to help determine bottom-line performance—and supply chain leaders.

“There is an opportunity to elevate the way the supply chain is measured by including customer satisfaction (possibly including net promoter score), order fill rate/on time in full, delivery time or complaint resolution time for tracking integrated supply chain performance,” it says. “Adding customer experience metrics to KPIs provides clear evidence for the supply chain's impact on growth.”

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# Service for America: Fueling the Cybersecurity Workforce

With hundreds of thousands of cybersecurity jobs waiting to be filled in the U.S. alone, the government steps up its efforts to get more people interested and engaged in these types of careers.

Cybersecurity threats are increasing right at a time when the number of people trained to deal with these challenges has leveled off. According to Deloitte, 66% of organizations were hit by ransomware attacks in 2023, the same year when there was a 400% increase in Internet of Things (IoT) malware attacks across various industries. Manufacturers were the biggest target for the latter, and abuse of valid credentials accounted for nearly half (45%) of all data breaches.

As cybersecurity threats continue to proliferate, the industry is grappling with a global shortage of about 4 million

cyber-professionals, according to the World Economic Forum, which reports:

- 52% of public organizations state that a lack of resources and skills is their biggest challenge when designing for cyber resilience.
- 71% of organizations have unfilled cybersecurity positions.
- 95% of cyber leaders find that greater effort should be dedicated to recruitment of talent into the cybersecurity workforce.

“Organizations across industries and geographies are increasingly relying on digital technologies. With this reliance comes the need for a robust cybersecurity workforce to protect networks and data from emerging cyber threats,” WEF says. “However, challenges such as lack of distinct career paths, outdated training, costly certifications and job stress discourage individuals from pursuing a professional career in cybersecurity.”

## Service for America Makes its Debut

With the Bureau of Labor Statistics forecasting a 32% increase in cybersecurity job opportunities between 2022 and 2032, the White House recently introduced a new initiative focused on filling the hundreds of thousands of cybersecurity job vacancies in the U.S. alone.

“Service for America” the initiative is focused on preparing the U.S. for a “digitally-enabled future” by connecting Americans to good-paying, meaningful jobs in cyber, technology and artificial intelligence (AI).

“These jobs offer an opportunity to serve our country by protecting our national security, while also offering a personal path to prosperity,” said National Cyber Director Harry Coker, Jr., in a statement.

## A Career that’s Very Much Within Reach

Many Americans view cybersecurity careers as being “out of reach” and too overly technical for their own skillsets. Coker says there’s also a perception that you need a computer science degree and a deeply technical background to get a job in cyber. “The truth is, cyber jobs are available to anyone who wants to pursue them,” he points out. “Cyber professionals are part of a dynamic and diverse modern workforce and individuals from all backgrounds and disciplines have a place.”

As part of the National Cyber Workforce and Education Strategy (NCWES), the government is promoting best practices that make cyber jobs more accessible to individuals from all backgrounds in any part of the country. Some of its efforts include:

- Removing unnecessary degree requirements, moving toward a skills-based approach that emphasizes candidates’ ability to perform a job, rather than where they acquired their skills. The federal government is also transitioning information technology positions to skills-based practices.
- Expanding work-based learning, such as through registered apprenticeships, which allow Americans to continue earning income while they learn new skills. Earlier this summer, for example, the White House announced an additional \$244 million investment for registered apprenticeships in growing industries, including cybersecurity.
- Supporting locally-driven efforts, which bring together employers, academia, local governments and nonprofits to best meet the specific training, education and workforce needs in their communities.

“Since January of this year, we have traveled to 11 states and visited 14 community colleges, universities, and cyber centers,” Coker says, “to hear about the incredible work already being done, learn and share best practices, and understand how the Office of the National Cyber Director (ONCD) and its federal partners can best support their efforts.”

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