Executive Summary

On April 14, we had an opportunity to sit down virtually with our supplier partners to tap into their expertise and understand what their on-the-ground teams are experiencing. Our conversation focused on what organizations can expect as areas begin to emerge from the COVID-19 crisis and open for business.

Two consistent themes we heard during our call were:

1. Prepare for delays and changes in regulations. Need to set proper expectations with employees and the businesses.
2. Be aware that there are different levels of comfort depending on the assignee and the locations they are traveling to. Questions to consider: Will employees be hesitant to travel? Will they think twice about accepting an international assignment/relocation?

Immigration

Things to be on the lookout for:

- Prepare for extensive processing delays.
- Some industries might get prioritized on Day 1 – Healthcare, Pharma and Consumer Goods.
- Be mindful of changes in regulations, additional compliance rules, additional premium costs for medical, additional medical testing (i.e. questions related to health status and travel history; COVID-19 testing prior to or upon entry; mandatory quarantine upon arrival; increased health insurance requirements).
- Keep an eye on those extensions that were granted by the government for 30, 60 & 90 days, don’t take them for granted.

Moving Services

- Prepare for a back log and delays at ports due to current demand and load capacities and as certain goods will be prioritized over household goods shipments; companies may need to prepare to cover additional costs at ports and for storage.
- More shipments going through agent’s warehouse are expected, if countries (origin/destination) have limited services. Both origin and destination locations have to be open.
- Longer waiting time for customs clearance due to the over capacity.
- For Intra-European road traffic, we can expect increase of rates due to shortage of trucking capacity due to higher demand.
  - European governments are talking about closing the Schengen area until September 2020.
  - There will also be limited air freight capacity, but this may be an alternative to trucking.
Destinations Services

- Applying social distancing standards when accompaniment is possible and providing ‘virtual accompaniment’ where necessary to accommodate the assignees and families.
- Advanced offerings available for: grocery delivery, providing lists of medical facilities, local hospitals and fun things available online: gyms, children's programs, on-line training courses.
- Dwellworks – modified their mobile walk through app for DSCs and provided to assignees, so they could use it to store property condition information and pictures.
- Be aware that there are different levels of comfort depending on the assignee and the locations, and the DSPs are adapting to those differences so it is critical to provide multiple offerings depending on the scenarios and the location.
- Watch outs – keep in mind that people may be staying in their host housing for longer, so incoming assignees who may have been ear marked for certain locations/housing may have to look at alternatives; Schools may remain closed so there will likely be a challenge viewing and selecting schools.

Temporary Housing

- Inside U.S. – less availability now, had to shed empty vacant apartments.
- Outside U.S. – service apartments and buildings are still available, there is a more ample supply and there could be a cost savings for companies when there is a drop in rates.
- Recommend going forward – A phased approach would ensure suppliers can perform at top levels (getting their people back in place).
- Suggest spreading relocations out into the Fall/Winter months so the infrastructure can adequately support the companies and the relocating families.
- Plan for the worst – if in the future everyone has to go back in quarantine, plan for this when companies begin moving their critical employees. Select accommodations that have additional rooms, so if the employee is with the family in temporary quarters, the employee will have the ability to work in quarantine.

Questions from the Webinar:

1. Do virtual tours permit for cost savings? Can we offer more guarantees for self packing hhg? To set expectations what is the timing of HHG in a repatriation London to the U.S.?

Virtual surveys do not yield significant savings to the overall move, but do allow for more flexible scheduling, reduced physical contact and a recording of the survey that can be referenced as needed. Self packing (or PBOs) is not allowed for international shipments due to customs concerns and if transit protection coverage is provided. However, assignees may be able to pack some items if boxes are left open so the crew can inspect all items to confirm no prohibited items and review packing quality to reduce the possibilities of damage. We should hear back from the UK tonight 4/16 if moving services will be allowed to resume. Destination services in the US are occurring, so it’s dependent on the assignee being in the U.S. when their goods arrive; which is a requirement to clear customs.
2. Visa-work authorization extensions question? USCIS has not provided a list of work authorization extension filings that would get an automatic extension at this time due to the extensive delays? is this correct?

This is correct. The USCIS has not yet implemented any sort of automatic extensions of work authorization or periods of stay in light of the COVID-19 emergency. Extensions of stay and extensions of work authorization documents must be filed timely, though rules concerning nunc pro tunc extensions of stay remain in place.

H-1B, H-1B1, L-1, E-1/E-2, E-3, O, P, TN and certain other non-immigrants are given an automatic 240-day extension of work authorization beyond the expiration of their current period of stay if an extension is filed on time by their current employer.

Foreign nationals working pursuant to employment authorization documents (EADs) may benefit from an automatic extension of work authorization where an EAD renewal application is filed timely, though the automatic extension does not apply to every EAD category.

3. Our organization has a lot of employees from Japan, whose assignments are coming to an end. We are seeing a lot of their flights being rescheduled, but do you have any experience with difficulties on moving household goods or any other restrictions for Japan or that area in general that we should keep in mind (warehousing, etc.)?

Japan is currently operating under normal services. There are limited flights, but other services are operational.

4. Can the transferees pack their own goods during this delay so they are ready for the move?

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5. Meredith, a lot of DSP consultants as you note move online—are you seeing this having permanent impact on the way DSP is delivered?

We do anticipate that one impact of this situation is that companies will see that virtual is valuable. Today's relocating employee was already moving in this direction—toward being more self-sufficient at accomplishing tasks without accompaniment and valuing instead local curated information available at the right time during their move combined with guidance from a local lifeline.

6. Are van lines disinfecting household goods accordingly as they deliver the goods to new locations? If not, are they doing anything in this regards due to COVID-19?

Clean up services are limited at this time due to safety and health precautions. These services are available however, for an additional cost. Most agents are taking preventative measures with increased hygienic precautions, disinfecting common areas, trucks and doing temperature checks on crews before services start.

For more insights, best practices, and resources related to the current relocation landscape, please visit the Cartus COVID-19 Content Hub at www.cartus.com/coronavirus.