

Supply Chain Contracts Get Revamped After Covid-19 Disruptions

“Pandemic-driven strains in supply chains are triggering changes in contract terms between suppliers and their manufacturing and retail customers as companies try to address the risks and added costs brought on by persistent delays and disruptions. Procurement experts say that when,” reports Lydia O’Neal in The Wall Street Journal.

“New contracts and renewing existing ones, companies increasingly are seeking to add provisions that cover the impact of pandemics or epidemics and accelerating inflation. The moves come as commodity costs and shipping prices have soared far faster during the past two years than considered in traditional contract terms a fourfold.”

Read the article.