1 Cybersecurity and Data Risk Comments
As the world economy gets worse and AI gets stronger, these risks will increase.
We are always on high alert for these types of risk.
These risks will increase due to the current geopolitical climate.
General upward trend for cyber attacks, disruptions and events.
The risk will increase regardless of preventive measures implemented because of increased cyber criminal activity.
Russian hacking of US infrastructure will cause these risks to increase.
The use of AI by criminals has made phishing and scamming harder to detect. There aren't enough examples of arrest and prosecution to deter them, but a lot of press about breaches, ransoms, and fraud.
I believe that the AI arms race will also sophisticate cyber attacks and other data breaches.
The rollout of Generative AI increases data risk and potentially incorrect and harmful information being retrieved.
As we continue to grow and become a more well-known entity, we are going to be at high risk for attacks. We have already seen an increase in phishing attempts. Additional global security events add to the uncertain risks that many of us don't fully understand.
Cyber risks are still increasing, and I expect attacks to continue as hackers find new methods and deployment strategies. International attacks are the biggest threats!
Increased threats are likely to continue with the proliferation of AI and global unrest.
There are more bad actors hacking businesses.
China and Russia are both in cyber-attack mode.
Cybersecurity and data risk is consistently increasing over time.
New threats are constant.
As hackers advance, so does the risk.
Cyberwar is at an all-time high and won't be decreasing anytime soon. Overdependence on computing and network technology is a clear disadvantage now. We are getting back to basics.
We are constantly getting hit with phishing emails. But, we have a quarterly training session to keep our employees knowledgeable and up to date on scams.
These risks are some of the biggest concerns in 2024 and beyond.
Although we are very focused in continuing to put in the right level of protection, these risks will continue to increase.
There has been an increase in cyberattacks, including phishing, and DDoS attacks.
The thieves are getting more creative in the ways in which they steal data.
2 Technological or Competitive Risk Comments
The AI of everything will continue to upend how we think about doing work.
2024 will be a slow and steady year with regard to these risks.
The competitive landscape continues to expand. Technological developments are accelerating in the supply chain space. This trend will continue to increase over the next 3-5 years in a big way.
The impact of the broad application of AI-supported innovations is still uncertain.
AI and next-generation, cognitive-based warfare tactics are on the rise.
These risks will increase due to the impact of AI.
Due to a lot of focus on AI, everyone is forced to upgrade; this will increase the risk of biased behavior of the system and threaten data
GenAI presents a great opportunity, as well as the risk of misinformation.
These risks will continue to increase with AI driving so many new technical breakthroughs.
We need to respond to freight market conditions more quickly.
As lower-cost suppliers enter the market and inflation is still high, customers are seeking a low-cost, "good enough" alternative.
We need to maximize our knowledge of what exists. "New stuff" is not on our immediate time horizon.
We expect these risks to increase as a result of AI-driven disruption.
It is important to stay front footed on emerging technologies, as well as AI.
There is a lot of talk about AI and what direction companies want/need to take with it.
Technology is always a losing proposition. Gaining returns from the cost are becoming harder and harder.
We expect these risks to decrease as we recently replaced all legacy systems.
3 Government Intervention Risk Comments
Two active wars around the globe and a surging Donald Trump candidacy for president greatly increase the chances of additional disruption.
We expect a decrease in risk as the Red Sea crisis should ease in Q2, allowing for more global container flow.
We expect an increase in risk due to the fact that an election year always includes changes that benefit the incumbent party.
The current highly unstable geopolitical environment, both internationally and domestically, is not likely to resolve and become less volatile. This will likely lead to increased efforts by the US federal government to restrict businesses via executive order.
We expect increased risk due to the unrest in Israel and the Middle East, the war in Ukraine, and saber-rattling by Russia and North Korea.
We expect an increase in risk; the current administration, both in Illinois and nationally, has policies that are counterintuitive to the efficient and effective operations of American businesses.
Political unrest is on the rise around the globe. The weaponization of space is a big concern.
As long as the White House is Blue, the risk of additional useless regulation will continue.

This risk will increase due to global instability, NATO, the war in Ukraine and the war in Gaza.
There will be increased risk until the election happens, and even then there will be uncertainty. Unilateral decisions in the name of climate threats are disruptive until such time as those threats are imminent.
We expect this risk to remain the same, although a US election later this year could have an impact on green energy policy.
This risk remains high as the US Congress is the least productive it has been in a long time (for example, the former President told the Speaker of House to kill a bipartisan bill that would address the Mexican border, etc.).
The government's desire to "go green" is adding costs and unrealistic burdens to the trucking industry. The green policies are hurting people. The industry has been a wonderful steward to the environment and the government is saying it's "not enough," which is very costly to all stakeholders.
We expect this risk to increase as the China 301 tariffs still exist, and there is a new 25% tariff from imported materials into Mexico. This is causing purchases to move to other areas, mainly the US.
This risk is increased by ineffective government, which includes the present Congress and the Biden administration.
This risk will remain the same as we're not expecting tensions between the US and other countries to change much over the next quarter.
Western governments that have chosen to oppress their people are thrashing to find their way out of the hole they dug; the people are tired of their governments as evidenced by the tractor and truck protests.
The level of risk depends upon the upcoming presidential election; we could be hit with additional tariffs on top of the current 32.5% from China and 25% from all the other countries.
This risk will increase given the uncertainty surrounding both the upcoming presidential, house and senate elections, and the direction that policy will take as a result of the outcome of those elections.
Conflicts in the world increase the demand for parts, but this also puts pressure on a manufacturing base that is already struggling.
This is really dependent upon the next election.
The upcoming US elections have many companies in a "standby" mode.
The expectation is increased regulations.
The election is coming and who knows what chaos that will bring.
Increased risk due to global supply chain challenges as a result of worldwide political strife is expected.
4 Supplier Risk Comments
2024 will be a slow and steady year with regard to this risk.
Nearshoring changes create process adjustments and introduction to new suppliers. These changes introduce risk.
We're still seeing slightly lower than forecast volumes and inventory levels across multiple verticals/sectors.
The demands of the supply-base for increased quality, improved delivery, and lower costs does not align with the macroeconomics of labor and operating capacity. There are too few people doing to much, introducing increased opportunities for error.
Just like banks are regulated to "know their customer," we need to thoroughly understand our supply chain partners.
We anticipate an increase in risk due to rising material costs.
Suppliers are getting cranky about customer demands for them to hold inventory, and/or get longer payment terms. Cash-in-advance demands are increasing.
This risk will remain high with a slight increase possible due to high geopolitical tensions and delays by USA in funding Ukraine, delays in addressing the Mexico border, and continued Israeli attacks in Gaza, etc.
Price volatility is on the rise, as major suppliers and manufacturers are increasing their minimum order quantities and their pricing, forcing
Decoupling from China has increased supplier risk.
Shipping / Red Sea risks are on the rise.
Some electronic suppliers continue to struggle to recover, complicating our operation.
Supply chains are to WW3 as trenches were to WW1.
As our business grows, the potential impact from single/sole source suppliers increases and the continued tensions globally impact supply chains, i.e. China/Taiwan.
International shipping will continue to be unstable both in cost and reliability of transport schedule.
Geopolitical issues globally are a concern. We continue to see how vulnerable the supply chain is even when the conflicts are local (Middle East/Houthi attacks).
Suppliers are increasing lead times, and finding suppliers to produce raw material is challenging.
The cocoa market is currently experiencing volatility.
Price volatility is on the rise, leading to increased risk.
5 Transportation Disruption Risk Comments
Fuel prices look to be on the rise for a majority of the year along with the ocean container transport disruption coming from the Red Sea challenges.
2024 will be a slow and steady year with regard to this risk.
Transportation pricing is too low. Shippers are attempted to procure pricing at the bottom of the market, and any slight demand increase will accelerate pricing significantly.
Spot market rates are still low, benefitting shippers. We're expecting a gradual increase starting late Q2, which will impact cost as more freight comes into market for movement.

International ocean shipping will remain challenging with the Panama Canal and Red Sea issues. The potential for labor disruption with the ILA also looms.
The transportation risk is global in nature due to the Red Sea crisis and the Panama Canal drought.
This risk will increase due to the current situation with the Suez Canal, Panama Canal and land bridge across Panama.
Trucking costs have been low for enough time that a rise is imminent, especially as more trucking companies are consolidating. Ocean freight costs are 2-3 times more than they have been in the last 6 months, matching post-pandemic pricing in early 2023 before the big drop in freight costs that occurred in March-April 2023.
Damaged goods and back-ordered parts and equipment are the most common shipping risks that I have experienced.
This risk will remain at elevated level due to global logistics disruptions, such as Red Sea safety concerns.
Q2 will see some snugged up capacity. Still easy to cover freight. Many brokers and carriers have closed and continue to close. Less supply equals tighter capacity. Shippers should gravitate to carrier fleet partnerships vs brokers.
The canal drought has caused major delays, as cargo ships are redirected around the coast of Africa. Lead-times have increased by 3-4
There is increased risk in maritime shipping from Panama Canal, and higher rail costs from line repairs.
Diesel prices are increasing.
Political issues could create more shipping woes.
The first two items listed are more difficult to overcome. Fuel prices can affect routes. Lack of drivers parallels other industries, where personnel shortages have become obvious and affected business activities.
Volatility with supply/demand economics and, quite frankly, the impact of climate change, disrupts truck deliveries and pick ups due to weather influences.
Capacity is high and is expected to stay high. With increased capacity, risk is lowered.
The 1st quarter brought about an increase in risk given the Red Sea disruption and the political climate. In the 2nd quarter it will remain the same.
Our clients have told us that gas prices have seen some relief; however, the lack of driver availability has been more of an issue.
Inflation is biting, as is currency volatility.
There are still problems around the globe, but they are no different than what they have been.
Global Supply Chain risk concerns will continue to challenge us.
6 Economic Risk Comments
We are not fully through the inflationary issues that our government has been trying to control/subdue.
2024 will be a slow and steady year with regard to this risk.
Lower interest rates with an already tight labor market will likely create economic expansion.
The US - Mexico border issue is volatile and unresolved. Is already impacting commerce. It will remain chaotic in the absence of federal intervention and new policy. The quality of the unskilled labor pool in the US continues to erode. There are sufficient job seekers for openings, but their exceptionally weak quality and desire to really work is impacting productivity and cost.
Bidenomics is bad for business. It's that simple.
The price of energy and vicissitude of the labor force, especially in terms of the difficulty in hiring skilled and trade workers, is still hurting productivity.
Inflation continues, and basic wage increases have driven significant price pressure on fast food and other labor intensive markets.
We may have more Mexico to USA border delays given the chaotic situation and lack of bipartisan US government negotiations for
Insurance, taxes, and health care cost all rising.
Business is crossing more borders, which will enable a lessening of risk in this area.
Suppliers that have held pricing through 2023 are now presenting increases, due to labor increases and raw material increases.
Economic risk goes hand-in-hand with operational risk.
We expect this risk to remain the same as the government has effectively handled this in the past.
Risk will remain the same as energy costs continue to impact homes, businesses and economies.
Labor shortage is a constant.
Energy prices continue to rise due to move to green energy and other politics and shortages.
7 Customer Risk Comments
We are not through the post-COVID period yet, and I believe we have more shifting dynamics to deal with before this is all done.
More capacity, more ability to lose a client for price.
Pricing pressures should reduce as inflation stabilizes and interest rates drop.
We're seeing a broad and significant push from 3PL customers to drive cost down in a still volatile, inflationary environment.
General order placement from customers is down due to the negative consequences of the current administration's economic policies, which increase operating costs with no benefit to quality or delivery and can't be passed along to consumers. This puts our customers in a precarious position and introduces order instability.
Europe remains a very difficult economic environment due to the Ukraine war and the level of socialism that is dragging down growth on the continent and in the UK.
Changing customer buying habits will lead to increased risk.
The rate of conversion to clean energy is the risk for decarbonizing supply chains. No change for now.

Continuing to source cheap, non-asset freight transportation solutions will lead to a volatile situation for shippers seeking low-cost solutions as capacity tightens.
The upcoming election season will create an environment less focused on facts and data, as opposed to feelings.
As inflation is still high, customers are either delaying their purchases or buying less expensive alternatives.
Initial KPIs for recession are triggering and, as a result, we could see lower customer orders.
Wallets continue to be tightened and consumers are pushing back on higher prices.
Consumer behaviors are a "wildcard," and difficult to predict with one exception - as consumer margins fall, business margins fall. Our business is at the mercy of those who purchase from us.
8 Environmental Risk Comments
This risk continues to get worse each year.
This risk will increase due to climate change and the lack of focus.
An increase in risk is anticipated as summer and El Niño bring greater weather extremes.
We'll see an increase in risk due to snow and rain across the United States.
Risk is expected to remain the same, with the footnote that hurricane season predictions aren't yet out.
Accelerating global warming continues to drive higher environmental risks of extreme weather, property/crop damage, etc.
We cry wolf regarding climate change! Yet, the DOD has been spraying the sky with chemtrails for 40 years, causing great harm to the health of all, and nobody says a thing.
We're expecting fewer weather-related impacts in Q2 than in Q1, mainly fewer large snow storms.
Organizations that are doing REAL preparation for changing climate conditions will continue to outperform those who want to play silly games like adopting EVs, etc.
Yes, this risk will increase, but only because of the increase in unpredictability.
Recent extreme weather events have caused disruptions for some clients.
9 Operational Risk Comments
We don't anticipate much changing here.
2024 will be a slow and steady year with regard to this risk.
This risk remains the same as weather events continue to impact new equipment, particularly electric vehicles and MHE.
Carrier client financial failure. The level of risk remains the same.
Increased risk is expected due to demand pressure and continued maritime logistics delays owing to the Panama Canal water level.
Red Sea issues, underwater cables being cut, and pipelines exploding, etc. increases the level of risk in what have otherwise been non-risky areas.
The level of risk is already very high and quite tenuous. It is what keeps all of the firms we work with going. It's tough to imagine and increase in risk above what is already "high risk".
Operational risk will increase as the impact of climate change is ongoing with increasing event occurrences.
A change in management from old machines to newer machines will result in increased risk.
Some of our clients have experienced increased disruptions due to recent extreme weather conditions.
The assets are getting older and in more need of maintenance.
Things seem to be stabilizing.
Our company has made major investments in the recent past in IT infrastructure and facilities to reduce risks.
10 Quality Risk Comments
2024 will be a slow and steady year with regard to this risk.
Damaged goods and back-ordered parts and equipment are the most common shipping risks that I have experienced.
A decrease in risk is expected as internal processes are stabilizing and cross function support teams are staffed appropriately to support.
We see no changes to quality concerns.
This risk seems to be getting higher, as there are more rules and regulations to adhere to, with larger penalties for lack of compliance.
Changing standards and customer safety issues are on the rise, but we're uncertain as to whether risk will increase that much over the period of a quarter (3 months) of the year.
People are asked to do more with less... this trend continues. When processes are "streamlined" without consideration to safety and quality, this risk increases.
We do not manufacture products, with the exception of private label that are manufactured externally. We are highly disciplined in ensuring our quality meets expectations.
System changes may lead to increased risk.