



**"Don't put  
all your eggs  
in one basket"**

**This may be the most important lesson  
we have learnt from Covid-19.**

The outbreak of Covid-19 has reminded us all the relevance of that old principle. In a global economy, we took unlimited offshore outsourcing for granted and the pandemic verified it very soon while we faced the unpredictable. The natural conclusion is that diversification of production, combined with a balance between offshore, Chinese and European contractors like Marmite is a successful strategy.



The last few months have been difficult and stressful, especially for companies relying solely on offshore deliveries. Exports from China dropped by more than 13 % in the first quarter of 2020 (YTY). It translates into losses of millions of dollars coupled with thousands of not effected transactions and unfulfilled promises. To businesses that rely exclusively on Chinese suppliers or production plants operating there, the outbreak of Covid-19 was a crushing blow. Delays in deliveries, uncertainty, impaired quality resulting from disturbed production processes, delays in launches of new products, shortages of goods, limitations in sea and air transit... the list goes on. All this was accompanied by uncertainty, the worst enemy of any business.



Marmite with its entire production placed in Europe is capable of delivering products without delays. For 40 years, the company has made a name for itself as a reliable partner and manufacturer of high quality products. Suffice it to say, Marmite's production schedule or delivery plans have not suffered from the pandemic in the slightest. All of Marmite clients all over the world had their orders delivered without problems. The company swiftly adopted its procedures to the new circumstances to ensure that for the customers it was business as usual. **In the course of the pandemic, the company fulfilled 100% orders and delivered hundred of thousands products to over 150 companies in Europe in USA.**

In uncertain times, a reliable partner who can be entrusted with at least a part of the production is of key importance. Marmite due to its scale of operations and location guarantees continuity and trust that everything will go smoothly when China "the biggest factory in the world", is cut off from the rest of the world yet again.



It is a possible scenario as many scientists claim that the virus will re-appear in the autumn. This should not come as a surprise with economies being unfrozen and people starting to mingle without a cure or vaccine in sight. If not a virus, the reason may be political as the tension between US and China is increasing and US is declaring introduction of various limitations to trade with China to protect the domestic production. If other countries or even the entire EU follow suit, the consequences for businesses can be as serious as those caused directly by Covid-19. Or it may be something altogether different. The bottom line is that the pandemic has taught us a lesson that we simply cannot predict the future. What we can, however, is prepare for it. And Marmite can help.

**i** For other information please check our website: <http://www.marmite.eu>