

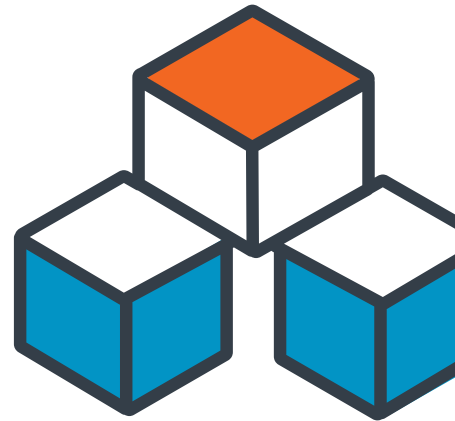


**PAVEMENT**  
MAINTENANCE & RECONSTRUCTION

**SUPPLY & DEMAND CHAIN**  
**EXECUTIVE**

# Taking stock of the wild 2022 ahead

Industry experts discuss which products are most at risk and how to prepare for the busy season ahead



**T**he one natural buffer to supply chain disruption is inventory. But if you expected to get that buffer you probably haven't yet. Customer demand is strong and logistic networks slow, leaving you little time to restock, maintain equipment or buy new.

It's not all doom and gloom, experts say.

"Identify the key products and components you cannot live without, and then act on what you find," says Joel Knox, senior research director at Gartner. "Recognize this year will be marked by rolling disruption versus deep long-term disruption."

In preparation for those disruptions, here are some tips from the insiders.



## Tip #1: Stock up now

Before busy season has everyone hustling to find products and equipment, get a head start.

"If there are things you know you replace periodically, make sure you have a couple on the shelf," advises Dan Browne, vice president of NAC Supply, a leading pavement supply superstore. "If you're going to buy something, you want to find somebody who has it in stock."

Contractors should find a supplier that maintains up-to-date inventory on their website. If you're unsure, call them before ordering, Browne advises. Too often, he says, contractors get stuck with canceled or delayed orders.

Browne started his career as a sealcoating and paving estimator for his family's contracting business. His family founded NAC Supply to be by and for contractors. That's why they stick to a no-runaround policy—"if it says it's in stock, it's in stock."

Petrochemical products are a great place to stock up. The Texas winter storm of 2021 walloped inventory that was already variable from early pandemic plant shutdowns.

"Paint is going to still be tough for a lot of places," Browne explains. "Smaller customers may use one or two pallets all season. Instead of buying a few buckets a time, look at your use for the whole season and buy it by the pallet. If you don't have the money to buy two right now, at least buy one. You're going to save money buying by the pallet, sometimes up to 20%."

## Tip #2: Place orders in advance where you can

It may not be practical to hold extra equipment in the shop. It could be too big or too pricey or there's not enough out there to stockpile. In that case, watch lead times and order for later.

Contractors are willing to wait several weeks now to get their hands on a new Graco line striper.

Pre-pandemic those could ship immediately. Mike Vangstad, global product marketing manager for Graco's pavement maintenance products, says this becomes an issue if you wait to order after winning a bid.

"This can be frustrating for our customers who need equipment immediately," Vangstad says. "We continue to work tirelessly to support these customers around the world."

If there's some good news on the horizon, it's that wait times are decreasing versus what you saw in 2020 and 2021.

"Last year there were a lot of products we couldn't get for the whole season," Browne says. "This year a lot will free up."

## Tip #3: Change your expectations

Companies across industries are simplifying their offerings, says Knox, the industrial's analyst from Gartner's Supply Chain Strategies Team. You've seen it in limited restaurant menus, for example. Cutting offerings may not be practical for your business, and it's not something most contractors want.

"A lot of our customers continue to sealcoat, crack fill and line stripe. They have to," says Browne, who spent 20 years doing just that. "Last year some contractors didn't offer striping because they couldn't get the paint, but we don't see that happening this year."

For pavement and asphalt contractors, the goal should be to find different options so it's business as usual, or close to it.

"We have contractors that have projects, and they need equipment to complete these projects," Vangstad says. "We need to find ways to keep supplying them with equipment. This has pushed us to look for alternative suppliers."

Browne seconds that.

"The big thing is equipment right now – blowers, line strippers. We have some in stock but when that's gone, we'll be waiting on our next order. In the spring, people will go to buy new equipment, and they're probably going to find it will be months for line strippers or blowers with Honda engines, and possibly the whole season. You're going to see the same blowers and line strippers but with different motors."

Don't just look to substitute brands for big ticket buys, Browne says. Do it for scoop shovels and hand tools as well.

## Checklist of supplies you should stock up on now

- ☐ **Sealer**  
This could be the "biggest price increase in sealer, possibly ever," Browne says. If you're in an area where you can use it now, buy it now before prices rise.
- ☐ **Crack filler**  
Affected by demand and capacity challenges, this is worth stocking up on now.
- ☐ **Paint**  
Suppliers like NAC Supply stocked up; you should, too.
- ☐ **Spare parts**  
Even tiny components can cause big headaches. Last year it was the molasses valves; this year it could be anything.
- ☐ **Tires**  
Labor shortages, shipping line bottlenecks and overseas rubber stockpiling continue to have an impact on tire inventories.
- ☐ **Tanks**  
Supply shouldn't be an issue, but steel prices are likely to increase, doing the same for tanks.
- ☐ **Equipment like blowers and line strippers**  
If you're lucky, you can get one now; otherwise, orders are taking 2+ months.

## Look forward to 2023

"If you're unwilling to accept substitutions to your favorites or growing exasperated with supply disruptions, there is hope for next year. That's as long as we don't see any natural disasters or plant fires in the meantime" Joel Knox says.

**"We see light at the end of the tunnel in 2023."**