**PRESS RELEASE**

Shipping container crisis anticipated to continue until mid-2022

**Equipment disposal specialist MHS Plant & Equipment can assist clients with its global network**

**27 October 2021:** With 90% of the world’s goods transported by sea, the current shipping crisis has resulted in spiralling costs and bottlenecks in global supply chains. The situation has been exacerbated by a shortage of shipping containers and massive congestion at major ports, explains **Conrad Smith**, founder and owner of [MHS Plant & Equipment](http://www.mhsequipment.com).

Based in Kyalami in Johannesburg, the company is an equipment disposal specialist that focuses on the mining and construction industries specifically. “If you are looking to get rid of any yellow metal equipment, we can guarantee a buyer and the best price globally, based on our international network that has been built up over 25 years,” explains Smith. On the other hand, if you are looking to acquire any yellow metal equipment, the same network can be tapped into for a fully customised solution that includes dismantling and rigging, shipping and transportation and reassembly at the required destination.

Smith comments that the current shipping crisis is having the biggest impact on the used equipment sector, as major OEMs still tend to have stock on hand to tide them over during the current crisis. However, shipping experts predict that lead times will only begin to stabilise in by mid-2022. The shortage of shipping containers can be traced back to 2019, a relatively bad year for global trade due to strained relations between the US and China.

This standoff between two of the world’s largest economies resulted in less containers being produced in the run-up to 2020. However, Covid-19 then extended the lull in container manufacture throughout the first half of last year. Instead of dampening demand, the pandemic had the opposite effect and container prices skyrocketed, with some brands reportedly paying up to ten times more to import the same goods as before. The latest development is that some companies are opting to transport their goods via air charter, at more than double the pre-pandemic price.

“While we have been affected by the container crisis along with many other companies reliant on shipping, there are ways of getting around it, as only certain routes and ports have been affected. In addition, we are able to dismantle yellow equipment so that it takes up the least space, thereby assisting our clients to curb their transportation costs during this difficult period,” explains Smith.

The disruption in global supply chains could not have come at a worse time for the mining industry. Already having to deal with a shortage of new large equipment from major OEMs, a recent uptick in commodity prices has seen speculation as to a potential new commodity super-cycle. With lead times for new equipment now already stretching to 2022, compounded further by the shipping crisis, Smith highlights that sourcing used equipment is probably the best option now for major mining houses or junior miners to ensure they are in a position to take advantage of any emergent green shoots.

“What gives us a major advantage over the traditional route of disposing of or securing used equipment from auction houses, for example, is our flexibility and well-established network. We can literally source or sell equipment anywhere in the world. While Covid-19 has limited our capability to inspect equipment on-site, for example, we are able to either conduct virtual inspections, or have experts on the ground who can conduct such inspections for us and report back on behalf of our clients,” stresses Smith.

Apart from supplying both new and quality used equipment, MHS Plant & Equipment also assists banks in the valuation and disposal of any repossessed equipment, specialising in turnkey solutions for construction companies and mine closures. Supplementing the trading side of the business, the company also owns equipment that it rents out to cement and aggregate producers, including a diamond mine in the Northern Cape. This gives Smith the opportunity to rotate his equipment and ensure that the fleet is always current which, in turn, gives clients peace of mind that maximum uptime and productivity is guaranteed.

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**Notes to the Editor**To download hi-res images for this release, please visit <http://media.ngage.co.za> and click the MHS Plant & Equipment link to view the company’s press office.

**About MHS Plant & Equipment**

Based in Midrand, Johannesburg, MHS Plant & Equipment specialises in the import and export of mining and construction equipment. We buy and sell construction and mining equipment throughout Africa, Australia and the Americas. We provide solutions to liquidate assets for mining and financial institutions on a global scale. We have experience in servicing our international clients for over 20 years, be it mining houses, contractors or civil contractors. We supply both new and quality used equipment to the mining sector. We also assist banks in both the valuation and disposal of any repossessed equipment, specialising in construction company/mine closures with turnkey solutions.

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