

DIGISTOR

COVID-19 Operations and Supply Chain Update
March 20, 2020

Our latest operation and supply chain update can be found below. This situation is rapidly unfolding, and we are together working through this uncertain time.

Meetings and Travel:

We have suspended all business travel and in-person customer or partner meetings through at least April 7, 2020. Our sales and engineering teams all have online meeting and conference call capabilities, and this should have no operational impact for our customers.

Office and Distribution Operations

- All sales, finance, engineering, customer service and other office administrative staff have been directed to work from home until at least April 7, 2020. All employees have full access to company phone, email, CRM and ERP systems as well as online meeting and conference call capabilities. We expect no significant operational impact for customers.
- Our assembly, warehouse and distribution facility in Campbell, CA will continue to operate with a reduced staffing level. We have implemented increased safety protocols recommended by the CDC and WHO, including regular cleaning and disinfecting of our facilities and equipment as well as measures to ensure appropriate social distancing. At this time our shipping, receiving, assembly and integration operations have not experienced any capacity issues or slowdowns, and there has been no customer impact.

Supply Chain

We are in continuous contact with our key supplier partners and are happy to report that all factories are currently running at, or close to 100%. While we do not anticipate any production related supply shortages, we have seen longer than usual lead times for many products and key components since January and we expect that to continue for the foreseeable future. We are also aware of the rapidly changing environment for our logistics providers and freight carriers, and as airlines continue to cancel flights, we do expect this to have an impact on lead times and ETA's may shift. Therefore, we encourage all customers to be proactive with their order planning over the next several months.

Business Continuation Plan

- In the event that our staff needs to work from home for an extended period of time, we are confident that our sales, finance, engineering, customer service and all other administrative staff can do so as long as needed with little to no operational impact.
- In the event our primary assembly/distribution staff should need to quarantine or stop working for any reason, we have a backup team available to step in immediately with little to no customer impact.
- If we are unable to operate our assembly/distribution facility for an extended period of time, we do have the ability to transition key functions to backup locations in the US and overseas. Our primary backup location is in the Los Angeles, CA area, with secondary locations available in Hong Kong and Taiwan. Should we need to transition to a backup location we will make every effort to limit operational impact, but customers should expect some delay in shipments.

We appreciate your support and will continue to update our approach as information becomes available from our partners, the World Health Organization, Centers for Disease Control, and local authorities.