

## AutomationDirect Supply Chain Update March 22, 2021

AutomationDirect is paying close attention to the fast-changing news regarding the spread of COVID-19 (Coronavirus) around the globe as well as other events affecting our supply chain. As a result, we are continuing frequent communications with all our suppliers to gain information on the potential effects as quickly as possible.

At this time, we expect to continue to have our normal high levels of product availability to fill customer orders immediately and in the coming months. AutomationDirect carries a significant amount of inventory on hand, and we have additional flow of product in transit from our overseas international suppliers. Most of our suppliers also carry significant inventory amounts of either finished goods or raw materials which helps keep supply continuing without issues. However, some of our suppliers are currently reporting partial supply disruptions caused by work stoppages, resumption of work with partial staff, reduction in production capacity, transportation restrictions, and extended material shortages (i.e. semiconductors, plastic, cardboard). Deliveries from some of our suppliers are also currently being delayed in transit by unusually high port and rail congestion. We are continuing to gather details in these instances to assess the effect on our inventory levels.

Please be assured that AutomationDirect will minimize any disruptions in the flow of product within our supply chain, to the best of our ability. Please check our online webstore or contact our customer support team if you need detailed information about quantities available for specific items. Once normal operations resume, we will expedite shipments to fill any potential customer backorders as quickly as possible.

Customer shipments and supplier deliveries continue to be processed as normal using recommended health and safety practices. AutomationDirect remains fully open for business with all our teams ready to serve you, including customer support, technical support, webstore support, and accounting. As always, you can contact us online, by phone, or by email.

Currently, it is becoming more common for deliveries to be delayed by FedEx, UPS, and LTL freight carriers because of the significant increase this year in online business as well as Covid-related limitations in operations. Because of potential delays in transit, we encourage you to follow carrier tracking to see the latest delivery status.

While AutomationDirect is not able to fill out individual surveys or respond to individual reporting portals due to the volume and variety of these requests, we will continue to monitor this situation and update this statement regularly until normal business conditions resume.