

COVID-19 Supply Chain Impacts

September 6th, 2021

Dear Valued Customer,

In these unprecedented times we are experiencing supply chain disruptions that are challenging our ability to service you in the manner which you have come to expect from Smiths Interconnect. Acknowledging these challenges, and with an overriding goal to serve your needs, we want to make you aware of the actions that we are taking, as well as actions we can take together, to mitigate the impact to your business.

At present, throughout our internal factory capacity and our external supply chains, demand is simply outstripping supply. Due to extreme changes in the availability of raw materials, manufacturing capacity, and direct labor, we are seeing our lead times push out to unacceptable levels. Worse, given the dynamic nature of these changes, predicting our lead times has become very challenging. We realize that our response to your demand is critical to your success.

To address these challenges, we have launched multiple operational and supply chain initiatives across our factories. Some examples of these efforts include:

- Adding capital equipment and expanding automation to increase daily output.
- Negotiating new agreements with suppliers to ensure supply capacity.
- Expanding our supplier base to ensure geographic and logistical flexibility.
- Managing inventory aggressively to respond to your demand.

While we believe these efforts will yield results, we'd like to ask for your help to further improve our ability to support you going forward. Working with Smiths Interconnect and your preferred distribution partner, we would like to ask that you consider the following options:

- Place orders earlier to help us secure necessary materials and components.
- Consider placing larger orders with scheduled shipments over longer time periods. We are more than happy to work with you and our distributors on scheduling shipments – in some cases we can consider planning schedules out as far as 6 to 12 months.
- Use the "Stock Check Tool" on our website to explore options for in-stock products:
 - <https://www.smithsinterconnect.com/contact/distributor-stock-check/>

Smiths Interconnect is fully committed to your success. We want you to know that we value your continued business and ask for your understanding in these extremely unique times. Please know that we are exploring all options to provide you with consistent, timely deliveries. We appreciate your support and understanding as we navigate these challenges together.

Kindest Regards,



Bruce Valentine
General Manager & Vice President
Smiths Interconnect, Semiconductor Test

