



3237 Satellite Blvd. Suite 550  
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[www.iconex.com](http://www.iconex.com)

March 16, 2020

Dear Valued Customer:

The coronavirus situation by its nature is fluid with government rulings and recommendations continually evolving across each operating region. Therefore, we are providing an update to you, our valued customers, on the status of the Iconex business.

We would like to stress that at this time, we have no reduction in our ability to supply our customers.

We are proactively working across sites with suppliers and staff to manage the unprecedented situation created by the spread of the Coronavirus. Our Business Continuity Plan has been activated to ensure that there are minimal impacts to service levels and critical business activities.

**Employee health and safety** – At Iconex our number one priority has been and will continue to be the health and safety of both our coworkers and their families. We have already taken several actions to create social distancing to protect our coworkers, including implementing travel restrictions, enhancing our hygiene policies within facilities, and limiting the entry of visitors to our facilities.

To protect our coworkers, who are critical for physical production and warehouse execution, we are limiting their interaction with all other coworkers by mandating a remote work policy for all others. This means that any coworker who can telecommute is now doing so, including me. The majority of our Customer Care team is now working remotely. While we don't anticipate any major issues, we ask for your patience and support if any communication issues arise during this period.

**Business continuity** – Our suppliers have worked to build up inventory levels, and we are also carrying higher levels of raw materials and finished goods to help mitigate against any potential disruption that may occur in the coming months within supply chains. This includes a qualified alternate supply of materials needed for production that are sourced in China. Additionally, we would like to reinforce that we operate multiple facilities with redundant capabilities for both paper receipts and labels. We operate 10 facilities in North America, six of which produce paper receipts and four produce labels. We have a continuity plan that allows us to shift business between facilities in the unlikely event of an outbreak in a single facility.

**Transportation** – We continue to ship products to customers without disruption. We are in regular contact with our carrier partners, and currently, we are not experiencing any capacity issues.

We anticipate that we may experience reductions in staff levels as local policies such as social distancing and school closures take effect. At this stage we are confident that we can absorb this impact with minimal to no disruption in our supply. We will continue within each region to work with local authorities to ensure we comply fully with their guidance so that we responsibly play our part in both protecting our coworkers and their



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families, as well as the wider community. We will update you again should we find ourselves moving into a position where our ability to supply to expected service levels are impacted.

Again, we would like to stress that at this time we have no reduction in our ability to supply our customers. However, the situation is ever-changing, so should you wish to discuss any further actions such as building finished goods inventories as part of your own corporate contingency planning, please contact your Iconex sales representative immediately.

This event is unprecedented and has the potential to become more complicated. If you have any ideas or suggestions for how we can manage this evolving situation more effectively, please contact me directly at [Craig.Gunckel@iconex.com](mailto:Craig.Gunckel@iconex.com)

We would like to take this opportunity to thank you for partnership and for your continued support.

Sincerely,

A handwritten signature in black ink that reads "Craig A. Gunckel". The signature is written in a cursive, flowing style.

[Craig A. Gunckel](#)  
Chief Executive Officer