



Coronavirus Update

February 13, 2020

Valued Customers,

In an effort to keep you apprised of developments related to the coronavirus and its impact on our business together, we will be sending periodic updates to our customers.

Last week, the World Health Organization (WHO) declared the coronavirus (COVID-19) to be a global public health emergency. As of today, the coronavirus has now caused over 1,400 deaths and infected more than 60,000 people, according to the Chinese government. While there is some speculation that the number of cases has begun to stabilize, most believe this will continue to be a threat for some time.

Last week, China's Central Bank implemented rate cuts and capital injections to counteract an economic slowdown. On Friday, the Federal Reserve announced that it had begun closely monitoring the coronavirus as a potential threat to U.S. growth. Though recent reports have suggested steadier economic growth in Europe and China, the Fed warned the disease could lead to disruptions in China that spill over to the rest of the global economy.

Chroma Color's Procurement Team continues to monitor this situation closely while maintaining regular contact with our global suppliers. Our policy is to have multiple sources of key raw materials in order to reduce potential risks. Fortunately, most of our primary suppliers planned proactively by building additional inventories to cover normal disruptions created by the Chinese New Year holiday. At this point, most of our suppliers in China have resumed regular production with no disruptions in our supply chain. As a result, we do not anticipate any issues in supplying you with the Chroma Color products you depend upon.

We truly value your business and we will keep you informed of any changes. Please contact your Chroma Color account manager or customer service representative with any questions.

Best regards,

Tom Jaeger

Tom Jaeger
Vice President of Supply Chain Management