

Engineering • Manufacturing • Excellence

January 30, 2020

Dear Valued Customers.

BCM Update on the Impact of the Wuhan Coronavirus

As you may be aware from the news, there has been an outbreak in China of flu-like virus known as the Wuhan Coronavirus. In an effort to contain the spread of this virus, the Chinese government has suspended or curtailed travel within China and extended the annual Chinese New Year holiday break through at least February 10th, 2020. Our heartfelt thoughts go out to those affected.

China is a major supplier to the electronics industry for both finished goods and components. The extended Chinese New Year work stoppage through February 10th, combined with the uncertainty of exactly when production will resume, may have a negative effect on overall supply and lead-times.

BCM's manufacturing is located in Taiwan. Taiwan has not reported any outbreaks of the Coronavirus.

Many of BCM's customers have requested information pertaining to how the Coronavirus may impact the flow of goods and services from BCM. These are reasonable requests and BCM would like to provide the following impact summary and overview.

<u>Current Status & Impact Analysis:</u>

- 1. BCM's Taiwan operations and manufacturing facilities returned to work as normal on January 30th following the Chinese New Year annual holiday.
- 2. Production has resumed at normal capacity with no reported impact on current production schedules. However, it is anticipated that component lead-times will increase possibly impacting future delivery schedules.
- 3. As a precaution, BCM is requesting customers to defer any visits to our manufacturing locations until at least March 2020. Please check in regularly with your BCM representative regarding updates.
- 4. BCM is taking actions to reassess supply chain at a local level, while the China suppliers are still on break, and procure buffer component supplies where possible.
- 5. At this time, it is too early to gauge the extent of any supply and lead-time impact until there is a firm schedule on when manufacturing activities will resume in China.

Suggested Actions by BCM

1. BCM customers may want to consider placing orders further in advance.

We at BCM will continue to try our best to keep you informed on the Wuhan Coronavirus situation and its impact on BCM's supply chain and manufacturing lead-time. We appreciate your understanding and working with us over the coming weeks while the world works together in addressing the Coronavirus issue. Please contact your BCM representative if you have any questions.

Thank you,

Jennifer Morris

Jennifer Morris-Executive Vice President