



March 27, 2020

UPDATE 2019-nCoV (Coronavirus) Situation

The Food and Agriculture sector, along with supporting industries have been designated part of the nation's Critical Industry Infrastructure. Workers are considered exempt from Stay-At-Home restrictions when commuting to/from work or performing job functions in support of the food supply chain. Essential businesses are being encouraged to remain open and functioning. This includes The Wright Group, and although all 3 states (CA, LA, OH) are currently under a Stay-At-Home order until April 12th, we are fully operational.

The recent incidents of 'panic buying' across the country has left grocery store shelves emptied and consumers nervous and concerned about what this may mean for their families. We're seeing a surge in demand. The consumer is overbuying with a fear of an unknown and how long this situation will last. Manufacturers, distributors and retailers are working to keep stores across the country stocked. This will have a trickle-down effect on you, our customers, and eventually us. Although we currently don't have a necessity to increase lead-times, it is definitely a possibility. We recommend continuing to give us as much advance notice as possible and emphasize that June PO's should be in house by the end of next week. Although we've seen more and more movement from China, now other parts of the world are being devastated by the virus and closures. This will have an impact on other ingredients manufactured from other regions, and we need to stay ahead of this as much as possible. Remember that patience, not panic.

The coronavirus continues to discombobulate day-to-day operations of government, businesses, and the lives of citizens worldwide. The U.S. has seen a significant increase in confirmed COVID-19 cases, mainly due to the increasing number of tests performed daily. The rapid growth of infection rates has resulted in individual Governors issuing complete/partial Stay-At-Home orders for over half of the country. Look for this to continue over the next week, as we've not yet hit the peak.

We continue to emphasize and ask our employees to be diligent when it comes to infection control. This includes hand washing, the use of alcohol-based sanitizers, disinfecting/cleaning frequently contacted surfaces, maintaining a safe distance between personnel, avoiding large meeting events, and staying home if they have a fever or are not feeling well. Management is constantly monitoring the situation and involved in daily updates and debriefs with each other, while consolidating and distributing information out to the sales team and staff as often as possible. We will continue to inform our customers on a weekly basis on the supply chain and how it may impact the business, as well as put forth any recommendations we see fit.

As of today, COVID-19 and the Novel Corona Virus has affected approximately 576,859 patients worldwide with over 26,000 deaths (*according to W.H.O.*). In the US, approximately 94,238 cases have been confirmed. For further details on 2019-nCoV and preventative measures please visit the CDC (<u>cdc.gov</u>) and WHO (<u>who.int</u>) websites. (<u>Note: COVID-19</u> is the disease and stands for Corona Virus Disease, <u>2019-nCoV</u> is the virus and stands for Novel Corona Virus)

Quality Control Details and Safety Concerns:

We believe the vitamin/mineral supplies originating from China are safe. Current 2019 Novel Coronavirus (2019-nCoV) information from the CDC and WHO concerning the spread and survival of this virus states "person-to-person spread is thought to occur mainly via respiratory droplets produced when an infected person coughs or sneezes." According to the WHO, "it is still not known how long the 2019-nCoV virus survives on surfaces, although preliminary information suggests the virus may survive a few hours or more. Simple disinfectants can kill the virus making it no longer possible to infect people." Based on this statement, the CDC and WHO have deemed it safe to receive packages from China at this time. For further details on 2019-nCoV and COVID-19 please visit the CDC (cdc.qov) and WHO (who.int) websites.

We are currently working with suppliers to verify and validate the safety and integrity of supply chain components originating in China. Our vendors in China follow FDA regulation and drug cGMP with clean-room set-up. We also conduct food safety audits on these facilities.

Thank you to everyone within The Wright Group, our suppliers, our customers and the communities we serve for your continued hard work, support and communication. We will get through these challenges by patiently working together in the spirit of cooperation and understanding. The Wright Group will continue to provide regular updates published to our website. To reiterate, it is patience and not panic with this virus.

Sources:

CDC; World Health Organization; Fox Business; NY Times (Click here for map of virus); WSJ

