



SIP Industries
Quality Manufacturer Since 1960

February 10, 2021

To: Our Valued Customers

Dear Friends,

We hope this message finds you doing well and healthy. By now, we all wish COVID-19 had become a thing of the past, but it does not seem that will be the case in the immediate future. Hopefully, sooner than later, we can turn the corner on controlling it and our lives can get back to normal.

It is apparent, COVID-19 is a pandemic and not a localized health issue. COVID-19 has affected almost every corner of the world and in many economic ways, not just health. To this end, the SIP Team would like to update you on several issues that our industry and we are facing in the Global and North American supply chains; and these issues are prevalent in most other countries.

Manpower reductions and other delays in manufacturing, shipping (all modes of transportation), raw materials, processing of raw materials, fuels, linings, coatings, paints, etc., have all added additional lead-times (weeks) to the production time for most products.

Finished products require ocean vessels to transport the products to North America from production facilities in India and China. Ocean going container shortages continue to impact shipping lead-times. The increased lead-time is being further impacted by delays at US ports for offloading and transport of products to our warehouse facilities via over the road trucks. The industry and SIP are currently experiencing a six-to-eight-week delay in the entire inbound logistics process.

SIP continues, every day, to seek creative solutions to these challenges. We will continue to provide updates, as necessary. Moreover, we ask for your patience and help; please review your daily lead-time practices with your Team Members and adjust them when and where it is necessary. If you have specific projects or challenges, please reach out to your local SIP Team Member. We will coordinate with you, on a case-by-case basis, to find a solution to the challenge.

You are a Valued Customer - We appreciate the opportunities and the confidence you have shown in SIP and we will continue to **EARN** your confidence every day.

Yours, very sincerely and respectfully,

Bharat Agarwal
VP Business Development



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