

# Dennis' Blog

## COVID-19 update

Hello everybody,

Despite the crisis that we are still in the middle of, I do hope you all had at least some joyful and relaxing time during the Easter break. Not knowing how long the crisis will be and what potential consequences it might have for the business creates, of course, anxiety and more questions that we all can't answer today. But what I can tell you is that I see incredible energy and proactive behaviour across the business that makes me very proud to lead you all through the crisis. So my sincere thank you for keeping up and driving the business forward.

Since my virtual townhall from last week, I would like to share a few events that keep you up to date of what is happening across Colart:

1. During the Easter weekend, we lost external connectivity to our Le Mans site. This meant that access to systems located on-site such as M3 were unavailable. Thanks to a tremendous effort from the Infrastructure team led by Stuart Cooney, we were able to rebuild the connection and solve the problem just before Le Mans reopening on Tuesday.
2. Le Mans did successfully restart this week Tuesday with one shift. Led by Dominique Murzeau, very close cooperation across all functions made it possible to get production up and running again applying a "no compromise" policy related to the health and safety of our staff. We have outstanding orders on hand to service customers across Europe, and the International market and Piscataway can't wait to receive containers from Le Mans to build inventory back up to "normal".
3. Unfortunately, we had an unconfirmed COVID-19 case in Piscataway which made Steve and the team rightfully decide to close down the DC for a few days, deep clean the site and work on a reopening next week Monday again. Also, our North American business has a strong order book to fulfil, which is, of course, very encouraging to see.
4. In order to maximise sales and capitalise on the surging growth with our online customers, we had a "what can we do more now with Amazon" session on Tuesday. Kevin Lee, with great input from all Amazon markets and teams globally, prepared a constructive plan to review stock levels. The idea is to fulfil orders, to clean up and build the right catalogues on all respective Amazon websites and to optimise marketing investments and content to drive sales of the products (mainly sets) that we now have available.
5. More and more countries around the world have now been able to release approvals for government employee retention funds. China, France, Spain, Italy, Sweden, Germany are the countries where we will be able to get support for covering some of the employee-related cost. We are still working to find our way in the US, the UK and the Netherlands. A big shout out for the HR team driving and managing all people-related matters in the complex and ever-changing world we live in.

Closing off, I have to repeat that we are still in the middle of the crisis. Yes, we do see positive signs with European countries and operational facilities opening up, China close to “normal” and strong online engagement and sales. At the same time, our strategy remains the same to protect our people, to minimise the burn rate and to focus on business continuity serving customers. As I mentioned during the virtual Town Hall, I believe we are halfway through, and I am convinced we have the people, the brands and a very loyal consumer base to continue to inspire every artist in the world!

**Stay safe, stay connected and stay creative!**

Dennis