

BALDWIN®

April 8th, 2020

To: Baldwin Customers

Re: Baldwin Estate Manufacturing COVID-19

Thank you for your continued partnership as we work together to navigate the unprecedented challenges presented by COVID-19. Our hope is that you and your employees are safe and healthy and remain so during this time.

Baldwin operates a global supply chain with components and finished goods manufactured in different locations. As a result of COVID-19, we have experienced several disruptions in our supply chain that will impact certain product lines much differently than others as different states and countries enact policies to protect citizens and stem the spread of the virus. Our Nogales, Mexico plant is experiencing disruption due to such policies. For Baldwin Estate products, we expect that this could create up to an 8-week delay for new and existing orders if we are unable to fulfill your order with on-hand inventory in our distribution centers. Due to the design of the Baldwin Reserve supply chain, we are able to maintain our current stated lead times.

Our CFC and PTO distribution centers remain fully staffed with cleaning, safe distancing and temperature screenings in place. During this time Baldwin has taken many precautions to ensure the safety of our team members, while limiting any disruption to customers.

Our team is working diligently on providing additional details, in the meantime we have a Frequently Asked Questions section at the end of this communication. We appreciate your patience during this unprecedented time and please know that we are committed to helping every customer with their inquiries.

If you have any immediate questions, please contact your Baldwin representative.

Best Regards,

Nick Kruse

Vice President, Field Sales

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Frequently Asked Questions

Q: What is the background behind the manufacturing suspension?

A: The suspension is being directed by the local Sonoran state government in Mexico.

Q: When does the manufacturing suspension take effect and how long will it last?

A: The suspension of Baldwin Estate manufacturing went into effect on Friday, April 3rd, and we will continue to follow the guidance of health and government officials of Sonora, Mexico.

Q: What products are affected and are there any exceptions?

A: This suspension of manufacturing affects any Estate item that is either built, finished or assembled in any way in Nogales. The only exceptions within the Estate product line are any items that come directly from one of our supplier partners as a "finished good" item stocked at the CFC.

Q: Does this affect Reserve?

A: No, the Reserve line is not affected by Nogales and will continue to function as normal through PTO in Charlotte. The only exception being a few hinge and general hardware SKUs that are finished in Nogales. Please direct any questions on these items to your Sales Rep or Customer Service.

Q: I currently have an open order that has affected Estate product on it, will I still receive it?

A: Any product that has already shipped from Nogales or is in transit to CFC will still be shipped. Any item that has not been started or completed at Nogales could have up to 8 week delay.

Q: What if I have an order that has partially shipped, but need the balance to complete a project?

A: Please work with your Sales Rep or Customer Service to determine what items you still need and if there is availability from one of our wholesale partners. We can also assist with trying to find a complimentary style or finish in the meantime if the project can be switched.

Q: Can I still place a new Estate order if I have a client that would like to wait?

A: Yes, you can still enter an order with the understanding that we do not have an exact timeline for delivery at this point. All new orders will be given an 8-week lead time that will be updated as new information is available.

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Q: How do I contact a Baldwin Wholesaler if I have client that cannot wait?

A: Please work with your Sales Rep or Customer Service and we can connect you with our wholesale partners. We can also assist with trying to find a complimentary Baldwin Reserve style or finish in the meantime if the project can be switched.

Q: How can I determine if something is in stock or not?

A: Baldwin Express will still be functioning at this time and anything in stock at the CFC will provide the available quantity. Anything not in stock will present an extended lead time, whether it comes from Nogales or an overseas supplier. If you would like to know which category an item falls into, please reach out to your Sales Rep.

Q: Can I place an order for my stock if it is showing available at CFC?

A: No, we are asking for all stock order requests to be held at this point for both Estate and Reserve in an effort to direct as much inventory as possible to satisfying open and partial orders related to active project work.

Q: Is the Price Increase that went into effect on Monday still going on as planned?

A: The price increase will continue as launched. To try and revert now would cause further confusion and take the team's focus from servicing the shutdown as best as possible.

Q: What does this mean for upcoming product launches?

A: Any Estate product launch that has been discussed with your Sales Rep should be considered on hold at this point.

Q: Am I still able to get product if needed for a sample or display purposes?

A: All display items are on indefinite hold if product has not already shipped. Reserve samples are still available by request if project related.

Q: If items are available at the CFC, will you drop ship to my customer?

A: Yes, whether Reserve or Estate, we are opening our drop ship restrictions in these tough times to provide the highest level of service possible to our customers.

Q: Will the service level from the Sales or Customer Service teams change with this suspension in manufacturing?

A: No, both teams will continue to operate under the Stay at Home guidelines and are still available to help with any and all questions or issues.