

# CBG production update

## May 4, 2020

Dear Valued Franchisee:

Last week we shared details on the hybrid product fabrication model we are utilizing to produce and get orders to you in a timely manner. Through the utilization of several different plants - both in the U.S. and Mexico - we will more efficiently work through the backlog that has built up these last three weeks.

As we move forward in the normalizing of our production capacity, we will continue to fabricate products at multiple locations. Here are the product categories that orders may be rerouted to sister companies for fabrication through this interim period:

- Most Polyresin Shutters; refer to the [4/24 eBlast](#) for additional information.
- Honeycomb and Cellular Cordless Lift & Lock™ in top-selling fabrics non-fabric wrapped orders. These orders will be produced at Timber Blinds (TX). The fabrics/configurations account for approximately 45% of current orders. [Check here](#) for the current list of available fabrics and options; this list continues to be updated.
- Most Window Shadings orders. This includes all RemoteLift, Continuous Cord Loop, and Retractable cord configurations which account for 80%+ of all orders.
- A percentage of Faux Wood blind orders are being produced at Timber Blinds. Customers with eligible orders have/will receive a separate notification providing details and allowing you to opt-in to this option.

There may be minor differences in the products you receive as well as packaging, labeling, and installation instructions. The sister divisions that will produce orders are not all on the OneHD system so information such as statuses, invoicing, etc., may not be as streamlined as you are accustomed to. We ask for your patience with our Customer Service team as their order status screens will not show the most accurate information and they will need to reach out to the fabrication facility for this data.

These product categories are unaffected:

- Vertical Blinds
- Vertical Shadings

- Composite Shutters

The safety and well-being of our employees remain paramount. Throughout all facilities, we have implemented stringent safety procedures including safe work distancing practices, adherence to personal protection equipment, temperature monitoring, and routine, thorough cleaning procedures. In some instances, it may require that fewer individuals are permitted on-site to allow for the necessary social distancing protocols. We have begun to slowly reopen our facility in Rosarito, MX utilizing the same safety guidelines as outlined above. We plan on being cautious and methodical as we build our capacities back to normal levels.

When our production capabilities are normalized, we will publish lead times routinely. For now, know that orders are produced on a first-in, first-out basis and that we will continue to utilize the hybrid production model described above to work through the backlog and rebuild to our normal operational level you've come to expect from us.



We remain firmly committed to providing the best service possible in this highly unusual business climate. Know that we appreciate each of you and your continued support.

Best regards,

A handwritten signature in black ink that reads "Chris DeBella".

Chris DeBella  
Vice President, Sales