

ERP System Update Report *October 2021*

To our Customer Partners:

In June of this year I announced that Industrial Supply would be implementing a new ERP system. That transition took place as scheduled on July 19, 2021, and we are now working our way through the challenging period of post-implementation. You are entitled to a quick update on our progress.

I wish to express a very heartfelt “thank you” for your patience and understanding during this very challenging period of time. In addition, I wish to apologize for any interruptions in service or supply that you may have experienced since our implementation. Our teams have worked literally night and day since mid-July to make needed adjustments to meet your needs and requirements. Our ERP situation is significantly better than in was on day one, and we expect it to continue to get better every day.

This has been one of the most ambitious challenges we have ever taken on, but we continue to believe that it will provide an important foundation for our ongoing commitment to provide exceptional customer service and the best supply-chain solutions. We expect that this period of adjustment and adaption to the new system will continue for the next couple of months.

If you have any unresolved concerns or problems as a result of our ERP change, please bring it to our attention. Your Industrial Supply sales team stands ready to serve you!

Unfortunately, our ERP transition took place during a world-wide supply-chain crisis. Many of the most difficult challenges we are facing today are as a result of supply chain problems and not because of our new ERP system. We have taken aggressive steps to increase our inventory and to network with our suppliers in an effort to mitigate the supply chain challenges. Our team would be happy to meet with you to help you understand the detail of these matters and discuss methods we can employ together to manage our way through this crisis. Please reach out and let us know how we can serve you.

Thank you again for your patience and support. We are committed to serve you as a trusted partner. If you have questions, you are welcome to speak with your ISC salesperson or directly with me.

Thank you for your business and partnership,



Chris Bateman
CEO
Industrial Supply Company, Inc.

