

September 29, 2021

To our valued clients:

As you may be aware, there are significant paper shortages globally that are impacting every printer's ability to fulfill projects quickly and efficiently. Although the future is uncertain, we wanted to communicate the issue and share Command Lab Forms' approach to ensuring continuity.

What is driving this paper shortage?

We believe it is a combination of the following factors:

- Wood Shortage & rising costs of lumber —
Over the last year, wood pulp prices have increased 20%
- Global Supply Chain Disruption Due to Pandemic
- Decreased Domestic Production
- Decreased Foreign Supply
- Labor Shortages

In 2020 many domestic mills shifted from manufacturing printing paper to packaging paper and brown kraft during the pandemic. This probably occurred to support the shift from retail to online shopping. The demand came back abruptly in 2021 and the mills could not keep up, due to labor shortages and raw materials.

Overseas manufacturers have also had some of the same issues as domestic manufacturers. Shipments from Asia to the U.S. have been at their lowest point in 20 years, due to supply and increased shipping costs.

OUR APPROACH

Command Lab Forms has been working with our paper suppliers strategically to secure adequate supply and to minimize the impact. The strength of our long-standing relationships ensures that Command's requests will receive priority, and we have retained high stock levels to ensure that all required materials go out without delays. That said, it is important that we recommend that all non-regulatory mailings be planned with possible paper shortage delays in mind. Our team has done an excellent job of ensuring we are supplied and ready, but we feel the ongoing communication with our clients is critical in these uncertain times.

We will continue to share updates with you as this situation evolves but wanted you to be assured that Command is managing this challenging situation with extreme care.

Feel free to reach out with any questions.

Thanks,

Gus Truppo
gus@commanddirect.com