

Business Continuity Statement

CalAmp understands the importance of protecting and sustaining information and data flowing throughout our streamlined, yet complex, mobile Internet of Things (IoT) infrastructure. Using wireless connectivity and data analytics, we continue to provide real-time, actionable business insights to our customers and partners through uncertainty and rapidly shifting societal and market demands.

While business continuity and planning have remained a core fundamental at CalAmp, the outbreak of the novel Coronavirus (COVID-19) has proliferated and continues to grow around the world. The World Health Organization (WHO) and Centers for Disease Control and Prevention (CDC) have declared the COVID-19 pandemic a public health emergency and therefore CalAmp takes this situation very seriously.

COVID-19 has changed how we manufacture, manage logistics, ensure optimal network operations and visibility, maintain our vast cloud-based connected IoT ecosystem and support the entire suite of Software-as-a-Service (SaaS) applications and subscription services worldwide. Most importantly, the pandemic has changed how our employees work and we are committed to keeping them safe and productive by continuing to provide dedicated support to our customers and partners.

Safety-First Customer Support

We take employee and customer health and safety seriously and continuously monitor areas in which we operate to ensure compliance with the highest standards. We follow the lead of critical health organizations, like WHO and CDC, and have most of our employees worldwide working from home. This activity alone encourages physical distancing to help flatten the curve, and therefore reduce the spread of COVID-19. We regularly provide health tips, schedule chat sessions, and send “pulse” surveys to employees to ensure their safety and help maintain physical and emotional well-being.

Our support teams are well equipped to work from home or in the office. For those employees who are required to provide on-site support, they are equipped with the necessary tools and safety gear to do their jobs effectively and safely. Our facilities are being cleaned regularly and we have implemented procedures about entering facilities and safe package handling.

Maintaining Business Operations in a Pandemic

The CalAmp Telematics Cloud (CTC) platform combined with our SaaS applications and installed telematics devices and sensors, provides real-time visibility into the locations and conditions of essential goods, transport vehicles and their drivers.

CTC is powered by enterprise-grade Amazon Web Services and continues to reliably and securely transmit millions of messages from high-valued mobile assets to maintain business operations for our customers and partners. Fortunately, CTC enables us to provide 24X7 operational support. As part of our business continuity for service operations, employees who support our platform are equipped with the latest technology to work effectively from the office or home with minimal impact on productivity.

Stabilizing the Supply Chain

In recent months, we have experienced some supply chain disruptions attributable to our one remaining Chinese supplier, the production capacity of which was significantly impaired in February due to the extended Chinese New Year holiday resulting from the COVID-19 outbreak. Prior to that, government-imposed tariffs in China also affected supply. Despite those challenges, we are working closely with all our manufactures to prioritize and expedite production and shipping when and where feasible. As a result, we have made significant progress ramping production and resolving bottlenecks for key components. Furthermore, our ecosystem of contract manufacturers and partners have equally strong business continuity plans that match ours and we continue to work closely with them as demands shift and to ensure they are implementing safety protocols based on WHO and CDC guidelines.

Rest assured we are doing everything in our power to continue to increase the diversity of our supplier base to meet customer requirements as quickly and prudently as possible. While some disruptions in our global supply chain are out of our control, our team is very focused on mitigating such disruption for our customers and partners.

Reliable Stolen Vehicle Recovery Services

While road travel is discouraged at this time, LoJack, in partnership with law enforcement, will continue to provide our stolen vehicle recovery services across the U.S. and in the U.K., Italy and Mexico where we have LoJack subsidiaries. In the U.S. and these countries, we are listening to, and acting on direction from national and regional authorities and taking safeguards to protect our employees while continuing to deliver on our brand promise to dealers and consumers.

To reduce exposure, new service installations will be done at dealerships, as opposed to at-home visits to limit contact and interaction and keep our communities safe. Our installers are equipped with the recommended personal protective equipment and stringently follow WHO and CDC safety protocols. LoJack's 24x7 command centers are operated by smaller teams in secure, segmented workspaces and will continue to be available across all geographies.

Sound Business Fundamentals

CalAmp remains well positioned and well financed to support our customers, partners, employees and operations worldwide. As a publicly traded company, our 30-year history of profitability, scalability and growth gives us the confidence that we will make it through this pandemic and as always we are committed to transparency to all stakeholders. Right now we are focused on protection and prevention, but we are also planning for the restart and rebuilding that will eventually occur.

Remember, we are in this together and no challenge is too insurmountable if we plan and work together. If you have any questions or concerns, please contact your dedicated account team.