

DATE: APRIL 29, 2020

TO: OUR VALUED CUSTOMERS

FROM: ERIC SHIRLEY, PRESIDENT, PATTERSON DENTAL

RE: PERSONAL PROTECTION EQUIPMENT (PPE)

On behalf of the entire Patterson Dental team, I hope this message finds you, your staff and your loved ones safe and healthy during this truly unique time. I want to take a moment and address the issue of Personal Protective Equipment (PPE). We have heard from many of you regarding the importance of PPE as you prepare to re-open your practices, along with frustration about its availability and understand your concerns. The traditional supply chain for PPE is severely disrupted, as many of our suppliers have been forced to divert production into the medical side of healthcare. We are working extremely hard to identify new suppliers and qualify those sources and products to our quality and regulatory standards.

DEMAND FOR PPE

In February, we experienced unprecedented demand for PPE products. To provide product to as many customers as possible, we placed order limits on some of the PPE that was in high demand. Now, as practices begin to reopen, we expect a sustained elevated level of demand from our customers.

Prior to the COVID-19 pandemic the dental market did not regularly use respirator style face masks (N95), face shields, surgical gowns or head and foot covers as part of their standard infection control protocol. However, as new infection control protocols have been recommended and updated by the CDC and OSAP, our customers will be using new and increased amounts of products. Because our supply chain manufactures product for all sides of healthcare, most and in some cases, all of their production has gone to the medical market. Our typical allocations of this product from our current suppliers will simply not satisfy the new demand from our customers. In addition, we are asking our own Patterson teammates to wear PPE in some environments. The demand for these products are at unprecedented levels.

INVENTORY LEVELS

Patterson Dental has been a leader in establishing and maintaining a secure, high-quality supply chain, while providing a high level of customer service and satisfaction. This was a foundational value when we were founded more than 140 years ago and remains one of our core values.

For the past two months we have actively built new relationships and validated products to add to the Patterson portfolio. As part of the process we have made a strategic decision to only add products that are on the approved list by the FDA and CDC. By focusing on products that meet our requirements, we are confident that we will continue to lead the industry in supply chain integrity and keep the health of your practice foremost in our minds. Finding and qualifying new products and sources has certainly been challenging, but we will continue to work through it and remain committed to adhering to our processes and standards.

Over the coming weeks we will be receiving an increased amount of face masks (ear loop and respirator), face shields, thermometers, hand sanitizer, surgical gowns, foot covers and head covers. To ensure an equitable and consistent supply, we will continue to place order limits on these products.

Adding to this challenge is that most new manufacturers of PPE are located outside of North America. We are forced to source product from other parts of the world and transport it in an expedited manner. Along with the elevated levels of demand, raw material costs and transportation costs are much higher. As a result, we are seeing costs for PPE soar. We are doing everything we can to mitigate the impact on you and your practice; however, during this unprecedented time, you will see prices that are higher than normal. A concerted effort was made to hold pricing where possible, for as long as possible, and if costs to source PPE ease, we will act accordingly.

REOPENING TOGETHER

We are committed to having product for our customers as markets open across the United States and Canada. We will continue to aggressively seek new sources and products, and we will do everything we can to mitigate disruptions and shortages.

Over the last few weeks, we have launched new products and technologies aimed at helping you and your practice perform dentistry safely and effectively. Our field teams – your representatives, service technicians, technology advisors, our local branch teams – along with our teammates at the Patterson Technology Center are all at your service to discuss this with you. We have provided training and guidance to our employees so that you, your teams and your patients are treated respectfully and safely.

Thank you for your continued patience and support as we navigate through this difficult time. I'm so heartened by the many stories I hear from you and your teams about the desire to safely begin performing dentistry again. What you do, and what your teams do, is a critical part of the delivery of healthcare, and we are honored that you partner with us in reinforcing dentistry's valuable role.

Eric Shirley
President, Patterson Dental