How the crisis impacts High Tech

**SHORT-TERM IMPACT**

- **DEMAND DISRUPTION**
  - Short-term global demand for almost all products will decline
  - Complex B2B product sales harmed by cancellation of conferences, travel bans and WFH
  - Surge in demand for work from home & remote learning products (e.g. laptops, printers, mobile devices, collaboration SW)

- **SUPPLY DISRUPTION**
  - China supply chains returning to normal by end of March
  - Europe and NA plants risk of closure or reduced capacity
  - Component shortage means further delays when plants reopen
  - Reduction in air and other travel modes harm logistics and final delivery

- **WORKFORCE IMPACT**
  - Fast and massive shift to WFH required
  - High Tech industry better equipped than other industries to adapt
  - Rise in need for employee and employer workforce flexibility
  - Extended period of social distancing and ‘shelter in place’ impacts employee morale

**MID/LONG-TERM IMPACT**

- **DEMAND DISRUPTION**
  - Increase long-term demand for WFH, remote learning and home centric products
  - Accelerating demand for cloud and infrastructure to support distributed workforce
  - Enable shift from product to ‘as a service’ based business model

- **SUPPLY DISRUPTION**
  - Investment in digital supply chain and control tower capabilities improves future agility
  - Companies will diversify supply chains across suppliers and locations
  - Ramped up factory automation will reduce impact that labor shortages have on supply

- **WORKFORCE IMPACT**
  - Companies will have more robust WFH and ‘elastic workforce’ capabilities
  - Many employees will value enhanced flexibility of WFH options

IMPACT

- **Negative**
- **Favorable**