COVID-19 will disrupt companies on both the supply and demand side

- Reduced demand or inability to meet demand due to supply constraints may reduce revenue and profits
- Ability to react to decreased supply or demand will be constrained by the rights and restrictions in commercial contracts
- Companies must make an accurate assessment of the biggest potential disruptions to supply and demand, then take steps to mitigate those disruptions as permitted by its contracts
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**Supply Disruptions**

- Supply chain disruption
  - Raw materials or goods manufactured in China, South Korea, Italy, or other hard-hit areas
  - Transportation and shipping delays
  - Disruptions may lag behind outbreaks and not immediately be rectified if an area begins to recover

- Labor disruption
  - Office closures
  - Public transportation closures
  - Employees are quarantined and unable to work from home
  - Sick employees

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**Demand Disruptions**