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Friday, April 29th, 2022

Bailiwick Clients & Future Clients

RE: Fluctuations in FEP Product Pricing & Availability / Protecting Your Projects with Pre-buys & Space

Dear Bailiwick Clients and Future Clients,

Sheltering you from harm is one of our first and foremost objectives at Bailiwick. During the last two years this involved activities, projects, and decisions none of us would have imagined as we fought through COVID-19 and the subsequent economic and supply chain challenges of rebuilding from it.

Throughout 2021 Bailiwick saw iterations of product increases, availability challenges, and requests to provide long-term storage for client-owned inventory. We did our best to weather the cost and project impacts to shelter you from cost impacts and significant increase in warehouse demands. By Q4 of 2021 we realized two key things:

1. Cabling infrastructure material costs and availability was going to be a long-term challenge, one with iterations of impacts
2. Our clients needed a secure and scalable home for significant purchase of equipment as they fought to shelter themselves from supply chain disruption

In response to this, Bailiwick took the following actions to ensure transparency and stability for your current and future workstreams.

1. We significantly expanded our capacity and capabilities in both our warehouse and consolidation/configuration practices by opening a new 157,000 sq ft facility. We are providing more information on this facility and how you can use it to protect your projects and business against supply chain concerns on page 2.
2. We are adjusting cabling infrastructure pricing to current market conditions. We are also making a number of strategic pre-buys for our clients based on firm contractual commitments to protect them from substantial lead time delivery constraints the industry is currently operating under.

#### **Cabling Infrastructure Pricing:**

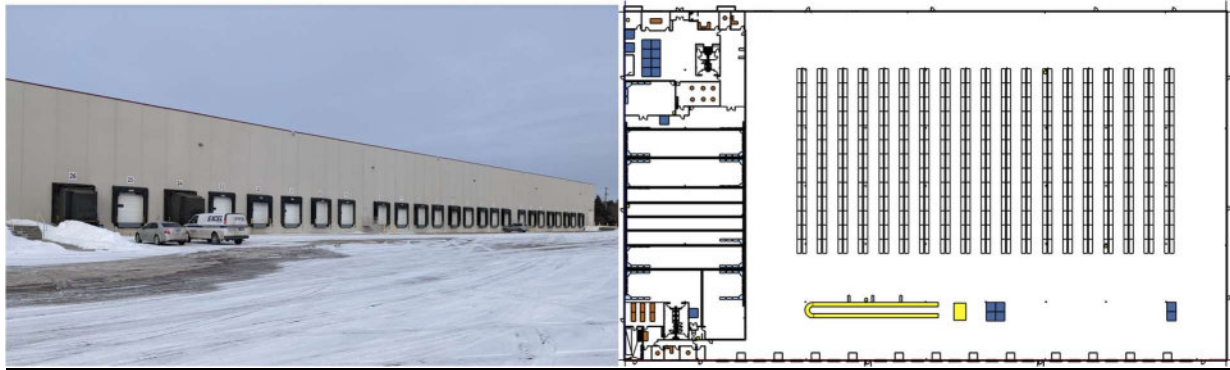
- Existing contracts and relationships: The Bailiwick sales team worked through all contracted workstreams in Q4 of 2021 and addressed current contract cost changes with our contracted clients. We believe the measures we took will shelter you, at least through the first half of the year. We are seeing more cost and availability concerns from the industry leaders and are watching it closely. Your sales executive will contact you should availability or cost pressures become a risk for your projects.
- New project proposals: All of Bailiwick's new solutions are designed with the most current market information; however, this information and pricing may fluctuate from the time of the delivery of your proposal until your decisions are final.
- Strategic Pre-Buy: We know your proposal evaluation periods can be lengthy which can create greater exposure for price and lead time impacts. As such, Bailiwick can offer the following options for you:
  1. Lock-in and pre-buy – you can elect to purchase infrastructure materials for your project. Electing to pre-buy will allow you to lock in fixed pricing as well as provide predictability for leadtimes on the



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product. This decision can be made outside of the larger award for your proposed solution. Please contact your Bailiwick Sales Executive if you wish to pursue this option

### **Enhanced Warehouse & Configuration/Consolidation Services:**



We know our clients and future clients are taking proactive measures to secure the products they need to bring stability to the projects they need to deploy to grow, innovate, and maintain their sites. In our current macro-economic environment that means ordering further in advance than we have ever seen. Some organizations are ordering today for 2023 projects.

We get it.

And, we have the space for it.

Regardless of whether you are using Bailiwick for all aspects of a future deployment, and regardless of whether the items you are buying are technology assets or furniture, we have space for you. And, our asset management practice delivers 99.999% levels of accuracy in how we maintain your products so you can rest assured that what you buy will be ready for you when you need it – this year or any year in the future.

We are here and we can help. Please contact your Bailiwick Sales Executive if you have any ideas or questions on how our expanded, secure, and scalable space can be a tool for you.