

September 3, 2022

Dear valued Kinesis keyboard users and prospective users,

I wanted to take a minute to provide an apology for how the Advantage360 rollout went yesterday and provide some further context for how it happened, and where we go from here.

Site Outage

First off, on behalf of everyone at Kinesis, I would like to apologize that our website crashed yesterday and that it took slow long to get it back up. We worked with our hosting service to prepare for an increase in traffic but we were caught off guard by the sheer number of shoppers, and for that we're sorry. I know some people spent several hours on stand-by refreshing the page and still didn't get the keyboard, and I feel terrible about that.

Our Manufacturing Operation

Kinesis has been building contoured keyboards since 1992 but we have always been a small company. We have a full-time staff of 14 people who are responsible for manufacturing, shipping, engineering, design, sales, marketing, tech support etc (nobody wears just one hat here). The Advantage360 project kicked off more than 3 years ago has been a real labor of love for all of us.

As some of you may know, the Advantage360 is built at our small facility outside of Seattle, Washington. Due to the nature of the contour keyboard's geometry, every single key switch gets installed, soldered, and key-capped by hand. Our 4-person manufacturing team has been working full-time building Advantage360s for the past ~45 days. While we have 30 years of experience building these kind of keyboards, the Advantage360 is significantly more complex than its predecessors due to the integrated tenting mechanism and the fact that each key module is essentially its own keyboard.

Our initial focus was on building the first 500 pre-order keyboards, the last of which were delivered to Drop's warehouse in New Jersey on Aug. Since that time, we've pivoted to building up our Advantage360 inventory in preparation for yesterday's "retail" launch.

Launch Decisions

We've "launched" a handful of products over the years, but never one had so much built-up demand, so this is/was all uncharted territory for us. We knew we wouldn't be able to physically build enough keyboards to meet the entirety of that projected demand until early 2023. We considered pushing the launch out until then, but having a bunch of keyboards sitting in our small warehouse for 4-6 months meant EVERYONE would have to wait.

So the question became, "What's the best way to sell these when we know we don't have enough to go around?". We discussed various options but ultimately decided that funneling everyone to our site for the initial launch was best. That way we could retain control over messaging, pricing, inventory, and customer support. We did our best to communicate the plan for this release early and often to make sure everyone had a <u>fair</u> chance to try to buy a keyboard yesterday.

Note: To those of you who interpreted "On Sale September 2" as meaning at 12:01am, we are really sorry. We were intentionally vague on timing to retain flexibility to launch at some point during our normal business hours so we could troubleshoot issues in real-time. It never occurred to us people would jump to that conclusion but next time we will be more explicit in our language.

If you were able to place an order yesterday

We were all-hands-on-deck entering orders yesterday evening and we will resume that effort on Tuesday after the holiday weekend. If you have questions or concerns about your order (or didn't receive a confirmation email), please feel free to contact us at sales@kinesis.com. Just know that replies will be slower than normal while we work through the UNPRECENTED volume of orders we received yesterday.

All keyboards have been built and orders will begin shipping out next week beginning with the SmartSet USB keyboards. In the interest of fairness to everyone and to process orders in the promised time-frame, we are not able to modify or combine orders.

Note: We know there are some Drop customers who are frustrated they aren't getting their Pro keyboards much sooner than retail customers. We regret we weren't able to get you the keyboards earlier but we anticipate they will still ship from Drop before yesterday's Pro orders, and you did benefit from reduced pre-order pricing and the ability to choose your keycap set.

If you were NOT able to place an order yesterday

We are very sorry! I read every single comment/message on social media yesterday and I know some people were left very frustrated that they invested so much time and came up empty-handed. Unfortunately I don't have an easy way to make that right in the short-term.

But know that we are hard at work building more keyboards and we'll let you know when the next release becomes available via our email mailing list and social media. And we'll learn from what happened this round and try to make the purchasing experience better.

Next Steps

I'll do a full debrief next week with my team but my sense is for the next "release" we may choose to provide a keyboards to all of our retail partners at once. That won't address the shortage of keyboards but it will distribute the workload on us and mitigate the risk of site outages. The trade-off is it will mean you guys will be left chasing inventory across the web.

Custom Switches

We are working to get Upgrade Keyboards up to speed with the Advantage360 as we know there are many of you waiting patiently for a Signature Series built with custom key switches. They have years of practice working with our earlier contoured boards, but the Advantage360 is a whole different beast. We are hoping to have that available around November. If you are interested in a custom Advantage360, please let Upgrade Keyboards know so they can calibrate their initial stocking order (and lead times).

https://upgradekeyboards.com/pages/contact-us

Customers outside the US

We are hoping to have the Advantage360 available outside the US in November as well. If you haven't already, please contact your local reseller and ask to be put on their "360 interest list" so they can calibrate their initial stocking orders.

https://kinesis-ergo.com/resellers/

If you'd like to send me a note, I'd love to hear from you at media@kinesis.com.

If you are corresponding with our Sales team via email, please be patient. They are doing their best to respond to three month's worth of emails/orders/questions that showed up in their inbox yesterday.

Best,

Dylan Hargreaves

President Kinesis Corporation