

TagMaster launches cost savings program to manage the effects of COVID-19

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TagMaster, a leading supplier of advanced sensor systems for Smart Cities within Traffic and Rail, launches a cost savings program at its operations in Sweden, the United Kingdom, France and the United States to counter the supply and demand changes caused by the global Corona pandemic. The program includes short-term permits, short-term weeks, changed purchasing routines and general cost savings.

As a consequence of the global COVID-19 outbreak and an increasing number of countries closing down, negative effects on the world economy and on the countries where TagMaster operates are expected. Therefore, the company has decided to launch a cost savings program to proactively manage an expected worse business climate in the coming quarters.

“First, we had problems keeping production of sensors at full speed due to the lack of input goods from China. In the past two weeks, we have also begun to face a reduced demand as our markets close down. That is why we have decided to implement a number of savings measures to counter this change in our operation both Europe and the United States”, said Jonas Svensson, CEO, TagMaster.

In the coming quarters, TagMaster employees in Sweden, England, France and the United States will be included in initiatives linked to shortened working hours. Short-term permits have already begun to be implemented in France and Sweden, while short-term weeks are introduced in the US operations beginning April. In England, TagMaster is following developments in the action packages presented by the British state and expects to launch cost savings initiatives in the UK business over the next week.

In addition, TagMaster companies in the different countries apply for postponement for payment of payroll taxes, preliminary tax and VAT. In all operations, purchasing routines and forecasting are changed to avoid creating too large stocks of input goods.

“Currently we prioritize serving our customers, retaining our employees and reducing our costs. We continuously monitor the business situation and plan continuously for changed scenarios,” said Jonas Svensson.

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About TagMaster

TagMaster is an application driven technology company that designs and markets advanced sensor systems and solutions based on radio, radar, magnetic and vision technology for demanding environments. Business areas include Segment Europe and Segment USA sold under the brands TagMaster and Sensys Networks with innovative mobility solutions in order to increase efficiency, security, convenience and to decrease environmental impact within Smart Cities. TagMaster has subsidiaries in UK, France, US and Sweden and exports mainly to Europe, The Middle East, Asia and North America via a global network of partners and systems integrators. TagMaster was founded in 1994 and has its headquarters in Stockholm. TagMaster is a public company and its shares are traded on First North stock exchange in Stockholm, Sweden. TagMasters certified advisor is Erik Penser Bank phone +4684638300, E-mail: certifiedadviser@penser.se www.tagmaster.com