

Launching C19 Coalition: 20+ Organizations and Individuals Join to Double PPE Production and Distribution to Give Every Healthcare Worker the Protection They Need

April 30, 2020. C19 Coalition launches a cross-sector effort and call to action to address medical equipment shortages for America's hospitals and critical infrastructure in partnership with state governments

COVID-19 has put unprecedented strain on America's healthcare system and economy. The sheer volume of personal protective equipment (PPE) required not only for healthcare workers, but for those serving critical infrastructure such as utilities, logistics, and food, has created a fundamental challenge. To get PPE to those who need it most, more than 20 organizations, companies, and philanthropists have joined forces to establish the coalition, which is leveraging its collective assets to combat the problem. C19 Coalition is supported by [Schmidt Futures](#) as well as organizations, such as Flexport, HP Inc., Gerber Technology, Helena, Resolution Medical, Formlabs, FIGS, PCH International, The Manufacturing Coalition, Open Source Medical Supplies Group, Cardinal Health, Fictiv, Hardwire LLC, Adaptive Energy, GetUsPPE.org, The COVID-19 Policy Alliance, Operation Masks, Project N95, Tulip, and Volkswagen of America, Stop the Spread, and individuals including Jennifer and David Millstone, Sharon Prince, and Mike Lee and Albert Lee. C19 Coalition is a not-for-profit 501c3 organized by volunteers including [Molly Dillon](#), [Joe Wilson](#), [Peter Pham](#), and [Zoe Ng](#).

Since March, coalition members have manufactured and distributed more than 100 million net new units of PPE across the country. The group is working collaboratively with the National Governors Association (NGA) and directly with states like New Jersey to acquire more information about the greatest needs and how to activate public-private partnerships.

However, more PPE is still desperately needed. The 100 million units represent a fraction of the total need for the U.S. healthcare sector alone by the U.S. Department of Health and Human Service (HHS) estimates. One nurse can go through as many as 100 pieces of PPE in a single day treating COVID-19 patients. PPE goes beyond just N95 masks — one set of personal protective equipment includes a mask, goggles, face shield, coverall or gown, shoe protection and gloves.

With hospitals projecting they will need at least 20 times their regular supply of PPE, HHS estimates that throughout the pandemic, 3.5 billion N95 masks will be required to support the healthcare system alone. The World Health Organization (WHO) estimates that each month 89 million medical masks, 76 million examination gloves and 1.6 million goggles will be required for the COVID-19 response. Beyond that, additional supplies will be needed for other frontline and essential workers including firefighters, the police, warehouse workers, grocery staff and more.

To scale up its impact, C19 Coalition is announcing new commitments from organizations such as HP Inc., Flexport, and Cardinal Health, and asking more leaders to join in making commitments to action.

The coalition's initial goal is to double from its current level of net new PPE production and distribution.

Commitments Announced To Date

Increasing supply of medical-grade PPE, especially through domestic production and international supply chains.
To close the PPE shortage, both domestic and international supply needs to meet the 20X demand from

healthcare, in addition to the needs of the American public and workers. Products made in the U.S. have the additional advantage of higher trust in quality through faster testing, as well as faster delivery times.

- **Domestic manufacturers are investing in repurposing and retooling production lines to produce more than 20 million units of net new PPE per month.** HP Inc. has activated its global network of 3D printing partners to expedite production of medical supplies, equipment and devices and has made validated design files for many of the parts freely available. Groups of manufacturers such as the Manufacturing Coalition (led by Young Presidents Organization members), comprising more than 200 U.S. manufacturers and over \$2B in revenue, are aiming to produce minimum 100,000 isolation gowns per week as a starting initiative with aspirations to scale. Operation Masks, with its direct relationships in China, will advise domestic manufacturers on sourcing melt blown fabric and equipment for N95 and gown production to capacitate quickly. Resolution Medical, a FDA-registered *in vitro* diagnostic and medical device manufacturer in Minneapolis, Minnesota is committing to ramp up production of lattice swabs within a month from 50,000 to up to 1 million swabs per week. Hardwire, LLC, a manufacturer of armor for military vehicles and personal protection in Pocomoke City, Maryland, is committing to scale to production volumes of more than 500,000 face shields per week.
- **Medical distributors and technology companies are making it easier for domestic manufacturers to produce and deliver PPE.** Cardinal Health is committing to share product specifications for PPE items facing the greatest shortages to support domestic manufacturers who are repurposing facilities. Additionally, Cardinal is offering expedited onboarding for new suppliers producing medical-grade products to speed distribution to front-line healthcare professionals. Gerber Technology is assisting more than 1,000 companies to produce PPE through free resources such as production-ready files and other technology support services. Gerber customers are cumulatively producing more than 120 million masks and several million gowns per week.
- **Nonprofits are ensuring that only trusted international suppliers are providing the best PPE for frontline workers.** [Helena](#) and Operation Masks have vetted hundreds of suppliers, and after removing fraudulent leads and with on the ground inspections in China, they have secured direct access to FDA- and EUA-approved only suppliers with more than 100 million monthly production capacity of NIOSH N95, KN95, ASTM surgical masks, swabs, and Level 2/3 gowns available for U.S. government entities and hospital systems.
- **Logistics companies are enabling international supplies to land faster.** Since January 2020, Flexport has delivered more than 62 million units of medical supplies with partners such as United Airlines and Atlas Air. Flexport.org has awarded \$5.3 million in funds. As of today, Flexport.org estimates that these funds will enable the delivery of more than \$90 million worth of PPE and other medical supplies. Moving forward, Flexport is continuing to charter additional capacity into areas of need to ensure swift transportation of COVID-19 supplies.

Enabling more accessible PPE procurement with \$30+ million of bridge financing capital.

In this new environment, those looking to acquire PPE for healthcare workers are faced with opaque market pricing, brand new vendors, multiple middlemen, and suppliers requiring a minimum of 50 percent upfront just to queue an order. These organizations are overwhelmed, having largely only procured by paying 30 days after receipt through approved vendors. This fundamental payment term difference has become a significant hindrance to getting PPE to workers. This inability to provide upfront capital to guarantee allocation, along with lacking processes to ensure quality of PPE purchased overseas, is what C19 Coalition members are working to solve.

- **Philanthropic foundations and individual donors including Helena, Flexport, Jennifer and David Millstone, Sharon Prince, and Mike Lee and Albert Lee are providing working capital as interest free loans and renewable grants.** These grants break the stalemate by providing purchase order financing to allow hospitals and other healthcare organizations to purchase PPE quickly. To date, the coalition has deployed more than \$32 million in capital to purchase over 38 million units of PPE with a zero percent loss rate. Coalition partner [Helena](#) was the first organization to step up, raising and deploying \$18 million of non-profit bridge capital. C19 Coalition members will continue to recycle contributions, which provide tremendous leverage of \$10 of PPE for every \$1 from donor loans, cutting weeks to receiving PPE & costs by half.
- **Coalition members are providing access for smaller volume buyers with this capital.** There are more than 100,000 locations and organizations across the country, such as retirement homes, fire and police departments, hospice facilities, paramedics, community clinics, rural hospitals, tribal governments, and homeless shelters, with limited budgets that currently have few, if any, reliable ways to purchase PPE at affordable prices. Nonprofits such as Operation Masks are committed to using their buying power from large orders in states like New York and Hawaii to serve these smaller orders through its website (shop.operationmasks.org) with price parity of larger orders delivered in days, not weeks.

Sharing data and intelligence allow the PPE supply chain to respond to demand. Making more information and data public will increase transparency in the market, reduce uncertainty for purchasers, and improve the route to market normalization.

- *Demand.*
 - For additional domestic manufacturers to ramp up production, they need information about what products to produce at what scale over the next few months, into 2021, and beyond. Today U.S. manufacturers have limited aggregate demand signals to respond to, which means that efforts are at lower scale and leverage than needed. Member organizations such as [GetUsPPE.org](#) and [Helena](#) have committed to improving demand understanding through sharing incoming orders with burn rates plus a regional lens. Helena has built a free [software platform](#), in use by the US Air Force and other partners, to map hospital-level demand and help aid responders allocate supplies where they are needed most.
 - States are also working collaboratively with the coalition to further acquire and provide information about PPE items in highest demand and where they are needed so that manufacturers can respond and feed into existing supply chains.
- *Pricing.* For buyers who do not traditionally order such large volumes of medical supplies, it is extremely hard to gauge fair market pricing in such a volatile market. [OperationMasks.org](#), and [Helena](#) have committed to sharing regular pricing data from latest purchase orders to provide clearer indicative pricing for key items such as N95, KN95 and various isolation gowns.
- *FDA and customs clearance.* With such an incredible influx of new suppliers, it is often challenging to navigate borders and product clearance, which holds up potentially life-saving PPE items in warehouses or at ports. Flexport is providing pro bono advisory services for suppliers on customs clearance as well as Food and Drug Administration (FDA) filing support for new manufacturers producing PPE.

C19 Coalition is actively seeking partnership and commitments to action from other organizations that are working to address medical supply shortages including in the following three areas:

- **States and localities** interested in sharing information about demand needs that coalition members can respond to, including specific facilities that need access to working capital to de risk PPE purchases, and manufacturers in their state looking to switch operations to produce PPE domestically.
- **Domestic manufacturers** that are producing or want to repurpose and retool to produce net new PPE and want help from the coalition to access information about demand, pricing, and technical specifications; expertise to help with retooling, FDA, and customs compliance; and connections to distributors to feed into existing healthcare supply chains.
- **Philanthropists and institutional investors** who are interested in providing philanthropic zero interest loans or low interest working capital loans to purchase PPE. This provides 3x leverage in 60 days where capital will be recycled once paid back by healthcare facilities in need within 2-3 weeks and reused to purchase additional PPE for the next hospital and frontline workers.

If you are an organization interested in bringing your efforts into C19 Coalition please contact molly@c19coalition.org.

Quotes

“Advanced 3D printing technology has played a critical part in meeting the urgent needs of local markets and communities around the world in the battle against Covid-19. C19 Coalition is helping to integrate the important innovation and contributions coming from across the 3D printing community with other efforts across technology, government, health, and industry to combat this pandemic. From making design files widely available to mobilizing our global network of partners to produce millions of 3D-printed parts, HP is committed to doing our part to help medical professionals on the front lines.”

-- **Ramon Pastor, Interim President, 3D Printing and Digital Manufacturing, HP Inc.** (Press contact: Michele Guthrie - michele.b.guthrie@hp.com)

“Ensuring medical equipment gets to frontline responders requires navigation of complicated and logistics hurdles ranging from customs clearances to securing space on fast-moving transportation methods like planes. Flexport.org activated COVID-19 relief efforts this January and has shipped over 62 million units for the response efforts since then. As a part of C19 Coalition, we’ll continue to leverage our technology and network of logistics partners to move even more medical equipment where it is needed.”

-- **Susy Schöneberg, Flexport.org Founder** (Press contact - Raman Deol - press@flexport.com)

“Doctors, nurses, and police officers on the front lines of this crisis are risking their lives to protect ours. They deserve all the help we can give, and Helena is proud to be working with the C19 Coalition to provide it. Since early March, Helena has helped route tens of millions of units of PPE to hospitals, State governments, and local emergency departments, and built our free, open-source COVID Network software from scratch to help make sure supplies are sent where they are needed most.”

-- **Sam Feinburg, Executive Director, Helena** (Press contact: Danielle Finck – press@helena.org)

“To counter the speed of COVID-19, we must come together efficiently and take calculated risks to support innovative models for scaling credible supply chains, real-time communication platforms, and delivery

infrastructure. Grace Farms Foundation is filling a critical PPE gap in Connecticut, and our experience shows the great need to add to the funding velocity for Helena's nationwide cross-sector C19 Coalition."

-- Sharon Prince, CEO of Grace Farms Foundation

"We are happy to be supportive of C19 Coalition, and provide our charitable dollars to be used to finance the POs for these hospitals and states that are unable to change their embedded procurement rules overnight. This effort will get PPE to healthcare workers faster, and more importantly there is tremendous value in C19 Coalitions transparency in pricing, which has been a black box and has allowed profiteering to feed off this epidemic."

-- Mike Lee and Albert Lee, Co-Founders, MyFitnessPal

"The Manufacturing Coalition represents hundreds of manufacturing companies who have come together to supply PPE and medical resources, and is composed of American entrepreneurs with deep manufacturing expertise. We are extremely excited to be working with C19 Coalition, which is helping define the most pressing life-saving PPE needs we face. These needs are being met by Manufacturing Coalition members who have rapidly pivoted, or augmented, their business to manufacture goods to fight COVID-19, and meet the equally important responsibility of establishing American supply chain independence."

-- Shirish Pareek, Lead & YPO Member, former U.S. President's Manufacturing Council, 2012

shirish@amgrowth.com)

"Operation Masks is non-profit with a sole focus on delivering as much PPE as possible from the factory to the frontlines. We do this with a custom built end-to-end medical supply chain, on the ground quality control staffing in China, and direct relationships with trusted suppliers to get masks, gowns, and other PPE to the governments and hospitals as quickly as possible. Partnering with C19 Coalition allows us to accelerate our efforts to support our heroes in the front line."

-- Robin Chan, Co-founder & CEO, Operation Masks (media@operationmasks.org)

For further comment and background please contact:

- **C19 Coalition** - Molly Dillon (molly@c19coalition.org), Joe Wilson (joe@c19coalition.org), Peter Pham (peterpham1@gmail.com)
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- **HP Inc.** - Michele Guthrie, Press, 3D Printing & Digital Manufacturing, (michele.b.guthrie@hp.com)
- **Manufacturing Coalition** - Shirish Pareek, Lead & YPO Member (shirish@amgrowth.com)
- **National Governors Association** - Eric Wohlschlegel, Communications Director (ewohlschlegel@nga.org)
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