

# 3M: A Jensen Quality Growth Company in Action

March 26, 2020



All,

We hope that you and your families are staying well and remain in good spirits during these uncertain times.

While there are many short-term unknowns in the world today, there is also an opportunity to rally together to provide support and relief where we can. One update we wanted to share is the actions being taken by 3M (MMM), a current Jensen Quality Growth Strategy holding, whose mission is to use science to improve lives and solve the world's toughest challenges, which particularly resonates now in light of the current COVID-19 pandemic.

Following the SARS epidemic of 2003, 3M implemented critical changes to its business model to position itself to react more quickly and efficiently to unexpected surges in demand. The company subsequently dedicated significant resources to improve its production capabilities and today 3M is equipped for "surge capacity" in its factories throughout the world. The company has an inherent ability to move quickly. For example, wherever possible, 3M sources materials for its respirators from providers nearby their manufacturing plants to more quickly serve its local customers, instead of moving their production to lower-cost countries.

Today, N95 masks are desperately needed throughout the country and the world to protect essential workers from exposure to COVID-19. In the last two months, [3M has doubled global production of these masks](#), producing and distributing approximately 100 million a month, with additional investment planned to increase production levels within the next 12 months. Beyond that, 3M CEO Mike Roman announced the company sent 500,000 respirators to cities severely impacted by COVID-19, namely Seattle and New York City, and the business has plans to double capacity for [respirator production](#) to 2 million globally.

At Jensen, we're proud to invest in quality, resilient companies, like 3M. 3M is a good example of a Jensen Quality Company, built to weather economic uncertainty, and, as a reputable corporate citizen, it also remains committed to its stakeholders that today includes the global population.

We commend 3M for their immediate action to support the global efforts to combat the spread of COVID-19. As we continue to monitor the impact of this event, please remember that we're in this together and we are here to support you and your families.

All the best,

The Jensen Private Client Team

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