



## GOLD STAR FOODS

August 21, 2021

Dear School Nutrition Partners,

The COVID-19 pandemic marked a period of tremendous stress and transformation for school nutrition programs. It highlighted the resiliency of your department while also revealing the instability of supply systems and the ripple effects that occur when they are disrupted. Throughout these challenges, the school nutrition industry has pivoted time and again to deliver on one of the largest emergency feeding responses in history. The Gold Star team could not be prouder to have worked alongside you during these times.

Now, we are facing another extraordinary task – reopening schools. As we work to meet the needs of this moment, we are facing new challenges as the pandemic is causing serious disruptions to supply chains across the country. These disruptions are impacting every industry, but the School Nutrition Supply Chain is in many ways more impacted than others.

Manufacturers across the nation are experiencing scarcity of raw materials, rapidly increasing ingredient costs, labor shortages and reductions in available trucks. These issues extend to distribution, and many Distributors are unable to maintain a supply of K-12 items and are choosing to abandon agreements with school districts in favor of other foodservice markets.

I am reaching out to assure you that Gold Star Foods will remain completely dedicated to the School Nutrition Industry *only*. And while we are not immune to the disruptions impacting the broader industry, we are using the full breadth of our system to navigate these challenges, find solutions and limit their impact on you, our customers. Anticipating these challenges, we began in the Spring by:

- **Doubling Down on Recruitment:** Actively hiring additional K-12 Customer Service Specialists, warehouse personnel, drivers and other high quality team members – ensuring our workforce remained strong.
- **Investing in Inventory:** Identifying and investing aggressively in inventory of widely used items – enabling us to better offset shortages with alternatives as much as possible.
- **Leveraging Technology:** Launching improved technology solutions to manage the changing supply-chain & internal logistics.

We have been working for months in preparation to meet your needs while weathering the challenges facing the entire industry, but it's important to note that even with these investments, Gold Star is not immune to industrywide, ongoing supply chain issues. And while we are doing all we can to minimize impact, the service you are accustomed to may be affected by these circumstance - including shifts in product availability or delivery timing.



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I want to communicate with you proactively on this front and am committed to continued communication as we work to meet this moment. I also want to assure you that the entire Gold Star team remains completely dedicated to the School Nutrition Industry during this time - you are our sole focus and priority.

I cannot say when these circumstances will change or level out, but I can promise our continued commitment to identify unique solutions that enable us to meet the task at hand. You have our pledge to weather this as we have together over the last 18 months. Please feel free to contact me directly with any questions or if you would like to discuss further.

We are proud to be your School Nutrition Partner!

Sincerely,

Sean C. Leer  
CEO