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9/21/2022

Highly Pathogenic Avian Influenza

Dear Valued Customer,

As the weather is cooling, Avian Influenza is re-emerging quickly and aggressively nationwide. While the expectation was that the Bird Flu would come back in the fall, the breadth and scope of its re-emergence was unexpected. The egg market is responding. In the past three weeks 4.5 million layer hens have been infected, and are being culled.

The virality and resiliency of this virus is unprecedented. We expect it to stick around through the cold weather, and possibly re-emerge again in the spring. This is affecting both cage free and conventional birds.

As a result, we are anticipating high demand through the end of 2022, and less availability of eggs for processing. Echo Lake will be monitoring orders every day and will continue to work with our suppliers and bring in eggs for processing as available.

Finished goods pricing will continue to be market based. Costing will be handled on a weekly basis, and our customer service team will be reaching out to confirm costing before scheduling your orders to ship or be picked up. The expectation is that costs will rise from their current levels beginning the week of 9/26/2022. For any questions on costing, please feel free to reach to your sales representative.

As we stated in our letter back in March, this continues to be a longer-term problem. We do not know when this virus will die out and the market will stabilize. We are reviewing all ways possible to minimize the negative impact this is having on all of us. We apologize for the inconvenience.

Sincerely,

Echo Lake Foods Management