



September 15, 2022

To: Our Valued Customers

From: Michael Foods

RE: K-12 Schools, Product Supply Update

This notice is being provided to update you on the current performance of our pre-cooked manufacturing network.

Service constraints on our pre-cooked egg patty, omelets, and French Toast products are primarily related to staffing challenges at production facilities. While we have made some sustained progress in adding staff in the most recent three months, labor scarcity continues to put pressure on our production levels. These staffing issues are the primary reason our service rates have fallen below expectations.

Please be aware that our operations and plant teams are working tirelessly to increase staffing and improve our production and service performance. While we expect sustained improvement in our production, we understand that many of our customers are challenged by our recent service performance. We apologize for any disruptions these challenges have caused.

If you would like to adjust your menu and planning to items that have more consistent availability, we are recommending several other product types that are popular in school kitchens and are USDA Foods Eligible at \$0.63136/lb. of egg content per case. These products include:

- Hard Cooked Eggs, Bulk, Frozen Diced and IW 1 and 2 count
- Fully Cooked Refrigerated Scrambled Eggs, *Papetti's*® and *Abbotsford Farms*® Cage Free
- Frozen Whole Egg and Scrambled Egg Mixes, *Papetti's* and *Abbotsford Farms* Cage Free
- Refrigerated Whole Egg and Scrambled Egg Mixes, *Papetti's* and *Abbotsford Farms* Cage Free

If you are interested in exploring opportunities associated with these recommended items, please contact your Michael Foods Sales or Customer Service Representative.

Thank you for your continued support of Michael Foods.