



# McCain Foods North America

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**Date:** June 11, 2021

**To:** All McCain Distributor Partners  
McCain Partner Sales Agencies  
McCain US Foodservice Sales

**Cc:** McCain Customer Solutions, Appetizer Brand Marketing, Potato Brand Marketing

**From:** McCain North America Sales Operations

**RE:** Potato & Appetizer Order Service Recovery Plan

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Over recent weeks, markets across North America are seeing vaccination rates increase, new cases of COVID-19 in decline, and a sense of normalcy resume as public health restrictions are relaxed. These factors in combination with the flow of federal stimulus support direct to households is creating a sharp acceleration in out-of-home food spending and traffic across the foodservice industry.

Inside of this dynamic, demand for McCain products is exceeding overall industry projections, driven by, growth in off-premise, and the return of on-premise occasions. Additionally, labor volatility and availability of raw agricultural products is creating additional constraints on near term supply.

This combined effect has depleted internal safety stocks and we now anticipate challenges in consistently meeting our committed service levels until the upcoming crop year transition. As an industry leader, McCain continues to make significant investments in network capacity and productivity improvements to support our customers' growth. In building these initiatives, our work has highlighted the challenges of portfolio complexity and the value of an efficient, simple assortment to meet the needs of the market. As Category leaders, we will be implementing a portfolio simplification initiative to unlock the growth potential in our mutual business, increasing the responsiveness of the supply chain and supported with a commitment to quality. We will be sharing the full details of this in the coming weeks.

In the interim, to mitigate the impact of this as much as possible and best meet demand across the marketplace we will be deploying an allocation model for select Potato and Appetizer products. The allocation plan will go into effect on July 1 and is based on pre-COVID historical order patterns.

In Potatoes, allocations will extend through the upcoming harvest and crop year transition, with Chopped & Formed products to remain on allocation through the end of the calendar year, when new capacity comes on line. For Appetizers, allocations will extend through the end of the calendar year.

This allocation plan will be effective July 1 and will remain in place as noted below.

Product Form	Allocation Effective	Allocation Rate	Expected Recovery
Potato: Fries	July - August	80-85%	September
Potato: Spiral, Lattice, Wedge	July - October	80-85%	November
Potato: Chopped & Formed	July - December	75-80%	January, 2022
Appetizers: All	July - December	70-75%	January, 2022

In addition to the above allocation plan across the Appetizer portfolio, the product categories below will be temporarily unavailable from July through December, 2021 as we prioritize the recovery of the core assortment. The below listing represents all McCain branded items within French Toast Sticks, Formed Onion Rings, Green Beans and Early Risers stuffed hashbrowns.

Product Type	SKU	Item Description
French Toast Sticks	96110844	McCain® Grabbitizers® Battered French Toast Sticks 5X2 LB
	1000001261	McCain® Grabbitizers® Battered Whole Wheat French Toast Sticks 5X2 LB
Hash Brown Handheld Breakfast	10310688	McCain® Hash Brown Handheld Breakfast [Bacon, Egg & Cheese] 4X3.75 LB
Green Beans	50010917	Anchor® Battered Crispy Green Beans 4X2 LB
Preformed Onion Rings	40010017	Moore's® Breaded Preformed Onion Rings 12X2 LB
	40010233	Moore's® Breaded Preformed Onion Rings 8X2 LB
	96110848	McCain® Grabbitizers® Battered Preformed Onion Rings 12X2 LB
	96110849	McCain® Grabbitizers® Breaded Preformed Onion Rings 12X2 LB

Finally, in addition to the above allocation plan across the Potato portfolio, the Chopped and Formed items below will be temporarily unavailable from July through October with availability returning in November.

Product Type	SKU	Item Description
Chopped and Formed Items	1000002789	McCain® Reduced Sodium Tots 6x5 LB
	1000006009	McCain® Sea Salt and Black Pepper Tots 6x5 LB
	1000006188	McCain® Round Reduced Sodium Hashbrown 6x5 LB

We will keep you informed on our progress with updates as we work to fully rebalance supply and demand. Thank you so much for your partnership and please know that we are continuing to evaluate all opportunities to accelerate supply recovery in this moment as the industry recovers its momentum.

Should you have any questions, please contact your McCain Sales or Customer Solutions Representative.