



May 5, 2021

Leslie Sarasin, President & CEO
FMI – The Food Industry Association

Greg Ferrara, President & CEO
National Grocers Association

Dear Leslie and Greg,

I'd like to bring to your attention another serious challenge the produce supply chain is facing today (as if we needed another one!)

The shortage of lumber and wood products is making the cost of wood pallets go through the roof, and we're hearing from many of our members that they can't get availability no matter what the cost. Availability is a huge challenge especially for smaller farmers. Apparently all the lumber is going to construction needs. Initially we thought this might be a regional problem, but we're now hearing similar concerns coast to coast and from importers as well.

It would be very helpful if you could advise your members of this challenge, as many retailers have specific standards for the pallets they receive. We recognize that those are business decisions between trading partners, but any flexibility retailers can provide would help ease this supply crisis, and actually help keep more produce moving to your members at a reasonable cost. I'd be happy to get a few members of ours together to talk about this supply chain challenge to see how we might find some potential solutions.

Thanks for your consideration. I look forward to following up with you and our mutual teams to see how we can work together. Thanks much!

A handwritten signature in black ink, appearing to read "Tom Stenzel".

Tom Stenzel
President & CEO

PS: John Hollay, United Fresh