UPDATE

FROM PEANUT BUTTER & CHELLY

Hello. It's Chelly from Peanut Butter & Chelly. I would like to start by apologizing about your experience thus far with your order. If you are receiving this update via email, you currently have an unfulfilled order. My company "went viral" four different times - and, initially, I thought it was a blessing, but now I realize that growing so fast was more of a curse.

I have shipped out over 13,000 jars of Peanut Butter & Chelly. For most of this time, I was a "one-woman show". I have 1077 orders to complete and ship out. I am sending this update because I would like to accomplish the following:

- Give insight into the timeline of events & issues encountered
- Section Explain my plan moving forward
- Ask for grace and just a bit more patience to complete the last orders

This is never the experience I wanted for my customers. I know that Peanut Butter & Chelly is a **great brand** with a **delicious product** and I cannot wait until I am able to get yours out to you. In the next section, I am going to share some very personal information, which isn't easy to share, and I ask you to take the time to read it with an understanding heart.



TIMELINE WELCOME TO MY NIGHTMARE:(

- MARCH 2022 This month was the first time I went viral. I went from selling about 8 jars a week at a local shop to hundreds of orders and was managing orders by myself.
- MAY 2022 Went Viral again with hundreds of more orders and I had not been able to hire help yet.
- AUGUST 2022 Went Viral again and got thousands of orders this time, and was finally able to hire my first employee.
- **SEPTEMBER 2022** Hired two more employees and we were getting orders out as fast as possible.
- OCTOBER 2022 Went Viral again with another 1,000+ orders and had to make the decision to get a building as we were outgrowing our space.
- NOVEMBER 2022 Went Viral again, my employees were working extremely long hours, and I was working around the clock trying to get caught up.
- DECEMBER 2022 Building was delivered. Still had to get it leveled and needed many other things completed before we could use it for production. On December 26th, the freeze burst my pipes - Merry Christmas to me:(

TIMELINE CONTINUED...

- JANUARY 2023 I started losing help one by one.
- MARCH 2023 State came and shut down production. I had surpassed the \$50,000 limit to operate under The Cottage Law and had to acquire my Manufacturers License, which was an added \$1000 expense. Which meant I had to find a ghost kitchen to produce from.
- MARCH 2023 Found a ghost kitchen where I could produce orders and obtained permission from the State to work from there.
- JUNE 2023 With all the issues, I had ran out of funds and the building I had put well-over \$10,000 into was repossessed and I knew I had to stop taking any orders. I turned off ordering on my website.

OTHER FACTORS

- DAMAGED PACKAGES Hundreds of packages were damaged during shipping during this time, only a small portion were deemed to be "covered" by the shipping insurance. This costs me thousands of dollars in re-making and re-shipping, as well as hundreds of man-hours to rectify.
- SON'S ILLNESS During this time, my son started school for the first time, and his poor little immune system just wasn't ready for that exposure. He was sick with strep and flu many times... just back to back to back. In addition to that, he had many ear infections so severely that the doctors were considering putting in tubes.

OTHER FACTORS CONTINUED...

- Every time I was caring for him when he was sick, production either ceased or slowed because I didn't want to contaminate my product.
- **HUSBAND'S HEALTH** During this time my husband had heart problems and there were many trips to the ER and he even had to have heart surgery. Due to his health issues, he was out of work off and on until he got his current job in April 2023.
- SUPPLY CHAIN ISSUES/PRICE INCREASES The past two years I have been plagued with price increases and out of stock ingredients. It has been a trying time for businesses.

NONE of these are excuses, but I did want to provide insight into WHY things are so delayed.

THE PLAN MOVING FORWARD

I know the current wait time is UNACCEPTABLE.
I know the lack of communication is UNACCEPTABLE.
I know my unresponsiveness is UNACCEPTABLE.

To be honest, going viral was the WORST thing that could have happened to my business. I have met and gained so many amazing customers and for that I am so thankful, but overall, getting so far behind has taken a tremendous toll on my mental health. Every time I get an email or notification, my anxiety spikes, and my stress level is through the roof. I literally did not know what to say. Everything that has happened and how unprofessional that all this seems from the outside looking in made me feel so much shame.

THE PLAN

CONTINUED...

I have currently spent more money on payroll, supplies, damaged orders, the building I lost, etc. than I actually made. I am currently working a job and ALL of that money is going to finishing the existing orders and getting them shipped out. Fortunately, my husband's current job is able to take care of the bills for our household, so everything I make is going back into these orders.

When I started Peanut Butter & Chelly my only desire was to provide a great product and excellent customer service - and to have happy customers! For those of you who may have ordered before I got so behind know this is exactly what I provided.

As mentioned before, I have 1077 more orders to get out. And I make a commitment to you these orders WILL be completed and shipped out.

Expectations Going Forward...

- I commit to Weekly Updates. There will be no more going silent with no information from Peanut Butter & Chelly.
- I commit to Complete Every Pending Order. We are going to start working in batches BY FLAVOR so we can do it more assembly line, and I have recruited some Certified Food Managers & Food Handlers who are going to volunteer their time to help me power through.
- Our Goal is to Complete the Pending Orders by the End of 2023. If for some reason, we are unable to meet this goal, I commit to update you and let you know.

I'm asking for grace. I'm asking for understanding. And, I sincererly thank you for your patience with me.

love. Chelly