



May 26, 2023

To our valued customers,

At Mother Parkers we take pride in delivering quality, service, and innovation for and with our growing list of customers. To continue to meet and exceed our commitment to deliver a better beverage experience to our customers and your consumers, we are in continual pursuit of continuous improvement initiatives and simplification to help manage cost inflation and deliver on pricing stability.

Over the past year we have seen a sustained impact of cost increases in the inputs of the products we produce. This is consistent with the 12-month percentage change of CPI driven by packaging, labor, energy, and inbound and outbound freight.

As such effective July 1st, 2023, we will be increasing prices as a direct result of inbound and outbound freight cost increases. Further pricing changes may be warranted for low volume, high complexity skus.

As lower traffic through the pandemic made inventories difficult to manage for our customers, we had reduced our minimum order quantities during this time. Effective July 1st, our minimum order quantity will move to 200 cases. Should you prefer to order in lower volumes we have partnered with several distributors that are able to service these lower quantities. Your account manager will work with you to identify the ideal distributor partner if needed.

I want to take a moment to acknowledge that this past 18 months of inflationary pressures has impacted every avenue of our businesses. Our decision to take price is not one that has been taken easily, however is reflective of cost increases that we can no longer absorb despite our best efforts. We thank you for your continued partnership and are committed to helping you drive growth.

Sincerely,

Kim Cunningham
Chief Commercial Officer
Mother Parker's Tea and Coffee