



McCain Foods USA

One Tower Lane, 11th Floor
Oakbrook Terrace, Illinois 60181

Date: February 15, 2022

To: All McCain Distributor Partners, McCain Sales Teams and Sales Agencies

From: McCain Sales Planning & Operations

Cc: McCain Customer Solutions

RE: US Foodservice Potato and Appetizer Price Increase

In response to market cost inflation, effective with orders shipping April 1, 2022, McCain Foods USA will increase pricing on McCain Brands and related Operator and Distributor Label Foodservice Potato and Appetizer lines. Increases are as follows:

POTATOES

All Potato Products (incl. Sweets)	\$0.12/lb.
------------------------------------	------------

APPETIZERS

Cheese	\$0.17/lb.
Onion	\$0.23/lb.
Stuffed Pepper	\$0.22/lb.
Vegetable and A/O Appetizers	\$0.12/lb.

We reserve the right to limit “buy-ins” by holding orders to historical purchase levels. Price increases will apply to all operator contracts, bids or special deals as they expire and are renewed.

Price increases are being driven by the following:

- Inflation on Input Costs: Driven by tight supply in oil and other commodities such as batters, coatings and substrates such as cheese, peppers, and other vegetables
- Substantial rise in packaging costs, including both corrugate and poly film
- Labor expenses driving wage inflation
- Freight and storage. Transportation cost increases driven by volatile demand, carrier shortages
- Higher operating expenses due to pandemic-related safety measures and lower line efficiencies

McCain will continue to invest to ensure product availability and long-term category growth during this period of instability and inflation. We thank you for your valued business and continued support.