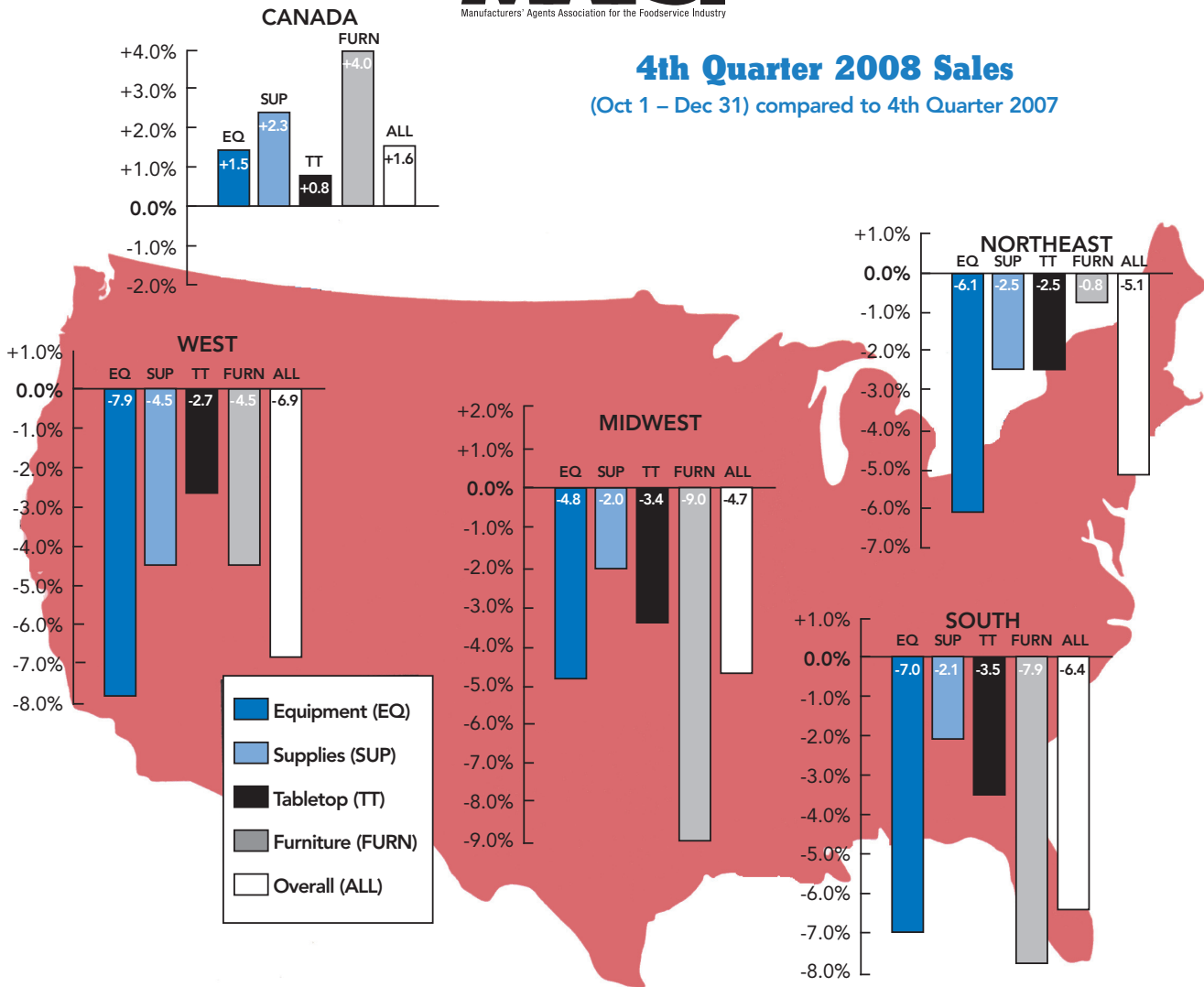




4th Quarter 2008 Sales

(Oct 1 – Dec 31) compared to 4th Quarter 2007



MAFSI Business Barometer Reports Sales to Decline in 2009 Even Deeper Decline Forecast for Q1/09 at -7.3%

Overall sales fell by -4.7% for fourth quarter 2008, according to the most recent MAFSI Business Barometer (MBB).

The -4.7% decline is exactly on target with MAFSI reps' forecast for fourth quarter as reported in the Q3/08 Barometer.

The Manufacturers' Agents Association for the Foodservice Industry (MAFSI), which tracks foodservice equipment, supply, tabletop and furnishing sales in the U.S. and Canada, released its 4th Quarter report and 2009 economic forecast.

The report marks the fourth consecutive quarter of negative growth, the eighth quarter of the current slowdown and the steepest decline in the seven year history of the MBB.

"Declining economic conditions and rising food costs are affecting foodservice sales. In spite of this downturn, reps are hanging tough. Sixty-nine percent are maintaining their company size, while 15% are adding personnel and 16% report they may be cutting staff this year," said David Wyllie, MAFSI president.

By territory, the decline ranged from -6.9% out West, -6.5% in the South, -5.1% in the Northeast, and -4.7% in the Midwest. Canada reported a +1.6% increase.

The worst hit product category was equipment at -5.3%, followed by furnishings at -4.7%, tabletop at -2.4%, and supplies at -2.1%.

And MAFSI reps say the decline could go even deeper with a forecast of -7.3% for Q1/09.

Further evidence of a deepening decline is that 59% of reps report fewer consultant projects in the pipeline and 65% are quoting less since Q3/08.

Many reps report tightening their belts by reducing costs, particularly in the areas of travel, entertainment, trade shows, communications and salaries.

To offset sales decline, reps are adding more lines and focusing on still healthy market segments like schools, senior care, health care, and prisons. They are also more closely following up on projects and quotations, making more end user calls, and maintaining higher field visibility.

One bright spot in the 2009 forecast is a decline of -5.5%, which would be an improvement from the Q1/09 forecast of -7.3% and could be indicative of a modest recovery in the second half.

Compiled and written by Michael R. Posternak

MAFSI Business Confidence Index for 1st Quarter 2009

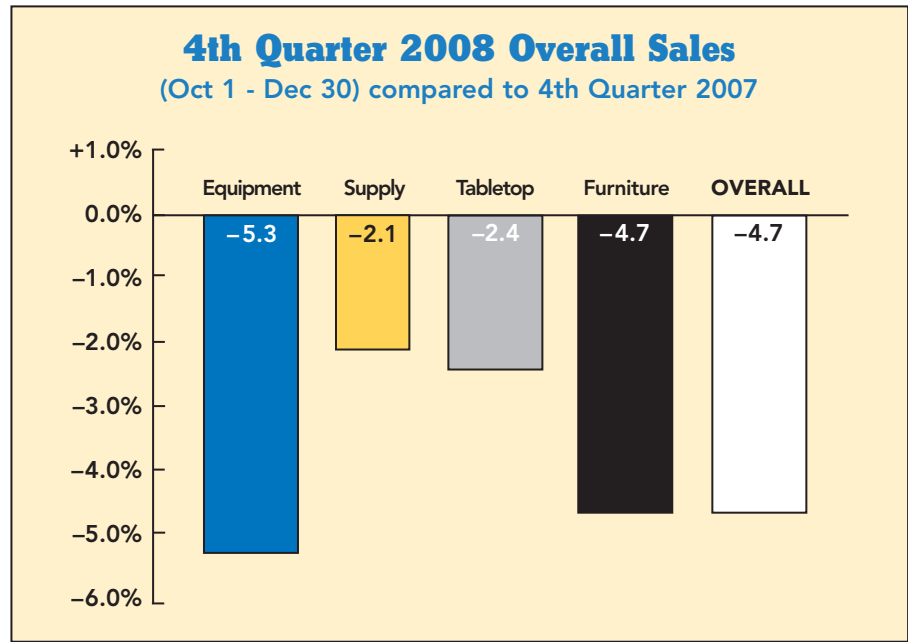
Jan 1 - Mar 31 compared to 1st Quarter 2008

ALL REGIONS
-7.3%

MAFSI Business Confidence Index for 2009

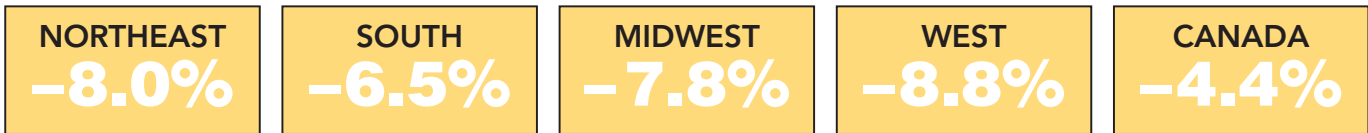
Compared to 2008

OVERALL
-5.5%



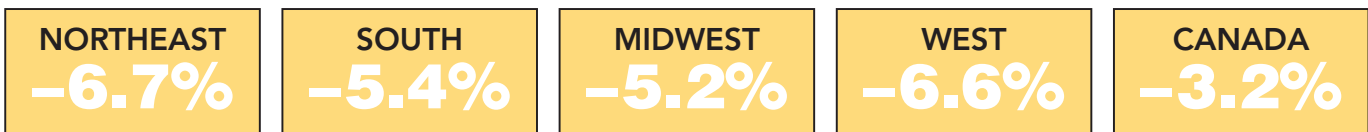
Projected 1st Quarter 2009 Sales

(Jan 1 - Mar 31) compared to 1st Quarter 2008



Projected 2009 Overall Sales Forecast

(Compared to Overall Sales for 2009)



MAFSI Business Barometer Trend Graph
The industry's most definitive non-food sales trend indicator
Overall Sales Per Quarter

