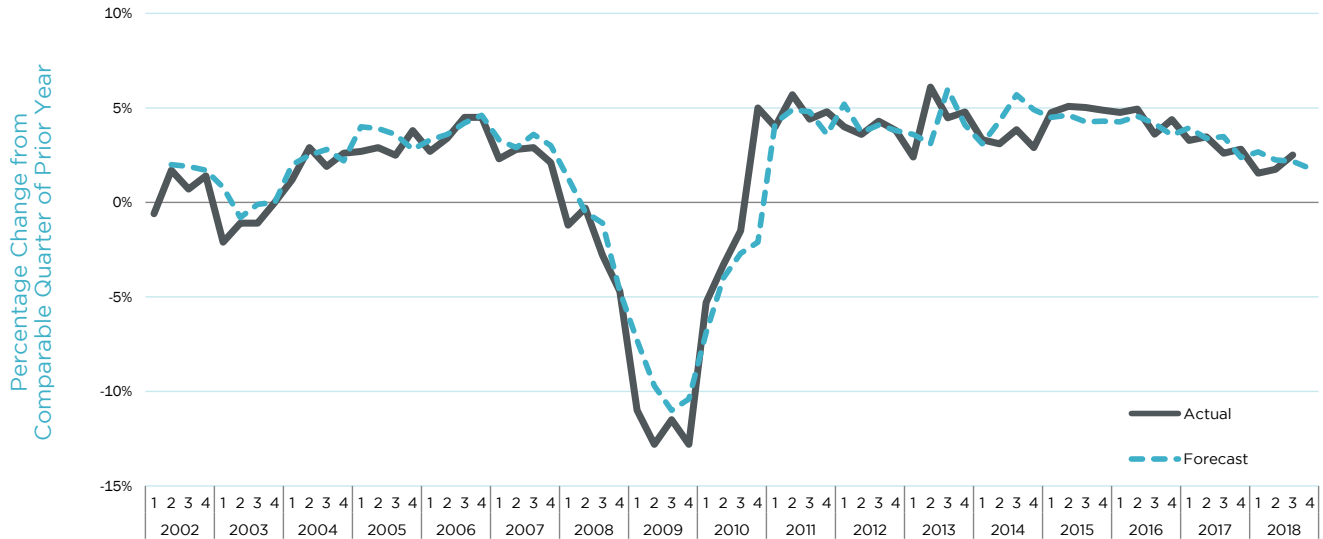


Overall Commercial Foodservice Sales Per Quarter for North America MAFSI Barometer Records a Slight Bounce; Continued Slow Growth Ahead



MAFSI Barometer Records a Slight Bounce; Continued Slow Growth Ahead

The MAFSI Business Barometer remained in positive territory for Q3/18 with an overall growth of +2.5%, up slightly from +1.8% in Q2/18 and +1.5% in Q1/18. Actual sales growth for Q3/18 was +2.5%, exceeding the forecasted +2.2%.

This slight "uptick" might be attributed to the advancing of order placement as a result of mid-year price increases due to steel and aluminum tariffs. Any way you slice it, modest growth translates to increased sales now for the 33rd consecutive quarter.

By product type, Tabletop grew by +3.4%, Equipment +2.6%, Supply by +2.1, and Furniture only +0.8%.

By Region, Canada enjoyed a +4.8% bounce, the South grew by +3.1%, Northeast +2.5%, the West at +2.2%, and the Midwest by +1.8%.

Quoting More activity slid down to 39% in Q3/18 from 44% in both Q2/18 and Q1/18. More Consultant activity clicked up to 33% from 31% more in the previous quarter. These measures are perhaps indicative of a slightly shrinking pipeline.

MAFSI Reps are forecasting low growth of only +1.8% in Q4/18. On a more positive note, the preliminary forecast for 2019 is +3.4%, a growth level not reached since 6 quarters ago.

Lower gasoline prices, full employment, and more disposable income are all positive variables affecting the marketplace. MAFSI's detailed forecast for 2019 will be released shortly.

Executive Summary written by Michael Posternak, PBAC & Associates LTD, Eastchester, NY mp@pbacrep.com

Qtrly Sales Forecast for North America Q4/18 vs. Q4/17

1.8%

Yearly Sales Forecast for North America 2019 vs. 2018 2018 vs. 2017

3.4%

3.7%

Quoting Activity for Q3/18 vs. Q2/18

More	Less	No Change
39%	16%	45%

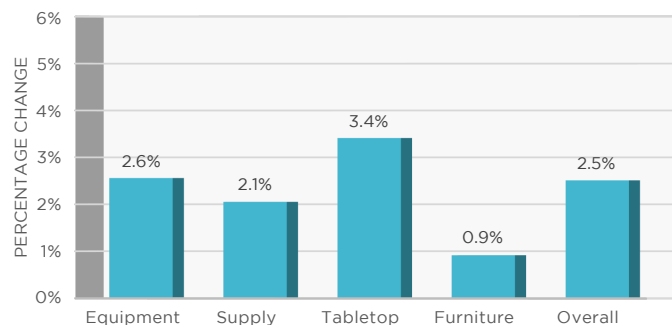
Consultant Activity for Q3/18 vs. Q2/18

More	Less	No Change
33%	11%	56%

Jan San Sales for Q3/18 vs. Q3/17

Equipment	Supplies	Disposables
1.5%	1.5%	2.8%

3rd Quarter 2018 Overall Sales for North America Q3/2018 vs. Q3/2017 (Jul 1 - Sep 30)

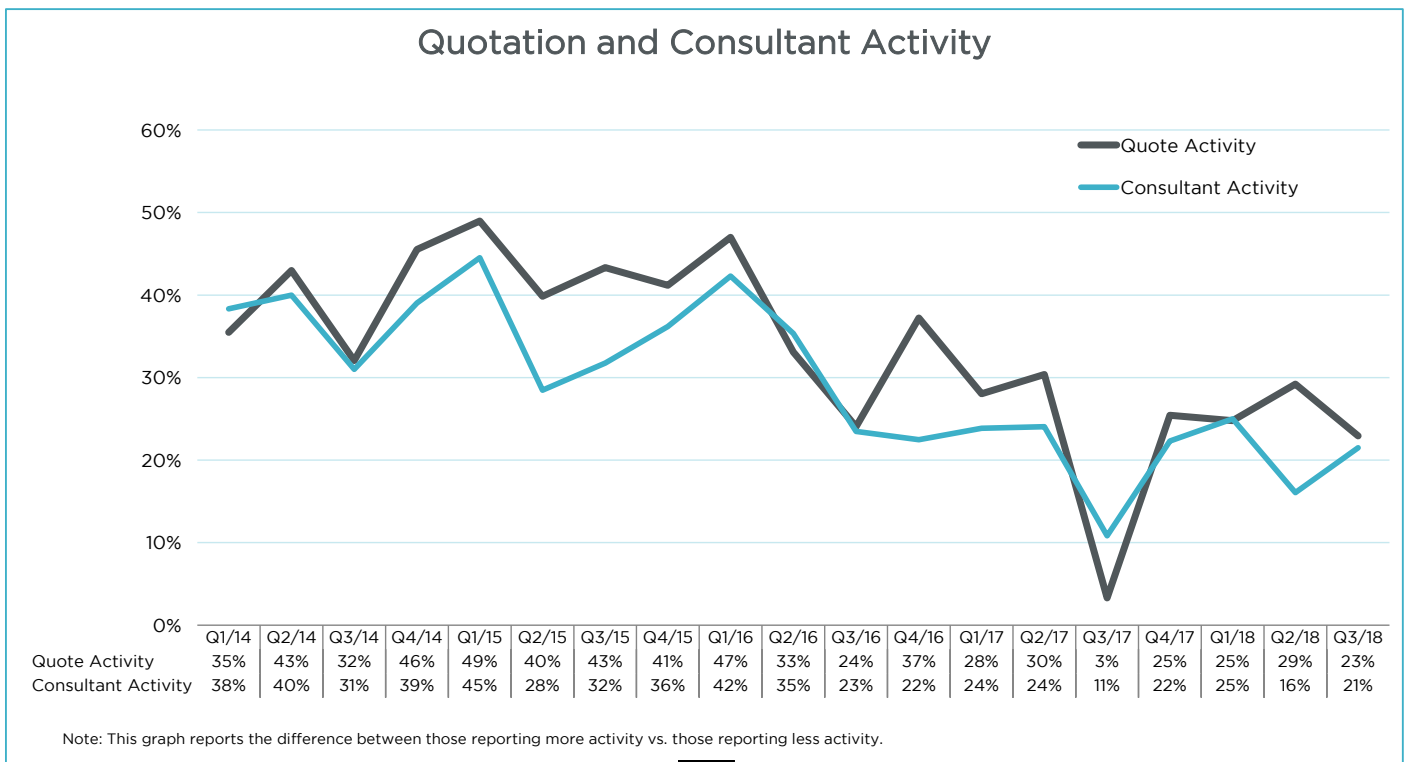
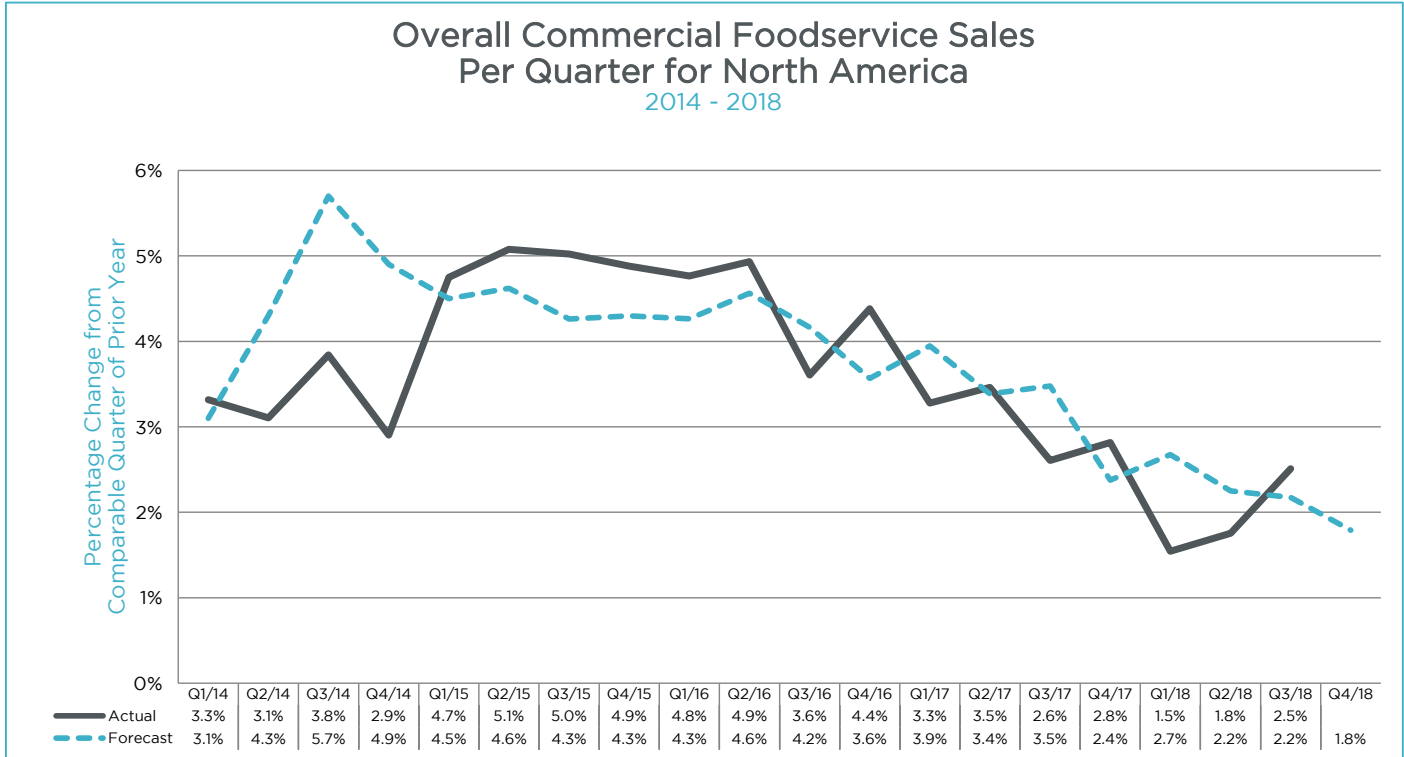


*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (6%), Tabletop (11%), and Furnishings (6%). Market numbers are based on the North American Association of Food Equipment Manufacturers (NAFEM) biennial "Size & Shape of the Industry" study.



The commercial foodservice industry's most definitive non-food sales/trend indicator

Q3/2018 Foodservice Business Barometer Report



Q4/18 vs. Q4/17 Sales Percentage Change Forecast by Region

4th Quarter 2018 compared to 4th Quarter 2017 (Oct 1 - Dec 31)

Northeast -0.1%	South 2.0%	Midwest 1.8%	West 2.7%	Canada 2.6%
---------------------------	----------------------	------------------------	---------------------	-----------------------

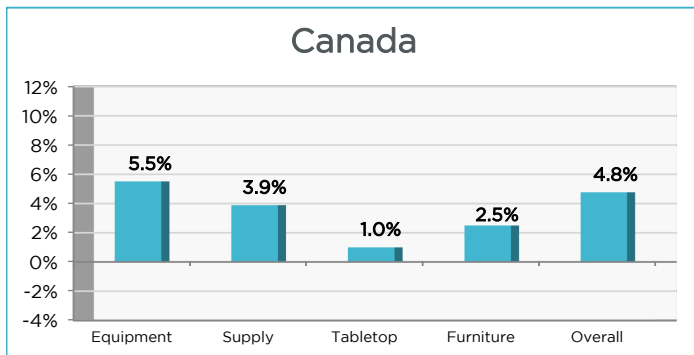
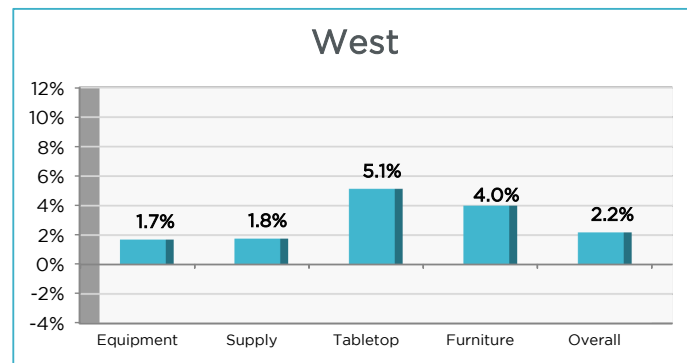
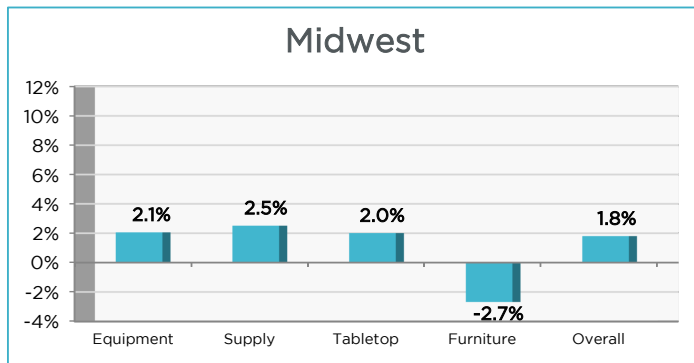
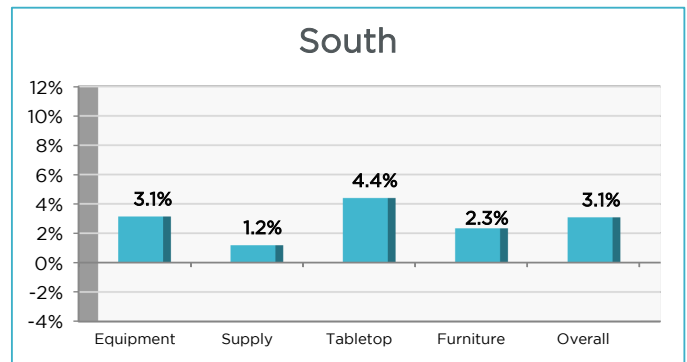
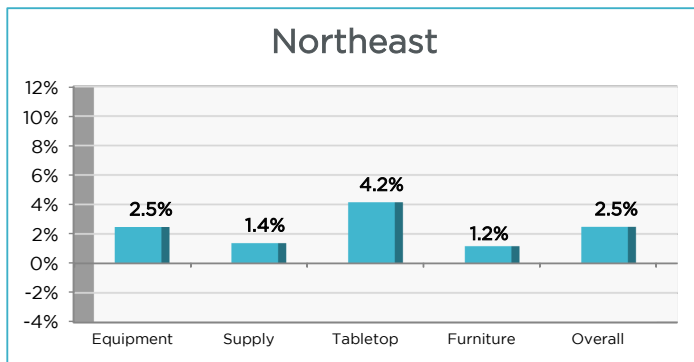
2019 vs. 2018 Overall Sales Forecast by Region

Compared to Overall Sales for 2018

Northeast 3.5%	South 3.5%	Midwest 3.6%	West 2.5%	Canada 4.1%
--------------------------	----------------------	------------------------	---------------------	-----------------------

3rd Quarter 2018 Sales Percentage Change by Region

3rd Quarter 2018 compared to 3rd Quarter 2017 (Jul 1 - Sep 30)



NORTHEAST includes the states:

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT

SOUTH includes the states:

AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

MIDWEST includes the states:

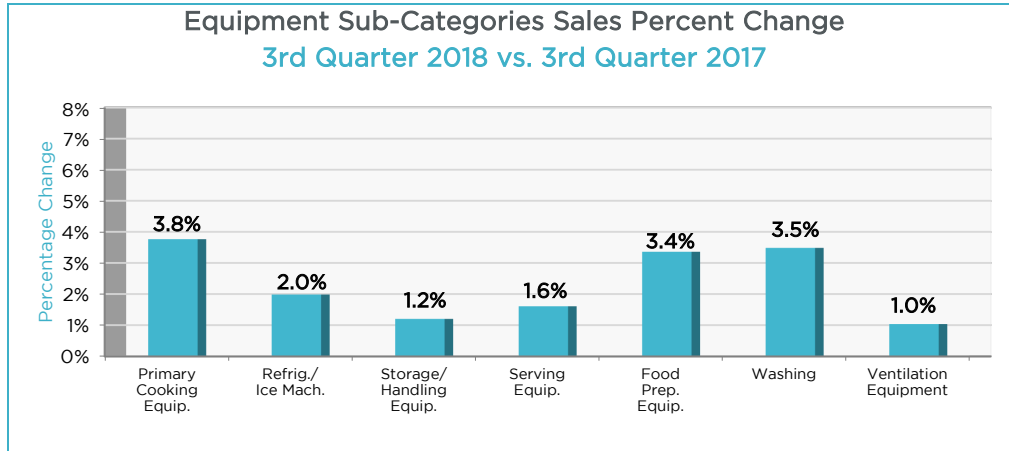
IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

WEST includes the states:

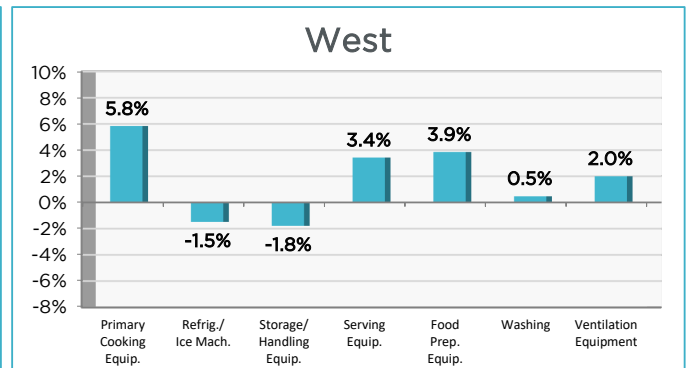
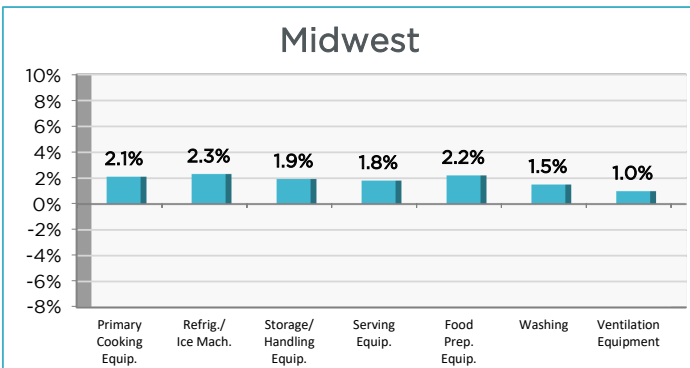
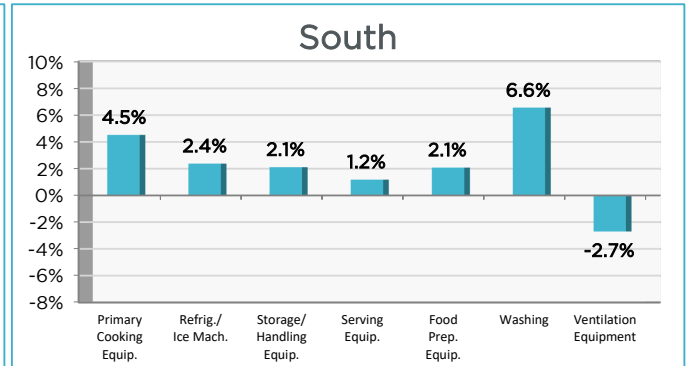
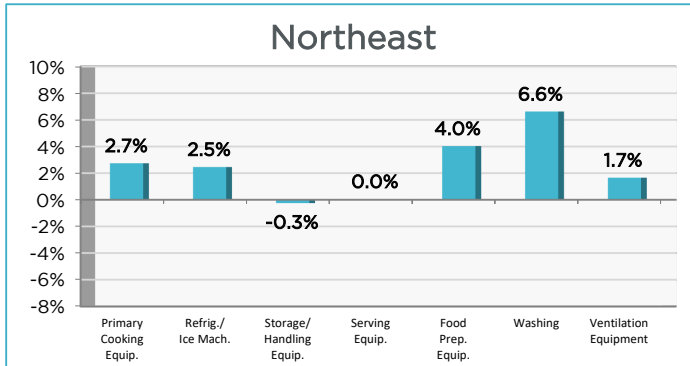
AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

CANADA includes all provinces and territories in Canada.

*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (7%), Tabletop (10%), and Furnishings (6%). Market numbers are based on the North American Association of Food Equipment Manufacturers (NAFEM) biennial "Size & Shape of the Industry" study.



Equipment Sub-Categories Sales Percent Change by Region 3rd Quarter 2018 compared to 3rd Quarter 2017 (Jul 1 - Sep 30)



NORTHEAST includes the states:

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT

SOUTH includes the states:

AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

MIDWEST includes the states:

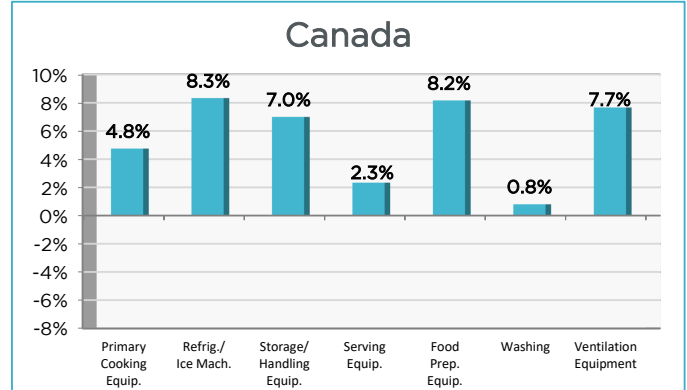
IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

WEST includes the states:

AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

CANADA includes all provinces and territories in Canada.

*The equipment sub-category sales growth is calculated using a weighted average based on the percentage of the equipment sub-category sales volume represented by the various sales categories: Primary Cooking (25%), Refrigeration/Ice Machines (32%), Storage/Handling (9%), Serving (16%), Food Prep (7%), Warewashing (11%) from the (NAFEM) biennial "Size & Shape of the Industry" study. Ventilation not weighted.



PLEASE NOTE: The Business Barometer Report is compiled for the exclusive use of the participating companies and MAFSI members. Oral or written disclosure or publication of the confidential aggregate report, in whole or in part, by the participating companies or MAFSI staff to anyone other than authorized participating companies is expressly prohibited.



Business Barometer Category Product List

MAIN CATEGORIES	
Equipment Please note: as of Q315, "Thermometers and Temperature Monitoring Devices" (previously in Food Preparation Equipment) are now in Supplies.	Food Preparation Equipment, Primary Cooking Equipment, Refrigeration & Ice Machines, Serving Equipment, Storage & Handling Equipment, Ventilation, Warewashing & Sanitation Equipment
Supplies Please note: as of Q315, "Menu and Message Boards" (previously calculated in Supplies) are now in Tabletop.	Bar Supplies, Buffetware, Can Openers, Cleaning Tools, Colanders, Cookware, Cutting Boards, Knives/Cutlery Blocks/Sharpeners, Mixing Bowls, Pans, Storage, Thermometers/Temperature Monitoring, Textiles (Kitchen), Utensils (Kitchen)
Tabletop	Baskets, Beverage Pitchers/Servers, Buckets (Ice & Wine), Candle Holders/Lamps, Candle & Chafing Fuel, Carafes/Decanters, Chafers, Covers, Dinnerware, Flatware, Glassware/Stemware, Menu Covers, Menu/Message Boards, Salt & Pepper Shakers, Serving Bowls/Plates, Servingware, Trays, Tray Stands
Furniture	Baby-Changing Stations, Bars (Stationary & Mobile), Benches, Booths, Cabinets, Chairs, Coat Racks, Drive Through Windows, Lamps (Dining/Table), Signs, Patio/Outdoor Heaters, Railings & Railings Fittings, Stools, Tables, Table Bases, Table Cloths, Umbrellas
SUB-CATEGORIES	
Primary Cooking Equipment	Braising Pans, Broilers, Charbroilers, Cook-Chill Systems, Fryers, Griddles, Grills, Oil Filtration Systems, Ovens, Panini Grills, Pasta Cookers, Ranges, Rice Cookers, Smokers, Steamers, Tilting Skillets, Toasters
Refrigeration & Ice Machines	Air Curtains, Blast Chillers, Coolers, Doors, Drop-In Pan Chillers, Freezers, Ice Cream Cabinets, Ice Machines, Refrigeration, Refrigeration Compressors, Condensers & Evaporators, Slush/Smoothie Machines, Soft-Serve Ice Cream/Yogurt Machines, Water Filter Systems
Storage & Handling Equipment	Bins, Bus/Tote Boxes, Cabinets, Carts, Conveyor Systems, Covers, Dispensers (non-food), Dollies, Food & Ingredient Canisters & Containers, Hand Trucks/Utility Trucks, Racks, Receiving Scales, Shelving, Tables (Standard Work Tables not Custom Fabricated) (Bakers, Cooks, Makeup, Prep, Etc.)
Serving Equipment	Beverage Dispensers, Carving Stations, Coffee Equipment, Food Dispensers, Food Shields, Merchandisers, Salad Bars/Tabletop Food Bars, Serving/Buffer Lines, Serving Carts, Soup Kettles/Servers, Steam Tables/Hot-Food Tables/Bain Marie, Tea Brewers, Warmers
Food Preparation Equipment	Blenders, Breaders, Bread Slicers, Choppers (Dicers, Graters, Peelers, Non-Bread Slicers), Dough Preparation Equipment, Food Processors, Juice Extractors/Juicing Equipment, Meat Saws, Meat Tenderizers/Marinators, Mixers, Mixer Stands & Tables, Popcorn Carts/Machines, Salad/Vegetable Washers & Dryers, Scales, Slicers, Timers
Warewashing Equipment Please Note, as of Q416, Sanitation Equipment is included under Janitorial and Sanitation Equipment.	Booster Heaters, Can Washers, Faucets/Spray Units/Washers/Hoses, Flatware-Handling/Recovery Systems, Floor Troughs & Drains, Pulpers & De-Water Equipment, Racks (Warewashing/Dishwashing Racks), Sinks, Tables (Dish), Warewashing/Dishwashing Machines
Ventilation	Appliance Connectors, Grease/Exhaust Filters, Grease Interceptors, Fire Suppression Systems/Fire Extinguishers, HVAC - Exhaust Systems, Fans, Utility Distribution Systems, Ventilation & Hoods
Janitorial & Sanitation Lines	
New! Janitorial & Sanitation Equipment	Air Blowers/Carpet Dryers, Air Filtration Equipment, Bathroom Stall Doors, Cabinet Bases, Dehumidifying Equipment, Drain Pipes, Eye Wash Stations, Faucets and Faucet Systems, Pressure Washing Systems, Restroom Partitions/Stalls, Floor Scrubbers, Sinks, Toilets, Toilet Flushing Systems, Urinals, Waste Compactors, Waste Disposal Systems
New! Janitorial & Sanitation Supplies	Baby Changing Stations, Brooms, Dusts Mops, etc., Brushes (Equipment Cleaning Brushes, Scouring Pads, etc.), Can & Bottle Crushers, Carpet Sweepers, Vacuums, Floor & Carpet Care Products, Carts (Janitorial), Cloths Microfiber, Drainboards, Hand Dryers, Mats (Anti-Fatigues, Bar, Rubber, etc.), Mops, Buckets & Pails, Odor Control Chemicals & Devices, Paper Towel Dispensers, Soaps and Hand Sanitizers, Soap Dispensers, Stall Storage Systems, Toilet Paper and Sanitary Dispensers, Waste Bins & Recycling Containers
New! Disposables	Disposable: Catering Trays and Serving Ware, Cloths Non-Woven, Concession Food Bags, Eco-Friendly Cups, Bowls, Flatware, Lids and Plates, Deli Food Safety Labels, Food Trays & Lids, Foam Food Cups, Bowls and Plates, Gloves, Garbage Bags, Paper Napkins, Paper Cups, Lids and Plates, Placemats (Disposable), Plastic Barware, Plastic Cups, Plates and Lids, Plastic Flatware, Take-Out Containers, Trash Can Liners





*The commercial foodservice industry's
most definitive non-food sales/trend indicator*

Q3/2018 Foodservice Business Barometer Report

Many thanks to the firms that participated in this quarter's MAFSI Business Barometer:

Adams Marketing & Sales	GMV Sales Associates	Preferred Marketing Group
Agences Hamilton Agencies	Greenwald Sales & Marketing, LLC	Premier Marketing Group
AMG - Foodservice Sales	Griffin Marketing Group, Inc.	Premier Marketing Group, Inc.
Anderson Foodservice Solutions	Hanna-Young & Associates, Inc.	Pro/Line Marketing, Inc.
Apex Commercial Kitchen Co.	Hollander Company	Professional Manufacturers Representatives, Inc. (PMR)
Apex Marketing	HRI, Inc.	Pro-Quip Foodservice Equipment & Supplies Incorporated
ARB Sales and Marketing	Inform Marketing Group, LLC	R. Henry & Associates
Beacon Sales Group LLC	Johnson Pike & Associates, Inc.	Foodservice Equipment,
Bob Waite & Associates	Kain-McArthur Inc.	Shamrock Foodservice Equipment Reps. Inc
Bowerman Management Group	KBC Specialty Products, Inc.	Southwest Foodservice Equipment Marketing
Brittan Associates	Kelly-Mincks	Specialized
Carman-Girard Associates	Ken W. Thomson Associates Ltd.	Spurry-Curren and Associates
Charles Pace & Associates	KLH Marketing, Inc.	stage KOLSTAD associates
Chernoff Sales, Inc.	Koehler-Borden & Associates, Inc.	TD Marketing Company, Inc.
Chrane Foodservice Solutions	Lake Effect Sales & Marketing	The 2Market Group, Inc.
Clements-Stella-Gallagher Marketing	Lane Marketing Group	The Burlis-Lawson Group
Collis Group, Inc.	Lehr McKeown Marketing, Inc.	The Fischer Group
Commercial Kitchen Reps, Inc.	Lund-Iorio, Inc.	The Hansen Group
Copperfield Agencies Limited	MAC Sales & Marketing LTD.	The Pantano and Pinilla Agency, Inc.
Courtney Marketing, Inc.	Marjon & Associates, Inc.	The Wallin Group, Inc.
Cowan Associates	Marketing Agents South, Inc.	The Yes Group
Davis & Associates, Inc.	Master Marketing	Thormann Associates
Desert Peak Marketing	McGirr, Inc.	TLC Marketing Inc.
DRC Marketing Group	Midwest Professional Reps, Inc.	Total Table Top Plus
Eaton Marketing Associates, Inc.	Mirkovich and Associates, Inc.	Tri-State Marketing Associates
Equipment Preference, Inc. (E.P.I.)	Mirkovich and Associates, Inc.	Vader & Landgraf, Inc.
Equipment Solutions, Inc.	Nick Mavro & Associates, LLC	Veitch Group
E-Source, Inc.	North Star Agency, LLC	Viola Group
Ettinger-Rosini & Associates, Inc.	ONE SOURCE	Voeller & Associates, Inc.
Florida Agents, Inc.	Paglio & Associates, Inc.	W. D. Colledge Co., Ltd.
FOCUS Hospitality Sales	Paragon Marketing	Walter Zebrowski Associates
Food Equipment Sales & Marketing Agents, Inc. (FESMA)	PB & J Commercial Agents	West Coast Food Service Agencies
Food Service Applications, Inc.	PBAC & Associates LTD	Wyllie Marketing
Foodservice Equipment Agents, LLC	Pecinka Ferri Associates	YBR Marketing, Inc.
Forbes, Hever & Wallace, Inc.	Performance Reps Northwest, Inc.	Young Equipment Solutions, Inc.
Gabriel Group LLC	Permul Ltd.	Zink Foodservice
Gibbs & Associates, Inc.	PMR	