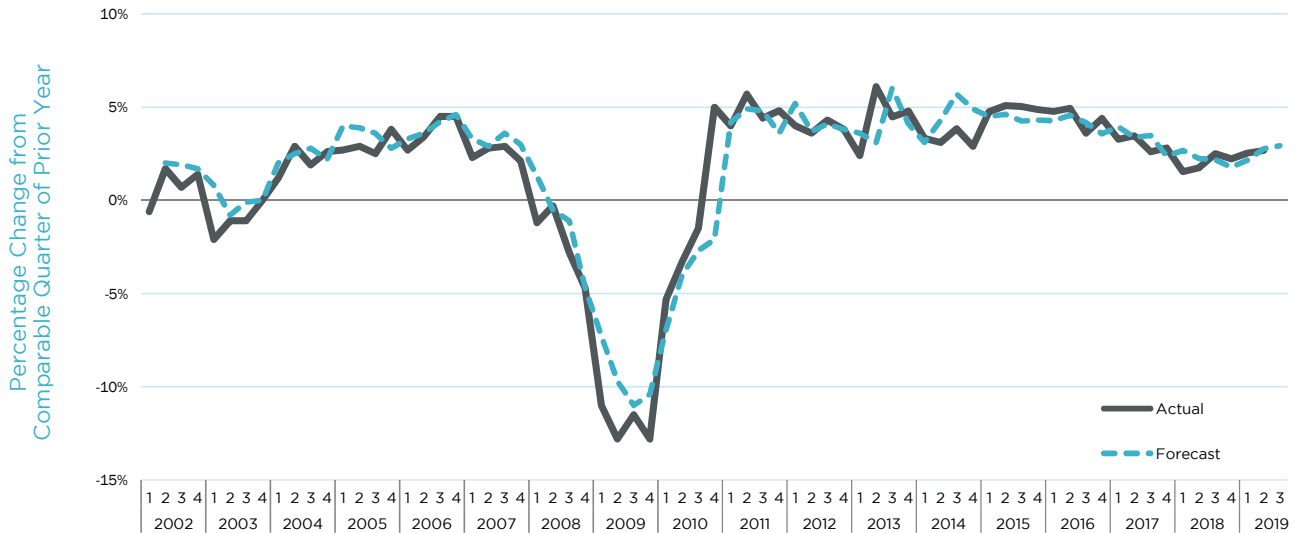


Overall Commercial Foodservice Sales Per Quarter for North America MAFSI Barometer Reports Slight Improvement, Steady But Modest Growth Ahead



MAFSI Barometer Reports Slight Improvement, Steady But Modest Growth Ahead

The MAFSI Business Barometer once again took a small step forward, this time advancing from a gain of +2.5% in Q1/19 to +2.7% in Q2/19. This is in line with the reported performances of our industry's public companies and a bit better than the forecast of 2.5%.

We have been locked into this 2-3% growth plateau for the past year and a half, similar to the GNP of the U.S. economy.

Equipment advanced by +2.9%, Supply +2.3%, Tabletop +2.2% and Furniture by +1.5%. Regional results were +3.3% West, +3.0% Canada, +2.9% South, +2.3% Midwest, and 2.1% Northeast.

For Q3/19 MAFSI Reps are forecasting another small step forward of +2.9%. This marks the 42nd consecutive quarter of growth.

Quoting and Consultant activity are both holding relatively steady per the following graphs.

Given the impact of tariffs and the trade war, these results are reasonable. Full employment, low interest rates, and wage earnings growth are all positive. There is talk of a recession looming somewhere out there, but history shows that the Food Service Industry is one of the last to feel it, as food consumption of one form or another is a basic need.

Stay positive -there are still plenty of opportunities for growth in our marketplace for smart reps, dealers and manufacturers.

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

Qtrly Sales Forecast for North America
Q3/19 vs. Q3/18
2.9%

Yearly Sales Forecast for North America
2019 vs. 2018 2018 vs. 2017
3.4% 3.7%

Quoting Activity for Q2/19 vs. Q1/19

| More | Less | No Change |
|------|------|-----------|
| 41% | 17% | 42% |

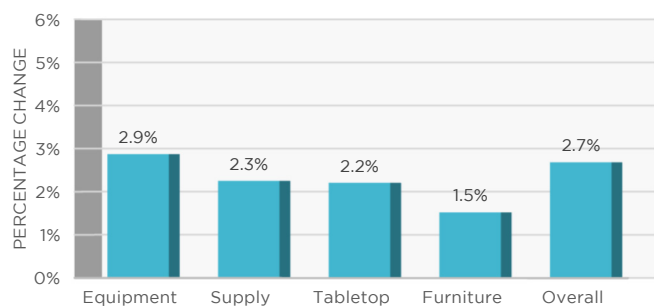
Consultant Activity for Q2/19 vs. Q1/19

| More | Less | No Change |
|------|------|-----------|
| 32% | 14% | 54% |

Jan San Sales for Q2/19 vs. Q2/18

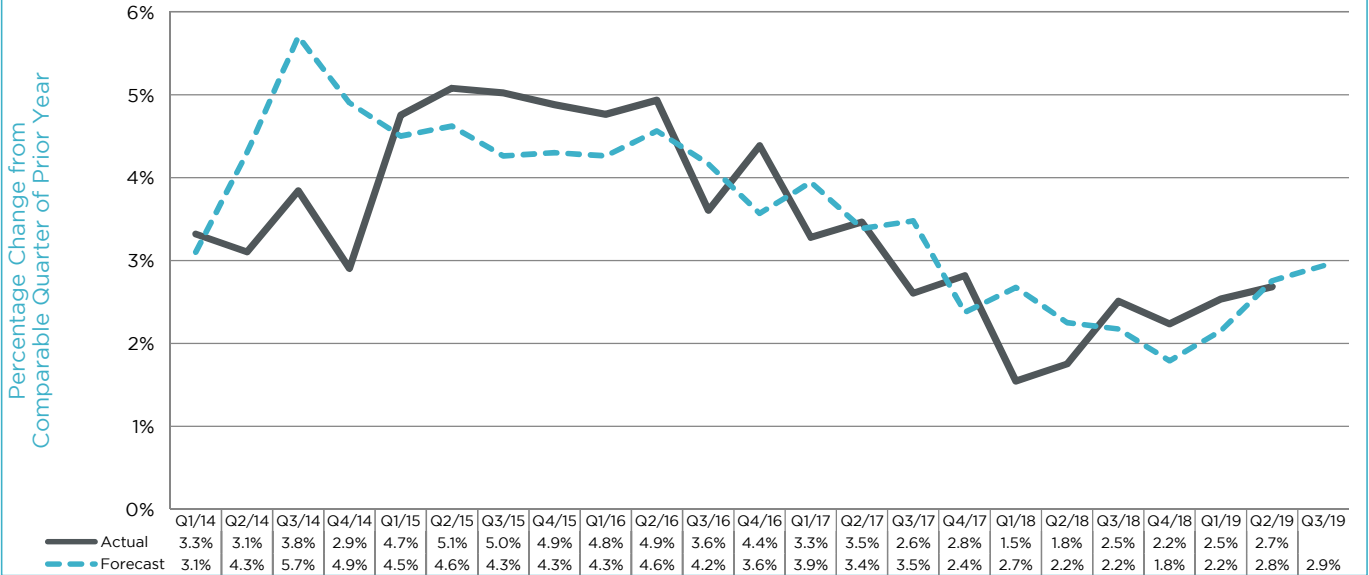
| Equipment | Supplies | Disposables |
|-----------|----------|-------------|
| 2.2% | 1.6% | 2.8% |

2nd Quarter 2019 Overall Sales for North America Q2/2019 vs. Q2/2018 (Apr 1 - Jun 30)

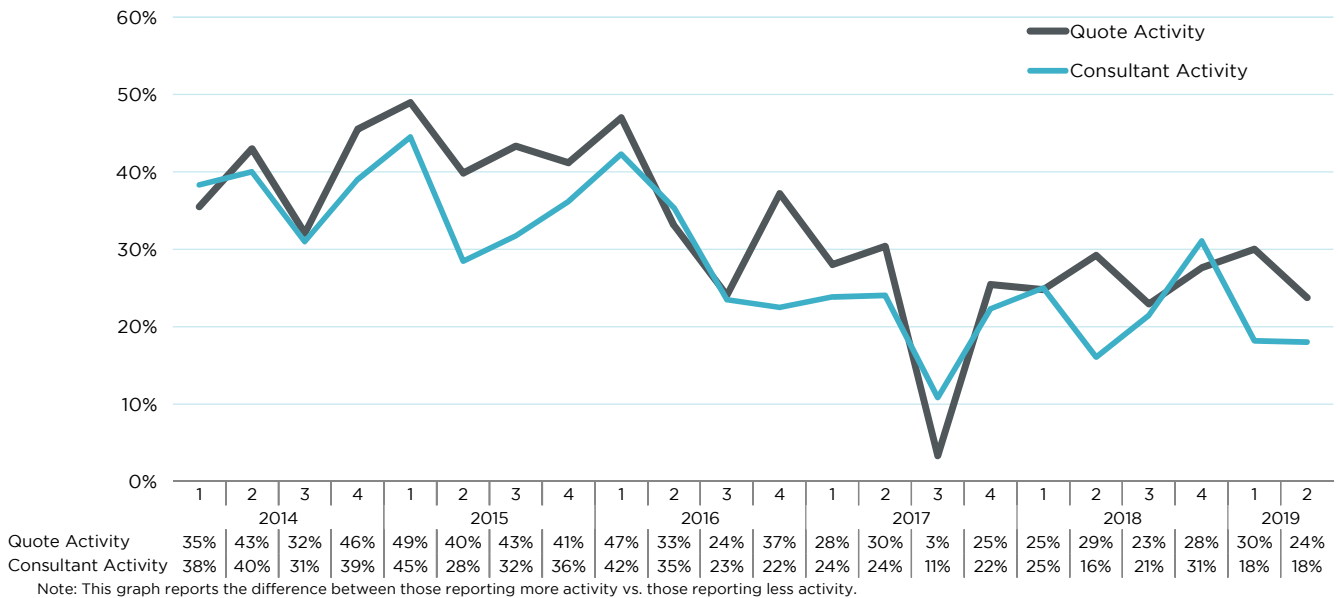


*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (6%), Tabletop (11%), and Furnishings (6%). Market numbers are based on the North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

Overall Commercial Foodservice Sales Per Quarter for North America 2014 - 2019

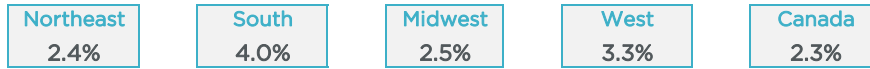


Quotation and Consultant Activity



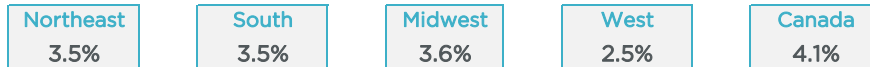
Q3/19 vs. Q3/18 Sales Percentage Change Forecast by Region

3rd Quarter 2019 compared to 3rd Quarter 2018 (Jul 1 - Sep 30)



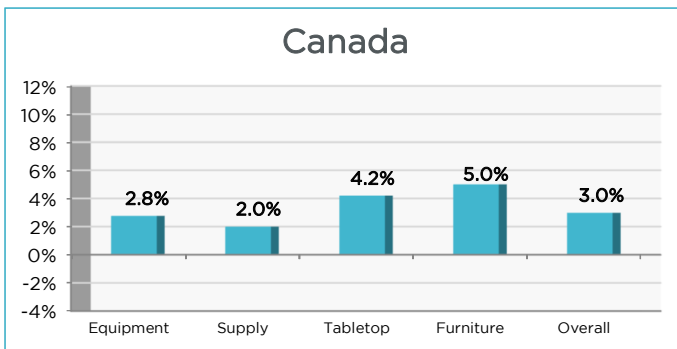
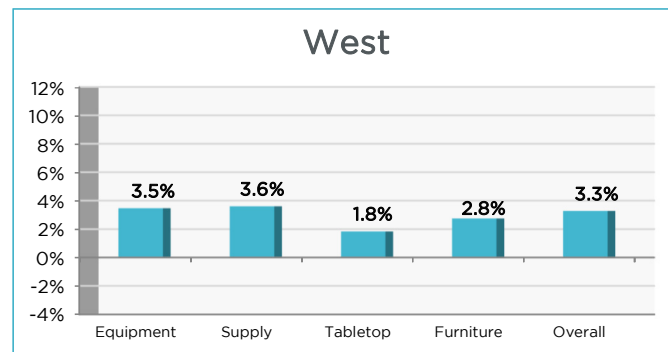
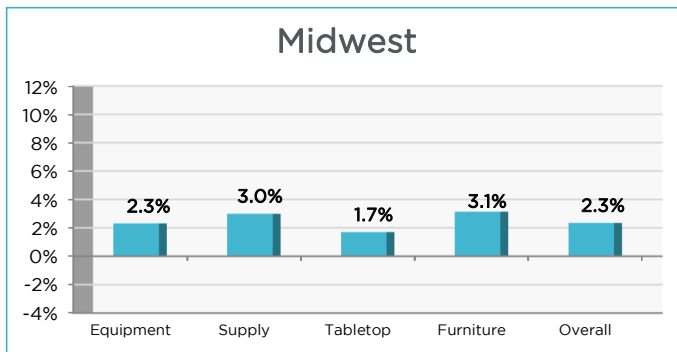
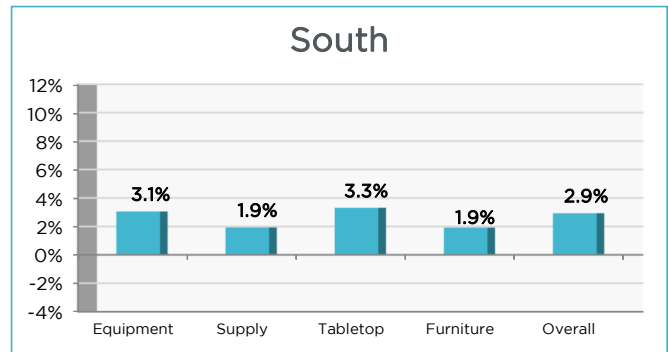
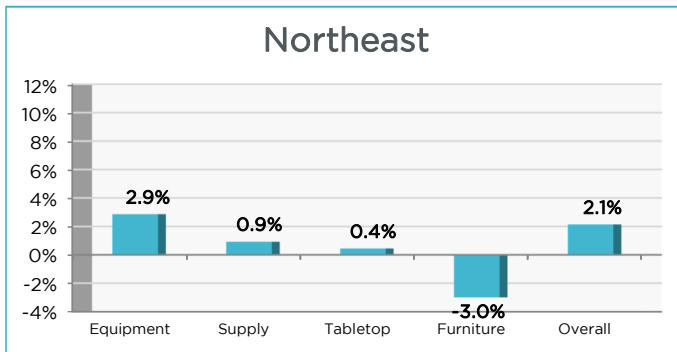
2019 vs. 2018 Overall Sales Forecast by Region

Compared to Overall Sales for 2018



2nd Quarter 2019 Sales Percentage Change by Region

2nd Quarter 2019 compared to 2nd Quarter 2018 (Apr 1 - Jun 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:

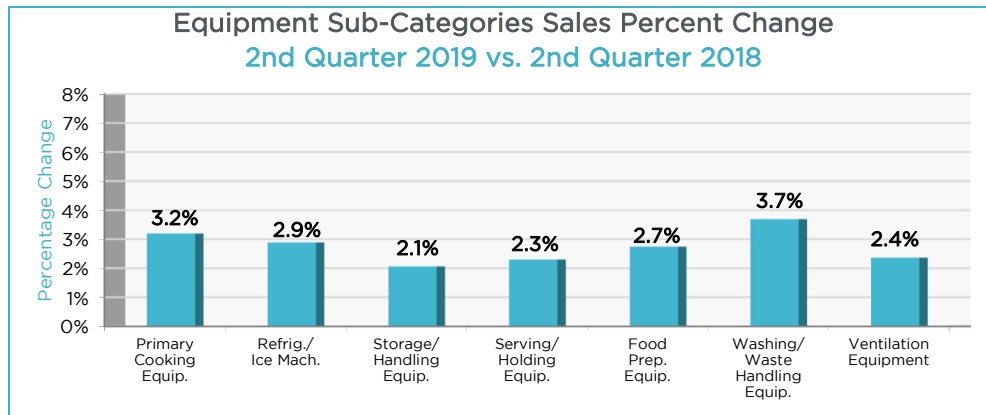
IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

WEST includes the states:

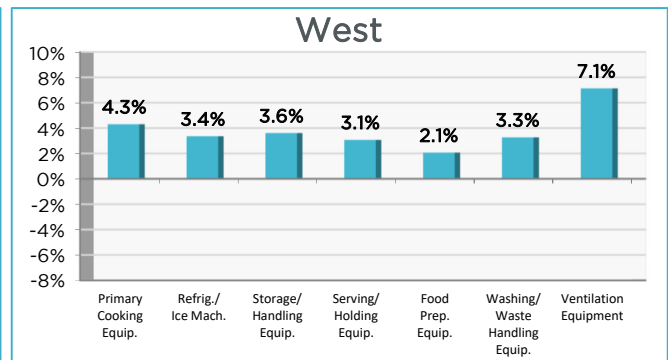
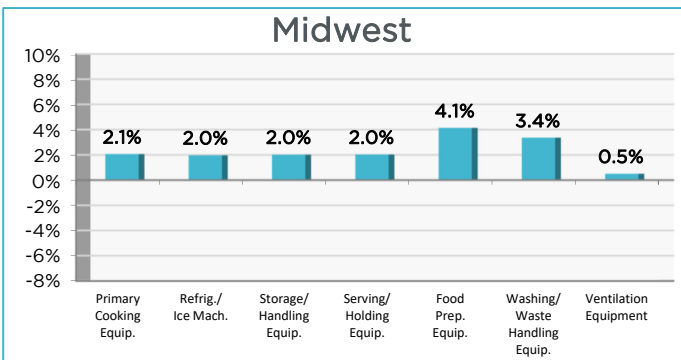
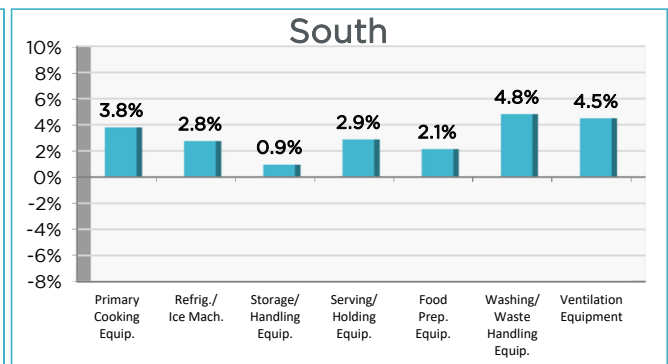
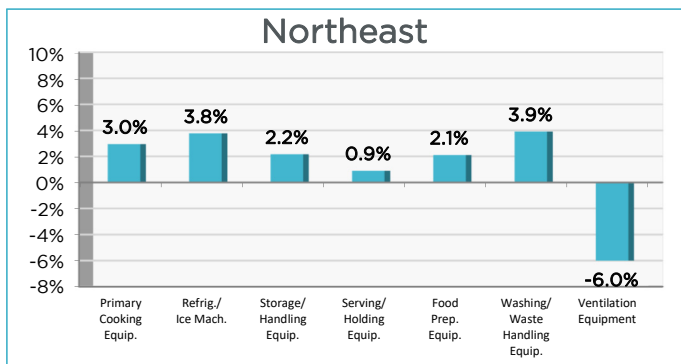
AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

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 2nd Quarter 2019 compared to 2nd Quarter 2018 (Apr 1 - Jun 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:

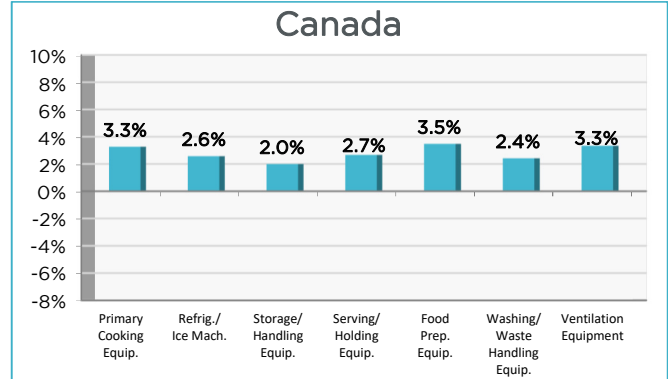
IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

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.

| MAIN CATEGORIES | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Equipment <i>Please note:</i> as of Q315, "Thermometers and Temperature Monitoring Devices" (previously in Food Preparation Equipment) are now in Supplies. | Food Preparation Equipment, Janitorial & Sanitation Equipment, Primary Cooking Equipment, Refrigeration & Ice Machines, Serving & Holding Equipment, Storage & Handling Equipment, Ventilation, Warewashing, Waste Handling Equipment |
| Supplies <i>Please note:</i> as of Q315, "Menu and Message Boards" (previously calculated in Supplies) are now in Furniture. | Barware, Bakeware, Bins, Bus/Tote Boxes, Buckets (Ice & Wine), Buffetware, Can Openers, Chef Apparel/Shoes, Cleaning Tools, Colanders, Cookware/Pans/Pots, Cutting Boards, Knives/Cutlery Blocks/Sharpeners, Mixing Bowls, Storage Containers, Thermometers/Temperature Measurement/Food Safety, Textiles (Kitchen), Utensils/Tools (Kitchen) |
| Tabletop | Baskets, Beverage Pitchers/Servers, Candle Holders/Lamps, Candle & Chafing Fuel, Carafes/Decanters, Chafers, Covers, Dinnerware, Drinkware, Flatware, Glassware/Stemware, Linens (Napkins & Tablecloths/Covers), Menu Covers, Salt & Pepper Shakers, Serving Bowls/Plates, Servingware, Trays, Tray Stands |
| Furniture | Bars (Stationary & Mobile), Benches, Booths, Cabinets (Decor), Chairs, Coat Racks, Drive -Thru/Pass-Thru Windows, Heaters (Patio/Outdoor), Hostess Stands, Menu/Message Boards, Railings & Railings Fittings, Signs/Signage, Stools, Tables, Table Bases, Table Tops, Umbrellas |
| SUB-CATEGORIES | |
| Primary Cooking Equipment | Braising Pans, Broilers, Charbroilers, Cook-Chill Systems, Fryers, Griddles, Grills, Hot Dog Grills/Rollers, Microwaves, Oil Filtration Systems, Ovens, Panini Grills, Pasta Cookers, Ranges, Rice Cookers, Smokers, Steam Jacketed Kettles, Steamers, Tilting Skillets, Toasters, Waffle Bakers/Crepe Equipment |
| Refrigeration & Ice Machines | Air Curtains, Blast Chillers, Compressors, Condensers & Evaporators, Coolers, Doors (Walk-In/Insulated), Drop-In Pan Chillers, Freezers, Ice Cream Cabinets, Ice Machines, Refrigeration, Slush/Smoothie Machines, Soft-Serve Ice Cream/Yogurt Machines, Water Filter Systems |
| Storage & Handling Equipment | Cabinets, Carts, Conveyor Systems, Covers, Dispensers (non-food), Dollies (Can, Dish, Rack), Food & Ingredient Canisters & Containers, Hand Trucks/Utility Trucks, Meal Delivery Systems, Racks, Receiving Scales, Shelving, Work Tables (Bakers, Cooks, Makeup, Prep, etc.) |
| Serving & Holding Equipment | Beer Systems, Beverage Dispensers, Carving Stations, Coffee Equipment, Display/Merchandisers, Food Dispensers, Food Shields, Heat Lamps, Kiosks/Mobile Serving Units, Salad/Food Bars, Serving/Buffer Lines, Serving Carts, Soda Fountains, 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, Pasta Makers, Popcorn Carts/Machines, Salad/Vegetable Washers & Dryers, Scales, Slicers, Timers, Vacuum-Pack Machines |
| Warewashing & Waste Handling Equipment <i>Please Note,</i> as of Q416, Sanitation Equipment is included under Janitorial and Sanitation Equipment. | Booster Heaters, Can & Bottle Crushers, Can Washers, Drainboards, Faucets/Spray Units/Washers/Hoses, Flatware-Handling/Recovery Systems, Floor Troughs & Drains, Mats (Anti-Fatigues, Bar, Rubber, etc.), Pulpers & De-Water Equipment, Racks (Warewashing/Dishwashing Racks), Sinks, Tables (Dish), Warewashing/Dishwashing Machines, Waste Bins/Recycling, Waste Compactors, Waste Disposal Systems |
| 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 Faucets and Faucet Systems, Bathroom Stall Doors, Dehumidifying Equipment, Eye Wash Stations, Pressure Washing Systems, Restroom Partitions/Stalls, Floor Scrubbers, Sinks, Toilets, Toilet Flushing Systems, Urinals |
| New! Janitorial & Sanitation Supplies | Baby Changing Stations, Brooms, Dusts Mops, etc., Brushes (Equipment Cleaning Brushes, Scouring Pads, etc.), Carpet Sweepers, Vacuums, Floor & Carpet Care Products, Carts (Janitorial), Cloths Microfiber, Hand Dryers, Mops, Buckets & Pails, Odor Control Chemicals & Devices, Paper Towel Dispensers, Soaps and Hand Sanitizers, Soap Dispensers, Stall Storage Systems, Toilet Paper and Sanitary Dispensers |
| 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*

Q2/2019 Foodservice Business Barometer Report

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

| | | |
|----------------------------------------------------------|------------------------------------|-----------------------------------------------------------|
| Agences Hamilton Agencies | GMV Sales Associates | Preferred Marketing Group |
| AMG - Foodservice Sales | Greenwald Sales & Marketing, LLC | Premier Foodservice Group |
| Anderson Foodservice Solutions | Griffin Marketing Group, Inc. | Premier Marketing Group |
| Apex Commercial Kitchen Co. | Hanna-Young & Associates, Inc. | Premier Marketing Group, Inc. |
| Apex Marketing | High Sabatino Associates | Professional Manufacturers Representatives, Inc. (PMR) |
| B Square Enterprises | HODAK Sales | Pro-Quip Foodservice Equipment & Supplies Incorporated |
| Beacon Sales Group LLC | Hollander Company | R. Henry & Associates |
| Bob Waite & Associates | HRI, Inc. | Redco Foodservice Equipment, LLC |
| Bowerman Management Group | Inform Marketing Group, LLC | Schmid-Dewland Associates |
| Brittan Associates | Johnson Pike & Associates, Inc. | Shamrock Foodservice Equipment Reps. Inc |
| BSE Marketing | Kain-McArthur Inc. | Sharkey & Associates |
| Carman-Girard Associates | Kaufmann McKeown Marketing | Southwest Foodservice Equipment Marketing |
| Celco Inc. | KBC Specialty Products, Inc. | Specialized |
| Charles Pace & Associates | Kelly-Mincks | stage KOLSTAD associates |
| Chrane Foodservice Solutions | KLH Marketing, Inc. | TD Marketing Company, Inc. |
| Clements-Stella-Gallagher Marketing | Koehler-Borden & Associates, Inc. | The 2Market Group, Inc. |
| Collis Group, Inc. | Lake Effect Sales & Marketing | The Fischer Group |
| Copperfield Agencies Limited | Lane Marketing Group | The Hansen Group |
| Cowan Associates | Lund-Iorio, Inc. | The Pantano and Pinilla Agency, Inc. |
| Davis & Associates, Inc. | M2 Foodservice Representatives LLC | The Wallin Group, Inc. |
| DJ Marketing & Associates | MAC Sales & Marketing LTD. | Thormann Associates |
| Downing Management | Marjon & Associates, Inc. | TLC Marketing Inc. |
| DRC Marketing Group | McGirr, Inc. | Total Source Equipment & Supply |
| E. Ruff & Associates, Inc. | Midwest Professional Reps, Inc. | Total Tabletop Plus |
| Eaton Marketing Associates, Inc. | Mirkovich and Associates, Inc. | Veitch Group |
| Equipment Preference, Inc. (E.P.I.) | Mirkovich and Associates, Inc. | 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 |
| Foodservice Equipment Agents, LLC | PBAC & Associates LTD | Wyllie Marketing |
| Forbes, Hever & Wallace, Inc. | Pecinka Ferri Associates | YBR Marketing, Inc. |
| Gabriel Group LLC | Performance Reps Northwest, Inc. | Zink Foodservice |
| Gibbs & Associates, Inc. | Permul Ltd. | |