



TO: Gary Johnston, IFD Distribution
FROM: Katherine Bridgeman, Shearer's Foods
DATE: May 20, 2021
RE: Service Update

Status Update; Shearer's Service Update

Root Cause: Shearer's Foods is experiencing staffing issues at our Minnesota plant, this is causing missed production pounds and therefore causing PO shortages.

Recovery Steps: Shearer's Executive Leadership is actively engaging in this situation and the following action plans are in place:

- Shearer's is adding on-going bonus incentives for attendance, hiring bonus, overtime pay increase, shift pay differential, wage studies to achieve regional advantage, hiring events, and holiday schedule incentives.
- Shearer's is investing to increase additional staff and raise retention.
- Shearer's has hired an onsite recruiter, plus our onsite Shearer's Human Resources staff, to up our hiring activity in Perham, and the surrounding area. They are currently active full-time in enhanced hiring.
- Long term, we will continue to invest in technology and automation to eliminate needs such that available staffing will be sufficient.

Anticipated Recovery Date:

- Looking to have staffing addressed by mid to end of July, 2021

Shearer's is committed to continuing to strive for excellence in a difficult pandemic and economic conditions.

Regards,

A handwritten signature in cursive script that reads "Katherine Bridgeman".

Katherine Bridgeman
Shearer's Senior Business Manager
katherinebridgeman@shearers.com
Telephone (612) 850 2349