



## Specialty Quality Packaging

602 Potential Parkway, Corporation Park, Scotia, NY 12302

December 1<sup>st</sup>, 2021

Re: SQP Orders & Production

SQP would like to express the current state of operations and status, and what to expect over the next couple of months.

There is an incredibly high demand with the nation reopening, in the midst of a global pandemic, leading to record high orders being placed. Additionally, across the country, there are allotments on raw materials, leading to sourcing issues on board. Finally, with the industry experiencing labor issues, production is not at optimal capacity, which in turn has been leading to shortages over the last month, and into the future. To manage this process to the best of our ability, we are taking the following steps:

- Confirmations that get sent at the time of the order, will just be used to confirm that the order has been received, and what had been ordered. This is not indicative of what will truly ship. This information will be available **the day after the order ships**.
- An allocation process has been put into effect. This process has been implemented since November 1<sup>st</sup>. This process is new, and we are working through the kinks, and ask for patience with implementation and execution. Our goal is to front end allocate to not overwhelm our system. Our goal is to work on increase fulfillment rate with this process.
- Over the next couple of months, we need to have a more collaborative approach with your orders. This collaboration will allow you to know what to expect. Please reach out to your Inside Sales Representative before PO's are placed on large quantity orders (with large quantities of single items), to ensure that we can guide you through your orders and fulfill in full, the best we can.
  - Please connect with us regarding custom prints and how they will be impacted
  - Additionally, we are sold out of all solid colored trays, and will not be back in stock until Q2 2022.
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We thank you for your partnership through these hard times and appreciate your patience.

Sincerely,

Graham Rose

A handwritten signature in black ink, appearing to read "Graham Rose".

Senior Sales Manager