

Letter from the CEO, 2016

2015 was a successful year for Clark Associates. Our continued investment in infrastructure, tremendous employees, technology, and a commitment to delivering value to customers was recognized by Foodservice Equipment & Supplies Magazine by naming Clark Associates their 2015 Dealer of the Year. We also made the Central Penn Business Journal's Top 50 Fastest Growing Companies list for a 7th consecutive year.

Our growth created the need for expanded office space, and we've recently opened a new three-story office building next to our current corporate headquarters. The new building includes a large group training and meeting area, plus a gym that's open to all employees. As we've moved several divisions into this new space, we've been able to shuffle other ones into the spaces vacated by the moves. For example, [Clark Service and Parts](#) has relocated to one of our local warehouses. This gave them a larger area for parts inventory plus a renovated front office space. Once their old building is remodeled, it will house [Noble Chemical](#), [Clark Fire](#), and our fleet garage. More divisions will move as we renovate additional office spaces.

As a result of the [WebstaurantStore's](#) continued success, we opened two new distribution centers this year. The first, in Cumberland, Maryland has 525,000 square feet of warehouse space and will help us keep up with the rapidly growing volume on the east coast. It also has a photo studio and team of photographers and editors that help us produce high-quality content for the site. Likewise, the 472,000 square foot facility we acquired in Albany, Georgia will allow us to expand our one day shipping footprint into the southeast once it's fully operational in the 2nd quarter of 2016. This facility includes a Customer Solutions office, with the capacity for up to 50 representatives. Combined, both facilities will create over 300 jobs.

[Clark Food Service Equipment](#) completed a record 228 jobs in 15 states, including such notable locations as the University of Pennsylvania, Dollywood, Marco Island Marriott Resort, and the Navy Yard in Washington, DC. It still maintains a record-high backlog of project work going into 2016, while [ClarkPro](#) also shattered previous sales records. We've revised the team structures and created new positions within the departments to maintain and increase responsiveness to go along with the growth.

[The Restaurant Store](#) has seen its sales continue to grow at a record pace. We're anticipating the launch of a revamped, mobile-friendly website in January 2016. The new site will make it even easier to search for and order products, and will complement the convenience, great customer service, and knowledgeable staff that the brick-and-mortar stores bring to the market. This progress also brings the opportunity to expand the customer service and logistics teams to keep pace with the growth.

I'm pleased to say we've maintained our strong commitment to volunteering and charitable giving this year. For the third year in a row, our employees participated in in Lancaster's Extraordinary Give campaign, and were able to raise over \$12,000, which was matched with \$10,000 from the Clark Charitable Foundation. Another noteworthy event was our Kentucky Derby Day fundraiser to support Schreiber Pediatric Center and the Conestoga Valley Education Foundation. In all, the Clark Associates Charitable Foundation has supported over 140 different local organizations in 2015.

Now that we've grown to over 1400 employees, we set our sights on the future. We continue to focus on training and development in order to offer our customers the best solutions from the most knowledgeable staff. For example, 43 more employees passed the ServSafe exam this summer, while 15 earned their Certified Food Service Professional (CFSP) credential. While we have added and remodeled hundreds of thousands of square feet and have invested millions of dollars in tow motors, conveyors, and computers, I am most proud of our dedicated staff because they make it all happen. Yes, we have added over 400 new positions, but we still need more team

members to continue this growth. We only hire the best and the brightest. Could you be one of our future investments? We have a lot of opportunities, so if you're interested in joining our team, check out our [careers](#) page.

Best Regards,

Fred E. Clark
CEO, Clark Associates, Inc.