

Letter from the CEO, 2014

2013 proved to be another year of strong growth and innovation for Clark Associates. We were honored by the Central Penn Business Journal as the <u>fastest growing company in Central</u> <u>Pennsylvania</u>, and when you look at what each division has accomplished, you can see how we've earned that honor. Nationally, we're now the 4th largest distributor according to Foodservice Equipment and Supplies magazine.

Our e-commerce site, <u>WEBstaurantStore.com</u>, opened a new 170,000 sq. ft. distribution and call center in Dayton, Nevada, which now lets us ship to 95% of the country in 1-2 days. The customer service team extended its hours to 12 a.m. EST Monday through Thursday to provide even better service to its customers nationwide. We also redesigned the site to improve its performance and easier to use on tablets and mobile phones.

Aside from opening a new Baltimore branch of the Restaurant Store, our cash-and-carry division, we've secured new locations for our Lehigh Valley and Wilmington stores that will be opening in 2014. We're pleased to see our online presence with <u>TheRestaurantStore.com</u> grow too. A revamped, rebranded <u>Clark Pro Account</u> (formerly ClarkIT) division has seen the launch of an enhanced website for an even better user experience with many new features.

Our equipment divisions saw some exciting changes this year too. We've started <u>Clark Turnkey</u> <u>Solutions group</u>, based in Charlotte, NC, to handle the demand of light general contracting work in food service areas. Clark Florida had its best booking year for projects since 2007, while <u>11400</u> also saw record volume and a staff increase of 50%. Overall, <u>Clark Food Service</u> <u>Equipment</u> has finished projects both locally and in a dozen other states nationwide.



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<u>Clark Service and Parts</u> (CSP) and <u>Clark EcoEnergy</u> both saw another busy yet successful year. EcoEnergy installed two large solar projects in Maryland. The largest, for the Glen Meadows Retirement Community in Glen Arm MD, was 1.2 megawatts. CSP responded to 15,000 service requests covering PA, MD, DE and NJ.

In addition to our physical growth, which now comes to over 1 million square feet of warehouse and store space, we continue working hard to increase our employees' knowledge to better serve our customer base. For example, 5 more employees earned their CFSP (Certified Food Service Professional) credential, bringing our total company-wide to 25 CFSPs. Twenty-two others achieved ServSafe food safety certifications. Our corporate test kitchen is a busy place, with hands-on product training sessions several times a month for customer service reps, writers, and buyers.

One of our greatest assets is our employees and this great group of people frequently finds time to give back to the community through volunteer work and charity donations. This year, we donated over \$6,000 to 60 charitable organizations in the Lancaster, PA area as part of the county's Extraordinary Give campaign, and we're happy to say that the Clark Foundation was able to make a matching \$5,000 contribution to Water Street Ministries, a homeless outreach organization in Lancaster city. Overall, the Clark Foundation contributed \$250,000 in grants and donations in 2013, and all this is possible because of our dedicated employees.



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We have more exciting things planned for 2014, so check back often for updates. As always, we're thankful for our hard-working employees and loyal customers that make our success possible.

Best Regards,

Fred E. Clark CEO, Clark Associates, Inc.