

## ReRefreshment Services COVID-19 Conference Call / Update / Response:

03.20.20

- A hard copy of this call will be made available to you via text
- A subsequent conference call will be scheduled for tomorrow, Saturday at 3:00 PM
- A hard copy of that call will be made available to you shortly after the call
- We will not be taking any questions (live) either before, during or after this call

Good Morning!

I'd like to begin by thanking each of you for your patience - along with your care and concern for each other, for our customers (as is demonstrated by your faithfulness each day) and for your company.

We are, without a doubt, in unprecedented times.

But, with that said, we must proceed with a level head - utilizing common sense, while taking every possible precaution.

As a country, we are progressing towards the peak of COVID-19, which China and other countries have already seen - which means more testing, more testing positive and more people that will pass away. The COVID-19 virus is everywhere. Much like other viruses, we come into contact with it each day at the grocery store, the gas station and many other places which we frequent as the normal pattern of our lives (even in a modified state) continues.

That is why it is important (even though we are an essential business) to follow the guidelines that both the CDC and the President has outlined in his 15 day program.

Be reminded:

- Wear Gloves as soon as you enter the warehouse
- Remove "those" gloves when departing
- Put on new gloves as you get in your vehicle and proceed with your day
- Please wash your hands (with gloves on) and sanitize them throughout the day
- I think the biggest advantage to using gloves is the constant reminder they send not to touch your face
- Don't touch your face! This virus wants to work its way into your throat and then into your lower respiratory area
- I'm going to be personal:
  - Don't touch your face
  - Brush your teeth often
  - Rinse with listening
  - Drink Bragg's Apple Cider Vinegar
- Observe Social Distancing - 6' (Please don't think this is silly) This virus is primarily transferred from one person to another. Observe Social Distancing

- Wipe (with a wipe or disinfectant) your steering wheel and other touch points in your vehicles
- Never take your gloves off throughout the day - (I'll be personal), NEVER TAKE YOUR GLOVES OFF THROUGHOUT THE DAY - there is nothing that you need to do that you cannot do with gloves on. Simply wash your gloved-hands when appropriate.
- Back to Social Distancing: if you are on a site and someone approaches your personal space, be polite but firm - put your hand/glove in front of you and stay "Stop - please, with all due respect". Sounds silly, but I'd rather smile in a few weeks than have to give you time off to attend a funeral.

There are hundreds of additional reminders that I'd like to share, but time won't allow it. Simply said, use your head - use common sense (both at home and at work).

There are those who are concerned for us at work, while many at home are now contracting COVID-19 by touching the mail (cases already reported this morning) and by picking up delivered packages, and through other means. My wife has very helpful information regarding these and other thoughts and ideas that will be helpful to you at home.

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#### Janitorial Team

While we work throughout the day, we have scores of employees who are working throughout the night keeping workspaces, factories, banks and medical centers safe, clean and disinfectant. They are on the front lines supporting other essential people and businesses as we try to keep America moving through this crisis.

I'm thankful for each of them and wanted to give them a shout-out in our conversation this morning. And trust me, they too deserve and they are facing COVID-19 head on. (Question) Something for you to think about: Who do you think has to go in and clean up and disinfect a patient room following an appointment with a potential COVID-19 patient? We have the best people in the industry and I would ask that you keep them in your thoughts and prayers.

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#### Moving Forward

Following some meetings at a couple of health care centers this morning, I'll be heading to the office for a 1:00 PM Conference Call with janitorial staff and then heading into a RS meeting with Luis, Brenda and Victoria.

This is a closed door meeting with limited outside communication as we work out how to proceed from here, with respect to the next several weeks.

As most can figure out we have lost over 40% of our refreshment services revenue. We have several site closings, limited access to other sites and 50% of the work force working from home everywhere else that we are able to service (and this is changing daily).

This has taken a toll on our company financially and we need to make some decisions.

I believe that we have a lot of options available and I also know that we are looking at things short term; about 4 - 6 weeks of continued interruption. I believe that we are not at the peak of the problem, though, and that we'll probably encounter continued deescalation in business and in business revenue.

With that said, we are looking at things longer term because the other side of this dilemma isn't really that far away (hoping for early May) and it's that sudden return to business that is going to be a pretty big challenge.

We're all going to wake up one day and everyone will be back at work and we're going to be expected to fill every vending machine and every micro-market in the region on the same day.

So, it's coming....

And yet, we're taking things day by day.

- I expect continued site closings
- I expect continued loss of vending revenue
- I expect more truck problems (like this morning)

But when this is over, I expect that we'll bounce back stronger and better than ever! We have some of the best and most customer-focused people in the industry, led by Luis, who has proven himself over and over.

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And so, this afternoon at 1:30, Luis, Brenda, Victoria and myself will work to map out the next several weeks. While we don't want you to worry (although I know that you will be thinking about it), we will obviously be looking at reduced schedules.

So, here's the plan:

- We'll meet this afternoon, no doubt for at least a couple of hours
- We'll put everything together this evening
- I'll review it overnight and meet via conference call with Luis, Brenda & Victoria tomorrow morning
- I'll write out the completed plan & schedule
- We'll have a full RS Conference Call tomorrow afternoon at 3:00 PM (this is not mandatory, because it is Saturday - but I want to get the information out to you as quickly as possible)
- A printed version of the call will be made available to everyone shortly after the call
- I'll then speak to everyone personally after the call (although its possible that this will occur prior to the call - this is kind of fluid at this point)

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That's the basics.

I know that some of you (if not all of you) have questions. I am not going to open things up for questions this morning. What I'd like for you to do is send your questions to Brenda via the new text number (which is the same as our phone number).

I'll review all the questions and provide answers as appropriate, either personally or through tomorrow's conference call or in a separate call or memo. I do want to answer all of your questions, I just don't want to tie up everyone for individual questions at this time.

Folks, this is a tough time. It's tough on our country, it's tough for our region, it's tough for the company and it's tough for you and your families. You are in our thoughts and prayers every day. We care deeply for each of you and we want to help you as much as possible.

Please send any thoughts, questions or otherwise directly to the text line so that Brenda can compile everything and get them to me. Please be gentle with Brenda, who is working day and night to support Victoria and I in keeping things moving forward. I would not be able to keep things as they are without her.

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Closing Thoughts:

- Stay Calm
- Use Common Sense
- Help each other out
- Be respectful and don't lose hope
- Wash your hands
- Wash your hands again, and again (with gloves on)
- Practice social distancing
- See Victoria for ideas at home with respect to COVID-19

You represent the greatest bunch who has ever represented our company with respect to refreshment services. Remember that there is another side to this story. This is not the last chapter. The next several weeks is not the whole story. The month of April will not be the last chapter.

Trust God, follow leadership within this company, and we will get through this.

I'll talk with you again during our conference call tomorrow afternoon at 3:00 PM.

Thank you & be safe out there!