

# HF GROUP UPDATE

As we approach the end of summer, we want to bring you up to date on latest developments at HF Group. On the heels of 2020, this year, 2021 has brought a different set of challenges.

In response to large shortfalls of work in 2020, we made the difficult decision to close our library binding lines in Charlestown, Massachusetts, and Chesterland, Ohio, redirecting work to our Indiana, North Carolina, and Nebraska facilities. In those locations, stops, starts, and unpredictability have been the name of the game, forcing us to change the way we approach our workflow in order to reach optimal efficiency.

As is the case with many businesses, re-staffing (hiring new employees) in a post-COVID environment has been an enormous obstacle, and many dedicated employees have contributed long hours to make up the deficit. We've also had disruptions and some difficulty with the supply chain, related to many materials and supplies. Needless to say, a fun stretch.

Many of you have experienced the impact of some of these challenges, notably our disrupted transportation routines. We have worked hard to serve customers who have regularly sent work and who have had sufficient volume to justify normal procedures for transportation and shipping. Others have experienced delays or stoppages during times, heretofore unthinkable to us. We apologize for this inconsistency and appreciate your patience.

As we move forward, we aim to return operations to a more normal pace, continue to seek out and hire necessary staff, and restore more reliability in our production capacity and shipment schedules.

We appreciate everyone's support and understanding. Frankly, we feel fortunate that our business has survived the past 18 months. Many have not. We have been changed, as a business, no doubt. But we remain financially stable and firmly committed to our business. As a long-time service provider, we look forward to more years ahead working with your staff and institution.

Thank you.

**Management and Staff of HF Group, LLC**

**September 1, 2021**