

THE SPROUTPEOPLE

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To All Concerned,

We are on the edge. Our business could cease to exist literally any day now. Please take the time to read through this and the other pages you are holding. It is through no fault of our own that this fate is awaiting us, except perhaps that it has taken us so long to produce these documents. These pages have consequences for many people, in fact, every person who eats and especially those who care about healthy living and organic foods.

We have worked hard for over 6 years, building our little business from the ground up. We have driven our own little refrigerated truck nearly 250,000 miles to deliver directly to all of our (currently 33, down from 42) accounts to insure that our sprouts receive the best possible care from our factory to each store. We have always maintained a very close relationship with all of the produce people we have dealt with and bent over backwards to make them happy. Many of them still remember our children coming along with us on deliveries. Those were happy exciting times, but as anyone who has owned a business knows, everything else is sacrificed at the alter of your business. 80 hours is not a long week and a day off is nothing but a dream, but if you are doing something you believe in (as we have) it is all well worth while. We now employ 3 people full-time and several others part-time. We pay wages above most local businesses (spending over 25% of our gross sales on labor in 1998 and a substantially higher percentage this year), we are respectful of our employees and feel them to be as much "The Sproutpeople" as we are. We are Certified Organic because we feel that organic is the only viable way to grow anything if we expect our children's children to live and thrive on this planet.

But now all of our futures are in doubt due to over a year's worth of relentless bad press from the Federal Government and a Media which does not care to examine the facts. This has driven our fresh sprout sales down 50% year to date, and it's only getting worse. We expect someday soon there will be a knock on the door and everything we worked so hard for will be gone in an instant.

We don't expect to be able to stop this madness and we see as a result the death of our fresh sprout business. Our northern route (which at this time in 1998 was a thriving 52% of our

business) which includes LaCrosse, WI and the Twin Cities of Minnesota is so close to now losing money that we expect it to be terminated by the end of August – if not sooner. We cannot, after 6 years carry our business if it is losing money. It was only profitable for a short time and now that it's heading down (steadily since July 1998 in fact) into the red. We will allow it to die rather than take on more debt to keep it afloat. Things are not at all likely to get better in the sprout industry – ever.

But, it is our hope that the educated natural foods consumer will still want our sprouts, knowing that they are as safe and healthy as ever, and will grow their own if need be (100% of loyal customers polled at the Dane County Farmer's Market confirm this). So we will try expanding our Home Sprout/Seed business in hopes of survival for our business, our employees and healthy sprouts for our end users. If things continue on the way they have been this past year, growing your own will truly be the only choice for sprout eaters (unless you like bleach with your sprouts perhaps), and that is by no means a given as you will see in the following pages. But assuming that sprouts are not made illegal (don't laugh), we will be after all of our store accounts to add or expand our home sprout product line and we will try to find money to increase mail-order and internet advertising and presence. You see - We are not the best at what we do, we are the only ones who do what we do! And we will require all of you caring and helping if you want us to be here – in some form - next year.

Please, please, please read the following pages and pass them on to others. We all must stand up and be counted if we want justice and rights, and NOW IS THE TIME!