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**CONTACT:** Matt Barkett of Dix & Eaton for A. LoPresti & Sons, Inc., 216-241-3073

## **A. LOPRESTI & SONS, INC. CEASES OPERATIONS AFTER CENTURY OF SERVICE TO NORTHEAST OHIO**

### **Family-owned wholesale foodservice distributor saddened by development, proud of legacy**

CLEVELAND – March 23, 2009 – Citing unprecedented financial challenges resulting from the far-reaching effects of the national and local economic downturn, A. LoPresti & Sons, Inc. – a family-owned, wholesale foodservice distributor that has been serving Northeast Ohio for more than 100 years – announced today that it is ceasing operations, effective immediately, and will liquidate the business.

The company, which has annual revenues of approximately \$40 million, serves more than 1,200 customers – primarily restaurants, hotels, caterers, schools, hospitals, and business and industry accounts throughout the region.

“We have done everything we possibly could to survive these latest challenges, just as our family has done for four generations,” said Patricia LoPresti, chief executive officer and president. “Regrettably, we concluded today that we can no longer remain in business. With our lower volume and inability to collect some major receivables, we no longer have the cash necessary to keep operating.”

A. LoPresti & Sons has 72 employees and has operated out of a 180,000-square foot warehouse at East 40th Street and Woodland Avenue, less than a mile from where founder Augustino LoPresti started selling fruits and vegetables from a red pushcart in 1908. While produce has always been the company’s specialty, its product line has expanded over the years to include dairy, groceries, frozen foods, fresh meat, poultry, and paper and cleaning supplies. Local farmers and other local suppliers have represented about one-fourth of the total product offering.

“Unfortunately, many of our customers and suppliers in the foodservice industry are under the same kind of severe economic pressures that we have been,” said LoPresti.

“Sales volumes are down, credit terms are being tightened, payments are falling farther behind, and financing options have all but evaporated. We greatly appreciate the support and tremendous cooperation of all those who have worked diligently with us over the past few months to find innovative solutions to these new market realities – including our employees, union, vendors, landlord and lender. But in the end these efforts were unsuccessful, and we have become another victim of the economic storm.”

LoPresti said the company’s financial situation has become most critical since mid-September of last year, when the nationwide credit crunch became severe and demand plummeted. Although the company has maintained its market share since then, annualized business volume has decreased 25 percent from the previous year and two major customers have gone out of business, resulting in more than \$500,000 in uncollectible receivables.

“Although we are deeply saddened by this development, we remain proud of the legacy of our family and our company, and can rejoice in celebrating a century of outstanding service,” LoPresti said. “Throughout our history, we have maintained the highest ethical standards and a deep commitment to the Greater Cleveland community. We are thankful for the support of our customers and suppliers, and grateful for the dedication of several generations of employees, who have been our extended family.”

LoPresti said the family will continue the August LoPresti Scholarship Fund, which supports students pursuing any aspect of the hospitality and foodservice fields. Founded 15 years ago in memory of third-generation CEO August LoPresti, the fund has provided more than \$30,000 in scholarships to area students.

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