



MASTERCRAFT VENDING AND COFFEE SERVICE

The Phoenix Flyer



Like the Mythical bird of lore, which renewed itself in a dramatic re-birth from the flames, the intent of the company is to constantly reevaluate and rejuvenate the service standards that set us apart from our competitors.

Our Mission:

To get our customers what they want, when they want it, conveniently and courteously.

Our Values:

Strive For Excellence

Teamwork

Enthusiasm / Can-Do Attitude

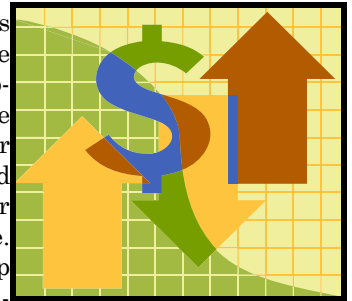
OUCH! - Have You Felt the Pain?

In February, the US Labor Department showed that US producer prices rose for a second month, led by higher costs in **gas** and **food**. The Federal Reserve Chairman Alan Greenspan has raised interest rates in seven consecutive reviews.

Cost increases are everywhere—food, gas, clothes, taxes. No matter where you go, costs are up all around us. Mastercraft has certainly felt the squeeze in recent years, especially within the last year, and we will not be able to hold off our own inevitable price increase much longer.

We all know health care and fuel costs are through the roof. The Chicago Tribune reported that green coffee costs have increased 38% (3/15/05). The average Ameri-

can, who drinks 3.5 cups of coffee per day, will notice the next time they go to their neighborhood Starbucks or Caribou Coffee. Chocolate is up 14% since Novem-



ber, plus paper goods, snacks, juices, and a myriad of other goods and services.

The **good news** is that Mastercraft is forever vigilant in our quest to look for the best deals, the highest quality, and always maximize value to our customers!

From the President

By Edward Lannan

I found myself pleasantly surprised a month ago when I received Mastercraft's employee of the month award in recognition of my development work on the Brews Bros. concept. Brews Bros will provide gourmet coffee and grab 'n' go foods for large multi-tenant buildings, colleges, and hospitals using carts & kiosks.

I was shocked at my own reaction; because you know I don't really need recognition. I have a job to do and I get paid to do that job and that is enough, isn't it? Well maybe not, because I really enjoyed the recognition! As a bonus, I loved using the parking space nearest the front door for the month.

I suppose I am stating the obvious... recognition is a good and powerful thing. Why don't we do more of it with coworkers, friends, and family? I will personally work on the last two, and we at Mastercraft are also working on the first one.

Did you see the movie a few years ago called "Pay it Forward"? The concept was that if a good deed is done to you, you don't reward the first person that did the good deed; you acknowledge that good deed by passing along another good deed to someone else.

Mastercraft's staff is *paying it forward* in a small way with three-inch buttons with our Phoenix logo on it. The Phoenix logo represents Mastercraft's commitment to quality. If you do something demonstrating the positive attitudes and behaviors, which make us a better organization, then someone might give you the button. Now as the holder of that button you look for Phoenix behavior in others. When you see it, pass your button along to the next person. The chain needs to continue in a perpetual good vibe process. In a small way we can give and receive the recognition we all really desire.

I am wearing a button right now that I received from Kevin yesterday. I bet before the day is done I will have passed my button onto one of my worthy coworkers. I know it; because that is the kind of people I work with at Mastercraft.

Mastercraft NOW

Values Connection: *Enthusiasm/Can-do Attitude*

Enthusiasm. Why do we count *enthusiasm* as one of our values? Why do we pair it with a *can-do attitude*? Because we like to be on top of things. If you need something, we will be there. If one of our co-workers asks for help, we will be there. We believe that there is nothing we can't accomplish, if we just put our minds to

it. And we will do it with pride and enthusiasm!

How many times have you gone to a store, or called customer service on the phone, only to be ignored, or worst of all, made to feel like you were inconveniencing someone? We don't think that is a good way to do business, or to treat your fellow man, for that matter. We want a

world, and a company, that is better than that.

Mastercraft is committed to serving our customers and employees alike with the best possible attitude and enthusiasm. We look forward to serving *YOU!*

Next quarter we will explore our Mission, and what it means for you!

What is happening in the world of Mastercraft this quarter.

Industry News:

“Balanced for Life”

Positions Vending as an Educational Tool

The National Automatic Merchandising Association (NAMA) inaugurated its “Balance For Life” education and publicity campaign at a press conference at the nation's capital last month. The program has been formulated to educate parents, students, teachers, and the general public about nutrition and the components of a balanced diet, as well as the importance physical activity in

maintaining healthy body weight. This program will deliver nutritional education material directly to teachers and students in the targeted schools across America. Information will include bilingual posters and material delivered directly to the schools, and features a color coded system so children can understand how different food choices fit into an overall balanced diet. Locally, the

Chicago Public has implemented a healthy snack program, of which Mastercraft is 100% compliant. **As the largest snack provider to the Chicago Public Schools**, we feel it is important to support the education of the students to learn to make the correct healthy choices in life. We are also involved in trying to seek out additional items that fit into the guidelines required.

New Business this Quarter

Mastercraft Coffee & Vending is very happy to welcome some new members into our family. We are proud to say that we are growing as an organization, and this quarter is no exception. We are honored to serve a variety of different-sized companies which will be great partners, now and in the future. Some of these companies are more recognizable to folks in their industry... **Total**

Plastics Inc., for example, distributes thousands of plastic materials and related products to a broad range of companies located throughout the United States. Others are household names to all of us, like **CareerBuilder.com.**, which happens to be the nation's leading recruitment source. Both are leaders in their perspective industries. We welcome both of these com-

panies with open arms and look forward to servicing the men and women who work there with the very best possible support and service in the Chicagoland area!

careerbuilder.com

TPI Total Plastics Inc.

Employee Spotlight

Focusing on outstanding members of the Mastercraft team, who have exemplified our Mission and Values.

John Watson, Route Driver was selected as **December's Employee of the Month**. We are recognizing John because during our most recent account inspections, we saw that his cleanliness and merchandizing were right on the mark, and in line with our company's Values and Mission. John joined Mastercraft this past October after moving here from Seattle and marrying his wife last May. John and his wife enjoy eating out and it's probably a good thing because their favorites are Pizza and Chinese. Those of us who are parents know how hard it is to have anything else delivered! I know we said 'eating out' but you see, they'll be 'eating in' now because on Sunday, March 20, 2005 they welcomed their new baby girl into the world. Her name is Alexis Marie and she weighed in at 6 lbs. and 6 oz. Yes, sleep will be short and days will be long. Even more reason for John to start focusing on his golf career and the "Senior's" tour! That is if he doesn't make it in the Old Timer's Softball League! She should be 21 by then!



Special Focus:

Beware of the Bait and Switch



There has been a trend in the vending industry lately for a new sales plan. That is the old "Bait and Switch." This policy is as old as they come in business, but has been resurrected by a few vending companies in Chicagoland recently. Here is the scenario—the competitor will offer lower selling prices or astronomical commission percentages to get the customer to sign a non-controllable agreement. Then, once the machines get installed, the competitor raises the prices automatically, or reduces the commission rates. Selling prices that are too good to be true are usually just that. If a vendor suggests that a price freeze will be in effect for a specific amount of time before they are reviewed, at least they are being honest and upfront in the process. Mastercraft does not raise a selling price without consulting the client, backing up the increase with a business reason, and then posting notification for the employees. Good service, reliable machines, and an excellent maintenance program is our ticket to happy customers, without the necessity to "fool" anyone with false promises.

Coffee Drinkers' Corner

...Mastercraft Innovations...this quarter's recipe...



Would you like to be able to order your office coffee over the internet? How about dropping by a kiosk in a mall, and picking up a cup of Joe and a sweet treat or a sandwich? These are just 2 of the latest innovations Mastercraft is working on! We want to make sure you have your high-quality coffee—however and wherever you want it!

We are always looking for new ways to serve you better. If you have any ideas, or requests, please let us know! Contact your sales representative, and let them know how you want your coffee!

In the meantime, you can keep getting your great, office coffee service from us.

Coffee Ice Cream (8 servings)

3 cups light cream	1 1/2 tsp. vanilla
1 3/4 cups sugar	1/4 cup rum or Kahlúa
3 beaten eggs	1/2 cup cold strong coffee
1/2 tsp. salt	1 cup heavy whipping cream

Scald light cream while blending in sugar. Add slowly over beaten eggs and blend thoroughly. Cook while stirring on top of a double boiler until thickened, and chill.

Next add the cooled coffee, salt, and whipping cream.

With either electric or hand-operated ice cream freezer, use churning instruction with the freezer. Begin churning in the freezer. When almost frozen, add vanilla and Kahlúa (flavored coffee can be substituted). The finished ice cream will be of a soft-serve consistency until hardened in a freezer.

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Where are we going now?

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Special Focus—Beware!

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TPI Total Plastics Inc.



WE WANT YOU!

If you know someone who would benefit from Mastercraft's vending services, we will take good care of them...and you! If your referral becomes a customer, then we will give you your choice of one of the following:

*\$125 off your next coffee order,
or*

*A free night at a Chicago area Hyatt hotel,
or*

The ultimate home coffee setup, complete with thermal brewer, Caribou Coffee, flavored syrup, and dispenser head!

Please call Ed Lannan at 847-621-3200 x22 with your referral. Thank you!



Mastercraft Vending and Coffee Service

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Place
Stamp
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