



TO: Congressman Pete Stauber

FROM: Andrew Arnold, Reeds Family Outdoor Outfitters, COO

DATE: December 9, 2021

RE: Testimony for House Natural Resources GOP Forum on Supply Chain

Dear Congressman Stauber,

Thank you for the opportunity to testify at the House Natural Resources GOP Forum on Supply Chain. My testimony will highlight the following areas:

1. Specific examples of Fall-Winter Supply Chain Problems Effecting people's ability to Fish and Hunt
  - a. Ice Fishing
    - i. One of the hottest items this year: Garmin LiveScope All Season Bundle is missing parts to allow the customer to use it correctly
    - ii. Catch-Cover dropped key products because component materials are short.
    - iii. Some Ice Clothing Factory shipments will arrive as late as March 2022
  - b. Hunting
    - i. Ammunition. Component shortages held up factories ability to make the right ammunition at the right time, missing key season experiences and creating a shortage for some calibers.
    - ii. Deer Muzzleloader Season. The primer, powder and guns for this season were so challenging, many people could not hunt the season
    - iii. Tree Stands arrived after the deer season or not at all. The selection was a fraction of its normal assortment.
    - iv. Clothing for some factories is still floating outside of Long Beach, CA, leaving the factory and Reeds out-of-stock when people want it for the hunting season.
2. Increased Cost of Supply Chain
  - a. Inbound Freight Costs that directly affect our bottom line because some costs cannot be passed to the outdoor customer because of MAP pricing.
  - b. Outbound shipments to Sportsmen in our e-commerce shipments have created an increased cost to customers in many examples. We are experiencing 30% increases in outbound freight costs.
  - c. Higher In-store pricing for customers.
  - d. 2022 Increased pricing on new products because vendors are using the new high container import costs to pass on to customers. Increases of 30 percent in cost and retail are not uncommon.

I will have other examples to share as well. Thank you for the opportunity to testify and share the story of the men, women and youth of the Outdoors in Minnesota and nationally.

Best regards,

Andrew Arnold