Whole Foods Market Invests in Infor’s Cloud Platform Technology

Walter Robb, Co-CEO of Whole Foods Market, announced that the grocery chain is partnering with Infor to design a cloud-based software to monitor its merchandising and supply chain. The venture with Infor is the latest big bet on technology for the retailer following announcements of partnerships with Instacart and Apple Pay. Whole Foods Market is looking for ways to differentiate itself from the growing competition in natural and organic categories from conventional and big box retailers. “The word on the street is everyone is selling the same food. Well, they ain’t,” says Robb. “I know there’s a difference. I want to communicate the difference and sell the difference and we’re partnering with technology to do it.”

The new technology should help Whole Foods Market better manage individual product details and sourcing information. For example, the technology will be able to keep track of thousands of product details from production locations to package sizes and ingredients. The new software will help the company better manage its “Responsibly Grown” rating system for fresh produce and flowers by tracking all of the metrics used to evaluate products for certification. With the new cloud-based technology, Whole Foods Market will also be able to send data to suppliers on product movement and provide insight into industry trends.

Infor, which is run by CEO Charles Phillips, a former president at Oracle says, “There haven’t been many new systems to accommodate the new ways of selling and getting products to market.” Although Infor is working exclusively with Whole Foods Market to build the software, it may eventually be released and sold to other retailers to bring the grocery business into today’s fast paced technological era.
Whole Foods Market Global Releases New Format for Off-Shelves

Whole Foods Market announced changes to their FY2016 off-shelf program. There are now two tiers of national off-shelves – A Stores and All Stores – each with a different fee. This program is expected to greatly improve regional participation in national off-shelf events. Whole Foods Market will be retroactively adjusting and resending off-shelf confirmations for October through March events so that you will know which tier each event will be falling into.

The following memo was provided by Whole Foods Market:

As you may have noticed, over the last several months we have taken an active role in monitoring the execution of our Global promotions within the regions. Many of you have aided us in the process and brought key insights forward as to how we can improve upon our retail execution. The two key components we have focused on are: improving overall retail pricing and ‘off shelf’ display activity. Admittedly both of these initiatives come with their own, unique operational challenges. Adjusting promo retails and establishing a more equalized value image nationwide has been relatively easy. However, determining an approach for a uniform ‘off shelf’ display standard has proven more difficult. This is primarily due to a wide variance of store display space across all of the regions. What we’ve come up with is a tiered approach to ‘off shelf’ displays:

Tiers
1. All Stores (approx. 420 active stores)
2. ‘A’ Stores (largest foot print, maximum amount of merchandise space)
   o Grocery = 285 Stores
   o Frozen = 222 Stores
   o Dairy = 176 Stores

All Stores
Grocery OS Displays = 10
Frozen OS Displays = 1
Dairy OS Displays = 1
Bulk OS Displays = discretionary

‘A’ Stores
Grocery OS Displays = 10
Frozen OS Displays = 2
Dairy OS Displays = 1

What does this means in terms of execution?
Any promotion designated as an "All Store" event will be expected to execute at all stores currently selling the promotional items. As a reminder, promotions do not drive distribution. Any promotion designated as an "A Store" event will be expected to execute according to the store count outlined above. An ‘off shelf’ display is defined as any one of the following: Endcap, Case Stock, Metro Rack or any other secondary display space.

What does this means in terms of ad fees?
The current ad fee structure will change according to event designation.
The fee schedule will be as follows:

All Store Grocery = $24,500
All Store Dairy = $15,000
All Store Frozen = $15,000
All Store TPRs = $7,500

‘A’ Store Grocery = $20,000
‘A’ Store Dairy = $12,000
‘A’ Store Frozen = $12,000
‘A’ Store TPRs = $7,500

All TPRs will remain $7,500 and will not be subjected to the event designation outlined above.

Since we have already begun the 2016 fiscal year, we will be modifying our promotional planners as we go. October and November will be manually adjusted to reflect these changes. We will be working towards modifying our submission forms, but ask for your patience as we build out our systems internally.

If you have any questions, please feel free to reach to reach out directly to Presence Marketing/Dynamic Presence’s Rob Browning at Rbrowning@pmidpi.com or Lorraine Kayser-Bradley at Lkayser@pmidpi.com.

Dwight Richmond Steps Down from Whole Foods Market

Dwight Richmond, the Global Grocery Purchasing Coordinator for Whole Foods Market for the past six years, has resigned. Dwight was instrumental in establishing hundreds of cutting edge new items including high-pressure, processed juices, as well as chia and turmeric drinks and bars. He was also instrumental in the growth of product certifications, such as non-GMO and Biodynamic. In addition to managing national promotions, Dwight also vetted supply chains to verify the conscious origins of many Whole Foods Market products.

He had the demanding job of screening and developing new grocery items since 2009, during which time he managed over 70 categories that generated a sales volume of over three billion dollars. Dwight has supported Presence Marketing/Dynamic Presence and its brands tremendously over the past six years. In addition to regular work hours, Dwight worked early in the morning, late at night and many weekends to help create new items and to manage and grow sales. The Presence Marketing/Dynamic Presence National Whole Foods Market Team will miss him, his sincere and transparent communication, great palate and big heart. Dwight, his wife Cassie, and their two young children will be moving to be closer to Cassie’s mom and dad in North Carolina. For any questions regarding the transition or ongoing business dealings please reach out to Presence Marketing/Dynamic Presence’s Lorraine Kayser-Bradley at Lkayser@pmidpi.com or Rob Browning at Rbrowning@pmidpi.com.
Whole Foods Market Global Grocery Team Grows

On October 30th, Whole Food Market’s Executive Grocery Coordinator Errol Schweizer, announced some key staffing changes and 2016 Round 3 to 5 Category Review Schedule priorities. Jason Stein has joined the team as the newest Purchasing Coordinator, John Scalzo has been promoted to Associate Category Buyer, and Andrea Boger has joined the team as a Promo Analyst/Associate Buyer. Errol and team are still searching for one more Purchasing Coordinator/Category Manager position. The following is Errol’s announcement in its entirety:

Greetings everyone.

First, thank you all for your continued partnership. We have a lot changes occurring at WFM and will do our best to keep our supplier community informed.

The Whole Foods Market Grocery program continues to grow in leaps and bounds, with huge gains in our promotions and category review/new item sales, and steady improvement in our retail and pricing execution.

We launched over 700 new products last year and our seasonal item sales grew briskly. Biodynamic sales grew 25% and Committed Fair Trade sourcing is among our top sales trends. And we now sell over 11,000 Non GMO Verified items, more than any other retailer.

In the near future, we will be rolling out new marketing and promotional opportunities for suppliers, including Reward programs, Digital Coupons and a National Ad Flyer, building off of our #Love Fest events.

We will be sending a series of updates out over the next few months, so that all of you are in touch as our go-to market strategies and structures evolve.

And please do not hesitate to reach out to Dave, Matt or myself when you have questions or concerns.

Here are couple updates from the Whole Foods Market Global Grocery team:

1. Staffing

First, Dwight Richmond has moved on to another opportunity in the industry. In over four years with my team, Dwight did a monumental job. His work ethic, sincerity and passion for the product really helped establish many of our brands and validated such important trends as Fair Trade and Non-GMO. We will miss Dwight and wish him the best of success in his new role.

My team is excited to announce the addition of our new additions.

Jason Stein, our SW Grocery Coordinator, has accepted the first of two open Purchasing Coordinator/Category Manager positions.

Jason is joining us at a critical juncture as we evolve towards a deeper category management approach in Grocery. Jason has been with Whole Foods Market for 14 years and has moved up the ranks in Grocery through MW, FL and SW, as well as having experience in both store operations and regional purchasing. Jason has led a top tier region in program execution, space planning, communication and leadership development. He has also been a leader in responsible sourcing and transparency among his peers. Jason will be training with us part time in November and will join us Full time in early December.

In addition, Andrea Boger has transferred from the SW Region as a Promotions Analyst, reinforcing our promotions program workflow, which has doubled in less than two years. Andrea has a background in merchandising and analytics and is already embedded with the team to support Cheryl Franklin, our Associate Promotions Buyer.

And we want to welcome and appreciate John Scalzo, who has been supporting Dave and Matt as an associate buyer since the late summer. John has over a decade at Whole Foods Market, with strong store operations and purchasing experience, and had previously been one of our longest tenured Associate Coordinators while in the PN.

Here is our Team:

• David Lafferty: Senior Coordinator
• Matthew Jimenez: Purchasing Coordinator, Category Review/Promotions Lead
• Jason Stein: Purchasing Coordinator
• John Scalzo: Associate Category Buyer
• Adam Kaman: Associate Buyer/Category Analyst
• Cheryl Franklin: Associate Promotions Buyer
• Andrea Boger: Associate Buyer/Promotions Analyst
• Kendra Westmoreland: Business Intelligence Lead
• Jeff Inman: Technical Analyst

All told, the Global Grocery team has over 100 Years of Whole Foods Market /Natural Foods Experience… and counting. We have more positions to fill and expect a rapid ramp up in our staffing. In the meantime we appreciate everyone’s patience and support.

2. Below is an interim 2016 Category Review schedule. We will publish a further update for Holidays 2016, and then Round 6 and beyond shortly.

Boxed/Bagged Coffee and Tea suppliers are welcome to reach out to me directly for feedback or guidance.

To see the full review schedule please double click the paperclip icon:
Brookshire Grocery Exploring Potential Sale

An internal memo from Brookshire Grocery to its employees in October revealed that the company is exploring a number of “strategic options,” including a possible sale. The Tyler, Texas-based company stated that while it is considering a possible business combination, all discussions are still in the preliminary stages. Potential buyers for the company were not named, however likely candidates include Cincinnati-based Kroger, San Antonio-based H-E-B Grocery Co. and Boise-based Albertsons/Safeway. The sale could be worth an estimated $1 billion for more than 150 stores across Texas, Louisiana and Arkansas, including Brookshire’s, Super 1 Foods and the Fresh by Brookshire’s flagship store in Tyler.

Kroger is a likely candidate for purchase. The company recently announced it would invest substantial amounts of capital in Texas over the next three years. Over the summer, Kroger divided its Southwest division into two separate divisions based out of Houston and Dallas, each comprised of over 100 stores. The investments in each division include $700 million in Dallas and $500 million in Houston. Albertsons is another potential buyer with a presence in the Texas market. The company continues to expand through acquisitions including The United Family (United Supermarkets/Market Street) and Safeway (Randalls/Tom Thumb). H-E-B is another possible buyer, though somewhat less likely due to its slow and methodical growth. If H-E-B were to purchase Brookshire’s, it would also mean a rapid expansion into North Texas for H-E-B and ownership of its first stores outside of the state, something in which the retailer has not showed any interest as of yet.

Whole Foods Market Southwest Regional Changes

Whole Foods Market announced a number of changes to its southwest regional positions. Lauren Glanzer will move out of promotions and over to the new items and product assortment buyer role. Christian Pirtle, formerly on the store operations side in the Houston and Louisiana markets, has moved into the Whole Foods Market corporate office to learn purchasing and will take over promotional operations. Joel Crounse will be approving all POGs with data team and strategic guidance from Lauren starting with January resets. Joel will also continue in his current role of overseeing store resets. Transitions to these new positions are expected to be complete by mid-December.

H-E-B to Become the First Supermarket in Fulshear

In the West Houston area, just south of Katy, H-E-B has purchased 28 acres of land in the up and coming city of Fulshear, Texas. The new store will anchor the prestigious master-planned community of Cross Creek Ranch. The property boasts 3,200 acres, with approximately 200 of those acres earmarked for retail development. H-E-B is the first supermarket chain to build in Fulshear. Once a small town of less than 1,000 people, Fulshear’s population has grown to around 8,000 in less than 10 years. H-E-B is planning a massive 98,000 square foot store surrounded by another 200,000 square feet of retail to accommodate the city’s continued growth. A construction timeline for the project has not been released.

Wheatsville Co-op Partners with Instacart for Online Grocery Delivery

Austin-based Wheatsville Co-op announced a new partnership with the online grocery delivery service Instacart. Wheatsville is the only food retail co-op in the state and has more than 17,000 invested owners. All 2,000 products, many of them local and organic, will be offered on Instacart’s website for in-store prices without any markup. Instacart currently operates two locations, the original near the U.T. campus and a second that opened in 2013 in South Austin. Instacart will make online ordering and one-hour delivery available for customers of both locations.

United Market Street Releases 2016 NBC Category Review Schedule

United Market Street's 2016 Natural/Specialty VMS, HBC, Candy, Bars and Sports Nutrition Category Review Schedule is listed below. These categories are managed by Paul Hale. United Market Street and KeHE would like you to note that sample deadlines begin on January 8th, 2016, so please ensure samples get to UMS and KeHE (if applicable) offices on time for the review. For more information in regard to the natural, specialty, VMS, and HBC categories, please contact Presence Marketing’s Shannon Hoge at shoge@pmidpi.com.

To see the full review schedule please double click the paperclip icon.

Natural Grocers Announced for San Antonio

Natural Grocers by Vitamin Cottage will open a store at 13310 Northwest Military Highway in San Antonio, Texas, its first location in the city. The $1.7 million, 15,000 square foot store will be built from the ground up, and is expected to employ 25 people. The chain already operates 14 stores in the state. An opening date is anticipated around the middle of 2016.

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Albertsons Postpones IPO

Albertsons cancelled plans for its initial public offering when pricing did not meet expectations. It plans to retry when markets are more favorable, citing market volatility as the reason for the delay. The company hoped to raise up to $1.84 billion in its IPO. After merging with Safeway earlier this year, the company is now the nation’s second largest grocer.

Whole Foods Market Rocky Mountain Summit

Whole Foods Market Rocky Mountain shared 2016 updates and opportunities at their annual broker summit on September 24th. Off-shelf promotion execution will now follow an A/B Store List – they will be either an All-Store Priority Off-Shelf or an “A” Store Off-Shelf. “A” status can vary within a store by grocery, dairy, and frozen. Also, select regional promos will be offered on top of national promotions: one to two off-shelves per month; one to two truck deals every six to eight weeks; and one POP push per month.

Demo requests are due by 11:45 P.M. on the 20th of the month through Survey Monkey. Requests are time-stamped, so submitting early offers you an advantage. Confirmations will be sent by the 28th of the month.

Four new stores are underway for the region. The Longmont store will open in January, and grand opening deals will be sought in the next few weeks. The Denver Union Station flagship store will open in 2017. Kansas City, Missouri and El Paso, Texas are also on the way. The El Paso store will pull from UNFI-Denver.

The new Vendor Portal is now available for sign-up here: https://vendor-reporting-setup.wholefoods.com. Reach out to your Presence Marketing/Dynamic Presence – Rocky Mountain Whole Foods Market contact, Jason Kottra at jkottra@pmidpi.com or Daniel Morrison at dmorrison@pmidpi.com, if you need assistance getting started.

Twelve More Sprouts on the Way

Sprouts Farmers Market expansion continues with the announcement of 12 new locations for the first quarter of 2016. New stores are planned for:

- Alhambra, California – 150 East Main Street
- Atlanta, Georgia – 1853 Piedmont Avenue Northeast
- Clovis, California – 850 Herndon Avenue
- Colorado Springs, Colorado – 13415 Voyager Parkway
- El Paso, Texas – 2036 North Zaragoza Road
- Franklin, Tennessee – 1010 Murfreesboro Road
- Lakewood, Colorado – 98 North Wadsworth Boulevard
- Lee’s Summit, Missouri – 800 Northeast Missouri 291 Highway
- Los Angeles, California – 915 North La Brea Avenue
- Marietta, Georgia – 4101 Roswell Road Northeast
- Oakland, California – 3001 Broadway
- San Clemente, California – 550 Camino de Estrella

The Franklin, Tennessee location will occupy a 29,000 square foot portion of the former Stein Mart in the Maples Shopping Center. The center has been undergoing renovation since it was acquired by a new owner last year. It will be the first Sprouts in the Nashville area.

The Marietta, Georgia location will be located in East Cobb next to the Merchant Walk shopping center and a Whole Foods Market. The 30,000 square foot store will open on January 6th.

The Clovis, California location will go into a former Save Mart at the Trading Post Shopping Center, which is being redeveloped by a new owner. The refreshed center will also include a Pieology, Ross, and Skechers.

By the end of this year, Sprouts will have opened 27 new stores, including three new states, Missouri, Alabama, and Tennessee, bringing its store count to 217.

SproutsFest 2016 Save the Date

Mark your calendars, Sprouts Farmers Market Vendor Tabletop will be held on Tuesday, August 23rd, 2016.
Natural Grocers by Vitamin Cottage Eyes Hailey

The Planning and Zoning Commission in Hailey, Idaho, near the ski resort area of Sun Valley/Ketchum, has approved plans for a Natural Grocers by Vitamin Cottage at 710 North Main Street on an empty lot next to a McDonalds. The 15,000 square foot store is planned for construction in the spring.

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New Partnerships in the Pacific Northwest

A new partnership has been in development since the beginning of 2015, between Huckleberry’s Natural Markets, Rosauers Supermarkets, UNFI and URM. URM Stores Inc., was founded in 1921 and is one of the largest privately held companies in the Pacific Northwest, located in Spokane, Washington. It is a conventional wholesale distribution center that has been actively servicing over 160 grocery stores, over 1,500 hotels, restaurants and convenience stores.

Don Whitaker of Rosauers recently released a memo to the trade announcing the partnership that will go into effect on December 30th. “Rosauers and Huckleberry’s will start purchasing UNFI products through URM. URM will transmit our orders to UNFI in Auburn, Washington, and they will pick, pack, wrap and ship the orders to the URM warehouse in Spokane. URM will then ship the product to our stores. This transition will make the ordering process more efficient, benefitting all involved.” This cross dock program will also improve current trucking and routing that has been challenging due to distances and locations of the 16 Huckleberries stores as they continue to see their sales grow.

There will also be a few changes with how promotional forms are submitted. Going forward discounts that were listed as a percentage off, will now need to be converted and listed as dollars off instead. Presence Marketing/Dynamic Presence Northwest will continue to submit contracts through UNFI’s rosauerspromos@unfi.com email. This process has started as January and February 2016 contracts have been submitted.

For questions please contact Presence Marketing/Dynamic Presence’s Kelly Vilar at kvilar@pmidpi.com or Mark Evans at mevans@pmidpi.com, UNFI Senior Channel Account Manager Cris Yancey, can be reached at cyancey@unfi.com and is also available to guide us as we start this new journey of learning and growing together.

December 5th – Winter Fest Extravaganza at University Place Center

Experience the holiday magic of University Place Centers annual Winter Fest at the Civic Building 3609 Market Square on December 5th from 2:00 P.M. to 6:00 P.M. Whole Foods Market Chamber’s Bay conveniently located next door to the festivities is one of many local event sponsors. The market will be providing cookies and juice to the 1,000 to 2,000 expected attendees. In the Market Square – the first Saturday in December is the Christmas Tree Lighting ceremony. Join in on the arrival of Santa as well as a variety of entertainment, crafts, and food in Santa’s Loft.

University Place Winter Fest will feature live music and dance performances by local schools and organizations. New this year – enjoy special performances by the Dickens Carolers! Find more information on the Winter Fest Facebook page.

Central Co-op Completes “The Great Grocery Reset”

On Monday, October 12th Seattle NCG Central Co-op on Capitol Hill began a four day grocery reset project that involved the help of more than 40 individuals from the store, co-op partners, UNFI, broker, and vendor community. Grocery Manager Tim Zerkel and Assistant Grocery Manager Adam Svenson, worked closely with UNFI Channel Account Manager Cheri Lynn Martin to coordinate the details of the project, which was the first time the store was able to complete such a massive overhaul since 2009. The reset was designed to improve the flow of categories and customer traffic, as well as compliment the emotional impact involved in choosing the right hot sauce, or a bar of chocolate for example.

“Working in a co-op, we don’t sell beans, we sell dreams,” said Tim. That’s why it was so important for our business to make these powerful updates. The sales lift following a remodel is beneficial not only for the co-op itself, but also in what it allows us to give back to the community. I am inspired being able to make a change in my direct community, in the lives of our local producers and also in the greater world in terms of being able to source ethically produced ingredients from sustainable small farmers that otherwise wouldn’t be able to have the same quality of life without us.”

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Whole Foods Market Mobile Opens in ‘Bama

On September 22nd, Whole Foods Market opened its second store in Alabama. Choosing the city of Mobile for a sister store seemed like a logical choice given the city’s rich history, culture and diversity. Mobile has a population of over 195,000 residents and is Alabama’s only salt water port. It was also home to America’s first Mardi Gras celebration. The new store, located in the Pinebrook Shopping Center on Airport Boulevard, has all the bells and whistles customers have come to expect from the giant, natural retailer. At 41,000 square feet, it is a welcomed addition to town, with Mobile’s Mayor Sandy Stimpson even attending the grand opening festivities.

Colorado’s Lucky’s Rolling into Southeast

Colorado-based Lucky’s Market has reportedly been eyeing the South Carolina landscape. The company recently confirmed reports that they would like to open a new store in the Charleston region, possibly in an old Food Lion off St. Andrew’s Boulevard in West Ashley. A spokesperson for the company confirmed their interest in the area, but said at this time they have no lease, property or news to report and the search is ongoing. A new Lucky’s Market scheduled to open in Savannah, Georgia this month would be the closest store to the Charleston area currently. Founded in 2003 by two former chefs, Trish and Bo Sharon, Lucky’s Market has close to 20 stores around the country currently open or in the works. Stay tuned for more updates on Lucky’s continued growth.

Sprouts Coming to Decatur

Sprouts Farmers Market reportedly has plans for a store that will anchor Fuqua’s Decatur Crossing at the corner of Scott Boulevard and North Decatur Road in Decatur, Georgia. The development is being built at the site of a former Baptist church and other buildings. Additional retail, restaurant, and banking space is planned for the development. A Walmart, HomeGoods, Jo-Ann Fabric, LA Fitness and Ross are also coming soon to a development across the street.

Lucky’s Market Coming to Neptune Beach

Lucky’s Market has plans to open another Florida location in Neptune Beach near Jacksonville. The store will open in late 2016 at 580 Atlantic Boulevard in the Neptune Beach Plaza. The shopping area is anchored by a Kmart, and Lucky’s will take a space recently vacated by an Ace Hardware store. Lucky’s currently operates three stores in Florida.

Gourmet Garage Going Strong

In 1991, Gourmet Garage stood alone on Wooster Street in New York’s trendy SoHo neighborhood. There was no Whole Foods Market or Trader Joe’s, the grocery landscape was a little less sophisticated. Fast forward almost 25 years, the city has changed, the food options have changed, but Gourmet Garage continues as a mainstay, just opening their sixth location in the Tribeca area in September. After a year of searching the city, the 1910 Carnegie era loft building they chose is a far cry from the small chain’s humble beginnings working out of a barren New York City garage space. But the passion and dedication that started Andy Arons and Adam Hartman’s business many years ago is a staple that locals and visitors alike have come to trust at Gourmet Garage. Yes, the retailer shines with natural, organic, local offerings but like the city they call home, these stores offer so much more.
Whole Foods Market Enters into First Restaurant Partnership

Retail giant Whole Foods, last month, opened its second Bfresh concept store in Fairfield, Connecticut. Bfres, which debuted in Boston in September of 2015, was developed by Whole Foods’ Fresh Formats division. The stores are focused on convenience, fresh assortments and a mission of adding value for neighborhood shoppers. According to Whole Foods officials, the store offers more natural and organic options than a typical market and a robust selection of vegan, gluten-free, and international items including full-service meat, seafood, and deli departments, and meals prepared on-site in the Little Kitchen, a concept adapted from a Netherlands restaurant chain known as La Place. These stores also have modern flair. The Fairfield store is just smaller than its Boston counterpart, encompassing 8,600 square feet. Though the newest store held a soft opening last month, the grand opening ceremonies were planned for November 6th. “Whether in the city or the suburbs, grocery shoppers today are met with many obstacles: a desire to shop local, balancing a budget with increasingly complex food and dietary needs, seemingly impossibly busy schedules,” Suzi Robinson, a spokesperson for the new Fresh Formats initiative said in a statement. “We sought to provide a one-stop, easy-to-shop solution for the Fairfield community. Bfres is designed for anyone who loves food and wants healthy, affordable, locally-sourced options in their neighborhood.”

In additional news, Whole Food’s Giant-Landover chain is reducing prices on thousands of items across their aisles. The reductions are the retailer’s second major price initiative this year. The move is part of the “My Giant” campaign highlighting affordability, convenience and healthy lifestyles. Giant-Landover operates 168 stores in the Washington, D.C. metro area.

Kroger Adding Gas Stations to Harris Teeter Locations

Kroger is adding gas stations to its Harris Teeter locations, with the first to open later this fall in Fort Mill, South Carolina and a second to follow in Charlotte, North Carolina, according to reports. CFO Mike Schlotman, recently identified gas stations as a “big win” for Kroger in driving customer visits but noted that there are some challenges with many Harris Teeter stores located in urban locations with less room to open fuel centers. Kroger acquired Harris Teeter’s 227 grocery stores in North Carolina, South Carolina, Virginia, Georgia, Tennessee, Florida, Maryland, D.C. and Delaware in January of 2014 and continue to look at ways to tweak the successful banners image.

BI-LO to go Lower

Southeastern Grocers’ subsidiary, BI-LO, is investing in lower everyday prices on more than 1,000 items under its new “Regular Pricing Program”. Stores are highlighting the lower prices in many ways throughout the stores, according to reports.

Fresh & Easy Exits

Fresh & Easy announced on October 21st, that it will close all 97 of its remaining stores in California, Arizona and Nevada and cease operations. This comes after nearly a decade of struggling to catch on with consumers and having tried unsuccessfully to obtain financing and the liquidity necessary to fund the business going forward.

Headquartered in Torrance, California, they said that all 3,000 of their employees will be let go, with the first round of layoffs expected late October. The company closed about 50 of its stores in March in the three states where it operates, trimming its number of outlets by about a third to its current 97.

Originally backed by British supermarket giant Tesco, Fresh & Easy made a big splash in 2007 when they entered the U.S. market. With a smaller store format, (about 10,000 square feet) they targeted time-pressed consumers who could quickly grab fresh food and staples using their self-service checkouts. In 2013, California-based The Yucaipa Cos. bought the chain out of bankruptcy. For additional questions, please contact Presence Marketing/Dynamic Presence’s Carol Boe at cboe@pmidpi.com.

Whole Foods Market Enters into First Restaurant Partnership

Whole Foods Market has become a minority investor in Mendocino Farms, an 11 store sandwich chain located in Southern California. Founded in 2005, Mendocino Farms focuses on innovative offerings using locally sourced ingredients, including free range, hormone and antibiotic free animal proteins, and fresh, handcrafted breads. They also have vegetarian, vegan, and gluten-free options. The chain is scheduled to open its 12th restaurant this November in Santa Monica, California, followed in early 2016 by another location Brea, California. Whole Foods Market’s investment will help the sandwich chain continue to expand, with plans to open shops in San Diego and the San Francisco Bay Area in late 2016.

In addition, Whole Foods Market plans to test Mendocino Farms outlets in some of its stores, and possibly in their new value-focused 365 store concept, the first of which is scheduled to open in Los Angeles the second half of 2016. The Mendocino Farms units in Whole Foods Market will be operated by the sandwich chain. With an average ticket of about $12.50, the chain has an average unit volume of about $3.2 million in locations that are typically about 2,800 square feet.

In a statement, David Lannon, executive vice president of operations at Whole Foods Market, said: “Mendocino Farms is one of the best sandwich and salad concepts coming out of Southern California and we believe it’s one of the top emerging restaurant brands in the country. We are always looking at trends in the food industry, especially those that complement our existing offerings. Aside from offering delicious, high-quality products we think our customers will love, Mendocino Farms’ core values align well with our own, and that’s very important to us.”
Stehly Farms Market Opens Its Doors

Stehly Farms Market opened their first full service grocery store in the Kensington area in San Diego in late October, one year after opening their first local produce market in Bay Park. The 5,000 square foot store is an extension of farmers markets from Stehly Farms Organics, a 300 acre avocado and citrus farm in San Diego’s North County. Owners, brothers Jerome and Noel Stehly are third generation California farmers, and second in San Diego County. The store features gourmet grocery items, organic products from Stehly Ranch, Stehly Farms Organics and other farmers. The market includes a juice bar and deli with made-to-order sandwiches and salads, rotisserie chicken, gelato and other specials. Stehly Farms Market plans to incorporate both indoor and outdoor settings.

Down To Earth Chain Implements “How Good” Rating System on Shelf Tags

The Down to Earth chain of stores in Hawaii has partnered with the New York City based HowGood Inc. to offer a product rating system to their customers. It is based on the world’s largest independently researched database on sustainable food. The rating system will be featured on the shelf tags under the products with the simple break down of “Good” “Great” or “Best”.

“Good” = this product is better than 75% of all food produced in the U.S.

“Great” = this product is better than 85% of all food produced in the U.S.

“Best” = this product is in the top 5% of all food products produced in the U.S.

If a product does not meet the requirements comprised of extensive research on over 60 key indicators, it will not receive a rating. Ratings are based on sustainability standards both socially and environmentally.

Products are rated under three main topics:

Sourcing – Looks at growing practices, procurement, labor, livestock and distribution and takes into account all aspects of each segment from site diversity, pesticide use, farmer relations and refrigeration needs to get the rating.

Production – Looks at what ingredients are used, the workforce used to produce the products and the overall processing practices to get the final product.

Organization – Focuses on the operation itself and its management practices, community engagement, employment relations and environmental impacts.

Down To Earth values quality, integrity and social responsibility. They want to offer their customers tools to make buying decisions based on these values, by being as transparent as possible. This system takes the guess work out, and makes it easy to identify products that top the list.

Changing of the Guards at Staff of Life

For the last 35 years, Staff of Life in Santa Cruz, California, has been under the management of Rich Seibert and Jamie Garfield. They have been fully involved in the day-to-day operations such as buying, stocking, and office work. Now, they are moving on to new endeavors. The store has brought them great joy throughout the years and countless connections with vendors, brokers, distributors, customers, and staff, who they will indeed miss dearly.

Taking the helm for the changing of the guards, is a young man named Semaj Kline. He has countless experience with buying and managing, which he gained from a background working for Whole Foods Market. After being on the job for several weeks, he has already done several resets in the store, adding a definitive dried fruit and nut set where the new item set used to be. He is ambitious and is buying more of what sells and less of what doesn’t. He has retracted some vendor responsibilities granted by the previous managers and is going for total control of the store. He has cleaned up the cluttered case stack section of the store and is looking for good buy-ins to fill its place. His tenacity is admirable, and it looks like the store is headed in a good direction under his lead.

Staff of Life has been a Santa Cruz staple since 1969. What started as a simple natural bakery, has become a major market and a local favorite. They expanded the previous location before moving across the street to an even larger building. It is here that they became a truly full service merchant. Being down the street from Shopper’s Corner and Whole Foods Market has not significantly impacted business, as they have a core following in their large local customer base. Now, under the lead of a new manager, they aim to take business to the next level by streamlining sales and cutting waste.
Roundy’s New City Mariano’s Grand Opening

Roundy’s 34th Mariano’s Fresh Market opened in the New City development in Chicago on October 27th. The last new location for 2015, this 82,000 square foot store is the largest iteration of the Mariano’s format to date. As with the other Mariano’s locations, not only do they offer a wide array of specialty, gourmet and natural foods, but also have coffee bars, raw bars, restaurants and other special amenities to draw customers so they can enjoy a whole new shopping experience.

The New City development is a perfect fit for the mixed-use district, with its 370,000 square feet of retail and entertainment. This Mariano’s will compliment and compete with the Whole Foods Market flagship store just about a quarter-mile away at 1550 N. Kingsbury Street.

Examples of the innovations within Mariano’s are, most recently, a micro-roaster and coffee shop that also offers house made cold brew coffees which is featured at this and the newer Northbrook and Glenview locations.

This and other developments represent a strategic initiative to diversify in the face of changing lifestyles and habits. Chairman Bob Mariano has been quoted as saying, “The lines are starting to blur. And so we’re getting more into the restaurant business than we were or had been. We believe that will continue in the future, customers are looking for that type of alternative to either dine-in here or take it home and eat it at their kitchen tables.”

Barbecue, smoked pork shoulder and brisket; a wine a craft beer bar; house made gelato shops; these amenities and more are designed to make Mariano’s a near daily experience for the residents of New City.

Strack & Van Til Gears Up for Competition

Grocery store competition continues to grow around the Chicago/Metro area: Whole Foods Market, Mariano’s, and Jewel all expanded store counts. Other independents such as Tony’s Finer Foods, Pete’s Fresh Market, and Fresh Thyme joined the competition.

These independents are now moving into Indiana, but who is the leader in Northwest Indiana? Strack & Van Til, who recently remodeled their flagship store in Schererville, located about 35 miles southeast of downtown Chicago.

With Whole Foods Market and Fresh Thyme moving into the area, Strack & Van Til wasted no time getting things moving. On August 5th, the 89,000 square foot store was remodeled to include the following amenities: brick oven pizza, prepared gourmet entrees, fresh pasta, sandwich station, sushi/hummus bar, and a fresh-cut produce stop. Other expansions included the beer/wine selections and natural/organic department. Free food/drink samples were offered along with door prizes, donations to schools, and demo booths on various grocery products.

The remodeled Strack store, built in 1970 across the street and moved in 2003, is creating more jobs and will bring more customers that are looking for different product selections. Strack & Van Til operates 38 stores with other banners called Ultra Foods and Town & Country Foods. If you have any questions/comments, please contact Presence Marketing/Dynamic Presence’s Jason Demas at (630) 294-3890 or jdemas@pmidpi.com.

Fresh Thyme Farmers Markets Open Store #23 in Minnesota

Fresh Thyme Farmers Market opened their first Minnesota location on September 30th, 2015. The grand opening was a lively celebration that started at 7:00 A.M., when the first 250 people received a reusable grocery bag with $50 worth of groceries inside! The store was busy and buzzing with excitement.

Chicago-based Fresh Thyme Farmers Market stores are built with a dynamic that focuses on produce, fresh meat and local dairy. The produce department and over 400 bulk bin items are in the center of the store creating a farmers market feel. Packaged grocery, supplements and body care run along the perimeter and includes a fresh Deli that provides a full salad bar with savory dishes for people that both live and work in the community.

Fresh Thyme has entered a demanding marketplace, where the bar is set high by Minnesota’s own Kowalski’s, Lunds and Byerlys. Whole Foods Market has proven themselves to be a tough competitor as have Trader Joe’s and other independent grocery chains. Along with this, the Twin Cities is saturated with award winning natural food coops, including the nationally known Wedge Coop.

Currently, Fresh Thyme plans to open six more Minnesota locations beyond Bloomington, with the next two to open in Apple Valley and St. Louis Park. In the future, Fresh Thyme is looking to include Coon Rapids, Plymouth, Savage and a location near the University of Minnesota campus in Minneapolis.

The Midwest continues to be a strong leader in the natural and organic foods industry, Fresh Thyme offers a new shopping experience and economic value for the flourishing demands of our health conscience shoppers. At each of my visits since the grand opening, I’ve noticed the parking lot is always full and there have been lines at the registers, which are two promising signs. I look forward to working with Fresh Thyme and being part of their success in Minnesota.
Rochester Welcomes Natural Grocers

Natural Grocers by Vitamin Cottage opened the doors of its first store in the state of Minnesota in Rochester on September 15th. The 14,000 square foot store at 1507 Greenview Drive Southwest is located by Kwik Trip and the TJ Maxx Plaza. Shoppers lined up waiting for the ribbon-cutting ceremony at 7:55 A.M. and the chance to explore the new store and take advantage of grand opening specials, demos, and giveaways. Special events were planned for the next four Saturdays as a part of the ongoing grand opening celebration.

Location—Location—Location

Fruitful Yield, a very successful 13 store natural grocery chain in the Chicagoland area has relocated its Aurora (Fox Valley) store. The move from the old location at 4334 Fox Valley Center Drive in Aurora, Illinois, to its new location at 476 S. Route 59 in Naperville, Illinois, was only a three block move but offered a more vibrant location with a better fit for their target customers. The old Fox Valley store closed on October 17th. The new Fruitful Yield Aurora East store opened October 23rd, 2015. The 7,200 square foot store is their new flag-ship store, the largest store in their chain.

All Fruitful Yield stores offer a full complement of organic and natural food, organic produce, herbs, probiotics, gluten free items, vitamins and supplements, sports nutrition, homeopathy and holistic health options, natural pet supplies, green cleaning products. Non-GMO items are also a primary focus at all Fruitful Yield stores.

KeHE's New Distribution Centers Gearin'-up

CHINO
This month, KeHE is scheduled to open a new distribution center in Chino, California, at 6810 Bickmore Avenue. This new DC will be an incremental DC for KeHE in Chino and will service different retail partners than the existing Nature's Best Powered by Chino DC41. This new Chino DC will be DC37 in the NTS and purchasing systems, so please ensure your deliveries are mapped to the new address on Bickmore Avenue. This new facility will have its own operations and transportation teams, and operate on the KeHE Enterprise NTS systems platform; it is an entirely separate operation and building from the current NB Chino facility.

KeHE asks for your participation in their grand opening program. They are asking for an opening order promotional discount of 15%, and 60 day payment terms. KeHE will process this promotional discount separately as a charge to your account. The promotional discount will be applied on an item by item basis, as each item is ordered into the DC. New item set-up fees will apply to all items activated in this DC.

Purchase orders for the new Chino facility will be generated starting the week of October 12th and continue over a four week time period as they flow the product into that DC. Please ensure your carriers take the necessary steps to get setup for this new DC in their C3 scheduling system.

This DC will start off by servicing the following accounts: Albertson’s SoCal, Safeway SoCal (Von’s), Albertson’s Phoenix, and Safeway Phoenix.

PORTLAND
In late November, KeHE is scheduled to open a new Distribution Center in Portland, Oregon, at 9555 NE Alderwood Road. This new DC will be an incremental DC for KeHE in Portland, and will service new business in the Pacific Northwest region of the United States. This new Portland DC will be DC13 in the NTS and purchasing systems.

KeHE asks for your participation in their grand opening program. They are asking for an opening order promotional discount of 15%, and 60 day payment terms. KeHE will process this promotional discount separately as a charge to your account. The promotional discount will be applied on an item by item basis, as each item is ordered into the DC. New item set-up fees will apply to all items activated in this DC.

Purchase orders for the new Portland facility will be generated starting the last few weeks of October and continue into early November as they flow the product into that DC. Please ensure your carriers take the necessary steps to get setup for this new DC in their C3 scheduling system. This DC will start off by servicing New Seasons exclusively.

For more information contact Presence Marketing/Dynamic Presence’s Brittney LeDonne at bsampson@pmidpi.com, Joanna Crawford at jcrwford@pmidpi.com, or Brian Moy at bmoy@pmidpi.com with any questions.
KeHE Updates Distribution Center info

KeHE Foods has updated their receiving contacts and receiving hours on the following chart:

<table>
<thead>
<tr>
<th>DC</th>
<th>EMAIL</th>
<th>ADDRESS</th>
<th>CONTACT</th>
<th>PHONE</th>
<th>HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><a href="mailto:Receiving_elkton@kehe.com">Receiving_elkton@kehe.com</a></td>
<td>4055 DEER PARK BLVD ST AUGUSTINE, FL 32095</td>
<td>KAREN ANDREU</td>
<td>904-825-2236</td>
<td>4am - 11am M - F</td>
</tr>
<tr>
<td>13</td>
<td><a href="mailto:Receiving_Portland@kehe.com">Receiving_Portland@kehe.com</a></td>
<td>9555 NE Alderwood Road Portland, Oregon 97220</td>
<td>MICHELLE WEBBER</td>
<td>503-650-5531* interim phone</td>
<td>4am-8am M-F</td>
</tr>
<tr>
<td>15</td>
<td><a href="mailto:Receiving_Lexington@kehe.com">Receiving_Lexington@kehe.com</a></td>
<td>860 NESTLE WAY - SUITE 250 BREINIGSVILLE, PA 18031</td>
<td>VICTOR SALAZAR</td>
<td>610-336-3848</td>
<td>Dry - 4 am to 8am M - F</td>
</tr>
<tr>
<td>16</td>
<td><a href="mailto:Receiving_Bloomington@kehe.com">Receiving_Bloomington@kehe.com</a></td>
<td>225 DANIELS WAY BLOOMINGTON, IN 47404</td>
<td>SANDY DAVIS</td>
<td>812-668-1331</td>
<td>3:30am - 10:30 am EST M - F</td>
</tr>
<tr>
<td>18</td>
<td><a href="mailto:Receiving_dock@kehe.com">Receiving_dock@kehe.com</a></td>
<td>900 N. SCHMIDT RD ROMEOVILLE, IL 60446</td>
<td>ADRIANA ESPINOZA</td>
<td>815-552-6034</td>
<td>Dry - 4 am to 8pm M-F</td>
</tr>
<tr>
<td>21</td>
<td><a href="mailto:Receiving_Cincinnati@kehe.com">Receiving_Cincinnati@kehe.com</a></td>
<td>4024 ROCK QUARRY RD CINCINNATI, OH 45227</td>
<td>CHANDRA HUNTER</td>
<td>216-333-1085</td>
<td>Cooler - 6am to 3pm M - F</td>
</tr>
<tr>
<td>25</td>
<td><a href="mailto:Receiving_Clackamas@kehe.com">Receiving_Clackamas@kehe.com</a></td>
<td>12601 SE HWY 212 CLACKAMAS, OR 97015</td>
<td>MICHELLE WEBBER</td>
<td>503-650-5531</td>
<td>Dry dock: 5am - 8am M - F</td>
</tr>
<tr>
<td>31</td>
<td><a href="mailto:Receiving_FtLauderdale@kehe.com">Receiving_FtLauderdale@kehe.com</a></td>
<td>3225 MERIDIAN PARKWAY FT LAUDERDALE, FL 33334</td>
<td>JAIRO HERNANDEZ</td>
<td>954-308-8088</td>
<td>Cooler: 8am - 8am M - F</td>
</tr>
<tr>
<td>32</td>
<td><a href="mailto:Receiving_Atlanta@kehe.com">Receiving_Atlanta@kehe.com</a></td>
<td>2700 BARRETT LAKES BLVD KENNESAW, GA 30144</td>
<td>SANDRA JOHNSON</td>
<td>770-219-6020</td>
<td>Scheduling hours 6am - Noon M - F</td>
</tr>
<tr>
<td>33</td>
<td><a href="mailto:Receiving_Stockton@kehe.com">Receiving_Stockton@kehe.com</a></td>
<td>4050 Newcastle Road Stockton, CA 95215</td>
<td>ALEX HINOJOJOA OR CARLOS JIMENEZ</td>
<td>209-851-4048</td>
<td>12 am - 5 am M - Fri</td>
</tr>
<tr>
<td>37</td>
<td><a href="mailto:chntappfbl@naturesbest.net">chntappfbl@naturesbest.net</a></td>
<td>6810 Bickmore Ave CHINO, CA 91710</td>
<td>1-800-999-1234</td>
<td>951-625-1234</td>
<td>4am - 8am M-F</td>
</tr>
<tr>
<td>42</td>
<td><a href="mailto:txappdesk@naturesbest.net">txappdesk@naturesbest.net</a></td>
<td>101 Enterprise Drive Flower Mound</td>
<td>DARIUS McCUTCHEON OR KYAN KLOTH</td>
<td>972-674-3190</td>
<td>Dry dock: 1am - 6am M-F</td>
</tr>
</tbody>
</table>

For more information contact Presence Marketing/Dynamic Presence’s Brittney LeDonne at bsampson@pmidpi.com, Joanna Crawford at jcrawford@pmidpi.com, or Brian Moy at bmoy@pmidpi.com with any questions.

UNFI Looks to Open Gilroy Distribution Center in Q1 2016

UNFI will begin placing purchase orders for the new Gilroy warehouse. The first receiving date will be February 15th, 2016. UNFI will begin shipping to retailers on March 27th, 2016. Gilroy is a LEED-designed distribution center. UNFI Gilroy has a best in class warehouse management system. The warehouse system will include improved overall order quality through voice selection, improved inventory accuracy, a platform that is scalable to support their customer's growth, and the ability to place inventory “on reserve” for customers.

UNFI Supplier Portal Launched

The rolling launch of UNFI’s new Supplier Portal has begun. The portal allows suppliers to directly manage their contact and warehouse information, ensuring that UNFI has their most up to date and relevant information. Suppliers can add additional users to the Supplier Portal and appoint a broker to use the portal on their behalf. Currently new items can be submitted and tracked on the portal. Eventually promotions will be submitted via the portal as well.

Please contact your Presence Marketing/Dynamic Presence UNFI Distributor Account Executive – Pete Psaledas at ppsaledas@pmidpi.com, Anne Tallon at atlallon@pmidpi.com, Heather Levengood at hlevengood@pmidpi.com or Tracie Sinks at tsinks@pmidpi.com for more information.

UNFI Introduces Supply Chain by ClearVue

This new program is designed to provide suppliers with increased transparency into UNFI’s supply chain including demand planning, forecasting and procurement resources, and insights. Supply Chain by ClearVue (SCCV) offers weekly and monthly reporting enabling suppliers to identify key areas of sales growth potential, while pinpointing specific productivity opportunities. Reporting includes monthly forecasting by product and by distribution center, weekly visibility into UNFI sales and inventories, subscription to the Supplier In-Site Program (SIS) and quarterly Supplier Break-Out Report which shows sales for many customers.

Please contact your Presence Marketing/Dynamic Presence UNFI Distributor Account Executive – Pete Psaledas at ppsaledas@pmidpi.com, Anne Tallon at atlallon@pmidpi.com, Heather Levengood at hlevengood@pmidpi.com or Tracie Sinks at tsinks@pmidpi.com for more information.
UNFI Teams Enjoy Further Expansion

UNFI’s Supplier Relations department has added new team members:

- Aaron May, Supplier Relationship Manager. He will be responsible for perishable and frozen categories: perishable: butter; eggs; milk and milk products; frozen: desserts; breakfast; ice cream novelties, sorbet and gelato. Aaron is based in the Providence, Rhode Island office

- Bob Meyer, Supplier Relationship Manager. He will be responsible for perishable and frozen categories: refrigerated: yogurt; beverages; bakery; cheese and cheese alternatives; frozen: desserts. Bob is based in the Providence, Rhode Island office.

- Tom Stadnik, Local Supplier Development Manager for the Twin Cities region. He is based in the Twin Cities distribution center.

UNFI continues to expand their gourmet and ethnic team. Nicholas Medeiros has been hired as National Associate Supplier Relationship Manager. Nicholas will manage Hispanic and Kosher categories. Meredith Griffith joins the gourmet and ethnic team as a Customer Promotions Specialist after working with the UNFI AHO LD Account Specialist team.

UNFI’s Inventory Planning and Replenishment (IPAR) teams have been realigned as follows:

<table>
<thead>
<tr>
<th>Director</th>
<th>Purchasing Manager</th>
<th>Primary Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jodi Booska</td>
<td>Jared Clark</td>
<td>Chill &amp; Private Label</td>
</tr>
<tr>
<td></td>
<td>Brenton Hall</td>
<td></td>
</tr>
<tr>
<td>Melissa Christian</td>
<td>Eric Cote</td>
<td>Grocery</td>
</tr>
<tr>
<td></td>
<td>Wendy Sharp</td>
<td></td>
</tr>
<tr>
<td>Nathan O’Rourke</td>
<td>Tracy Hanson</td>
<td>Frozen, HBC</td>
</tr>
</tbody>
</table>

Please contact your Presence Marketing/Dynamic Presence UNFI Distributor Account Executive – Pete Psaledas at ppsaledas@pmidpi.com, Anne Tallon at atallon@pmidpi.com, Heather Levengood at hlevengood@pmidpi.com or Tracie Sinks at tsinks@pmidpi.com for more information.

2016 Tabletop Shows Dates Released

The following dates have been released: Orlando, Florida (February 18th to 19th); Foxwoods, Connecticut (May 11th to 12th) and Portland, Oregon (June 8th to 9th). The early bird discounts for the shows expires November 13th, 2015 for Orlando and January 1st, 2016 for Foxwoods and Portland.

For more information contact Presence Marketing/Dynamic Presence’s Laurie Winter at lwinter@pmidpi.com, Chriselda Romero at cromero@pmidpi.com, or Kaitlyn Rogers at krogers@pmidpi.com.

UNFI Introduces Gourmet and Ethnic Marketing Programs

The UNFI gourmet and ethnic team has added exciting new marketing programs. Monthly Savers is a monthly publication that features key items for the gourmet and ethnic channel. This publication will also include published case stack promotions. The National Pallet Program is a seasonal program that offers pallet deals to all channels and classes of trade.

Please contact your Presence Marketing/Dynamic Presence UNFI Distributor Account Executive – Pete Psaledas at ppsaledas@pmidpi.com, Anne Tallon at atallon@pmidpi.com, Heather Levengood at hlevengood@pmidpi.com or Tracie Sinks at tsinks@pmidpi.com for more information.

Associated Grocers of N.E. Fall Show a Success

Associated Grocers of New England, Inc., the largest retailer-owned, wholesale grocery Distribution Center in New England, had record-breaking attendance at their annual Fall Buying Show at The Center of New Hampshire in Manchester on September 28th. Presence Marketing/Dynamic Presence donated re-usable grocery bags to be given to all retail customers attending the event.

Sales reportedly reached an all-time high as retailers from across New England and beyond attended the day-long buying show.

Every spring and fall, these shows offer special buying opportunities, deals, and show cash along with the opportunity for retailers to meet with manufacturer representatives, brokers, and Associated Grocers New England product specialists. Retailers also are able to discuss and sample new products, programs, and services. The event also includes informative seminars on various store operations.
Non-GMO Sales Trends

Did you know that October was Non-GMO Month? 2015 marks the fifth year the Non-GMO Project’s largest outreach campaign has been in existence. The basis of this campaign is to help bring awareness not only to consumers and retailers in their right to know what is in their food and to choose non-GMO, but also to challenge manufacturers to label foods as such. They are committed to preserving and building sources of non-GMO products as well, having currently verified over 24,500 products to date. According to the USDA, more than 90% of U.S. corn and soy acreage alone is dedicated solely to GMO (“genetically modified organism”) varieties. This number is significant in that it gives the Non-GMO Project more leverage to continue on in their fight for stricter government regulated GMO labeling laws.

Another problem on the rise however, is that brands are now choosing to label their products as “non-GMO” or “GMO free” whether verified or not, simply because “it is being requested of their consumers.” This in turn, makes it difficult to legitimize the hard work and effort put forth by the Non-GMO Project since its conception and only further confuses the consumer with the many different stamps and seals that hold no real merit in the transparency of what is in the product or what standards they are actually being measured up against. Due to the hindrance of these rogue brands mislabeling their products, it is safe to conclude that the numbers provided below are slightly inflated at best.

This aside, Non-GMO Project Verified items still manage to account for 35.1% of SPINSscan Natural channel dollars this year compared to 21.2% LY.

Chips, pretzels and snacks are the leading category in SKU count and dollar sales with a total category growth rate of 6.7% which amounts to 52.7% more dollar sales than milk (the #3 ranked category).

Milk (12.5%), refrigerated juices and functional beverages (13.1%), as well as refrigerated non-dairy beverages (11.1%) each produced double digit growth rate percentiles amounting to 25.9% of the total dollars across the top 10 categories for the last 52 weeks ending October 4th, 2015.

Key factors to note: Index numbers > 100 are growing faster than the total category, < 100 are growing slower than the total category, = 100 are keeping pace with the total category.

In a nutshell, though GMO labeling and the Non-GMO Project are making great strides, there is still room for improvement as challenges arise. One can only hope that a change will soon come in the form of a standardized test that would be met by all brands labeling their product(s) as non-GMO.

Natural Channel Growth Index

The Total Natural SPINSscan Channel has single digit dollar growth of +9.1% and unit sales of +8.2% for the 52 weeks ending October 4th, 2015. Growth is widely distributed with 89 of 95 reporting categories delivering positive $ growth in 52 weeks while 85 of 95 are up in 12 weeks.

Ready-to-drink coffee is now the fastest growth category within SPINSscan Natural, with dollar sales up an incredible +93.2% and units up +102.5%.

Diet formulas continue to be the biggest declining segment down -38.9% in dollars and down -33.1% in unit sales versus 52 week year ago.
FDA Addresses Sugar Related Public Health Issue while Natural Trends Innovate with Alternative Sweeteners

Added sugars have flooded the American diet. In 2014, the FDA debuted its proposed changes to the Nutrition Facts Panel with an added sugar declaration, and in July a 10% maximum Daily Value allowance. As this decade’s most-warmed-against nutrient causing debilitating health issues like obesity and type II diabetes, sugar’s impact on public health is being scrutinized. U.S. obesity rates skyrocketed from 12% of the population in 1990 to over a third of adult Americans in 2012.

Intrinsic sugars, naturally present in whole foods such as fruits, also contain fiber, vitamins and minerals. Added sugars however, – namely in traditional sweeteners like processed beet, cane and high fructose corn syrup – are isolates unaccompanied by other nutrients, offering little, if any, nutritional value. Some industry players argue there is no evidence the body processes intrinsic sugars any differently than added sugars, thus the FDA proposal ignores concerns around total sugar intake. Others suggest the kind of sugar may make a difference, improved public health professionals argue this is a step towards transparency and improved consumer health. Comments around the FDA’s proposed changes closed October 13.

Meanwhile, many consumers and innovators in the natural and organic industry have already sounded the alarm on sugar’s role in overall health. Whatever your tribe – allergen aware, foodie or fitness guru, gluten free, grain-loving or paleo friendly – many of these lifestyles also embrace a low sugar paradigm. Sugary treats are a part of living and often formulated into mints and chewable dietary supplements.

In the retailer side, consumers purchased over $39 billion worth of organic products in 2014, an 11% increase from the previous year. It is estimated somewhere around 40% to 50% of U.S households are now seeking out organic varieties. Among the organic buying families (with at least one child under 18), over 70% cited health concerns as their main incentive. This means more and more people are educating themselves on how their food is made, where it is coming from, and how it affects their health.

On the retailer side, consumers purchased over $39 billion worth of organic products in 2014, an 11% increase from the previous year. It is estimated somewhere around 40% to 50% of U.S households are now seeking out organic varieties. Among the organic buying families (with at least one child under 18), over 70% cited health concerns as their main incentive. This means more and more people are educating themselves on how their food is made, where it is coming from, and how it affects their health.

Organic Agriculture on the Rise in the U.S.

The U.S. Agriculture Department (USDA) released its 2014 Organic Survey showing exciting progress for the organic industry. Last year, U.S. farms sold $5.5 billion worth of organic goods; a growth of 72% since 2008. The largest increase was seen in the livestock and poultry category at 108%, with crops coming in second with a 69% increase. The top five organic sellers were:

1. Milk with $1.08 billion in sales
2. Eggs with $420 million in sales
3. Broiler chickens with $372 million in sales
4. Lettuce with $264 million in sales
5. Apples with $250 million in sales

According to SPINS data, traditional sweeteners continue to have a formidable presence, namely in the Conventional Channel, but offer limited dollar growth at 3%, whereas many alternative sweeteners are out performing:

- STEVIA: +32% DOLLAR GROWTH Popularized in the Natural Channel, this plant extract has expanded due to its broad appeal and blood sugar benefits. It comes in many forms like liquid extracts, powder, packets, etc.
- LO HAN: +21% DOLLAR GROWTH AKA monk fruit is a zero calorie sweetener found primarily in baking and functional beverages. It’s proving to be the latest tool in the arsenal of alternative sweeteners.
- XYLITOL: +23% DOLLAR GROWTH Birch tree sourced xylitol is preferable to those in the know, however it can be derived from corn husks, to which Non-GMO Project verification might be beneficial.
- MALTITOL: +33% DOLLAR GROWTH A staple in diabetic and sugar-free snacks, like bars and cookies, and often formulated into mints and chewable dietary supplements.
- COCONUT/PALM: +78% DOLLAR GROWTH Touted for its unrefined qualities this low-glycemic sugar is full of vitamins, minerals and amino acids.

For more info, feel free to visit SPINS website at www.spins.com or contact Bill Petschow, the SPINS on-site at Presence Marketing/Dynamic Presence, at bpetschow@spins.com.
The U.S. Senate and GMO Labeling: Don’t Tread on States’ Rights

Pushed by the biotech industry to outlaw mandatory GMO labeling in the U.S. before Vermont’s GMO labeling law takes effect in July of 2016, the U.S. Senate Agriculture Committee’s hearing on October 21st marked the first time in a decade the Senate has focused on this controversial subject.

The hearing, chaired by Sen. Pat Roberts (R-KS) and titled Agriculture Biotechnology: A Look at Federal Regulation and Stakeholder Perspectives, comes after the U.S. House of Representatives in July approved HR 1599 - the Safe and Accurate Food Labeling Act - a bill dubbed the DARK Act, or “Deny Americans the Right to Know Act,” by opponents who favor mandatory GMO labeling over a voluntary program. The purpose of the hearing, said Roberts, was to hear perspectives from agency officials, food producers and consumer groups. Committee members also asked witnesses their perspectives on whether or not GMO foods should require labels.

However, those testifying before the Senate panel were a stacked deck of industrial agriculture and pro-GMO forces, say government watchdogs. Of eight total speakers, only Gary Hirshberg, Chair of organic yogurt maker Stonyfield Farm and Chair of Just Label It, testified on behalf of mandatory GMO labeling. He told the committee that all his group was advocating for was a “value neutral disclosure” that would allow consumers to make their own decisions. Based on the history of 64 other countries that currently require mandatory GMO labeling, such required disclosure doesn’t produce sudden shifts in consumer behavior, he said, but it does provide citizens with the right to know.

Testifying against mandatory labeling, Ronald Kleinman, MD, a pediatrician at Mass General Hospital for Children, said, “Food labeling on GM content conveys no useful nutrition or safety information to consumers, is often misleading, and will simply present confusing and confounding information to consumers, including the parents I personally advise. What is the difference between need to know and right to know?” he said.

Throughout the Senate hearing, Democrats and Republicans alike championed the safety of GMOs, and voiced frustration that most consumers don’t agree, reported Harvest Public Media.

Surprising many, Sen. Debbie Stabenow (D-MI), the ranking Democrat on the Senate Agriculture Committee, said she is committed to getting a labeling bill passed by the end of this year, and appeared to support HR 1599, passed by the House of Representatives earlier this summer, which outlaws states from passing their own GMO labeling legislation. Additionally, the bill would nullify existing or pending laws in states or counties requiring GMO labeling, such as laws previously passed in Vermont, Connecticut and Maine, or that ban the cultivation of GMOs, such as in Mendocino County, CA, Oregon’s Jackson County, and Kauai and Hawaii Counties in Hawaii.

Additionally, under HR 1599, products containing GMO ingredients could be labeled as “natural,” a deceptive claim that would further deteriorate the meaning of the word among consumers, say opponents of the DARK Act.

Commenting on the Senate Agriculture Committee hearing, Ronnie Cummins, International Director of the consumer advocacy group Organic Consumers Association, said, “Of the eight witnesses allowed to testify, only one could be remotely considered as someone who represents the interests of consumers and public health. The other seven have ties to the biotech and corporate food industries, and were there to represent the interests of corporations, not people. Today, we call on millions of American consumers to contact their elected officials with this message: If you vote against states’ rights, if you vote against truth and transparency in labeling, if you vote against the more than 90% of Americans who want mandatory, not voluntary, labeling of GMO foods, we will vote against you.”

Senator Jon Tester (D-MT) - the only organic farmer in Congress – when asked directly about the Senate biotech hearing at an Organic Trade Association awards dinner held on September 15th at Natural Products Expo East, indicated that any such bill would not have his vote nor enough support in the Senate to pass.

Yet, the sentiment at the Senate hearing in mid-October was decidedly pro-GMO, and against mandatory labeling.

So, the biotech lobby’s race is on to nullify the Vermont mandatory GMO labeling law before it takes effect and, in the process, prohibit mandatory GMO labeling from ever happening in the U.S.

The question needs to be asked, however: Is taking away states’ rights to label food constitutional?

# # #

Steven Hoffman is Managing Director of Compass Natural Marketing, providing brand marketing, PR, social media, and strategic business development services to natural, organic and sustainable products businesses. He served as Marketing Director for the Arrowhead Hills organic brand, is the former Editorial Director of Natural Foods Merchandiser Magazine, former Education Director of Natural Products Expo East and West, and co-founder of LOHAS Journal. Contact steve@compassnatural.com.
Cascadian Farms, an early pioneer in the organic foods movement, welcomed the Dynamic Presence Marketing – West team for a farm tour in October. Founded in 1972, Cascadian has been converting conventional farms to organic since before “organic” was certified by the USDA. The experience left a profound impression on the team, as they were guided through the systems and processes that not only go into producing Cascadian Farms products, but support the local ecosystem. Some of the most memorable discoveries the team made were:

- **The Bee Garden:** The garden attracts all pollinators — not just bees — which are critical for the crops that Cascadian Farms grows. Since the native bee population is in decline, the planting of flowers that bloom year round helps them continue to thrive. Additionally, since Cascadian does not use synthetic pesticides, bees and pollinators are free to roam without harm.

- **Compost:** Cascadian Farm’s compost is a combination of dry material and grass clippings. It serves as a fertilizer, contains billions of living organisms which keeps the soil active and warm, supports beneficial insects and bacteria, is water absorbent and therefore helps with erosion control. The team was invited to reach deep into one of the compost piles, which can reach over 100 degrees Fahrenheit!

- **Blueberries:** These are a perennial crop, which provide a top layer of compost for the farm, and are fed by gravity drip lines. The team was surprised to learn that the plants were over twenty years old! The blueberries are gently picked by a mechanical harvester, which requires 3-5 hands to run, and has a top speed of 1 MPH. They are hand sorted on the platform.

- **The Greenhouse:** Due to rainy weather (over 80 inches of rain) and cool months during the summer, the tomatoes and peppers that Cascadian Farm produces can only be grown in greenhouses. Their greenhouses include pollinator plants to attract bees and beneficial insects.

- **Farm Stand:** The Cascadian Farm Organic Farm Stand sells produce and farm-made ice cream, pies, and drinks. They also support the local community by providing job opportunities. Many tourists stop by prior to heading up river to the mountains.

After the day was through, the West team could not help but feel more connected to the roots of industry in which they work, an industry that is at once movement, spearheaded in part by Cascadian Farms. The partnership between Presence and Cascadian is not solely a business one – it is a mission-based one as well.
October Anniversaries

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<tr>
<th>Name</th>
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New Hires

Milestones

Presence Marketing

Midwest
Veronica Malfitano Executive Assistant/Office Assistant

Southwest
Patricia Kudwa Merchandiser

Northwest
Rob Willits Merchandiser

Dynamic Presence

Rocky Mountains
Jasmine Carlson Merchandiser

Help Wanted

Location

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<td>National</td>
<td>Administration</td>
<td>Senior National Account Executive</td>
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<td>National</td>
<td>Sales</td>
<td>Data Administrative Assistant</td>
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For more information regarding job opportunities visit [http://www.pmidpi.com/careerops.html](http://www.pmidpi.com/careerops.html) or email hr@pmidpi.com.