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## Foodservice Marketing Insights

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Greetings and we hope you had a good Independence Day!

This month, we're profiling two companies that only recently came onto our radar screen, but are poised to make an impact in foodservice. United Natural Foods has been around for a while, but not so much in foodservice. Presenture is run by "foodservice guys," but is a new kind of company.

Thanks for reading, and as always, let me know what you think. [Tell Dave](#)

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## UNFI, Naturally

For several years, we've become increasingly aware of United Natural Foods, Inc. (UNFI). They are a large, growing, but quiet force in food distribution. We finally had the opportunity to meet with one of their key people a few weeks ago, and learned a little about who they are, what they do and where they are going.

Like a lot of folks my age, I've been oblivious and somewhat skeptical (if not cynical) about the organic and natural foods movement. But the more I learn, the more I understand that it's become a huge and rapidly growing business, with no signs of slowing down.

UNFI is the largest distributor of natural, organic, specialty foods and related products in the United States and Canada. They primarily cater to the Retail Grocery markets, serving both independents and chains, including Whole Foods Market. They also own several brands and a manufacturing facility, but their core business is about distribution and marketing services.

UNFI has dipped their toes into the Foodservice Channel as well, and it's safe to say they've found the water to their liking, with growth of over 34% in their last fiscal year! And with over 2,000 suppliers, they are very well positioned to serve the large and growing demand for "natural products" in Foodservice. They operate a network of 27 Distribution Centers across the US and Canada, and have the capability to serve both Operator and Distributor customers.

At this point, it remains to be seen whether, when, and how UNFI will become a major player in the Foodservice Channel. But based on their recent growth in this space, we're betting it will happen sooner rather than later.

You can learn more at [www.unfi.com](http://www.unfi.com)

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## Rethinking Broker Agency Networks

Also in the last few weeks, I became aware of a company called "Presenture" ([Presenture.com](http://Presenture.com)).

In response to the rapidly-changing Foodservice Broker Agency landscape, Mike Maher is building "a professional sales and marketing outsourcing support company specializing in the foodservice industry." Presenture utilizes a network of approximately 50 independent broker agencies across the US, but also employs a team of Regional and Territory Managers reporting to a V.P. of Sales. In addition, Presenture offers a consultative approach to developing and implementing a Foodservice Marketing Plan for their manufacturer clients.

Unlike the "broker rollups" that are taking place, Presenture allows agencies in their network to maintain their independent ownership. Their "in-house" Sales Management staff eliminates the need for their manufacturer clients to hire and maintain their own Foodservice Sales and Marketing infrastructure.

Agency consolidation has already erased our traditional view of "broker markets." Regional and National Agencies have forced manufacturers to re-think the number and role of Regional Sales Managers on their staffs. And as we've often written, "Foodservice Marketing" means very different things to various manufacturers. It's a great time for Presenture to offer a fresh approach to Foodservice Marketing and Sales.

So what types of manufactures does Presenture represent?

Typically, their clients fall into two groups:

- Manufacturers whose core business is Retail and who want to participate in Foodservice without the cost of interviewing and hiring a broker network, and maintaining a Sales and Marketing infrastructure.

- Small to mid-size Foodservice manufacturers who feel that their existing model is underperforming or who may not be able to afford a typical Sales and Marketing infrastructure.

This is the story today. But as we continue to churn through the turmoil of an evolving Sales Representation landscape, who's to say that larger, established manufacturers won't turn to a model like Presenture?

Stay tuned.

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## Parting Shots

I finally got to the Fancy Food Show a couple of weeks ago. Like "natural food," "fancy food" has a pretty loose definition and is open to a lot of interpretation. Yes, there were a ton of imports, miles of fancy cheeses and chocolates, and a lot of unusual products with appeal only to the white tablecloth and club segments.

But there were also Jelly Bellies and other easily-recognized products and brands. As food shows go, it's a big departure from the NRA Show. If you ever get the feeling that your work in the food business is more about "business" than "food," the Fancy Food show will be a refreshing tonic for you.

So here's my big takeaway: There were 1800 exhibitors. 178 of them (10%) offered olive oil. So if your product category has become "commoditized" to the point where you feel you must compete solely on price, you might ask yourself how the olive oil industry (which is at least 2,000 years old) can still support so many competitors!

*Hey, I don't have all the answers; I just ask the questions!*

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**I'm working at the kitchen table when a voice at the door says "hello!" and the gentleman standing on my porch says "do you mind if we take your coconuts?"**

When you move to Florida from Michigan you quickly learn that cleaning up coconuts in your yard is a much bigger deal than cleaning up apples or pine cones. They grow in bunches but drop a few at a time, and a dozen coconuts in the bottom of a trash can is about all you can carry. Until now, I've dealt with them as they fall, or sometimes pay to have them cut down.

But as I watched one guy work his pole saw while the other caught the coconuts on an old sofa cushion, I asked where they sell them. The answer: "to a guy who ships them to New York – they make them into candy and bottled coconut water."

So after 15 years of consulting on the foodservice supply chain, I'm finally back to actually participating in it!

(I wonder if there's a "sustainable headquarters" story in here...)



Thanks for reading!

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