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2012

western grocer MAY/JUNE 2013 / VOLUME 99, NO.3

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What are Canada's Best New Grocery Products? Retail Council of Canada Names Canadian Grand Prix New Product Awards Finalists

Sweet, Savoury and Savvy The options in cookies and crackers have never been so varied.

Keeping Your Cool Getting your refrigeration right.

Out with the Old, In with the New Liquid Events, it's time for change!

Everyone's Best Friend Pet care products are becoming more important to consumers who want to spoil their furry friends.

Healty Eats - Whole Grains

The Goodness of Greek While the overall category of yogurt has seen growth, nothing compares to the Greek segment.

A Shopping Rejuvenation Harps Family Foods provides local shoppers with more choice.

It's Not Easy Being Green Finding a new definition to an old expression.

Eye on You Security systems that ensure only paid-for-products leave the store.

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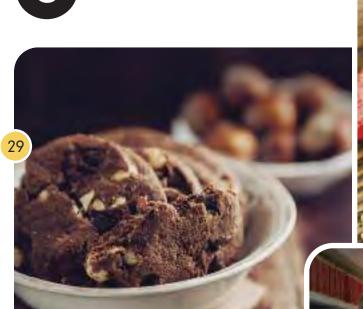
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The Ball is in His Court Now...

CFIG Introduces a new president.

Cover Photography: Philip Chin & shutterstock.com

publisher's perspective



The Competitive Dynamics of the West

There has been a lot of talk in the industry about the growth in retail square footage outpacing population growth and the effect this will have on the competitive landscape in Canada. Much of this relates to the entry of Target who is in the process of opening 125 stores across the country. Meanwhile, partly in response to Target, there are the aggressive expansion



plans of Wal-Mart, which will also add significant square footage devoted to groceries. Population growth in Canada was 1.1 per cent last year whereas the growth in retail square footage is estimated to be between two-three per cent. Just looking at the numbers, it is clear that there is bound to be an effect on per store sales growth. But is this as true in Western Canada?

Population growth in the West has exceeded national averages for the past several years with no sign of abating. Alberta had a population growth of 2.2 per cent last year while Saskatchewan posted growth of 2.1 per cent. Manitoba was closer to the national average at 1.2 per cent. B.C. was the only western province to show less than the national average at 0.85 per cent.

With this comparatively strong growth, the western provinces may be able to absorb much of the additional square footage without impacting market share to the same extent as in Ontario or Quebec, especially with their dense urban populations. Moreover, with the wider spread population in the West, there are many markets, which the large mass merchandisers simply won't be able to service. On a province by province basis, Ontario, in line with its population, will have the most square footage added and already is one of the most competitive markets in the country.

These factors would suggest the competitive pressure in the West will not be as intense as in Central Canada. But as one of the most lucrative markets the lure will be strong enough that stiffer competition is still a sure thing in the year or two to come.



Robin Bradley Associate Publisher &



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Publisher & Editor, Frank Yeo; Associate Publisher & National Account Manager, Robin Bradley; Western Account Manager, Melanie Bayluk; Editor/Editorial Production Coordinator: Nicole Sherwood; Advertising Production Manager, Marsha Coombe; Creative Manager, Sarra Burton; Circulation Department e-mail: circulation@mercury.mb.ca; Contributing Writers: Robin Brunet, Melanie Franner, Martha Beach-Yeo, Jeff Doucette, Alex Van Tol, Sue Nichols, Jaqueline Louie, Carly Peters, Ken Kwong, Shayna Wiwierski. Advertising Consultants: David Bastable, Sheilah Davila, Trevor Jones, Elaine Dufault, Edna Saito. Publisher: Western Grocer Magazine is published bi-monthly by Mercury Publications Limited Head Office: 1740 Wellington Ave., Winnipeg, Manitoba R3H 0E8 Tel: (204) 954-2085 Fax: (204) 954-2057 www.mercury.mb.ca · e-mail: mp@mercury.mb.ca Associated Publications: C-Store Canada Magazine, Votre Dépanneur, Commerce & Industry Magazine, Western Hotelier, Western Restaurant News, and Bar & Beverage Business. Circulation: Western Grocer Magazine serves the grocery and allied non-food industries. Readership includes distributors, brokers, manufacturers, wholesalers, independent grocers, food processors, bakeries, supermarkets, convenience stores, principal food service outlets, food researchers and consultants, government, voluntary groups and co-ops in the four Western Canadian provinces of Manitoba, Saskatchewan, Alberta, British Columbia, Northern Canada and the Northwest Ontario area. Subscription Rates: \$45.00 for one year, \$63.00 for two years, \$93.00 for three years; \$5.00 for single copy, plus 7% 6ST. Canadian rates only. Advertising: Deadline is 25th of the first month. Editorial: The contents of this publication may not be reproduced in whole or in part without written consent of publisher. Photo credits not given unless requested in writing along with photo submission

Publication Mail Agreement No: 40062509. ISSN# 0705-906X. Return Undeliverable Canadian addresses to Circulation Dept. at 1740 Wellington Ave., Winnipeg MB R3H 0E8

market update

Unveiling of the 2013 SIAL Innovation Grand Prize



Among a total of 25 products that qualified for the contest, from among some 50 participants, and the 10 finalists selected by the Board members gathered on March 26th, this frozen smoked salmon pâté truly stood out.

With a recipe made up of more than 65% freshly hotand cold-smoked Atlantic salmon - and a bare minimum of ingredients - it's a smooth and healthy choice for any occasion. In order to make their products accessible to as many people as possible, they are gluten- and preservative-free, and are prepared in a nut-free environment in addition to being certified kosher! Available frozen and in single servings, A Acadien Atlantic's smoked salmon

pâté quickly captivated the jury members.

The 10 finalists, including the Grand Prize winner, will be on exhibit at the SIAL Innovation space (booth #1819) at SIAL Canada in Toronto from April 30th to May 2nd, 2013. SIAL Innovation is an internationally renowned contest that provides the 10 finalists with global visibility, as their products will be exhibited in Shanghai (SIAL China) from May 7th to 9th. and in Sao Paolo (SIAL Brazil) from June 25th to 28th, 2013.

This year, for the first time, visitors will be able to take part in free visits to the booths belonging to the products selected for the contest, with commentary provided by Isabelle Marquis - our innovations expert at SIAL Canada - at the SIAL Innovation booth.

market update

SodaStream Canada

Adds Iconic Kraft Canada Brands to Flavoured Syrup Portfolio

sodastream

Beverage carbonation systems maker SodaStream Canada Ltd. is announcing a new partnership with Kraft Canada Inc. for flavours for use in its soda-makers that

turn regular tap water into fizzy soft drinks and sparkling beverages in seconds. The low-calorie drink mix Crystal Light, the lemonade drink



mix Country Time and the multiflavoured Kool-Aid drink mix are now available as Soda Mix flavours across retail outlets in Canada including Home Outfitters. Bed Bath and Beyond, Sears and London Drugs Limited.

ACTIVITY ON OTHER PARTY.

SIAL

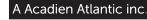
SIAL Innovation acts as a networking springboard to promote your new products to our national and international visitors, retail purchasers from the catering and hotel sector, and to the media.

SIAL Innovation est un véritable tremplin de communication qui valorise vos nouveaux produits auprès de nos visiteurs nationaux et internationaux, acheteurs du détail, de la restauration et de l'hôtellerie, mais aussi auprès des médias nord-américains.

Unveiling the 10 finalists for SIAL Innovation 2013

SIAL Innovation présente les résultats de l'édition 2013!





Canada | |

















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Canada *

Cacao Barry



GLUTEN FREE PASTRIES Dufflet

ORGANIC

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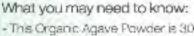


France



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- This Organic Agave Powder is 30% sweeter than customary sugar. Two spoons of this powder recresents three of cane sugar.

As the organic against syrup from which it comes from, the Organic Against

Organic Fructose Agave Powder

Powider stands for a relevant option to customary sugar.

 Made up of 77% fructose (naturally inherent in fruits), this powder holds a lewer glycemic index than most of other natural sweeteners.

How to use it?:

Swifter Organic Agave Powder, can be used for pastries as well as on yegurts. and all kind of desserts:

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Rendez-vous du 2 au 4 avril 2014 à Montréal







Powder

Agave

Fructose

Organic

market update

Change is the New Norm at Co-op

Federated Co-operatives Limited Undergoes Brand Renewal

For Federated Co-operatives Limited (FCL), ongoing change is now the norm. "The status quo is not acceptable. It's not business as usual at Co-op," says FCL Associate Vice-President Food, Ron Welke.

Speaking at a Calgary Food & Drug Executives (CFDE) luncheon earlier this spring, Welke noted that FCL has gone through an unprecedented amount of change in the past three years. The Saskatoon-headquartered organization, which provides central wholesaling, manufacturing and administrative services to its member-owners, has embarked on a number of changes – focused on brand, technology infrastructure, and developing people and talent management processes – in order to deliver results for the 234 retail co-op associations and the 1.5 million individual co-op members it serves across Western Canada.

This total Co-op initiative includes a new positioning line, 'You're at Home Here.'

"We are reintroducing ourselves to new generations of customers as part of our brand renewal," Welke said. "We will be the preferred choice for consumers looking for friendly service and high quality products at competitive prices, along with the opportunity to

get cash back."



As part of its renewal project to reintroduce the Co-op brand to customers, FCL has revamped its flyer, and re-launched Co-op Gold, its national brand equivalent, as well as its value brand, Co-op Centsibles. In response to consumer interest, FCL has increased its focus on international and specialty foods, as well as on local products. All of these initiatives have resulted in Co-op achieving significant sales growth in the past several years, Welke said.

FCL's new technology initiatives include implementing a new retail merchandising system with a master data management

system to manage items, customers and vendors. This will allow the company to develop its ability to gain consumer insights, and analyze transaction-level data, Welke said.

FCL is also working to improve its digital presence and expanding its social media capabilities. The company kick-started its social media initiative with its recent Fuel up to Win food and gas promotion, which gave customers the opportunity to enter the contest online and opt in for receiving emails from Co-op, as well as encouraged them to visit the FGL Facebook page. Engaging customers this way "is a big, big win for us," Welke said. "It's been great combining those two commodities, food and petroleum, and getting customers to support both those parts of our business."

Finally, FCL's human resources goals include attracting, developing and retaining a high quality workforce to deliver quality service; and providing a safe, supportive work environment where employees feel at home. The organization recently put in place a better process for performance management, and added behavioural goals in addition to its results-oriented goals.

Jim Bailey, president of Edmonton-based The Grocery People, a subsidiary of FCL, believes that independent retailers are alive and well, and that independent retailers will continue to prosper, with the right partnerships to support them. "It's about that threeway deal between the independent retailer, the wholesaler and the supplier - they all have to be in sync," he told the CFDE audience.

TGP offers a strong program to independents that allows them to profitably compete in the market, Bailey said, supplying everything from food, health and beauty care, to home and building supplies and petroleum. "We're a one-stop shop for all of it."

by Jacqueline Louie

New Age Marketing

Announces New Vice-President of Sales & Marketing

New Age Marketing & Brand Management Inc, a national brokerage company specializing in brand management of natural and organic CPG brands and

products in all channels and markets in Canada, has welcomed Ken Kwong onto the executive team as the vice-president of sales and marketing.

Ken comes with an extensive tenure in the CPG industry. He founded a Natural Foods Distribution & Private Label Packag-



"New Age Marketing prides itself on providing strong leadership, thus enhancing a healthy productive team with outstanding brand management, key account management, and sales and marketing support", say Frank Gallucci, president of New Age Marketing. "Ken is a great asset to our executive management team and further strengthens our presence across Canada as a full-service national brokerage firm. He is an outstanding leader that brings extensive experience in diverse categories and channels across North American markets. He also brings a strong combination of technical and business acumen to his new role."

Ken will be based out of the Vancouver, B.C. office and responsible for the general management of sales and marketing operations across Canada. He will be working closely with all the key account managers and sales reps for all channels to maximize opportunities for business partners in the Canadian market.

Learn more about New Age Marketing by visiting newagemarketing.ca

Post Cereal Wants Consumers to Flip the Flap to Win!

market update

Keep a lookout for Flip the Flap boxes of Post cereal in May 2013.

In each specially marked box of Shreddies, Honey Bunches of Oats, Honeycomb, Sugar Crisp and Alpha-Bits. Consumers can flip the flap and find a PIN code inside which can be entered online until 08/31/2013 at 11:59 a.m. ET for a one in four chance to win a prize. There are over \$2,300,000 in fantastic prizes available to be won! Prizes include three All Inclusive Family Vacations to Melia Caribe Resort in Punta Cana, Dominican Republic, 100 Samsung Galaxy Tab 2 tablets, three HD Televisions and over 480,000 boxes of Post cereal. Details can be found on participating packs of Post cereals and at postfoods.ca.

Happy Planet Launches Grow For Good Campaign

On Earth Day, Happy Planet is launching the "Grow For Good" campaign and online photo contest. The contest is designed to encourage consumers to 'grow' a greater appreciation for fresh food and for the younger generation to develop a curiosity about where food comes from – by starting their own Happy Planet juice carton herb garden.

"We are looking to inspire younger generations to ask questions about what they eat and where it comes from," said Happy Planet Founder Randal lus. "Creating a 'Grow for Good' juice carton herb garden is a fun and creative activity that will also help foster an enthusiasm for fresh food; inspiring both the urban farmers – and consumers – of tomorrow."

Happy Planet consumers are encouraged to start their own juice carton herb gardens by cutting off the bottom portion of their Happy Planet 1.8I juice carton, planting the seeded cards found on in-store shelf displays (or using their own) and taking a photo of their garden once it begins to bloom. Pictures will be shared on social media for a chance to win a year's worth of fresh organic produce delivery service from SPUD.ca or Green Earth Organics.

For more information, visit http://happyplanet.com/

Health Canada Approves the First Homeopathic Mosquito Repellent Pill

Gone is the need to douse yourself in harmful DEET to repel pesky bugs. Calgary's Erin Bosch has created the first oral bug repellent, Mozi-Q, an all-natural product recently approved by Health Canada.

"Mozi-Q allows people to enjoy the outdoors without being "bugged," says Bosch, CEO and founder of Xerion Homeopathie. The product is made from staphysagria, a plant-derived substance that in the 1960s was discovered to be a natural insect repellent. While results vary from person to person 90 per cent of those who take the product

have noticed that mozzies, black flies and other bugs stay away.

Mozi-Q is designed to change a person's susceptibility to bites
so that insects are less likely to prey on them. After taking MoziQ most notice a drastic reduction, if not almost the disappearance of mosquitoes nipping at their skin.

For more information contact: lauraleastratton@strattco.com

Canterbury Grinds to a Halt - but Something Fresh is Brewing

After 32 years in Richmond, B.C., Canterbury Coffee moves across the river to Burnaby and into a custom-built, 114,000 square foot facility. The impressive building features a dedicated beverage training facility allowing the Canterbury team to provide expertise and training to new and existing customers. In addition, the southern exposure, floor to ceiling windows, and thermal-insulated exterior panels reduce energy and decrease Canterbury's carbon footprint.



In 1981, Canterbury began knocking on doors, selling ground coffee to offices, businesses, and anyone who needed coffee. Pioneers of fair trade, organic, and single-origin coffees, Canterbury is truly a Canadian success story. Through acquisition and organic growth, Canterbury has grown to become Western Canada's largest specialty coffee roaster. With coffee expertise, retail presence, foodservice knowledge, and now into sustainable single-serve, Canterbury is trending forward. "We are excited about the future, sharing innovative ideas, and demonstrating why we are forerunners in the coffee industry," says Eric Lightheart, senior vice-president of sales and operations.

Meanwhile, Canterbury also stops to bid farewell to long-time General Manager Ken Waithman, who retires after 31 years in the coffee industry. From Dickson's to Kraft and then to Canterbury, Ken knows just about everyone in the industry. His insight, understanding, and colourful humour will be missed. That being said, he'll still be drinking coffee – but in cafes in Europe, or wherever the winds take him. A well-deserved retirement, Ken!



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market update

Upcoming EVENTS

June 2-4, 2013

Dairy-Deli-Bake 2013

Orange County Convention Center Orlando, Florida, U.S.A For more info: www.iddba.org

June 7-9, 2013

Healthy Beverage Expo

Las Vegas Convention Center Las Vegas, NV, U.S.A healthybeverageexpo.com

September 30 -October 1, 2013

Grocery Innovations Canada

Metro Toronto **Convention Centre** Toronto, Ontario For more info: www.groceryinnovations.com

October 19-22, 2013

National Frozen & Refrigerated Foods Convention

Hilton San Diego Bayfront San Diego, CA, U.S.A For more info: www.NRFAweb.org

October 25-27, 2013

Delicious Food Show

The Better Living Centre **Exhibition Place** Toronto, ON For more info: www.informacanada.com



Grocery Showcase West 2014

Vancouver Convention Centre (East) Vancouver, B.C. For more info:www.cfig.ca

IDDBA Announces New Board & Staff Titles

The International Dairy-Deli-Bakery Association Board of Directors announced new titles for officers and staff at their board meeting last month. Voni Woods, senior director of Deli, Giant Eagle, Inc., is the chairman of the IDDBA Board of Directors. William G. Klump, senior vice-president marketing, Butterball, LLC's is the executive vice-chairman of the Board. David Leonhardi, director of education & events, Wisconsin Milk Marketing Board is vicechairman, and John Cheesman, vice-president sales - corporate accounts, Maplehurst Bakeries, LLC, is the treasurer. Steve Beekhuizen, senior vice-president of sales, Dawn

Food Products, Inc., is the immediate past chairman. At the same meeting, Carol L. Christison was named president and CEO of the IDDBA; Lucie

Arendt was named vice-president of Membership, Exhibits, Registration, and IT. Mary Kay O'Connor



(Left to right) John Cheeseman, Dave Leonhardi, Bill Klump, Steve Beekhuizen, Voni Woods and Carol L. Christison

was named vicepresident of education, and Christopher S. Schwass. CPA, was named vice-president of finance. Additional positions within the staff structure

Dairu•Deli•Bakeru

were also changed to better reflect the scope and responsibilities of the various jobs. In addition to the changes above, the board approved the ballot for the fall election to the board.

Jelly Belly Now Direct to Canada

Jelly Belly Candy Company is now managing Canadian retail accounts on a direct basis as the distributor of Jelly Belly® beans and other fine confections. The gourmet confectionery manufacturer announced plans to expand the company's product lines in the Canada with new



Jelly Belly bean products, as well as the introduction of new products from the confections line for year round and seasonal sales. "We are making a commitment to Canadian retailers and consumers and believe our direct distribution of products will meet the demand of this growing market," said Sharon Duncan, Jelly Belly vice-president of international business. "We see enormous potential in Canada, and we know from consumer requests we receive daily, that the consuming public is hungry for the quality confections we produce."

Fresh Direct Produce Ltd. Honoured as re-qualifying member of Canada's 50 Best Managed Companies for 2012

Fresh Direct Produce Ltd. ("Fresh Direct") has been honoured once again as a re-gualifying member of Canada's 50 Best Managed Companies for 2012 by the National Post, Deloitte, CIBC, and Queen's University. The company was selected by a national judging panel of business experts that identifies excellence in Canadian-owned and managed companies with revenues over \$10 million.





"Once again we are very thankful to our customers, suppliers, and team members for helping us to continue to be recognized for this national honour," says President and Co-founder Davis

Yung. "Our team is committed to continue to innovate and improve in order to best serve our loyal customers and suppliers." Fresh Direct is one of Western Canada's premier fresh produce importers and wholesale with distribution centres in Vancouver and Calgary. Sourcing and importing more than 600 different fruit and vegetable items from 28 countries, Fresh Direct, distributes quality produce to grocery retailers and foodservice distributors across Canada.

For more information about Canada's 50 Best Managed Companies Program please visit www.canadas50best.com.

Canada's First Tree-Free Bathroom Tissue is a Winning Product

Silk'n Soft is the 2013 "Product of The Year" in the "Eco-Friendly" category, after a vote by 6,500 consumers. For the first time, consumers can purchase a premium bathroom tissue which contains no tree-material. Silk'n Soft is made primarily from bamboo and arrived on shelves at many Western Canadian retailers earlier this year. Bathroom tissue is a staple in every household but most of it contributes to the daily destruction of 27,000 trees worldwide.

The bamboo in Silk'n Soft comes from Jiangxi, China and is not a food source of the Panda. Silk'n Soft is 70 per cent bamboo and 30 per cent cotton. The cotton is left over lint which cannot be made into cloth. We now use the lint rather than sending it to landfills. Despite being imported to Canada, Silk'n Soft has a smaller carbon footprint than the current deforestation practices for toilet paper production in North America. Silk'n Soft is also BPA Free. For more information: www.silknsoft.ca

market update

Povan Wins B.C. Chef of the Year

"It is with great pride we announce our very own Chef Poyan has been awarded the prestigious BC Chef of the Year award. Awarded yearly by the BC Chefs Association, this award celebrates the accomplishments of a chef, not only in his professional life, but recognizes the extra commitment this chef has shown to his community It was with great humility that Chef Poyan accepted the award. "I am deeply in debt to all my loved ones and chefs that have helped me get where I am today," commented Poyan. Chef Poyan most recently returned from Germany along-side Culinary Team Canada where

they placed fourth in the World with a Gold and Silver Medal." www.oceanmama.ca



Buck Brand Organic Oranges

Generate over \$80,000 Donation to 12 Local KidSport Chapters

Thrifty Foods raised \$70,874 for twelve B.C. KidSport chapters after a three week, in-store campaign. The donation accompanies Buck Brand Citrus owner Lisle Babcock's \$10,000 contribution to KidSport, providing a grand total of \$80,874 to KidSport chapters in communities served by Thrifty Foods.

"Thrifty Foods donated a dollar from the sale of every bag of certified organic Buck Brand navel oranges to Kid-Sport and we want to thank our fantastic customers for picking up not one. but two and three bags of oranges over the three-week fundraiser," said Jim Dores, Thrifty Foods president.



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Grocery Showcase West

Announced Top Ten Most Innovative Products



announced their top ten most innovative products from the annual Grocery Showcase West, Western Canada's annual conference and trade show for independent grocers.

The show took place on April 14-15, 2013 at the Vancouver Convention Centre, and featured over 350 exhibitors showcasing the latest industry trends and innovation.

This year's top ten includes a variety of local and unique products that are sure to be favourites with consumers across the country. Products were evaluated based on three criteria: most unique, most buzz-worthy and best consumer response.

Top 10 Most **Innovative Products** (in no particular order)

Milk Chocolate Truffle Pigs (Hagensborg Chocolates)

Peeling Pops (Nestle Canada Inc.)

Fentiman's Traditional (Inform Food Brokerage)

Kashmir Valley's Moong Whole Tree of Life)

POS DVR tracking System (Howell Data Systems)

Dasani Drops

(Coca-Cola Refreshments Inc.)

Access Ignite Lights (Murray Market)

Electrolyte Enhanced Sport Lolly

(Chapmans Ice Cream)

Karama Wellness Water (A. Lassonde Inc.)

Bamboo Toilet Paper

(True Earth Paper Corporation)









Best Booth Awards (Left to right) Mondelez International, Van Houtte, CCD International Trading's Marketing Company and Koko Patisserie.

BURT'S BEES



100% NATURAL Lip Balms

Natural Personal Care products for The Greater Good. TM Learn more at www.burtsbees.ca





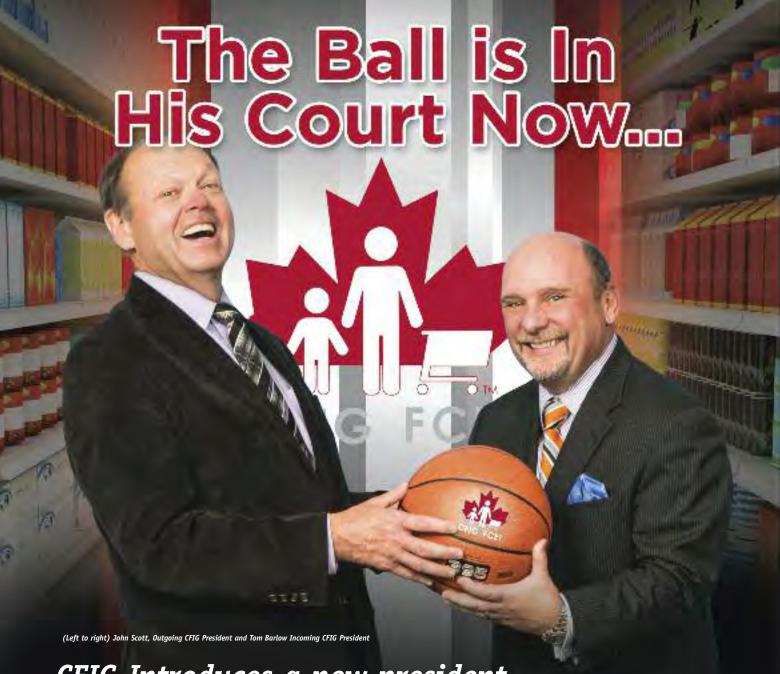






ON OUR COVER

By Frank Yeo



CFIG Introduces a new president

hen John Scott announced his retirement from the presidency of the CFIG at the end of last year, it came as a shock to many in the industry. After all, he headed the organization for close to 22 years — the longest of any president the CFIG has had — and was considered a much needed fixture to the success of the independent grocer. An economist by training, he had devoted his entire career in one form or another to the independent grocery sector long before becoming CFIG president in 1992.

His announcement began an immediate search by the CFIG Board of Directors for a replacement. After much deliberation, the board decided on Tom Barlow, a Coca-Cola executive who had played a large role on the CFIG's Associate Member Council. In this

role, Barlow had gained a lot of experience with the inner workings of the CFIG and came with a reputation of being a fair but tough boss at Coca-Cola.

"I've known Tom Barlow for many years," says Scott, "and I am extremely confident that he has the right background, knowledge and leadership skills to bring a new and valuable perspective to CFIG and the independent grocery retailer. This is a time of rapid and profound change in our society and consequently our industry. Every four to five years CFIG reflects on its direction in order adjust its strategic position. Tom's entry coincides with that period of renewal and I know that his fresh, insightful approach will be invaluable to the process and the implementation of its out-

come. I look forward to quietly watching the positive drama unfold from my new perch in life. I loved my experience at CFIG, but my contribution has been made and I need to move forward. CFIG needs a fresh set of eyes to look at where it strategically goes and that will require a renewed burst of concentrated energy from a dedicated new leader."

Western Grocer had the opportunity to meet up with Tom Barlow at Grocery Showcase West and ask him a few questions about what he will bring to his new role as CFIG president.

Can you briefly describe your background in the industry and previous involvement with the CFIG?

I am completing 35+ years with Coke and Coke affiliates. I started in Vancouver in 1977. During my tenure with Coke I worked in British Columbia, Ontario, Alberta, California and Georgia. In 2001 I relocated from Los Angeles to Toronto to take over as President of Coca-Cola Canada. I held this position until 2007 when I was transferred to Coca-Cola's head office in Atlanta Georgia. During my six years in Atlanta I held a variety of jobs, which included leading strategy development and execution for the North American business.

In your new role as President of the CFIG, what strategic direction do you want to bring to the organization?

The key focus of CFIG will be to help grow and protect our members. My objectives are to 1) Redefine what CFIG stands for and what value it provides for stakeholders, 2) Increase membership, 3) Increase diversity and 4) Identify and help develop tomorrow's leaders. I will be working with the Board of Directors, members, suppliers and other key stakeholders to help identify how we can accomplish these objectives.

Coming from the vendor community, do you think that will give you a different perspective going forward?

I'm looking forward to learning from the independent retailers what CFIG can do to support them. I'm also looking forward to reconnecting with the supplier community to learn what they need from the CFIG. A healthy independent grocery trade is important for the long-term growth of the Canadian grocer business.

What do you see as the major challenges of the organization and its members?

The mosaic of the Canadian landscape is changing. Consumers are demanding more each day from our members. Ensuring that our members are well positioned to grow will be critical to the long-term success of the independent grocer. The sharing of best practices, the ability to focus on the right things and the courage to invest in the future will be important for us to capture the needs of the consumer.

"I suppose there are many things I could point to but in reality there's only one true achievement," he says "and that was the development of the various relationships among and within CFIG."

John Scott

A fond farewell

hroughout his career, John Scott has remained devoted to the cause of the independent grocer. When asked to name some of the personal milestones or accomplishments he has been able to achieve, John pauses. "I suppose there are many things I could point to but in reality there's only one true achievement," he says "and that was the development of the various relationships among and within CFIG. CFIG is now relationship based; I often refer to it as the 'CFIG Family', it's a very tight unit of people and we've managed to integrate the supply community with the independent grocery retailer. I'm not sure if everyone realizes how unique and special that is — but — believe me it's worth holding on to as CFIG moves into the future. It truly defines who you are, is respected and makes CFIG stand out above the crowd."

One of the areas that John changed significantly during his tenure was the CFIG approach to public policy issues. "I started by doing the same as every other association - going from meeting to meeting dealing with a myriad of issues with a kaleidoscope of bureaucrats," he reflects "But by the mid-'90s we realized that this process accomplished very little so we decided to put our resources against influencing policy on essential issues. We made a very strategic choice to pursue only those things that had direct benefit or impact on our members and that we could actually do something about. Consequently we have been selective with our battles, but we have, and continue to experience an exceptionally high rate of success when compared with our peer associations."

Looking to the future, John says the amount of square footage that is going into Canada in retail food is daunting so there is bound to be fall-out. "That being said I believe that independents are in a great position, because with the change in demographics, urbanization and ethnicity, there will be all kinds of opportunities for the independent to distinguish themselves by being truly unique in the marketplace."

John has been both a member and chaired a number of boards and is very proud that he currently is Chair of the Board of the acclaimed Vineland Research and Innovation Centre a position he will continue to hold after leaving CFIG. During his tenure, John has received numerous honours but the most significant was the Golden Pencil Award received in 2009, which is the highest honour bestowed by the retail food Industry in Canada.

Western Grocer wishes John the best of luck in his new endeavours and, on behalf of independent grocers across the country, a sincere thanks for the hard work and devotion he has brought to the table.

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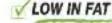
OLYMEL SMART NATURE

has been nominated as a finalist for the Canadian Grand Prix New Products Awards 2012



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What are Canada's Best New Grocery Products?

Retail Council of Canada Names Canadian Grand Prix New Product Awards Finalists

Shopping carts full of grocery innovation have made it to the checkout line. Retail Council of Canada (RCC) has announced the finalists for the 20th annual Canadian Grand Prix New Product Awards. The award program celebrates new products in 26 food, non-food and private-label categories, as selected by a 32-member jury. The panel comprises consumers, food editors, journalists, advertising executives, packaging designers and members of the grocery industry.

20th Annual Awards Highlights Year's Most Innovative Brands

PRESENTING THE 127 FINALISTS OF 2012

"Now in its 20th year, the Grand Prix program has a rich history of showcasing products that respond to the latest consumer needs and lead key trends."



Winners will be announced on June 5, 2013 at Toronto Congress Centre, as part of the STORE 2013 - Canada's Retail Conference presented by RCC.

"The growth of the consumer products industry depends on new product development and innovation," said Diane J. Brisebois, president and CEO, Retail Council of Canada. "Now in its 20th year, the Grand Prix program has a rich history of showcasing products that respond to the latest consumer needs and lead key trends."

Judges grade each entry in the Canadian Grand Prix New Product Awards on five criteria: uniqueness and innovation, product characteristics, presentation and packaging, overall consumer value, and consumer acceptance (household penetration rate of a product).

To become a finalist, a product must score at least 70 per cent in judging. This year, 127 products reached that mark.

The jury gathered in March at the Institut de tourisme et d'hôtellerie du Québec in Montreal to evaluate the food and private label products. Judges assessed the non-food products in their own homes over six weeks.

The products put forward for the Canadian Grand Prix New Product Awards have shown increasing innovation over the years, says jury chair Marcus Von Albrecht, who has been involved in the judging for 18 of the 20 years of the competition.

"I'm more impressed every year with the R&D that goes into the products," says Von Albrecht, president and COO of Mava Foods, and vice-president, North America for ARE-GALA (Gourmet Restaurateurs Association of the Americas). "These aren't small improvements, but big changes in everything from flavour profiles to sustainable practices."

New products always reflect evolving consumer needs and desires. What sort of trends has this year's entries shown, across categories? A greater feeling of authenticity was a theme. Von Albrecht noticed lots of products touted as more natural, in their composition, volume of packaging and imagery. "Consumers want to help the world," he says.

This year's Canadian Grand Prix New Product Awards was open to manufacturers and distributors of all sizes, for products introduced during the 2012 calendar year. The finalists and winners can use the Grand Prix Award logo on their packaging for two years.

About Retail Council of Canada (RCC)

Retail Council of Canada (www.retailcouncil.org) is the Voice of Retail. Founded in 1963, RCC is a not-for-profit association which represents more than 45,000 stores of all retail formats, including department, grocery, independent merchants, regional and national specialty chains, and online merchants. RCC's Grocery Division was established in 2011, and represents Canada's largest grocery retailers, encompassing more than 90 per cent

For further information: Devon Pool, Retail Council of Canada (416) 922-0553 ext. 241 dpool@retailcouncil.org





The Canadian Grand Prix New Product Awards™

recognize food, non-food and private label categories. 31 categories in all from dairy to personal care.

Finalists Food

PRESENTING THE 41 COMPANIES



Pulo™ Philippine Cuisine





A. LASSONDE INC. Oasis® Smoothie



Natrel Baboo™



BEE MAID HONEY LIMITED Li`l Honevs™ by Beemaid





BEST BRANDS LTD. St-Hubert® Chicken Broths (900mL)



BURNBRAE FARMS LIMITED Burnbrae Farms™ Nestlaid™ Eggs



CAMPBELL COMPANY OF CANADA Campbell's Stock First™



Pepperidge Farms® Cracker Chips



PRODUCERS' COOPERATIVE SmartSak - 100% Pure Maple Syrup





RealFruit® Gummies







concentrate - Cranberry - Blueberry





HAIN CELESTIAL CANADA Casbah® Side Dish Grain



HAIN CELESTIAL CANADA Garden of Eatin®



HAPPY PLANET FOODS, INC. Happy Planet® Fresh Soup



HAPPY PLANET FOODS, INC. Happy Planet® Organic Juice



HIGH LINER FOODS INC. Flame Savours™



JANES FAMILY FOODS LTD. **Boneless Bites**



KRAFT CANADA INC. Cracker Barrel & P'tit Quebec Natural Cheese Slices











L.H. GRAY & SON LIMITED

Golden D Eggs





Billy Bee* Honey Bottle 375 gr,

Pure Natural Honey

NATURE'S PATH FOODS INC. Nature's Path® Frozen Waffles

Our breads rise to the top.





We're proud to have three finalists this year.







OLD DUTCH FOODS LTD. Northern Choice Chickpea Tortilla Chips



OLYMEL L.P. Olymel® Smart Nature™



PARMALAT CANADA Astro® Kik™ Drinkable Yogourt



PARMALAT CANADA Balderson® Holiday Gift Box



Lactantia Lactose Free Homogenized Milk



PILLER'S FINE FOODS Piller's® Simply Free™ Sliced Deli Meats



SMUCKER FOODS OF CANADA CORP. Double Fruit® Simple Blends™ Fruit Spread



Sunrise® Super Squeezies™ Dessert Tubes



ThreeWorks® Apple Ch!ps™



TROPHY FOODS INC. Trophy Soft Fruit



ULTIMA FOODS INC. iögo™ Greko



ULTIMA FOODS INC. iögo™ Nano – Drinkable Yogurt



ULTIMA FOODS INC. iögo™ Probio - Heart of Fruit



VITALA FOODS Vita-D™ Sunshine Eggs



NATURAL Wafu® Japanese Dressing



WESTON BAKERIES LIMITED Country Harvest™ 100% Whole Grain Bread



WESTON BAKERIES LIMITED Flat Open Bakery™ - Barbari





The Canadian Grand Prix New Product Awards™

recognize food, non-food and private label categories, 31 categories in all from dairy to personal care.

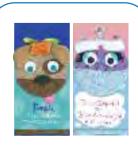
Finalists Non-Food

PRESENTING THE 11 COMPANIES









CARLTON CARDS LIMITED



DLM FOODS CANADA CORP.



HEALTHCARE INC.







NESTLÉ PURINA PETCARE Purina® Busy Chewnola™ Chew Treat



PROCTER & GAMBLE INC. COVERGIRL + Olay Tone Rehab™ 2-in-1 Foundation

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Dawn® Power Lift™



PROCTER & GAMBLE INC. Downy® Unstopables™



Febreze® Car™



PROCTER & GAMBLE INC. Gillette® Fusion® ProGlide Styler™



PROCTER & GAMBLE INC. Gillette® Venus and Olay™ System Shaver



PROCTER & GAMBLE INC. Head & Shoulders®



PROCTER & GAMBLE INC. Old Spice Red Zone® Invisible Solid



PROCTER & GAMBLE INC. Pantene® Pro-V® Aqua Light™



PROCTER & GAMBLE INC. Tampax Radiant Tampons



PROCTER & GAMBLE INC. Tide® Pods™



S. C. JOHNSON AND SON, LIMITED Glade® Expressions™ Fragrance Mist



S. C. JOHNSON AND SON, LIMITED Glade® Expressions™ Oil Diffusers



S. C. JOHNSON AND SON. LIMITED



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Solo® Holiday Collection



UNILEVER CANADA Clear™ Scalp and Hair Therapy

FINALIST Canadian Grand Prix More than 2012

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The Canadian Grand Prix New Product Awards™

recognize food, non-food and private label categories, 31 categories in all from dairy to personal care.

Finalists Private Label

PRESENTING THE 7 COMPANIES

CANADA SAFEWAY LIMITED



Debi Lilly Illusion Vase X-Large Edwards Coffee, 326 g Open Nature Bacon, 375 g Open Nature Frozen Greek Yogourt, 946 ml Open Nature Ice Cream Bars, 4 x 100 ml The Snack Artist Cookies, 255 g

Waterfront Bistro Crab Cakes

Debi Lilly Savoy Candle Lucerne Greek Fat Free Yogourt, 500 g Open Nature Bread, 680 g Open Nature Honey Nut Bar, 40g Safeway Tuna, 170 g Waterfront Bistro Cocktail Sauce, 227 g

oblaw

LOBLAW BRANDS LIMITED

PC "Free From" Angus Beef Burgers PC Partly Skimmed Milk President Choice "Nutrition First" Senior Pet Food President's Choice Fouée - Pocket Flatbreads PC Ice Cream Black Label
President's Choice "Recipe to Riches" Butter Chicken Lasagna
President's Choice Cheesecake Lollipops
President's Choice Refrigerated Condiments



LONGO'S

Longo's Signature Ricotta

METRO RICHELIEU INC.



Fresh 2 Go Toscana Focaccia Irresistibles Chicken Wings Irresistibles Dry Sausage Irresistibles Les Hors-d'oeuvre Irresistibles Marinated Angus Beef Flank Steak Life Smart Margarine Irresistibles Irresistibles Bio Organic Bread RTB
Irresistibles Dark Chocolate Covered Caramels with sea salt
Irresistibles Fruity'n' Creamy Ice cream & sorbet blend
Irresistibles Life Smart Mediterranean Style Quiche
Irresistibles Mini Crisps
Selection Ice Cream 1 66 I



SOBEYS INC.

Compliments Thin Crust Pizza Sensations by Compliments Extra Virgin Olive Oil 3L Sensation by Compliments Petite Mousse Parfait Collection



THRIFTY FOODS

Cheesy Crab Di



WALMART

Great Value - Peanut Butter Milk Chocolate Bar Our Finest - Extra Thick Cut Chips Our Finest - Salad Dressing Our Finest - Stuffing Topped Mini Turkey Pies Appetizer Our Finest - Cheese Cake Our Finest - Lattice Top Pies Our Finest - Single Serve Entree Your Fresh Market Cookies

Proud finalists for the 20th annual Canadian Grand Prix New Product Awards

We're a Canadian company owned by Canadian dairy farmers, so it's only natural that we have a certain pride in the quality of our products. But it doesn't stop there. At IÖGO, innovation is a big part of what we do. That's why we're proud to see that three of our products are among the finalists for this prestigious award.







The new munchable cracker chips baked with potatoes and deliciously seasoned



Continue to drive growth with the leaders in the cracker category:

Christie brings immediate recognition; 90% of consumers surveyed agree that Christie Potato Thins is from a brand "I trust"

There is an opportunity to bring in new users from outside the category; 75% of consumers surveyed agree that **Christie Potato Thins** are a "great alternative to chips"²

Start ship May 20th, and available in four delicious varieties:

Original

- ✓ Sea Salt & Vinegar
- ✓ Cheddarflavour
- ✓ Creamy Dill flavour

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COOKIES & CRACKERS

ookies and crackers are popular with consumers of all ages. But recent health trends have drawn purchasers toward healthier versions of these indulgences (low fat, low sodium etc.). This issue, Western Grocer helps you figure out the balance that will please your customers, keep your stock rotating quickly and put a buck back in your pocket.

Trends in Baked Snacks

Now that the Atkins diet is safely in our rearview mirror, we've allowed ourselves to eat carbs again. And it's a good thing, too: not many of us have the time to stop and poach a chicken breast every time the midafternoon snack slump hits. According to NPD Group, Western Canadians, more than consumers in any other area of the country, snack more (322 times per year compared with the national average of 310).

Technomic tracked snacking trends in 2011 and found that one in five best-selling new foods were either handheld or bite-sized. Research shows that 45 per cent of consumers are looking for snacks that can be eaten while rushing between school, work, extra-curricular activities and social engagements.

Functional foods are still a top-ten trend, with 78 per cent of consumers in 2012 making an effort to amp their vitamin intake (vitamins D, C, E, B and A lead the way, with omega-3 and antioxidants high on the list). We're on the hunt for more protein, too, as North Americans show greater concern about muscle strength. Packaged Facts found in 2013 that protein enhancement is quickly becoming a profitable food market.

Healthy or decadent, the options in cookies and crackers have never been so varied.

By Alex Van Tol

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And of course, items that are low in sodium and saturated fats are popular choices, as are those made with all-natural ingredients. "There is a big awareness in the trend of natural, and with no preservatives," says Kirby Punshon, coowner of Regina's KOKO Patisserie. "That just seems to be people wanting to look after themselves." Interestingly, research shows that the overwhelming majority of consumers equate "whole wheat" and "multigrain" with "whole grain". While the first two are actually quite different from the last (and much less beneficial from a health standpoint), at least a number of products are benefiting from this general lack of knowledge by trumpeting the properties of those items that share that health halo.

Gluten-free cracker and cookie options form a small but growing part of the market. "Five years ago, you'd never even heard of gluten-free products or biscuits or pasta," says Chris MacDonald, business development man-

Merchandise crackers near pairings such as meat or cheese to maximize incremental cracker purchases.

Maximize incremental cracker purchases through off-shelf displays by merchandising crackers with toppings like meats, cheeses and spreads.

ager at Bosa Foods. Along with the gluten-free craze, a plethora of products have popped up that are free of dairy, eggs, nuts and other allergens. It's great news for tired parents who are

frustrated with the neverending task of trying to find items that fit their child's diet, or people who have been searching high and low for foods that don't cause their bodies any ill effects.

artisanal pastries, treats and cakes

fresh. Only the finest ingredients are artfully brought together in the European tradition to create unforgettable treats!







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CONTACT US ABOUT OUR TAKE HOME. BAKE FRESH LINE, NAMED ONE OF THE TOP 10 MOST INNOVATIVE PRODUCTS FOR 2013 BY THE CANADIAN FEDERATION OF INDEPENDENT GROCERS!

Despite consumers' stated preference for healthy choices, however, there's still room for indulgence. Rather than skimp on delicious ingredients, some manufacturers are reducing portion sizes and keeping the flavour profile. "People want the flavour first for those specialized products," says MacDonald, referring to Bosa's sweet and savoury biscuits. "You almost have to have two

options for the consumer. You can't go

Snacking Snapshot

healthy on a traditional product."

Specific to crackers, Datamonitor tracked a 10.8 per cent growth in new introductions to the category in 2011 — much higher than any other baked goods sector. Western Canadians eat more crackers than anyone else (averaging 33 times per year) except Maritimers (37 times per year). NPD Group found in recent studies that cracker consumption remained fairly flat compared to a decade ago — good news for cracker manufacturers.

Datamonitor tracked a dip of nearly 20 per cent in new cookie introductions between 2010 and 2011. But even though there isn't a whole fistful of new contenders doesn't mean we're not eating them up...although it's true that cookie consumption is lower in the West than in the rest of the nation, with the average western Canadian eating cookies 39 times a year compared to 52 elsewhere

(Quebec gets the prize at 68 per person).

Recent Mintel reports (2012 and 2011) show that the overwhelming majority of consumers value baked snacks that are associated with "natural" ingredients and whole grains, even though the understanding of what makes something natural or whole-grain is a bit shaky (see above). Thirty-nine per cent of people surthey're best paired with something yummy on top. Pump these partnerships at key consumption periods like the holiday season. These can be located near the deli, where sampling can take place.

Optimize your assortment of skus, and brand block at shelf to maximize crossbrand purchases, suggests McInenly. Consider type-blocking, too, where you

If you're bringing in a new brand or variety of baked snack, have displays and promotions to encourage consumers to give it a try, especially at those key introductory times. "When we merchandise, we do a demonstration and set up an end-

group products with similar characteris-

tics (e.g. all-natural, organic or whole-

grain) in one area. This makes it easy for

health-conscious consumers to home in

on exactly what they want. Fancy crack-

ers that pair well with spreads, dips and

cheeses may best be displayed in the deli

area or the lunch counter.

If you're bringing in a new brand or variety of baked snack, have displays and promotions to encourage consumers to give it a try, especially at those key introductory times.



Western Canadians are known to snack more than consumers in other areas of Canada.

veyed wanted cookies with gourmet or artisanal attributes, while 58 per cent look for items made with real fruit or nuts. Cookie consumption has declined in Western Canada over time, from an average of 56 times in 2002 to 39 times in 2012.

Hitting the Sweet Spot

So what can grocers do to get the right kinds of products on the shelves...and keep them flying off? "It's important for grocers to keep in mind that consumers are seeking products that are 'absent of bad' and 'present with good' ingredients," says Kelly McInenly, senior director of bakery marketing, Dare Foods Limited. Simple, natural ingredient decks and products that are low in fat and that contain no artificial flavours or colours are high on the must-have list for today's health-conscious consumers.

Maximize incremental cracker purchases through off-shelf displays by merchandising crackers with toppings like meats, cheeses and spreads. After all,



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aisle display of the product we're selling with a demo table and a person sampling it out," says MacDonald. "An end-aisle display tends to be the best way to get the product to pop." MacDonald suggests having the product on display at eye-level, hopefully with colourful packaging right behind the demonstration area — and plenty of extras for consumers to load into their baskets.

Remember that shoppers are emotional creatures: the human aspect always appeals. Think about brands like Patagonia or TOMS Shoes or even Apple, which have strong roots in stories of people who went against the grain to produce something the market had never before seen. If you carry a product with a story, be sure to play it up. "The best way to merchandise is to somehow try to tell the story," says Punshon. Whether that's through packaging that tells the tale, or having displays and demos explaining to people where the product is from — especially if it's local or made in Canada — storytelling is hot in marketing right now.

Investigate new products with functional properties, bring in the demos and tell the story...three surefire ways to keep those cookies and crackers cashing out.



New Products

On Trend for Lunch

A lunch kit favourite, Dare's Bear Paws Morning Snack come in two new flavours and are made with 8g whole grains, 2g of protein, 2g of

fibre and real yogurt. Canada's first "supergrain" cracker, air-popped Breton Popped! launched in March



of 2013, offering a whole grain blend in barbecue, cheddar and sea salt flavours. Watch for a fine bread product that's launch-

Not Skimping on Taste

Made with real asiago and cheddar cheeses, U.S.-made Anna's Country Kitchen Cheese Straws were big sellers by a number of manufacturers at the recent fancy



food trade show in San Francisco, says MacDonald, and have been doing well at Bosa Foods' retail outlets. And of course, Anna's Lemon Tea Biscuits top off any meal in a sweet way.



Fresh from the Oven

All-natural, hot from the oven and heavy on the taste. KOKO Patisserie is known for its gorgeous flavours of frozen cookie dough. While the Bittersweet Chocolate Truffle is Canada's favourite. KOKO also brings you mouthwatering easy-bakes like Oatmeal Candy, Coconut

Seed Crisp, Crystallized Ginger Molasses and a Breakfast Cookie. Bake from frozen.

Cheese Without the Cracker

Oven-baked to a beautiful crisp using 100 per cent grana padano cheese (no additives or oil), Grok is the crispiest, most flavourful shelf-stable cheese snack to hit the deli. High in calcium and phosphorous — and perfect for pairing with a glass of deep red, Grok steals the food shows...and takes home the awards. Look for Grok's new family pack of sixteen 12g packages — perfect for crumbling on soup or over a lunchtime salad.





Getting your refrigeration right.

Let's face it: your fridges and freezers can be power hogs. But it doesn't have to be so. With new designs and smart approaches to conserving energy, you'll be keeping your cool — especially once the lower energy bills start to roll in.

Trends to Take Note Of

On the heels of realizing it's rather expensive to, uh, leave the fridge doors open all day long, the move toward merchandising more products from behind doors in the dairy, deli, meat and even produce departments is well underway. "Glass doors stop energy from falling into the aisle," says Dave Smith, western Canadian sales rep for Arneq Canada. "The compressor is less in capacity, so you use less kilowatt hours to run your cases." Don't have the space for swing-out doors? Grab some night curtains: no one cares if they can't see the yogurt after the store is closed. Additional components like motion sensor controls, lids for frozen islands and LED lights will add to your savings, notes Cheryl Beach, marketing communications manager for Hussman Corporation.

To boost savings, energy-efficient fan motors use less amperage and work just

as well. Remote refrigeration units are ideal for large retailers; instead of running multiple freezers and fridges, each with their own compressor, you install insulated cabinets and place a supercompressor somewhere in a remote location (often outside the store). "That way you have one line of chemical running through all the freezer doors," says Mark Schilling, director of marketing for Hobart Canada. Remote refrigeration offers a distinct advantage in the cost of maintenance. "Instead of having to maintain 50 refrigerators you're just doing one," says Schilling.

Since CFCs are being phased out glycol, ice slurry and carbon dioxide are becoming the new alternatives for refriqeration. However glycols positive impact is offset by its higher energy requirements for its operations.

32 WWW.WESTERNGROCER.COM WWW.WESTERNGROCER.COM 33 "CO2 is a whole different animal," says Jeffrey Gingras at Systeme LMP. Carbon dioxide's environmental benefits have no significant energy increase impact since pumps are not required." He notes it's taking a while to catch on in Canada because of the slightly higher cost.

"In Europe they've been doing it for years, but having new restrictions and economic incentives from the federal government, CO2's popularity is quickly growing in Canada," he says. This growth is expected to increase in the short term as CO2 refrigeration equipment is now

being built here on our home turf.

Moving away from the mechanics to

the esthetics, we all know how important lighting is. The move from fluorescent lighting to LEDs in both new and existing refrigerated display cases was originally driven by energy reduction, notes Beach. "But as the trend matures and LED technology improves, a new and ultimately more important driver has emerged: superior merchandising." LED lighting illuminates evenly, minimizing shadows and enhancing visibility and appeal. Using the right lighting

with each food category is important, notes Beach: whereas warm lighting brings out the freshness and vibrancy of pre-packaged salads, neutral whites boost the colourful packaging of cheeses and yogurts.

Knowing Your Needs

The most powerful factor in terms of figuring out what products will best suit your needs is the amount of merchandise you're cooling. "The footprint is important," says Schilling, "as is the nature of the operation. What are they chilling?



New designs and ways to conserve energy are key to keeping energy bills down when it comes to refrigeration.

How much [stock] do they have?" While hiring an independent consultant to do a detailed analysis isn't always in the budget of a smaller operation, it's a good idea to at least do a walk-through and put pen to paper, taking note of what you're refrigerating, your capacity, and your quantities. "You would hate to put out a lot of money for a capital purchase and find out it's oversized or undersized," says Schilling.

After you figure out what you're chilling, you need to consider cost. Look at the lifetime value and operating costs of the equipment rather than just the up-

New Products

Proudly Canadian



One of the world's largest manufacturers of refrigerators — and the only one still proudly manufacturing in Canada (Quebec) — Arneg proudly offers its Montreal case, an open dairy case with glass doors and attractive LED

lighting. Available in front and rear load, the Montreal case boasts energy savings of up to 75 per cent.

Unbeatable Quality

Serving fine dining establishments to Walt Disneyworld and everything in between, Hobart Canada stands behind leading refrigerator manufacturer Traulsen, which is known for its customizability and outstanding quality. Running a large-scale operation? Kairak's remote refrigeration units save on maintenance costs and are perfect for your mile-long aisles.



Catch Your Customer's Eye



Offering an energy savings of 50 to 70 per cent over T8 fluorescent lighting and boasting double the life expectancy, Hussman's EcoShine II LED family provides maximum energy savings and optimal light distribution for reach-in doors, multidecks, walk-in coolers and specialty refrigerated

merchandisers. Hussman's EcoVision dual-paned doors maximize visibility while saving you up to 84 per cent over open dairy and deli cases.

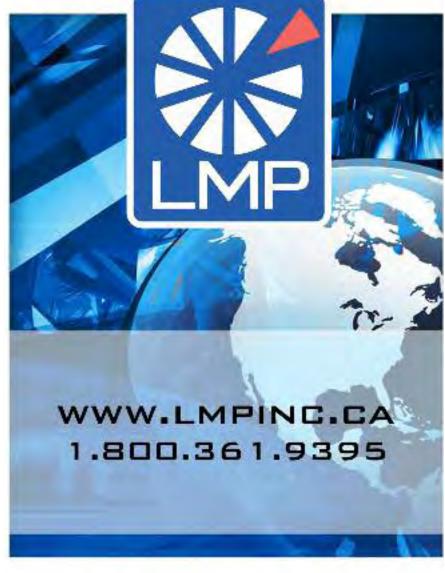
From Ice to Store Heating

Offering customized engineering services to maximize efficiency, Systeme LMP reduces your costs and your emissions, from replacing synthetic coolants with natural ice slush to energy-efficient retrofits. Want to warm your whole store with the heat rejected from the refrigeration process? How about preheating your hot water? "We are harnessing energy that would otherwise disappear," says Gingras.









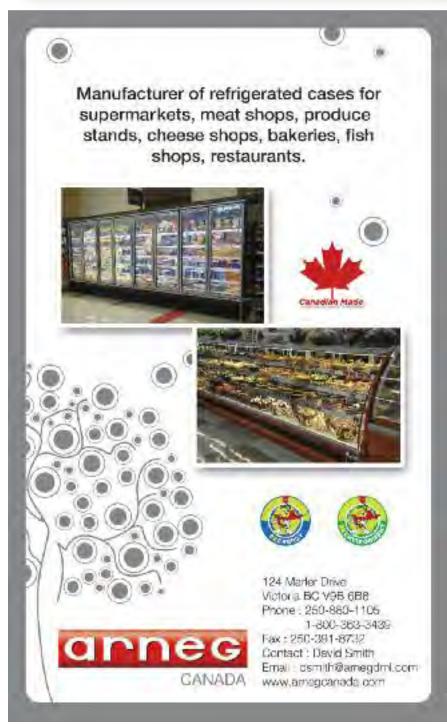


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Fresh Street Market looked for equipment





front price, advises Schilling. "Often these will outweigh the price if they have it for between five and twenty years." If you jump at a low up-front price, you may be facing warranty issues or compressor failures in a couple years' time. "If you get an energy-efficient machine, it'll often pay for itself within the first two years," says Schilling.

Another thing to think about is the physical layout of your store. In smaller stores, notes Smith, the aisles are often too small to accommodate the two-foot width of glass doors that swing out. Retailers in these smaller operations usually opt to stay with open cases (but don't forget those night curtains!).

Rebates are another consideration. Your manufacturer's rep should be able to help you sleuth out government incentives if your province has any. "Every province has some sort of rebates," says Gingras.

When it came time to lay plans for Vancouver's newest Fresh Street Market, the management team looked for equipment that reduced energy consumption and CO2 emissions. "Doors in the dairy and produce salad section provided the biggest opportunity for improved case efficiency," notes Mark McCurdy, general manager of marketing and brand development for H.Y. Louie. When advised by the manufacturer that they could save up to 84 per cent over conventional open coolers, it was a no-brainer for Fresh Street.

Equally important to saving money, however, is making sure your customers like what they see. McCurdy wanted money-saving cases that still merchandised and displayed the products effectively. Attractive LED lighting and sleek glass doors fit the bill.

And those same glass doors will keep energy costs in check for years to come.

PROFILE By Robin Brunet

Out with the Old, in with the New!

It's no secret that the most innovative product will die a quick death if not properly promoted.

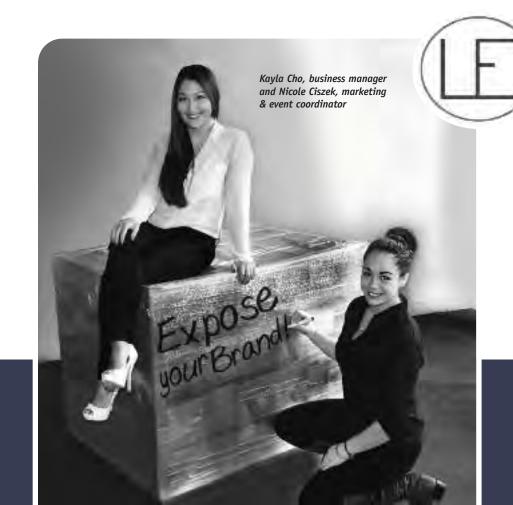
Successful product launches or rebranding require an arsenal of tactics, from in-store sampling to trade show exposure and guerrilla marketing.

It therefore amazes Kayla Cho, business manager of Liquid Events that so many of these tactics are misapplied or poorly executed when it comes to product promotions. "The focus should be on creating an experience for the consumer while leaving a lasting impression on the brand; whereas the reality of what we are seeing is 'quantity over quality.' Products are being sampled but do the consumers really know what they are trying?"

Everyone's experienced it at one time or another: the

lack of education and enthusiasm on the products, along with the unapproachable presence of the ambassador representing your brand. "The whole point of brand awareness is to create effective solutions to showcase your brand and get maximum results, but too often these essentials are not there," says Cho.

With this firmly in mind, Liquid Events, a Vancouver, B.C. based company was developed. A refreshing change in the industry and far from your typical corporate environment. Female-dominated, extremely hands-on and efficient communicators, offering a full range of effective marketing services that maximize sales for its clients.



Liquid **Events** - it's time for change.



A sampling program that took place at London Drugs for CanMar flax. Liquid Brand Ambassadors educated consumers on the flaxseed and offered samples within the store. Reps engaged and served samples to approx. 1400 customers during the 15 day roadshow at six store locations.

Although Liquid Events was recently launched in 2011, their passionate approach to business has already earned them an impressive portfolio: clients and partners include Danone, Kellogg's, Old Dutch, Nestle and Saputo, to name a few. But the list doesn't stop there. Liquid Events isn't limited to only food, they promote everything from health, beauty, home & lifestyle; having previously worked with clients like Conair, John Frieda, Breville and Keurig.

Even more impressive are the consequences of Liquid Events' hard work on behalf of its clients. For example, Canterbury Coffee experienced a 6,000 per cent increase in brand awareness and product sales; and Talking Rain (a 25-year-old Seattle-based beverage company) enjoyed a whopping 7,083 per cent boost in sales.

Outsiders may assume that Liquid Events has to move heaven and earth in order to obtain such startling figures, but that is not the case. Cho insists that all it takes is careful planning, enthusiasm and commitment to achieve unprecedented results. "We recently provided a client with our

brand ambassadors to assist with product sales for a Costco roadshow," says Nicole Ciszek, marketing & event coordinator of Liquid Events. "During the roadshow we sold 836 units. By comparison, the client had previously sold only 232 units that same week at another location without our

brand ambassadors."

What gives? Choosing her words carefully, Cho (who has a sales, business and marketing background) remarks, "We've developed a simple formula that works well in an industry that doesn't offer many effective options."

In other words, competitors have grown so large over the years that marketing has in some cases become a by-the-numbers proposition. "From our perspective, it's absolutely essential to feel that the product we're dealing with is our own, to know it inside out and be incredibly enthusiastic about it," says Cho. "Anything less, and our effectiveness as a marketer would be compromised."

To say Liquid Events goes the extra step to create memorable events would be an understatement. To launch new Juan Valdez Coffee blends in April of 2011 at a Vancouver London Drugs location, Juan Valdez himself from Colombia flew in to meet the public. The resulting media splash earned the coffee producer a 4,500 per cent sales increase from March to April of that year.

In another special event, Liquid Events helped Marley Coffee increase its brand awareness by getting Rohan Marley — the son of famed musician Bob Marley — to meet customers and sign autographs during a September 2012 in-store event. As a result, total sales equalled over 255 units compared to the previous month's sales of only eight units.

Liquid Events is especially clever in turning the too-often dowdy sampling display booth into an almost impossible-to-ignore lure for shoppers. For the chocolate specialist Godiva Chocolatier, Liquid brand ambassadors offered caramel and truffle samples to customers from a Godiva branded booth; crystals, decorative glassware and a gold serving platter combined with an upscale appeal lent an elegant ambience to the two-day sampling.

There's no end of marketing professionals who have tried, and failed, to generate enthusiasm within their ranks for the products they're promoting. What is Liquid Events' secret? "There's nothing worse than trying to generate phony enthusiasm," says Cho. "The problem lies in the choice of people that demo companies recruit, along with the way they are compensated, as





Rohan Marley (son of the famed Bob Marley), who is also the co-founder of Marley Coffee, made a special appearance to discuss his coffee brand and signed autographs for anyone

who had made it out to support his brand. Classic Bob Marley beats were playing at each location while Liquid reps handed out free samples & give-aways. The Beat 94.5 made on-air shout outs and the turnout was amazing! The total sales equated to over 255 units, compared to the previous MONTH's sales, which was only eight!

well as the improper pairing of the product to the brand ambassador."

Liquid takes their time in staffing to ensure that the brand ambassadors they put in place to reflect your brand will do a more than impressive job. "We tend to hire younger ambassadors, whereas other companies routinely hire people in their 40s all the way to their 70s," says Cho. To which Ciszek adds, "That said, we have brand ambassadors in their 50s and will be hiring more in the future. It's not so much about chronological age as it is recruiting people who are youthful, energetic, and can reflect the brand in a positive way."

Sampling programs are arguably the most-used solution, partly because clients can witness and measure their effectiveness immediately. Trade shows are also important because they provide clients with a captive audience and maximum exposure.

Reaching new heights when they participated in the 2012 Fall West Coast Women's Show, Liquid Events partnered with MarketPlace IGA (one of the show's main sponsors). Representing 10 national leading brands from Ultima Foods to General Mills and SunRype; the total show exposure reached over 30,000 consumers in three days.

works and our clients are happy with the results," Cho comments.

With these elements in place, it's not surprising that Liquid Events was able to hit the ground running in 2011 and become the event marketer of choice for many retailers and alike. Most recently, they've solidified their reputation as HY Louie's exclusive promotional & event marketing company.

Although too busy to contemplate the future to any meaningful degree (most of their comments are punctuated by a steady stream of phone calls and emails, all of which they dutifully respond to), they are certain of one









The West Coast Women's Show has grown to become the largest and most successful women's event in Western Canada. Our Brand Ambassadors at the show were able to reach out to over 30,000 people over the course of the trade show and sampled to the majority of these consumers.

Preferring not to go into detail about the compensation their ambassadors receive, it's substantially more than the minimum wages many competitors pay. While this helps generate a certain degree of enthusiasm, choosing the right person for an assignment is the real key to encourage motivation. "Broadly speaking, we would never use an ambassador in their 50s to promote an energy drink aimed at college students, nor would we assign a 20 year old ambassador to represent maternity products," says Ciszek. None of this is rocket science, but surprisingly it goes on all the time in the marketing world.

In addition to choosing and training the right brand ambassadors for the job, great care is taken at Liquid Events to select the most appropriate type of event to increase brand awareness. But for sheer off-the-cuff excitement, there's a fondness for guerrilla marketing, which if properly handled can transform any product into a must-have overnight sensation. "Guerrilla marketing can be as simple as brand ambassadors handing out free samples or coupons in an appropriate public venue," says Cho. Social media is also used before, during and after an event in order to build interest and maintain product awareness.

Both Cho and Ciszek take a handson approach to each project, from event development to report assessment/ROI and consumer feedback. "We're very controlling, but in a good way. We have an effective process that thing: that although Liquid Events is growing quickly, growth will have to be managed in a way that will enable them to retain their nimble, hands-on approach to projects. "We never want to be in a position where we lose our passion and skip out on the quality of our work," says Ciszek.

Cho concludes, "Besides, we get a great deal of enjoyment and satisfaction knowing we make a difference for our clients. A lot of people have said we're offering something new in the marketing world due to our energy, but to me our energy coupled with our sound business principles is just common sense — and on that score, we will never change."

"From our perspective, it's absolutely essential to feel that the product we're dealing with is our own, to know it inside out and be incredibly enthusiastic about it.

Anything less, and our effectiveness as a marketer would be compromised."

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rave you ever been involved in the implementation of a new technology, data source or capability in your organization, only to have it fail, or take much longer to successfully launch than expected? In category management, these "innovations" may include new software, data, tools, or capabilities. Most innovation requires money, time, and resources, ultimately with the expectation of some return on investment. Innovation also requires consideration of the "human factor", or employee response to the changes required for the launch to succeed. Change can be an emotional event, and the more significant the innovation, the more change required, the higher the emotional impact, and usually the slower

action plan, or critical path. This step can be time-consuming, but critical to the success of the entire plan. It will also help to determine if the target deadline is achievable.

A critical path should include all tasks required to successfully launch the plan, including target dates of completion for each task and their owners. It should include all prelaunch requirements (e.g. plan development, creating the vision, engagement by senior management and your launch team), implementation requirements (logistics; training requirements; engagement programs) and evaluation and follow-up requirements (adoption metrics, formal surveys, sharing success stories, communicating results).

launch team. If you've done this step properly, you should have started to create a "buzz" throughout the organization in excited anticipation of what's to come. The next step, "Implement the Plan", flows right out of the first step. You need to ensure that you have developed a



How to Achieve Success in Category Management "Innovation"

the rate of adoption by employees. So how do you achieve innovation success, with employees embracing and adapting to the changes more guickly? By having a strong plan! Here are the three steps you need to follow for a successful launch:

Step 1. Develop the Plan Step 2. Implement the Plan Step 3. Evaluation & Follow-up

"Develop the Plan" is the first and most important step in the innovation process, and creates the foundation for a successful launch. This step includes defining the project and confirming that the expectations of the launch are realistic. A one-page document describing the plan, should be developed and then made available to everyone that you want to communicate the overall vision. Once the overall planning document has been developed, it needs to be turned into an

Once the critical path is finalized, you need to get two groups engaged: 1) senior management; and 2) your launch team. For senior management, you need to rally for their support, communicating a sense of urgency, and educating them on the importance of this initiative. Be specific about exactly what you need from them in order for the innovation to be a success. For your launch team, communication is key. Educating them on the project and sharing the vision, getting their feedback and buy-in, sending them a Follow-up", which is where you description of the overall project plan — whatever you need to do to get the team excited and ensure that they understand the 'bigger scope' that they play within it.

You've now completed the "Develop the Plan" step, and you also have the engagement and support from both senior management and your

robust implementation plan in your critical path, including the format for the launch (e.g. live meeting, on-line meeting, a "road show"), what needs to be covered in the meeting (e.g. the vision and strategies; why it's important; how it works; key benefits and next steps), and what training is required (e.g. technical training, applicational training) now and in the future. And obviously this all has to fit within any budget constraints that you may have.

The final step is "Evaluation and need to demonstrate and communicate results from the innovation at every step along the way. Most people are skeptical until they see project and how crucial the role is proof of results. Once they see behaviours, actions and results that show them how well the program works, they become believers and will adapt more quickly to the new innovation and changes.

By Ken Kwong



The Next Evolutionary Stage of Social Media

ccording to Techopedia (yes, it really does exist...) – SoLoMo is short for "Social – Local – Mobile" and refers to a more mobile-centric version of the addition of local entries to search engine results. SoLoMo emerged as a result of the growing popularity of smartphones, and provides a greater local precision to search engines than what's available via a desktop computer.

A marketing friendly definition from Zideate.com says: SoLo-Mo, a portmanteau for Social-Local-Mobile, which represents the convergence in social, local, and mobile media, especially in the context of smartphones, tablets, or other mobile computing devices. To a marketer, SoLoMo is a complete paradigm shift — instead of pushing messages to a user, whether they be via a TV commercial, radio, or online ad, the message is pulled as a result of the user's location and activity on social networks.

In the last five to six years, the results of social media and businesses merging together have become an integral part of our lives. Facebook will be 10 years old on Feb 4, 2014. It seems like just yesterday when in 2007, Facebook released the floodgates and allowed anyone with a valid email address to open an account. Twitter launched in 2006. Over the course of the next two to three years, as more consumers began to participate in these (and other) social media platforms, marketers began to realize the power of listening to consumers' engagement on social media and saw an evolutionary development of the social media environment going from a simple chat and broadcast plat-

form to a network of social connections and relationships with consumers. By 2012 (and going through 2013), marketers view social media as a way of building brand awareness and generating new customers.

So, given the speed of evolutionary change in the social media ecosystem, there is a belief that people's expectations of what they want from social media will also change within the next eight to 12 months. What sort of change can or should we expect? More importantly, what can or should we do to affect its change for the better?

Recent reports indicate that millions of active users have begun to leave facebook — especially from the larger markets such as the U.S. and U.K. Figures from analyst firm Social Baker show that the decline in users has picked up pace during Q1 2013. Over the last two quarters, facebook has lost over five per cent of its U.S. user base (approx. nine million people), 6.5 per cent in the U.K. and just over four per cent in Canada. Although the causes of the decline are still up for debate, facebook needs to re-evaluate their position as a social network and focus on user experience (rather than on some of their "other things" as recently reported in the media).

Sigmund Freud's Pleasure-Pain Principle states that we are born with an innate behaviour to seek pleasure and avoid pain. In the early years of social media, the new and unique way of connecting with people offered a pleasure we sought. However, as this form of communication evolved, it has slowly become



apparent that the time required to engage in social networking activities and online communications has become somewhat of a "Pain-in the a\$\$" for some people. Which might offer a slight glimpse of why some consumers have begun to abandon (or take a self-imposed "break") from social media activities.

Looking forward to the next evolutionary stage of social media requires us to understand the behavioural nature of ourselves as human beings. We, as humans, are "social" by nature. There is no denying this. We will engage in social activities — whether it is on and off line. Our attention capacity is finite. If it is irrelevant to our being, we selectively ignore it. Therefore, unless it is "local" to our existence, it will have no purpose in our life. And finally, we are spoiled with advancements in technology. We are no longer tethered to a desktop. We have become decentralized and "mobile".

In developing the next stages of a business' and/or brand's social media strategy, keep the SoLoMo principle in mind and we may just have a chance in preserving the growth of the future of social media marketing.

DEVELOPMENTS IN SOCIAL MEDIA

Flyerbug

One of the co-founders of Captive Channels, a grocery-advertising agency that uses LCD screens to advertise sales and pricing, has founded a new social medial platform that allows users to find sales that don't normally make it to the paper flyers. "Consumers needed a channel, a better platform that could take the sales out of the store and into consumers' hands", savs Raul Sakraj, founder of Flyerbug. The website defines its service as "an open grocery pricing platform powered by the collective crowd." One feature of this app is its social media interface, where much like all the other social media platforms, it allows the user to search and "add" retailers and products to a list that they wish to follow as well as to update pricing they see on shelf. Sakraj says: "Instead of following friends, you are following products." And through this list of retailers or products, the user can be notified of sales or prices being featured in their local area. More information can be found at flyerbug.com or by downloading the free app to your smartphone.

Social Gifting Booms

In my last article, I had a chance to share with the readers about new developments in e-commerce and social media. Since then, it has been brought to my attention that the latest buzz in ecommerce is a new category of business called "Social Gifting". Defined loosely as an evolutionary business model that allows people to give gifts on social networks or through text or emails. Apparently, San Francisco has been the epicentre of over a dozen "Social Gifting" companies — all claiming to make it easier for consumers to give gifts and driving new sales for retailers. Expert reactions are mixed. Some claim this new fad will be short-lived as people still like giving and receiving gifts, in person, as part of a personal connection and meaningful exchange. Where others comment that this wave is a sign of the future, catering to the new generation of mobile consumers looking for a convenient and instantaneous way to check that gift off their to-do list. Wrapp, a Sweden-based app that has emerged as one of the leaders in the social gifting scene. allows its users to sync with facebook and receive notification of birthdays. Wrapp hit one million users within 14 months of launching. The rate of growth was faster than Pinterest and twitter. Other social gifting companies include Gyft, Wantful, Givex, Socialgift and facebook Gifts.

Ken is a CPG professional with 20+ years of experience covering Canadian, U.S. and Asian markets. His opinions expressed in this column are solely his own and do not necessarily represent those of this publication.

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Twitter (@kenkwong) or linkedin.





Disinfect Your Pet Inside and Out!

OregaPet is a complete line of natural First Aid and Oral Hygiene products containing the proven benefits of oregano oil. OregaPet finally gives pet owners an effective means to prevent and treat a wide range of common health conditions, from the comfort of home.



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A LARGE & GROWING MARKET: Pet Owners Seek "Natural"

ans own a dog or a cat? Today, pets are viewed as family members and owners are spending record num- toxic chemicals and side effects. bers of dollars to keep their pets OregaPet Natural First Aid & Oral healthy and happy. The pet industry in Canada booms at an estimated \$5 billion a year, with more strong growth expected. With infectionrelated conditions on the rise, a growing market of health conscious customers are looking for natural alternatives to prescription drugs and expensive veterinary bills. They want affordable and effective treatment options that can be safely and

Did you know that 56% of Canadieasily administered to pets at home. Treatments that support the immune system and speed healing, without Hygiene products give pet owners new confidence and new ways of preventing and treating all types of infections, both topical and internal - whether viral, bacterial, fungal, or parasitic. OregaPet is your best step towards increased sales in this lucrative market. (Sources: Can Vet J. 2009 January; 50(1): 48-52; Ipsos Reid Polls; Pet Industry Joint Advisory Council of Canada)



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PET CARE By Martha Beach-Yeo



Everyone's Best Friend

pet's life has never been better. In many homes, dogs and other pets are treated like members of the family, deserving of Halloween costumes, Christmas presents and other creature comforts. Meals for pets have also come a long way with pet food marketers using terms that whet even the human appetite. The bond between owners and their pets is a strong one and is reflected in consumer purchasing habits; therefore, owners are looking for the very best products on the market for their pets.

You'll find no shortage of pet lovers in North America. According to the American Pet Products Association's 2011-2012 National Pet Owners Survey, 62 per cent of U.S. households own at least one pet (up from 56 per cent in 1988, when the survey first was conducted). And the same is true for more than 50 per cent of Canadian households, says the Ontario Veterinary Medical Association. The pet food market in Canada was valued at just under C\$1.7 billion in 2011. Broken into categories, dog food showed the highest retail sales in 2011, reaching C\$969 million. Since 2006, dog

Pet care products

are becoming more important to consumers who want to spoil their furry friends.

Courtesy of Shutterstock WWW.WESTERNGROCER.COM 45 other pet food. Cat food is the secondlargest category with retail sales of C\$655.9 million, followed by other pet food (C\$74.8 million). By 2016, retail sales in the Canadian pet food market are projected to grow to C\$1.9 billion, or by 10.2 per cent. Dog food sales are projected to increase by 11.5 per cent, followed by cat food at 9.8 per cent.

Pet-related spending is expected to continue increasing over the coming years, as growing disposable incomes allow Canadians to buy more products for their pets, including premium items. However, Canadian pet owners remain price-conscious, and are turning more and more to grocery retailers for pet food purchases rather than specialty stores, due to the diversity of products and price ranges on offer.

While growth remains positive, Canadian pet care is increasingly faced with a number of challenges. These challenges include an aging population, and legislative changes, such as a proposed bylaw in

> Montreal to limit the number of pets per household. Cou-



pled with overall sales saturation, these factors are expected to unfavourably affect demand for pet care in the near future. In an increasingments in pet care were showcased at the Canadian Pet Industry Joint Advisory Council annual trade show, which took place in September 2012 in Toronto, New product development covered a wide variety of pet care product areas and exemplified manufacturers' efforts to respond to pet owners' demands, as well as to encourage spending on discretionary pet products. Because consumers are treating pets as members of their families, this pet "humanization" has evolved to the point where preferences for natural health products and nutritional ingredients are growing. They want to see ingredients that are recognizable, and that are similar to what they themselves are eating. The pet food industry has responded to pet owners through product expansions

Retailers will want to pay close attention to a few quality-related trends that could spell opportunity. Pet chews and treats that promote health and wellness as a way to prevent a visit to the vet are very popular. Pet supplements such as joint health products also are increasing in popularity, perhaps for the same reason. Moreover, the all-natural trend is

and selections, incorporating demands

for natural, organic, eco-friendliness,

health and wellness, as well as new

tastes and flavours.

not limited to food and treats, but is a category that is rapidly growing, and can be seen in other products like cat litter and puppy pads.

Here are a few ways to help merchandise to help with sales.

- placing treats at the tillpoint can unlock greater basket spend and encourage last-minute purchase decisions without taking up
- ✓ The care and treats category is an impulsive one and secondary sites, such as clip-strips, help to create points of interruption instore and play a vital role in delivering sales uplift
- ✓ Pet food shoppers are loyal to key brands so make sure you stock the top brands and de-list poor performers
- ✓ Stock a variety of pack formats and sizes, including single and multi-packs to satisfy different customer
- ✓ Shelf presence is always great graphics can increase sales and increase brand awareness on the shelves.
- ✓ Retailers also should consider developing seasonal and take advantage of the
- ✓ Sponsoring pet contests and running promotions can be a great way to

Merchandising Tips

your pet care section

- ✓ With space at a premium,

- humanization trend
- with animal rescue groups engage consumers

A Natural Alternative

A big trend is a movement away from prescription drugs towards natural alternatives, and of course this is a primary reason for the growth in the natural health products industry. There are very few products in a health food store that are powerful against today's germs. Nothing compares to oregano oil — go to any health food store and you will get the same information... Essential oils are con-

sidered the "life blood" of a plant and some have proven in many studies to be highly effective against drug-resistant infections, and on par with today's most powerful antibiotics, but without toxic side effects - and without creating drug-resistance. OREGAPET is the first company to offer oregano oil based products for pets. It is a full line of 10 products, to "disinfect your pet inside and out!"

These products are safe, effective, and formulated to treat all types of infections, both topical and internal, in pets. OregaPet products can be used to prevent and treat the many infections



and infestations that threaten a pet's health. According to Jason Mann with OregaPet, "As a company, we have spent years in formulating and testing prior to market, and we are very confident and excited about the quality and effectiveness of each of the 10 OregaPet products. And helping people and animals is what it is all about, at the core of our family business."

EVENT

The 2013 Edition of Sial Canada and SET Canada in Toronto

The Salon International de l'Alimentation was back in Toronto for a 10th edition synonymous with success, and international business growth

he Salon International de l'Alimentation (SIAL Canada) and the Salon des équipements, des technologies et services pour la distribution alimentaire (SET Canada), were back in Toronto from April 30th to May 2nd, 2013 at the Direct Energy Centre. It was an edition that boasted increases in terms of both visitors and participants, and which demonstrated that today in Toronto. SIAL Canada and SET Canada have established themselves as the mustattend trade show in North America.

Growth on Many Levels

With almost 770 exhibitors from 44 countries, exhibiting on over 230,000 square feet, and some 12,825 visiting professionals from 61 countries, this edition of SIAL Canada and SET Canada posted records for biggest exhibition space, and most exhibitors, and boasted a five per cent increase in professional visitors over the three-day show. For SIAL Canada Executive Director, Mr. Xavier Poncin, this second edition in Toronto served to confirm SIAL Canada and SET Canada's legitimate place in Canada's economic capital. "If asked to summarize SIAL Canada and SET Canada 2013 in a few words, it is, first of all, about a record for number of exhibitors and products exhibited, it is massive internationalization, a visitor base on the rise, and a record number of decisionmakers - more than ever previously recorded. With 70 per cent of our visitors possessing a direct role in the purchase process, our exhibitors were not let down; our event is definitely the ideal venue in Canada for business meetings. This assertion has been confirmed by the some 830 business meetings held in conjunction with OMAFRA and the MAPAQ, which allowed Canadian exhibitors to meet nearly 70 international buyers. "

A Range of Exclusive, **Captivating Events**

This year, SIAL Canada and SET Canada held some 30 conferences on various current issues in the foodservice, retail, import, and packaging industries, which attracted a number of international speakers and participants. During this





edition, SIAL Canada and SET Canada also held contests and demonstrations promoting the industry's innovative products and businesses.

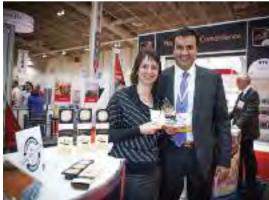
Once again, SIAL INNOVATION rewarded the best in food innovation for the year and revealed recent global consumption trends. After selecting 10 finalists from among some 50 products presented, the jury named A Acadien Atlantic's "Smoked Atlantic Salmon Pâté" the big winner of SIAL Innovation

Back in Montreal in 2014

SIAL Canada 2013 was a tremendous success and we invite you to follow us to the show's 2014 edition, which will take place on April 2nd, 3rd and 4th, 2014 at the Palais des congrès de Montréal.

A Few Words About **SIAL Canada**

SIAL Canada would like to extend its warmest thanks to the Kingdom of Morocco; the Ministry of Industry, Trade and New Technologies; Agriculture and

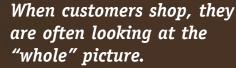


Agri-Food Canada; the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation: the Association des détaillants en Alimentation du Québec; the Agri-Food Export Group Quebec-Canada as well all our other partners who contributed to the success of this annual event.

The SIAL Canada and SET Canada shows are an integral part of the SIAL Group, the leading global network of shows dedicated to the food industry, which has a presence on four continents (Abu Dhabi, Montreal, Paris, Sao Paulo, Shanghai, and Toronto) and brings together 7.500 exhibitors and 230.000 visitors from more than 200 countries.

Established in 2001, SIAL Canada is the fruit of three agencies' labour, all of whom are shareholders in the event: the ADAQ (Association des détaillants en alimentation du Québec), the Agri-Food Export Group Quebec-Canada, and Comexposium (owner of the SIAL shows and a subsidiary of the Unibail Group).

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here has been a huge movement towards healthier options in grocery stores. ■ Whether it's sugar-free, low-calorie, or high in protein, shoppers are looking at ways to cut their caloric intake and put better nutrients into the bodies. One of the biggest buzzwords of late has been "whole grain".

According to the Whole Grains Council (WGC), a non-profit consumer advocacy group working to increase consumption of whole grains for better health, whole grains contain all the essential parts and naturally occurring nutrients of the entire grain seed.

In order to know which products are whole grain, the WGC released the Whole Grain Stamp in 2006, which makes it easy for shoppers to spot whole grain foods in the aisle. As of April 15, 2012, there were 1,058 stamped products in Canada, representing about 12 per cent of their global all-products list. Also, 62 per cent of the stamped products in Canada contain 16 grams (which is widely considered one serving) or more of whole grain content. The Whole Grain Stamp is used on more than 8,000 products in 41 countries.

"In a global consumer study by Datamonitor, 33 per cent of respondents stated that whole grain claims on packaging had a 'high' or 'very high' amount of influence in purchasing decisions," says Karen Mansur, program manager for the Whole Grains Council.

Health Canada's Food Guide recommends at least half of your grain products be whole grain each day. Because of this advice, numerous companies have started to provide

"[Health benefits] are something we have championed through our cereal offerings since 2005. We then have made sure that all of our cereals are made from whole grains," says Pierrette Buklis, senior manager, health and nutrition at General Mills Canada. "Every one of them have at least eight grams of









whole grain, many have more. That's our promise and we are continuously looking for opportunities to improve."

General Mills has had a focus on whole grains for a long time. In addition to their cereals, their Nature Valley granola bars and Smart Fiesta Old El Paso Taco Kits and Tortillas are also made with whole grains.

Leclerc is another company, which has embraced the trend. In 2008 they decided to start emphasizing it through their Praeventia and Vital brands. They are now adding whole grains to most of their products when possible. In 2001 the company announced the acquisition of the ancient grain bar general concept from Go Pure Foods with the equipment required to manufacture the Go Pure bars. There are a variety of flavours available, such as the fruit and grain and ancient grains, which have 10 grams per bar of whole grain.

Ronzoni Foods, which is the umbrella brand for Catelli pasta, offers numerous products that are 100 per cent whole grain. Their Healthy Harvest pasta has 85 per cent of the whole grain servings people need, and they provide that message on the front panel of their packages.

Companies aren't the only ones adding whole grains into their products. Grocery stores have been embracing this healthier option for a while as well.

Freson Bros. Fresh Market in Stony Plain, Alberta, introduced their Mountain Park bread in November 2012, which is whole grain. The added nutritional value of this bread is reduced salt and no added sugar; instead they use natural raisin juice as a sweetener. This bread is available at all 15 Freson Bros. locations in Alberta, and customers are enjoying it as well.

"People are coming into our stores asking where the Mountain Park Bread is," says Tracy Meyaard, bakery director for Freson Bros.

Whether it's changing the recipe of existing foods or coming out with new ones, whole grains are making a huge mark on the grocery world. Grocery stores can take advantage of this nutrient by promoting whole grain options in store, whether through new products or in-store made items. Customers are embracing healthier options and it's important for stores to reflect that sometimes the whole picture should be on what shoppers are looking for.

How to get the customers' whole attention...

Promote and educate

Highlight whole grain products in weekly flyers so customers can learn about the products. "In our stores, the bakery team members are versed in the nutritional value of Mountain Park bread. In our weekly flyer, Mountain Park is featured to educate our customers about its nutritional value."

- Tracy Meyaard, bakery director for Freson Bros.

Use the guide

Get Health Canada's Food Guide into your store and build a display highlighting the benefits of whole grains. "When the revised Health Canada Food Guide was launched in 2007 retailers played a very important role in educating Canadians about the benefits of using the guide and how to translate that knowledge into healthier food shopping."

- Pierrette Buklis, senior manager, health and nutrition at General Mills Canada.

Communication is key

Make sure the Whole Grain
Stamp or claim is visible to consumers so they know the product contains whole grains.

- Leclero

The perfect pair

"Many consumers are unsure of how to incorporate whole grains into their regular meal rotation. Pair up whole grain products with other meal ingredients so consumers can visualize putting dishes together."

- Karen Mansur, program manager for the Whole Grains Council

Display the advantage

In-store displays or POP material should communicate the benefits of whole grains and educate the consumer.

- Ronzoni



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YOGURT By Carly Peters

hether it's morning, noon, or night; indulgent, healthy, or handy, there is a yogurt to suit your needs. Representing \$1.3 billion sales in Canada, the category continues to satisfy customers cravings, and it appears most of the profitable thanks can go to one segment in particular.

Go Greek

There's one sub-section of yogurt that has undoubtedly led the sales charge in the past year — Greek. In 2011, Greek yogurt sales accounted for five per cent of total yogurt sales whereas in 2012 they accounted for almost 16 per cent, states Dimitris Lenis, marketing manager for Krinos Foods Canada Ltd.

"Over the last year we have seen tremendous growth in the Greek yogurt category. In 2012, the increase in sales over the previous year has been more than 300 per cent," he says. "As a result, more and more companies are adding Greek yogurt into their product portfolio, and Greek yogurt is aggressively gaining more shelf space versus other yogurt segments. It appears that as consumers become more aware of the benefits of Greek yogurt, they are willing to try it even if they are not traditional yogurt consumers. It is even more interesting if you take into account that Greek yogurt comes at a



The Goodness of Greek

higher retail price than regular yogurt."

"Greek is definitely more than a trend," agrees Anne-Julie Maltais, external communication manager, DANONE, which features OIKOS, the No. 1 Canadian Greek yogurt, which recently launched coconut, pineapple and fig flavours. "Out of 100 innovations in 2012, 30 involved Greek yogurt for a total of 280 yogurt skus. As the category leader in Canada, and because we want to bring health to as many people as possible, we aim to grow the entire category and mature segments, as active health and weight management are still key."

This is where the blending of segments has come into play in DANONE's lineup.

"More and more, women have started

While the overall category of yogurt has seen growth, nothing compares to the Greek segment.

to question diet gimmicks. Instead, women have become increasingly receptive to messages about health and, above all, the pleasure of eating, "she says. "In an era of changing attitudes toward weight management, Danone launched its newly redesigned Silhouette product line, including a new flagship product, Silhouette Greek yogurt: with no added sugar and twice the protein, it has only 50 calories per 100 gram serving."

Delivering the indulgence without the fat is the goal of Yoplait's new Greek

Source yogurt, which features 50 calories per serving two times more protein, but all while keeping the flavour.

"It's thick and creamy, and it feels like you're having a special treat. But it's a product with protein and a great taste," says Catherine Jackson of General Mills Canada, which took over Yoplait in September 2012. "In the very near future we will be launching a new lineup of products that will feature an exciting wide range of delicious flavours that consumers have never tried before. This new

For more information contact your distributor or phone 1-888-4-krinos.

launch will drive growth and excitement within the category."

IÖGO, a brand by Ultima Foods, offers seven product lines and over 40 flavours that are gelatin free with no artificial colours or flavours. The brand's Greek offering, Greko, is sweetened with a hint of honey, and features the fruits already mixed in.

For the Kids

The brand also touches on the hot kid market offering two targets — Nano, which feature packs of six 60 gram cups in and drinkable 93 ml bottles, with a unique flip-cap, for a tiny-tot audience, and Nomad, aimed at young adults, with a 200 and 300 ml drinkable format. The company also offers Zip, recognizable by the comic strips on the side, in tubes format.

Jackson of General Mills states with parents looking for easy, on-the-go, lunch-bag-worthy kid-geared yogurt, Mini-Go, Yop, and Yoplait's Tubes are staple items in the aisle as well.

"A product like Tubes lends itself to some great tips and tricks retailers can pass on to their busy customers," she says. "You can freeze Tubes, and they'll keep the rest of the lunch cool, and be thawed for when they are needed."

Pro-Bio

Probiotics are still finding their place in the yogurt cooler. Leading brand Activia saw their Fibre line's sales jump by 24 per cent in 2012, while Activia Red Fruits was the most popular yogurt category sku launched last year. DANONE plans to follow it up with a new yellow fruit pack containing apricot, yellow apple, mango, and peach, as well as new Activia Fat Free that features no added sugar for 40 calories.

What's Next?

First there was probiotic, now it's Greek, so what might be the next big hit in yogurt? Jackson of General Mills points to lactose free as a segment that's been missing from the overall category. Yoptimal, the company's probiotic brand, is now available in a lactose-free variety in four of the line's popular flavours. IÖGO ProBio has also followed suit with lactose-free options with great taste.

"We are seeing dramatic growth in our drinkable yogurt and kefir products as awareness builds for a drinkable and convenient alternative to traditional yogurt," says Kelsie Black of Happy Days Dairy, a company that offers Goat Milk Kefir available in blueberry and plain, vanilla, plain and strawberry flavoured goat milk yogurt in 475 gram size, and probiotic drinkable goat yogurt in vanilla and plain. "Our goat milk yogurt is made with 100 per cent Canadian goat milk, and has no foreign sources."

Goat or Greek, the category offers something for everyone that will keep customers coming back to the yogurt aisle. •

Merchandising Tips:

While You're There

Yogurt is a fresh product and you can't stock it. Therefore, it triggers shopping trips. Once consumers are in the grocery store, they also often add more yogurt packs. So, their purchase is planned, but also emotional when they're on-site. Retailers can play on that and make sure shoppers know they have their favourite brands in the store.

- Anne-Julie Maltais, DANONE

Shop, Don't Drop

The yogurt category holds about a 24-foot spot, and every segment has their place. Shopability is very important. Customers need to find the items they want quickly. The section ideally should also be always fully-stocked and ready for the consumer

- Catherine Jackson, General Mills

Carry On

People can eat yogurt in all dayparts, with different flavours, and by different formats, so it's important to carry all segments, and a wide variety of flavours so customers can find with they need for what part of day. There should be room to grow in order to support the entire category.

- Diane Jubinville, Ultima Foods

Dingle Dangle

Happy Days, which offers yogurt made with 100% Canadian goat milk would like to see more retailers highlight local producers with shelf danglers to better inform the consumer of local choices. Happy Days is rolling out a new look, and improving yogurt formulations with a focus on sourcing local organic ingredients from the Okanagan to support local growers.

- Kelsie Black, Happy Days Dairy

Second to None

Based on the trends we mentioned above we believe that Greek yogurt should have more secondary merchandising locations especially in the fresh produce section and in the Home Meal Replacement section so that consumers can conveniently grab their ingredients for a quick meal.

- Dimitris Lenis, Krinos Foods Canada Ltd. STORE PROFILE

By Jacqueline Louie

arps Family Foods aims to revitalize the shopping experience in the town of Vermilion, Alberta.

And so far, the new store appears to be doing nothing less to achieve that goal.

An independent business that opened last November, Harps covers approximately 22,000 square feet of grocery retail and 2,600 square feet of liquor space. Harps serves as one of the anchors in Vermilion's Lakeland Mall, situated nearly 200 km east of Edmonton and 60 km west of Lloydminster.

"I wanted to venture into a business that was different from my previous projects," says Managing Director, Harp Khela, whose family background is in real estate, construction, development and farming in the Vancouver area. "We always had an interest in groceries and the fresh market. This was our chance to pursue that interest."

Aside from the local Co-op, every other grocery store is 45 minutes to an hour



Front Row: Bruce Marriott (Mayor of Vermilion), Partner Kundan Khela and wife Kamaljit Khela, Harp Khela (managing director) Back Row: Richard Starke (MLA Vermilion - Loydminister), Councillor Robert Pulyk - Harps Family Foods Grand Opening.

A Shopping Rejuvenation

drive away from Vermilion, which has a trading area population of approximately 12,000. "For a population that size, there was definitely a gap within the commu-

nity, and (the town) was very serious about bringing a grocery store to fill that gap. Having two grocery stores in the town gives consumers options and convenience, rather than having to leave town," Khela says.

Khela speaks highly of the Town of Vermilion — including town hall employees, the mayor and the economic development officer — who "worked very well with us to ensure the store's success. Working closely with

them has been a great asset for us."

Harps Family Foods is a local independent store "large enough to give consumers a full shopping experience, and

not lose that personal touch," Khela says.
"We have created a one-stop shop in a small community." Harps Family Foods occupies a space that had been empty for

three years after Extra Foods closed its doors. The new store carries a wide range of specialty items, with a fresh seafood department featuring live lobster and a variety of fresh fish, an in-house bakery and fresh departments for produce and meat.

Harps' produce managers bring in exotic fruits; and the meat department smokes its own sausages, smokies and pepperoni. This all "generates by giving

your employees the freedom to work with different ideas and to explore what they can be successful in," Khela says.

Harp Khela (managing director)

- Harps Beer & Liquor

"By being an independent company we

Harps Family Foods provides local shoppers with more choice.

have the ability to make decisions suiting customers needs on our own terms. This is a service our customers appreciate. We are able to order specific products or create them in-house from scratch, whether it's a custom cut for a steak or a custom platter."

Another service that customers can appreciate is the customer loyalty program. Becoming a member entitles them to receive 1.5 per cent back on their grocery purchases. Members also receive three reusable bags for free when they sign up.

Harps Family Foods has worked to be environmentally friendly from day one, for example introducing reusable bags, which it sells for 99 cents. And provides biodegradable cutlery to accompany its hot grab and go meals.

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The store offers hot meals daily roast chicken, steak with vegetables, fish and chips, and more and also has different foods from

around the world, such as a line of British foods, including specialty Heinz beans and Cadbury chocolates. The store also carries the Purity brand — "Newfoundlander food" — including such staples as pineapple crush, salt beef, and the types of snacks and cookies "that Newfoundlanders really appreciate. People are driving in from as far as Edmonton to purchase this," Khela says. The store also features an ethnic aisle, with Chinese and Indian food.

The store also offers customers the convenience of being able to purchase alcohol at Harps Beer & Liquor Store, located beside the grocery store. "We carry a lot of microbrewery items, including a lot of specialty beers from small B.C. and Alberta breweries, which aren't carried by a lot of stores but have a very big customer base," Khela says. "We also carry a very large selection of wines from all parts of the world."

The business worked closely with a retail consulting agency to create a modern shopping experience for customers. "We paid a lot of attention to the brand. We wanted to bring something new to the community; we have gone the extra mile to make shoppers feel they are in a modern store."



Harps seeks to give the community anything that a larger corporation would, Khela says, noting that all of the refrigeration Harps uses is from Hussmann Refrigeration, a brand that is more typically seen in big box stores.

> "Big box stores do a very good iob with merchandising. When you have managers who come from that background, they know how to merchandise a store in a way that customers appreciate."

> Key personnel include Keith Manasterski, who was store manager through the development stage. Previously a store manager at a big box store, "he was able to take us from being a regular inde-

pendent store to becoming a more organized store that can work very efficiently on a larger scale," Khela says.

The current store manager is Patrick Halley, who moved to Alberta with his family from Newfoundland, brings unmatchable expertise to the position. He has been a major asset to the store's success with his background in the meat department and as a manager. Brad Bucharski is assistant store manager who has

brought his strong skills in the fresh departments to the store, and is able to connect well with the local residents as Vermillion is his hometown.

Harps Family Foods is an independent brand that is supplied by Macdonalds Consolidated.

"With a brand like Macdonalds Consolidated behind us, we have a lot of leeway and flexibility to decide on which products to carry, and also to have that support base behind us like a larger chain would," Khela says. "They are great people. We've been very fortunate to work closely with Macdonalds Consolidated, and we look forward to a very bright future with them."

Lakeland Mall has been rejuvenated by the opening of Harps Family Foods.

"More people are staying in Vermilion to shop," Khela says. "Because people want to see something different, they are visiting

(managing director) - Harps Beer & Liquor Grand Opening. from all the surrounding towns just because of the grocery

(From the left): Keith Manasterski

(general manager), Councillor

Linda Jaceiko, Harp Khela

store. That's great for the community and the other local businesses, because they will visit all the other stores within the mall and within the town."

These are some of the reasons that Khela is looking to the future with optimism.

"We've already seen growth. It's been great so far," he says.







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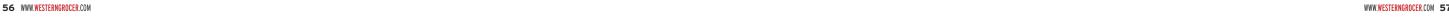














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GO GREEN

By Melanie Franner

It's Not Easy Being Green:

Finding a new definition to an old expression.

ears back, it was all the rage to "go green". Products were festooned with loud "environmentally friendly" claims. Retailers hurried to stock the shelves for their customers. And essentially, nothing happened.

"Consumers wanted to do the right thing but they weren't willing to sacrifice on price or quality," explains David Gray, retail strategist for DIG360 Consulting Ltd., a Vancouver-based consulting group. "There was also a fear of 'green washing'. People started to question green claims and they became cynical. In the last few years, there has been an abundance of green logos that have confused the consumer even more."

As a result, Gray claims that going green has evolved, from a consumer perspective, into an interest in green as it relates to health.

"The health aspect of going green has become more important than sustainability," he states, noting the increase in organic fresh produce as an example of this, as is the growing acceptance of "green" cleaning products. "Consumers are kind of blending goodness and wellness of family health with going green."

Retailers have taken the green movement in stride, focusing on back-office sustainability measures that remain outside of the customers' eye — but contribute positively to the bottom line — while also delivering green product choices to consumers.

Save Money. Live Better

Wal-Mart Canada has taken its tag line to heart when it comes to going green. The company has staked its sustainability efforts around energy, waste and products — with the goal to be supplied 100 per cent by

renewable energy, to create zero waste; and to sell products that sustain people and the environment.

"Energy efficiency and waste reduction are the cornerstone of any corporate sustainability program, as they make business sense," explains Andrew Telfer, sustainability lead, Wal-Mart Canada. "If you reduce your energy used and waste produced, you reduce costs."

The company's efforts in these areas have paid off. In 2012, for example, the company diverted 76 per cent of its operational waste from landfill.

Wal-Mart Canada has also made inroads in its product offerings



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Wal-Mart has staked sustainability efforts around energy, waste and products.

"With our size, we can encourage vendors in our supply chain to provide the products and brands that our customers know and love in a more sustainable

manner," states Telfer. "We currently have efforts in categories such as cotton goods, seafood, toys, electronics, household chemicals, food, etc."

The company also incorporates sustainability into its own products. Its private label brand of Great Value household cleaners and detergents, for example, is formulated to be sustainable and effective

A Well-Rounded Approach

Loblaw Companies Limited has focused on its social responsibility in a number of innovative ways. The company's range of PC G.R.E.E.N. products combine high performance and value while reducing their environmental footprint. The retailer has also

retailer's sustainability efforts. Wal-Mart

Canada's current goal is to reduce packag-

ing by five per cent by December 31, 2013.

reduced the number of plastic shopping bags from its stores by more than five billion since 2007. And it has helped convert more than 250 control brand products to a single plastic resin packaging to improve their recyclability.

"Our aim is to use our scale and influence as a force for positive change on the issues that matter most to our customers, colleagues and business," explains Sonya Fiorini, senior director, CSR, Loblaw Companies Limited. "We assessed a range of issues in terms of their importance to Canadians, their relevance to our business, the potential for Loblaw to take a leadership position on the issue, and the urgency of the issue."

Loblaw also introduced a national recycling program for gardeners in 2008. To date, some 5.2 million pounds of plastic plant pots and flats have been diverted from landfill. The company proudly

— at a price below national brands and other private label eco brands. The line currently includes six products, all of which are biodegradable, with no phosphates, chlorine or known carcinogens, and no artificial fragrances or dyes. Additionally, all of the packaging is recyclable.

According to Telfer, optimal packaging is another area that is included in the



Loblaw Companies Limited has focused on being environmentally friendly in a number of innovative ways, including their PC G.R.E.E.N. products.

abides by its corporate social responsibility commitments, which link to its business through five distinct pillars: respect the environment; source with integrity; make a positive difference in our community; reflect our nation's diversity; and be a great place to work.

"Corporate social responsibility is the way we do business," states Fiorini. "It





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supports our mission and is critical to our overall business success. The way we see it, by making positive contributions in our community and minimizing negative impacts on our environment, we become the preferred choice of our customers and the preferred partner of our vendors. This, in turn, drives strong business performance and gives us the means to make those contributions as a responsible corporate citizen."

Walking the Talk

Choices Markets has long been focused on the environment. The company's public statement speaks of its commitment to its customers, its community and the planet.

"That's what we try to live by," explains Chief Operating Officer Jon Janower.

To accomplish this, Choices Markets

has a number of environmentally friendly initiatives under way.

"When it comes to produce, first and foremost, we support local and organic," explains Janower. "We have the same philosophy with all of our departments — to focus on local suppliers first."

In 2003, organic accounted for approximately 35 per cent of Choices Markets' total produce sales. That number today is 65 per cent.

"We support more than 150 B.C. growers," states Janower.

The chain of grocery stores is also committed to composting. The company sends all of its food waste to a landfill, where it is composted into top soil and returned to the chain for sale to its customers. Last year alone, the retailer sold

close to 1,000 bags of its Choices Markets Full Circle Top Soil. And, the company donates five per cent from the sales to support local schools.

Selling environmentally friendly products is one thing — for





example, the retailer's cleaning aisle is approximately 90 per cent environmentally friendly products — but working with vendor partners to move toward more environmentally friendly packaging is also part of the mix at Choices Markets.

"We are only a seven-store chain so we don't have a lot of weight with the big manufacturers," explains Janower. "But our operational people know that we need to work with our vendors

"I think retailers can take the lead and define green to their customers.

They need to tell their customers what makes the product green, why
did they choose to carry it and what are the benefits of it."

initiatives underway.

to help facilitate change. We can only change things, like having environmentally friendly packaging, with their help."

Choices Markets' focus on the environment has led to results all over the company.

"The main advantage for us is that we have been able to educate both our staff and our customers about our causes and about the use of environmentally friendly products," concludes Janower. "We walk the talk and as a result, have built up a huge customer following."

Enabling Change

When it comes to demonstrating a commitment to the environment, retailers are in the unique position of being able to do so in a highly visible and concrete manner.

"I think retailers can take the lead and define green to their customers," states DIG360 Consulting's Gray. "They need to tell their customers what makes the product green, why did they choose to carry it and what are the benefits of it."

According to Gray, consumers view retailer claims as being more credible than those of the brands themselves. For this reason, he sees a real opportunity ahead. It's one thing for retailers to implement greening strategies in trucking, logistics, lighting and other back-office areas, he says, but the customers don't see that part of sustainability so retailers need to back up their efforts with a solid array of visible green products out front.



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ccording to the National Association for Shoplifting Prevention one in 11 shoppers will be getting a five-finger discount when they visit a grocery store. The association quotes that thieves get away with more than \$35 million worth of goods each day. Yet, according to Forbes.com, nearly all shoplifting statistics are hard to verify since these figures only track cases that make their way through the court system — young thieves are less likely to be punished or reported; first-time offenders are typically let off with a warning; and retailers adhere to different reasons to prosecute.

In the same Forbes feature it states grocery stores, in general, have seen a sharp spike in theft as they expand their product offerings beyond food and beverage categories. Price and value often dictate hot theft items.

"Some of these items include meat and

cheese products, health and beauty items such as razor blades and teeth whiteners. and other things such as infant formula, and even Tide detergent," states Ravinder Sangha, marketing manager for Halo Metrics Inc. "Yet, when asked, many retailers do not know what their top high shrink items are. Much of this relates the processes and software used to track inventory. Do managers have accurate and quick access to data that lets them know what inventory they are supposed to have on hand? Is there a regular frequency of inventory counts to verify what is on the shelf? This information helps you identify if you have a shrink issue. With this data businesses can identify if they actually have a problem with theft and where they should target their efforts."

As Forbes states, grocers face a conundrum when it comes to shoplifters — on one hand, they carry high-priced items that they want to protect, yet, the hard-

er it is to steal, the harder it is for real customers to get it.

"The best return on a security investment is when you can minimize theft while increasing sales," says Sangha. "We have several case studies that show if a retailer has locked up an item or put it behind a customer service desk because of its high theft risk, sales are usually flat or minimal. Once we help the retailer securely put that same item on the sales floor where honest shoppers can access it sales instantly increase. Sales lifts of 30 per cent are common in this scenario."

Halo Metrics offers a wide range of retail security products to retailers including EAS antennas, tags, Spiderwraps, and Keepers. Other areas include security mirrors, PIN Pad security, and display alarms and sensors.

Grocers are also turning to technology to deter thieves. Several chains are installing video analytical software tied to surveil-

*Nielsen. MarketTrack. NAT XNFLD+DR+MM. All Sales. LBS Share. Latest 52 wks PE August 25, 2012 ** BASES II, Post Use Report. September 2012 (for \$ vol projections) Nielsen StratPlan L52 wks, ending Aug 25, 2012 (for Sweet Spread average sku \$ performance)

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lance cameras that monitor shopper behaviour, but these systems are not always affordable options for smaller retailers.

"Often, budget restrictions do not allow for live monitoring or for complete facility coverage with the necessary security equipment (i.e. not enough camera quantities for full complete surveillance coverage)," states Wanda Day, assistant manager, communications corporate brand management, Panasonic Canada Inc. "Utilizing our expertise in video capture and camera placement, along with our understanding of the equipment's capabilities, Panasonic can assist with creating a full video-based solution. Working with long-standing grocery clients has provided Panasonic with the experience to recommend efficient and successful solutions."

Panasonic is a leading supplier of video surveillance solutions offering a comprehensive and affordable lineup of intelligent analog, hybrid, and IP video surveillance solutions. The company's wide product lineup includes cameras for video capture, digital video recorders for video archiving of recorded images, video management software solutions

that allow management of multiple cameras, and recording devices to allow for access to remote locations with live and recorded video. In addition, Panasonic offers a broad line of accessories to complete the end to end video security solution. Panasonic's new high resolution 1080p camera lineup will feature advance technologies like on board video analytic capabilities, making video surveillance smarter.

"High definition video will continue to advance with higher pixel counts allowing for more detailed images to be captured. Along with high definition video, video analytics will continue to advance with improved performance to assist in making the video security solutions more intelligent."

There's no "right" way to steal from grocery stores. Some steal through self-check out registers by ringing up lower-priced items, while others purchase items while leaving a few products under the cart. Howell Data Systems have a product called stopBOB.

"Bottom of Buggy (BOB) is a problem area of theft. Customers accidentally (or purposely) leave products on the

Bottom of Buggy. Our system detects products on the bottom of the buggy and locks the cash register until the cashier acknowledges the item and either scans it or approves it as a 'not for sale' item," states Paul Howell of Howell Data Systems.

But it's not always the shoplifters that are making grocers lose profit.

"Unfortunately one of the largest problems is cashier error and 'sweethearting' whereby 'discounts' are given to acquaintances," explains Howell, who also offers Digital Video Recording (DVR) solutions that are fully integrated with a nexPOS point of sale solution. "DVR solutions integrated with the nexPOS solution allow store management to search for transactions with 'item voids,' 'error corrects, 'open-dept key punching' which may all be indicators of unusual transactions. Operators can play back video of these transactions and see precisely the items that were scanned (or not scanned) on the nexPOS system."

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WAREHOUSING

By Frank Yeo



Filling a Vital Need

espite the advanced logistical capability of large grocery wholesalers/distributors, there is a vital need in the market for third party warehousing and distribution — so-called 3PL firms — that provide services such as transportation, warehousing, cross-docking, inventory management, packaging, and freight forwarding.

Indeed, it is the very scale and efficiency of grocery wholesalers and distributors that have helped the 3PL industry thrive. The need for just in time deliveries now requires manufacturers to have product readily available in any given market and it is the 3PL provider that is

Today's 3PL firms have embraced technology for more efficient service.

filling the need. Grocery wholesalers/distributors themselves often require secondary services when their own warehouses cannot accommodate short term needs and, once again, it is the 3PL provider filling the gap.

These unsung heroes of supply chain management have worked hard to find innovative procedures to ensure they continue to maintain their vital role. 3PL providers were among the pioneers when such functions as EDI (Electronic Data Interchange) or Radio Frequency technology came onto the scene.

The role of 3PL firms in the food industry is particularly demanding because food grade logistics require a unique set of standards to ensure health and safety. The majority of food grade warehousing facilities adhere to the key requirements for Good Manufacturing Practices, or GMP, as well as Good

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Hygiene Practices (GHP) and Hazard Analysis Critical Control Point (HAACP).

Many 3PL firms become integral to or are an extension of a manufacturer's own operations as a result. Take Versacold, the largest temperature-controlled storage/distribution company in Canada. The company services virtually any food handling and transportation needs — from the processing, freezing and storage of raw ingredients, to total inventory management and distribution. Many of their facilities come equipped with government-inspected equipment to clean, sort, grade, and package and freeze products. The company employs an advanced Warehouse Management System using Radio Frequency technology to enhance accuracy and efficiency of order, receiving, picking, shipping and physical inventories. All

these services mean reduced costs to manufacturers and more efficient response to retail customers.

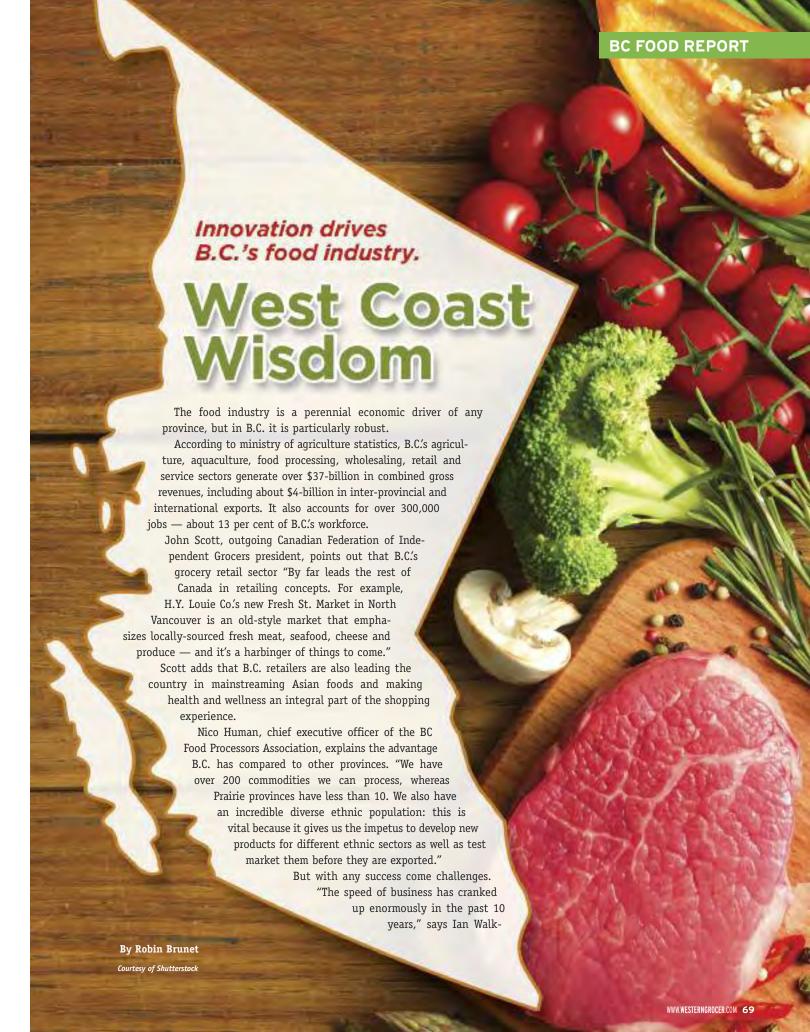
The true measure of any 3PL firm is how effectively they are able to navigate the increasingly complex logistics environment. Much of this comes down to information technology: the better this technology is employed, the better is the service. 3PL firms should be able to provide E-business, inventory access across the web, remote reporting, complete EDI sys-

tems, and a warehouse management system providing real time inventory control, just-in-time order management, productivity tracking and customized reporting.

Whether you are a manufacturer or retailer, these are important functions to a smooth-running supply chain and, as we all know, keeping costs in check.







er, co-founder of Left Coast Naturals. "Seventeen years ago when I entered the field you could take two years to bring a new product to market. Today you need to be ready in six months, and if you're not then others will get the jump on you, no matter how unique you think your new product is."

Not surprisingly, B.C. overflows with innovative entrepreneurs, as the finalists of the 2013 BC Food Processors Awards (to be held on June 13) demonstrate.



Fine Choice Foods products focus on foods that consumers can easily identify with such as spring rolls and dumplings.

Case in point: the husband and wife team of Corin and Brian Mullins, who created a gluten-free, vegan, certified organic breakfast cereal in 2009 with \$129 to their name and gave it a killer brand name: Holy Crap.

The cereal was originally developed to address a relative's food allergies, but Holy Crap received international attention from a kiosk at Vancouver's Granville Island Market during the 2010 Winter Olympics; internet sales exploded, and the couple's subsequent appearance on CBC's reality TV series Dragon's Den generated over \$1-million in revenue the week after the show aired. Today, Holy Crap is carried in over 2,000 health food and grocery stores (including London Drugs) across Canada, and expansion to U.S. and overseas retailers is underway.

While Brian Mullins credits the playful nature of his brand and its great taste for its success, he notes with considerable amusement that the Holy Crap name "is a poison pill that prevents many people from either acquiring or investing in us. And that suits us just fine, because our goal is to maintain quality control and continue producing the cereal in our

distrib-u-tec



home base of Gibsons, whose economy is helped by our presence."

Left Coast Naturals' innovative proclivities take several forms. This manufacturer and distributor of organic and natural foods has developed its distribution business with a unique philosophy: don't be all



Nico Human, chief executive officer, BC Food Processors Association.

things to all people, simplify and go deep instead of wide. "We only carry a select number of brands, enabling us to focus hard on them," explains Walker, who is also a BCFPA finalist in the sustainability

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category. "This is the most effective way for us to do business in today's market. We also act as full brand managers, meaning our clients get a distributor, brand manager and broker rolled into one. Plus, we only carry unique products with strong market potential and add only the ones we're sure will be successful. Retailers appreciate us not wasting their time with 'me too' products."

The success of BCFPA Innovation finalist Vega (which manufactures a variety of plant-based health bars, shakes and other products) demonstrates that old-fashioned intestinal fortitude is required to prevail in the white-hot health category.

The risk Vega President Charles Chang took was in moving forward with plant-based health foods in 2004, at a time when the Atkins diet was the rage. "My colleague, Brendan Brazier, is a professional athlete who initially developed the whole food plant-based recipe for his own benefit," he says. "Even though the original Vega didn't taste so great and was fairly expensive, I was convinced it would be the next big need in the health category."

Chang, who had enjoyed success developing other health



(L-R) Jason Dorland and Ian Walker, co-founded Left Coast Naturals in 1996 and continues to grow.

products, convinced his reluctant clients to launch Vega by agreeing to take profit on sales only by consignment; today Vega's annual sales exceed \$70-million.

Even though the ethnic category is a juggernaut for BC food

manufacturers, Charles Lui, president of Fine Choice Foods (a BCFPA Hall of Fame finalist) decided to make his Asian products as mainstream as possible. "I realize tastes have become very sophisticated and consumers are more open to experimentation than ever, but our decision to downsize our range of products and focus only on what everyone can easily identify with — such as spring rolls, dumplings and samosas — paid off purely from a

business perspective," he says. From its beginnings in 1986 in a 500 square foot facility, Fine Choice today operates out of a 60,000 square foot plant and employs 90 people.

Human sees the future of B.C. food processing as one "in which innovation will continue to drive growth. Processors will have to diversify constantly and exploit the niche and value-added markets in order to flourish."



Vega's risk of a plant-based health food company has paid off.

Augmenting this challenge is the ministry of agriculture's prediction that B.C.'s population will grow by 30 per cent from 2001 to 2025, and over the same period the demand for food will experience a similar increase. The question of whether this demand can be met will assume increasing importance in coming years.



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KOSHER FOODS By Robin Brunet

Kosher Crossover?

Kosher is growing — but who exactly is buying?

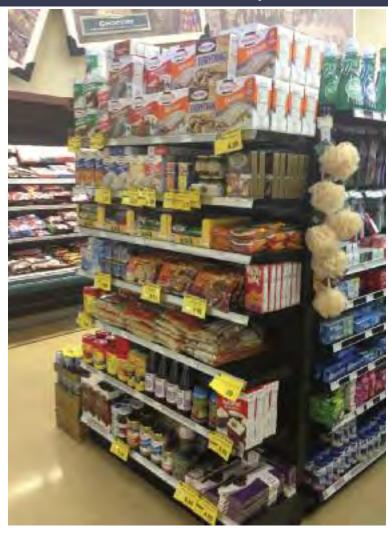
he North American kosher food market has experienced growth of 15 per cent year-over-year in the past 10 years, according to Agriculture and Agri-Food Canada's Specialty Food Market in North America report of March 2012. Roughly \$200-billion in kosher certified food products are sold annually, with \$500-million of that figure being Canadian sales.

The report states that an increasingly broad range of non-Jewish consumers are purchasing kosher products for a variety of reasons. In fact, Agriculture and Agri-Food estimates that only 15 per cent of kosher consumers today are Jewish.

Richard Wood, business manager for BC Kosher, a not-forprofit certification agency serving domestic and international agencies, agrees. "People of all stripes are buying kosher, not only for quality but food safety. That's why when a manufacturer wants a product listed by a grocery chain, one of the first things the retailer will ask is, 'Is it kosher certified'? There's an enormous sense of reassurance that another set of eyes are closely monitoring the manufacturing standards of the product — which is what we do, rigorously."

Wood thinks the sometimes lengthy procedure of becoming certified is well worth it: "Studies show that kosher outsells non-Kosher by 15 per cent, and it outsells organic and all-natural. It's a powerful marketing tool that everyone recognizes." To which Barbara Szczepanik, director of European Fine Foods, adds, "kosher certification "is a 'value added' to products not aimed directly at the Jewish market."

But when Western Grocer contacted major retailers across

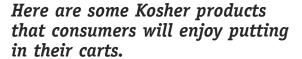


Western Canada to discuss kosher, they expressed surprise that it is being embraced by non-Jewish consumers for food safety reasons. Dane Robertson, assistant manager for Stong's Market Ltd. in Vancouver, echoes the sentiments of his colleagues when he says, "This is the first time I've ever heard of that. I haven't seen it at store level. But it makes total sense, and we certainly welcome the extra traffic."

Nonetheless, kosher has a strong presence in Stong's. "That's because our neighbourhood has a high Jewish popu-



New Products



Deli Dweller

Bothwell Cheese's Chai Tea **Cheese** is a Monterey Jack with a distinctive and incredible mixture of spicy cinnamon, ideal as an appetizer or dessert offering as well as a great salad addi-



tion. Ivan Balenovic prefers this product "to be displayed anywhere in the deli section, to demonstrate to shoppers that this is a unique, higher-quality cheese."



Sales Stragegy

Elman's herring (Fillets in Wine, European Thick Cut, Rollmops, etc.) are packed in brine and onions to enhance their old-world flavour. "One way to merchandise our herring is to advertise in flyers with sale pricing," says Krause. This puts a focus on a specific item in a category that is otherwise scattered throughout the store.

Tag 'em, Group 'em

European Fine Foods' Babci Grannv's Cwikla de Grand-Mere (red beet with horseradish relish) is a colourful contribution to the kosher category. "I would suggest

retailers have shelf tags identifying kosher products, every day, on their



Attention-Getters

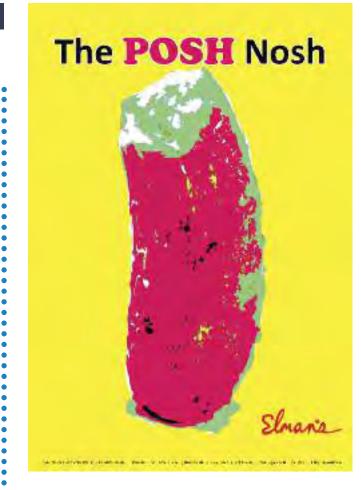
Elman's pickles range from Baby Dills to Sweet Gherkins to include Baba's Barrel Cured (or full sours) and Garlic Dills to



name a few... In the past couple of months they have noticed a surge in their pickle sales, perhaps a direct

result of the store's merchandising strategy. A simple and effective

approach would be to group them together, to showcase different ranges of flavours/products.



lation, and we have a year-round dedicated display end aisle for a variety of kosher products," says Robertson. "As for it being a growth category, I totally agree, and this year I've noticed a crossover in that more and more kosher products are becoming gluten-free."

For companies such as Bothwell Cheese, obtaining certification was valuable enough for the company to hire its own fulltime Mashqiach, a person who inspects and supervises the status of kosher establishments. "We did so because we are focusing on broadening our Toronto, Ottawa and Montreal markets, and today all but three of our 30 varieties of cheese are certified," says Bothwell President Ivan Balenovic.

Elman's Food Products Ltd President Millie Krause, whose company has been in business for 70 plus years, notes that although Kosher-certified products tend to be spread fairly anonymously throughout stores, some retailers are capitalizing on their popularity. Canada Safeway does a fine job in this regard in their Winnipeg Tuxedo Store where they have allocated a stand-alone double-door cooler for all of our Kosher Deli products, and is strategically located in a highdensity traffic area.

As robust as the kosher category may be, the Agriculture and Agri-Food Canada Specialty Food Market report stresses that kosher has yet to become mainstream. But it concludes that with over one million certified products currently available and growing, kosher is a lucrative market opportunity, particularly as kosher consumers spend significantly more (almost 50 per cent) than average consumers.

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in the bag

What's new & improved in the grocery aisle

Be 13 Per Cent Greener Instantly!

INSUGUARD is a revolutionary pipe support that permanently eliminates refrigerant leaks on your pipe runs. 13 per cent of refrigerant leaks come from that area. Not only are refrigerants expensive but more important, they do serious damage to the environment! Insuguard pipe supports also keep the thermal barrier of your pipes intact allowing for energy savings. Insuguard is available in black and white



to match insulation colour and is also paintable. Two models are available; Insuguard for strut systems and Insuguard for Clevis hangers

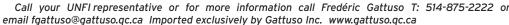


Penotti Introduces Another Innovative Spread to Canada - Cookinotti!

Penotti has created a mouth-watering Speculoos Cookie Butter Spread, a creamy spread, made with caramelized butter biscuits, the ultimate taste sensation! Penotti's Cookinotti spread not only tastes fantastic, but contains natural ingredients; no preservatives, no artificial colours or flavours. Drive category growth with Penotti's new Speculoos Cookie Butter Spread. website: www.penotti.com Telephone: 514-526-3755

Available Now... GROK'S New Counter Display!

A great way to offer your customers this Crunchy Cheese Snack made with oven baked Grana Padano Cheese at your check out or deli department. Contains 16 single-flavour mini- packs of 12g available either in Classico or Deciso flavours. This new packaging can also be sold to your customers as a family pack of 16 mini-packs for lunches or snacks. The 12g mini- packs are also available in a larger box of 40x12g.







Jane

New Skinny Crackers

Yummy, gluten free, low sodium Skinny Crackers designed by Natural Kitchen Wizard Korey Kealey to virtuously satisfy the need to crunch and munch. High protein, quinoa based, low GI with easily digestible natural ingredients make energive Skinny Crackers the perfect fuel for a high energy day. Try pairing with cheeses, hummus, mashed avocado or nut butters. http://www.enerjive.com/@enerjive

Organika Launches Green Coffee Extract for March 2013

Organika has introduced a new powerhouse product, Green Coffee Capsules. In comparison to other trending products in the media, Organika's formula incorporates the weight management benefits of green tea extract, in addition to robusta coffee seed extract. The potent formula contains 150 mg of Green Tea Dried Leaf 8:1 Extract (Camellia sinensis L.), which is standardized to contain 20% of epigallocatechin-3-gallate (EGCG), the main polyphenol in green tea. This is paired with 100 mg of Robusta Coffee Seed Extract (Coffea canephora), which is standardized to contain 50 per cent Chlorogenic Acid (CGA). On the official launch, March 2013, Organika's Green Coffee Capsules joins the ranks of our proven weight management products, CLA and Garcinia Plus. Help your

health community achieve proper weight management with a new and innovative product. Organika's Green Coffee Capsules.



Holy Crap Cereal Launches Mary Jane - Tastes Delicious

Mary Jane - 100 per cent certified organic non-GMO hulled hemp seeds - Gluten Free, Kosher, Raw and Vegan contains all 20 amino acids, including the nine essential amino acids (EAAs) our bodies cannot produce. It is a superior vegetarian source of protein with a high percentage of simple proteins and with a perfect 3:1 ratio of Omega-6 and 3. Mary Jane is grown in Canada under strict government regulations and is a sustainable crop and a renewable resource. Holycrap.com



- VICTORIA H.

The lubricant inside and

out makes using them

myself and my husband.

pleasurable for both





What's new & improved in the grocery aisle

Major Canada Retailers to Bring Texas Pete to the Masses

TW Garner Food Company is further expanding the distribution of the company's Texas Pete Hot Sauce to Canadian grocery retailers. Texas Pete will be available in the four regions across Canada including West, Ontario, Quebec and Atlantic. Texas Pete® will be on the shelves of Loblaw nationally, including RCSS / RASS, No Frills, and Maxi banners. Consumers will be able to purchase the 322ml Texas Pete Original Hot Sauce, and the 162ml Texas Pete Original Hot Sauce, Garlic Hot Sauce, and Hotter Hot Sauce.



More information on these products can be found at www.TexasPete.com.



Barbara's is Bringing Out the "Snackimals" in All of Us!

A fun, new healthy snack alternative for children is now available in chocolate chip, vanilla and oatmeal. Like all Barbara's products, these 100 per cent natural, healthy treats are free of artificial preservatives and ingredients, hydrogenated oils, and refined white sugar. Contact your local Tree of Life Canada representative for more information.

One Box is Not Enough

Lucy's cookies are gluten free and made without milk, eggs, peanuts or tree nuts, but you'd never know it – they're scrumptious. Every crispy, crunchy, delicious Lucy's cookie has a light airy texture people love. When you eat the whole box you won't feel as bad knowing that Lucy's cookies are all natural, non-GMO, and contain no trans fat or cholesterol. Available in Chocolate Chip, Maple Bliss, Ginger Snaps, Cinnamon Thins and Chocolate. Contact your local Tree of Life Canada representative for more information.



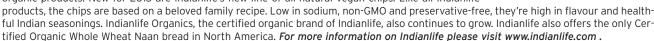


Some Bunny Loves Annie's

Annie's introduces four new bunnies to their collection; Gluten Free Cocoa & Vanilla flavoured cookies, Friends Bunny Grahams, Extra Cheesy Cheddar Bunnies and Pink Lemonade Bunny Fruit Snacks. These bunnies have no artificial flavours, synthetic colours or preservatives. Contact your local Tree of Life Canada representative for more information.

Indianlife Foods Earns Non-GMO Certification, Launches Chip Brand

The company that took Indian cuisine, "out of the ethnic aisle" and into mainstream grocery has now received non-GMO certification from the non-GMO Project for several of its delicious, all-natural and organic products. New for 2013 are Indianlife's new line of all-natural vegan chips, Like all Indianlife





New Exotic Chocolates from Hagensborg

Hagensborg Chocolates introduces a new sustainable exotic chocolate from the best single origin, organic, fair trade chocolate and aromatic ingredients from small farming communities around the world: 39% Organic Milk Cocoa with Black Truffle Salted Almonds; 71% Organic Dark Cocoa with Garlic, Chili, Lime and spiced Cashews

For more information contact Nancy Brown at nancy@hagensborg.com and visit www.hagensborg.com.



Flat Oven Bakery Introduces New Flatbreads

More than ever, the dishes on Canadian's menus reflect the rich tapestry of world flavours we have adopted to become the new Canadian Cuisine. Celebrating the fact that Canadians are increasingly turning to blended cuisine and combining diverse world flavours in their everyday cooking. Flat Oven Bakery is introducing an exciting new line of international flatbreads. Restyling everyday favourites to more accurately reflect Canada's multicultural make-up, these flatbreads offer a delicious way to invite the world to your table.

Take a Culinary Voyage with Farro

Farro is high in fibre and a good source of iron and protein. The nutty flavour and chewy texture make it a great addition to stews, salads and pilafs. Whole Grain Sorghum: Fans of Quinoa will be excited to discover Sorghum, a versatile gluten-free grain that has been eaten in India and Africa for thousands of years. Sorghum is high in fibre and has a chewy texture that is perfect for pilafs and cold salads.





The First Supergrain Cracker Chip, Breton Popped! Launches Across Canada

Dare Foods Limited has introduced Breton Popped!, Canada's first supergrain cracker chip. A blend of whole grain "supergrains" is air-popped into naturally flavourful, nutritious cracker chips, making it a healthy alternative to satisfy crunchy cravings. Breton Popped! comes in three taste-bud-popping flavours: barbecue, cheddar and sea salt.

Visit www.facebook.com/Breton to learn more.

The Iconic Red Party Cup Just Got Smaller...and Cuter!

The new 2oz mini red cups are the perfect complement to the standard 16oz red beer cup. Available in the Lil' Goodtimes brand or Private Label, these mini cups have a wide range of uses - shot glasses, condiment cups, sampling, kid's cups, decorations, arts & crafts, medicine cups or other lil' needs.

Contact Info: Cowling and Braithwaite Co. Ltd. 905.625.9835 dniles@goodtimesbrand.com



A New Shade of Salt

Maison Orphée Grey Sea Salts are hand-harvested in the salt marshes of Noirmoutier, on the French Atlantic Coast. Grey Sea Salt is obtained through seawater concentration in the clay-bottom pans of salt marshes. The salt is then simply dried. Available either in course or fine variations, Maison Orphée Grey Sea Salts are the perfect flavour enhancer for everyday seasoning.

Contact your local Tree of Life Canada representative for more information.

Fruit d'Or Offers New Products on the West Coast

As the world pioneer and leader in growing and processing organic cranberries, Fruit d' Or aims to provide fruits the natural way. With the number one pure cranberry juice available in the West, they do so once again. The pure juice is not made from concentrate and can be diluted with water or other juices. This is the best way to get the direct benefits from the cranberries. This superfruit is recognized for probably preventing urinary tract infection. Fruit d'Or offers two products of organic and conventional pure cranberry juice. Fruit d'Or complete retail line of organic dried berries and juices are available through Horizon.

Church & Dwight



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Sweet

When it comes to cookies, adults and kids both enjoy these sweet treats as shown when dissecting the category. These two segments represent just shy of 90 per cent of the category total in unit volume. The adult segment represents the largest unit volume share at 50.1 per cent, and the kids segment represents 39.4 per cent. The kids however are winning the cookie war at home, even though the share is less, both dollar and unit volumes are up, +5.1 per cent and +4.8 per cent respectively. The adult segment is down 3.6 per cent in unit volume and -5.1 per cent in dollar volume.

The skus within the adult and kids segments are heavi-

than the conventional consumer. The percentage purchased while on promotion is much lower than the rest of the overall category: Natural and gluten free is approximately 25 per cent, and nutritional/healthy portions is approximately 35 per cent. These segments therefore can favourably contribute to the profitability of the category when managed effectively.

Savoury

Crackers can be defined by a few key segments; natural/gluten free, rice, snack and soda. What is interesting to note is that also like the cookie category, natural rep-

resents the highest growth rate and is +6.6 per cent in dollar volume.

Over the past two years, the cookie category growth in the natural segment has been con-

sistent, +25.5 per cent in dollars (52 wks. end'g Jan 2012), and +26% in dollars (52 wks. end'g Jan 2013). When looking at the attributes of the skus driving this growth, gluten free in particular, the similarities between the two categories are interesting. For this reason, one may speculate that the 6.6 per cent dollar growth rate for

Snack Happy

A look at some sweet and savoury indulgences, and how they can mean higher profits.

ly reactive to promotional activity and approximately 50 per cent of the unit volume is purchased on promotion. This indicates price consciousness within these segments. Control Label, typically driven by price, in this instance is under-pacing the category and is flat in dollars but down two per cent in unit volume. This leads us to believe that branded products and promotions are maintaining the unit volume in the category.

While we are all looking to indulge once in awhile, consumers continue to be more nutritionally informed and health-conscious. Growth in the cookie category is driven by innovation, as shown by the strong growth in

	NET	SALES	UNIT VOLUME		
SEGMENT	% CHG 6.84%	SHR 1.84%	% CHG 5.99%	5HR 1 19%	
RICE	0.06%	5.27%	-5 05%	5.18%	
GRACKERS	3,83%	78.21%	2.85%	82.01%	
SODA CRACKERS	0.76%	13.89%	-6.59%	10.61%	
Grand Total	2.99%	100%	1.28%	100%	

SUBCATEGORY	MET S	SALES	UNIT VOLUME	
	% CHG	SHR	% CHG	SHR
ADULT	5.15%	47.08%	3.65%	50.17%
KIDS	4,82%	41.52%	9.13%	\$9.44%
MUTRITIONAL/HEALTHY PORTIONS	8,88%	9,43%	15.00%	31(%)
GLUTEN FREE NATURAL	26.08%	1,15%	23.17%	0.65%
SEASONAL	4.24%	0.82%	7.37%	0.63%
Grand Total	0.30%	100.00%	1.02%	100.00%

natural, gluten free (+23.2 per cent in unit volume and +26.1 per cent in \$ volume) and nutritional/healthy portions (+11 per cent in unit volume and +8.9 per cent in \$ volume). These segments do have a smaller representation within the overall category, however it is important to note that the natural consumer is less price-conscious

natural crackers is a strong indicator of the expected growth for the coming year.

What is also interesting is the rate in which the natural/gluten free crackers are bought on promotion. Like the cookie category, the natural products are only purchased on promotion approximately 20 per cent of the time, whereas the leading segment, snack crackers, is 60 per

cent. The commonalities between these categories show the consumer's willingness to embrace these new betterfor-you products and be prepared to pay more for them. Understanding their importance within the mainstream set will not only keep your shoppers engaged in the category but also deliver high profits.

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Discover real fruit refreshment with a boost of caffeine.

Available in two delicious flavours: Very Berry Hibiscus and Cool Lime.



• Starbucks VIA® has proven to be highly incremental to the category: 25% of the growth is sourced from new buyers¹.

Don't miss the opportunity to launch this breakthrough summer innovation!

Source 1: Nielsen Homescan, National, P1 – 52 Weeks ending August 27, 2011 vs. P2 – 52 Weeks ending August 25, 2012. TI Universe: TI Hot Beverages © 2013 Starbucks Coffee Company. All rights reserved.

