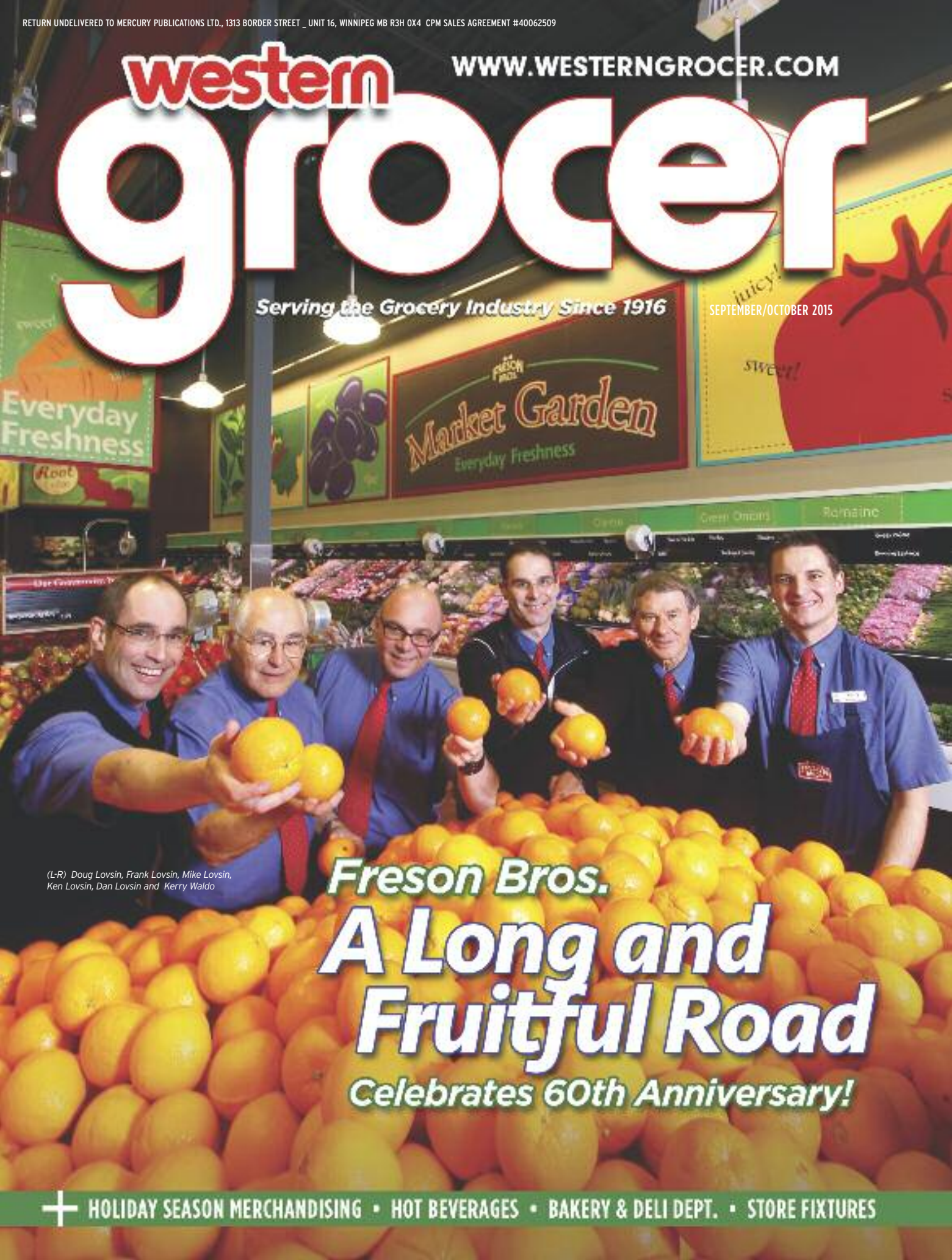


western grocer

WWW.WESTERNGROCER.COM

Serving the Grocery Industry Since 1916

SEPTEMBER/OCTOBER 2015



(L-R) Doug Lovsin, Frank Lovsin, Mike Lovsin,
Ken Lovsin, Dan Lovsin and Kerry Waldo

Fresno Bros.

A Long and Fruitful Road

Celebrates 60th Anniversary!

+ HOLIDAY SEASON MERCHANDISING • HOT BEVERAGES • BAKERY & DELI DEPT. • STORE FIXTURES

**“ShopRite® is a
New Jersey icon.
Now its lighting
is iconic too.”**

– Frank Vadino,
VP Engineering, Cold Technology

The supermarket visual experience is essential in influencing buyer behavior and generating profits. For the new Wishing Well ShopRite® in Burlington, I chose the Amerlux Contour, Cylindrix® IV, Hornet®, and Producer®—all the right lights for all the right sections.

For more on ShopRite's new lighting story visit amerlux.com/shoprite.

Follow us on Twitter @AmerluxLighting.


Passion. Power. Performance.



- // SIMPLE CONTROLS
- // DRILL DOWN MENUS
- // BOILERLESS EFFICIENCY
- // CONSISTENT RESULTS!

GBS introduces the latest in combi cooking technology with the award winning CombiStar FX! From the economical advantages of boilerless cooking to the technology friendly Multi Cooking feature, the FX is the workhorse of the HMR department. Outfit the oven with dual probes or the SmokeStar options and watch your product offering take off. As a leading supplier of combi ovens across Canada, GBS knows the "hot" side of the store. Let us show you how the FX can streamline your HMR operation. Improve efficiency or simply cook YOUR great products, time and time again. With twenty four models to choose from, including the industry first ChickenStar, GBS can meet most oven requirements.



1.888.402.1242 WWW.GBSCOOKS.COM

In this Issue

- 23 'Tis the Season for Merchandising
How to have your retail environment exude that festive flair.
- 33 Arriba! Arriba!
Mexican food undergoes category expansion.
- 37 Some Like it Hot
Hot beverage category gathers steam.
- 45 Notable Nutrition
Health-high with spreads.
- 51 Functionality is the New Paradigm
Functionality beverages help consumers address health issues.
- 54 Devoted to Change
Discovery Organics is committed to organics and Fair Trade.
- 60 Modern Convenience
Shoppers are changing their expectations for the bakery.
- 63 Your New Best Customers
Millennials are cooking more, but they want help from the deli.
- 69 Best Face Forward
Creative use of fixtures can invigorate store design.
- 73 Let the Good Times Flow
Changes to B.C.'s liquor policy could mean a windfall for grocers.

Departments

- 8 Market Update
- 12 Calendar of Events
- 35 Category Management
- 42 Social Media
- 49 Retail Collaboration
- 76 In the Bag



On Our Cover

- 16 A Long and Fruitful Road
Freson Bros. celebrates 60th anniversary.

Cover Photography: courtesy of Freson Bros.



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; Advertising Consultants: David Bastable, Sheilah Davila, Loren Fox, Elaine Dufault, Edna Saito. Publisher: Western Grocer Magazine is published bi-monthly by Mercury Publications Limited Head Office: 1313 Border Street, Unit 16, Winnipeg, MB R2H 0X4 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 single copy, plus 7% GST. 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 1313 Border Street, Unit 16, Winnipeg MB R3H 0X4 e-mail: circulation@mercury.mb.ca Printed in Canada



publisher's perspective

Grocery Innovations Canada Lives Up to its Name



We all know how important innovation is to the prosperity and success of the food industry. From new products that offer solutions to basic needs, to new packaging that makes it more convenient to consumers or more friendly to the environment, innovation is at the core of how consumer product companies stay engaged with their consumer. The best place to find out about the latest innovations is Grocery Innovations Canada, the premier grocery & specialty food trade show and conference with over 65,000 square feet. of dedicated pavilions.

This year the Canadian Federation of Independent Grocers (CFIG), the show and conference organizer, has notched it up with some innovations of its own. New this year are a series of pavilions highlighting top growth food and beverage categories. This includes: Local/Choose Ontario; Bakery & Confectionery; HMR & Food Service; Health & Wellness; Small Processors; Global, Gourmet and Specialty; Craft Brewers; and Halal food.

Unlike previous years, the event will now offer exhibitors the option to sell on the floor for the first time increasing opportunities between trading partners and their suppliers. Many exhibitors had been yearning for this new feature wherein exhibiting companies can offer retailers "Specials" such as special price, in-ad coupons, unique merchandising packs, reduced minimums or free shipping to name a few.

With these innovations in format, the CFIG is looking to target specific interest groups within the larger context of a general grocery show, appealing to a broader swath of retailers aside from traditional supermarkets. Specialty and health retailers in particular will derive a lot of benefit from attending.

Don't miss this opportunity to find out what's new and come together with your colleagues to share ideas!

Frank Yeo

Frank Yeo,
Publisher & Editor



Robin Bradley
Associate Publisher &
National Account Manager
rbradley@mercurypublications.ca



Melanie Bayluk
Western Account
Manager
mbayluk@mercurypublications.ca



Eating Well
for Better Living!

Driving Growth through Healthy Innovations

3 EXCITING
NEW FLAVOURS

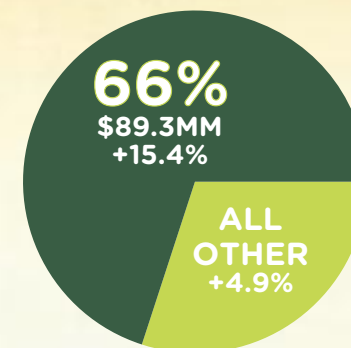


hummus cocktail
Hummm!

- Low in saturated fat
- No preservatives
- No cholesterol
- No trans fat
- Gluten-free

NO. 1 DESTINATION SEGMENT

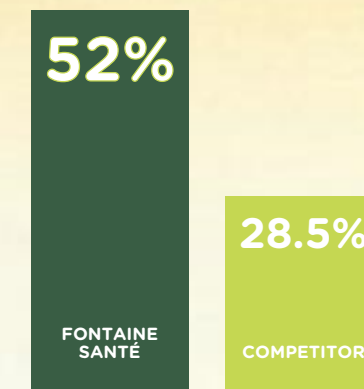
DRIVING
REFRIGERATED
DIPS WITHIN DELI



HUMMUS REPRESENTS
66% OF DOLLAR SALES
IN REFRIGERATED DIPS -
THE FASTEST GROWING
SEGMENT (+15.4%)

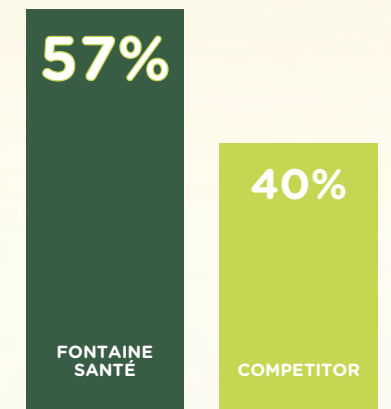
NO. 1 HUMMUS CHOICE

OF
CANADIAN
HOUSEHOLDS.



1 OF EVERY 2 (52%) HUMMUS
BUYING HOUSEHOLDS CHOOSE
FONTAINE SANTÉ. NEARLY
TWICE AS THE NEAREST
COMPETITOR (28.5%).²

NO. 1 LOYALTY BRAND (REPEAT BUYERS) IN WESTERN CANADA.



FONTAINE SANTÉ BRAND
OUTPACES ITS COMPETITOR
IN REPEAT BUYERS (57%).

THE FONTAINE SANTÉ CONSUMERS
ARE ATTRACTIVE:
1) HIGHEST % OF REPEAT BUYERS
2) 40% MORE TRIPS TO
THE CATEGORY.³

NO. 1 Brand in Canada



FOR INFORMATION:
Fontaine Santé Foods Inc.

1-888-627-2683
info@fontainesante.com
www.fontainesante.com

Sources:
1) Nielsen Market Track, National, GR+DR+MM, 52 weeks ending Oct 18, 2014
2) Nielsen Homescan Refrigerated Dips/Spreads (ex dry chip dips) National All Channels 52 weeks Nov 1, 2014
3) Nielsen Homescan Refrigerated Dips/Spreads (ex dry chip dips) Total West All Channels 52 weeks Nov 1, 2014

market update



Eden Foods Attains Highest Ranking

Eden Foods has once again achieved the highest possible company rating in the 2015 edition of The Better World Shopping Guide. Eden earned "Green Hero" status six times, merited an A+ rating in an astonishing twelve different categories, and was selected as one of the "20 Best Companies On the Planet."

The Guide wrote, "Eden Foods stands out as a social and environmental superstar that consumers can trust, knowing that their hard-earned dollars support a company that is changing the world while walking the talk."



The Better World Shopping Guide utilizes 50 reliable non-profit, governmental, and private sources to evaluate and rate hundreds of products and services based on company behaviour related to human rights, environmental sustainability, animal protection, community involvement, and social justice.

This is the second time Eden Foods is honoured with a top ranking by The Better World Shopping Guide. Eden Foods is grateful for the Guide's affirmation.

Buy-Low Golf Classic Raises over \$77,000 for Variety - the Children's Charity

On July 22nd, over 300 golfers and 43 volunteers enjoyed a day on the greens at the 19th annual Buy-Low Foods/Variety Golf Classic at Surrey's Northview Golf and Country Club, and raised \$77,400 for Variety - The Children's Charity.

The funds go towards helping children in British Columbia who have special needs with life-saving medications and trips to out-of-community hospitals for critical care; life-changing mobility and communication equipment and therapies; and life-enhancing opportunities to attend special schools and summer camps.

"Variety truly appreciates our special partnership with Buy-Low Foods," says Dave McConachie, Variety's interim executive director. "We share the same belief that kids who have special needs are champions, capable of achieving remarkable little victories. Thanks to Buy-Low's many years of support, more kids are able to meet their unique potential."

"We look forward to this event every year," says Dan Bregg, president of Buy-Low Foods. "It allows us to thank our suppliers and partners for their continued support, while at the same time celebrate the difference we make in the community working as a team."

The event is one of a series of fundraisers spearheaded by Buy-Low for Variety, its charity of choice for over 30 years. To date, Buy-Low's support represents over \$3 million for Variety.



GORP Clean Energy Bar Receives Awards



GORP has been chosen as "Company of the Year" by the Manitoba Food Processors Association. The honour was recently bestowed upon the company at a recent MFPA event and it came as a shock to the company that has only been in the market for a few years. "I've been at this a long time... but still feel pretty new on the scene as we've only been 'officially' on the market for two and a half years. It felt surreal and pretty heart warming to be noticed by our 'neighbours'. If there is one thing you can be sure of in life, it's that you can't fool your neighbours! They know exactly who you are. What a boost and much appreciated sign to keep putting one foot in front of the other," said Colleen Dyck, company founder.



The second honour was being chosen by the readers of Get Out There Magazine for "Best Sports Nutrition food of 2014". "Sometimes it feels like GORP is a tiny little "David" in a GOLIATH marketplace (and an intensely competitive one to boot) so this was especially rewarding... power to the people... and on that note, THANKS PEOPLE", said Dyck.

Taste of Edmonton First - Festival Features Local Grocer, Freson Bros. Fresh Market

For the first time ever, Taste of Edmonton will have a local grocer as one of its vendors. Freson Bros. Fresh Market, located in Stony Plain, will be showing off their unique food experience with food from their 'Kitchens' - an in-store restaurant concept known for serving Alberta beef and pork carefully prepared in their 'Hard-working, Home Cooking' tradition.



On its first year out, Freson Bros. Kitchens will be serving their famous Ivan's Sausage with warm cabbage slaw and slow roasted rotisserie pork.

Freson Bros. is the largest, family owned independent grocery chain in Alberta, with their head office in Stony Plain, Alberta. Freson Bros. operates 15 stores across the province and is currently celebrating their 60th year in business. Upon



completion of their new Stony Plain store in March 2013, Freson Bros. Fresh Markets' new bold design concept was awarded the 2014 National Gold Award for Top Independent Grocery Store in Canada (Large Surface).

Taste of Edmonton is Canada's largest Food Festival, and this year it's keeping things fresh local and new with programs aimed at the 'foodie' in all of us. Taste of Edmonton has been around for over 30 years, and this year, it ran July 16 - 25 at Churchill Square.



Grocery Innovations Canada
September 28 - 29
Toronto Congress Centre
cfg.ca/gic



"The shows allow you to meet with suppliers, find out about the innovations, and get a chance to discover new products and companies. The new pavilions on the floor keep you up-to-date on the supermarket business in Canada. If you're not at the show you're missing out on a big opportunity."

Darrell Jones
Overwaitea Food Group, BC

market update



BC Food Processors Association Announces New Directors, Executive Committee

The BC Food Processors Association (www.bcfpa.ca) has announced five new additions to its Board of Directors, as well as a new Executive Committee. The new directors are Rattan Bagga (CEO, New World Foods Inc. & Everland Foods); Jo Heron (principal, Sisu Solutions); Anne Chong Hill (president, Global Gourmet Foods Inc.); Kirk Homenick (president, Naturally Homegrown Foods/Hardbite Chips); and Christina Lui (general manager, Fine Choice Foods).



Additionally, at its recent annual general meeting, the BCFPA Board of Directors also appointed a new executive committee. Rick Gagner (principal, 2plus2 Solutions) is now president and chair; Dave Eto, (CEO, BC Dairy Association) will now serve as past chair; Jim Pratt (partner, Prosnack Natural Foods) is first vice-president; Rita Cheng (president, Superior Tofu) is second vice-president; Jozef Hubburmin (CFO, Fresh Direct Produce) is treasurer, and David Guthrie (partner, KPMG) is secretary.

'I'm honoured and excited about this new responsibility,' said new BCFPA President and Chair, Rick Gagner. "The BCFPA has had a long tradition of great leadership in this position and I'm looking forward to leading our board of directors and working closely with our CEO, James Donaldson, to support the growth of BC's largest manufacturing Industry, and being a leader and voice for Agri-Food businesses in this province."

Joe Weber to Receive Life Member Designation from CFG

Joey Longo, chair of Canadian Federation of Independent Grocers (CFG), Thomas A. Barlow, president and CEO, and the CFG Board of Directors have announced Joe Weber, senior vice-president, retail sales at Saputo Canada, as a 2015 recipient of CFG's prestigious Life Member Award in the Industry Builder category.



Thomas A. Barlow, president and CEO of CFG said on Joe's award, "Joe has been, and continues to be, a great supporter of Independent grocers across Canada. Joe works closely with the board and staff of CFG to ensure that the impact and the collective size of what the Independents in Canada represent, when measured against market share, total sales or influence in their local communities, is recognized and appreciated. Joe is a past chair of CFG's Associate Members Council and continues to help support and guide our association. We applaud the unanimous decision of the selection committee to choose Joe as this year's supplier Life Member recipient."

MIKE LOVSIN of Freson Bros.

to Receive Life Member Designation from CFG

Joe Longo, chair of the Canadian Federation of Independent Grocers (CFG), Thomas A. Barlow, president and CEO, and the CFG Board of Directors have announced Mike Lovsin of Freson Bros. in Stony Plain, Alta., as the 2015 recipient of CFG's prestigious Life Member Award in the Independent Grocer category.



Thomas A. Barlow, president and CEO of CFG said, "Mike has worked tirelessly on behalf of Independent Grocers in Canada serving on a number of CFG committees as well as being a board member (1999-2005) and board chair (2003-2004). As a second generation grocer, Mike knows firsthand the commitment that independent grocers must make to their business, their employees and their communities if they want to continue to be successful. Mike has invested hundreds of hours of his personal time to help ensure independent grocers in Canada continue to be a force in the grocery channel. Mike's leadership style of 'leading from the front' is an inspiration to our association and we are very proud that Mike was chosen as this year's retailer Life Member recipient."

Today, Freson Bros. is the largest, family owned independent grocery chain in Alberta. Freson Bros. operates 15 stores and employs more than 1,000.

Nature's Path Family Grows With Addition Of Country Choice Organic



Nature's Path Foods has announced the purchase of the Country Choice Organic brand from New Century Holdings, Inc., a subsidiary of Grain Millers, Inc. Through this acquisition, Nature's Path is welcoming seven delicious organic products to its robust portfolio. The new additions will include canister oats and cookies.

Grain Millers and Nature's Path have enjoyed a 30 year history of partnership and share a long-term commitment to the growth of the organic industry. "This transaction allows both of our organizations to continue to build the organic segment to the benefit of consumers and retailers," attests Arran Stephens, Nature's Path co-ceo and co-founder.

The Country Choice Organic brand will begin transitioning to Nature's Path branded packaging in the fall of 2015. To streamline product overlap, Nature's Path will be discontinuing several Country Choice

Organic products. There will be no upc or net weight changes to remaining Country Choice Organic skus.

Arjan Stephens, executive vice-president of sales and marketing at Nature's Path Foods, is excited for the road ahead, especially as it pertains to organic hot cereal canisters. "We look forward to building on a solid foundation to increase our presence and impact this rising category in new and important ways," he affirms.



A KeHE COMPANY

Helping Canada Eat Well & Live Well

As the nation's leading distributor of natural, organic, specialty, ethnic, and gourmet cheese food products, **Tree of Life** has helped thousands of retailers, from the largest supermarket chains to the smallest independent stores, to meet the constantly growing demand for products that help Canadians to "eat well & live well". Come see the 500+ new items launched since Grocery Innovations Canada 2014.



Sweets
& Snacks

Gourmet

Ethnic

Natural
& Organic

Cheese
& Deli

Your Partner in Category Excellence from Coast to Coast
Come visit us at Grocery Innovations Canada
September 28th & 29th 2015 – Toronto Congress Centre at Booth #1109

Vancouver
1-800-661-9655

Calgary
1-800-665-1298

Toronto
1-800-263-7054

Montréal
1-800-363-2606

market update



BC Food Industry Honoured by BC Food Processors Association

BC's best of the best in the food processing industry were honoured on June 18th at the BCFPA annual Awards Gala in greater Vancouver.

Over 300 of BC's top food processors and industry leaders came together to honour their colleagues at the prestigious Gala Dinner hosted by the BC Food Processors Association as part of its annual conference, FoodProWest. The food and beverage processing sector contributes approximately \$8.2 billion to the provincial economy and is the largest manufacturing sector in British Columbia.

Hall of Fame Award: The Hall of Fame Award recognizes a B.C. company that has been in the business for 25 or more years and shows a commitment to prosperity and environmental stability. Nature's Path Foods joins Olympic Dairy, Pacific Coast Fruit Products, Gizella's Pastry, Vanderpol Food Group, Avalon Dairy Ltd., Purdy's Chocolates and Freybe Gourmet Foods in the BC Food Processor's Hall of Fame.



Leadership Award: The Leadership Award recognizes an Industry leader that provides business leadership and inspiration; makes a positive contribution to the community, practices mentorship, environmental sustainability and is a role model. Jason Longden of Garden Protein International received the award.

Member of the Year Award: The Member of the Year Award recognizes a BCFPA Member (processor or associate) that has demonstrated a high engagement level in BCFPA activities and made a contribution to industry efforts. Neutron Factory Works excelled by supporting the BCFPA on many fronts and is also always ready to support industry and association.

Rising Star Award: The Rising Star Award celebrates a processor who has demonstrated innovation, shown leadership in industry and the community. The award was won by Jillian Hull of JillyV's.

Innovation Award: The Innovation Award recognizes a processor who has demonstrated innovation in any aspect of the company (e.g. processes, technology, ingredients, human resources, culture, engagement, sales and marketing, product development, health and safety, research and development). Kaslo Sourdough Pasta with its unique spin on the Italian hallmark received the award.

Sustainability Award: The Sustainability Award recognizes a processor who has demonstrated energy conservation and sustainability in their operations. Fine Choice Foods received the honours.

Product of the Year Award: The Product of the Year Award recognizes a product that shows innovation; criteria include taste (if applicable), product packaging, marketing, innovation, and environmental impact.

Twenty-one companies participated in a fierce competition before a panel of judges. Gold was awarded to FreeYumm for their Oat and Hemp Bars. Silver was awarded to Left Coast Naturals for their Hippy Garden Chips. Bronze went to Kaslo Sourdough Pasta for their namesake noodles.

"We are delighted with the fabulous work of all nominees, finalists and recipients of our awards," said Rick Gagner, newly elected BCFPA chair of the board. "The people who envisioned these food products and built a company around them are the hardest working and most inspirational breed of entrepreneur; totally inspirational. We are delighted that we could honour them in this way."

The awards were presented at FoodProWest, the premier annual gathering of BC food processors. The two-day event also included a buyers' day and conference, followed by the Awards Gala. During the event, attendees networked and browsed the trade show with over 55 exhibitors.

"This is our eighth year of FoodProWest," added James Donaldson BCFPA CEO. "We are very happy to see the event continue to grow. FoodProWest featured an International Buyer's Day, showcasing B.C. food products to an exclusive audience of local, U.S. and Pacific Rim buyers representing eight countries. "We're going to be excited to report on the business that will have been generated as a result of the Buyer's Day at FoodProWest," says Donaldson.

Upcoming EVENTS

September 19-20, 2015

CHFA East

Metro Toronto Convention Centre (South Building)
Toronto, ON

For more info: www.chfa.ca

September 28-29, 2015

Grocery Innovations Canada 2015

Toronto Congress Centre
Toronto, ON

For more info:
www.groceryinnovations.com

October 10-13, 2015

National Frozen & Refrigerated Foods Convention

Hilton Anatole
Dallas, TX, U.S.A

For more info:
www.NFRAweb.org

October 10-14, 2015

Anuga 2015

Cologne, Germany

For more info: www.anuga.com

April 4-5, 2016

Grocery & Specialty Food West

Vancouver Convention Centre
Vancouver, BC

For more info: www.cfig.ca

April 13-15, 2016

SIAL Canada

Palais des congres
Montreal, Quebec

For more info:
www.sialcanada.com

May 7-8, 2016

CHFA West

Vancouver Convention Centre, West Building
Vancouver, BC

For more info: www.chfa.ca



3rd Annual Canadian Women's Ride Day

Country Grocer is once again showing Support for Canadian Women's Ride Day (CWRD). The Lieutenant Governor of British Columbia, the Honourable Judith Guichon, spoke at the celebrations following the Vancouver Island event on July 19th at Cobble Hill Country Grocer, 1400 Cowichan Bay Road.

150 or more women on motorcycles, Canadian flags flying, roared through the beautiful Cowichan Valley for the Vancouver Island ride, celebrating the fun, sisterhood and adventure shared by the growing community of Canadian women who ride motorcycles. And in doing so, it also supports local charities that benefit women.

The number of women taking up motorcycling continues to increase by over 30% each year. In 2013, when the event started, just over 50 local women on motorcycles took part and raised about \$1500 for charity. Last year the island event doubled in size with almost 100 women riders on a huge variety of motorcycles, large and small. They raised \$5000 for charity and the goal this year is to raise even more money.

Hole in One Winner at Annual Charlie Longden Golf Tournament

Calgary Food & Drug Executives announced a Hole In One Winner at the recent CFDE Annual Charlie Longden Golf Tournament. Fairmont Hot Springs has hosted the annual Food Executives tournament since 1974.



Ravi Brar from JM Smucker aced Hole No.13 at Riverside Golf Club at Fairmont Hot Spring in British Columbia. Woodridge Ford has sponsored the Hole In One for over 20 years.

Brar was presented with the keys to a 2015 Lincoln MKC by Woodridge Ford General Manager Travis Eade.

Golden Pencil Award

The nominating committee of the Food Industry Association of Canada received record response for nominations of the 2015 Golden Pencil Award, the grocery industry's highest honour. The Association's Chairman Paul Higgins Jr., of Mother Parkers Tea & Coffee Inc. announced that this year's recipients are:

Jean Gattuso, president and chief executive officer, A. Lassonde Inc.

Gus Longo, founder, Longo Brothers Fruit Markets Inc.

Art Smith, founder and chief executive officer, GS1 Canada

The Golden Pencil Award was first presented in 1957 by the Food Industry Association of Canada. This award was initiated to recognize the efforts of both buyer and seller in developing and improving the Canadian food industry.

The symbol used for this award is a 'Golden Pencil', signifying the transaction between supplier and retailer by the stroke of a pen.

This year's award ceremony will take place on: Monday, November 23, 2015 5:00 p.m. - 7:00 p.m. The Fairmont Royal York, Concert Hall, Toronto, ON

Think in
the future...
think green!

EcoDurable Products™ is the leading supplier of custom-made reusable bags and other innovative items made from eco-friendly materials.

With over 12 years in the market, we can share our experience and expertise in product-design, artwork, marketing, and where the future is for reusable bags.

Excellent quality, no hidden costs, free design services!



EcoDurable Products™ by
COLNUCK LTD.

1.866.594.2247 | colnuck.com

**CHFA
TRADE
SHOW**

September 19th & 20th, 2015
10:00 am - 5:00 pm
Metro Toronto Convention Centre
South Building, Booth #1650

2015 CHFA MEMBER LOUNGE SPONSOR

market update



“CHEESE FOR BEEF” - Fromagerie du Presbytère Counterattacks

Faced with increasing imports of European cheeses and the impending new Canadian concessions with Pacific-rim countries, La Fromagerie du Presbytère is seeking new markets. For cheese-maker Jean Morin, sitting back and doing nothing is out of the question: “Competition from European cheeses, and soon from American cheeses and the rest of the Pacific rim, could impact us severely. So, we are going to grow our presence in the Ontario market and in Western Canada, in particular in Vancouver. In addition, we are initiating an American breakthrough with our Laliberté, Louis d’Or and Bleu d’Élisabeth brands. Our first targets are Boston and New York.” The choice to expand and open new markets was made without any compromise, according to cheesemaker Jean Morin, “For us, it is a big challenge, since I want to retain the character of the company, its traditionally-made products and the high quality of the cheese. If I, as a craftsman, can target our Canadian and American neighbours’ markets, it is precisely because they have recognized and appreciated the distinctiveness, the character and the quality of my products. So, I have decided to develop peripheral markets in addition to preparing to face the stiff competition that we are expecting here. And, I am convinced that, for me and my fellow Québec, traditional cheesemakers, our greatest strength will be quality and originality.”



Most Canadian boxes, cartons now 100 per cent recycled content

Most boxes and cartons manufactured in Canada are now 100 per cent recycled content, made completely from old boxes and other used paper material collected from the back of factories, supermarkets, office buildings, or from residential Blue Box programs.

“We have 13 mills across Canada producing nothing but 100 per cent recycled content board,” explains John Mullinder, executive director of the industry’s environmental council, PPEC. The council surveys the industry every two years and has been tracking recycled content since 1990.

“There has been a significant increase in average recycled content over the years,” he says, “From 47 per cent back in 1990 to almost 80 per cent today. Most Canadian packaging mills, in fact, now make a 100 per cent recycled content product, that’s the way they were built. A few mills blend recycled material with wood residues (chips, shavings and sawdust left over from lumber operations), and three mills use wood residues or freshly-cut trees. When you add it up,” he says, “the Canadian industry hardly uses any freshly-cut trees to make packaging at all.”

**Flexible packaging,
rigid containers featuring
labelling capabilities,
paper products,
and folding cartons**
- we’ve got the packaging you need.

1-888-269-7314
CALGARY, AB
www.OLAFPACKAGING.com



Health & Wellness Retailer



Whether you’re looking to
promote your products to:

- Traditional Health Food Stores
- Drug & Pharmacy
- Grocery Stores

We’ve got you
covered all
across Canada!

Don’t miss out on our next issue
(Winter 2015 issue)!

- Gluten Free
- Immunity Boosters
- Anti-Aging
- Vegan Products
- Probiotics

www.healthandwellnessretailer.com



**“BEST CONVENIENCE
FOR YOUR CUSTOMER”**



After School To-Do's

- Soccer Practice pickup
- Put lasagna in oven
- Pick up dog from vet
- 30 min family dinner
- 5 min clean up
- Dance recital

visit: www.bassilisbest.com

By Frank Yeo

It has been 60 years, and a long road, since Frank Lovsin and his partners started a small butcher shop in Hinton, Alberta, the forerunner of what would become Alberta's largest independent family owned and operated grocery chain.

But 60 years has not left the family enterprise in any way complacent. In fact, with a new generation at the helm, Freson Bros. has not lost any of its spirit and determination to create great shopping experiences in its 15 stores.

60 Years in the Making

Originally known as Freson Markets, the company was founded by Frank Lovsin and two partners in 1955 as a butcher shop in Hinton, Alberta. The name was an amalgam of the founder's names: Frank Resek and his father Leo Resek and of course, Frank Lovsin. Dan Lovsin, Frank's youngest brother started in 1958 and still remains a senior partner.

Frank and Dan's parents were Slovenian and Croatian immigrants who initially raised their family in the coal mining town of Mountain Park. In an earlier Western Grocer article, Frank recounted the day in 1950 when the mine closed and how the experience of his father losing his job was pivotal to his life. "We were in a coal mining town. We didn't have indoor plumbing or running water or central heating. We existed. I was in grade 10. I came home from school and there were ladies in our kitchen crying. I thought our dad had been killed. That day, I grew up. I was 16 years old."

Frank says his parents used their small savings to buy a home in Edson. He recalls the day his brothers had been given \$20.00 to buy coal for the family-which amounted to a small fortune in those days- but lost the money. "To be so vulnerable," Frank laments, adding that he vowed never to be that susceptible again.

The Lovsins kept expanding with the second store opening in Peace River in 1962 followed shortly after with the Fairview store. Frank moved from being a store

A Long but Fruitful Road 60th Anniversary.



Frank Lovsin, 1950s

Freson Bros. Celebrates

Freson Bros. 1960s
(Centre) Hinton, 1950s (second store)



manager to over-seeing the entire operation from an administrative perspective, freeing him to continue expanding the business.

Frank had always had a strong desire to get involved and played a role in the early formation of the Independent Retail Grocers of Alberta, consisting of IGA members who wanted to lobby for beer and wine sales in Alberta and deal more effectively as a group with the IGA wholesale.

Frank was one of the first members of the CFGF from Alberta. "I remember being in Toronto and decided to go to see about this organization, going into the office and meeting Arnold Rand, the first president. At the time there were only four members from Alberta but we brought our members in and that greatly



one can receive: the Order of Canada. Frank was recognized "for his contribution as a volunteer, philanthropist and entrepreneur who has served as a vocal advocate for his community in regional and provincial affairs."

Throughout the years, the company has received numerous CFGF awards. The new Stony Plain store was awarded the National Gold Award for Top Independent Grocer of the Year for 2014.

Freson Bros.' most recent award is the 2015 National Grocers Association

Freson Bros. 1960s (Centre) Hinton, 1950s (second store)

Structured for Success

The corporate and management structure of the company is designed to ensure that the company is structured for success. Nurturing a dedicated team of employees is a top priority for the company.

In an interview with Alberta Venture, when asked about the competitive industry, Mike

such fierce competitors as Walmart it would have to differentiate itself through a strong emphasis on fresh.

"We have to be experts at fresh," said Mike "because if it's a price component, we [only] have 15 stores. Walmart is the biggest merchant in the world. We believe that we're competitive [on price], but we also believe there's no comparison between what we can offer the customer — fresh."

Indeed, Freson Bros. has put a lot of emphasis on its 'Fresh Market' brand, which is demonstrated in its newest store in Stony Plain and recent remodelling of

other stores where the design, graphics and services create a unique in-store food experience. These renovations include the Peace River location.

The 43,000 sq. ft. Stony Plain flagship location features a glassed-in atrium with vaulted ceiling as its entrance, creating a sense of spacious modernity. Upon entering the store, customers are greeted by the bustle of a fresh market and can flow easily around departments. The centre of the store has been reduced in favour of a larger perimeter, which houses the fresh departments. "The first thing customers



you're going to get a good product.

The other reason is that Freson Bros. realized that to be successful against



Freson Bros. in the 1990s

Congratulations to Freson Bros. on your 60th Anniversary

From your friends at Tree of Life

Sweets & Snacks Gourmet Ethnic Natural & Organic Cheese & Deli

Helping Canada Eat Well & Live Well

Tree of Life logo

Toronto: 1-800-263-7034
Mississauga: 1-800-363-2006
Oshawa: 1-800-663-1296
Markham: 1-800-561-5855



Drumheller staff, 1992.

will see when entering the store is our Market Garden full of fresh produce,” says Doug Lovsin, emphasizing the importance of the fresh market concept to how this store differentiates itself.

Past the Market Garden, is a section called Healthy Choice including organics, natural foods and gluten-free products with shelving arranged adjacently to set it apart from the centre of the store. Beside this is Banj’s Smokehouse and The Butcher Shop. Here, products such as bacon, sausage rings, jerky and pepperoni all made on-site with only top quality Alberta beef and pork. This

department also employs an open market concept where butchers cut and prepare meats and product is displayed in a walk-in cooler with glass doors to allow customers to fully view what is available. Following this is the fresh fish counter.

One of the most unique features of the store are the prepared foods on offer in Freson Bros. Kitchens, an open concept that integrates with the Bakery Department to create one large area for customers to experience a whole new level of service. The area features a 70-seat restaurant and a Hot Kitchen, “Our answer to the dine-in or take-out concept,” says Doug. Beside this are the Kitchens of the World featuring a daily hot buffet and a 20 foot salad bar. In the centre is the Harvest Kitchen, where customers can both purchase prepared foods or buy the ingredients and even learn how to prepare them for themselves.

A true testament to just how much Freson Bros. new concept has resonated with Albertans is their

recent participation in Taste of Edmonton, the country’s largest food festival. Freson Bros. is the first grocer to be invited to the event, which has been a mid-summer tradition in the Albertan capital for the past 31 years. Until now, the invite-only event had been an exclusive venue for Edmonton restaurants and chefs to flaunt their food and beverages.

“This is a fantastic opportunity for us to share our experience, know how, and love of food,” said Fawcett.

Freson Bros. showcased its popular in-store made Ivan’s Sausage brand, warm



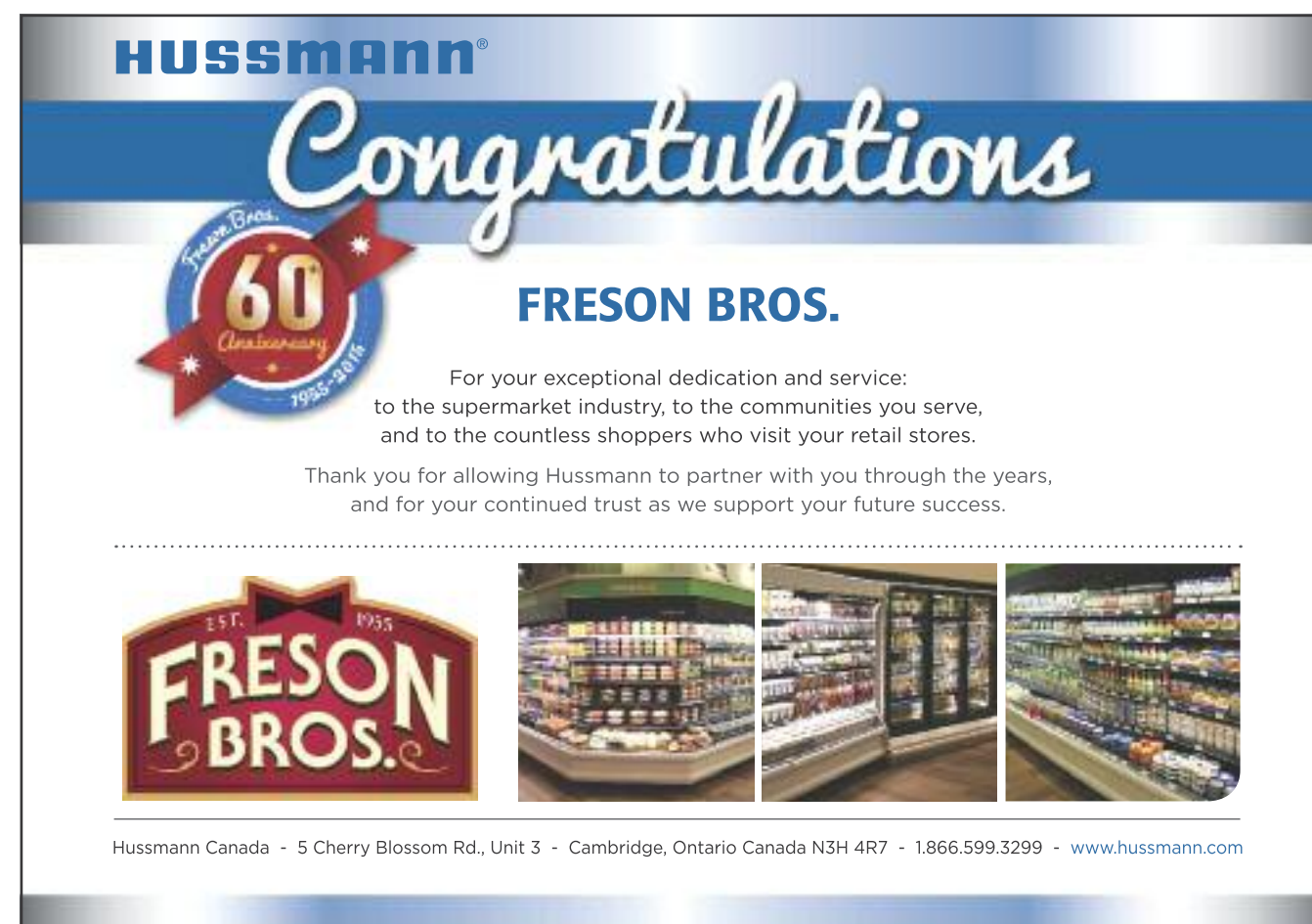
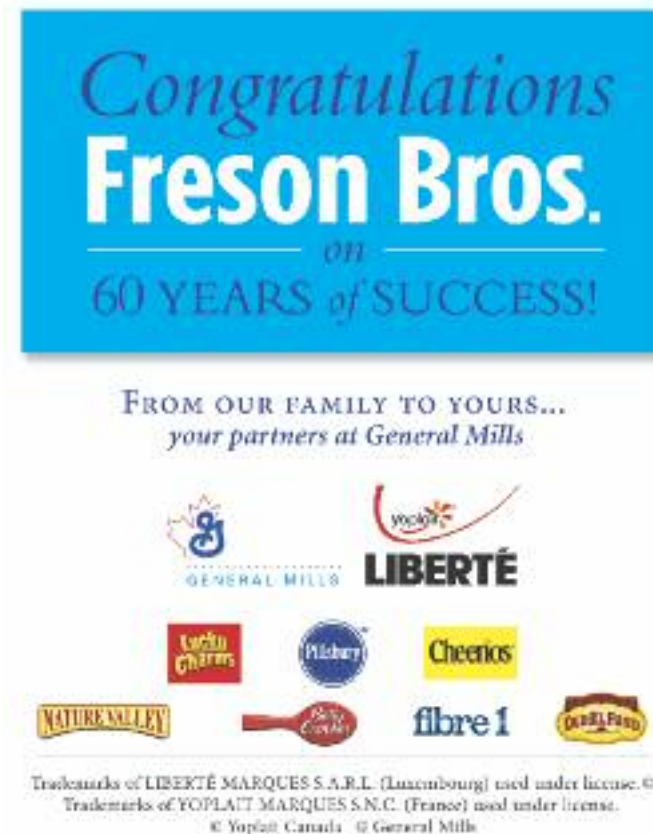
Freson Bros. Stony Plain, 2015.

cabbage coleslaw and slow roasted rotisserie pork at the show, which was held at Churchill Square in downtown Edmonton from July 16-25.

Fawcett said the reputation and quality of the food being produced by Freson Bros.’s unique home-cooking style kitchens helped to earn a nod of approval from the Taste of Edmonton organizers who visited the 60-year-old company’s new flagship store.

The Next 60 Years

While Freson Bros. is well served by the current generation of Lovsins, when asked about the future Frank proudly says, “We have 18 grandchildren...so the future definitely looks bright.” Statistics suggest that many businesses fail in the second generation, so it has been imperative for management, says Frank, to stay focused and adapt to market changes quickly. This will be just as true for the third generation as it is now but by all indications the Lovsin family has grocery retailing in their blood and will find ways to remain innovative and continue to engage the customer. ●



'Tis the Season for Merchandising

There is no better opportunity to maximize your sales than in the holiday season. Typically, grocery retailers see a two-four per cent sales increase during the period with many products see their biggest spike in sales of the year. Consumers are primed to purchase and are actively seeking out new and unique items to enhance the gift giving experience. As an influx of new products enter stores, retailers need to look at techniques that allow products to pop amongst the mass of red and green. This begins by thinking about the needs of your consumer and cultivating an environment that responds to them.

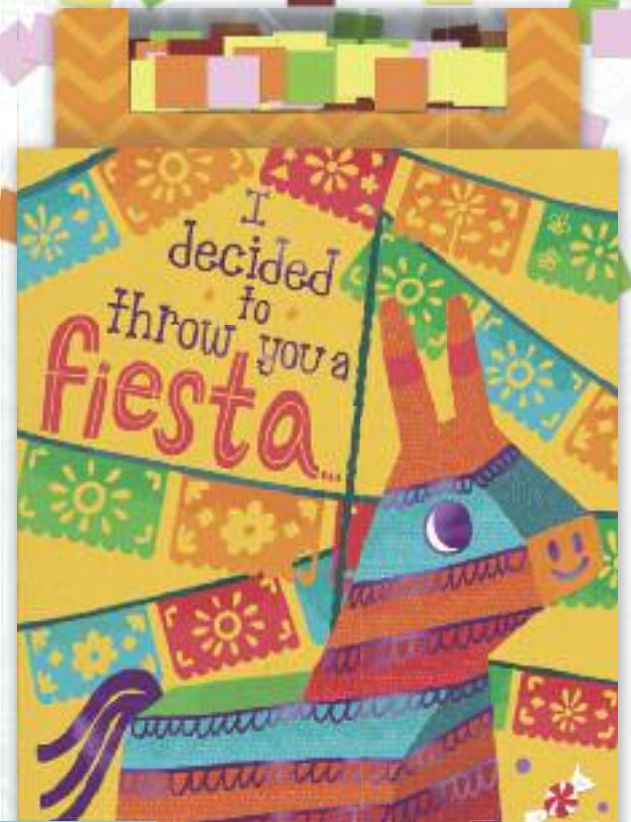
"There are numerous holidays during the late fall and winter season, you want to ensure that you are inclusive of all of them," says Crystal Black Davis, vice-president, marketing, Loacker USA. "The merchandizing strategies used can ensure that no one feels excluded, that they can entertain and enjoy, no matter what culture they are part of." Ultimately it is about providing your consumers with the optimal shopping experience.

Create a Seamless Shopping Experience

Perhaps one of the most frustrating things for a shopper to experience is not being able to find what they are looking for. Keeping the store well organized and stocked will help ensure that this disappointment is avoided. For the card area, a critical department during the holiday season, Carlton cards recommends having the store designate a staff member to a daily clean up. "This will help eliminate frustration, as the consumer won't get frustrated by too many cards out of place or not

*How to Have
Your Retail
Environment
Exude that
Festive Flair.*

By Anne-Marie Hardie



Innovation at its best

Carlton Cards is the leader in bringing cards to life with light, sound, motion and the best innovation in the industry that keep consumers coming back for more. Our more than 100 greeting card inventions and counting are one more way we make the world a more thoughtful and caring place.

For an up close view, contact Carlton Cards at 1-800-663-CARD


CARLTON
CARDS

We create HAPPINESS, Laughter *and* LOVE



finding the right envelope in the right pocket," says Tammy Barrett, director, marketing and trade development, Carlton Cards. The greeting cards industry represents over \$700 million in retail with over nine million households that purchase greeting cards.

When it comes to shopping for greeting cards, Barrett states that some customers like to linger, with some customers spending up to an hour to find that perfect card. Adding one greeting card to the average grocery basket can increase the basket dollars by 10 per cent. Barrett recommends that the greeting card department be situated about a third of the way into the shopping experience, away from the freezer section where the consumer may get cold and the doorways with the influx of traffic. Retailers should remember that the intent of every display is to engage the consumer to purchase a product. It is important to provide open space in the key areas, ensuring that consumers feel able to linger and really focus on finding that perfect item.

Front & Centre

With shopping time limited during the holiday season, make your customers at ease by placing those frequently purchased products — tape, gift cards, cards, wrapping paper, flowers and chocolate — front and centre.

The holiday season is the perfect opportunity to enhance the retail experience through carefully placed merchandizers and displays. These interactive displays should be designed to entice your customers to pick up and purchase new products. "Not only are they appealing to the eye but displayers also present stronger deals to the customer while they are shopping," says Tree of Life's Western Canada Key Account Sales Team. "This leads to repeat purchases 365 days."

Make your customers at ease by placing those frequently purchased products — tape, gift cards, cards, wrapping paper, flowers and chocolate — front and centre.

Visual impact is a big part of merchandising, shares Seguin. With customers constantly on the look for new and unique products, retailers should look for merchandizers that allow flexibility to move throughout the store such as shipper displays, states Tree of Life's Western Canada Key Account Sales

Carlton Cards notes that consumers are moving towards more personalized cards that are special and meaningful.

Team. "It is all about product placement when it comes to bringing the customers attention to your shelves and displays throughout the store. Bring some fun and creativeness to them," says Tree of Life's Western Canada Key Account Sales Team. The positioning of holiday merchandising is perhaps as important as the design of the display itself. Displays near the entrance of the store, continue to be a huge driver for sales as this captures the customers' attention right at the beginning or end of their shop.

Beautiful Meld of Tradition and Innovation

In this day and age of customization it is essential that retailers offer a selection of items allowing consumers to give that personal touch to their gift giving and entertaining experience. Despite, people opting for convenience, the holiday season remains a time where tradition is valued. There is still a large component of consumers that gravitate towards the nostalgia, seeking out cherished family foods, traditional colours and using gift-wrap. "The holiday season is truly a combination of bags and wrapping paper; bags do very well but there is still a big component of people that feel that they need to wrap," says Barrett. "That



INTRODUCING
WALKERS UNIQUE TWIST
ON A TIME-HONOURED TRADITION...

‘Wobbly tins’



YES, THEY REALLY DO WOBBLE! OUR PURE BUTTER SHORTBREAD MINI STARS ARE BEAUTIFULLY PRESENTED IN THESE ONE-OF-A-KIND WOBBLY SANTA & SNOWMAN TINS. THEY ARE A UNIQUE AND CREATIVE GIFT IDEA, SO DON'T MISS OUT.



www.treeoflife.ca
 Toronto: 1-800-363-7054
 Montreal: 1-800-363-3606
 Calgary: 1-800-665-1298
 Vancouver: 1-800-661-9655



excitement for a child of ripping something open far outweighs tearing it out of a bag.”

Some products naturally lend themselves to holiday gift giving; gift cards, chocolates, candy, cards and baked goods are all products that will be actively sought out during this busy season. In fact, when it comes to chocolate, there is no better period to maximize sales. “There is a very distinct chocolate season,” says Black Davis. “Retailers should take advantage of promoting their chocolate items in the fall, winter, and early spring months.”

Consumption of peanut snacks is up, shares Stephanie Grunenfelder, vice-president, international marketing, American Peanut Council, as consumers continue to seek out healthier snack options and integrate peanut butter in their baking.

These key products are on the top of mind of the consumer and retailers can create an environment that responds to this need by ensuring that they are accessible throughout the store.

Maximize your Product Pairing

To really move merchandise out of the store, do not limit it to a single area. Retailers need to get into the mindset of the holiday shopper, and ensure that the



retail experience is a pleasurable one. “Shoppers looking for holiday fare are usually busy — they want the items and ingredients they are looking for to be easy to find, and they are typically looking for items by type, price and recipient if it is a gift — or some combination of all three,” says Rakesh Raniga, president, Indianlife Foods.

With customers only having a few moments to shop, retailers can maximize sales by creating displays that pair products the consumers may purchase together. Think of natural pairings, crackers and cheese, tape and wrapping paper, and outside of the box combinations that may entice your consumer to try something new. “A lot of times people are buying meats and cheeses to entertain, and if they are going to entertain with those type of items, the likelihood of them adding chocolate is quite high because they pair very well,” says Black Davis.

This intermingling of product not only makes the shopping experience easier for the consumer, it will increase your sales. Now consumers are not only going in to pick up the product that they came for, but are more likely to increase their

impulse buys. “Cross-selling with different departments is a great way to bring focus to relevant products that complement one another,” says Tree of Life’s Western Canada Key Account Sales Team. “Not only will this highlight some of your most popular holiday season items but it will encourage add-on sales. For example, if you have holiday tea on display be sure to have tea related items displayed next to it for impulse sales, like chocolate bars.”

When it comes to merchandising products, Raniga urges retailers to think outside the box when considering “holiday fare”. Today’s consumers are looking to excite their taste buds, as they seek out more ethnic foods and healthier options. “There is a tsunami of people turning to vegetarian and vegan foods,” says Raniga. “We are also seeing a trend towards more multi-culturalism in holiday meals. People are including “something for everyone” and might serve our Chutneys alongside a traditional roast turkey, for example, in lieu of cranberry sauce.”

In-store demonstrations are one way to encourage consumers to integrate new products into their holiday meals. Raniga suggests creating a meal-focused display

“Shoppers looking for holiday fare are usually busy – they want the items and ingredients they are looking for to be easy to find, and they are typically looking for items by type, price and recipient if it is a gift.”



Non-GMO Sustainable Just Pure Goodness



Carr’s believes that its responsibility lies beyond just making great crackers. It is as committed to creating healthful products as it is dedicated to keeping the planet healthy by sourcing sustainable Palm Oil and using Non-GMO ingredients. In fact, Carr’s has been sourcing sustainable palm oil since 2010 and has been awarded top marks by the World Wildlife Federation’s Palm Oil Buyers Scorecard. This means that Carr’s is helping to reduce deforestation and thus the loss of habitat for many species. So you can savour the wholesome goodness with the knowledge of supporting this product that is good to the planet and good to you!





or end cap where all the ingredients for a featured recipe or meal are showcased.

These recipe driven displays can also be used with baked goods — providing both the recipes and the core ingredients for consumers who are looking for a homemade holiday treat. “Canadians love baking and entertaining at the holidays, providing recipes in our media research, on social media and in-store can help increase sales,” says Grunenfelder.

The key to displays is having an attractive presentation designed to excite the customer to make that final purchase.

Creating these moments of consumption displays is an ideal way to showcase food products, and one that can be utilized throughout the year. During the holidays, retailers can also maximize their sales by creating displays that are geared towards gift giving. “Retailers can do specific clusters featured around a shopping theme, perhaps last minute gift, stocking stuffers or hostess gift,” says Black Davis. “These are ways that consumers become more aware that this is something that is relevant to me, this is something that I could use or give, and it will enhance my holiday.”

These unique pairing displays whether designed around consumption or gift giving, are effective because they

directly respond to the needs of the consumer. However, there are some consumers that will continue to seek out products in their traditional area. Retailers need to ensure that their environment offers their products not only in outposts but also in their normal area. “Typically, we recommend that retailers have their holiday cards in the main card location, because customers

are used to looking for cards there,” says Barrett. “However, it also helps to have outposts in strategic places throughout your store. The bakery department is sometimes a great place for an outpost, because if people are coming in to buy a hostess gift or a holiday treat, they may be prompted to pick up a

card while they are there.” In order to create this balance, retailers need to take the time to create a merchandizing strategy that will respond to the need of their customer.

Plan Ahead

Merchandisers alone will not move a product off of the shelf. The displays need to be positioned so consumers will be drawn towards them. Retailers should always be asking the question, do the product displays make sense? The products on the displays should always be easy to access with ample room to

move through the aisles. Shelf talkers should be placed at eye level and used to promote key purchase opportunities like “perfect stocking stuffers” or “recommended hostess gift”.

At the same time retailers need to be conscious of not having too much of a good thing. In order to maximize your holiday merchandising, retailers need to plan not only the products they purchase, but also how they will merchandize it. “Timing is everything, if you want to be able to execute the most effective holiday promotions,” says Black Davis. “Make sure that you allocate enough time to plan merchandising. Give yourself the opportunity to execute them and not feel rushed.”

Retailers should always be anticipating the next sales opportunity; the holiday season is the one period that the grocery stores want to ensure that they are maximizing. “It is important to let the customer know the store has an early holiday selection so they can be top of mind when shopping. Who knows, you might even get them purchasing when they find holiday items on display right after Halloween,” says Tree of Life’s Western Canada Key Account Sales Team. This anticipation for upcoming festivities can be created with engaging displays or simply through the integration of holiday packaging.



*Taxes and a one-time Activation Fee of \$29.99 apply. A SiriusXM Canada Music for Business subscription allows you to use the service in one establishment; additional locations require additional subscriptions. Offer and service is based on a SiriusXM Internet Music for Business subscription. © 2015 Sirius XM Canada Inc. "SiriusXM", the SiriusXM logo, channel names and logos are trademarks of Sirius XM Radio Inc. and are used under license.

Promote through Packaging

Sometimes it's the package itself that encourages that holiday feeling. Retailers can have products move off the shelf by simply integrating packages with a festive appeal. "We are seeing a throwback to traditional, red on green, red on white, white on white,



Loacker Foods is finding innovative ways of packaging their products for the holiday season.

those are still very popular tones and colours for the season but with a bit more of a contemporary spin," says Barrett. With women as their main consumer, Carlton Cards is continually looking at ways to update both the product itself and its content to the way that women communicate today.

Loacker Food has also looked at innovative ways of packaging their products for the holiday season including using a removable festive wrap. "It allows for a lot of flexibility," says Black Davis. "Once the holidays are over with and the

sleeves are no longer relevant, the retailer can pull that sleeve off." The advantage of this type of product package is that it removes the pressure of having to move it during the holiday season.

There is a new wave of consumers that are seeking products that are customized. These products may be inexpensive but will allow them to give that personal touch for a hostess gift, a small token of appreciation, or a stocking stuffer. "Coca Cola has done an incredible job with this," says Black Davis. "Having the customized bottles with either names or titles that connect people and make the recipient feel that the gift was something special and significant is really taking off." Black Davis forecasts that this shift to customization will only increase, with more manufacturers looking at adding personal touches to their packages whether it's a person's name or a holiday greeting.

Carlton Cards has also noticed this want for personalization in the card industry with consumers moving away from the more generic boxed cards towards cards that are geared towards a specific relationship. "People are looking for something that will be a little more meaningful, that will



Product placement is key when it comes to grabbing consumers' attention to shelves and displays throughout the store notes Tree of Life.

come off as a little more authentic, so that when that recipient gets that card, they know that you've selected it specifically for them," says Barrett.

To be able to communicate their marketing message clearly retailers need to look at balancing different things to amplify what they are doing. This can be as static as a shelf talker to as an active as an in-store demonstration, says Black Davis; the key is to move product and make both the consumers and retailers happy. ●

Good for you. Good for the earth.

Deli Darlings

Wonderful Wraps

Freezer Favourites

Fast & fresh

Non-GMO Ingredients • No Preservatives • No Trans Fats
No MSG • Versatile • Delicious

It's easy to spice up sales with delicious, healthy "Grab 'n Go" favourites from Indianlife. Our bestsellers make prepared foods fabulous with the freshest Indian spices and all natural vegetarian and non-GMO ingredients. Deliciously different, each is made from an authentic family recipe. Get great taste that's good for you and good for the planet.

Indianlife.com
1-888-436-7888 / 604-205-9176
sales@indianlife.com
Burnaby, BC Canada V5C 3W7

Loacker

PURE GOODNESS!



Celebrating 90 Years of PURE **TRADITION**

PURE **INDULGENCE**

PURE **PLEASURE**

PURE **HAPPINESS**

PURE **LOYALTY**

PURE **SATISFACTION**

PURE **GOODNESS**



LOACKER.COM



The Choice for Real Mexican Taste!

BURRITOS

TAQUITOS



Contact your Ruiz Foods broker or email newcustomers@ruizfoods.com



Look for us on Facebook
facebook.com/elmonterey

elmonterey.com
©2015 Ruiz Food Products, Inc.

Arriba! Arriba!

There was a time when the term 'Mexican Cuisine' meant tacos and salsa. But the landscape of ethnic cuisine has changed and along with it consumers' desires when they hit the ethnic aisle. Mexican foods have seen significant category expansion over the years.

"Mexico has been a very prevalent vacation destination for many Canadians. Along with the growing popularity of Mexican food in North America this helps expand the Mexican food category in local grocery stores. Canadians who have tasted the true authenticity and real flavour of Mexican dishes are adding these recipes in their kitchen," explains Terry Wong, director of authentic ethnic foods, Tree of Life.

Renfro Foods attributes part of the category expansion to consumers eating healthier foods.

"Salsa is inherently healthy. It contains no fat, no cholesterol and very little sugar. Granted the consumer may pour it over cream cheese or consume it with chips, but it can also be used as a marinade or salad dressing — adding no additional fat to a barbecued protein or to a salad," shares Doug

Renfro, president. "It has experienced strong double-digit growth several years in a row."

Over time Mexican cuisine has grown as an influence on flavour preferences. Starting in the '70s and '80s its popularity began to grow as consumers expanded their palates.

According to Billy Roberts, senior food and drink analyst, at Mintel, Mexican food can be safely regarded as mainstream. 80 per cent of consumers indicate they have had the cuisine within the past three months — with 44 per cent of those via dishes they made at home.

"With such a widespread popularity — consumers are looking for more regional variations of Mexican cuisine: Oaxacan, Yucatan and Baja for example," says Roberts.

Mexican Food Undergoes Category Expansion.

Courtesy of Shutterstock

Currently Tree of Life has found that the most popular items in the Mexican aisle are tortillas, nachos, salsas, beans, hot sauces, flours, juices and snacks. While in the refrigerated section corn tortillas and Mexican cheeses can be found.

“Many of these products are ingredients that can be used in dishes such as tacos, nachos, chilaquiles, tostadas, mole, tamales, guacamole and margaritas,” says Associated Brand Manager, Nancy Quispe with Tree of Life. “Tree of Life is consistently searching for new products that will bring the authenticity and quality to Mexican cuisine. These products are designed to inspire nostalgia and tradition to the Hispanic consumer, while being friendly to the Canadian consumer. For example: new flours, snacks, dried chillies, chocolates and seasonings,” she adds.

Ruiz Foods provides consumers with a wide variety of flour taquitos, burritos and chimichangas including Southwest Chicken Taquitos in a Seasoned Batter and Chicken, Rice and Bean Burritos. President, Rachel P. Cullen shares that other introductions will soon be available to the Canadian market.

“Our El Monterey brand of frozen Mexican foods lends itself to the wants and needs offering great taste and quality, convenience and value. In addition, Mexican food offers today’s consumer so much variety in texture, taste spice and even heat levels – and today’s consumers enjoy experimenting with each,” Cullen says.

Tex-Mex style salsa with gourmet and

interesting flavour profile are a specialty from Renfro Foods.

“In Canada, our best-sellers are our Green (Jalapeno), Habenero, Black Bean, Peach and Mango Habenero salsas. In addition to these items there are nine more choices. We also produce three varieties of Nacho Cheese Sauce (Regular, Chipolte and Ghost Pepper). The evolution of exciting flavour profile has really expanded the product offerings and purchasing,” says Renfro. “Consumers are also starting to use it as a marinade, salad dressing as it adds no additional fat to the protein or salad.”

“When we review every section we want to ensure that we have an outstanding variety of best-sellers within the category. We look at the sales history within our company, vendor information as well as points of differentiation. We want to offer our customer the best variety at the most competitive pricing within our market place,” shares Mike Pare, store manager, Nesters Market Gastown, whose Mexican food section currently consists of 108 linear feet broken down in 27 four foot shelves.

When it comes to merchandising choice is key. Truly authentic products can be placed with the mainstream Mexican/ Tex Mex branded items.

“This will offer shoppers the choice between well-known Mexican brands that uses fine ingredients and provides true taste of authenticity versus North American brands,” says Wong.

Many Mexican items can provide retailers with great merchandising appeal.

According to Wong in order to maximize potential sales, retailers should consider the following: taco seasoning, fresh tortillas next to ground beef, chimichuuri and hot sauces next to the meat section salsa, and sliced jalepeno next to nacho chips. In regards to salsas Renfro notes that they also move very well when featured on end caps during key times of year such as football playoffs and winter holidays.

For Nesters Market Gastown their Mexican food section is continually growing and changing. With new products always becoming available they review their set each time to ensure they have the best product mix available to their customers.

“Our goal is to take advantage of larger scale purchasing opportunities that will entice our customer to save money on their purchases. Thus we are always looking to cross-merchandise selected produce items (avocadoes, tomatoes along with salsa seasoning, tortilla chips and salsas). These larger scale displays also give us opportunity to showcase a ‘fresh’ look that ultimately helps to entice our customers to make impulse purchases of higher margining fresh produce as well as highlight the savings of the Mexican items,” says Pare.

It is clear that Mexican cuisine ceases to be taco kits and salsas for today’s consumer and as their palates and tastes continue to expand so will their desire for the Mexican aisle to expand as well. ●

CATEGORY MANAGEMENT

By Sue Nicholls

As we move into the Fall and into Joint Business Planning Season, whether you’re working for a retailer or a vendor, think about how the decisions or recommendations that you make influence the retailer’s financial statement. Not sure? That’s what this article is about. This perspective can help you make better decisions and recommendations by better understanding what the retailer is trying to accomplish from a big picture perspective — their financial statement.

In every business there is never ending number crunching going on, and the retail

involved in creating revenue. It represents the costs of producing or purchasing the goods or services sold by the company.

The third line is gross profit, where retailers turn as an indication of the sales dollars remaining after subtracting the costs of goods. To calculate gross margin, the gross profit from the income statement is divided by the business’ net sales, also found on the income statement. The higher the number, the better.

When you consider these three lines of a retailer income statement, think about how your category management team can

year ago. Next, they want to know how sales are performing versus their targets or budgets for the fiscal year.

Category managers can influence sales through changes they implement through the “Four P’s”, or the tactics. And there are different measures that category managers look at across the tactics to understand the key drivers of their business.

Something else that influences sales is “other income” captured by the retailer. This can include over and above spending by vendors. Some vendors will offer deals and allowances based on ad space,

promotional activity, or buying deals. For retailers who have “dead net” pricing, the over and above spending may be allocated directly to price and would be included in the cost of

goods sold calculations, versus in other income. “Other income” can also include cash discounts that are paid by vendors if the terms are met when paying invoices within a specific amount of time.

Shrink is the difference in dollars, between the amount of inventory in the system, and the actual physical inventory count. It is subtracted from the sales in the retailer’s income statement. Shrinkage is primarily the result of spoilage, which can be influenced by poor forecasting or planning or excessive inventory, which is the responsibility of the category management team. It can also be driven by theft or by accounting issues.

How a Category Management Team Influences the Retailer’s Income Statement

business is no different. The financial analysts have to look at the numbers from every angle to ensure on-going profitability, using their income statements, or sometimes referred to as P&L statements.

One of the retailer’s financial statements is the Income Statement. Income statements may come with various terms (e.g. “statement of income,” “statement of earnings,” “statement of operations”). In addition, the terms “profits,” “earnings” and “income” all mean the same thing and are used interchangeably. The income statement shows how much money the company generated (revenue or sales), how much it spent (or expenses) and the difference between the two (or profit) over a certain time period.



influence net margin within your categories. You can either increase sales or decrease cost of goods sold (you may have limited influence in decreasing operating expenses). Obviously, category management is not the only department responsible for the results on the income statement, but for the purposes of this article, we will focus on their responsibilities and how they influence sales and cost of goods sold.

How Category Managers Influence Sales

The overall responsibility of the category manager is to optimize sales for a particular group of products (categories). The primary responsibilities of a category manager and their team include 1) category management process and analysis responsibilities (including assortment, space, pricing and promotion); and 2) negotiations, over and above tradespend and logistics.

When a category manager is looking at the business from a sales perspective, they usually look at two key performance indicators, or KPIs. First, they want to understand how sales are performing compared to prior period, which is usually a year ago. They can look at absolute dollar change or per cent change versus



How Category Managers Influence Cost of Goods Sold

Cost of goods sold is the second line on the statement, and, in general terms, is the cost of the merchandise that was

	\$	Margin
Sales	328,600	100.0%
Cost of Goods Sold -	244,800	-74.5%
Gross Profit	83,300	25.5%
Operating Expenses	-63,400	-19.3%
Non Operating Expenses	-3,381	-1.0%
Net Income	17,019	5.2%

sold to customers. This figure not only tells the dollar amount of the cost of the items that have been sold, but it is also subtracted from the net sales to arrive at gross profit. Many retailers develop strategies to reduce total cost of goods sold, which will ultimately build their gross margins. This calculation gives the total amount of inventory or, more specifically, the cost of this inventory, sold by the company during the period. Category managers can influence the cost of goods sold by 1) influencing gross profit; and 2) focusing on inventory

management, through effective product supply. Gross profit can be influenced by pricing strategies (because retail price obviously plays a significant role in how much volume and profit are generated in a category) and promotional strategies (associated with temporary price reductions on promotions). The common variables across each of gross margin, markup and markdown, and temporary price reductions is unit cost and retail price. Category managers can affect gross margin dollars by reducing the unit cost, or by increasing the retail price.

Here are some activities that can accomplish this:

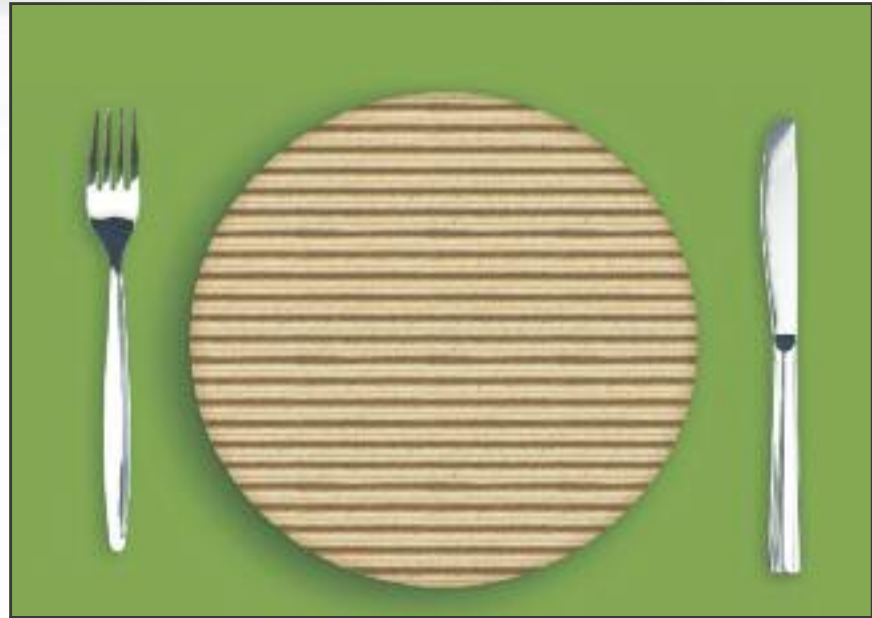
- Reduce item cost
- Dead net pricing
- Clearout items
- Price increases by Vendors
- Deal pricing (floor stock protection)
- Price increases / decreases by Retailer

Based on this, vendor negotiations play a significant role for both category managers and have a direct impact on a retailer's gross profit. Much time is spent planning, both for the retailer and vendor, to create business plans that will help them to achieve their overall company objectives. Then, through retailer and vendor negotiations, an agreement is made on volume targets, O&A deals, product cost and terms and payment terms that will collectively affect the "other income" and "cost of goods sold" lines in the retailer's income statement. The objective of the negotiations is to come up with a joint business plan that helps both companies to achieve their overall goals.

Something else that is not included on the income statement, but is recorded as part of the financial reporting for the retailer, is the retailer's balance sheet. It includes a "current asset section" called merchandise inventory. This asset consists of goods the company owns on the balance sheet date and holds for the purpose of selling to its customers. The merchandise inventory line is the costs incurred to buy the goods, ship them to the store, and otherwise make them ready for the sale. This is mentioned because category management teams are responsible for managing inventory within their categories. If a retailer's assets are tied up in high amounts of inventory, it restricts other more productive investments.

It's important to understand how the decisions or recommendations that you make within or to a retailer influence their income statement. Understanding all of the "retail math" measures and associating them with the decisions that you make will help.

Sue Nicholls is the founder of "Category Management Knowledge Group", an online, accredited category management training company. She can be reached at sue@cmkg.org.



Tried, tested & new

The Canadian corrugated and containerboard industry develops creative packaging solutions that are cost effective, versatile, sustainable and food safe. It's the food industry's packaging of choice.



Canadian Corrugated and Containerboard Association
Association canadienne du cartonage ondulé et du carton-caisse



Visit us at www.cccabox.org to learn more.





Coffee is the other big winner in the North American market. According to reports that 65 per cent of Canadians aged 18-79 drank coffee “yesterday” with 84 per cent reportedly having drank coffee in the past year.

Single-serve Satisfaction

Of course, one of the growing areas of the coffee retail market is the single-serve format. The single-serve format is being used by 25 per cent of the population — compared to only 20 per cent in the United States.

Dana Somerville, director, Coffee, Kraft Canada Inc., cites Nielsen June 2015 YTD figures that show a 22.5 per cent increase in single-serve coffee in this country.

“Over the past several years, the coffee

category has experienced healthy sales growth, as some consumers shift from roast and ground coffee to the relatively premium-priced single serve coffee segment,” she says. “Consumers continue to look for convenience in their lives.”

Robin White, vice-president, marketing, Single Cup Coffee, also refers to the single-serve format as a significant driver in the category.

“As more and more consumers choose to brew their hot beverages one cup at a time, the value of the category continues to grow,” he says. “With new brands, equipment and other innovation, it’s one of the most exciting consumer packaged goods categories for retailers today.”

The single-serve format is also proving to be a popular choice for Canadian consumers, with the capsule/pod represented five per cent of the market in 2014.

Industry Issues

The increased use of the single-serve format has led to a focus on recyclability. According to Jean-Daniel Gervais, vice-president sales, Keurig Canada Inc., the company has stated a target to have 100 per cent of its K-Cup pods be recyclable by 2020, with an increasing number of the pods converted each year between now and then.

“It’s a tough and ambitious challenge but we’re committed to solving it...” he says, adding that collected brewed K-Cup pods from Coffee Services Canada will be being used currently as alternative fuel. “Just as consumers are paying more attention to the environmental attributes of the products they purchase, they also want to know that these products are always offered responsibly. We have always been committed to the quality of life in their communities.”

Yogi also provides recyclable options. “Our single-serve cups are over 93% recyclable,” says Yogi. “The tea category is looking for sustainable options that meet their needs. As a company, Yogi is committed to high standards of social and environmental performance and transparency. Brand Manager, Yogi, shares Assistant

The issue of fair trade is also beginning to have a role in the tea market.

“Fair trade is definitely a hot topic,” says Tas. “People are more concerned about the impact of fair trade with coffee than tea, but it is starting to trickle

spice up your shelves

PREMA CHAI - THE ONLY READY-TO-DRINK, TRADITIONALLY BREWED CHAI BEVERAGE ON THE MARKET IS NOW AVAILABLE.

Take advantage of the rising popularity of the specialty tea market and offer your customers something they'll love.

Interested in carrying Prema Chai? Check out premachai.com

On the Lookout

With a growing array of product coming into the market, retailers may have a hard time deciding what products to carry.

Roch Cyr, national sales and marketing director, Trans-herbe Inc., suggests a number of factors to consider. “First is the quality of the product. People are getting higher quality. Second, it’s about to look at where the growth is. With tea, it would be in the specialty category. Consumers are looking for something

Grounds for Celebration

Top coffee brands expand to Western Canada



Global coffee leader Massimo Zanetti Beverage is expanding its successful U.S. brands in the Western Canadian market.

Longtime Canadian favorite Hills Bros. coffee is growing beyond canned varieties to new single serve filter cups. The unique single serve cup design is compatible with Keurig® style brewers but delivers the full flavor and aroma of traditionally brewed coffee. *It's a Better Cup by Design™*.

Kauai Coffee - the best-selling brand of Hawaiian Coffee in the United States** - is now available in Western Canada in single serve filter cups with three rich, tropical blends and two delicious flavors.

Chock full o'Nuts, the top New York style coffee, is rolling out a full range of blends across its can product line and single serve filter cups. Add The Heavenly Coffee™ to your assortment.


Massimo Zanetti Beverage is a powerful force in the coffee market throughout North and South America, across Europe, Asia, Africa and beyond. Our expertise in every aspect of the coffee industry and our singular focus on coffee are what make us Coffee Complete™.



Massimo Zanetti
MASSIMO ZANETTI
BEVERAGE USA

Share in our passion for coffee. Contact Mac Orr at 905-752-2888

*Keurig is a trademark of Keurig Green Mountain, Inc. Massimo Zanetti Beverage single serve cups are not affiliated with Keurig Green Mountain, Inc. **AC Nielsen ScanTrak 52 weeks ending 7/18/15.



22 years of expertise
2 minutes of infusion



**FOUR
O'CLOCK**
TEA CRAFTERS SINCE 1992

42 varieties of fair trade and organic teas and herbal teas, created, mixed and packaged proudly in Canada.

transherb.com

Product Showcase

Let's Hear it for the Girls



New from Single Cup Coffee this fall will be Skinnygirl® cocktail-inspired teas, including the award-winning Peach Bellini Green Tea, Cranberry Cosmo White Tea, Mojito Mint Green Tea and Sangria Hibiscus herbal tea. The line-up also includes Rainforest Alliance-certified Americano and Half Caff coffees. Better-for-you soluble drinks under

the same brand include Hot Cocoa and London Fog Tea Latte – with only 50 calories per serving.

A Splash of Colour

Keurig Canada introduced its colourful and compact Keurig K200 brewing system in May of this year. The system offers nine different brewing sizes and an assortment of trendy colours. The company also introduced the new Van Houtte Specialty Collection at the same time. The new collection includes Cappuccino, Mocaccino, Caramel Macchiato and Vanilla Latte.



It's Four O'Clock Somewhere



New from Trans-herbe is an herbal tea called Four O'Clock Turmeric Cinnamon, which is a blend of turmeric, cinnamon and black pepper. Turmeric is known for having many health benefits. Another new launch this fall is Four O'Clock Coconut Ginger Green Tea. Both products are organic and fair trade.

Brand Conscious

Part of the new lineup from KraftHeinz is a range of Keurig-compatible PODS under the Maxwell House, Nabob and Gevalia brands. The company partnered with McDonald's to distribute McCafé Premium Roast coffee in 2014 in a variety of formats and earlier this year, extended the line with the launch of Whole Bean Espresso and McCafé Premium Roast Decaf in a variety of formats. Kraft Canada also partnered with Second Cup in 2012 and introduced new varieties to the retail channel in 2014.



The Way Grandma Used to Make It

Original Prema Chai launched into the marketplace this summer with the introduction of a traditionally brewed, ready-to-drink French Vanilla chai tea that uses an authentic recipe. The tea is available in two sizes: 325 ml and a family sized 946 ml version. The company plans to eventually introduce a no-sugar version as well.

different with interesting characteristics. And third, retailers should look at novelty items, like seasonal products that have been developed for a specific period of the year."

Kraft Canada's Somerville suggests that retailers organize the coffee aisle according to brewing method and ensure that they have good representation of coffee across all methods of preparation.

"Recognizing brand variety is also important to consumers," she adds. "Within the single serve category, beverage variety is also important to



consumers so retailers should consider listing a range of beverages from coffee to hot chocolate, americanos and macchiato."

Innovative merchandising can also be used to make a hot category even hotter.

"One of the reasons consumers have fallen in love with single-serve beverages is the 'fun factor', with the coffee aisle evolving into something like a grown-up candy store," says White. "Variety and creative merchandising can enhance the shopping experience and make a retailer a destination for single serve that will increase foot traffic and drive sales store wide."

"Increasingly consumers are looking for teas that taste good and do something good for them too. They are also drinking more tea in general, throughout the day and night, so a variety of options is important: with and without caffeine, herbals and greens,

spicy, sweet, earthy, fruity etc.," Gavin says. In regards to merchandising she advises to merchandise in a way that the consumer can easily find the product, explore the category and discover new products that can positively influence sales. For cross-merchandising try immune-supporting teas in the pharmacy aisle during cold season, energy teas near breakfast items and rest and relaxation teas near sleep aids she adds.

Ted Turner, advertising manager and buyer, Fairway Markets, Victoria, B.C., admits that the hot beverage category is an

increasingly tough one to sell to consumers but product innovation is helping.

"This segment of the category is not seeing the growth that the cold beverages are enjoying," he says. "Aggressive competition continues to promote that 'out of home' experience that consumers enjoy being a part of. Our focus will be to continue to provide consumers with choices for home use."

Turner adds that it is "critical" to source new innovation and stay current.

"Success may be measured by one consumer at a time," he says. ●



Fresh New Faces of Level Ground!

To list: contact Rick Stark
sales@levelground.com 250.544.0932

By Ken Kwong



Marketing Insights

Effective Social Media Tactics

Recently, I came across a blog from Barry Feldman¹ of Feldman Creative. In his blog, he discusses an annual report called the “2015 Social Media Marketing Industry Report 2” by the Social Media Examiner that includes data summaries collected from their extensive surveys, along with insights. One of the discussion topics included the “Top Five social media questions (that) marketers want answered” – and the No.1 question was “What social (media) tactics are most effective?” It was this question that inspired Barry Feldman to delve deeper into this topic and write the blog, which caught my attention.

So, for this issue, I would like to share with you what I read... and following are the 59 effective social media tactics suggested (and their sources).

Create a Strong Social Media Content Strategy³

- by Debbie Hemley, social media coach

1. Develop content aligned with your marketing objectives.
2. Observe and learn from big brands and market leaders in your channel of business.
3. Post frequently and steadily.
4. Post on multiple social sites and yours.
5. Delve into social media data to determine user interests.
6. Interact in real-time. You need to engage in real conversations.

7. Keep up with the changes to social media sites. Subscribe to reliable sources to keep your social IQ high.
8. Learn from your Google Analytics social reports. Determine where traffic is coming from and going to.
9. Use hashtags to get found.
10. Network in all the right places.
11. Share photos of yourself and your team. It'll help humanize your brand.
12. Ask your readers questions. You'll get more engagement.
13. Use a consistent brand identity across platforms. Apply a style guide.
14. Dial-up social media at the events you attend (or host). Create event pages. Publish content from the event.
15. Have regular progress meetings with your social media team.
16. Use a conversational tone. Drop the corporate babble, lighten up and be yourself.
17. Use great images.
18. Create tips articles.

Patel-tested and approved ideas⁴

- by Neil Patel, Online marketing and new media guru

19. Create infographics and promote Pinterest shares.
20. Toss up a popup that asks for followers. (I'm not endorsing this one but Neil thinks it works)
21. Create a landing page to collect emails on facebook.
22. Perfect your timing to discover when your followers are most active.

- ### Painfully obvious tactics⁵
- by Stefanie Grieser, Blogger and conversion specialist at Unbounce.
23. Create collages.
 24. Steal ideas from other channels.
 25. Use hashtags on facebook to link to campaigns and contests.
 26. Use emoticons to increase interaction.

- ### Create this stuff to achieve your goals⁶
- by eMarketer
27. Create blog posts, research, white papers, and video for B2B.
 28. Create blog posts and video for B2C.

- ### How social must you be?⁷
- by Bayshore Solutions
29. Optimize your social media sites. Use relevant keywords to improve search engine rankings.
 30. Build one-to-one relationships. Reach out to bloggers and other social influencers.
 31. Moderate company branded social networks. Brand your profile pages.
 32. Bring in a strategist. Enlist an expert to help develop your social media marketing strategy.

- ### Rules you can use⁸
- by Judy Musgrave, social media specialist and digital publisher
33. There are no shortcuts. Social media marketing takes time, energy, creativity and commitment.
 34. Contribute value. People will only care what you have to say if you consistently contribute something of value.
 35. Position yourself as an expert. Earn the trust you're after.
 36. Keep the noise down. Say meaningful stuff or nothing at all. Don't be a relentless noisemaker.
 37. Offer concise morsels of advice. Get to the point.
 38. Don't overdo the self-promotion. You'll be labeled “spammer”.
 39. Keep it real. Be authentic and draw from your experiences, knowledge, and sense of humor.

Most commonly used social media platforms as defined by per cent usage by survey participants in the 2015 Social Media Industry Report

(Disclaimer: there was no references to demographics profiled in this survey).

Facebook	.93 per cent
Twitter	.79 per cent
LinkedIn	.71 per cent
Google+	.56 per cent
Youtube	.55 per cent
Pinterest	.45 per cent
Instagram	.36 per cent
Slideshare	.15 per cent
Forums	.14 per cent
Social Review Sites (i.e.: Yelp)	.13 per cent
Social Bookmarking (i.e.: Stumbleupon, Reddit)	.9 per cent
Geo-location (i.e.: foursquare, swarm)	.7 per cent
Vine	.4 per cent
Snapchat	.2 per cent

40. Give followers an opportunity to speak up. Listen and converse.
41. Keep up with topics and trends. Things move and change fast online. Try to keep up and adapt.
42. Follow-up with new connections. When someone does you the favour of following, follow-up.
43. Mind your manners.. Chill. Take the high road.
44. Be patient. Results can't be rushed. Think long-term and be a nurturer.
45. Ration yourself. Joining groups is a good thing. But spreading yourself too thin is not.
46. Have fun. If you're not enjoying social media, it's not for you.
47. Run polls and surveys. They're among the most effective ways to encourage activity.

- ### Business growth tactics⁹
- by Maureen Lenehan
48. Monitor and respond.
 49. Run contests and giveaways. Make things exciting for your fans.
 50. Offer special deals to your followers.
 51. Work as a team.
 52. Schedule sharing.

- ### How to acquire fans and followers¹⁰
- by Ayaz Nanji at MarketingProfs

53. Engage in conversation.
54. Work with influencers and bloggers.
55. Ask for user content for contests.
56. Run facebook ads.
57. Answer customer service questions.
58. Force follows. Product/prize giveaways with “follow” required
59. Share or tweet how-to content.

As you will note, the tips presented mostly reference facebook and twitter — which are still the two most commonly used social media platforms. However, in the 2015 Social Media Industry Report — it also details the other social media platforms and how they rank in comparison. I would like to share with you the rest of the ranking list and remind you that there are also other social media platforms to consider — depending on your audience and preference of reach. Many of the tips above can also be applied to other social media platforms. Engage your audience. Promote and protect your brand. ●



Ken is the executive vice-president at New Age Marketing & Brand Management Inc., (NAM&BMT) a National brokerage company specializing in brand management of CPG brands and products in all channels and markets in Canada. His opinions expressed in this column are solely his own and do not necessarily represent those of this publication. Ken can be contacted via email (ken@newagemarketing.ca), Twitter (@kenkwong) or LinkedIn.

1 “Top 40 Digital Strategist for 2015” by Online Marketing Institute, and one of “25 Social Media Marketing Experts You Need to Know” by LinkedIn. 2 <http://www.socialmediaexaminer.com/SocialMediaMarketingIndustryReport2015.pdf> 3 <http://www.socialmediaexaminer.com/26-tips-to-create-a-strong-social-media-content-strategy/> 4 <http://www.quickprout.com/2015/08/15/7-simple-yet-effective-social-media-tactics-you-should-leverage-today/> 5 <http://unbounce.com/social-media/5-painfully-obvious-but-extremely-effective-facebook-tactics/> 6 <http://www.emarketer.com/Article/Which-Social-Media-Marketing-Tactics-Work-Best/1009756> 7 <http://www.bayshoresolutions.com/resources/articles/content-social-media-marketing-insights/social-media-tactics-find-the-right-social-media-strategy.aspx> 8 <http://judysbusinessblog.com/21-most-effective-social-media-marketing-tactics/> 9 <http://www.rignite.com/blog/social-media-tactics> 10 <http://www.marketingprofs.com/authors/165/ayaz-nanji>

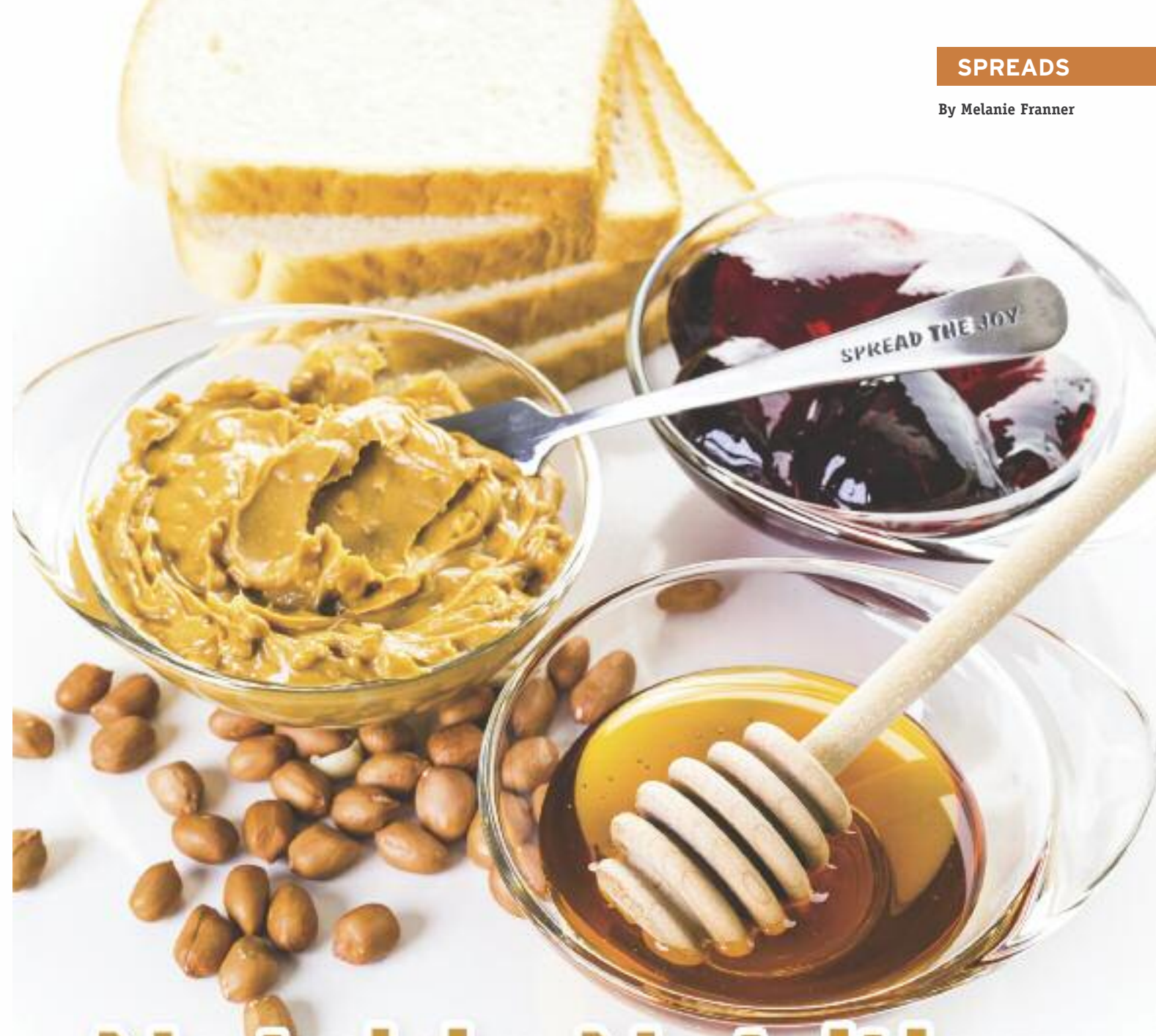
How much Canadian honey is in your bottle?



Read the back label.

The front label may say “Canada No. 1”, but it’s the back label that tells the whole story. Read carefully, and know what’s really in your bottle. BeeMaid Honey is produced to the highest standards, and always 100% Canadian. **Choose Canadian. Choose BeeMaid.**

beemaid.com/choosecanadian



Notable Nutrition

Health-high with spreads

Despite relatively stable retail volume sales, the Canadian retail value for spreads grew three per cent in 2014 to reach \$589 million. The Euromonitor International Country Report goes on to describe the category as “very mature” and “saturated with limited growth opportunities.”

That being said, the three leading players in the Canadian market — which collectively accounted for about 43 per cent of the total value sales in 2014 — were identified as Kraft Canada Inc., Smucker Foods of Canada Corp. and Ferrero Canada Ltd.

Healthier is the way to go

“The latest trends are shifting to healthier options,” says Amy Rawlinson, brand director, Kraft Peanut Butter, who adds that the company has seen this reflected in sales in its own All Natural Peanut Butter. “The natural peanut butter segment is the driving force of the overall category growth.”



butter continues to be the spread of choice. It's nutritional, natural, easy-to-use and versatile."

New this year is the launch of the Planters peanut butter brand in Canada. "We feel the timing was absolutely right to launch the Planters Peanut Butter brand in Canada. Our research shows Canadians are buying spreads more than ever before — 79 per cent of Canadian households report heavy peanut butter consumption (at least once per week), and 83 per cent of Canadian households report having peanut butter on hand," said Don Lock, vice-president sales and marketing for Johnvince foods/Planters Canada. "Consumers are responding very positively to the value proposition and superior quality of Planters — and they recognize the Mr. Peanut brand."

Another health trend in the peanut

peabutter flavours contain none of the top 11 allergens.

"Because spreads are popular with children, health and allergens are a huge factor," says Caryll Carruthers, president. "Our products are also nutritious and ideal for school lunches."

Honey is another healthy choice in the spreads category.

"In the past few years, there have been small increases in honey consumption that is likely been driven by consumers seeking healthier sweetener alternatives," says Shannon Bowden, brand manager, Bee Maid Honey. "Health has definitely come into play with this category with consumers eager to find alternatives to refined sugar. 100 per cent pure Canadian honey has an excellent reputation for being of extremely high quality, with a delicate

"In the past few years, there have been small increases in honey consumption that is likely been driven by consumers seeking healthier sweetener alternatives."

Ted Turner, advertising manager and buyer, Fairway Markets, Victoria, B.C., concurs.

"The category has evolved greatly over the past several years," he says. "Health-conscious consumers are quick to read labels to ensure that product ingredients fit their family's demands. Sugar and sodium are always top of mind. Peanut

butter segment is "peanut" products that don't actually contain peanuts.

NoNuts Golden Peabutter from Mountain Meadows Food Processing (2004) Ltd. is an example of this trend. The product is completely gluten, soy, dairy, egg, nut and peanut free — and is high in protein. The company's four

and mild flavour. Many consumers are reporting that they are using honey in their cooking or baking instead of sugar."



Points to ponder

There are many factors to be taken into consideration by retailers looking to build or add to their spread category.

"We believe retailers should consider offering brands that are Canadian," states Bowden. "Consumers are looking for products that are made in Canada, and it's important that retailers offer them that choice."

Consumer appeal is another consideration.

"There are three major factors for retailers to consider when choosing products for their category," explains Rawlinson. "How quickly the product turns on the shelf. How the product looks on the shelf and how it will look beside the products that the retailer already carries. And if there is consumer demand for the product."

Of course, the right merchandising can go a long way to help turn product.

Introducing 3 amazing NEW flavours!

NoNuts
GOLDEN PEABUTTER

www.peabutter.ca

- Peanut FREE
- Tree Nut FREE
- Soy FREE
- Gluten FREE
- Dairy FREE

MR. PEANUT PLANTERS
NEW!

**Superior quality & value
pure & simple.**

PEANUT BUTTER FOR YOU!

Quality USA
Flavour to Savour

NEW/NOUVEAU PLANTERS
Smooth Crèmeux

NEW/NOUVEAU PLANTERS
Crunchy Croquant

Available in 500 g & 1 Kg

"The right merchandising can have a huge effect on sales," continues Rawlinson. "Displaying the product in a way that is more interesting and engaging for the consumer is a great way to increase interaction, in-store experience and customer satisfaction."

There are also interesting merchandising options for other products like honey.

"Honey is a great alternative to anywhere you'd use sugar," says Bowden. "If retailers are putting together a display with healthier options for families, placing honey with that category is a great idea."

Bowden also suggests including individual-sized portions of honey in a display featuring items for lunch boxes.

Carruthers also sees value in creating targeted displays.

"Merchandising is important because it calls attention to the product," she says. "Creating a local section for



"Displaying the product in a way that is more interesting and engaging for the consumer is a great way to increase interaction, in-store experience and customer satisfaction."

local manufacturers works well. Displaying with foods you can use with spreads — like crackers, cookies, fruit, bread sticks and bread — is also a good idea."

Cross-merchandising products in innovative ways have been shown to increase sales. In the case of honey, for example, Bowden suggests placing it in the tea/coffee section.

"Use in tea is one of the highest

reported uses of honey," she says.

Rawlinson suggests that retailers make use of displays outside of the traditional spreads aisles as well.

"A great way to cross-merchandise would be to put peanut butter in places within the store outside the spreads aisle," she says. "For example, putting peanut butter and jam together beside bread in the store would be a convenient

way to pick up everything the consumer would need for a tasty sandwich. Another great way to cross-merchandise would be to put peanut butter floor

Catch their attention

Whichever way retailers choose to grab their customers' attention, the point is to highlight the innovation as products and innovative ways that combinations to encourage trial.

"The right product and right merchandising," says Turner. "I believe

consumed — or with oats and honey."

that consumers enjoy seeing innovation, bright décor and nutritional information available from reading the label.

Put it all together and you've got a winning combination. Sure to increase sales.

More Change and Tales of Caution for Our Industry



We've seen plenty of changes in the past two years. Will we see more?

For all of us involved in the grocery industry in Western Canada, it has been a wild ride over the past two years. There have been lots of big opportunities for some and challenging times for many on both the retailer and supplier side of the equation.

Since my last column, Overwaitea Food Group announced amid great fanfare that it would be expanding to markets Saskatchewan and Manitoba. This is exciting news for shoppers in these markets, which will benefit from increased competition and the shopping experience that Save On Foods offers.

Just walking around Save On Food's new stores in Calgary you can easily see that their vision is strong and this will put pressure on retailers in these markets to make extra efforts on in-store experience in order to keep premium shoppers coming in the door.

It is also not lost on me that the combined networks of Save On Foods and Metro will now cover every major centre from Victoria to Quebec City. I suspect that there is speculation already simmering about whether these two will be involved in the next round of consolidation. But that is for another day...

This is the latest in a plethora of change that has struck our industry recently including the anticipation and demise of Target Canada, the continued roll-out of Walmart Supercentres, the acquisition of Safeway by Sobeys and SDM by Loblaw, the rebranding of Extra Foods to the YIG banner, just to name a few.

But what changes are around the corner? While my guess is as good as any, I strongly believe that we should always look outside our home markets to understand where the industry is headed. Below are two stories from outside of our region from which we can all draw parallels and learn lessons:

The first is the demise of Co-op Atlantic, which recently sold its grocery assets to Empire, the parent company of Sobeys; and then promptly filed for creditor protection. This once strong third player in Atlantic Canada (behind Sobeys and Loblaw) saw its sales slide dramatically as the two incumbents grew their store network and Walmart slowly built stores and share in the region.

The launch of Supercentres in Atlantic Canada may have been the straw that broke the camel's back but the writing has been on the wall for a long time. Co-op relied on shrinking rural markets and did not invest in either the shopping experience or pricing that customers could get by driving to the next town.

Western Canada is becoming more urban and the distance required to reach a Walmart or Superstore is

shrinking. Retailers in rural markets must look out three-five years down the road and determine what their customers want and need from a grocer that the big players cannot provide. These retailers must invest now and reposition themselves before the big players come calling or the shoppers stop coming.

The second cautionary tale is that of a fabulous small regional super-market chain in the U.S. Pacific Northwest called Haggen. Widely known as expert retailers and a strong regional player with just 18 stores, Haggen looked to take advantage of the Safeway/Albertsons merger in the U.S. and purchased 146 stores giving it a presence in five states.

After only eight months, Haggen has now admitted it bit off more than it can chew and will be closing 27 stores as they struggled to integrate the new stores and manage a much bigger business despite being experienced and well regarded retailers. Combined with the recent demise of Target Canada these two cases should be ground zero for any player looking to grow by acquisition in the competitive grocery market in Western Canada.

Our industry has been changing since Western Grocer was first published in 1916. Change is what keeps the industry strong and profitable. As Christmas displays pop up in store and we stare down the barrel of 2016 there is no doubt that change is right around the corner! ●

Jeff Doucette is the founder of "Field Agent Canada" an iPhone-driven audit service that is revolutionizing how retail audits and mystery shops are completed in Canada. He can be reached at jeff.doucette@fieldagentcanada.com

NEW



STIR-FRY

SEASONING MIX

Simply Gluten Free.



Beef & Broccoli

Savory beef and fresh broccoli stir-fried with a sauce of fragrant garlic, sesame oil, brown sugar and soy sauce.

Spicy Szechwan Chicken & Green Bean

Tender chicken, fresh green beans and bell pepper stir-fried with a sauce of spicy red pepper, ginger, garlic and soy sauce.

Sweet Ginger Garlic

Tender chicken and fresh vegetables stir-fried with a sauce of sweet brown sugar, ginger, garlic and soy sauce.

Mandarin Flavoured Teriyaki Chicken

Tender chicken and fresh vegetables stir-fried with a mandarin orange flavoured sauce of brown sugar, orange peel, garlic and teriyaki sauce.



- Certified Gluten-Free by the Canadian Celiac Association
- Simply add the seasoning mix & meat/vegetables to a skillet, mix, stir & serve for a meal ready in less than 30 minutes
- Made with spices, and contain no artificial colours & flavours
- No trans fat, cholesterol free
- Appropriate for vegan diets

Tree of Life Code No.	Product Number	Product Description	UPC	SCC	Case Pack	Case Dimensions L x W x H (centimetres)	Case Cube m ³	Case weight kg
48786	901216191	GS-SA Spicy Szechwan Chick Green Bean 32 g	0 66200 01733 0	200 66200 01733 4	12	12.74 x 10.84 x 15.77	0.00	0.48
48787	901216192	GS-SA Mandarin Flav Teriyaki Chicken 38 g	0 66200 01734 7	200 66200 01734 1	12	12.74 x 10.84 x 15.77	0.00	0.55
48789	901216193	GS-SA Sweet Ginger Garlic Chick Veg 32 g	0 66200 01735 4	200 66200 01735 8	12	12.74 x 10.84 x 15.77	0.00	0.48
48788	901216194	GS-SA Beef & Broccoli 38 g	0 66200 01736 1	200 66200 01736 5	12	12.74 x 10.84 x 15.77	0.00	0.55



Real Asian. Real Fast.



McCORMICK
In Reg. TM&© McCormick Canada

FUNCTIONAL BEVERAGES

By Frank Yeo

Functional beverages help consumers address health issues.

With carbonated soft drinks (CSDs) declining at an annualized rate of four per cent (IBIS World), a fundamental shift is occurring in Canada's \$2.5 billion beverage market that natural health retailers are in a prime position to take advantage of. Today, the cutting edge beverages are less about simply thirst quenching and more about functionality: food replacement and quality of nutrients. For the last several years, "functional beverages" have remained the fastest growing segment of the beverage market and show little sign of slowing down.

A functional beverage is a drink product that is non-alcoholic and includes in its formulation ingredients such as herbs, vitamins, minerals, amino acids or additional raw fruit or vegetables. They are promoted with benefits such as heart health, improved immunity and digestion, joint health, satiety, increased energy, weight loss, or health and beauty. Even memory and mental sharpness has been a focus. Protein is also making its way into the beverage category as well as nutrient rich foods such as chia seeds. There are drinks that feature soluble fibre from oats. The raw-juice category is still on an upswing and "anything green is big," with kale leading the way.

The category also includes plant waters, which has seen tremendous growth since its inception — particularly in the past three years. In 2013 alone, according to a Mintel report, 264 variants of plant water were introduced (including different flavours from same brand), and there are currently 848 variants of plant waters sold worldwide, with 319 of those in North America. In terms of functionality and flavour, each type of plant water has a unique nutritional and taste profile, and its makers tout varied benefits for body or beauty. For instance, coconut water benefits include its rehydration; aloe water is seen as a beauty boon for skin; birch water is viewed as an overall health tonic; and maple water is naturally very

Functionality is the New Paradigm

Courtesy of Shutterstock

low calorie, containing over 46 essential nutrients, including minerals, peptides, amino and organic acids, and boasts a subtle flavour profile. As the vanguard plant water beverage, coconut water remains the leader in this category with sales of over \$27 million from July 2013 to July 2014, according to a Tetra Pak-commissioned report.

In the past, energy drinks were one of the fastest growing segments of the functional beverage market, although now showing signs of slowing down as new competitors come on stream. Energy

drinks tout, ingredients that serve as stimulants such as taurine, glucuronolactone, caffeine, and B vitamins, guarana, ginseng, ginkgo biloba, L-carnitine, sugars, antioxidants, yerba maté, creatine, and milk thistle.

The latest trends in energy drinks are all natural and organic ingredients. Shannon Adams, sales, marketing & social media coordinator for GURU Beverage Inc. says GURU has had tremendous growth over the years. "We are the No.1 organic energy drink brand in the U.S. and Canada, in the health channel. At GURU we believe that energy shouldn't come at the expense of health. That is why our energy drinks are made from natural and organic ingredients. There are no synthetic ingredients in our products: just good stuff, like green tea, ginseng, guarana and Echinacea."

"This year we are focusing on the organic aspect of our drink. In the past, we focused more on the energy benefit of

rhodiola, ginseng, green tea, eight vitamins, electrolytes and, most importantly, quercetin. Quercetin is a bioflavonoid, found in fruits and vegetables. It offers a host of benefits including improved energy; an antioxidant that supports health and the immune system; a natural anti-inflammatory; and a natural antihistamine that helps reduce allergy symptoms. Q contains only four grams (15 calories) of organic cane sugar and no artificial sweeteners or sugar alcohols,

"In terms of particular concerns, Q delivers on a few fronts. It works well as a sports performance beverage due to the increased energy and anti-inflammatory effects. The latter cannot be overstated as I have some clients who choose to use Q simply for anti-inflammatory relief including arthritis. While we did not design Q for allergy relief, we are getting more anecdotal feedback that it works

Functional beverages have remained the fastest growing segment for beverages with little sign of slowing down.

our drink, but we feel that consumers are now ready more than ever to embrace healthier alternatives. In fact, according to Mintel 74 per cent of energy drink consumers are concerned with product safety. That's a big statement coming from consumers who a few years ago weren't so open to natural and organic products. In response to this overwhelming demand, GURU proceeded to get its Organic and Non-GMO Project Verified certifications."

The company will be launching Organic Energy Water this summer. The product is already in the U.S. and is doing very well. "Our Energy Water is a light and refreshing sparkling energy beverage. It's organic, and contains no calories or sugar. It provides bubbles, energy and some light sweetness, all while allowing you to stick to a healthy and balanced lifestyle."

Another energy drink experiencing a lot of growth is Q Energy, which comes in a unique powder format to be mixed with water. Jason May of Q Energy says Q has

well for that too. And finally, though we focus on an active healthy lifestyle, it is not uncommon for active people to enjoy the occasional festive Saturday evening. We have received a lot of feedback that Q works extremely well to relieve hangover symptoms on the following Sunday morning," says May.

Many of the new functional beverage products position themselves as fun and healthy alternatives to traditional beverages. It is catching on with consumers and if you are a natural health retailer you are in the best position to capitalize on the trend while helping your customers stay healthy. ●



*Soba & Udon
Traditional
Organic
Noodles*

EDEN

Eden Foods Clinton, Michigan 49236 | 888.424.3336

**Made in Canada
for 30 years**

Perfect Pasta Every Time



**SIGNATURE THICK-WALL
TECHNOLOGY**
{Ensures perfect
pasta every time}



**100% GRADE NO. 1
DURUM SEMOLINA**
{Purchased from highly specialized
durum wheat millers in Canada}

Visit us at booth #925
Grocery Innovations Canada
September 28 – 29



Find out more at:
1-800-361-8983 | www.italpasta.com

For Pasta Lovers



**Discovery
Organics**
is committed
to organics and
Fair Trade.

Devoted to Change

By Robin Brunet
Photography by Phillip Chin

In July, Discovery Organics' new 20,000 square foot headquarters in East Vancouver was still being prepped for occupation. But Annie Moss, who founded Discovery in 1998 with partner Randy Hooper, could be found wandering through the bare facility, looking like the proverbial kid in the candy store.

At every turn, she grins at the much larger storage areas that will accommodate the certified organic and Fair Trade produce Discovery buys from producers or their brokers across Canada and the U.S., but fairly unique in the industry. Discovery also buys 30 per cent of their selection directly

from small producers in many parts of Mexico, Peru, and Ecuador.

She's also thrilled that customers who often drop in will be able to visit her in comfort. "In our old facility, our desks are literally crammed together and meetings are conducted in a tiny lunch room," she explains.

But even though the new headquarters will enable Discovery to broaden its scope, the hands-on approach that distinguishes the company will remain unchanged.

Hands-on, in fact, is the key to Discovery "providing

independents across Western Canada with the absolute best organic and Fair Trade certified produce," according to Moss. Instead of using third parties to do business with farmers in the global south, Moss and Hooper do it themselves wherever possible; and to take a single example of the resulting travel itinerary, Hooper has visited Latin America 60 times in the past nine years.

Hooper, 60, admits that dealing directly with growers in foreign countries can be a logistics nightmare as well as enormously time consuming. But neither he nor Moss can

(Left to right) Julie Sage, fair trade & marketing; Annie Moss, president; Randy Hoyser, managing director; Damien Bryan, general manager and Stefan Misse, senior buyer.

imagine conducting business otherwise. "With the new trend of worker's rights influencing consumer purchases more and more, we need to make sure that Fair Trade certification standards are maintained," he explains. "Our direct buying approach also allows us to help determine what our growers should cultivate in order to maximize their revenues, as well as check on food safety and handling." To prove that point Discovery has a full-time office in Central Mexico, with a production specialist developing programs with small producers. "That isn't just an extension of our business model," explains Hooper, "Every buyer in the produce business is aware of climate change and how extreme weather relates to supply and pricing, so we are also developing a supply chain in areas that have good growing conditions during the winter months, that don't freeze and which have reliable water."

Moss and Hooper try not to make the excursions alone. "Sometimes our customers — store managers and buyers — come with us so they can see for themselves the authenticity of our supply chain at every level," he says.

These travels, combined with a staff of 50 people fiercely committed to the values of organic and Fair Trade, send a clear message to our customers. "Everyone knows we walk the talk," says General Manager Damien Bryan. "Plus, our hands-on approach has interesting outcomes. For example, we list our products by the farm as well as the

country of origin, and farms, retail buyers and shoppers all respond strongly to that because they seek a connection to the land as well as the food on their plate."

Discovery's expansion from a warehouse with one loading bay to a facility that can accommodate eight trucks simultaneously comes at an opportune time in the organic sector. According to the Canadian Organic Value Chain Roundtable (a coalition of government and industry representatives), 58 per cent of Canadians buy organic products every week, and sales of organic food and beverages grew from \$2 billion in 2008 to nearly \$3 billion in 2012.

Moss and Hooper believe the sky is the limit for further market growth. "When we started Discovery 17 years ago, there were only a handful of organic farmers selling into the commercial wholesale marketplace," says the former. "Today there are 400 certified farms in the province — and far more producers now have the production, coolers and professionalism to sell to a demanding retail sector."

Some outsiders may glance at Moss' flowing garb and Hooper's ponytail and assume the couple is a product of Vancouver's counter culture. But this is only true to the degree that doing things differently is second nature to them.



Discovery Organics recently opened a 20,000 sq.ft headquarters.

California-born Moss, 54, moved to B.C.'s Read Island (part of the Discovery Island chain) at age 11. "Dad was a surveyor and mom was a farmer, and farming was vital to our well-being because the island had only 25 inhabitants and no electricity," she recalls.

Hooper's father was a Vancouver trucker who transported produce to northern logging camps. Hooper subsequently operated a farm and a small food business on Saltspring Island, and it was while plying his trade that he met Annie. "She was working in sales for an organic produce co-op, and I was supplementing local production on Saltspring with a year-round selection of organic produce."

The idea for Discovery came about because Hooper also bought produce directly from Fraser Valley and Interior growers. "I recognized that these farmers weren't big enough to afford their own packaging, facilities or ability to market effectively, but given the early success of the organic movement we knew that the 'buy local' trend would soon follow, so Annie and I decided to develop markets for our local producers and help ease them into the commercial marketplace," he says.

Discovery started small, in the living room of Moss' Burnaby home. But during its first few years, the company brought 90 local growers to market. "Initially we did business by driving around in a five ton truck, but in 2001 we secured a 2,000 square foot warehouse, which we quickly outgrew, and in 2005 we moved to our 12,000 square foot facility, which grew so fast that after a while it seemed normal to hold business meetings in our cramped lunch room," Hooper says.

As of late July, several weeks before Discovery was scheduled to move into its new headquarters, the old facility was a hive of activity, with Moss and Hooper manning the phones, poring over schedules, and answering questions from incoming warehouse staff.

Beyond the windows where the buyers and other office personnel work, visitors are inevitably struck by the intense,

Discovery Organics, Congratulations on Over 17 Years of Success!

Working closely over 17 years with Annie and Randy has been an amazing and insightful journey. They have helped teach the real value of food, and food producers, through an unending series of programs, adventures and incredibly dedicated work. I'm honoured to call these people colleagues and friends and congratulate them on their latest adventure.

—Dave Wilson,
Produce Operations Manager,
Choices Markets



www.choicesmarkets.com

f /ChoicesMarkets @ChoicesMarkets

COLD STAR

SOLUTIONS INC.

Providing Vancouver Islands Grocery Industry with

- Grocery and Produce Wholesale
- Third Party Food Distribution
- Dry, Cooler and Frozen Public Storage

www.coldstarsolutions.com

PEMBERTON

TRANSPORT CO. LTD.

BURNABY B.C.

KELOWNA

SERVICE THRU DEDICATION

Temperature controlled transportation services throughout British Columbia, Alberta, Washington and Oregon

Congratulations Discovery Organics on your new location.

7850 Venture St.
Burnaby, BC V5A 1V3

604-420-5607
www.pemberton-transport.com

We are your one-stop-organic-shop

CITRUS | BLUEBERRIES | GRAPES | STONEMFRUIT | POMEGRANATES

Homegrown Organic Farms consists of growers like owners John and Cindy France. Their stories are as diverse and unique as the produce we offer but maintain a common thread of inspiration and conviction that provides the foundation for our success. For us, it's not just a number on a balance sheet, it is a part of who we are and how we live. We believe in organic produce and the change in farming philosophy that it represents.

559.306.1770

[facebook.com/hogfarms](https://www.facebook.com/hogfarms)
twitter.com/hogfarms
[instagram.com/hogfarms](https://www.instagram.com/hogfarms)

fresh aroma of produce. The organic and Fair Trade certified bananas from Ecuador, avocados from Mexico, and ginger from Peru are some of Discovery's year-round staples, and they provide vivid bursts of colour throughout the climate-controlled warehouse. A complete selection of organic fruit and vegetables is also offered year-round.

This high quality inventory may be a windfall for local grocers and their customers, but growers have benefited equally from Moss and Hooper's business model — especially in Mexico and other Latin American regions, where many farmers live in abject poverty. "Small operators are ripped off all the time by buyers within those countries, so once we determine who we want to do business with, we sign long-term contracts and pre-finance to cover the grower's pick and pack expenses," says Hooper. "All transactions are third party audited by our Fair Trade certifiers to confirm proper working conditions and fair payment to labourers. Our visits also let us see firsthand the community benefits of social premiums that are built into pricing. These include portable water systems, free clinics for health, dentist and cataract surgery, and a myriad of other projects in those producer communities that are funded through the social premium. Witnessing those projects are my favourite days."

"We are an interesting business, with a unique business model. As organics has become mainstream over the years we have continued to work with and promote local producers,



The staff is fiercely committed to the values of organic and Fair Trade.



develop markets for Fair Trade certified produce, and work directly with small producers across the board. I feel that all our work helps authenticate us, and we understand that as the organic produce market develops, it is reassuring for retailers to feel confident in our supply chains. I'm proud to say that I am



The new facility can accommodate eight trucks.

hard-pressed to find many producers on our list we haven't visited directly in Canada or the U.S., and nearly all in the global South," Hooper says.

Fair Trade practices have resulted in growers being able to develop infrastructure that bigger businesses take for granted. "I'm thinking specifically of a Peruvian co-op that after being guaranteed a good price from us for its mangos for many years, was able to build its own packing plant," says Hooper, which gives them much more control of the supply chain.

These gains compel Julie Sage, Discovery's Fair Trade certification & marketing director, to predict that Fair Trade may soon become as important as the organic movement to the average consumer. "As a business model it's still minuscule compared to other countries: for example, less than one per cent of bananas sold in Canada are Certified Fair Trade compared to 50 per cent in Switzerland. But the public is increasingly concerned about the conditions in which their food is grown, so there's tremendous opportunity to expand what we're doing." Between 20 and 30 per cent of Discovery's produce is certified fair trade, and Sage is confident the percentage will grow.

Meanwhile, the sheer size of Discovery's new headquarters will enable the company to develop new markets. "Up until now we weren't able to increase the volume required to meet an expanding interest in organics amongst retailers outside our historic customer base, which has been primarily natural food stores, but all that will change soon," says Stefan Misse, one of Discovery's three buyers. "Even in our old facility, our sales have been growing by double digits annually; so I've no doubt that within a few years we'll be overcrowded again in the new location."

Hooper, however, plans to slow his pace in coming years. "We operate 364 days a year and I've worked weekdays, weekends and holidays for the past 16 years, developing everything to the point where people like Stefan, Julie and Damien can take on more responsibilities," he says. "Now I want to return to farming, and I'm already cultivating some acreage in Maple Ridge, east of Vancouver."

Moss agrees that her staff members are ready to guide Discovery to new successes. "Damien, for example, was responsible for procuring and developing our new headquarters," she says. "That's his baby, and it's an enormous achievement."

But Moss won't be tilling Maple Ridge soil with her partner anytime soon. "Frankly, I never thought I would spend my life as an office worker, which is essentially what I am at Discovery — but I absolutely love my job," she says. "It's an honour to provide the best produce. That, along with helping small farmers improve their business, gives me tremendous satisfaction." ●



Discovery Organics is an **independent** and **BC owned importer/wholesaler** of certified organic produce, serving retailers since 1998.

With Western Canada's most comprehensive selection of certified organic and fair trade fresh produce, Discovery Organics can help retailers increase sales in the industry's strongest growth areas — organic and fair trade.



www.discoveryorganics.ca



CDS GROUP OF COMPANIES

FREIGHT. STORAGE. CUSTOMS.

Proud to be a partner with the wonderful team at Discovery Organics!

Great People. Great Ethics. Great Vision.

1-877-279-0962 **www.cdsltd.ca**

Shoppers are changing their expectations for the bakery.

Modern Convenience

By Carolyn Camilleri

Last September, an Institute of Food Technologists (IFT) article, Today's Supermarket Special: Transforming the Store, indicated that, while convenience is still a priority for shoppers, the definition has changed.

"Convenience isn't just about getting in and out of the store quickly or going to the store nearest to you," says Laurie Demeritt, CEO of The Hartman Group, which partnered with Food Marketing Institute (FMI) on the 2014 grocery shopper trends research. "It's about going to the store that is going to best meet your needs for an occasion. Convenience to consumers might mean giving me a shortcut to my meal this evening, giving me a sense of discovery."

A year later, that definition of convenience is the new normal.

"Today's consumer is looking for an experience, not a product," says Liz Hubbs, sales manager for Western Canada for Dawn Food Products, a manufacturer of in-store bakery ingredients. "Rather than just looking for a product, they're looking for that overall experience from baking it themselves, or buying an indulgent dessert, or cooking or preparing meals."

Appealing to those consumers starts with identifying them.

"Keeping an eye on the demographics and psychographics of the shoppers coming into the stores should be an ongoing focus of the retailer to ensure they are continually meeting the needs of their most loyal customers with the right product offering and price points," says Bryan McCourt, senior director of marketing for Canada Bread.

Increasingly, the demographic to watch is the millennials. They are influencing food culture and changing fresh departments, including bakery.

According to International Dairy Deli Bakery Association (IDDBA) research for Engaging the Evolving Shopper: Serving the New American Appetite, 39 per cent of millennials purchase baked goods at preferred stores and not their primary store, where they buy most food and grocery items.

So how to draw them? Focus on fresh departments.

"We see that a fresh bakery section drives a lot of these millennials," says Hubbs. "If you have a fresh deli, a fresh bakery, this allows those retailers to differentiate and brand those millennial shoppers to them."

And what do millennials want? Answers to the question: "What's for dinner?"

Food imagery helps.

"Shoppers are looking for meal inspiration and fresh ideas on how to use bread," says McCourt. "The use of food imagery in the section drives that appetite appeal."

Considering the millennial tendency to stay in fresh departments, boosting commercial bread sales means integrating those products into fresh bakery.

"The more integrated the commercial bread and in-store bakery sections are can drive an increased number of bread items in the shopping basket," says McCourt.

Another trend within overall experience: flavour fusion.

"We see ethnic trends such as a mix of flavours between the Asian and the Latino, Indian with North American," says Hubbs. "Definitely a lot of influence from an ethnic perspective on flavour fusion."

Trends to Watch

The IDDBA's What's in Store 2015: Bakery Trends Forecast says the top drivers for consumer purchases at in-store bakeries are health, indulgence, and portion size.

Other in-store bakery trends include:

- Consumers look at product presentation, freshness, taste, and selection.
- Indulgence, health benefits, and single-serve options are top.
- Smaller-sized products are driving more frequent purchases than larger, special-occasion products.
- Household size and age are prominent factors. Hispanic shoppers are an important demographic for in-store bakeries, while millennials create sales opportunities due to their quick-trip shopping patterns.
- Consumers are seeking bakery products made with high fibre and whole grains, while avoiding high-fructose corn syrup, trans fats, and hydrogenated fats.
- The demand for gluten-free products is spurring the use of ingredients such as rice flours, corn flour and meal, ancient grains, and tubers and pulses.
- New waves of hybrid products continue to hit the scene, as well as new twists on nostalgic, traditional sweets.

"In the commercial bread category, there definitely continues to be a growing importance of the meal solution categories — bagels, tortillas, buns and rolls — with all those categories growing faster than commercial bread over the past year," says McCourt, adding that growth figures for the meal solutions category in Western Canada for latest 52 weeks is plus three per cent in dollars.

This growth highlights another millennial trend.

"We still assemble our meals, but we're outsourcing a lot of the actual cooking," says Demeritt in the IFT article. "Consumers are looking to retailers to be almost like a sous chef (i.e., slicing, dicing, and marinating). The consumer just wants to take that [prepared product] and put the final touches on it."

McCourt says are leading growth at plus seven per cent.

"There's a lot of innovation coming out in terms of taste and more artisan type products, like rustic buns or unique flavours," he says.

Alternatives are important.

"Overall, the focus for the commercial bakery should be breadth of offering. The offerings should span product segments — white, wheat, grain breads, Italian breads, hot dog and hamburger buns, bagels and breakfast breads, and flatbreads — and within each segment, offer a range of price points to maximize reach and sales potential," says McCourt.

While artisanal products are increasing, statistics reveal changes within other categories. Traditional sliced bread has been flat in overall dollar growth, says McCourt, but within the category, white bread has seen a resurgence over the past year, growing at plus three per cent, which he attributes to the reduction in media around gluten-free diets and "carbs are bad" thinking.

Regarding gluten-free, in a June 2015 report on bakery products in Canada, Joel Gregoire, senior food and drink analyst at Mintel says, "Gluten-free has garnered a great deal of attention, but when asked, consumers rate it as being a low priority behind all other considerations, suggesting manufacturers should look to other attributes when deciding on innovation and crafting strategic messaging."

At the same time, gluten-free remains a strong trend, tied to overall health

Fresh Ideas

Shoppers want meal inspiration, says Bryan McCourt. "Having bread displayed outside of the section and linked directly with a meal occasion also helps to give shoppers meal inspiration and drive purchase." Bagels in the dairy aisle to pair with cream cheese or homemade egg sandwiches. Tortillas in the Mexican aisle as shoppers plan fajita night. Condiments and buns next to the meat bunkers for summer barbecues.

Size Matters

Indulgence, meal occasion/solution, snacking, health - these trends focus on individual experience versus stocking up. And one thing all these trends share is portion size — and this is especially true of bakery treats. "Based on our data and our market research, we see that the millennials and a lot of consumers are switching towards individual desserts or smaller sizes," says Liz Hubbs.

To meet that trend, Hubbs suggests incorporating flavours like coconut filling that matches the Asian influence or mango filling that touches on the Indian and Latino flavours.

Variety fosters that sense of discovery, for example, in buns and rolls, which

alternatives trends. McCourt sees this reflected in figures for grains, which have grown by plus one per cent, and diet bread by plus eight per cent.

Consumers are looking for what makes retailers different — your bakery is your opportunity to make your store unique. ●



Visit our fresh new website to discover Our Way of Life.

bothwellcheese.com

- PRODUCTS ✓
- RECIPES ✓
- BLOG ✓



RESPONSIVE INFORMATIVE ENGAGING

FOLLOW BOTHWELL     ■ SALES@BOTHWELLCHEESE.COM ■ 1.800.361.9542

DELI

By Carolyn Camilleri



Your New Best Customers

Millennials are cooking more, but they want help from the deli.

On June 25, in “The State of Fresh: Are Fresh Foods Really Stealing Sales From Non-Fresh Foods?” Nielsen Surveys said overall fresh department sales have increased by five per cent, with deli sales showing a volume growth of six per cent and dollar growth of nine per cent.

The reason for this growth? Changing consumption patterns: more people are assembling meals using prepared and semi-prepared products from the deli. A rising generation of consumers want to be involved with food preparation but also want to have much of the work done for them.

Yes, it’s the millennials again — that trendsetting, culture-changing demographic.

“[Millennials] are more into having different experiences. They’re more open-minded in exploring, trying new things, ethnic foods,” says Sami Demnati, key account manager at Fontaine Sante. “Millennials are very important for any food company because they are the future.”

Millennials are also very important to the deli.

The IDDBA’s “What’s in Store 2015” report says, “Millennials are likely the most frequent customers in the deli, as it appeals to several values the generation tends to share, such as convenience, variety, the ability to experiment with food without needing culinary experience,

and quality and freshness of products.”

Megan Deaust, marketing manager at Bothwell Cheese, says, “Keeping the millennial generation top of mind will continue to be a key driver of success in the deli.”

It’s not a demographic to underestimate. IDDBA research says U.S. millennials will outspend boomers by 2018 as over \$65 billion in grocery spending shifts from one group to the other. While these are U.S. figures, Canadian retailers should pay heed. In the Internet age, trends cross borders like they aren’t even there.

For meal assemblers, the border between “home-cooked” and “store-bought” is equally inconsequential.

Numbers to Note

From FMI's (Food Marketing Institute) 2014 shopper study

- 12 per cent of meals sourced outside the home that come from supermarkets
- 24 per cent of consumers who buy fresh prepared meals from the grocery store instead of eating out in order to save money
- 25 per cent of all meals consumed by twenty-something consumers that include items purchased that same day
- 43 per cent of primary grocery shoppers who are male
- 71 per cent of consumers who rate the fresh food deli as an important factor when selecting a primary retailer
- 96 per cent of shoppers who say they notice the nutrition facts panel

"We are finding that consumers are increasingly searching for convenient and simple ways to prepare a meal at home, and the deli helps to bridge the gap by providing consumers with fresh ingredients to prepare meals or semi-prepared dishes to make cooking at home a bit easier, while still allowing for some skill development," says Chris MacDonald from Bosa Foods.

The cheese category is a clear example. "Consumers are heading to the deli for premium convenience items, such as shredded, cubed, snack packs, variety packs, slices, party trays, etc.," says Deaust.



Deli sales are showing both volume growth and dollar growth.



Enter the "Grocerant." According to Nielsen's report "Convenience: it's what's for dinner tonight," in 2013, fully cooked beef and pork outpaced their fresh counterparts' dollar and volume growth, and dollar and volume sales for fully cooked beef

patties increased a remarkable 89 per cent and 77 per cent, respectively.

Paul Douglas from GBS Foodservice equipment says press about the increased profile of hot prepared meals within the grocery store has been substantial over the past year. He says the NDP Group estimates that HMR accounts for \$2.4 billion in sales annually and is growing in the high single digits.

"The opportunity to capture the already existing foot traffic within a store and draw them to the hot foods department offers the grocer an opportunity to enhance top dollar revenue and also to improve bottom line numbers due to the increased margins available through a successful prepared meal program," says Douglas.

So what makes a meal program successful? Convenience... plus.

Convenience is not a new trend, but consumer expectations for time saving have changed. For example, information - deli staff have to be prepared to answer questions.

"Deli operators help to increase the product knowledge of the consumer, providing options and explaining differences and characteristics of product

lines, sharing information about the health attributes and origins of the food they are buying," says MacDonald.

Deaust points to another critical area of convenience.

"We have seen an increased demand for varieties that offer smoked and spicy flavour profiles," says Deaust. "Outside of the cheese category, the trend of convenience flows into gourmet ready-to-eat meals, focusing on whole foods, and clean ingredient lists."

Consumers are avoiding ingredients they can't pronounce and are making an

effort to eat natural, whole foods, she adds, referring to Bothwell's 100 per cent pure Canadian milk cheese.

Demnati agrees and says millennials favour green, local, healthy, and non-GMO products and will buy them as often as possible. Because of the importance of this, Fontaine Sante is having their products non-GMO certified.

Hummus consumption is another trend indicator.

"Hummus continues to be the fastest growing segment within the dip category," says Demnati, adding that it is



Prodotti Dal Sole is a line of premium products, most of which are organic, all-natural, and health-conscious options, perfect for those seeking high-quality and healthy culinary choices.



Distributed by Bosa Foods 1465 Kootenay Street, Vancouver, BC, V5K 4Y3

Order Desk and Sales Inquiries: Phone: 604.253.5578 Fax: 604.253.5656 Email: sales@bosafoods.com www.bosafoods.com

Wynn's time-tested breadings are the savory, crunchy, Southern-crafted flavors your customers will crave.

Our 50 years of operational expertise will ensure a profitable program in your store.

{Wynn's is about}

- ✓ Superior Quality & Taste
- ✓ Decades of Operational Expertise
- ✓ A Commitment to Customer Success



Contact Raimac to discuss the options and opportunities for making Wynn's your prepared chicken experts.

Raimac • www.Raimac.com • 1-877-604-0318



an immature market that is still expanding. “The penetration rate in Western Canada for hummus is around 27 per cent. If you look at Quebec, it’s 30 per cent. Ontario is 29 per cent. That means Western Canada is under-indexed in hummus consumption. With less than 30 per cent penetration, that means there’s 70 per cent of households that do not consume hummus.”

Yet, that is. Hummus is a go-to food for the increasing populations of vegetarians and vegans.

According to the Nielsen report, to meet these demands, deli-prepared options continue to expand. The number of unique items sold in store for deli-prepared salads and sides each increased by more than 10 per cent in 2013.

Variety and flavour are important in imported foods, as well, says MacDonald.

“Consumers are constantly searching for high quality and are

Product Showcase

Get the Right Equipment

Adding hot food to your deli is smart, but requires investment in proper ovens and merchandisers to safely hold the product and minimize deterioration, yet display the product compellingly. “The retailer needs to make the investments in physical space to accommodate the department and must have adequate skill behind the counter to produce products in a proper and consistent fashion,” says Paul Douglas, GBS Foodservice equipment.

Clean Labels & Local Ingredients Sell

Millennials are label readers. Combine this with increased efforts to eat local, natural foods and you are well advised to promote products that fit that description. “We believe the highest quality and best-tasting product comes from cheese made with 100 per cent pure Canadian milk. This means there are no artificial ingredients, preservatives, or modified milk ingredients used in the production of our 25 varieties of cheese,” says Megan Deaust, Bothwell Cheese.

Include Upselling Opportunities

The real appeal of higher-priced deli items: making more money by upselling products like the Spagnia line to suit a wider range of tastes and preferences. “We have found that retailers are much better able to control margins in a category plagued by shrinkage/trim loss, customer service costs, and other costs by having a good selection of higher-quality, higher-priced, higher-margin meats in their case,” says Chris MacDonald, Bosa Foods.

Offer Brand Variety

Hummus is the fastest growing segment within the dip category and Sami Demnati (Fontaine Sante) encourages retailers to offer more of it — but not just his line. “Retailers will benefit by bringing two to three different brands and this will benefit their whole category not only the brand, because people are introduced into the category. I know space is limited, but the future is in vegetarian products. People want to eat less and less meat.”

constantly being exposed to an expanding and evolving food culture,” he says. “We are finding that many consumers want to ‘travel the world’ via their food, and we have recently attempted to grow our product lines to accommodate this expanded global interest.”

Bosa Food’s new product line from Spain answers that interest.

“Gourmet and premium options are more sought-after as consumers are finding it to be worth the time and money to try something new, valuing taste over price,” says MacDonald.

“We are seeing a shift to higher-quality and higher-priced meats taking centre stage behind the glass of many delis and many delis adding on higher price point options to allow themselves the ability to upsell a customer to a better product with better margins,” he says.

Hot foods are changing, too.

“Customers are looking for more than just a rotisserie chicken and french fry offering,” says Douglas. “They are looking for a wider variety of prepared foods with a trend towards more healthy products.”

Douglas suggests expanding options for vegetables, creative proteins, and products connected to health-conscious lifestyles, such as quinoa.




Manufacturers of Fresh Deli Foods

- Over 30 salads from trendy to classic profiles
- Over 15 HMR profiles from Potato Cakes to Meatloaf Cupcakes with roasted Garlic Mash potato topping
- Healthy dips like Greek yogurt and Kale, wild salmon dip and classic hummus in 3 flavours

1-888-891-3113
Visit www.arbutusridgefarms.ca



RESERVE Our own award-winning, nutty, creamy creation, marinated in handcrafted raspberry ale. “The beautiful life” never tasted so good.

BEST NEW CHEESE
WORLD CHEESE AWARDS

100% BST FREE
No significant difference has been found in milk from cows treated with artificial hormones.

CHEESE

RASPBERRY BELLAVITANO

SARTORI 107 N. Pleasant View Road, Plymouth, Wisconsin 53073 www.sartoricheese.com 1.800.558.5888





Many retailers are expanding their deli departments and updating equipment.

"The products need to be creative, they need to be fresh, and they need to be ready to go when the client wants them," says Douglas. "We have seen several trends away from the old staple of cooked product resting in heated display cases. Innovative and effective packaging can allow for a retailer to pre-package products and still merchandise them hot and fresh to the customer."

And don't be afraid to mix things up: assortment is good, as long as it is orderly.

"Ensuring shelf shopability or ease of navigation is very important in areas of wide product assortment," says Deaust. "Often shelves or bunks get cluttered with many brands and varieties. Clear signage, pairing suggestions, and product samples will go a long way to ensuring shoppers do not get intimidated and spend time at the shelf evaluating their options."

Cros-merchandising is an effective way to help capture sales.

"Retailers should think outside the deli, and look to implement various marketing tactics to drive interest in the deli. Guiding shoppers in how to use the product is a great start," says Deaust, suggesting Horseradish Cheddar next to

prime rib, Jalapeno Monterey Jack next to premade hamburger patties, and shredded cheddar next to the eggs.

"Product adjacencies directly in the deli such as crackers, cutting boards, or honey is a great way to create interest in the category and increase basket size," she adds.

To accommodate the growing number of deli products, many retailers are expanding the department and updating equipment. This is especially true for hot products.

"We've also seen the merchandisers change to new technology that can hold these prepared foods at the proper temperature — food safety — in better condition and for longer periods of time," says Douglas.

"More and more, customers want this offering to be part of their neighbourhood grocery store," he says.

While this new generation of consumers is shopping in a different way than previous generations, it does provide retailers with some new opportunities.

Millennials and the deli: it looks like the beginning of a beautiful friendship. ●

STORE DESIGN: FIXTURES

By Robin Brunet



Creative use of fixtures can invigorate store design.

Best Face Forward

Fixtures are an integral part of store design, and the most elaborate systems go a long way in making any store appealing. But even basic systems judiciously used can encourage shoppers to fill their baskets.

For example, Dr. Herb Sorensen, author of "Inside the Mind of the Shopper," says staggering fixture patterns from section to section — along with offset shelving in which the top shelves are moved back in increments — break up a long aisle's sight lines, thus preventing shoppers from feeling trapped.

In addition to providing product, the best specialty fixture

providers are constantly trying to stretch budget-conscious retailers' dollars. "We develop shelving systems that can easily be reconverted to suit different purposes, thus saving clients money," explains Etalex Inc. Sales Manager Alain Charbonneau.

Charbonneau agrees that the biggest visual impact is often achieved by the simplest means. "For example, our extended backs for shelves that bring products closer to front are truly eye-catching, with colorful finishes approximating those of automobiles."

As for emerging trends, Etalex is providing the grocery market with special LED-lined shelves. "We recently installed

Vacuum Marinating Fresh Poultry

Enhances Taste and Adds Value



Md. VTS-46



Md. BCC-100





Md. VTS-42





Md. VTS-44



BIRO Manufacturing Company, Marblehead, OH 43440-2099 USA
419-798-4451 Fax 419-798-9106 www.birosaw.com



Meinhardt Fine Foods recently renovated their South Granville location, which included a new hot case lineup and revamping the kitchen and checkout areas.

them in the specialty health and beauty sections of a major grocery store in Edmonton, and the effect is extremely attractive,” says Charbonneau.

Michael Vogler, president of Marketing Impact Limited, acknowledges that durability is as important to grocers as a fixture’s visual appeal. “So we’ve ensured that our shelf pusher systems, which are made of tough molded plastic and freezer-grade ABS, perform with zero failure and are easy to load,” he says.

But even the most expensive fixtures



won’t live up to their fullest potential without good lighting, and Bill Plageman, vice-president of marketing and product management for Amerlux, notes that the latest lighting systems are also geared towards saving operational expenses. “Each fixture can report wireless data in real time, converting information into detailed energy, temperature, and occupancy



insights 24/7,” he explains. “We use these technologies to maximize energy savings as well as create visual, physical, human responses to merchandise.”

Given the limitless range of fixtures to choose from, how can grocers best decide what to use and what to avoid? Vancouver-based Meinhardt Fine Foods General Manager Michael Meinhardt offers some advice, based on his recent renovation of his 7,000 square foot South Granville store and his new 3,000 square foot outlet scheduled to open in September: “Determine your customers’ wants and needs, the products you’ll stock based on

Product Showcase

The Living End

Etalex’s specialty end displays revitalize areas of the grocery where “too often the solution are tacky wood steps that fail to inspire shoppers,” according to Alain Charbonneau. As with all of Etalex’s specialty solutions, the end displays are sleek in appearance and easy to reconfigure.

Premium Promotion

Etalex’s shelving system with LED under lighting is ideal for grocers wanting to draw attention to premium products. “The system is especially effective in the health and beauty sections, and it can also be used to highlight shelf advertising,” says Alain Charbonneau, adding that the electrical contacts on each shelf enable grocers to rearrange without having to deal with wires.

Be Pushy

The Kwikload Pusher system from Marketing Impact Limited boasts a visually minimalist design and effortlessly pushes bagged salad, packaged cheese and deli meats. The slide out mechanism allows for easy stock rotation (loading with one hand if need be), and heavy duty construction ensures durability; the system is also available in a wide range of sizes.

Optic Opulence

Amerlux’s new Cylindrix III Mini LED contains a patent-pending optic that delivers maximum centre beam candlepower with robust illumination projected precisely where the beam is desired. The system accepts a broad range of lighting control accessories, including snoots, linear spread and beam softening lenses, cross blades and louvres.

Lighting the Way

The new Murro LED fixture from Amerlux is a compact, mounted wall wash that Amerlux CEO/President Chuck Campagna describes as “Small in size and high in output.” Murro’s superior optics and code-ready dimmability provides a light so powerful that walls have never looked better — or more extensively covered.

those needs, plus the atmosphere you want to create: this will drive every decision you make about fixtures and lighting.”

Meinhardt points out that because his new Pacific Centre location is small but will feature a big grab and go meal component, the fixtures “have to be tighter and designed for the best balance between efficiency and floor space.”

Meinhardt’s 2013 and 2014 renovations of his South Granville location included a new hot case lineup and the revamping of the kitchen and checkout areas. “The display fixtures are the same as was in

place before, we just got more creative with how they’re laid out,” he says. “Everything we did was intended to make it easier for our customers to get in, see, touch and smell the products, then quickly pay for their purchases.”

The proper selection of fixtures can improve traffic flow and guide shoppers to key locations, as well as impart a specific ambience. But whether they’re high-tech or strictly utilitarian, using them creatively is the key to providing a pleasing shopping experience and building customer loyalty



ELLIS PACKAGING LTD.

1830 Sandstone Manor
Pickering, Ontario L1W 3Y1
p (416) 798-7715
f (905) 831-7571

Experts in design, production and distribution of paper board packaging.



SUSTAINABILITY

INNOVATION

TECHNOLOGY



We like to think our success comes from doing things a little differently.

www.ellispkg.com

New KWICKLOAD™ PUSHER SYSTEM

- Great durability! Made from freezer grade ABS plastic. Won't rust.
- Ideal for: Bagged Salad • Candies • Deli • Meats • Fish • Cheese



Booth
1102

Canadian & U.S. Patent Pending

Better Merchandising

Organizes Product Presentation

- Keeps merchandise facing customers.

Saves Time and Cost

- Pulls out for fast, no-hassle loading.

Keeps Stock Rotated

- Fresh product loads from the back.

Adjusts for any Products

- Easily handles varying product widths.

Fits any Cooler Depth

- Varying lengths from 14" to 22"



In-Store Solutions



www.displaypeople.com
1 800 410-0264

marketingIMPACT
LIMITED



www.falesca.com 604-929-5711 sales@falesca.com

I  SPAGHETTO QUADRATO



LIQUOR SALES

It may be only one store in a pilot project, and the only product available so far is local VQA wine; but the long-standing dream of brewers and distillers to sell to grocers in B.C. has finally made the jump to reality.

And even though advocates doubt liquor will ever be sold in supermarkets in the huge quantities seen south of the border, they think recent changes to the province's liquor laws herald a substantial business opportunity for grocers. "The sale of local-manufactured wine, beer and spirits could be a perfect complement to the buy local movement driving the food sector," says Ken

Beattie, executive director of the B.C. Craft Brewers Guild.

Marcus VonAlbrecht, president and COO of Mava Foods (a division of VonAlbrecht & Associates), agrees. "It brings grocery stores a step closer to being a one-stop destination," he says. "The opportunity for cross-merchandising, food pairings and even cooking demos is tremendous."

But not everyone thinks liquor in supermarkets is a good thing. Vancouver-Point Grey NDP MLA David Eby told the press earlier this year that Victoria had merely auctioned off VQA licences to what he called "deep-pocketed"

grocery chains: "The VQA licence was designed to give B.C. wineries an advantage in the market, it wasn't designed to give multinational grocery store chains an advantage."

The controversy over liquor sales heated up on April 1, when Save-on-Foods in Surrey's South Point district became the first grocer to sell VQA wine in partnership with the B.C. Wine Institute.

As a pilot project, Save-on-Foods is representing almost 100 wineries; the wine is confined to designated shelves and must be purchased at tills staffed by Serving It Right-certified cashiers who are 19 or older.

The Wine Institute has 21 licences for supermarket operations altogether: participating grocers must have a facility that is 10,000 square feet or larger and prove that 75 per cent of their sales are from food products. Other changes to the liquor laws allow liquor stores to relocate their operations to grocery outlets, or provide a connecting entrance from an adjacent location.

Beattie’s organization is lobbying for craft beer to join local wine on store shelves, with the expectation a breakthrough could happen by the end of this year. “When the government decided to allow B.C. wine, we lobbied for B.C. beer, and policy makers expressed interest,” he says. “But the problem is that unlike vintners, local craft brewers use ingredients from outside the province. So everyone is trying to determine what constitutes local craft beer.”



Save On Foods in Surrey’s South Point is representing almost 100 wineries in partnership with the B.C. Wine Institute.

will follow beer to supermarkets. “Flavoured spirits such as mine are a cross-merchandising dream: in the U.S., grocers pair my vodka with blueberries and juice,” he says. Under B.C.’s updated liquor rules, food and beverage pairings, including samples, can take place in-aisle.

VonAlbrecht adds that his Percy’s Old Fashioned Lemonade and Percy’s Punch vodka coolers, made from a family recipe, “Would be fantastic grab-and-go items for supermarkets.”

While Beattie points out that grocers won’t be able to top government liquor outlets in terms of price, “They’ll have other merchandising advantages, first and

foremost the buy local angle, plus the fact that unlike sales of beer from foreign-owned domestic breweries the money from local craft beer sales stays in the province.”

Murray Langdon, general manager of Vancouver Island Brewery, believes grocers could use a heritage angle to merchandise his Hermann’s Dark Lager and Piper’s Pale Ale, given that they were amongst the first craft beers in B.C. “We began brewing 31 years ago at the birth of the craft movement,” he says.



The B.C. Craft Brewers Guild knows that the buy local angle will be a huge merchandising advantage for grocers.

But although many of his colleagues complain that Victoria is slow to implement liquor policy reforms (only 35 of 73 recommendations in its Liquor Policy Review of 2013 have so far been enacted) Langdon is pleased with the government’s prudence. “Many challenges have to be overcome, starting with the concern that a proliferation of liquor in supermarkets would negatively impact private liquor stores.

“Also, while lobbyists understandably want liquor availability in the grocery sector confined to local products so that they’re not squeezed out by the sheer volume the big manufacturers are able to provide, would such a policy survive national and international trade agreement challenges?”

Although it’s too soon to determine the success of Victoria’s initiatives, a survey in the Liquor Policy Review shows that 80 per cent of all respondents want liquor in retail food outlets. Further implementation, therefore, seems inevitable — and that means more opportunities for grocers to make cash registers ring. ●



Hermann’s Dark Lager and Piper’s Pale Ale from Vancouver Island Brewery were among the first craft beers in British Columbia.



VonAlbrecht, whose XFour Bremner’s Blueberry Infused Vodka and other handcrafted spirits are sold in Whole Foods Markets in Washington State, is hopeful that artisanal spirits

Mava Foods, which provides spirits such as XFour Bremner’s Blueberry Infused Vodka, Percy’s Old Fashioned Lemonade and Percy’s Punch vodka coolers are hopeful that artisanal spirits will follow into B.C. supermarkets.

BC’s hand-crafted vodka cooler

Percy's Lemonade #636068 Percy's Punch #794107

X

four
VODKA

Fresh-squeezed lemons, local honey, glacier-fed spring water and award-winning XFour Vodka™ is steeped with fresh lemon zest to recreate great-grandfather Percy’s timeless lemonade. Ginger, fresh mint and organic blueberries are added to the lemonade to create Percy’s Punch.

Brand Ambassador - Mark Featherstone, Xfourvodka@gmail.com

Helping shape a future without breast cancer. 10 years of proud support.

Proud Supporter of Canadian Breast Cancer Foundation



What's new & improved in the grocery aisle

New Format and Flavours for Grab & Go Fresh Soups

Happy Planet, makers of the top-selling branded fresh soups in Canada, has launched a new line of Grab & Go fresh soups; delicious, all-natural gluten free soups that come in a convenient single serve microwavable container – the perfect solution for consumers demanding delicious, healthy and convenient grab & go meal solutions.

Full of all natural ingredients and made without any preservatives, these new fresh grab & go soups come in five delicious globally-inspired flavours; West African Squash & Cashew, Portuguese Kale & White Bean and French Lentil, as well as the top two fresh soup flavours in Canada; Thai Coconut and Tuscan Tomato. They will be making their debut in the deli / fresh prepared meal section of grocery stores nationwide in mid-September.



Spice it Up

Wynn's Grain & Spice's family recipes have stood the test of time, pleasing discerning palates with Southern-crafted breading and spice blends since 1952.

We offer a wide variety of breading flavour profiles to meet the needs of customers nationwide. From our classic Heritage Style Breading with bold peppery notes to the new All Natural Crimson Breading, Wynn's flavours give your customers the tastes they crave. Our line of six distinctive seasoning spices are a perfect complement to any chef's kitchen offering bold flavours and versatility. Whether fried, baked or rotisserie style, let Wynn's be your chicken experts. **Contact your Raimac representative for more information at 1-877-604-0318.**

Premium Beverage Category Goes Nuts.... New nut-based smoothies from Happy Planet

Happy Planet captures one of the hottest trends – nut-based beverages – in the smoothest of new products. The fastest growing national fresh smoothies brand in Ontario & Western Canada, Happy Planet launches a new premium line of fresh, all natural nut-based smoothies. Made with all the goodness of almonds and cashews and free from dairy, soy and any preservatives, consumers are sure to go nuts over this exciting, innovative addition to the fresh smoothie category. The smoothies are available in four flavours in both 325ml and 900ml: Cold-brewed Coffee, Vanilla Chai, Salted Caramel and Chocolate. They will be making their debut in grocery stores nationwide in mid-September.



Mrs. Renfro's New BBQ Grill Power!

Mrs. Renfro's has expanded their line in Canada, introducing a trio of tasty new barbecue sauces, an addition to their delicious salsas & nacho cheese sauces. Available in Classic, Chipotle and Ghost Pepper, these authentic stick-to-your-ribs Tex-Mex barbecue sauces are great for grilling, and they're gluten free!

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

Walkers Gluten Free Shortbread

Walkers Shortbread, purveyors of The World's Finest Shortbread, has added a brand new certified Gluten Free range to its extensive collection. Now everyone can enjoy the same great tasting pure butter shortbread as expected in every pack of Walkers Shortbread. The new Gluten Free range includes three delicious options: Pure Butter Shortbread, Chocolate Chip Shortbread and Ginger & Lemon Shortbread. The range contains no artificial flavours or colours, contains no hydrogenated fats, is suitable for vegetarians and is certified OUD Kosher.

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



Introducing: Kintaro Pop Rice Clusters!

These clusters are perfect for Celiac sufferers, vegans, and those looking for a guilt free treat! Kintaro Pop Rice Clusters can be served straight from the packet, with milk and honey for a healthy breakfast or as a snack at a party. Also great for kid's lunchboxes or as a healthy snacking alternative! Kintaro Pop Rice Clusters take healthy snacking to an all new level by incorporating the demand for "free from" snacking into the mainstream!

• Gluten Free • Trans fat Free • Cholesterol Free • Additive Free • Preservative Free • Vegan • Dairy Free • Low in Calories and Fat
Contact your local Tree of Life Canada sales representative for more information.



Tilda Rice, the Home of Basmati Rice



The story of Tilda is one of an unbroken success. Tilda was the first company to bring Basmati to the Western World over 40 years ago and has become an international food brand selling in over 50 countries. The company started its business selling Basmati to the Asian community who immigrated to the UK in the late sixties and early seventies. To this day Tilda is by far the favourite Basmati brand within this discerning rice-eating community. Now available: White Basmati 907g, 1.81kg and 4.54kg and Brown Basmati 1.81kg.

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

New FISHERMAN'S FRIEND "Honey-Lemon"!

Fisherman's Friend, the best-selling brand in the Canadian throat lozenge market is introducing a new "Honey-Lemon" sucrose free lozenge this fall. The new product combines Fisherman's Friend legendary effectiveness with one of the most popular flavours in the throat lozenge market. The "Honey&Lemon" flavour currently represents over 17 per cent of the Canadian throat lozenge market and will now be available in a Fisherman's Friend variety to drive additional category volume. Consumers will also appreciate their resealable and highly portable package of 22 lozenges...great for on-the-go consumers who won't let a cough, sore throat or nasal congestion slow them down. Consumer advertising featuring the new Fisherman's Friend Honey-Lemon starts this November and will drive sales throughout the 2015-2016 cough & cold season.



Ocean's Snackit Dips: Perfect, Convenient Snacks for People on the Go!

Ocean's has been known to be the market leader in the value-added "tuna kits" segment. Once again, Ocean's is launching a new innovative product line with the following benefits: New convenient, eye catching TWIN PACK packaging format, perfect for meals on the go! Can easily be shared with friends and family; The tuna has a new texture and consistency that allows you to easily dip your crackers into the tuna mixture. No need for a fork!; Snackit Dips will appeal to both adults and kids with designs and flavours that are sure to make everyone satisfied! Available in two variants: Sweet Thai Chili and Light Tuna with Mayonnaise style dressing.

For further information, email: talktous@oceanbrands.com or visit www.oceanbrands.com.

Patak's Introduces New Flavour

Tandoori is a flavour specifically for use with a tandoor (a traditional Indian clay oven), in north Indian cooking. The spices in a Tandoori recipe vary slightly from one region to another, but typically include a combination of spices, garlic, ginger, onion, paprika, yogurt or cream and a variety of other ingredients including tamarind and fenugreek. Patak's Tandoori sauce brings the authentic smokey 'tandoor' flavour without any of the trouble of having to combine a variety of spices and the time associated with oven cooking. The Tandoori flavour is the second most popular Indian flavour in restaurants across Canada, after Butter Chicken. The flavour is most often used with chicken but is equally delicious with beef, fish and vegetables. Patak's is the most popular brand of Indian sauces and pastes in Canada.



TOSCA Re-Launches Premium Coconut Milk and Eastern Star Organic Coconut Milk

Consumers started talking and Tosca started listening. After researching what consumers cared about in their coconut milk, from ingredients and colour to consistency, the company removed all bleaching agents, preservatives, and limited the use of thickening agents, to come out with a product that is higher quality, yet still familiar to customers. With so many Thai coconut milks in the market Tosca wanted to source a premium product from a more unique geographic region. The new formulation comes from the Philippines with official Vegan and Kosher certifications. Tosca Eastern Star Organic Coconut Milk has the USDA organic certification.

Contact your local National Importers representative for more information and updated pricing, or call 1-888-894-6464.





What's new & improved in the grocery aisle

Elan in 100 Words

From its start in 2011, Elan has set out to deliver the best in certified organic nuts, dried fruits, seeds, and grains. Fast-forward to today, the brand continues to strive for excellence and has established itself in high-esteem at both the store level and at the consumer level. From healthy, energizing snacks to cooking products, Elan provides highly nutritious foods. In addition, Elan products are vegan-friendly, non-GMO, gluten-free, and contain minimal allergens. Newly packaged in transparent, resealable pouches, Elan is now both a functional product in terms of nutrition, as well as in terms of convenience.

Visit www.elanbio.com to learn more.



Gurulucky Introduces Tasty Nuts

Gurulucky Snacks & Sweets Ltd. has introduced Tasty Nuts/(Peanut Bhujia). The product is available in bulk format or in 321g printed foil laminated bags for customers to enjoy the freshness of spicy coated peanuts at their own convenience. Made with a chickpea coating, Tasty Nuts are oil roasted and high in fibre and protein with no cholesterol or trans fat. Gurulucky Snacks & Sweets Ltd. is the only company manufacturing authentic Indian style chickpea coated peanuts with a spicy touch.

Contact Jeetu Patel at 778-855-1905

Level Ground's Best-Selling Coffee Is Now Even Better For Grocers, Customers and the Planet!

The new Certified Compostable 454g package doubles Grocers' shelf revenue and offers better value to customers with a better price-point/gram. Introduce a fresh face to your coffee section with Direct Fair Trade and Organic coffees available in bean or ground format from Level Ground Trading. Display shippers and promotional plans available.

For further information contact Rick Stark 1.888.565.6633.



Belton Farm White Fox Cheese

Handmade at Belton Farm in Shropshire, White Fox Cheese is rich, nutty and intensely creamy. Slowly matured for around 18 months the cheese develops a hint of 'crunch' giving a rugged mouth feel and depth of flavour, this delicious cheese is aged to perfection. White Fox is perfect for any occasion it's extremely versatile so, whether you want to slice on toast or enjoy a cheeseboard with friends, you've got it covered. White Fox is a modern British cheese offering a new experience to those cheese lovers who want something just that little bit different.

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

Advertisers Index

American Peanut Council.....	47
Amerlux.....	IFC
Arbutus Ridge Farms Ltd	66
Bee Maid Honey Ltd.....	44
Biro Manufacturing Company	68
Bosa Foods	65
Bothwell Cheese.....	62
Canadian Corrugated and Containerboard Assoc	36
Carlton Cards Ltd	22
CDS Group of Companies.....	58
CFIG.....	9
Choices Markets	57
ColdStar Solutions Inc.....	56
Colnuck Ltd.....	13

Discovery Organics	59
Eden Foods	53
Elias Honey	48
Ellis Packaging	70
Falesca Importing	72
Farm Credit Canada	IBC
Fontaine Sante Inc.....	6, 7
Foothills Creamery.....	21
GBS Foodservice Equipment Ltd	3
General Mills Canada	21
Guru Lucky Snacks	29
Homegrown Organic Farms	57
Husmann Canada Inc	21
Indianlife Food Corporation.....	30
Inovata Foods.....	15
Italpasta Ltd.....	52
Kellogg Canada Inc	18

Kruger Products	75
Level Ground Trading Ltd.	41
Loacker USA	31
Marketing Impact Ltd.....	71
Massimo Zanetti Beverage Co.....	39
Mountain Meadows Food Processing (2004) Ltd.	46
Olaf Packaging Group Inc.....	14
Original Prema Chai Inc.....	38
Pemberton Transport	56
Raimac Industries Ltd.	64
Ruiz Foods	32
Sartori	67
Sirius XM Canada Inc	29
Trans-Herbe Inc.	40
Tree of Life.....	11, 19, 25, 27, 34, 50, IBC
United Grocers Inc	20
Von Albrecht & Associates.....	74

PEPPERMINT & DARK CHOCOLATE IN PERFECT HARMONY



Green & Black's

is proud to introduce
a new refreshing mint chocolate bar
with infused peppermint oil.

This new bar from Green & Black's
delivers the smooth indulgence of
dark chocolate with a strong hit of
refreshing peppermint flavour.
The peppermint oil works together
in perfect harmony with the
dark chocolate flavour.

Please contact your Tree of Life
representative for further information.



Toronto: 1-800-263-7054 • Montreal: 1-800-363-2606 • Calgary: 1-800-655-1298 • Vancouver: 1-800-661-9655 • www.treeoflife.ca

Taste the new Green & Black's Mint at Grocery Innovations Canada #1109

"FCC is key to our company
growing."

Meb Gilani, President, Gilani Group
Food Processing and Distribution

**When you talk financing with FCC,
we'll listen**

Work with the leading lender to agriculture,
agribusiness and agri-food in Canada. Let's
talk business.

fccfinancing.ca 1-855-230-6821

