Supermarket PERIMETER

Welcome to the latest edition of Supermarket Perimeter, the only business-to-business publication exclusively focused on the retail grocery fresh perimeter.

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Health and wellness, redefined

How did we used to describe people who really loved food — making, eating, talking about food — before there were "foodies"?

For me, the term "gourmand" comes to mind.

When I think of the gourmands of the first threeplus decades of my life, I think of people who *looked*

like they liked food. "Don't trust a skinny cook" people. Sure enough, when I checked to see if I had it right, Webster's reported that a gourmand is "a person who enjoys eating and often eats too much."

The gourmands of yesterday are not the foodies of today. Foodies are just as likely to be as rail thin and health-centered as gourmands are not. And that's just one of many examples of how our definition of "health and wellness" has evolved over time.

Whatever particular form their approach to diet takes, almost half of all Americans -48% - follow at least *some* approach, indicating that health and wellness is definitely on the minds of consumers, whether they put their intentions into action or not.

And retailers are getting the message.

"There is a real increase in investment in health," FMI's Krystal Register told me. "And there's a lot of research showing a direct connection between increasing health outcomes and return on investments."

One indication of how things have changed in just a few years is the 2021 Food θ Health Survey from the International Food Information Council, which found that "In 2016, consumers most identified with the negative: the absence of certain components, like fat and sugar content. In 2021, the definition takes a more positive tone: 27% say it is defined by the presence of healthful components (like fruits, veggies, and nutrients) (up from 17%) and 25% say it is the food that is simply 'good for you' (up from 18%)."

The message grocers and everyone else in the food industry should be driving home is that you can enjoy food and still meet your health and wellness goals.

And, of course, it's still OK to act like a gourmand from time to time.

ANDY NELSON
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A note to our readers

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PERIMETER WORLD GRAIN

the WIRE

New Fresh Market store includes culinary kitchen for retail foodservice

Greensboro, N.C.-based The Fresh Market's newest store, in Palm Beach Gardens, Fla., features a culinary kitchen turning out a variety of retail foodservice items daily.

"Guests now have an array of freshly prepared delicacies in front of them - from barbeque, roasts, brick-oven pizza, made-to-order smoothies, sandwiches, salads, sushi, and tacos," according to The Fresh Market. "All items are created with distinct flavors, fresh ingredients, and recipes uniquely developed by The Fresh Market."

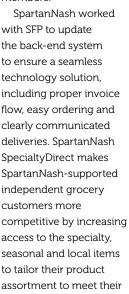
top cuts of choice and prime beef, with dry aging upon request for preferred cuts, and a selection of whole or fresh-cut fish, shellfish and live lobster. Upon request, the store will steam guests' seafood selection in-store.

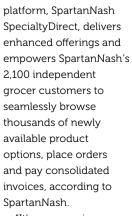
Spartan Nash platform to help retailers source specialty foods

Grand Rapids, Mich.based SpartanNash has inked a deal that will make it easier for the company to supply its retailer customers with specialty foods.

SpartanNash and Specialty Food Partners' (SFP) new online

The Palm Beach Gardens store also offers





"It's our promise to continue bringing the best innovation for our customers as shopping habits evolve." said Bennett Morgan, SpartanNash's senior vice president and chief merchandising officer. "We're here to ensure independent grocers have everything they need to respond to their customers' tastes and preferences, without taking away from their valuable time spent managing their grocery stores, servicing their shoppers and supporting their in-store team members."

shoppers' appetites.



"I have already begun ordering products from SpartanNash SpecialtyDirect, and I would recommend it to any store wanting to offer unique items," said Alison Steele, owner of Niwot Market, based in Niwot, Colo. an independent grocery customer of SpartanNash. "I have found some specialty items that I can't procure anywhere else, and I found them easy to order on the website."

Wegmans goal: zero plastic bags by end of '22

Rochester, N.Y.-based Wegmans plans to eliminate plastic bags companywide by the end of 2022. The company's goal is to shift all customers to reusable bags.

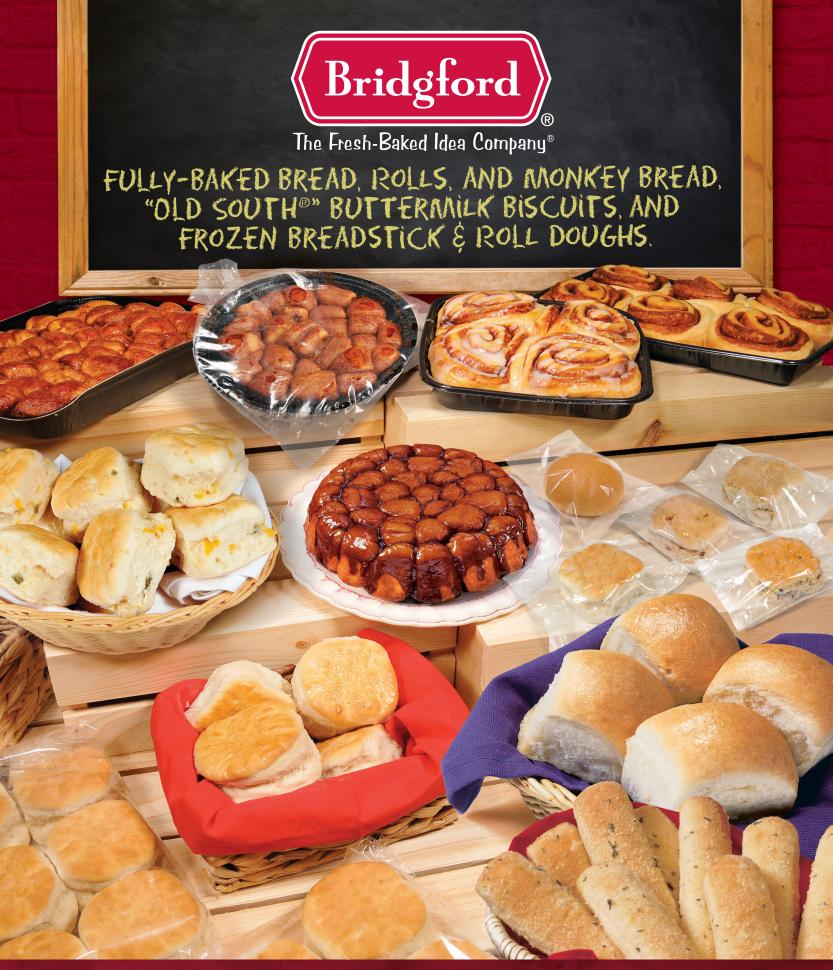
"We are here to help our customers with this transition as we focus on doing what's right for the environment," said Jason Wadsworth, Wegmans' category merchant for packaging, energy, and sustainability. Wegmans

will incentivize the use of reusable bags by charging five cents per paper bag, an approach that has proven successful in New York and other markets. In stores where the company has already eliminated plastic bags, on average, paper bags are used for 20-25% of transactions, while the remaining 75-80% use reusable bags, or no bag at all.

By eliminating plastic bags from the rest of its stores and focusing on transitioning its customers to reusable bags, Wegmans is preventing approximately 345,000,000 single-use bags from going into circulation in a year's time, according to the company.

The amount collected from the paper bag charge will be donated to each store's local food bank and United Way. In 2021, the more than \$1.7 million Wegmans collected from the bag charge was used to increase access to wholesome food.



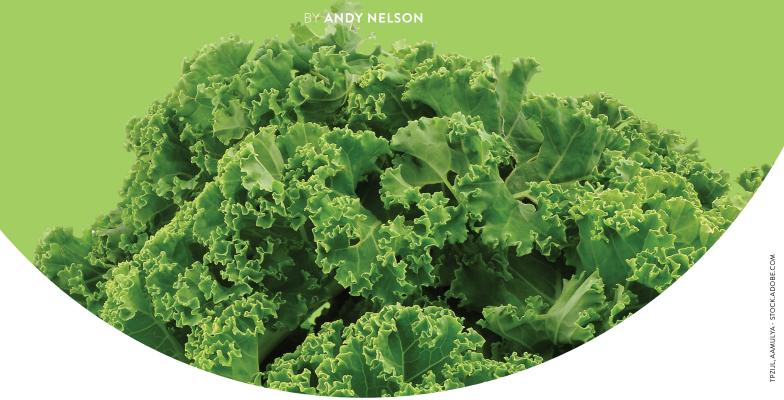


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HATTERS MATTERS

Retailers try to keep up with ever-changing definitions of health and wellness



CHECK OUT

Health and wellness are more important than ever, but its many definitions can be hard to pin down. The huge increase in SKUs from the fresh perimeter of yesterday to the perimeter of today creates huge opportunities — and poses many challenges — for today's retailers.

Educating consumers via old-fashioned and cutting-edge media is critical to tapping into the power of health and wellness merchandising. In-house dietitians are a great way to bridge the gap between retailer and consumer when it comes to health. A shift from negative to positive: consumers today identify more with what foods have that's good for them vs. what they don't have that's bad for them.

ealth and wellness" has never been more important for Americans and for the suppliers of the foods they eat to help them meet their personal better-for-you goals.

But health and wellness have evolved so much in recent years, it's hard to pinpoint exactly what people mean when they use the terms. Getting a better handle on it, though, is critical to perimeter departments that want to capitalize on the obvious advantages their fresh and healthy foods provide.

In the food world of 20 or so years ago, there wasn't nearly as much crossover between healthy eaters and those who fell into different categories, said Krystal Register, director of health and wellbeing for Arlington, Va.-based FMI – The Food Industry Association.

For instance, people who called themselves healthy eaters didn't tend to overlap with those who identified as foodies.

But what Register calls a "convergence" began to emerge before the pandemic and only accelerated during it. Today's consumers increasingly don't just want to be just foodies and health-conscious, they also want convenience and a host of other benefits when they make their food-buying choices.

When it comes to the fresh perimeter, one way retailers are trying to meet that new consumer where she is, Register said, is with easy meal solutions that combine convenience, health and flavor.

Crucial to those efforts for many retailers is the input of in-house dietitians.

"There's an uptick in the number of dietitians in stores," Register said. "They have the education and the knowledge to take the science of nutrition, which isn't always easy to talk about, and put it into a customized solution."

Making that solution convenient is crucial. According to recent Industry Speaks data from FMI, 80% of retailers plan to add more graband-go options in the near future.

The rise of "natural"

One big difference between the perimeter departments of the past and the perimeter departments of the present is the presence of "natural" products, said Raj Shroff, founder and principal of Columbus, Ohiobased PINE Strategy & Design.

"It used to be you had a market that specialized in natural, now every grocery store has a huge organic section," he said. "Natural continues to go mainstream."

"Mainstream" also increasingly means "decentralized," said John Youger, a PINE partner. Kroger and other retail chains used to have natural sections in their store. Now natural products are spread throughout the perimeter and the rest of the store.

Despite all of the gains, selling consumers on health and wellness can be easier said than done. As Youger points out, it's convenience, not health and wellness, that seems to be playing the biggest role in the grocery perimeter of today. Sometimes that can overlap with healthy, but not always.

One simple thing retailers could do in the perimeter to promote the health benefits of their products is more instore signs, Shroff said. Simple messages like "This product is high in fiber," or "This product has been tied to heart health."





"It's not trying to cram it down their throat," Shroff said. "They can read it or they can ignore it. There may a little of this being done at a store like Whole Foods, but retailers in general have really fallen short in the perimeter of adding that value to shoppers."

Youger said PINE did a "shop along" with people with diabetes. Once they got outside of the section of the store devoted to people with diabetes, they were lost, he said, unsure of what they could and couldn't eat.

"It's a lack of execution by stores," he said.

One way perimeter departments could combine health and convenience, Shroff said, would be to create "tiered" meal kits combining protein, produce and other perimeter items. One tier could be low sugar, another energy, another recovery, for example.

Pandemic impact

"Health and wellness" is a fluid category, and during the pandemic, many consumers dropped more "restrictive" diets - keto, for example - but were more likely to stick with Mediterranean, whole-food and other diets. Register said.

And regardless of this or that trend du jour, what always "rises to the top," she said, is heart health.

Whatever particular form their approach to diet takes, almost half of all Americans – 48% – follow at least some approach, indicating that health and wellness is definitely

RETAIL CASE STUDY

Schnucks

One good retail example of an approach to health and wellness is St. Louis-based Schnucks' "Good For You" program that helps shoppers monitor their healthier purchases, creating a simple to understand and follow approach to eat healthier foods.

Products make the Good For You list by meeting certain nutrition and ingredient parameters based on their categorization. Here are a few highlights:

- Single ingredient fruits, vegetables, 100% whole grains, eggs and lean meats
- Free from artificial flavors. sweeteners and colors
- Less than 5 grams of saturated fat
- 8 grams or less added sugar
- 600 milligrams or less sodium

COVID: WHICH HEALTH CLAIMS FLOURISHED, WHICH FLOUNDERED

During COVID, 30% of Americans made dietary changes they said they'd keep post-pandemic, according to FMI data, that are here to stay. Those changes tend to be of the "practical and sustainable" variety, said FMI's Krystal Register, who said that some health and wellness trends fared better than others during COVID.







Keto Low-carb

Health-related claims make up nine of the top 10

TOP 10

PURCHASING

DRIVERS

OF FRESH

PERIMETER

FOODS

- 1. High protein
- 2. Convenuence
- All-natural/no artificial flavors
- 4. High fiber
- Low sugar
- Heart health
- 7. Immunity boosting
- Energy boosting
- Low-sodium
- 10. Cognitive/mental health improvement





of consumers increased their purchases of fresh fruits and vegetables during the pandemic the biggest increase in any perimeter department, and 94% of those said they expect those higher purchase patterns to continue. Millennials (37%) and Gen Xers (34%) saw the biggest gains.

> (Supermarket Perimeter/ Cypress Supermarket Shopper Study)

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KRYSTAL REGISTER, FMI

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on the minds of consumers, whether they put their intentions into action or not.

And retailers are getting the message.

"There is a real increase in investment in health," Register said.
"And there's a lot of research showing a direct connection between increasing health outcomes and return on investments."

Variety, technology, demographics

The grocery fresh perimeter is so diverse, there are many lenses for studying the evolution of health and wellness over the decades.

Take fresh produce. For decades, produce departments focused on a basic range of items, said Brian Numainville, principal in Lake Success, N.Y.-based Retail Feedback Group. Then things like organics started to gain in popularity, and from there, one of the big differences today from a variety perspective, Numainville said, is the expanded range of exotic and superfood items from around the world that many shoppers look for to help meet their health and wellness goals.

Another game-changer, he added, was the advent of smartphones. Apps now provide all the information you'd ever want about specific products and their health benefits, right at your fingertips. And if a shopper needs to find product information — to determine, for example, if a product is gluten-free or to learn more about ingredients or nutrition facts for a specific product — it's as simple as a web search or app while in the store.

As food is increasingly looked at as a kind of "medicine," Numainville said, the grocery store has a real opportunity to be the hub of health and wellness for shoppers.

"It all starts with understanding where the shoppers of a given location are at in terms of their health and wellness needs," he said.

"A rural store with an older population might have a very different approach than an urban store with a high percentage of younger shoppers or a suburban store with many families with young children."

From there, it's important find ways to link messaging up through the store so there's consistency and synergy between the various departments in the store, the pharmacy and dietitians. That means connecting the dots for shoppers, so those who are looking for healthy foods and options can easily identify them throughout the departments in the store, providing a convenient and simple communications in all vehicles available — signage, digital, social and beyond.

An interesting point of reference, Numainville said, is the 2021 Food θ Health Survey from the International Food Information Council, which found that "In 2016, consumers most identified with the negative: the absence of certain components, like fat and sugar content. In 2021, the definition takes a more positive tone: 27% say it is defined by the presence of healthful components (like fruits, veggies, and nutrients) (up from 17%) and 25% say it is the food that is simply "good for you" (up from 18%)."

"That clearly indicates that shoppers are shifting how they look at food, moving away from an absence of items like fat and sugar, towards choices that moves towards the inclusion of healthy fresh foods that can be used for health," he said. "I also think shoppers are looking at functional foods, moving beyond simply taking vitamin supplements but connecting with foods that offer health benefits."

Products grown and sourced from farmers engaging in regenerative agriculture practices will continue to pick up steam into the future, combining "good for you food" with "good for the environment" practices, which appeals to many shoppers, and likely will resonate heavily with millennials and Gen Z, Numainville said.

The growing interest in health and nutrition meant supermarkets had many more SKUs to offer shoppers, but this fragmentation also presented new challenges such as building the right assortment at the store level, managing inventory and the need for smaller case counts, and even new competitors who were finding more efficient ways to connect people with the specific products they wanted to meet their respective needs, according to Barrington, Ill.-based consultancy Brick Meets Click.

Merchandising and services such as meal planning and consults with dietitians are among the creative ways supermarkets can meet their customers' health and wellness needs, according to Brick Meets Click.

Eating healthier is hard work, though, a challenge dietitians know well. Even when they work one-on-one with their clients, making a lasting change in the way people eat remains elusive. It's difficult to change eating habits even when these lifestyle changes can lead to a better quality of life.

Information is not the problem, according to Brick Meets Click. Nutritional information has never been more accessible, and there's plenty of guidance available on what to eat and what to avoid based on a person's health issues.

"The problem is the friction that comes from the work of combining all the nutrient information and health facts into decisions about what specific products to buy." (\$\overline{P}\$)

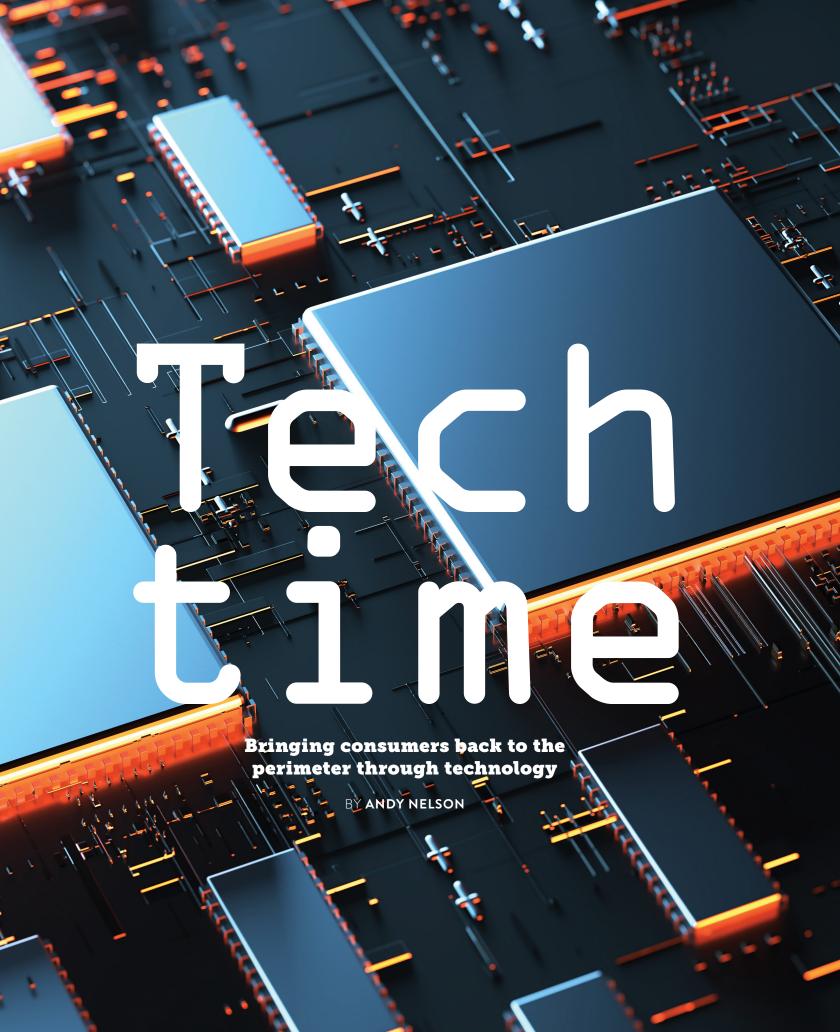
Reaching younger shoppers

Millennials are thinking differently about their health than older generations, and the shift suggests some interesting potential opportunities for retailers, according to Barrington, III.-based consultancy Brick Meets Click.

Here are some important things to keep in mind when targeting this demographic:

- They are willing to pay more for products with healthenhancing attributes.
- Find ways to increase access to in-store dieticians who can provide guidance and assurance on what they can do to stay healthy. This means encouraging the dieticians to reach out to more people.
- Make it quicker and easier for millennials (and other customers) to find popular "good for you products" by enhancing navigational signage and shelf sets to showcase these popular products.





The

roles technology can play in bringing consumers back to the perimeter — and keeping them there, and guaranteeing repeat visits — are countless.

Digital experiences have the power to engage shoppers, creating both "stickiness" and loyalty by delivering value shoppers can't attain elsewhere, said Katie Hotze, CEO of Charlotte, N.C.-based Grocery Shopii, a digital meal planning platform for grocers that uses recipes to fill carts, expediting the online shopping journey while solving the meal planning headache for shoppers.

"Considering the massive digital transformation that grocery has experienced during the pandemic, technology can create high-performing revenue channels for fresh perimeter sales by leaning into mobile, social, and other digital experiences that deliver value for the shopper by offering experiences that are more personal, more connected, and faster than ever," Hotze said.

Grocery Shopii does that by asking retailers to think of a recipe as a bundle that contains all the necessary ingredients to produce a meal. That bundle may contain items from the bakery, meat department, dairy, fresh perimeter, and center store. And, Hotze said, it's where the power of technology can drive bigger baskets and impulse purchases as it simplifies the purchase process by delivering value for the shopper.

"When a grocer employs Grocery Shopii's retailer-branded meal planning platform onto their existing website, shoppers who do their meal planning spend up to 20% more per shopping journey and return to the grocer's site four times more often," Hotze said. "This is a direct boost to fresh perimeter as carts are filled with recipes, which tend to be comprised of either fruits or vegetables."

Not only does the platform boost sales but it also supports last-minute merchandising efforts when farmers need to move surplus product. A recipe featuring that product can be deployed both in-store and digitally within hours to fire up sales specific to a select item.

Grocery Shopii is a retailer-first platform that provides essential support to retailers who sell groceries online today, Hotze said. The company's platform embraces a retailer's logo, colors, imagery, and Grocery Shopii even can add their recipes to its existing catalog, creating a recipe shopping experience that aligns with the grocer's brand while serving shoppers with fast and convenient meal planning and grocery shopping in five minutes or loss.

"Our platform will always be free to shoppers, and it focuses on pulling shoppers back to the grocer's website to leverage the meal planning capability, which intensifies customer loyalty."

Forecasting what consumers want

Today's consumers are accustomed to unprecedented variety and convenience when shopping for food, said Kane McCord, president and chief revenue officer of Seattle-based Shelf Engine. "Grocery stores have 40,000 more items than they did just a few decades ago. But the more SKUs a store has, the more it wastes. And the vast majority of these new SKUs are fresh products, which have much shorter shelf lives."

Highly perishables now make up 39% of grocery stores, and produce alone is nearly 24%. These items have a short lifespan and are ripe for waste if not purchased. And food waste is expensive: shrink costs retailers \$52 billion annually.

Technology, McCord said, can play a key role in attracting consumers to the fresh perimeter. It can forecast the products shoppers want to buy and ensure those are stocked appropriately. It can also steer retailers away from products that will take up valuable shelf space but ultimately won't sell.

"When shoppers look at a fresh food display, they want to see variety, abundance and sustenance," he said. "It's difficult to achieve this, however, through traditional methods of forecasting and ordering." For instance, he said, grocery managers often follow a very manual process that hasn't changed in decades: rough estimates using legacy software

TOP TIPS

Make technology work for you

Make it a meal

Add "bundling" programs to your website that make it as easy as possible for consumers to turn items from multiple areas of the perimeter into a meal.

Inventory control

39% of foods sold in grocery stores fall into the "highly perishable" category. Lean on cutting-edge software programs to make sure perishables don't get wasted — and don't turn off shoppers who inadvertently buy them.

Forecast: strong sales

The right technology can help retailers forecast the products shoppers want to buy and ensure those are stocked appropriately.

Variety, abundance and sustenance

That's what consumers want to see when they look at a fresh perimeter display. Pulling off that triple threat is much easier with the right software ensuring the right mix of on-trend, peak-quality foods.



Artificial intelligence and machine learning models predict exactly how much highly perishable product you need to order to meet customer demand and maximize sales.



SpartanNash platform helps retailers source specialty foods

Grand Rapids, Mich.-based SpartanNash has inked a deal that will make it easier for the company to supply its retailer customers with specialty foods.

SpartanNash and Specialty Food Partners' (SFP) new online platform, SpartanNash SpecialtyDirect, delivers enhanced offerings and empowers SpartanNash's 2,100 independent grocer customers to seamlessly browse thousands of newly available product options, place orders and pay consolidated invoices, according to SpartanNash.

SpartanNash worked with SFP to update the back-end system to ensure a seamless technology solution, including proper invoice flow, easy ordering and clearly communicated deliveries. SpartanNash SpecialtyDirect makes SpartanNash-supported independent grocery customers more competitive by increasing access to the specialty, seasonal and local items to tailor their product assortment to meet their shoppers' appetites. Artificial intelligence and machine learning models predict exactly how much highly perishable product you need to order to meet customer demand and maximize sales.

that doesn't account for inventory on hand. Grocers may have data sitting in different systems that don't connect and, as a result, stores tread a fine line between overstocking, which could increase their shrink, and stockouts, which could drive shoppers across the street to the competition.

Shelf Engine, McCord said, revolutionizes these manual and error-prone processes. The company's artificial intelligence and machine learning models predict exactly how much highly perishable product retailers need to order to meet customer demand and maximize sales. By taking on the burden of forecasting and automated purchase orders, Shelf Engine deliver what shoppers want from retailers.

The company's technology makes a million predictions a week about consumer demand for products. In 2021, it automated 437,000 orders for its customers.

"Our technology helps ensure grocers fill the shelves with the right product at the right time, guaranteeing the freshest foods for consumers," McCord said. "It also helps free up labor to engage with their customers and better merchandise their products. And as shoppers grow increasingly concerned about the food waste crisis, they respond positively to retailers doing their part to keep products out of landfills."

Shelf Engine's technology has changed the game for grocery retailers. McCord said. In fact, the company is so confident in its ability to accurately forecast sales of perishable products, it offers a risk-free quarantee of its outcomes.

"If a product doesn't sell, we don't charge the retailer for it," he said. "We're pioneers in a new category - Results-as-a-Service. We handle all the forecasting and ordering ourselves. We take it off the plate of the people in store who used to handle this so they have more time to enhance the customer experience."

Shelf Engine invoices customers for the results it achieves instead of a set monthly fee in perpetuity. McCord said the company is able to get better outcomes because Shelf Engine's incentives are fully aligned with its retail customers.

"We only make money if we sell items. It's in our best interests to get the order right and grow sales."

Another benefit of the Results-as-a-Service approach is that it doesn't take years to activate the product, McCord said. That doesn't work for businesses that want to see an impact right away — instead, Shelf Engine can be up and running in two to four weeks, and the retailer's IT team spends only an hour or two on the process.

"They set us up as a new vendor of record, enable an EDI connection to their point of sale date, and we take it over. It's really that easy."

Grocers have had an exceptional amount of pressure on their margins in the last 5-10 years, McCord said: inflation, supply chain issues, the arrival of new competitors.

Stores are frantically trying to increase, or at least sustain, margins. When you then layer on the labor shortage stores have been experiencing for the past couple of years, it creates big demand for new solutions.

"Shelf Engine is making great leaps and bounds in applying technology to the challenge of increasing margins," McCord said. "Our product takes over forecasting and ordering for retailers on a huge scale in a highly accurate manner. By examining tens of thousands of factors to anticipate consumer demand, we are able to place the perfect order on behalf of customers."

Shelf Engine is uniquely positioned to ensure retailers can stock and sell products more optimally, he added. With the company's help, retailers can focus on what's most important to them — their people and their customers.

Managing inflation, labor shortages and more

The pandemic has highlighted tremendous opportunities for technology to solve continuing challenges impacting consumer behavior in fresh, said Muntazir Mehdi, senior product manager for analytics and AI for Toronto-based Invafresh, whose technologies are currently being used in more than 25,000 grocery stores in 15 countries.

Those challenges include inflation, labor shortages and supply chain issues.

"And it will continue to transform the way consumers shop as grocers look for innovative ways to provide greater convenience, transparency and variety in fresh purchases," Mehdi said.

AI/machine learning has amazing capabilities to advance automation in fresh and accurately forecast demand, he added. Automated Fresh Ordering powered by AI and augmented human intelligence optimize inventory management, so shelves are always in-stock, not overstocked, providing a variety of fresh foods accessible to all.

From a consumer perspective, Mehdi said, stores that have adopted these and other fresh-centric technologies provide better experiences – fresher food, full shelves, greater variety, increased food safety and transparency.

Invafresh's demand forecasting, which is driven by AI and machine learning, "drives exceptional consumer experiences by helping to extend the shelf life and providing retailers the right performance data to deliver the freshest food." Mehdi said.

Consumers demand variety and assortment in their fresh food selections, he added, and Invafresh's Fresh Retail Platform ensures that



the freshest array of products, including seasonal items, are always in stock and maximum shelf life is passed on to the end consumers.

"Managing product transformation can be complex. Invafresh makes it easy and efficient for stores to produce products across all fresh departments through recipes, creating regulatory compliant labels with accurate nutrition, allergen, and ingredient statements that keep consumers informed."

Invafresh's Fresh Retail Platform, he added, helps retailers gain visibility on in-store operations, which in turn helps in streamlining floor and backroom inventory across departments.

The platform also plays a vital role in increasing efficiency with instore production across departments by driving automation resulting in 3% improvement in labor efficiency, 5% increase in fresh sales and 30% reduction in food waste.

Fresh Ordering automatically generates just-in-time replenishment requirements for store backrooms for all fresh food retail grocery departments using in-store backroom perpetual inventory, merchandising requirements, transformation through recipes and, fresh food retail forecasts transformed into ordering units integrated with pre-existing retailer order fulfillment systems for significant labor- and cost-savings.

"Our fresh-native, fully modular platform is designed to process the living data of fresh and operationalize to forecast constant shifts in demand to optimize and match with supply and availability to reduce food waste and drive sustainable fresh operations," Mehdi said. "Retailers gain one centralized platform to manage and improve visibility of all Fresh departments as well as performance at the store level."

The platform is unique, he added, in its ability to handle all fresh use cases, ranging from meat, bakery, produce deli, and more — each with its own specific nuances and edge cases.

With increased access to technology and information, end consumers are becoming smarter, Mehdi said, and they expect variety, transparency, safety and consistency in their fresh purchases.

"Fresh has already become a key differentiating factor for retailers that helps them stand out in an extremely competitive market." (SP)

DECORATING TRENDS

Fruit flavors and reduced-sugar chocolate play an elevated role this summer

BY JOHN UNREIN

SUMMER PROMOTIONS ARE PLAYING AN UPLIFTING ROLE for

decorated cupcakes and cakes. And colorful berries and rich dark chocolate are elevating sweet bakery items to star status.

For the first time, consumers nationwide can purchase Rubicon Bakers' Vegan Lemon Raspberry Cupcakes at more than 1,800 Kroger stores through a creative collaboration between Washington red raspberry farmers and the Certified B Corporation.

The national rollout follows the success of the new flavor launch last spring at a regional level. The Washington red raspberry industry partnered with Rubicon Bakers' research and development team to feature a Washington red raspberry puree in both the filling and icing that complements the citrusy lemon cupcake flavor.



To celebrate the national availability of the product, Washington red raspberry growers will donate \$1 to FareStart for every package of cupcakes sold, up to \$10,000. FareStart is a non-profit organization based in Seattle that transforms lives, disrupts cycles of poverty and nourishes communities through food, life skills and job training. FareStart's work is in line with Rubicon Bakers' social mission to provide opportunities for those with significant barriers to employment.

"We believe in creating baked goods you can feel good about enjoying, and our Vegan Lemon Raspberry Cupcakes are no exception. The pink color in the icing and filling comes entirely from the vibrant red raspberry puree we source from Washington red raspberry growers," said Andrew Stoloff and Leslie Crary, co-owners of Rubicon Bakers. "We're thrilled to see how excited our customers are about this product, now available nationally, and we're proud to continue working with Washington red raspberry growers."

The cupcakes are packaged in a 4-pack clamshell with a suggested retail price of \$5.99. This is the first time the logo of the Washington Red Raspberry Commission, which represents the growers who produce approximately 90% of the country's frozen red raspberry crop, is prominently featured on a consumer packaged good.

"It's always a pleasure to introduce the many benefits of Washington red raspberries to research and development teams looking for natural and delicious ingredients, but this particular effort is special," said Henry Bierlink, executive director of the Washington Red Raspberry Commission. "This is bigger than raspberries and cupcakes. We commend Rubicon Bakers for its commitment to hire and support those with significant barriers to employment. It's our honor to extend that mission to our neighboring Seattle area by donating to FareStart in addition to the good that is done by purchasing the cupcakes."

A burst of blue

July is National Blueberry Month, and that means promoting a boost of blue – all for a good cause. The U.S. Highbush Blueberry Council has put together a list of daily tips designed to boost the whole you, lifting the mind and body.



For instance, celebrate National Blueberry Muffin Day on July 11 your way: small (Blueberry Mini Muffins), streusel-y (Blueberry Streusel Muffins) or even sippable (Blueberry Muffin Smoothie).

Throughout July, for each blueberry boost retailers post, the U.S. Highbush Blueberry Council will donate \$1 to No Kid Hungry. Just tag @ blueberries on Instagram, Facebook, Twitter or TikTok, to help raise up to \$50,000 and 500,000 meals for kids in need.

Retailers are invited to join the council for this fun, meaningful challenge to get you doing good and feeling good when you grab a boost of blue. (Bonus: You'll pick up some great tips to inspire you all year long.)

Strawberry fields, forever

California Strawberries kicked off peak season with the launch of its national 'Love, Strawberries' Jingle Contest. In April, aspiring musicians and strawberry enthusiasts alike were encouraged to write, record, and post their original 45-second

jingle masterpieces highlighting the love people have for the famous heart-shaped berry via social media. California Strawberries will award one talented winner \$10,000 plus an all-expense-paid trip for two to California.

'Love, Strawberries' launched in February as a new, year-long campaign platform inspired by the love and the care the heart-healthy berry provides. By design, the campaign taps into and celebrates the love that consumers have for this vibrant, sweet and juicy berry, and the millions of ways people enjoy them every day. The 'Love, Strawberries' Jingle Contest aims to elevate the reputation of California strawberries, while aspiring to reach new iconic standards within pop culture.

"We are reaching new heights in 2022 with the launch of the first-ever strawberry jingle contest," said Chris Christian, senior vice president of the California Strawberry Commission. "We are excited about this year's Love, Strawberries campaign designed to simply remind people of the extraordinary care that goes into growing and harvesting one of the healthiest and most versatile fruits to eat."



Sugar reduction

Blommer Chocolate
Company and
DouxMatok, a food tech
company spearheading
sugar reduction, have
announced the launch
of additional chocolate
and confectionery
products. Earlier this
year, Blommer launched
the innovative Discovery
product line, empowered

66

The pink color
in the icing and
filling comes
entirely from
the vibrant red
raspberry puree
we source from
Washington
red raspberry
growers."
Andrew Stoloff & Leslie

Andrew Stoloff & Leslie Crary, Rubicon Bakers

by DouxMatok's award-winning sugar-based sugar reduction solution, Incredo® Sugar. The first products were chocolate-flavored chips and they have now expanded the product line to include additional coatings to support utilization in a broader range of food applications, including but not limited to panning, enrobing, and molding.



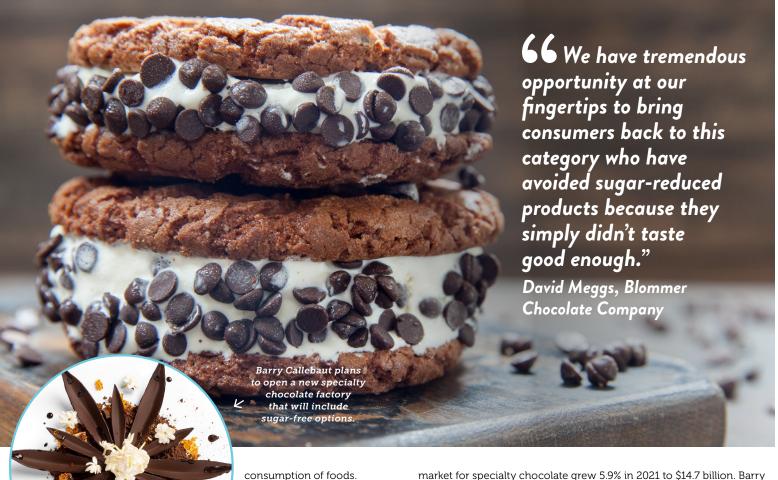
Providing sugar-reduced chocolate that delivers on taste, sweetness and nutrition has been a long-standing industry challenge, particularly while fulfilling increased consumer interest in short and understandable ingredient lists. Blommer is pushing the envelope again with this new line of milk, dark and white coatings, achieving up to 50% sugar reduction without using any high intensity sweeteners or sugar alcohols. The team of chocolate scientists at Blommer have designed various concepts to demonstrate that it is now a possibility to achieve over 40% sugar reduction in some of the beloved snack and bakery applications such as nut butter cups, bars and chocolate chip cookies.

"Global research continues to indicate that taste is the first consideration when consumers make food choices, but they have historically shied away from chocolate products with less added sugar due to negative taste perception," said David Meggs, chief operating officer at Blommer Chocolate Company. "We have tremendous opportunity at our fingertips to bring consumers back to this category who have avoided sugar-reduced products because they simply didn't taste good enough."

Blommer is excited to be first to market with this innovation and will continue to expand the Discovery product line to meet the rapidly changing consumer needs.

"We're thrilled about the new opportunities that the expanded Discovery product line will open up for food brands," said Kelly Thompson, DouxMatok's senior vice president, head of North America. "Chocolate-covered snacks are beloved by consumers, and they shouldn't have to compromise on taste or nutrition when they reach for their favorite treats."

Recognized as a special mention in the Best Inventions of 2020 by TIME magazine, Incredo Sugar is the flagship product of DouxMatok, a global food-tech company pioneering the development of efficient nutrition and flavor technologies and enabling tastier and healthier



Incredo Sugar is a sugarbased sugar reduction solution that improves the efficiency of sugar delivery to the sweet taste receptors and enhances the perception of sweetness enabling substantial sugar reduction without

compromising taste, mouthfeel, or texture. Based on real cane sugar, this breakthrough, patented sugar reduction solution enables food manufacturers to develop delicious, better-for-you formulations that deliver great taste experiences and enhance nutritional values of sweet food products while reducing sugar.

Specialty chocolate expansion

Barry Callebaut Group, the world's leading manufacturer of high-quality chocolate and cocoa products, announced its plans to expand its North American presence by building a new specialty chocolate factory in Ontario, Canada. The new state-of-the-art factory is planned to have an initial annual production capacity of more than 50,000 tons. Total investment volume over a period of ten years is projected to amount to \$104 million.

The factory is expected to be operational by 2024. It will focus on manufacturing sugar-free chocolate, as well as high protein and other specialty products, reflecting the market trends. According to IRI, the US

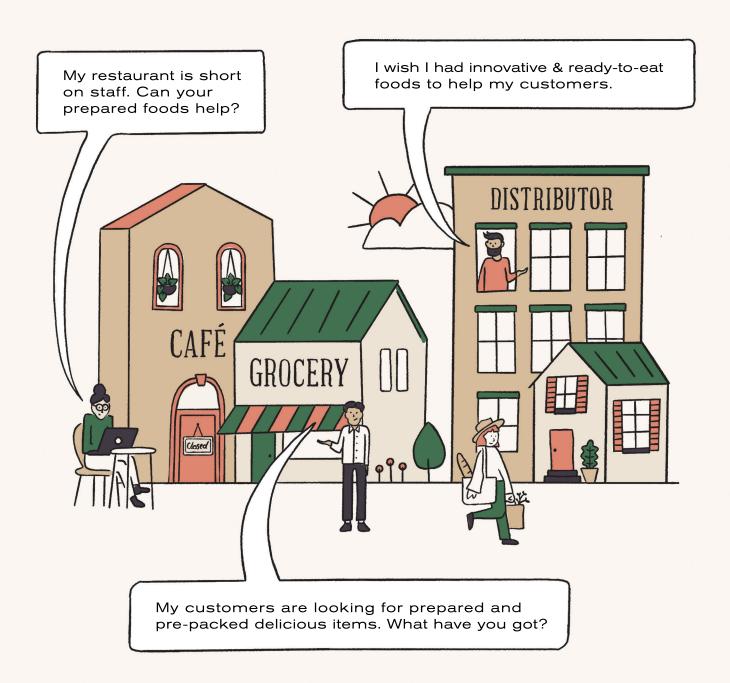
market for specialty chocolate grew 5.9% in 2021 to \$14.7 billion. Barry Callebaut expects to create more than 200 new jobs to staff its new state-of-the-art facility.

"Consumers are searching for healthier and tasty solutions for the foods they love. 'Free from' foods like sugar-free or dairy-free are healthier options that also satisfy the indulgence they are craving. Through the addition of a sugar-free facility, Barry Callebaut is positioning itself to be the leader in Better for You offerings for our customers, which include a wide range of low- and sugar-free solutions," said Steve Woolley, president of the Region Americas of Barry Callebaut.

The new factory in Ontario marks the company's biggest capital investment ever in the region and will be in addition to the 15 chocolate and cocoa processing factories Barry Callebaut currently has across the Americas Region. Two of these 15 factories are located in Canada: one in Chatham, Ontario, and one in St. Hyacinthe, Quebec, its largest facility in Region Americas. The investment in Ontario fits the Group's strategy to continuously nurture its global footprint, locating production close to its customers.

"Barry Callebaut's new and continued commitment to Canada is an investment in the talent of Canadian workers, our access to global markets, and our welcoming business environment. Global investors will look at all corners of Canada for opportunities. Foreign direct investment brings jobs, stability and promise," says Katie Curran, Interim chief executive officer, Invest in Canada.

IT'S BEEN A TOUGH YEAR AND YOU FACE CHALLENGES.





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SWEET BAKED GOODS

BY ANDY NELSON

AS THE PANDEMIC WANES, shoppers are returning to instore bakeries, and sweet baked goods are among the products they're choosing with increasing frequency.

Sweet baked goods sales are up 12.7% compared to a year ago, and that gain is even higher for instore bakeries -15% — said Jennifer Halliburton, senior manager of global insights for Lenexa, Kan.-based Corbion. Volumes are also up.

"Volume gains are coming from perimeter bakery, as consumers are returning to in-store bakeries for fresh baked goods," Halliburton said. "Perimeter segments posting the strongest volume growth are donuts, muffins, cakes and cookies."

The segment posting the strongest percentage gains year over year is specialty desserts — a category that includes individually-crafted, premium indulgent dessert items — with 26.6% growth.

A key shift in the sweet baked goods category within instore that Corbion has tracked in recent years has been the surge in demand for individually crafted desserts, which have grown 26% in dollar sales and 23% in units moved.

"These items continue to do well as more consumers seek premium indulgences in a unique custom-crafted dessert," Halliburton said. "Individually crafted desserts are an opportunity for retailers to showcase their instore bakery presence and to create a destination with younger consumers who are seeking premium experiences that they can share with friends in unique, fun ways."

Renewed focus

Over the past two years, Los Angeles-based Aspire Bakeries, like many other companies, has taken a hard look at its product portfolio, said Christine Prociv, the company's senior vice president of marketing, innovation and $R\theta D$.

Aspire culled its product roster down to its core baked goods, plus a few additional offerings for innovation and of interest to its customers and consumers.

Otis Spunkmeyer is Aspire's designated Sweet Baked Goods brand. In addition to cookies, Aspire sells muffins, bars, and squares under the Spunkmeyer brand.

In the cookie category, Aspire sells frozen cookie dough (FCD) and baked cookies, while its muffins are fully baked for convenient thaw and sell (T&S) opportunities, Prociv said.

Labor savings, convenience and smaller serving sizes are among the industry trends Aspire is

keeping a close eye on and developing new sweet goods products to stay on top of.

"In today's constrained labor market, our customers continue to look for more convenient labor-saving options," Prociv said. "Specifically, our individually wrapped (IW) muffins and cookies have grown significantly over the last two years, which is a testament to the strength of our

brand, product quality, and agility to meet consumer needs."

When it comes to flavors, chocolate chip and chocolate chunk continue to be the company's most popular varieties, Prociv said.

Consolidation of demand at the top continues to strong: Aspire's top six flavors make up 80% of category sales.

"While the Otis team develops new flavors and seasonal varieties to meet consumer needs and drive excitement in the baked goods category, the mainstays continue to thrive," Prociv said.

In muffins, Otis blueberry, chocolate chip, and banana nut round out the top varieties, given that muffins tend to skew toward morning and daytime snacks, she said. Bars and squares — which provide consumers with a sweet treat for dessert or any time of day — tend to follow cookies' lead: "anything chocolate," she said, reigns supreme.

Aspire has expanded its individually wrapped offerings in all categories, including its baked bars. The company's customers and

A key shift in the sweet baked goods category within instore that Corbion has tracked in recent years has been the surge in demand for individually crafted desserts, which have grown 26% in dollar sales and 23% in units moved.

consumers are seeking grab-and-go options that are sealed, portable, and fresh, Prociv said.

"We deliver on all those benefits, and sales are strong. For example, during the pandemic many hotels switched from a full breakfast buffet to more grab-and-go options that included Otis Spunkmeyer muffins."

Now, they're here to stay, she added, since they deliver the customer experience with no labor required.

Another recent Otis innovation is the "pizza cookie," an extralarge cookie to share among family and friends, Prociv said. Aspire introduced it at the Las Vegas International Pizza Expo in March, which generated "a terrific response" from conference attendees, she said.

Demand for Otis Spunkmeyer products continues to be strong, Prociv said. The pandemic led to a return to comfort foods as consumers were seeking a bit of indulgence or a touch of sweet, and Aspire's sweet baked goods have clean ingredient lines that allow consumers to enjoy baked goods and feel good about what they're eating at the same time.

Aspire has trademarked the tagline "No Funky Stuff" for the Otis Spunkmeyer brand. What that means to the company's consumers, Prociv said, is that while maintaining the indulgent and enjoyable experience of an Otis cookie or muffin, they have a guarantee that there will never be artificial flavors or colors, partially hydrogenated oils, or high-fructose corn syrup in any Otis item.

Balancing indulgence and claims

Depending on the sweet goods segment, consumers may have different levels of concern for ingredient labels, Halliburton said.

In the morning goods category, for instance, consumers may be looking for a cleaner label on items like muffins or sliced breakfast cakes but will have less concern about indulgences like donuts and sweet pastries.

"For these indulgent items, there's a higher demand for quality and freshness, and premium taste," Halliburton said.

To achieve great taste and quality in indulgent products like instore sweet baked goods while also meeting clean label standards, bakers can replace chemicals with enzyme-based natural solutions, said Yanling Yin, R&D director for Corbion.

Corbion's Pristine portfolio, which includes clean-label bases, mixes, dough conditioners and icing stabilizers, gives bakers the flexibility to deliver greater transparency and simpler ingredient labels without sacrificing quality or consistency, she said.

Corbion has other solutions to help instore bakers ensure the quality, taste, texture, appearance and functionality of their products, while meeting the latest consumer demands and trends, Yin added. And the company's on-site tech service support team works directly customers to optimize their applications and ensure they achieve the right eating qualities and processing feasibility.

Is your center store LEAFING?





FLATBREADS

BY ANDY NELSON

IN THE COVID ERA, stay-at-home chefs turned to new foods in attempts to shake up their breakfast, lunch and dinner routines.

One of the beneficiaries were flatbreads sold in the grocery perimeter. And even as people start venturing back into restaurants, many of those at-home behaviors remain, including making sandwiches, pizzas and a host of other dishes with premium flatbreads.

During the pandemic, flatbread sales made a dramatic shift from restaurants to grocery deli/prepared for Paterson, N.J.-based Kontos Foods, said Warren Stoll, the company's marketing director.

"People still have to eat, and the popularity of flatbreads was still there," he said. "Everybody made changes."

In a move that could increase visibility for flatbreads across all channels, some restaurants turned into mini-retailers during COVID to make up for last dine-in business, Stoll said. A Greek restaurant near Kontos' office, for instance, sold packaged flatbreads customers could take home in addition to their take-out meal.

Even with the pandemic, Kontos has not stopped innovating. Stoll's description of the Kontos product line used to include the phrase "over 60" when referring to number of SKUs.

"It's probably over 70 now if I stopped and counted," he said.

The company rolled out the first flavored variety — garlic — in its Greek Lifestyle brand of flatbreads, which have fewer carbs (about half) and more protein (about double) than typical flatbreads. The new product hit shelves this spring.

The higher-protein product is aimed at aligning with the popular Mediterranean diet, Stoll said. Greek Lifestyle breads also have less sugar and fewer calories than other flatbreads.

Kontos also launched its Rustics Collection, an oval-shaped naan flatbread that comes in a two-count resealable packs in two flavors, tandoori naan, tandoori garlic naan and pizza crust. The breads are baked on the sides of tandoori ovens, which gives them their unique shape.



66 One of the things we saw in the pandemic was that people were stuck at home, eventually boredom sets in and they got creative. We saw an uptick in what we sell with pizza crusts, and also real creative stuff."

Warren Stoll, Kontos Foods

Rustics breads have an "artisan appearance" and are predominantly for retail, Stoll said.

Going forward, Stoll said many of the behaviors consumers adopted during the pandemic will continue, which should be good news for purveyors of premium flatbreads.

"One of the things we saw in the pandemic was that people were stuck at home, eventually boredom sets in and they got creative," he said. "We saw an uptick in what we sell with pizza crusts, and also real creative stuff."

That included things like baking flatbreads until they're crisp, then breaking them apart into homemade pita chips.

Many of those culinary adventures have been curtailed as restaurants have reopened, but there are still plenty of people who continue to enjoy the new skills they picked up during all that time at home.

"People remembered what they did, and they seek to do again, just not at the same pace," Stoll said.

Clean label options

Ridgefield, NJ-based Toufayan Bakeries' current lineup of flatbreads for instore includes a Hearty White and Whole Wheat Flatbread, a Whole Wheat & Flax Lavash, Garlic and Original Naan, and Garlic, Original and Whole Wheat Tandoori, said Karen Toufayan, the company's vice president of marketing and sales.

The yearly growth rate of flatbread sandwich consumption is 42.7%.

Tastewis

The global flatbread market is estimated to reach \$62.8 billion by 2026 with a CAGR of 6.2%.

Allied Market Research

The flatbread category saw a 4.2% increase from 2020 and an 18% increase from 2019 in perimeter sales.

IRI Integrated Fres

Interest in the Mediterranean diet is up 40% year over year.

Tastewis

Like Kontos Foods, Toufayan Bakeries hasn't sat back despite the market challenges related to the pandemic.

"We've expanded our flavor options and have one of the cleanest labels in the deli bread section," Toufayan said.

The company's original flatbreads continue to perform well in the market, but consumers are also interested in its unique offerings, such as Tandoori and Naan, she added.

"Our Tandoori and Naan options have had great reception as consumers continue to explore different cuisines at home during the pandemic, as well as utilizing them for casual use such as a pizza base."

Even with the pandemic on the wane, consumers are still eating at home more than ever, Toufayan said, and flatbreads remain a staple for easy, quick meals, which has kept demand strong.

Stonefire introduces

Caramelized Onion

Naan Rounds

New from Toronto-based FGF are Stonefire Caramelized Onion Naan Rounds, which "are every bit as delicious as our Original naan in a versatile, hand-held size," according to the company.

Caramelized Onion Naan Rounds are made with the company's authentic recipe of fresh buttermilk and ghee (clarified butter) complimented by sweet and savory notes of the caramelized onions.

Each naan round is baked in Stonefire's patented tandoor tunnel oven to give "an amazing taste and texture you can taste on first bite." Perfectly sized for sandwiches, snacks and appetizers, the rounds help consumers get creative in their own kitchens as they stack, top, layer or fold.

The new rounds ship 12 per pack. pickup platforms that became necessary during the pandemic.

HEALTHY IS OFTEN IN THE EYES OF THE BEHOLDER. But with simple callouts, it's easy to make the deli a destination for health and convenience.

There's a lot of confusion about the subject of health. Ask five people what they consider to be healthy and you're likely to receive five different answers. This is in part because no one looks at health, particularly personal health, in the same way. In short, everyone's got an opinion.

The concept of health reaches far beyond the body or the plate. It's a tangible extension of identity and includes physical, mental and emotional health. Today, consumers want to know what's in their food, how it's produced, and the ethical and environmental impact with science and values driving personal food decisions.

As consumers look to gain more control over this far-reaching subject, they will increasingly look to food manufacturers, producers and their food purveyors to help them make healthier decisions for themselves, their family and the planet.

The instore deli offers a range of options that can be easily customized to accommodate personal and unique definitions of health. Plus, making one's own meals and snacks offers greater control over the health factor.

Chicken

When it comes to protein-based options, chicken remains a crowd-pleaser. The deli offers a range of poultry options from rotisserie, nuggets and strips to grilled and fried options or a classic chicken salad made from upcycled ingredients. A rotisserie chicken is a quick meal option as well as great for leftovers in soups, wraps and salads. Chicken strips and nuggets, grilled fresh on-site, can offer a protein-filled lunchtime option for those looking to create their own sandwich, wrap or salad topping. Even fried options such as popcorn chicken can add a hint of indulgence to an otherwise healthy salad.

RESOURCE: Packaging is essential to a profitable instore deli department, but options must be convenient, reliable and sustainable.

St. Louis-based Anchor Packaging's Crisp Food Technologies containers feature a unique, patented, convection crossflow design to relieve moisture and condensation while maintaining food temperature.

POTENTIAL CALLOUTS: No hormone/antibiotic, keto friendly, meal kit accompaniment, high-protein, upcycled ingredients, restaurant-like experience, home cooking, prepared on-site.

Deli meats

Available from the deli case or pre-packaged, deli meats offer great versatility. This could be in the form of a full-size charcuterie tray for entertaining or an on-the-go lunch version with meat, cheese and dried or fresh fruit. Deli meat can also be the base of a grab-and-go or made-on-site sandwich, complete with fresh-baked roll from the instore bakery. The addition of small slices or chunks of deli meats can add a protein boost to a salad or as an upscale addition to a slice or whole pizza hot from the oven.

RESOURCE: NDP Group's *The Future of Lunch* study sees consumers returning to convenient ways to prepare or source lunch. With mobility once again a priority, consumer are seeking out easy-to-transport items and snack kits.

POTENTIAL CALLOUTS: lower sodium, no hormone/ antibiotic, keto, high-protein, restaurant-like experience, sustainability, global experience.

Cheese

Cheese can make everything taste better. Slices, chucks and shreds can elevate otherwise basic foods to new levels. Case in point, those charcuterie boards that induce consumers to experiment with new pairings. A slice or two of cheese paired

with fruit and/or yogurt can make a quick lunch or snack. Shreds and chunks can also be a great accompaniment for a salad, elevate a sandwich or wrap, or provide a low-carb charcuterie snack. For those who cannot tolerate cheese made with cow's milk, there are also cheeses made from goat's milk and sheep's milk.

RESOURCE: Datassentials research found "healthy" cheese can mean many things. "Healthy" indicates a reduction in stabilizers and preservatives

(60%), emphasis on calcium (57%) and protein (54%), and no added colors or flavors (49%) or hormones (48%)

POTENTIAL CALLOUTS: No hormones, no added colors or flavors, no preservatives, calcium-rich, keto, high-protein, Mediterranean diet, sustainable, global experience.

Soup

Available year-round or seasonally, soups can meet the health aspirations of a range of consumers. Easily customizable, broth-based soups can make a betterfor-you lunch or a quick grab-and-go meal when accompanied by a sandwich or other side.

Slightly richer, cream-based soups may be more pleasing when the weather is cold. Soups also offer a great option for upcycling ingredients and demonstrating sustainability within the department.

RESOURCE: Sustainability trends include using parts of food that would've previously been considered kitchen waste. This includes the greens from

beets and celery, leaves from sweet potatoes and avocado blossoms. (Technomic)

POTENTIAL CALLOUTS: keto, plant-based, sustainable, flexitarian, vegan, prepared on-site, clean label, upcycled ingredients.

Sandwiches

The humble sandwich can spotlight offerings from throughout the perimeter with sandwiches made with fresh-baked bread or buns from the instore bakery, sliced meats and cheeses from the deli, and fresh produce.

Upscale the traditional sandwich with a panini press or grill for hot, RTE sandwiches on-site. Sides can include hot bar items, prepared salads, soups, salad bar, fresh fruit, olives and desserts.

RESOURCE: In 2020, build-your-own sandwiches were responsible for a 21.1% share of the deli-prepared sandwiches category in grocery stores in the US, according to Statista.com. **POTENTIAL CALLOUTS:** plant-based, flexitarian, prepared on-site, restaurant-like experience.

Pizza

Pizza checks a number of boxes including value, quality and variety. Its versatility accommodates anything from a grab-n-go slice to a restaurant-like experience minus delivery fees and tip. Depending on the toppings, pizza can offer an indulgent or better-for-you profile. Traditional meat and cheese options remain popular with lots of room for topping experimentation. The pizza pie is a great way to feed a crowd, and with inflationary increases becoming the

Deil: Healthy options

norm, pizza can offer a delicious bang for the buck. Minus the crust, pizza can also be a keto-friendly option.

RESOURCE: Plant-based cheese alternatives reflect steady growth, according to Kerry Group. Drivers of the trend include nutrition and sustainability. When looking at plant-based protein solutions, it's important to have price parity with animal-based proteins. (Mintel)

POTENTIAL CALLOUTS: plant-based, keto, flexitarian, prepared on-site, restaurant-like experience.

Meal kits

Schedules are becoming busy again and consumers are looking for ways to continue the family meals and almost-scratch cooking they enjoyed together over the last two years. These include microwave and oven heat-and-eat kits as well as RTE meals. Prepared on-site or in a ghost kitchen, the take-home, grab-and-go kits make the preparation of family meals easy again.

RESOURCE: Kroger, Cincinnati, and Albertsons, Boise, Idaho, acquired subscription meal kit companies Home Chef (Kroger) and Plated (Albertsons) in 2018. The grocers sell the meal kits online and offer them in some stores.

Quality, Variety & Innovation

Since 1945

POTENTIAL CALLOUTS: keto, flexitarian, prepared on-site, plant-based, restaurant-like experience.

Bowls

Bowls offer infinite customization and accommodate a range of cultural influences and calorie counts. Stores with a fresh seafood case are set to make poke bowls, meats fresh from the butcher can be grilled on-site, and falafel can offer a vegetarian option. The demonstration aspect of the grocerant format can also make the deli a destination for entertainment.

Metropolitan Market chain, Seattle, features a poke bar with fresh seafood varieties and toppings. Rumi Market and Grill, Cleveland, offers takeaway and dine-in options for Mediterranean including vegetarian-friendly grape leaves and grilled kabobs.

gardnerpie.com

330.245.2030

RESOURCE: Grocerant formats continue to trend. The

POTENTIAL CALLOUTS: flexitarian, keto, plant friendly, prepared on-site, restaurant-like experience.

Sushi

The continuing mainstreaming of sushi means more options and greater authenticity and freshness than ever before. Even without



WHAT'S IN YOUR PIE?

GARDNER PIE CO.

an in-house seafood counter or dedicated sushi chef, it's possible to have fresh solutions instore in the form of rolls and sushi-inspired salads. Available by the piece or in multiple count, sushi is perfect for snacks, meals or entertaining.

RESOURCE: Consumers aged 25-34 are the primary consumers of store-made sushi, followed by those age 24 years and younger. (Numerator)

POTENTIAL CALLOUTS: plant-friendly, vegan, prepared on-site, restaurant-like experience, sustainability, flexitarian.

BBQ

The combination of the butcher's case and an on-site smoker means barbeque is not limited to the backyard. With or without sauce, shredded brisket and smoked meats make great sandwiches, and ribs are always a crowd pleaser. The deli prepared case also features the perfect sides from potato salad and baked beans to fresh-baked buns from the instore bakery.

RESOURCE: HEB, San Antonio, offers smoked in-house meats with fresh, ready-to-go options at its Flaming Bird, South Flo Pizza and True Texas Boil House restaurants. In 2021, Kroger added a permanent restaurant, a branch of Burns Original

BBQ, inside one of its Houston-area stores. **POTENTIAL CALLOUTS:** keto, prepared on-site restaurant-like experience zero-

on-site, restaurant-like experience, zerowaste cooking.

Fermented

A growing desire for improved immunity and wellbeing finds consumers seeking out fermented items like sauerkraut and kimchi.

fortified broths and natural sources of probiotics. One of the most popular

fermented items in the deli is the olive. While not fermented as long as sauerkraut or kimchi, olives also provide gut friendly bacteria in the form of probiotics. Plus, they made a great addition to a salad, sandwich, pizza or charcuterie board.

RESOURCE: Gut health is one of the key trends of 2022, according to The Hartman Group. Gut health, defined as awareness of the microbiome as the root of all wellness, includes a connection to mental wellbeing and immunity.

POTENTIAL CALLOUTS: plant-friendly, sustainability, immunity health, flexitarian, gut health, vegan.

The deli is already a trusted source for convenience and delicious options. With simple callouts, the department can also highlight the health elements consumers already have on their radar.





BEEF IS A GO-TO AMERICAN STAPLE, and its popularity skyrocketed during the COVID-19 pandemic, when many home cooks sharpened their skills in the kitchen and people consolidated their grocery shopping into fewer trips while maintaining a freezer stash at home.

"Beef. It's what's for dinner" was certainly the mantra of 2021. According to the 2022 Power of Meat report, total fresh meat dollar sales in 2021 were \$54.8 billion, and fresh beef accounted for over half of all fresh meat sales, at \$30.1 billion. In dollar gains compared to 2019, fresh beef rose 23%, while total fresh meat rose 19.7%. In volume gains compared to 2019, fresh beef rose 4.8%, while total fresh meat rose 3.7%.

Ground beef was the largest driver in the early days of the pandemic, up 40% year-over-year between March 15 and July 26, according to the Midyear Power of Meat study in 2020. Recent data from Nielsen indicates demand for ground and whole muscle beef remained strong through the end of 2021.

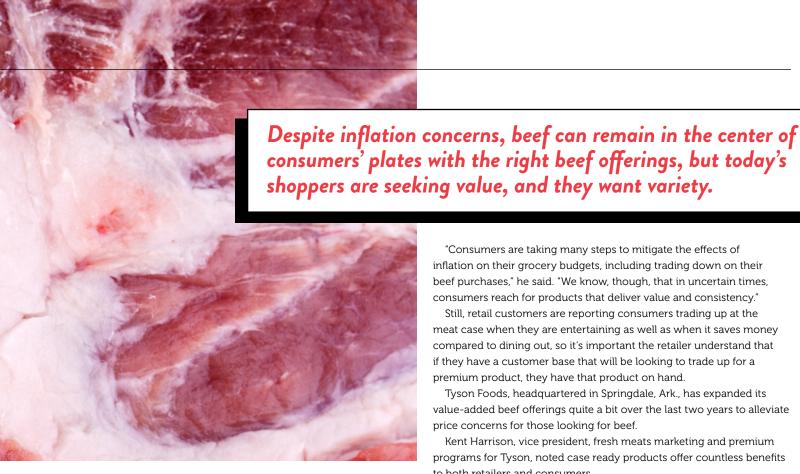
As things begin to normalize, the beef industry is seeing the effects of that at the meat case, as consumers are recreating restaurant meals at home, increasing the demand for USDA Prime offerings.

"Beef was very popular throughout the pandemic, and we are seeing strong continued demand," said Bridget Wasser, associate director of customer insights for Chicago-based Midan Marketing, who has been in the beef industry for more than 15 years. "Beef proved it has a beloved place in the retail space and on consumers' tables."

Even as consumers feel pressure from inflation, beef will likely remain an important staple, and retailers can take extra steps to support consumers, she said. Value packaging, recipes that help consumers stretch cooked beef across meals, marketing reinforcing the nutritional value of beef and meal prep tutorials are all efforts that reinforce with consumers the value of beef even in situations where family budgets are tight.

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Keeping ground

With more and more entries into the meat department in recent years, with the rise of organic offerings, value-added products and non-meat substitutes, beef often is one of the categories losing space.

"To ensure beef maintains its shelf space in the years to come, the beef industry must provide both top-quality product and dependable retail relationships," said Mike Drury, president of Greater Omaha Packing Company, based in Omaha, Ne.

"We work daily to do both. Our Angus and Hereford cattle are sourced within a 200-mile radius of our Omaha production facility, helping us provide consistently high-quality beef. We then ensure that the product and support materials get to retail shelves through our dependable sales team."

Wasser noted that a quality product with strong consumer demand will earn its shelf space.

"As we continue to communicate the taste, value and nutrition of beef, we can keep meat at the center of the table," she said.

Inflation matters

Jim Rogers, senior vice president of sales at Creekstone Farms, Arkansas City, Kan., noted that in 2022, the consumer has a lot on their mind when shopping for beef, including inflation and finding a product that meets their health and quality standards.

"For example, our Creekstone Farms Natural Black Angus brand delivers for consumers seeking premium beef with no antibiotics or added hormones," he said. "Our brand offerings provide retailers the chance to deliver high-quality beef options for today's claims-based shopper."

Right now, Rogers sees two conflicting issues when selecting beef products-inflation and premiumization. According to the U.S. Bureau of Labor Statistics, inflation at the meat case is currently over 13%, the highest it has been in recent history.

"Consumers are taking many steps to mitigate the effects of inflation on their grocery budgets, including trading down on their beef purchases," he said. "We know, though, that in uncertain times, consumers reach for products that deliver value and consistency."

Still, retail customers are reporting consumers trading up at the meat case when they are entertaining as well as when it saves money compared to dining out, so it's important the retailer understand that if they have a customer base that will be looking to trade up for a premium product, they have that product on hand.

Tyson Foods, headquartered in Springdale, Ark., has expanded its value-added beef offerings guite a bit over the last two years to alleviate price concerns for those looking for beef.

Kent Harrison, vice president, fresh meats marketing and premium programs for Tyson, noted case ready products offer countless benefits to both retailers and consumers.

"For the retailer, exact weight products can reduce backroom labor costs," he said. "The compact design is easy to merchandise, and vacuum-sealed, leakproof packaging extends shelf life, may reduce shrink and leaves the meat case cleaner. Shoppers appreciate the variety and freshness that case-ready products have to offer. Also, exact-weight packaging is easy to add to shoppers' carts, whether they are in-store or online."

Improving sales

Despite inflation concerns, beef can remain in the center of consumers' plates with the right beef offerings, but today's shoppers are seeking value, and they want variety.

"Trimming beef well, offering multiple grades of beef, and maintaining a reliable supply of ground beef can help retailers keep beef at the top of consumers' grocery lists," Drury said. "Even with inflation, consumers often find it less expensive to cook a high-quality steak at home. But being a confident cook doesn't mean these consumers don't appreciate shortcuts. Convenience products like a well-trimmed steak or ready-made premium burgers set shoppers up perfectly for their next barbecue, dinner party or Thursday night."

And don't forget about the health benefits of beef. Today's information-hungry shoppers want to know where their food comes from and how their choices impact their overall health. According to the 2021 Power of Meat study, 83% of consumers are looking for at least one "better for" claim when buying meat or poultry.

Most often they were seeking out "better for me/my family," but "better for the planet" and "better for the animal" were also top

"Consumers are embracing overall wellness and foods that fuel their well-being and there is room for brands and retailers alike to tap into these more contemporary indicators of health," Harrison said.



Stay on top of marketing

Beef is a tried-and-true favorite in the United States, and taste is the number one reason consumers choose beef.

"Because consumers gravitate to beef because of its great taste, retailers should lean into the quality of beef they offer and provide shoppers with the best eating experience possible," Wasser said. "Additionally, consumers are increasingly interested in protein and nutrition. This is where beef stands out from plant-based alternatives, and marketing tools like callouts on packaging, in-store marketing and nutritionist partnerships must highlight this advantage."

Tyson Foods offers comprehensive support for its retail customers, from foundational brand support to personalized customer-specific marketing plans.

"Perfecting the omnichannel experience means going beyond the physical store; grocers should seek out brands engaging consumers, meeting them where they are," Harrison said. "To reach today's omnichannel shopper, it's important to create a seamless experience at every touchpoint, from social media to influencer engagement, to blogs, recipes, other digital platforms such as the store website or app, all the way in-store to POS or on-pack materials."

66 Consumers are embracing overall wellness and foods that fuel their wellbeing and there is room for brands and retailers alike to tap into these more contemporary indicators of health,"

Kent Harrison, Tyson

Midan compared in-house consumer segmentation research in January 2019 and September 2020 to study the effects of the pandemic on consumers' perceptions of meat. The findings showed the number of consumers who love to cook meat grew 14%, and more consumers said they believed meat contains nutrients not found in any other foods.

"YouTube videos, blogs and how-to social media posts helped consumers learn to enjoy cooking meat, and many became more health-conscious during the COVID-19 pandemic," Wasser said.

Harrison emphasized that retailers must have an engaging digital presence to reach all consumers, not just those ordering online.

"Creating a seamless experience across both physical and digital touchpoints is essential to driving purchases across the store, including at the meat case," he said. "Now more than ever, search habits, social media influences and online advertising are driving shoppers' decisions at the grocery store as online and brick-and-mortar shoppers alike seek cooking inspiration. For click-and-collect shoppers, this also means high-quality photos and keyword-rich product descriptions."

Creekstone Farms provide its retail partners with a comprehensive portfolio of point-of-sale materials to help tell the brand story and support their efforts in driving meat case sales.

"Our sales team members are also located strategically throughout the country to ensure customer service and overall satisfaction of our retail partners," Rogers said.

Packaging counts

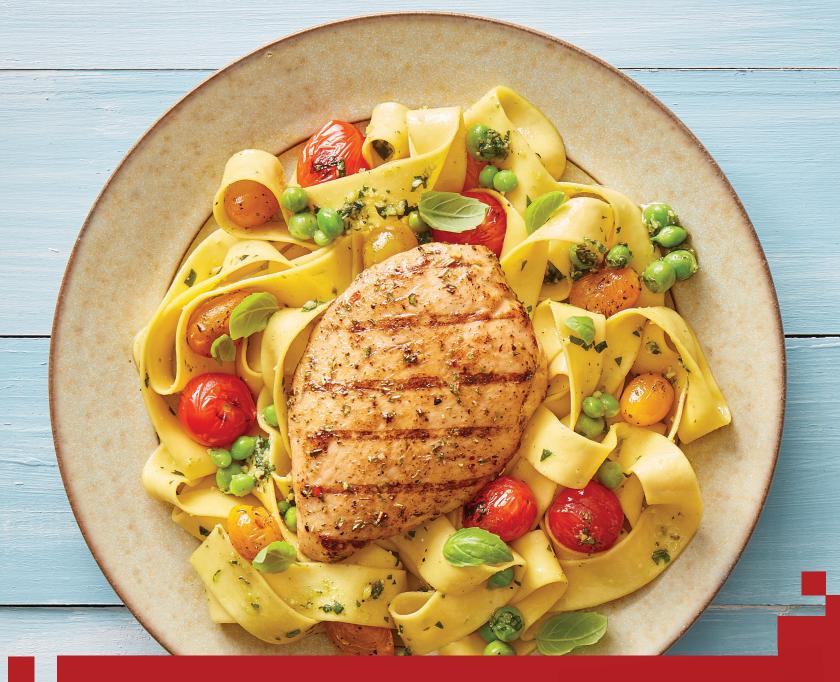
Beef packaging performance has become increasingly important with the shift to online grocery shopping in the last couple of years.

"Consumers are focused on food safety, ease of use and convenience, and are seeking the benefits of packaging options such as vacuum-packed steaks or meal kits, or brick packs or chubs of ground beef over their counterparts," Harrison said.

Additionally, there are increased opportunities for storytelling on packaging, especially as the virtual world continues to blend into the retail meat space, Wasser said.

For example, QR codes are seeing increased popularity again, and this creates increased opportunity for transparent storytelling of beef's production story.

"GPS technology can identify the farm where a steer was raised with the package a consumer holds in their hands at the grocery store thousands of miles away," Wasser said. "This is an exciting frontier, and we are excited to see where our clients try new marketing opportunities like these."



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Getting

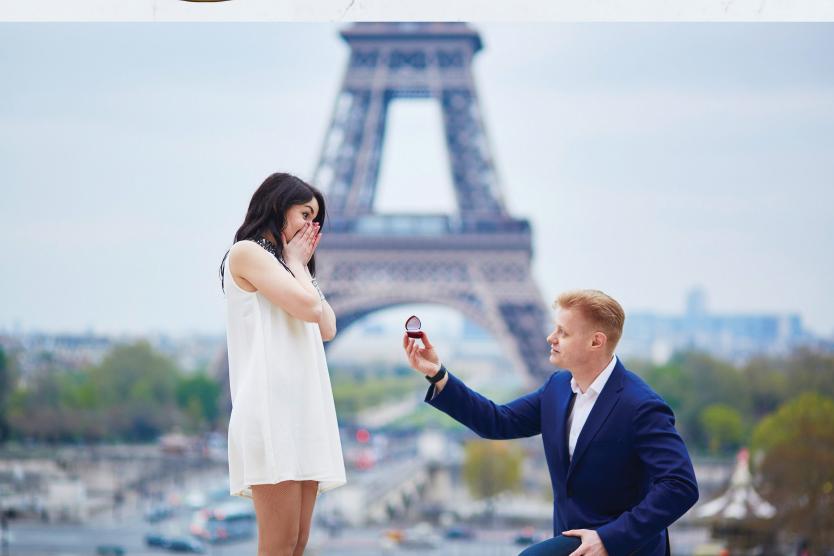
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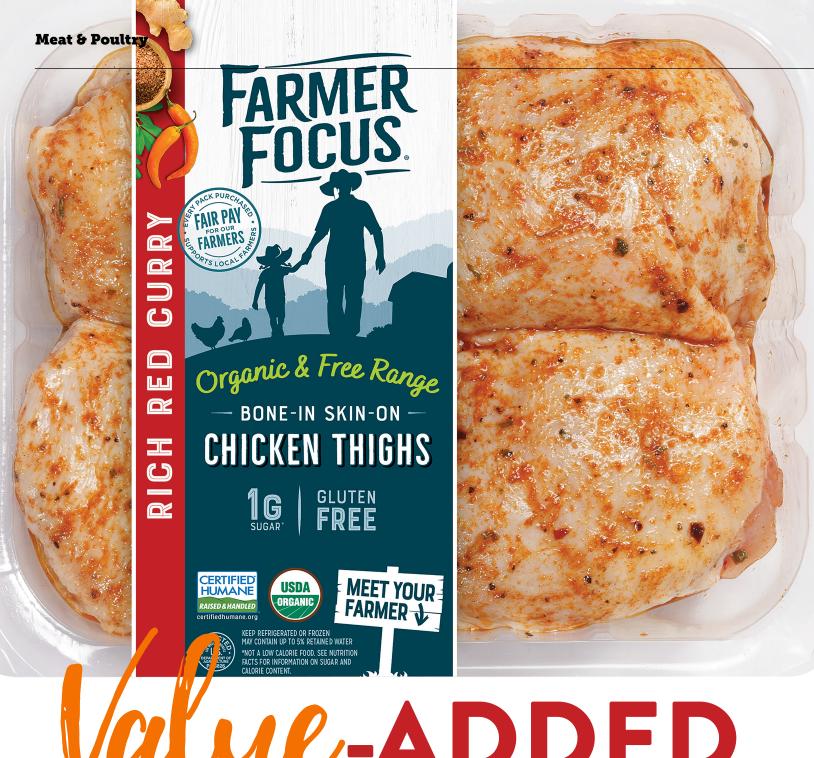
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M-ADDED

BY KEITH LORIA

A COMBINATION OF INFLATION, a labor shortage and supply chain issues have caused consumers to cut back on spending in recent months. However, consumers are still wanting good quality meals and demand remains strong in most convenience meat segments as shoppers continue to look for easy ways to create their favorite meals.

"It boils down to one word-convenience," said Ozlem Worpel, director of fresh meats marketing for Tyson Foods, based in Springdale, Ariz. "Retailers are facing continued labor constraints, especially around high-demand seasons like summer grilling and the winter holidays. Sliced, diced and cubed protein or pre-seasoned or marinated meats help grocers maintain high-quality, consistent service for their shoppers with less pressure on staff."

According to the 2022 Power of Meat report, the value-added category saw a 4.7% increase in dollar sales growth to represent more than \$5 billion in 2021. Two-thirds of meat shoppers surveyed said that they "frequently" or "sometimes" purchased value-added products,

compared to 37% in 2016. When asked their reason for purchasing value added meat products, the top replies from shoppers were time savings (28%), better taste or flavor (22%) and simply for something different (20%).

Value added meat protein was in extremely high demand during the pandemic.

"In the years leading up to the pandemic, consumers we surveyed began to view case ready offerings as equal or better quality than full-service products," Worpel said. "Then, the pandemic fast-tracked grocery ecommerce adoption by several years. We're seeing that a lot of shoppers who moved online plan to stay there, even as pandemic restrictions loosen. Further, as consumers continue to prepare more meals at home, convenience and variety are of increased importance, so they are experimenting with seasoned and marinated products for variety, or cubed/diced meats to save time."

Annie Hennen, senior account executive for Chicago-based Midan Marketing, noted that with reduced foodservice options during the pandemic, retail convenience items had a chance to shine in the value-added meat space.

"Now, after two years of cooking at home, adventurous eaters are looking for bold, authentic foods that are also simple and do not require complex pantry items or a full day of cooking," she said. "Value-added meat delivers a time-saving solution that delivers on flavor and eating experience. Value added meat offers the ability to align with a variety of dietary habits and even personal values."

Consumers are also depending on convenient meal solutions and meal prep inspiration as they are not only accepting of inspiration from retailers, they depend on it as they continue to cook more meals at home while battling cooking fatigue.

Lisa Selk, vice president of marketing, meat products at Hormel Foods, based in Austin, Minn., noted the value-added meats category has seen significant growth over the last few years as more meals are being sourced from home, and new shoppers have joined the category to continue that growth into the future.

"During the last couple of years, many people rediscovered the joys of cooking and enjoyed their time in the kitchen recreating their favorite comfort dishes." she said. "The VALUE-ADDED JUMPS!

4.7% increase in dollar sales growth representing more than \$5 billion in 2021



Two-thirds of meat shoppers surveyed said that they "frequently" or "sometimes" purchased value-added products, compared to 37% in 2016.

REASONS FOR PURCHASING VALUE ADDED MEAT PRODUCTS



28% time saving



New!

20%
something different

Source: 2022 Power of Meat repor

use of value-added meats became part of that rediscovery. One of the fastest growth segments in the category are heat-and-eat meat entrees which gives the preparer a jump start on the main component of a dish."

Another benefit value-added meats bring is the ability to have a quick, satisfying meal on hand in the refrigerator for those busy nights.

Ed Hinson, chief sales officer for Farmer Focus, based in Harrisonburg, Va., noted consumers seem to be cutting back on restaurant spend to fight inflation, as trading off a restaurant meal for a restaurant inspired pre-seasoned item at grocery is often viewed as a cost saving by consumers.

"There is huge potential for innovation and category expansion in this space—especially in more culinary inspired and clean preseasoned products," he said. "Retailers are excited about and willing to make space for value-added products because they bring excitement to their stores and/or websites and they are a reason for their shoppers to shop there."

Improving product offerings

As retailers consider the possibility of valueadded meats, Hennen noted it's important to remember to have a broad offering throughout the store, as seasoned, readyto-cook cuts that are ready for the grill will be popular in the summer months, creating many valuable opportunities for retailers to cross merchandise.

Hormel Foods is focused on innovating in the value-added meat space with high quality, convenient meal solutions and providing recipes that inspire creativity to those who are looking for fresh meal ideas.

Products like its Hormel Square
Table entrees and Lloyd's Barbeque brand
partnership with two-time world barbeque
sauce champion Pig Beach Mustard BBQ
Sauce are just some of the options it offers
for shoppers that meet their need for great
tasting, restaurant quality products that are
convenient and easy to make.

For Tyson Foods, value-added captures a lot of different products. This includes everything from case ready to further processed and even labeling and packaging.

"To that end, we've invested in some key areas to support our customers in this area," Worpel said. "For starters, last year we



opened a new case-ready facility in Eagle Mountain, Utah, expanding our production capacity by 24%. We've also invested in our ecommerce capabilities to help our retail partners navigate the intricacies of omnichannel marketing."

Case ready products, she explained, are ideal for ecommerce due to their consistent size and weight. Branded case ready products such as Chairman's Reserve Meats products offer additional attributes for savvy consumers as well as the recipe inspiration they're seeking.

"Additionally, category staples like ground beef and meal kits remain strong, too," Worpel said. "The popularity of the Instant Pot spurred a renaissance of the meal kit, and Instant Pot kits remain one of our top sellers."

Many of Midan Marketing's meat clients are looking to stand out through product attributes such as flavorful meats that are marinated and ready to cook—or even fully cooked.

"New items that allow confident cooks to play with their kitchen tools like air fryers and electronic pressure cookers, but also don't require exotic ingredients are also popular," Hennen said.

Proper marketing

Value-added meat products sell best when retailers put effort behind highlighting what's available and on sale.

"Most shoppers do some or all their meal planning in a digital space; whether finding inspiration on social platforms like YouTube, Instagram or TikTok, or using retail websites or apps to help streamline their grocery shopping experience," Worpel said.

Farmer Focus likes to leverage retailer partnerships and media opportunities around unique initiatives that both drive product trial and tell a larger brand story.



"Earth Day and International Farmers Day are two examples of holidays, not traditionally celebrated at grocery, where we partner with grocers to create unique programs that drive growth for both teams," Hinson said. "Additionally, we take a data and insights focused approach to our POS and packaging in order to ensure we are differentiated at shelf and keeping up with shifting consumer trends."

Hormel Foods' communications and promotions focus on helping the shopper plan for weeknight meals they can look forward to serving.

It's highly recommended that retailers create a seamless shopping experience, in-store and online.

"Offering preparation suggestions, recipe inspiration and detailed product information differentiates the retailer and helps busy consumers," Worpel said. "Value-added products offer convenience and variety and can help inspire repeat purchases."

Tyson Foods supports its retail partners by equipping them with datadriven consumer insights, strategic omnichannel marketing solutions and unparalleled ecommerce support.

Packaging is critical and has become even more so in recent years. "Ground beef represents more than a third of online meat sales, so packaging like brick pack and chub ensure for a convenient, no-mess experience," Worpel said. "Vacuum and roll stock packaging ensure freshness and convenient portions to cook immediately or easily store in the freezer."

Hennen said that the majority of value-added meat consumers are more likely to purchase online, so this creates many marketing opportunities.

"We often encourage our clients to complement their brick-andmortar stores with e-commerce capabilities, as value-added meat shoppers tend to be loyal online customers and have higher basket rings," she said. "The online shopping space creates even more opportunities to tell a brand's story than in the retail meat case, a valuable tool for consumers interested in transparency."

Still, the type of marketing that is effective for value-added meats depends on which demographic is seeking the product. For instance, consumers seeking its convenience are often less driven by label claims, but coupons and cross-merchandising in-store can be valuable marketing tools to use with these shoppers. Meanwhile, consumers seeking value-added meats /flavor align more with the consumer segment of "protein progressives" and can be greatly influenced by label claims, along with online cooking demonstrations.

Hennen noted value-added meats are sought after because of the old saying, "Less is more."

"Less waste, prep ingredients, knowledge, etc." she said. "This all equals more value to the consumer, and they're willing to pay more for those benefits. Consumers have come to love the flavor and family time associated with cooking at home, but they need convenience to accommodate their busy schedules. Retailers able to ease the burden of meal planning through meal kits and prepared entrees will capture the value-added meat consumer."

engaged

experiences



It's all about...





THE DEMAND FOR ORGANIC FRESH FRUITS AND VEGETABLES

continues to climb, as consumers become more conscious of how their food is raised and what they're putting in their bodies.

Organic volume now accounts for almost 7% of total produce volume, having grown 16% compared to pre-pandemic levels, according to Nielsen data.

Over the past few years, the demand for organic has reached an all-time high, said Kirk Teske, vice president, product management and sales, fresh-cut, North America, for Coral Gables, Fla.-based Fresh Del Monte.

The recent expansion of Del Monte's organic fresh-cut fruit offerings is one example of how the company is keeping up with that demand, Teske said

"It's allowed us not only to expand our business but also diversify our mix of produce and introduce unique SKUs," he said. "It's worth noting that our organic SKUs remain high in demand in many of our distribution markets as we continue to expand our selections."

The increased demand for organic produce, Teske said, is driven by an increase in the number of "conscientious consumers," along with improved farming practices that yield more organic crops.

Consumers are realigning their purchase patterns to incorporate

key organic fruits and vegetables in their purchases, said Chris Veillon, chief marketing officer for Leamington, Ont.-based greenhouse grower Pure Flavor.

"We continue to see a general uptick in organic tomato consumption, and as a vertically integrated greenhouse vegetable grower with an extensive organic line of products, we are effectively meeting the demands of the consumer," Veillon said. "Consumer demand for more convenient fresh organic snacking options has continued to grow and doesn't show any signs of stopping."

Pure Flavor increasingly hears directly from consumers complimenting products like its Organic Aurora Bites Mini Sweet Peppers, which are available year-round, he added.

"Organic demand has been, excitingly, steadily increasing, even as we emerge from the pandemic," said Aaron Quon, executive director of greenhouse and Canadian category development for Vancouver, B.C.-based Oppy. "Organics are keeping up well to conventional sales."

Oppy's core organic items include peppers, tomatoes-on-the-vine and cucumbers.

In recent years, the company has increased volumes of organic peppers, mini peppers and mini cucumbers. Oppy has also introduced trials of heirloom tomatoes through its OriginO brand, whose 66

Consumer demand for more convenient fresh organic snacking options has continued to grow and doesn't show any signs of stopping."

Chris Veillon, Pure Flavor

president, Raymond Wong, has extensive expertise in bio-resource and agricultural engineering that set the standard for the highest quality organic greenhouse vegetables, Quon said.

Oppy has also added more Fair Trade Certified items through the Divernex brand, the first bell pepper grower in North America to be Fair Trade Certified.

Pineapple and watermelon take the summer lead

Del Monte 's current organic fruit lineup includes top sellers like mango, pineapple, watermelon and apples — those fruits, Teske said, offer what Del Monte believes is the greatest return in sales. Pineapples and watermelon are typically the top spring and summer sellers.

Organic pineapple was included in Del Monte's promotions for its Pinkglow Pineapple on Mother's Day and will be included in Father's Day and National Pineapple Day (June 27) promotions.

Newcomers to the lineup include fresh-cut apples and, on the vegetable side, fresh-cut organic butternut squash. Organic coconut is another product that has become increasingly popular recently for Del Monte.

In order to fully take advantage of the surge in demand for organic, retailers need to clearly differentiate the more expensive organic from

conventional produce, Teske said, which can easily be done with container labeling and instore signage.

As organic availability and production volume in fresh-cut facilities increase, the price gap will steadily decrease, Teske predicts. That said, there will always be a price gap between organic and conventional.

"It's due to differences in growing costs, availability and farming techniques. During production, organic produce must also be completely isolated from the main volume of conventional fresh-cut produce."

One advantage of Del Monte's fresh-cut organic offerings, Teske said, is that fruit is cut to order prior to distribution, thanks to the company's many distribution centers.

"Since most fruits and vegetables cannot be cut in-store, this process eliminates a hassle for retail stores and will help continue to incrementally grow retail sales."

Organic quality has been great thus far this year, Veillon said, and as Pure Flavor expands its product line and increases its family of growers, volumes will be up over last year.

"Consumers are looking for more variety in the organic vegetables they buy than ever before," said Tiffany Sabelli, Pure Flavor's director of sales. "Organic shoppers are no longer satisfied with the basics or staple items. Instead, they're seeking out convenient snacking veggies like Organic



Relationships start with Customer acquisition experiences



"the experience".

depend on engagement.





Aurora Bites Mini Sweet Peppers, Organic Mini Cucumbers, or specialty cooking ingredients like our new Organic Luna Sweets Cocktail Tomatoes and Organic Roma Tomatoes."

One-third of Gen Z shoppers want their produce department to carry more organic and greenhouse grown produce, according to FMI. And as more consumers become educated on the environmental benefits of sustainable greenhouse growing, Pure Flavor expects demand to continue to surge, Veillon said.

New options for home chefs

Pure Flavor added the two new organic products Sabelli cited, Organic Roma
Tomatoes and Organic Luna Sweets Cocktial
Tomatoes, last fall. These two products are a great addition to any retailer's offering, she said, because consumers continue to cook at home more often but are often challenged to find organic ingredients to use in their recipes.

Veillon said Pure Flavor gets its message about organic across through multiple digital



channels with targeted ads and organic content that's meant to forge an emotional connection.

In addition to developing its own recipes internally, for instance, Pure Flavor partners with content creators across North America to show consumers all the ways organic produce can be enjoyed, from Organic Bruschetta Burgers to Greek-Style Panzanella Salad.

"In our 2020 #LoveforFresh campaign, we surveyed more than 13,000 people across North America to understand what influenced their purchasing decisions, how often were they eating fresh fruits and vegetables and much more," Veillon said.

"For those asked about their organic shopping habits, 79% of people said a wider selection of organic options is extremely important or very important to them."

According to FMI, one third of shoppers expect to purchase more organic produce in 2022 than they did this year, so Pure Flavor is are expecting to see an increase in the variety of Organic vegetables on grocery store shelves, Veillon said.

of Gen Z shoppers want their produce department to carry more organic and greenhouse grown produce, according to FMI. And as more consumers become educated on

the environmental benefits of sustainable greenhouse growing, Pure Flavor expects demand

to continue to surge.

Pure Flavor's full lineup of organic tomato products available year-round in 2022 includes tomatoes, tomatoes on the vine, beefsteak and heirloom tomatoes, Juno Bites Red Grape Tomatoes, Sangria Medley Tomatoes, Roma Tomatoes and Organic Luna Sweets Cocktail Tomatoes.

Non-tomato vegetables on the company's organic roster include peppers and Sweet Bell Peppers, Red, Yellow and Orange Aurora Bites Mini Sweet Peppers and Cucumbers, Long English Cucumbers and Mini Cucumbers.

Generally, production costs for conventionally grown items have increased while costs for organics have not done so at the same rate, Quon said.

For Oppy, a key reason for that is increased reliance on in-house production instead of outside suppliers.

For instance, Oppy's OriginO production cultivates its own proprietary blend soils that are made on-site, as opposed to sourcing fertilizer from an outside source.



AND MELONS

BY ANDY NELSON



AS SUMMER KICKS INTO HIGH GEAR, retailers will look to tropicals and melons as a way to help their produce departments stand out. And technology and merchandising innovations from suppliers and industry organizations will make those efforts easier than ever.

Hawaiian papaya volumes this year should be similar to last year, said Eric Weinert, president of the Hawaii Papaya Industry Association. But if demand dictates, growers have the capacity to expand production rapidly if needed.

A technology that has benefited many Hawaiian papaya shippers recently is a shelf life-extending product made in the Netherlands.

"It slows ripening in the box during shipping, but once it arrives in

the mainland the packet from the box and natural ripening resumes," Weinert said. "This has helped extend the shelf life of Hawaii papaya."

As they have for many other food industries, higher costs are impacting the Hawaiian papaya industry, Weinert said. In the case of Hawaiian papayas, higher fertilizer and shipping prices have been particularly troublesome.

Hawaiian papayas are a premium product to begin with, and the current inflationary pressures could cause more Americans to choose cheaper fresh fruit options.

That said, the Hawaiian papaya brand is strong, and shippers are confident that American mainlanders will continue to choose it.

"Papaya grown in Hawaii is the best tasting papaya in the world because of our rich lava soils," Weinert said. "People who have visited Hawaii, and have tried papaya in Hawaii, know the superior taste of Hawaii papaya. People would like to have it available where they live — but it's not available everywhere."

To spread the word even further, the Hawaii Papaya Industry Association is expanding its social media outreach and efforts to inform consumers about the year around availability, great taste and nutritional value of Hawaii papaya.

"Total marketing" and sustainability

Consumer demand has grown for watermelon, particularly freshcut, over the past year, said Stephanie Barlow, senior director of communications for the Winter Springs, Fla.-based National Watermelon Promotion Board (NWPB).

In 2022 the board is continuing its efforts to prospect additional digital avenues to reach the consumer "within their path to purchase," said Juliemar Rosado, director of retail and international marketing.

New this year, NWPB plans to work with mobile media company Genesis to provide "App>Less" immersive storytelling.

"Total marketing efforts are even more important as consumer habits change and the retail space changes with it," Rosado said. "It's important to look at overall promotional efforts at retail during the customer's path-to-purchase as well as inside the store, particularly in this new normal."

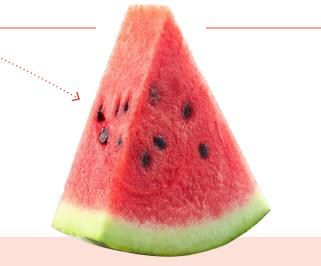
The NWPB has also begun implementing commerce-enabled recipes. As the number of consumers buying groceries online continues to rise, engaging with those shoppers and making it simple to add watermelon to their online carts is critical, Rosado said.

By implementing shoppable recipe technology on Watermelon.org, NWPB will open up all recipes and ingredients to be shopped directly on the website — connecting consumers to retailers with just a few clicks.

The board's spring and summer consumer program is focused on watermelon's value and versatility benefits with the launch of the Use the Whole Watermelon 2.0. campaign, Barlow said. "We will educate, influence and advertise the 100% edible, Zero Food Waste message to media, educators, health professionals and consumers through digital, print and streaming outlets," she said. "The Use the Whole Watermelon story will be updated with fresh branding and a new campaign landing page where consumers can virtually break down a watermelon to understand its parts, its benefits and how to use each delicious piece."

In addition, refreshed and on-trend instructional and inspirational videos will visualize the butchery and cooking process, Barlow said. The virtual experiences will be packaged for consumers and professional audiences like media and dietitians, as well as challenge influencer partners to share inspiration year-long. Paid social and streaming ads will reach targeted audiences to direct them back to the landing page and continue the journey.

"Use the Whole Watermelon is the ultimate encapsulation for telling the watermelon value and sustainability story, allowing NWPB to combat purchase barriers and double down on multi-use, zero-waste and rind education," she said. "The sustainability message specifically refers to lessening a consumer's food waste footprint by using the whole watermelon, creating less waste at home and less waste going to landfills."



Marketing watermelon at retail: FIVE MUSTS FROM THE NWPB

- MAKE THE MOST OF YOUR CUSTOMERS'
 PATH TO PURCHASE. Make use of in-store displays

 Colorful bins and large displays grab attention and grab sales. Also include digital, social media marketing and video components that provide customer reach beyond the brick and mortar element. Visit http://www.watermelon.org/retailers for more information.
- 2. THE ENTIRE WATERMELON IS EDIBLE.

A top barrier to purchasing watermelon is that it is "too big/inconvenient" which spotlights the need to inform consumers on all the ways to use watermelon in recipes utilizing the flesh, juice and the rind, as well as incorporating fresh cuts and mini watermelon to maximize convenience.

- 3. DISPLAY WHOLE & CUT WATERMELON SIDE BY SIDE. This creates great eye appeal and can increase sales of both. Furthermore, watermelon queen in-store promotions are a great way to educate and promote watermelon. These young women are smart, educated and bring something unique to the produce department. They can help that hesitant customer select the best watermelon.
- 4. **GET THE WORD OUT** Watermelon is Delicious and Nutritious. Most consumers would purchase watermelon in the future if they knew it was healthy and nutritious for them. Try to include nutrition information wherever you can on signs and displays, in social media posts, newsletters or ads.
- 5. GIVE CUSTOMERS WHAT THEY CRAVE ALL YEAR LONG. It delivers year-round sales, even in cold climates. Keeping watermelon top of mind year-round is another key ingredient to increasing demand for watermelon. During the import season, there is a push for fresh-cut in order to keep the product front of mind.

Produce: Tropicals and melons



NWPB holds retail merchandising contest

The National Watermelon Promotion Board (NWPB) invites all retail chains, independent retailers and commissaries to submit entries to its 14th annual Watermelon Retail Merchandising Contest. The 2022 contest continues its shift to a watermelon merchandising effort that includes in-store displays but also encourages mixed merchandising tactics that can include social, digital, print and web marketing.

The contest will start in July to honor National Watermelon Month and run through August. The contest is aimed at identifying retailers that are showcasing watermelon's benefits including health, value and versatility.

More than \$10,000 in cash and prizes will be awarded to top entrants, including \$5,000 for the grand prize winner. The second place winner will receive \$2,500, third place will receive \$1,000 and three honorable mentions will each receive \$500.



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MANGOSTEEN







Melons and more

Los Angeles-based World Variety Produce, which ships under the Melissa's label, plans to supplement its top-selling year-round melon, the Dominican Republic-sourced Charentais, with several other melons that are more season-specific, said Robert Schueller, the company's director of media relations.

Yellow watermelons from Mexico and the US will likely ship from May through October, with peak volumes in July, August and September, Schueller said.

Other Summer melons shipping from Melissa's this year include a wide variety of US products, among them Canary, Casaba, Orange Flesh Honeydew, Mini watermelon, Orange Watermelons and galias.

When it comes to tropicals, dragon fruit has taken a dominant role roll as Melissa's most distributed tropical fruit, Schueller said.

Pink Pineapple, meanwhile, is one of the newest fruits shipping

in the US through Melissa's, with most supplies being distributed to retailers in just the last six months.

Other tropicals on tap for Melissa's this summer include:

- Passion Fruit New Zealand, US
- Mangoes Mexico, US
- Papaya (red Caribbean, strawberry, Hawaiian) Mexico, Brazil, US
- Jackfruit Mexico
- Pepino Melon Ecuador
- Pink pineapple Costa Rica
- Rambutan Guatemala, Vietnam
- Coconut (young, quick crack) Thailand and Mexico
- Plantains Ecuador
- Goldenberries Columbia
- Lychee Mexico
- Mangosteen Mexico, Thailand





Grab-and-go

DESPITE A DROP IN SALES OF PREPARED SEAFOOD ITEMS in recent months, shoppers are seeking out innovative grab-and-go solutions.

While sales of value-added seafood items surged 12.2% in 2021 to \$1.4 billion, according to IRI, anecdotal reports show a slowing of the convenient meal solutions in supermarkets as consumers worry about inflation and return to restaurants.

Sales of seafood cakes dropped around 9% in March versus March 2021, IRI and 210 Analytics found. On the other hand, prepared seafood salad sales soared 22% this March.

Encino, Calif.-based Gelson's Market has continued to see a decline in the category this year with restaurants opening back up and consumers returning to eating out more, said Sean Saenz, senior director of meat and seafood at Gelson's. "Sales are still positive compared to 2019, but nowhere near the 25% [lift in sales] in 2020 and 2021," Saenz said. The surge in sales over the last two years can primarily be attributed to "consumers looking for convenience and willing to try more options, while cooking more at home," he added

"The economy may have a different impact on seafood and prepared foods within this category," said Guy Pizzuti, business development director of seafood for Lakeland, Fla.-based Publix. "Prepared items tend to come at a higher retail price point. Customers may opt to purchase the base seafood and prepare the recipe at home."

Fresh seafood sales have lost some of their pandemic momentum in the last six months, said Anne-Marie Roerink, principal at San Antoniobased 210 Analytics.



"In all fairness, when compared to pre-pandemic, seafood sales are still highly elevated. If fewer people are buying fresh seafood or buying it less often, it's hard for value-added to still see growth," Roerink said. "Yet, we absolutely see that above-average performance continue for all things value-added, whether seafood, meat or produce."

While shoppers are very concerned about inflation and value-added items are priced at a premium, there are "several powerful underlying currents" driving the continued popularity of value added items, including seafood meal kits, shrimp kabobs, marinated items and more, Roerink said.

"Convenience and saving time immediately comes to mind, and that is the biggest reason, for sure. Our lives are as busy as they used to be, yet we're dealing with 40-year high inflation and have gotten used to cooking at home a bit more," Roerink said. "So the scramble to figure out the time versus money puzzle is back on and that's where value added wins. People feel it's still a lot cheaper than eating out at a restaurant. But it's not just about saving time, it's also about eating something different and knowing that an expert has done the flavor development and it's going to be great."

Some shoppers also say they like buying value-added because that means they don't have to buy all the individual ingredients, according to Roerink.

"How often do you see a fun recipe, but when looking at the ingredients you're always missing one or two crucial ingredients that you doubt you'll ever use again? Those are all very strong reasons to create willingness to pay a little more, knowing you're at least one step closer to a great meal," Roerink said.

Seafood salads realize double-digit growth

While sales of some value-added seafood items have declined, seafood salads' sales growth of 22% is benefitting overall fresh seafood sales.

"This continued growth is mostly due to convenience, fresh offerings and continued options made available to the consumer," Saenz noted.

For example, Gelson's offers self-serve poke stations where shoppers can create poke rice bowls or salads or they can choose pre-packaged popular items like spicy Hawaiian Ahi Tuna Poke Salad and Sriracha Cooked Shrimp Poke Salad.

Gelson's is running a test of an exclusive plant-based ahi tuna poke salad recipe developed in-house in eight of its stores.

66 How often do you see a fun recipe, but when looking at the ingredients you're always missing one or two crucial ingredients that you doubt you'll ever use again? Those are all very strong reasons to create willingness to pay a little more, knowing you're at least one step closer to a great meal."

Anne-Marie Roerink, principal at San Antonio-based 210 Analytics.



"So far, it's performing very well and is adding to the year-over-year double digit sales growth we are seeing on the fresh seafood salad bar category," Saenz said.

While Saenz doesn't expect the plant-based option to achieve the same volume as its seafood-based pokes, it's "nice to continue to differentiate ourselves from our competitors."

Publix is also seeing an uptick in prepared salads, "driven by the convenience factor within the snacking category," Pizzuti said. Publix offers a traditional seafood salad, a tuna salad, and a seafood pasta salad.

However, similar to the overall prepared seafood category, salads may be impacted in their performance due to the economy, Pizzuti added.

Seafood salads have done "tremendously well over the past year and continue to be one of the few areas that is growing sales in the first quarter of 2022," Roerink said.

"I think it has everything to do with usage occasions. We've seen the full on return of entertaining. After being apart for many months, people are getting back together just to hang out, birthday parties are back on and all the big holidays are seeing engagement that is nearly back to pre-pandemic levels. That means we're seeing items like shrimp platters and seafood salad make a return, just like we see huge gains in fruit trays and deli prepared sandwich trays and the like," she added.

Retailers can have some fun with limited time offers, especially if they develop seafood salads in-store, Roerink suggested.

"It provides an opportunity to change up species and flavors and introduce people to new items."

Popular and innovative

value-added seafood

Adding innovative flavors and variations of valueadded seafood — including steam-in-bag and microwavable meals — continue to spur growth in the category.

Among Publix's more popular prepared seafood items is its marinated salmon lines and appetizers. Offering marinated salmon portions on their own is beneficial, according to Pizzuti, because there is a growing segment of customers that do not want the starch and vegetable to be decided for them.

Gelson's does well with offering live lobsters and fresh peeled and deveined wild-caught Mexican shrimp, steam-cooked in-house, Saenz noted. Among the innovative new products is vacuum-packed, ready-to-microwave shrimp and salmon meals in the fresh or frozen seafood sections at grocery chains such as Publix.

The supplier, Elk Ridge, Md.-based Clean Label Gourmet Foods, vacuum-seals the tray and then pressurizes it at extremely high pressure, which protects against inactive bacteria and viruses. As a result, the shelf life on the meals is two years frozen and 45 days refrigerated, according to Todd English, vice president of sustainability for Boise, Idaho, U.S.A.-based Riverence Group, which supplies the sustainable seafood for the meals.

The seafood meals — which include Thai Style Salmon, Blackened Salmon, and Shrimp Stir Fry — contain only a few ingredients, and zero additives and preservatives, according to English.



Pittsburgh-based Giant

Eagle has had success with value-added items from Seattle-based Orca Bay Foods, such as garlic parmesan salmon portions and honey jalapeno salmon. Blackened and bourbon salmon portions from Miamibased Camanchaca "have also done extremely well for us," said Shawn Oliver, seafood category manager.







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RESEARCH SERVICE (ARS) aim to enhance the capacity of regulatory agencies to trace Escherichia coli (E. coli) O157:H7 back to its source during a foodborne outbreak investigation by studying how the DNA of a specific population of E.coli gradually evolves within its natural environment.

Food contaminated with E. coli can cause serious illness, hospitalizations, and even death.

The findings from scientists at the US Meat Animal Research Center (USMARC) at Clay Center, Neb., equip outbreak investigators with information on specific elements of the bacterium's DNA that can narrow where to look for the outbreak source.

As these bacteria are found naturally in the intestines of cattle, the team of scientists analyzed samples collected from the center's closed cattle feedlot from 1997 to 2019 and studied the genomes (the organism's genetic composition) of various strains, or subtypes, of E. coli O157:H7 found in samples.

"The samples used in this research gave us a unique opportunity to study the genomes of a specific population of E. coli O157:H7 in their natural environment," said Maggie Weinroth, a computational biologist with the Poultry Microbiological Safety and

Researchers are using cutting-edge DNA technology to aid in tracing E. coli outbreaks back to their source.

Processing Research Unit in Athens, Ga., who was working at USMARC at the time of the research.

"The USMARC feedlot has been closed to any introduction of cattle, except those raised in the center. This means that the E. coli strains have not been influenced by cattle from other locations for 23 years, allowing us to focus on changes in the bacteria genomes as they evolved over those years," said Weinroth.

The scientists identified four unique clades within the specific bacteria population they studied. (Clades are a group of organisms that share specific characteristics.) Even though all clades shared a portion of their genetic composition, each clade also contained unique elements that can be shared, called mobile elements.

"Looking only at the core elements of the genetic sequences may not tell the complete story about where the bacteria came from," said USMARC Research Microbiologist Jim Bono. "We noticed that bacteria were able to exchange mobile elements in their genome over time. Some of these elements stayed in all strains and became part of the core sequence of that specific bacterium's DNA. Interpretation of these mobile elements' role during an outbreak investigation can help identify relatedness between human and environmental isolates of this bacteria."

Scientists will continue to study the DNA of the specific populations of E. coli O157:H7 found in the closed feedlot setting and record additional variations. Results from this and future studies will continue to build information for rapid, more accurate traceback responses during outbreak investigations.

The study, recently published in GMC Genomics, was funded by the USDA-ARS and a grant from the Beef Checkoff administered by the Foundation for Meat and Poultry Research and Education.

Albertsons' "smart" salad bars raise the bar on traceability

Albertsons banner stores are installing "smart" salad bars made by Picadeli US, a division of Swedish food tech specialist Picadeli.

With its innovative technology and patented hardware, Picadeli prioritizes food safety, with the design comprised of hygiene first materials, technology-enabled shielding hoods, automatic hand sanitizer and bowl dispensers, according to the company.

Picadeli's mounting system for utensils ensures that the grip is never in contact with food, and that products are not mixed. The digital management system allows for full traceability of its supply chain and operation, as well as QR-code scanning to ensure products do not stay out longer than allowed, signaling the need for refilling and AI re-ordering.

The salad bars have been installed in six Safeway, ACME and Kings stores in Washington, D.C., Maryland and New Jersey.

"Picadeli has created an innovative, technology-forward solution to address the strong demand for healthy, affordable foods that can be customized quickly," said Jewel Hunt, group vice president of deli foodservice at Albertsons. "Fresh meal solutions is a category where we are continuing to differentiate our offerings, and by introducing Picadeli, we are giving our customers a great option for healthy meals at an affordable price."



New regulations for foods on traceability list

Section 204, a proposed rule in the Food Safety
Modernization Act, will require companies to capture data and store it for two years. Section 204 applies to those who process, pack or hold foods on the food traceability list (FTL), which includes foods and ingredients that will need additional record-keeping.

Companies have until January 2025 to be complaint with the rule, under which, in the event of a recall, the FDA will require data within 24 hours.

Section 204 will establish additional record-keeping requirements beyond those already in the FSMA. They will apply to certain foods, including dairy, seafood, ready-to-eat products, leafy greens, all nut butters, including peanut and almond butters, and soft cheeses like mozzarella, brie, blue and feta, fresh herbs, peppers, melons and shell eggs.

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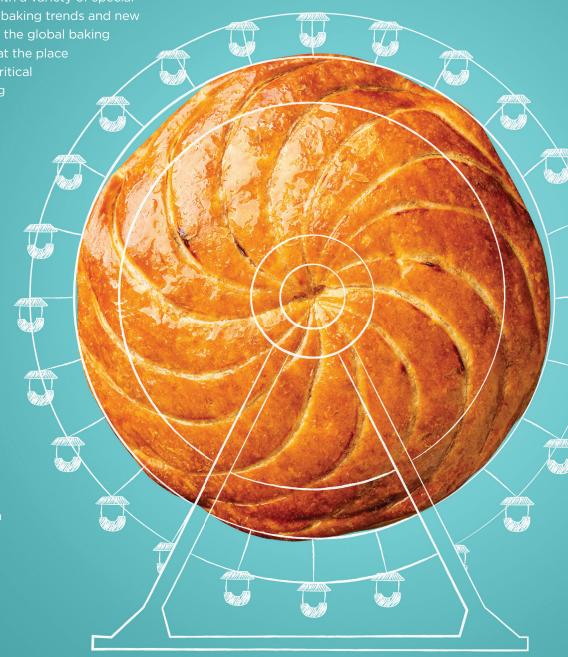
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SALADS

by Andy Nelson

GROCERY RETAILERS LOOKING TO ADD VALUE to

their deli/prepared departments while simultaneously saving on labor and time should look no further than a recent central-kitchen innovation from fast-casual pioneer Saladworks.

St. Petersburg, Fla.-based
Saladworks, the leading US
fast-casual create-your-own
salad franchise and part of the
WOWorks family of brands, is
opening 20 new ghost kitchen
locations through a new
partnership with Combo Kitchen,
the world's leading and largest
ghost kitchen franchise.

The move is the latest in a series from Saladworks that shows how the chain has diversified away from the standalone restaurant model that put it on the map.

In the past year, Saladworks has added more than 42 locations, entering new markets such as Michigan and Nevada — and 79% of these openings were in non-traditional channels.

including grocery stores and ghost kitchens.

In its new partnership with Combo Kitchen, which officially kicked off in late March, Saladworks menu items are available for delivery across Central Florida through Combo Kitchen's agreement with the Florida-based restaurant chain WingHouse Bar & Grill and its numerous locations throughout the state.

"We are excited to expand our brand into Central Florida through our partnership with Combo Kitchen," said Brian Farris, WOWorks' chief development officer. "Normally, expanding into an entirely new market is costly for potential franchisees. This partnership allows us to gain new customers without needing to invest upfront in a brick-and-mortar store. We also gain additional benefits, such as raising Saladworks' brand awareness in new regions and giving our guests more points of delivery and pickup."

As grocery retail foodservice and other channels evolve with consumer demand for delivery and takeout, linking Saladworks' new ghost kitchens to the concepts within the Combo Kitchen franchise system helps create greater variety for its customers with better-for-you menu options, Farris added.

The partnership also allows Saladworks to extend its fresh, nutritional menu offerings into new markets with minimal costs, and experiment and test before investing in costs associated with real estate, development, and staffing.

"We are seeing a huge and growing demand from new and established brands to utilize our ghost kitchen franchise network to expand their footprint and increase revenue streams," said Hossein Kasmai, founder and CEO

of Combo Kitchen and Franchise Creator. "This partnership between WingHouse and Saladworks is a perfect example of how Combo Kitchens facilitates win-win situations for restaurant owners looking to capitalize on the growing takeout and delivery market with minimal investment or disruption to operations."

Saladworks encourages guests to be original, giving them the option to choose from salads, warm grain bowls or wraps, along with a large array of fresh vegetables, fruits, proteins and dressings.

Saladworks was ranked #7 on Fast Casual's Top 100 Movers and Shakers in 2021.



Most of Saladworks' recent expansions have been into grocery retail and other non-restaurant channels.

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PRODUCTION MANAGEMENT

by Andy Nelson

AT A TIME OF LABOR SHORTAGES AND RAPID, HARD-TO-PREDICT INFLATIONARY PRESSURES,

it's more important than ever for retail foodservice departments and other areas of the fresh perimeter to have reliable production management software solutions to maximize efficiency and minimize waste.

Bronxville, New York-based At-Your-Service Software Inc., makers of cloud-based ReciProfity food costing software, is reshaping the help topics on its platforms to better serve its retail foodservice clients, said Matthew Starobin, the company's CEO.

"Their needs different, which we found out," Starobin said.
"Invoice scanning is on the front burner, which is very important for medium-sized players. They can input an invoice in its raw form and flow it into our system."

And for those customers who want to set up a touchless system, they can input their invoice by email and it goes directly into ReciProfity. That alone, Starobin said, can easily save operators four or five hours of labor per week.

y's CEO. for retail foodservice is entirely different than for restaurant foodservice, and the latest

foodservice, and the latest version of ReciProfity addresses those differences.

Production management

At a restaurant, a typical prep project might be making a sauce. But in an instore prepared foods section, prep might include everything for a salad bar or a grab-and-go meal section.

And currently, many retail deli managers are making those decisions without the aid of production software.

"A lot of them are doing production on a 'best guess' basis, and that often leads to over requesting" ingredients, Starobin said. "They know they're wasting product, but they don't always know where it occurs."

Without very specific metrics to inform their production decisions, operators risk losing a shocking amount of food to waste, e.g. "using" a full case of tomatoes for sandwiches when they only needed two-thirds of a case.

The trend of meal replacement — consumers looking to prepared foods sections and other areas of the fresh perimeter for a portion or their entire dinner or other meal — is something that companies like At Your Service have to address to provide their customers with the most up-to-date production software.

(That trend is moving in the opposite direction, too, Starobin noted: restaurants offering items normally sold at retail.)

"That ability to manage that process is very front and center," Starobin said. "Our retail business is definitely trending up. We do such a good job with recipes, it's enabled us to add on these features, like production management."

The rise in retail foodservice keeps the producers of production management software on their toes, he added — and as more and more retailers begin to understand the benefits of those programs, the demand will continue to rise.

The company's software can be especially helpful for purveyors of prepared foods, a category that can be especially difficult to monitor because ingredients needs to be sorted by weight, Starobin said. That can't be done effectively without a high-end software solution.

"I talk to a lot of operators,"
Starobin said. "They're all putting out the same ketchup and the items that you have to have, but they're not going to make money on those. But to have signature items that you can't get anywhere else, that you can't price-compare — stores are pushing the prepared foods and deli items much more."

Creating those signature items, and pairing them with other perimeter foods to complete a meal, is easy with ReciProfity's ability to adapt on the fly, depending on the individual retailer's needs, Starobin said.

Another huge benefit of management software like

In uncertain times, a systematic approach to production management is crucial.



ReciProfity is its ability to find and warn retailers about cost inflation before it's too late.

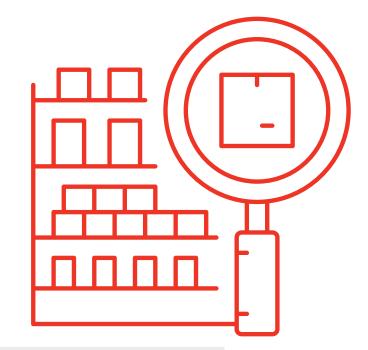
"Creep alerts," as they are known, pop up automatically, giving the retailer the option to forego the item entirely or to find a cheaper replacement (or to adjust pricing accordingly if they decide they want to keep the higher-priced item).

More retailers are trying to "restaurantize" their stores by offering more local, fresh and chef-inspired foods. But managing the amounts of fresh foods needed for those efforts can be daunting, particularly at a time when labor — and especially skilled labor — is hard to come by. That's when

production management software can prove particularly helpful.

"It's either guesswork or it's scientific, this whole production management process," Starobin said. "To create a whole deli bar, all the recipes and convert that into ingredients, you need exactly this many of all of these items." Production management software allows operators to "cut out all the waste and guesswork."

At-Your-Service provides customized versions of ReciProfity for retail chains large and small. Some customizations, for example, can allow companies to verify labels, nutritionals, allergens, ingredient declarations and other information.



The right production management software can alert you to shortages and price spikes before they happen, giving you time to find alternative solutions before it's too late.

PRODUCTION MANAGEMENT SOLUTIONS IN THE COVID ERA

The volatility currently facing the food industry is unlike anything experienced in modern times, according to Nextec, a specialist in production management and other technologies. That uncertainty is one of the core reasons why enterprise resource planning (ERP) solutions are so critical. Nextec's Sage X3 delivers predictability and precision for your food or beverage company. Sage X3 food ERP delivers benefits across your enterprise, including:

Supply Chain Management

Manage inventory and stock levels while automating ordering and restocking. Gain transparency across the supply chain to identify bottlenecks and other issues early on.

Cost Reduction

Automate tasks, aggregate data, reduce data re-entry and gain insights from real-time reports, allowing your employees to focus on more productive work.

Process Improvement

Gain control and visibility throughout production cycles to provide consistent, quality products.

Quality Control

Warehouse management and quality control are integrated seamlessly. Track product lots, expiration dates, quantities recipes and movements in real-time, leading to less waste and reduced costs. In the event of a recall, use forward and backward traceability tools to manage incidents better.

Customer Service

Generate quotes, track progress and shipments, answer questions and track customer queries in real-time for better outcomes and retention.



AS PART OF ITS CONTINUED FOCUS ON ASSOCIATE SAFETY.

Walmart seeks out innovative technology to make the job easier and more efficient. Several years ago, the company began pursuing a more data-centric approach to associate safety. They landed on StrongArm Technologies and their FUSE Risk Management Platform. Their safety wearables were easy to integrate into Walmart's existing routine across multiple job functions. The data provided

was intuitive and actionable, according to Walmart.

"From the beginning, we were transparent with associates about the goal behind deploying FUSE, a small sensor worn between their shoulder blades they'd soon forget was even there. We wanted them to understand what the device is measuring (and what it's not), why we're deploying it and how it works. Once they understood that it's a tool for their benefit, the adoption happened quickly," Walmart said.

"Within the first year of deploying FUSE, targeted, ergonomic-related injuries decreased by nearly 65% across participating associates."

Associates wearing the FUSE sensors have a safety score as a benchmark. The higher they score from 0-100 every shift, the safer they'd been. Just as importantly, the data provides management with information to heap praise on those associates who are safety leaders day in and day out. Going forward, Walmart

will continue to invest in the best, most leading-edge technology available.

Teens in the workforce

Over the past five decades, the number of teens in the workforce dwindled, according to a new report from The Food Institute. That is, until last year when businesses squeezed by labor shortages decided more youthful employees would fill the gap created by adult workers giving up low-paying jobs as they reassessed their options during the pandemic.

"Often, these diamonds in the rough [teen employees] work better than tenured adults," Addison Riddleberger, head of marketing for corporate cooking workshop firm Rockoly, told The Food Institute. "Ultimately, being a good employee is far less complex than most teenagers think."

The U.S. Bureau of Labor Statistics estimates that more than 5.2 million workers between the ages of 16 and 19 are in the labor force, roughly 3% of all workers. Nearly half, 2.1 million, are in service jobs while 1.5 million are in food preparation or servingrelated jobs. The Federal Reserve Bank of St. Louis estimated 36.6% of teenagers are working.

Best Workplaces award

For six consecutive years, Great Place to Work and Fortune magazine have ranked Wegmans Food Markets on the list of the Best Workplaces in Retail. The award is based on analysis of survey responses from more than 1.3 million current employees working in the retail industry.

"The family feel across our company defines who we are at Wegmans, and continues to help us earn this special recognition," said Colleen Wegman, president and chief executive officer of Wegmans Food Markets. "We are extremely grateful to our people for all they do for each other and our customers. This award means the world to all of us."

The Best Workplaces in Retail stand out for creating great workplaces for all employees, regardless of position or other personal characteristics.

The labor shortage forced companies to rethink wage scales and benefits, many raising the minimum to \$15 an hour, offering sick leave and vacation pay, and normalizing work schedules. to convince teens to build their resumes with paid work rather than extracurricular activities and unpaid internships that had become the preferred route to college and beyond.

Keys to effective employees

"Finding hard-working and attentive teenagers is tougher than ever these days," Riddleberger said. "It could be the degradation of attention spans due to social media and video games, a lack of parents properly instilling a great work ethic in their kids, or many other things."

"But every once in a while, we have a teenager who bucks the system and is cheerful, helpful, and goes the extra mile at all of our cooking workshops. They seem to inherently understand the value of showing up on time, having a good attitude, and wearing a big smile throughout the day."

Chef Michail Korovin said teens sometimes have trouble handling the workload and meeting expectations.

"Employers also face some challenges when hiring teen workers. Teens may be less reliable than adults, and they may need more supervision," Korovin said. "They may also be more likely to make mistakes or have accidents on the job. As a result, employers may need to invest more time and resources in training and supervising teen workers."

Houston restaurateur Itai Ben Eli shared that hiring teens allowed him to open a European-style bakery last year, after making adjustments. A 10-day training period was expanded to 30 days to make sure they learned the menu, built confidence in dealing with customers, and learned the point-of-sale system.

Distinguished companies

The American Bakers Association Safety Recognition Program is honored to award 20 member companies across 133 facilities for their effective and successful safety programs in 2021.

"With the most recipient companies in the Program's history, we are proud to highlight the baking sector's continued commitment to workforce safety," said Robb MacKie, president and chief executive officer of the American Bakers Association. "Our industry's workforce is the heart of our operations and this program demonstrates our members' dedication to workplace safety even as they grappled with additional challenges caused by the COVID-19 pandemic."

The Safety Recognition Program was created in 2016 to establish a safety incentive and recognize individual bakery and allied company sites. The program has increased workplace safety awareness and emphasizes the importance of employee safety in the baking and allied industries. These efforts to develop strong safety programs also prove to be an investment in the company's financial health as well.

2021 ABA Safety Recognition Award winners

Dawn Food Products, Inc. AB Mauri AbiMar Foods Gemini Bakery Equipment Co. ADM Milling Co. Hearthside Food Solutions Alpha Baking Co. JLS Automation Ardent Mills The Kroger Co. Lesaffre Aspire Bakeries Baker Boy Nation Pizza & Foods Bimbo Bakeries USA New Horizons Baking Co. CraftMark Bakery Newly Weds Foods D.F. Stauffer Biscuit Co., Inc. Schulze & Burch Biscuit Co.













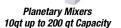


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Supermarket Perimeter® (ISSN 2637-7047 print) (ISSN 2637-7020 online) Volume 4, issue 6 is published monthly by Sosland Publishing Company, 4801 Main Street, Suite 650, Kansas City, MO 64112. Printed in the USA. Periodicals postage paid at Kansas City, MO and additional mailing offices. POSTMASTER: Send address changes to Supermarket Perimeter, PO Box 3001, Northbrook IL 60065-9743. ©2022 Sosland Publishing Company. All rights reserved. Reproduction of the whole or any part of the contents without written permission is prohibited. Supermarket Perimeter assumes no responsibility for the validity of claims in items reported. Sosland Publishing Company is a division of Sosland Companies, Inc.





What technology will most impact grocery fresh in the near future?

WE ASKED 4 INDUSTRY LEADERS...



Artificial intelligence will have a huge impact on grocery in the medium term. Everything from pricing to consumer trend tracking to sales forecasting and inventory management will be made more efficient and accurate through the use of data and machine learning. This will deliver lower prices to consumers and bottom-line growth for grocers.

BEDE JORDAN, co-founder and chief technology officer, Shelf Engine



I think in the next 2-3 years the most impactful tech will still be more operationcentric, still not shopper-facing. AI decision-making type of tools will get better at determining supply, freshness, availability of meats, produce and other categories that require freshness. Predictive analytics will get better at driving micro-level assortment decisions to help reduce waste and ensure other efficiencies.

RAJ SHROFF, founder and principal, PINE Strategy & Design



With labor shortages, food retailers can't afford inefficiencies. For the fresh perimeter, this means technology that allows for proper production planning, ordering and supply will be valuable. In addition, technology that supports proper inventory ordering will be critical to knowing how much product grocers have on hand or need to order to avoid having too much or too little in the future. RICK STEIN,

vice president, fresh foods, FMI—The Food Industry Association



On the heels of a global pandemic, the explosion of eCommerce acceptance has opened the door to innovative merchandising solutions like hyper-personalized meal planning technology and recipe recommenders. When the technology is integrated directly within the retailer's site, the experience has even more positive impact by intensifying shopper loyalty and increasing cart size.

KATIE HOTZE, CEO, Grocery Shopii



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