



Building a Partnership with your Distributor: A Model for Purchasing Sustainable Poultry

Kip Hardy

Emory Healthcare

Gloriane Crater

US Foodservice



Objectives

- Introduce our organizations
- Share our Springer Mountain Farms experience
- Explain why & how to utilize your primary distributor in sustainable purchases
- Review lessons learned
- Share marketing strategies
- Suggest methods for getting started



About Emory Healthcare

- 1,184 licensed patient beds
- 9,000 employees
- Food & Nutrition Department spans 4 hospitals
- Cook-chill operation



Sustainable Food Goals

- 75% local or sustainable food by 2015
- Sustainability Guidelines for Food Purchasing adopted in 2007
- Guidelines established by Sustainable Food Committee



Role of the Project Manager

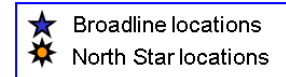
- **Research**
 - Sustainable food in the marketplace
- **Evaluate**
 - Ensure products meet sustainable food purchasing guidelines
- **Educate/Market**
 - Staff
 - Visitors
- **Consult**
 - Primary Distributor



US Foodservice Atlanta

- Atlanta is the second largest USF Distributor Center with revenue of ~\$600 Million
- **Serves three primary customer segments**
 - Street (independent restaurants)
 - National Accounts (hospitals, schools, etc.)
 - National Chain Restaurants
- **Significant scale of infrastructure**
 - ~6,500 customers
 - ~14,000 SKUs
 - ~697 employees
 - ~142 sales associates
- Outstanding Service & Technological Tools
- Distribution with a local flare

USF Distribution Network



Guidelines for Sustainable Poultry

- **1st priority:** Antibiotic free
- **Next priorities:**
 - Certified Humane
 - Regionally grown
 - Georgia grown
 - Certified Organic (USDA)
- **Ultimate goal:** Certified Humane, Georgia grown & Certified Sustainable (Food Alliance)



Springer Mountain Farms

- Antibiotic free
- American Humane Association Certified
- Georgia grown

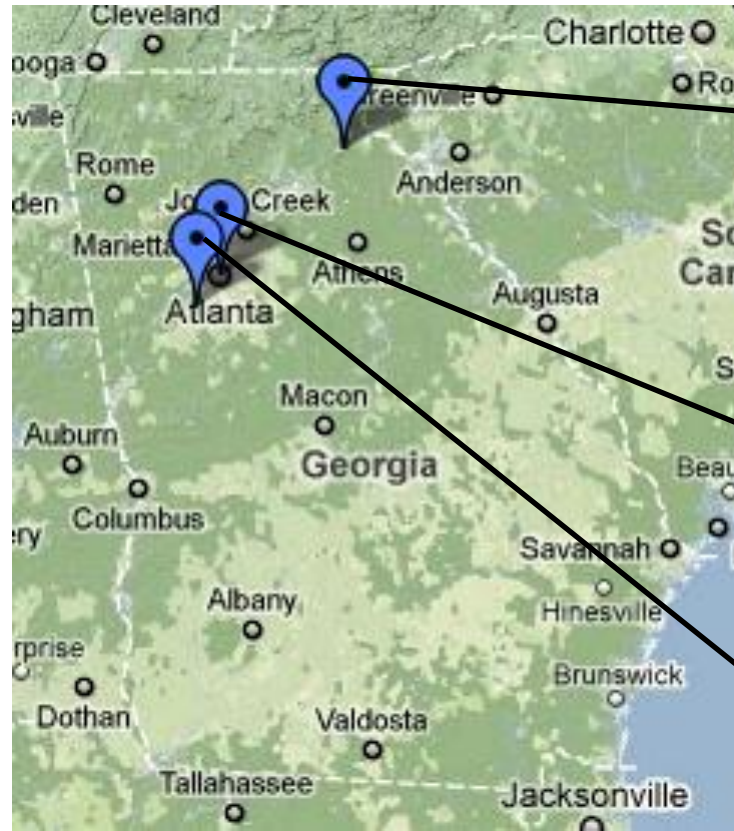


Springer Mountain Farms

- Branded product line from Fieldale Farms
- In the marketplace for approx 10 years
- Fieldale Farms was previously an all conventional poultry operation
 - Hatcheries
 - Feed Mills
 - Processors
 - On-site lab



Reduced Food Miles



Springer Mountain Farms Visit

- May 2010
- Met with head PhD poultry scientist
- Toured
 - Growing house
 - Lab
 - Feed mill
- Sampled the product at lunch



Springer Mountain Farms Visit



Springer Mountain Farms Visit



Springer Mountain Farms Visit



Springer Mountain Farms Visit



Results of the visit

- Better understanding of poultry production
- Established personal relationship with the producer
- Provided inspiration and motivation needed to work through the set-up of purchasing

Process to obtain product

Reviewed list of product options

Producer provided samples

Evaluated products in recipes and for portion size specs

Selected 8 products that met our needs

Negotiated pricing based on volume estimates

Operational considerations

- Not all products met portion size specs
- Some products we use were not available
- Not able to exclusively switch to Springer Mountain Farms
- ~16,800 Pounds per month



Consult your Primary Distributor

- **Ask your distributor..... What they can do for you?**
 - There is so much to gain
 - Distribution Center assumes the liability of the product so you are protected from a food safety/recall perspective...No Headaches
 - Able to take advantage of Group Purchasing Organization (GPO) incentives
 - One stop shopping/One point of contact
 - Economies of scale
 - No additional invoice to pay
 - No additional truck to receive



Create a Solution

- During formal business reviews we discuss the goals and objectives of Emory Healthcare
 - This is where we learned of Emory's goal to be 75% local and sustainable with food purchases
 - **Result:** Explore sourcing local and sustainable foods following Emory's guidelines
 - Focus on Dairy, Chicken and Beef
- Ask for a Business Review



Distribution Benefits

- Sell the products to other types of customers and institutions
- Provide a valuable service to a current customer
- Become a resource for other facilities
- Getting ahead of the curve
- It is the right thing to do



Understand Vendor Requirements

- Vendor Supplier must meet the following requirements:
 - Certificate of liability insurance stating a minimum of \$3M General Aggregate and \$3M per each occurrence
 - IRS Form W-9 Request of Taxpayer ID number and certificate
 - Business Classification and Ethnicity Sworn Affidavit
 - Represent a majority control of 50% or more of the business operations
 - Hazard Analysis and Critical Control points compliance letter



Vendor Considerations

- Reduced minimum deliveries to the Distribution Center
- Waive the fee for reduced minimum deliveries
- Allow distributor to pick up product from the manufacture or vendor- Back Hauling



Who needs to be involved?

- Executive leadership team must be committed to meeting the goals of the customer
- Account Manager who has the relationship with the customer
- Category Manager who has the relationship and or knowledge of the vendor
 - Expertise in the product line and knowledge of how to secure the product
 - Product set up
- Buyer who purchases the product based on the predicted usage
- Operations team who ensures product safety from receiving to storing to shipping



Distribution Barriers

- Time consuming project
 - Understanding the customer objectives
- Stocking products that are only offered to a select few
- Perishable products
 - Major risk to the distributor/customer
 - Must ship 7 days after kill-USF Standard Operating Procedure
 - Must have an excellent operations team to manage getting items to the freezer
 - Having product available when the customer orders product
- Inexperience of the customer with “Just in time” ordering of highly perishable products.
 - This is a foreign concept to healthcare



Distribution Capacity



55 acres / 450,000 sq ft / State of the art facility



Springer Mountain

Lessons learned

- When dealing with a perishable product, establish a fresh to frozen number – even if you don't intend to bring in product frozen
- The communication between the buyer, account manager and user is key in the success of securing the *right* amount of product

Lessons learned

- If usage is sporadic for a perishable product then you may need to adjust ordering systems by ordering “as needed” instead of by par level
- This is a paradigm shift from a routine par level system
- Operational flexibility is critical



Marketing

- Point of Sale signage
- Online communications
- Staff education
 - Taste tests
 - Sustainability education
- Marketing to the patients is a challenge



Patient Menu Breakthrough

- Adding sustainable foods to retail is easier than adding to the patient menu
- Due to effective price negotiations we are able to serve sustainable chicken to patients
- Some operational improvements resulted in food cost savings & enabled us to reinvest in sustainable foods



Previous chicken



Springer Mountain Farms
chicken



4 ounce boneless skinless chicken breast

Point of Sale Signage

Check Out Our Chicken!

EMORY HEALTHCARE cafes now serve chicken
from Springer Mountain Farms



Why choose Springer Mountain Farms?

- Georgia Grown
- No Antibiotics
- Never Fed Animal By-Products
- Certified by the American Humane Association



www.thehumaneassociation.org



Online Menus

Savory Fare Weekly Features

for the week of May 2-8 2011



Check Out Our Chicken!

We now serve chicken
from Springer Mountain Farms



This week give it a try:

Monday & Thursday: Lemon Pepper Chicken

Wednesday: Chicken Wing Bar

Friday: Teriyaki Chicken w/ Pineapple & Peppers

Weekly Favorites

- **Bulk Salads of the Week** - Curried Chicken Salad
& Granny Smith Apple Spring Mix Salad
- **Whole Grain Salad of the Week** - Tuscan Penne Pasta Salad
- **Specialty D'Lite Wrap** - Tangy Tuna & Sundried Tomato Wrap
- **D'Lite Sandwich** - Turkey Paisano Whole Wheat
- **Sandwich Feature** - Chicken Salad Croissant
- **Gourmet Pizza Selection** - Chicken Alfredo & Spinach Pizza

We want to hear from you!

Do you have a favorite menu item you haven't seen in awhile? Do you have suggestions for how we can improve? Do you want to give us feedback about your Savory Fare experience? Let us know! Email Lynn Moore at lynn.moore@emoryhealthcare.org

Online Menus

Savory Fare Café Menu – Emory University Hospital Midtown May 2-8, 2011
Please note that this menu is subject to change.

| Monday 5/2/11 | Tuesday 5/3/11 | Wednesday 5/4/11 | Thursday 5/5/11 | Friday 5/6/11 | Saturday 5/7/11 | Sunday 5/8/11 |
|---|--|---|--|---|---|--|
| SOUP | | | | | | |
| Well & Good Portabella Mushroom Barley Soup Potato Chowder | Well & Good Tuscan White Bean & Chicken Soup Chicken Gumbo | Well & Good Home-Style Sweet Pepper & Beef Soup Clam Chowder | Well & Good Tomato & Sweet Basil Soup Beef Barley Soup | Well & Good Rustic Beef w/ Mushroom Soup Chicken Florentine | Well & Good Rosemary Chicken & Dumpling Soup Vegetable Beef Soup | Well & Good Red Ripe Tomato & 3 Cheeses Soup Chicken Noodle |
| HOT ENTREES | | | | | | |
| Rotisserie Lemon Pepper Chicken Quarters Baked Tāpia w/ Fresh Salsa Chicken & Dumplings | Rotisserie Turkey Breast Lemon Baked Catfish Fried Chicken | Magnet Menu Exemplary Professional Practice Personal Flatbread Pizzas Empirical Outcomes Grilled Mahi Mahi Transformational Leadership BBQ Baby Back Spare Ribs Structural Empowerment Chicken Wings | Rotisserie Lemon Pepper Chicken Quarters Personal Chicken Pot Pie Chinese Pepper Steak over Fried Rice | Teriyaki Chicken Breast w/ Pineapple & Peppers Mexican Salad Bowl & Fajita Bar Fried Catfish w/ Hushpuppies | Herb Baked Chicken Breast Meat Lasagna Country Fried Steak | Baked Tāpia Roast Turkey Fried Chicken |
| SIDES | | | | | | |
| Chicken Infused Rice Whole Green Beans Sliced Carrot Coins Whole Kernel Corn Fried Broccoli Cheese Nuggets | Belgium Blend Vegetables Chopped Spinach Cornbread Dressing Yukon Gold Mashed Potatoes Macaroni & Cheese | White Rice Collard Greens Black-eyed Peas Normandy Vegetable Blend Fresh Baked Sweet Potatoes | Malibu Blend Vegetables Fresh Cabbage Fried Corn Nuggets Fried Rice Fried Vegetable Egg Roll | Chicken Infused Rice Sicilian Vegetable Blend Broccoli Florets w/ Cheese Sauce Homemade Squash Casserole | Carrot Coins Spinach Caribbean Blend Vegetables Escalloped Potatoes Fried Broccoli Cheese Nuggets | Green Peas w/ Pearl Onions Turnip Greens Broccoli Florets & Cheese Sauce Cornbread Dressing Red Skin Mashed Potatoes |
| SALAD SPECIAL | | | | | | |
| Chicken Fajita Salad | Greek Chicken Salad | Fresh Tropical Fruit Salad | Fried Chicken Salad | Cranberry Orange Chicken Salad | | |
| SANDWICHES & WRAPS | | | | | | |
| Oriental Chicken Wrap Grilled Italian Steak Panini | Santa Fe Chicken Wrap Grilled Club Panini | BBQ Chicken Wrap Grilled Turkey Broccoli Panini | Cateman's Roast Beef Wrap Grilled Italian Panini | Mediterranean Wrap Grilled Turkey Panini | | |
| GRILL SPECIAL | | | | | | |
| Shrimp PoBoy | Black Angus Burger | BBQ Chicken Sandwich | Fried Chicken Tenders | Gyros | Fried Chicken Tenders | Foot Long Hotdogs |
| <ul style="list-style-type: none"> • Indicates a Healthier Choice <15g fat for entrée, <5 g fat for a side item • Indicates an item made with Local or Regional ingredients | | | | | | |
| CLICK TO PAGE 2 TO VIEW THE WEEKLY SPECIALS | | | | | | |



Rotisserie Lemon Pepper Chicken



Indicates an item made with local or regional ingredients

Customer Response

- “Hey, this is GREAT!!! I buy this at the grocery store because I don’t want my kids exposed to all the chemicals & antibiotics that all the other chicken has.”
- “I am so glad that ‘healthcare’ is coming around !!! I just love all the local products & produce that you have been buying. Keep it up!”
- “Keep up the good work, I’m proud that the place I work offers these healthier alternatives.”



What it takes ...

- Patience
- Persistence
- Coordination
- Communication

Benefits

- Knowing the people who produce your food
- Stronger commitment by the farmers when this relationship is built results in a higher level of service
- Pride in the knowledge that you are contributing to better food for your organization and community



Getting started

- Get commitment from the leaders who will be responsible for supporting and implementing these changes
- Establish your standards and criteria for sustainable foods
- Set goals



Getting started

- Visit the farms!
- Educate and engage the food service staff
- Connect the farmers and the food service workers



Questions?

