Connecting Policy Issues to Your Business
Growing Kids’ Consumption – Growing New Consumers

Sponsored by:

America’s Produce Specialist
Marla Caplon, R.D., L.D.
Director of Child Nutrition
Montgomery County School District
Jessica Shelly, MBA, REHS, RS
Food Service Director
Cincinnati Public Schools
Phil Muir
President and CEO
Muir Copper Canyon Farms
Sean Leer
Vice President Sales
Gold Star Foods
Dennis Christou
Vice President Marketing
Del Monte Fresh Produce
Mike Orf
Assistant Vice President
Produce Operations
Hy-Vee, Inc
Connecting Policy Issues to Your Business

School Nutrition Policy Changes That Are Growing Kids’ Consumption - Growing New Consumers
Fresh Fruit & Vegetable Program
SY'2013-14 = $165.5

Increasing 4 M Student’s Fruit and Vegetable Consumption Daily &
Setting the Stage for Healthier School Meals
New Nutrition Standards for School Lunch

• 2nd School Year
• BIG Changes – Doubles amount of F/V, F and V must be served daily, focus on color/variety, behavior change
• Nationwide 80% + schools are in compliance and receiving additional $.06 reimbursement
• Produce Distributors see huge growth in school business
Healthier school meals have more fruit and veggies.
New Nutrition Standards for School Breakfast

• Effective 7/1/15

• Doubles amount of fruit served to 1 cup/day, requires a juice + fruit daily or 2 fruits daily

• More than 11 M school children participate in national school breakfast program daily

• Trends: Breakfast in Classroom, Grab and Go
Smart Snacks in School

- Establishes nutrition standards for all foods/beverages sold in schools from midnight to 30 minutes after end of school day in vending machines, school stores, snack bars and a la carte.
- Interim Final Rule effective 7/1/15
- Eliminates sale of junk foods, strict regulations about sodium, fat, calories, sugar.
- Foods sold to children must make positive contribution including: contain at least ¼ cup of F/V, have as first ingredient F, V, dairy, protein, etc.
- Will increase access to more fresh & fresh cut F/V in schools
• **Afterschool Snack Program** – low income schools provide snacks to students in afterschool programs; schools now serving more fresh F/V as afterschool snack instead of other foods.

• **After School Supper Program** – low-income schools receive funding to provide supper to students; fruits and veggies part of supper.
Growing New Customers

Maximizing Fruit and Vegetable Consumption

Marla Caplon, R.D., L.D.
Director, Division of Food and Nutrition Services
Montgomery County Public Schools
Rockville, Maryland
October 1, 2013
Division goals.....

- Fresh fruit on all serving lines
- Increase in variety of fresh vegetables
- Decrease in utilization of processed foods
- Introduction of more salad bars as part of the reimbursable meal
- Utilize grant funding to introduce fresh fruits and vegetables to students
Montgomery County Schools

- 202 Schools
- 70,000 Meals served per day
- 34% free and reduced price meals
- Breakfast, Lunch, Fresh Fruit and Vegetable Program, After School Snack, After School Suppers, Summer Feeding Program
- Menus must meet Healthier US School Challenge requirements
Fresh Produce Expenditures
SY’2011-12 vs. SY’2012-13

SY’2011-12 = $793,153
SY’2012-13 = $1,369,023
Relationships....

**Lancaster Produce**
- collaborative partnership
- weekly cost updates
- product availability
- alternative suggestions
- delivery options
What Type of Fresh Produce is Purchased?

<table>
<thead>
<tr>
<th>Vegetables</th>
<th>Fruit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romaine</td>
<td>Apples</td>
</tr>
<tr>
<td>Salad Mix</td>
<td>Oranges</td>
</tr>
<tr>
<td>Spinach</td>
<td>Peaches</td>
</tr>
<tr>
<td>Tomatoes</td>
<td>Pears</td>
</tr>
<tr>
<td>Cucumbers</td>
<td>Plums</td>
</tr>
<tr>
<td>Red and Green Peppers</td>
<td>Nectarines</td>
</tr>
<tr>
<td>Zucchini</td>
<td>Melons</td>
</tr>
<tr>
<td>Carrots</td>
<td></td>
</tr>
<tr>
<td>Broccoli</td>
<td></td>
</tr>
<tr>
<td>Cauliflower</td>
<td></td>
</tr>
</tbody>
</table>
We Use As Much Fresh Cut Produce As Possible!

Bagged Romaine
Bagged Spinach
Baby Carrots
Cut up Peppers
Cut up Celery
Zucchini coins
Cut up Melons

And, we are looking for some new fresh cut fruits and vegetables....
Make it fun!

- Use recipes that are kid friendly!
- Involve students in menu planning
- Involve students in preparation
- Give them recipes to take home!
Fresh Fruit and Vegetable Program
Serving Lines are bright and colorful!!

Fruits and veggies are easy to handle!
Focus Groups
Help Us Learn

Help get students to participate!

And...
Salad Bars Are Fun!
Increase Students Consumption
Increase Produce Purchases
Fruit and Veggie Tastings
School Breakfast
Opportunities and Challenges for
More Produce

Opportunity: Starting in SY’2014-15 schools need to offer a total of 1 cup of fruit = juice + fresh fruit

Challenges: price, correct size, variety that kids like
Smart Snacks in Schools

Opportunities for More Produce!
Advice to the Produce Industry: How to Grow Your School Business
Growing Kid’s Consumption – Growing New Consumers

Jessica Shelly, MBA, REHS, RS
Food Service Director
Cincinnati Public Schools
Cincinnati Public Schools Food Service

- 54 schools serving 34,000 children daily
- Over 6 million breakfasts, lunches served each year
- 75% free/reduced

We serve more meals in one day than any other restaurant chain in Cincinnati.
Salad Bars in Cincinnati Schools
A Win-Win-Win-Win

All 54 Cincinnati Public Schools Have Salad Bars
Benefitting 34,000 Students Everyday

Increasing Students’ Fruit and Vegetable Consumption
SALAD BARS VERY POPULAR

EASIEST WAY FOR SCHOOLS TO MEET NEW SCHOOL LUNCH FRUIT AND VEGETABLE REGULATIONS

Salad Bars Offer a Colorful Variety of Dark Green, Red, and Orange Vegetables and Fruits
Salad Bars = Critical Infrastructure for Serving More Fresh Produce

• Cafeteria Equipment – Necessary to Serve Fresh Produce
  – Without salad bars, serving a wide variety of colorful fresh produce would have been more difficult
What’s on the Salad Bar?

- Broccoli Florets
- Cauliflower Florets
- Baby Carrots
- Celery Sticks
- Cucumbers
- Grape Tomatoes
- Jicama
- Lettuce Mix
- Spinach
- Red/Green Pepper Strips
- Radishes
Salad Bars are Win-Win-Win

1. Health benefits for students and staff

2. Great positive press for the district
   - Parents saw it as an opportunity for students
   - Teachers recognized it as an improvement in nutritional value
   - Media showed it as the opposite from “that” reality television show
   - Voters appreciated how it was done with no school general funds used

3. Aligns with Fresh Fruit and Vegetable Program
   29 schools have FFVP

4. Ties in with school garden & science curriculum
   Classroom to garden to lunchroom
## CPS Produce Purchases for Lunch and Breakfast

<table>
<thead>
<tr>
<th>School Year</th>
<th>Produce Purchases</th>
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<tr>
<td>2009-10</td>
<td>$425,000</td>
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<td>2010-11</td>
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<tr>
<td>2011-12</td>
<td>$600,000</td>
</tr>
<tr>
<td>2012-13</td>
<td>$650,000</td>
</tr>
<tr>
<td>2013-14</td>
<td>$995,000</td>
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</table>
Transforming School Cafeterias Nationwide
Interest in School Salad Bars Continues to Grow

The Ripple Effect
ONE SMALL CHANGE CAN HAVE AN ENORMOUS IMPACT

Salad Bars Donated to 2,700 Schools
Benefitting 1.4 Million Students
CPS Produce Partners

School Lunch
• Ellenbee Leggett

Fresh Fruit and Vegetable Program
• Delhi Foods
Fresh Fruit & Vegetable Program

$165.5 million SY2013-14
4 million students
7,750 schools nationwide
<table>
<thead>
<tr>
<th>School District</th>
<th># Schools</th>
<th>Funding SY2013-14</th>
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<tr>
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<tr>
<td>Cleveland City School District</td>
<td>63</td>
<td>$1,275,450</td>
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<td>Dayton City School District</td>
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<td>Toledo Public Schools</td>
<td>11</td>
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<td>Fresno Unified School District</td>
<td>43</td>
<td>$1,398,286</td>
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<tr>
<td>Bakersfield City School District</td>
<td>15</td>
<td>$541,314</td>
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School Breakfast Program
Opportunities and Challenges for More Produce

• Starting in SY’2014-15 schools need to offer 1 cup of fruit at breakfast

• Opportunity – individually wrapped value added fruit, easy to eat, and portable

• Challenges – quick service, price point, and easy to grab/go
Smart Snacks in Schools

Opportunities for More Produce

Schools Need a Variety of Healthy Items to Replace Junk Foods!
Advice for Produce Industry

• Do you know about new school nutrition standards/regulations?
• Do you understand school purchasing practices, product mix, volumes, delivery needs, and regulations?
• Are you building relationships w/local schools?
• School Foodservice Director = Decision Maker
• Ask Questions – Provide sample products
Healthy Choices = Healthy Kids
Connecting School Policy Issues to Your Business

Muir Copper Canyon Farms

Phil Muir
President and CEO
Muir Copper Canyon Farms
Salt Lake City, Utah
NATIONAL FUNDING

Funding DoD Fresh and FF&V Program

Get the latest news, information, and updates from NATIONAL FUNDING.
## Customer Categories Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>Pay Practices</th>
<th>Profitability</th>
<th>Growth</th>
<th>Service</th>
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<tr>
<td>Hospitals</td>
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<td>Chains</td>
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<tr>
<td>Fine Dining</td>
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<td>4</td>
<td>1</td>
<td>2</td>
<td>9</td>
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<tr>
<td>Schools</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>16</td>
</tr>
</tbody>
</table>
MUFT IR COPPER CANYON FARMS

School Sales

Sales

PROGRAMS/Funding Streams

• School Lunch
• School Breakfast
• Fresh Fruit and Vegetable Program
• After School Program
• After School Supper Program
• Summer Food Program
• Smart Snacks in Schools (2014)
Two Important Funding Streams for Muir Copper Canyon Farms

– DoD FRESH to support National School Lunch Program
  • Admin by Defense Logistics Agency (DSCP)
  • State Choose to Participate
  • Districts Choose to Participate
  • Multi Year contracting with DSCP

– FRESH FRUIT and VEGETABLE PROGRAM (FFVP)
  • Administered by USDA
  • Funding from States to School Districts
  • Annual contracting at the local level
Get to Know

• Who
  – Districts / State / Federal / Private Contractors

• What
  – Purchasing Practices / Product Mix
  – Programs and Regulations

• Where / When
  – Ops Details – Drops / Volumes
Solution Specialist

• Why
  – Your Capabilities more than just Price

• Participate
  – School Nutrition – National/State / Regional / District

• Train
  – Look for Opportunities / Handling Practices
MARKETING

Fresh Fruit & Vegetable Program (FFVP)

Starts next Week in 6 Participating Schools
Amelia, Franklin, Provost, Provo Peaks, Spring Creek, & Timpanogos
FFVP – Packaging Solutions
PARTICIPATION
CREATE INTEREST

This is **Romanesco**, tomorrows snack. This is what it looks like before being cut up.
Guess What I Am?

I am very sweet.
I am part plum and part apricot.
I can be used in tarts, jam, salads or eaten plain.
I am packed with vitamins A, C and potassium.
I can be black, purple, yellow striped or spotted.
I have tons of fiber and only 40 calories.
I was born in 1989 in California.
I have little speckles on my skin.
What am I?
I am a Pluot (Dinosaur Egg)!!!!!!!!!!!!!!!!!!!!!!!
MAKE IT FUN
MAKE IT LOCAL
MAKE IT NEW
MY PLATE
Connecting Policy Issues to Your Business

Growing Kid’s Consumption - Growing New Customers

Sean Leer
Vice President  Sales
Gold Star Foods

sean@goldstarfoods.com
• K-12 School Food Service Distributor
• Schools Are Our Only Business
• 380 School Districts in CA, NV, AZ
• 3.3 Million student meals per day
• Key Accounts:
  - Los Angeles Unified School District
  - Clark County Schools, Nevada
Schools Purchase Produce for Many Programs

- National School Breakfast Program
- National School Lunch Program
- Fresh Fruit and Vegetable Program
- After School Snack Program
- After School Supper Program
- Summer Feeding Program
What’s Driving Demand for More Produce in Schools?

- Demand = Healthy Hunger Free Kids Act
- Policy and Regulations force change
- Meeting regulations = $1,339,200,000 Immediate Market Potential
Center of the Plate Strategy

– $1,339,200,000 Immediate Market Potential  (lunch only)
Impact on Gold Star

Evolution to Produce is Central to Gold Star’s Long Term Strategy

Less Pizza more Vegetables

• 2011 Produce = 0% of Sales
• 2013 Produce = 18% of Sales
Meeting Customer Demand

- Local Produce/Farm 2 School
  - Our Experience
  - Realities...
- Volume, extraordinary
- Value Added/Fresh-cut
Understanding this Market

• *United Fresh Members uniquely positioned*
• Very personal, mission driven
• Customers need to know their suppliers
• Opportunity to offer *depth of value*
• Sales/Marketing/Procurement Process
  – To realize value this must be a disciplined approach
New Opportunities for Produce

– Staying focused on School Lunch & Breakfast
– Supper
– Healthy Snacks limited volume potential vs. NSLP
– Scale
– Education of the customers
– Cooperatives
Capitalizing on Growing School Business

• Get engaged with this market and directly with customers.

• Build Coalitions
  – Allied Associations

• How much do you expect produce volumes to increase in schools over the next few years?
  – Extremely Fragmented Market
  – Opportunity for coordinated systems and distribution
  – Branding and Product Placement virtually UNTOUCHED
2013 Washington Public Policy Conference

Growing Kids’ Consumption
Growing New Consumers

Dennis Christou
Vice President Marketing
Del Monte Fresh Produce
A Marketer’s Dream

75.2 Million Consumers
(24% of US Population)
In Pre-K to College
The First Signs of Change

Obesity rates among low-income preschoolers decreased in many states

- **19** States/Territories Decreasing*
- **21** States/Territories Staying the Same
- **3** States/Territories Increasing*

*Represents statistically significant annual decrease or increase in obesity.


To learn more about how childhood obesity is measured, see http://www.cdc.gov/obesity/childhood/basics.html.
Del Monte Fresh Vending
The Role of Retail

Growing Kids’ Consumption – Growing New Consumers

Mike Orf
Assistant Vice President, Produce Operations
Hy-Vee, Inc.
West Des Moines, IA
Health is a HUGE Part of Our Brand.... It’s Who We Are!
First Lady Michelle Obama meets with Hy-Vee Staff
Hy-Vee Store Gardens for Kids
Promoting Consumption with Store Gardens
Gardens Are Increasing Produce Sales
Partnering with Suppliers to Support
Let’s Move Salad Bars to Schools
Hy-Vee Supplies Fresh Produce for Fresh Fruit and Vegetable Program

Sioux Falls, SD - 10 elementary schools, benefitting 4,000 + kids/week

Iowa City, IA – Benefitting 2000 kids/week
Cooking Classes for Kids
Promoting Fresh Fruits and Vegetables
In-Store Produce Excitement!!!!!
Questions?
Thank You to Our Sponsor