

IRVINGS FARM FRESH LTD



SELLING INTO FOODSERVICE



IRVINGS FARM FRESH LTD

- Moved from UK in 2005
- Started Business in 2006
- Sell at Farmers Markets
- Foodservice Jan 2007
- Now operate a full meat shop on farm.
- Breeding facility 25 sows
- Finishing pigs at home
- 65% Markets, 13% Foodservice
12% Retail, 6% Direct Retail



WHAT IS FOODSERVICE ?

➔ AN OUTLET THAT IS RESPONSIBLE FOR ANY MEAL PREPARED OUTSIDE THE HOME

IN 2008 - \$8.4 BILLION
TALLIED IN RECEIPTS
9000 OUTLETS

WHAT TYPES OF FOODSERVICE ARE THERE?

• RESTAURANTS AND HOTELS

- Catering
- B & B's
- Concessions

Smaller orders

Speciality items

Higher added value

• INSTITUTIONS

- Schools
- Hospitals
- Prisons

Larger orders

Low price point

HOW DOES FOODSERVICE WORK?

- WHO IS THE BUYER?

- Head Chef / Sous Chef
- Owner
- Foodservice Manager
- Central purchasing

- HOW DO THEY BUY?

- Independantly
- Chain outlet
- Foodservice Manager
- Central purchasing
- Distributors

FOODSERVICE NEEDS

- Very busy
- Hundreds of items to order
- Fixed portion sizes
- Fixed pricing / Set payment terms
- Limited storage space
- May need everything fresh
- Prompt, full deliveries
- Need year round supply

PRODUCER NEEDS

- Seasonal availability
- Very busy
- Limited delivery days or times
- Need Cost effective delivery
- Need prompt payment
- Need lots of notice
- Need to sell a wide range of products

SKILLS, KNOWLEDGE, ATTITUDES AND RESOURCES

- Ability to communicate
- Reliability
- Know your product
- Target customers
- Professional and businesslike
- Be persistent – but not pushy

HOW TO FIND YOUR CUSTOMERS

- Who is your customer
- Research who / where they are
- Use media / internet
- Visit potential establishments
- Establish a contact
- Product presentations / sampling
- Networking

BENEFITS OF SELLING INTO FOODSERVICE

- Year round business
- Effective use of time
- Bulk packaging
- Rewarding
- Raises brand awareness

COSTS OF SELLING INTO FOODSERVICE

- Time spent doing deliveries
- Late orders
- Reduced margins
- Delayed payment

WHAT CAN GO WRONG?

- Distributor – bad experience
- Late payment or bankruptcy
- Inconsistent product or supply

CAN I MAKE MONEY SELLING TO FOODSERVICE?

- Must calculate your breakeven price
 - Cost of goods + your time
 - + your delivery costs
 - + your fixed costs
- Add your profit margin
- Allow for distributor markup

ADVICE

- Calculate your costs properly
- Build your brand and reputation
- Product differentiation
- Be professional and reliable
- Use available resources
- Keep learning and don't give up!

WHY WE HAVE HAD SUCCESS

- Started slowly and built business
- Realistically priced products
- Control of our own processing
- Branding and reputation
- Set delivery day
- Listen to your customers needs
- We are passionate about our products / pigs