

MICHIGAN & INDIANA FOOD SHOW REVIEW & DISTRIBUTOR & ASSOCIATION OUTCALLS, OCTOBER, 2008

1) Michigan Restaurant Association (MRA) Show, Rock Financial Showplace, Novi (Detroit), MI, Oct. 14-15, 2008 www.michiganrestaurant.org

Oct. 15—I held on site, informal meetings with Rob Gifford and Brian Starrs, MRA President & CEO, and Events Coordinator, respectively, on the second day of this show. Later, I followed up with Penny Papantopoulos, MRA's Deputy CEO.

This event has been held annually for over 30 years. I was told that there were about 200 exhibiting companies this year, occupying 265 booths. The MRA said that exhibitor count was flat from last year's show, but attendance was up about 4%, to over 3000 foodservice industry professionals. Considering the current business climate, and especially Michigan's very difficult economy, they seemed very happy with the turnout.

Exhibitors, who seemed to be split about equally between food and beverage companies, and equipment, technology, and service vendors, told me that floor traffic was very good both days. The MRA reports that 60% of attendees came from companies with less than 15 employees, 25% had 16-50 employees, and the remainder came from firms with over 50 employees. The average number of years in business for all attendees is 16 years. There was a full schedule of educational seminars both days, celebrity chef demonstrations, show floor promotional specials and a new products section. Additionally, the Michigan Department of Agriculture organized a Food Safety Summit, in conjunction with local foodservice distributors and operators.

I had not visited this show in several years, and was pleasantly surprised by it. It seems to me that it would be particularly useful for Canadian companies that already have a distributor or broker in the area. However, as many of the exhibitors are broker/distributors, it could also be a good place to identify and qualify prospects. Next year's show will be held Oct. 20-21, 2009, and space cost \$14 per sq. ft. (100 sq. ft. minimum). There is a 15% discount for MRA members if paid in full by January 15, 2009. If there is sufficient interest in some sort of Canada group exhibit, our office could assist in facilitating such a presence.

OPPORTUNITIES FOR FOLLOW UP:

- Possible Canadian group exhibit for 2009 show.
- Possible cross promotional opportunities between CRFA and MRA Shows.

2) Michigan Chefs de Cuisine Association (MCCA)— Brian Lorge, Secretary www.mccachef.org

Oct. 15—Founded in 1970, The MCCA is the Detroit area chapter of the American Culinary Federation, and its 350 members comprise one of the most active ACF Chapters in the country. Its monthly meetings are well attended, often drawing over 100 professional and student chefs, food suppliers and guests. Over the last two years, our office has developed a close working relationship with this group, providing Canadian foodservice industry speakers for their meetings, as well as organizing specialty food tours and demonstrations for the group in nearby parts of Ontario. MCCA's stated goals are to further culinary education, professional growth, provide networking opportunities and support charitable organizations. An MCCA chef, recruited by this office recently placed 3rd in Prince Edward Island's annual Shellfish Chef's Competition.

I met informally with Mr, Lorge, on the MRA Show floor, and he presented the following opportunity:

OPPORTUNITY TO PROVIDE ENHANCED EDITORIAL CONTENT FROM CANADA, FOR MCCA'S MONTHLY NEWSLETTER:

- Must be educationally focussed on food, equipment & other culinary issues. Must be concise, well written, edited, and ready for publication.
- Suggested topics include meat, seafood, oils, equipment, industry trends, etc.
- Advertising opportunities—full page (annual, all issues) \$1100.
- Providing editorial content is not contingent on buying paid advertising.
- Distributed electronically 10X per year (Sept. through June) to 700 MCCA member professional chefs, student chefs, guests, food and beverage purveyors and others.

3) Metro D Distributing & Sales, Westland (Detroit), MI—Dave Gillen & Jim Samulski, Managing Partners www.metrodistributing.com

Oct. 23—Metro D has been in business for five years, but the company's two principals have, combined, more than 50 years of food business experience. They have a few foodservice accounts, but the majority of their revenue comes from the 60 retailers that they service with weekly sales calls, mostly independently owned stores and chains in Michigan and North Central Ohio. The Andersons, in Toledo OH, (see July, 2008 report) is a good customer, and they also supply some Super K-Mart and Meijer stores. They describe their approach as "hands on order writing and delivery, with plan-o-gram and display building service." They are big on product promotions to move merchandise, adding that "At any one time, half of our items will be on a TPR (temporary price reduction)".

There are three channels that comprise their business—they are manufacturers' representatives (food brokers), distributors, and also offer consignment warehousing services. In our meeting, they really pushed the consignment part of their business as a way for new to market companies to get some relatively low cost exposure in this region, saying emphatically "To sell here, store here, on consignment." They also highlighted

the efficiencies that could be realized by consolidating consigned shipments from Canada to their warehouse.

In the past, they have not had a lot of luck with Canadian principals, citing trouble getting things to their warehouse in a timely manner. Also, with larger customers, such as Meijer, they cautioned “When you’re ready to do business with Meijer, be ready to do business.” Quality controls, liability insurance, and food safety protocols are a must for all prospective principals and vendors.

OPPORTUNITIES FOR FOLLOW UP:

- Canned tomatoes—14.5 oz. & 28 oz. cans.
- *Charles Chips* potato chips (now owned by a Canadian Co.?) Seeking direct sales contact. The Andersons will buy.
- Any foods that fit today’s economy—smaller sizes, better values.
- Interested in SIAL & CRFA Shows, especially if they can attend with a customer (Andersons, Hiller’s?)

4) Troyer Foods, Inc., Goshen, IN—Colin Sandt, Foodservice, Seafood & Supplies Buyer www.troyers.com

Oct. 31—Troyer Foods was started in 1948 by Elroy and Al Troyer, originally doing business exclusively as a poultry distributor. Beginning in the 1960s, and through the 1980’s, many other categories were added, such as fresh and processed pork, boxed beef, deli, bakery and dessert items, seafood (fresh and frozen) and other frozen foods, supplies and equipment. More recently, Troyer’s has grown with some Indiana acquisitions—Beasly (fresh) Produce, in Bloomington, and Sure-Fine Foodservice in Evansville, and they continue to operate distribution centres (DC’s) out of both of those locations. Today, the company is owned by Paris and Becky Ball-Miller, and boasts estimated annual sales of approximately \$260 million.

Troyer’s service area encompasses roughly a 300 mile radius around Goshen/Elkhart, Indiana (North-Central), which includes Chicago, Milwaukee, Southern Michigan, Western Ohio and West Central Kentucky. Their sales distribution is approximately 80% to retailers, with the remainder to foodservice accounts, and a small amount sold out of a “Country Outlet” cash and carry store at their Goshen DC. Their fresh seafood program includes farmed salmon, oysters, and lake fish. Don Hixenbaugh is their imported beef buyer, and Steve Gile purchases domestic beef. Other buyers and category managers are listed on the company’s website.

The company had been associated with the Golbon buying group, but since February, 2008, they have been exclusively with the Progressive Group Alliance (Pro Group). Mr. Sandt also said mCOOL (country of origin labelling) is a great concern for Troyer, and many of their retail customers.

OPPORTUNITIES:

- Frozen French fries—(#2's, price sensitive). Retail & food service packaging.
- Interested in meetings/tours of salmon aquaculture & live oyster grower/processors.
- Mel Osborne, fresh produce buyer, could be interested in meetings with and tours of fresh hydroponic produce growers and mushroom farms.
- Direct follow up by, and possible meeting with BIC?

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Bell's Brewery (Michigan's finest) at 2008 MRA Show