

# Selling to Retailers: How to Scale Up with Farm-Fresh Foods

A preconference training session **Thursday, November 10, 2011, 9:30 – 5:00**

before NESAWG—It Takes A Region

produced and facilitated by Michael Rozyne, Sue Futrell and Red Tomato

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With special guests:

- José Alvarez, former president and CEO of Stop & Shop; currently senior lecturer at Harvard Business School
- Doug Rauch, former president of Trader Joe's; currently Fellow at Harvard Advanced Leadership Initiative

It's nearly impossible to seriously scale up a food hub or farm without selling to retailers. It's the sure way, and in many locations the only way, to reach large numbers of people where they normally shop.

But how do small- and medium-scale businesses and farms *connect* with a retail distribution system that has grown massive and foreboding over the last half century?

In this day-long session, facilitated and led by food hub veterans from Red Tomato, and two retail leaders who dared to think and act outside of the box, we will explore:

- basic language, concepts, and formulas of food distribution
- the state of the retail industry today, with history to shed light on how we arrived here;
- competitive retail strategies at play today: private labeling; different versions of *local* programs; sustainability initiatives; branding; forms of cost reduction; lean management approaches to inventory, quality control, purchasing, and distribution;
- the nature of supermarket buyers; how to speak their language and get their attention;
- common bottlenecks that stand in the way of success;
- strategies for small- and medium-size food hubs, businesses, and farms;
- examples from the field of success and failure;
- Q&A to customize the day—an opportunity to discuss *your* real-time issues and bottlenecks with the whole group;

This session is open to people on different tracks: (a) those with zero business and marketing experience, but a healthy curiosity; and (b) practitioners with experience, currently engaged in some form of food business. We will segregate the group a couple times during the day and offer different tracks: (a) introductory concepts and language needed to understand retailing and food business; and (b) case work and real-time problem-solving for the more experienced participants.

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## Agenda November 10, 2011

- start with the customer; “the most interesting part is there’s a consumer who actually wants this stuff”; what unmet need are you trying to serve?; jury is still out as to whether local food will be a blip on a curve as a mass reaction against industrial food....; can local deliver on its promise?; is it a fad?; how well have they made the case that locally grown is worth the premium?
- 9:30 welcome, kick-off (MR)

- 9:45 introductions, in predesignated affinity groups of 4
- 10:10 Customers, Retailing, and the Future of food procurement
  - **Who is the customer?**
    - (JA: “most interesting part of this is that there’s a consumer who actually wants this stuff!”)
    - data about *local* consumers (SF)
    - audience participation—add meaning to the above? is this a fad? (SF)
    - what unmet need are we meeting?
  - **Retailing: where are we? how did we get here? from WWII to today (JA)**
    - Audience: what characterizes the retail shopping experience today?
    - Where are we today?
    - How did we get here? 60 year historical scan
  - **Sensing the future**
    - dominant trends
    - what will it look like in 25 years?
- 11:30 Literacy: the rhetoric and ‘rithmetic of food distribution
- 12:45 lunch
- 1:45 Selling to Retailers
  - **Getting on the shelf**
    - Meet *Homo procurus*, the trade buyer (MR)
    - different approaches; different strategies (dsd, warehouse, private label...)
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    - the basics—required for warehouse business
    - differentiation/decommodification
  - **Getting off the shelf**
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  - **Putting it together**
    - Red Tomato
    - preselected case from a participant
    - review of different retailers’ local programs
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