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Retail Trends For Today's Delis

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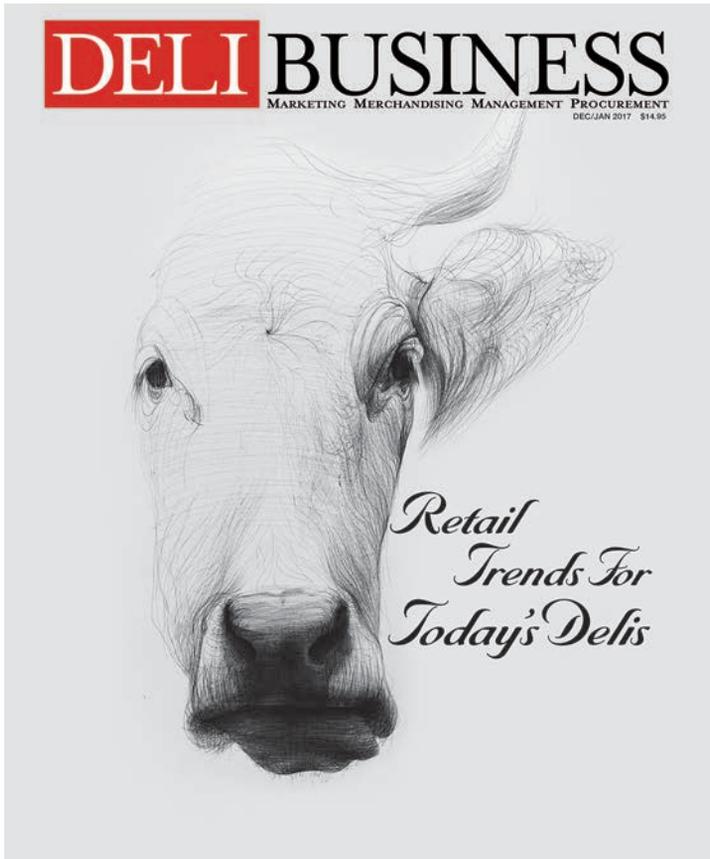
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IDDBA ELECTS NEW OFFICERS, BOARD

The Madison, WI-based International Dairy-Deli-Bakery Association (IDDBA) elected the 2016-2017 officers and board of directors at its annual business meeting, held recently in Chicago.

Jewel Hunt, group vice president bakery, Albertsons Cos., was elected chairman of the board. She has served on the board since 2010 and has been involved in a number of committees. John Cheesman, vice president business development, Clyde's Donuts, will continue to serve on the board as past chairman.

Other new officers are executive vice chairman Erik Waterkotte, senior director of sales at Columbus Craft Meats; vice chairman Rick Findlay, global executive coordinator of grocery at Whole Foods Market Inc.; and treasurer Gaetano Auricchio, executive vice president of BelGioioso Cheese Inc.

Three people also were appointed to the board of directors, including Carter Califri, Norseland Inc.; Dominique Delugeau, Saputo Specialty Cheese; and Carmela Serebryany-Harris, Upper Crust Ltd.

Industry leaders elected to serve three-year terms on the IDDBA board of directors are Curt Coolidge, vice president, in store bakery, at TreeHouse Foods Inc.; Linda Duwve, vice president sales and marketing, Emmi Roth USA Inc.; Rick Findlay of Whole Foods; Jewel Hunt of Albertsons; Ray Lippert, DecoPac Inc.; Joe Squires, customer marketing director, Land O'Lakes Inc.

Other board members continuing to serve are Jim Antrup, Dawn Food Products Inc.; Jennifer Johnson, Hormel Foods Corp.; William Klump, Butterball LLC; Eric LeBlanc, Tyson Foods Inc.; Dave Leonhardi, Wisconsin Milk Marketing Board Inc.; Kevin McDonough, Weston Bakeries; Ed Meyer, Schnuck Markets Inc.; Mark Rudy, Hubert Co.; Peter Sirgy, Reser's Fine Foods Inc.; Pilippe Surge, Lactalis American Group Inc.; Jerry Suter, Meijer Inc.; Dotty VanderMolen, Advantage Fresh; John Wellenzohn, Rich Products Corp.; and Voni Woods, Giant Eagle Inc.

COMING NEXT IN FEB/MAR ISSUE

COVER STORY
Italian Foods

FEATURE STORIES
Consumer Research

MERCHANDISING REVIEWS
Grab'N Go

PROCUREMENT STRATEGIES
Probiotics

PREPARED FOODS
Pizza
Smoothies

COMING IN APRIL/MAY

DELI BUSINESS will be exploring the sandwich segment.

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CHEESES
Raw Milk
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ANNOUNCEMENTS



WINONA FOODS RECEIVES HONOR

Winona Foods, Green Bay, WI, has been named Vendor of the Year for Sales and Service Excellence at US Foods. This is the company's third recognition in the past four years. More than 60 divisions and support offices take part in the voting process. The company was chosen as the top grocery supplier based on variety of metrics, including sales growth, gross margin improvement, merchandising support, customer support, product quality, divisional sales support, exclusive brands and logistics.

www.winonafoods.com



NEW POMI CAMPAIGN LAUNCHES

The Consorzio Casalasco del Pomodoro, New York, NY, has launched a new communication campaign for its POMI brand of Italian tomatoes. The television commercials and digital ads will emphasize sustainability and agricultural practices for the non-GMO products that are packed in BPA-free boxes. Most products are kosher and gluten free certified, containing only tomatoes.

www.pomi.us.com



PERDUE ELIMINATES ANTIBIOTIC USE

Perdue Farms, Salisbury, MD, has announced that it has completed the final step away from the routine use of any antibiotics in its chicken production by eliminating all use of animal-only antibiotics. This comes two years after Perdue became the first major poultry company to stop routinely giving its chickens antibiotics also used in human medicine. The improvements in animal husbandry that support no antibiotics production are also part of Perdue's Commitments to Animal Care.

www.perduedefarms.com

TRANSITIONS



EMMI ROTH APPOINTS FINANCE DIRECTOR

Emmi Roth USA, Fitchburg, WI, has appointed Mary Sagona in the new role of director of finance. She will report directly to Jörg Riboni, CFO of the Emmi Group, with a dotted line to Tim Omer, president and managing director of Emmi Roth USA. Sagona joined Emmi Roth USA as senior controller in April 2015. She was formerly controller for American Construction Metals (ACM), the manufacturing division of ABC Supply Co.

us.emmi.com

NEW PRODUCTS



BALANCING BREAKFAST

Melanie's Medleys, Schwenksville, PA, has introduced a new line of artisan grain breakfast bowls and handcrafted cream cheeses. Blended in small batches with fresh non-GMO ingredients, the ready-to-eat breakfast bowls are made with whole artisan grains, fruit, nuts and other ingredients. The clean-label cream cheeses are blended in small batches daily without the use of mechanical separation.

www.melaniesmedleys.com



PRODUCT PACKAGING UNVEILED

Excelsior Technologies, Flintshire, UK, is launching a series of new fresh produce packaging solutions. Its new products include Snack&Go, an environmentally-friendly pouch design; PouchFresh, with a grab-and-go handle and re-close clip; CookFresh, which features SteamFast valve technology to cook in the pack; PeelFresh, a range of lidding products for retail trays; Lunch&Go for food-to-go counters with CookTECH technology; and Grab&Go, for portable snacking solutions.

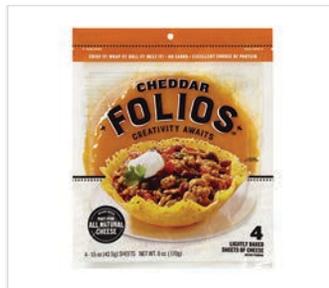
www.exceltechuk.com



ALL NATURAL FLATBREAD

Kangaroo Brands, Inc., Milwaukee, WI, has introduced All-Natural Flatbread Pocket Bread, available in White and Whole Wheat varieties. Launched by the brand behind delivering healthier bread alternatives, this new product is for consumers seeking all-natural food options.

www.KangarooBreads.com



LIGHTLY BAKED CHEESE

Lotito Foods, Edison, NJ, has introduced its Folios line of lightly baked cheese sheets made from Parmesan, Cheddar or Jarlsberg. The carb- and gluten-free product is high in protein and made of all-natural part skim cheese. A four-count pack is available as well as 10 packs and cases of 12 for foodservice. The sheets can be crisped in the microwave or oven and crumbled for use on salads and soups or eaten alone.

www.lotitofoods.com

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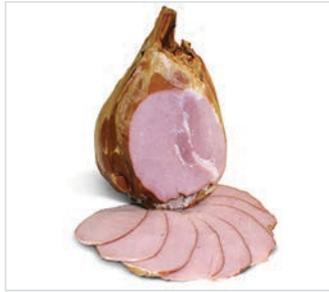
NEW PRODUCTS



NEW CONTAINERS LAUNCHED

Sabert Corp., Sayreville, NJ, has launched a new line of clear deli containers for cold salads and soup. These are available in 8-, 12-, 16-, 24- and 32-ounce sizes with three lid types to choose from. The company has also introduced a 35-ounce clear tamper-resistant container with four compartments. The line is part of the company's Cold Collection.

www.sabert.com



A NATURAL HAM

Paris Gourmet, Carlstadt, NJ, has debuted Jambon Maison Natural Ham from France. Seasoned with a sweet finish, the line is produced from antibiotic-free pigs and hormone-free pork, with no added nitrates or nitrites. The ham also has no artificial coloring and is gluten free. It is produced using high pressure pasteurization and no water is used.

www.parisgourmet.com



SIX NEW STOCK SOUPS

Fortun Foods, Kirkland WA, has introduced six soup flavors that are frozen for foodservice programs. Flavors include Potato & Bacon, Cheddar & Broccoli, Classic Vegetable Beef & Barley, Azteca Chicken & Rice, Minestrone and New England Chowder. The soups, created with fresh vegetables and homemade stocks, contain no added preservatives or artificial flavors, MSGs or trans-fat and some options are gluten free. The line will be offered in 4-pound packages that yield 1 gallon of soup per package.

www.fortunfoods.com



ZIP TOP PACK

Growers Express, Salinas, CA, has introduced Cauliflower Crumbles, a consistent chop size and blend with uniform texture. The washed and recipe ready product can be roasted, baked, sautéed, steamed and mashed. It is gluten-free, paleo-friendly and can be included in side dishes, salads, pizza crusts and desserts. The zip top package features a steam in pack option, which ensures fresh-cooked cauliflower in four minutes.

www.GrowersExpress.com

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LOOMING THREATS TO SUPERMARKET DELIS



By
Jim Prevor
 Editor-in-Chief

James B. Prevor

For the deli foodservice department in American supermarkets, 2017 stands to be the year when the proverbial irresistible force slams right against the proverbial immovable object.

On the one hand, we live in an age when the ease of online purchases threatens to be the straw that breaks the back of the conventional supermarket. Following decades of growth of supercenters and warehouse club stores, online retailing makes the center store seem increasingly untenable – a kind of black hole at the heart of traditional food retailing, gradually sucking life from the concept and leading brick-and-mortar stores to not merely emphasize fresh but to become a newer more upscale creation.

This newer upscale creation is represented by an amalgam of fresh foods and culinary technique, a hybrid between retail and restaurant... and all of this points to higher price points, larger fresh assortments and more service.

Yet, 2017 is also the year that Lidl will begin its rollout across America. Paired with the uber-growth of Aldi – America's fastest-growing food retailer – in 2016, Lidl and Aldi will be a one-two punch, causing the threat posed by the discount sector to dominate industry discussions.

In the UK, the market has hit a kind of psychological teetering point, where discount retailers have stopped being a special sector for people of a lower income or on a tight budget, but, instead, have become an integrated part of food shopping for customers of all types. The US Lidl stores, drawing on new store concepts the company has unveiled in the UK and Ireland, are very likely to make discount shopping par for the course for all shoppers.

The threat to deli departments at traditional supermarkets is two-fold. The first threat is the most obvious: Direct loss of sales, with packaged deli products sold through Lidl and Aldi, representing a loss in product sales to conventional supermarkets.

The second threat is more subtle: If shoppers reduce their frequency of visits to their neighborhood supermarket because they now visit a deep discount once or twice a month, that means a loss of all the impulse sales that would have been done had consumers been in their neighborhood supermarkets.

Where are these impulse sales greatest? Well, specifically, in the high service foodservice categories where hungry consumers get wowed by enticing displays, lots of food bars of different sorts and fantastic aromas and flavors of in-store cooking.

When you add in consumer defections due to Internet shopping, conventional supermarkets really do find themselves between a rock and a hard place.

After all, the focus on competing with discounters

has led to rationalizing SKUs, reducing spending on service and devoting more shelf space to private label grocery items. At the same time, the traditional approach to fighting Wal-Mart and similar operations has been to emphasize service, organic, local, etc. And every retailer now feels they need to offer some sort of online option, which may hold business, but even if successful, may not retain shopping trips.

Service departments – so absolutely vital to distinguish retailers from one another – are vulnerable to this evolving retail environment. Fresh food operations need velocity and variety to offer an appealing option to consumers and avoid excessive shrink.

Small drops in shopper visits, leading to small drops in purchases have big impacts here. A retailer starts out with a nice appealing offer of 20 different prepared food options, then sales decline and the store drops the five lowest selling options to keep freshness up and reduce shrink. But the new assortment is less interesting to consumers and makes the store less of a destination for prepared foods and a kind of disastrous cycle begins. Sales drop, so they cut assortment to 10 items, which further reduces the appeal of the offer, so they cut to eight and, before you know it – it is just a store that sells some fresh lasagna.

On the producer side of the industry, the good news is consumers are likely to eat as much as ever, so the imperative is for producers to make sure their marketing efforts are aligned with consumer purchase behavior. Total sales may not be a good guide, especially if those sales are concentrated in declining segments, where they could disappear very quickly. The question is: Do you have a focus on dollar stores or a focus on online services, etc., etc.?

For retailers, the challenge is that you can't expect old, one-size-fits-all concepts to sustain you in the years ahead. Do you have a competitive online offer? Do you have a terrific small store concept? Are you focused on offering banners and services that compete effectively with discount operators such as Lidl and Aldi, with epicurean approaches such as Trader Joe's, with health-oriented concepts such as Whole Foods, and on and on with warehouse clubs, dollar stores, restaurant delivery and takeout, etc.?

There is nothing shocking here. The industry has been talking about these issues for decades. But timing is everything, and with Amazon Fresh having moved out of its Seattle test market, and Lidl about to begin its rollout, this will be the year many decisions will be moved to the front burner.

In the end, consumers will be better served and will eat more wonderful deli products, but the collateral damage to many producing companies and retailers, companies unable to adapt, will be substantial.

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A NEW FOCUS ON INGREDIENTS



By
Lee Smith
Publisher

While the past 20 years have been devoted to mastering the art of dining out, there seems to be a new movement afloat – the new art of eating at home. This is certainly a departure from 50 years ago, when cooking was part of the housewife's triad – cooking, cleaning and laundry – and viewed, for the most part, as drudgery. Today's new home cuisine is about simple and enjoyable options.

Cooking from scratch at home is still popular, but it has become cooking for a special occasion or, for some people, an actual passion. The average household relies more on fresh and frozen prepared foods, take-out, delivery options and fast casual restaurants. Convenience stores and fast food restaurants are now the norm for meals on the run. Supermarkets have seen the deli department increase its share of sales and the best have become a mecca for prepared foods. Be it rotisserie and fried chicken, sandwiches, salads, soups and entrees, delis have emerged to deliver high-quality foods perfect for time-starved households. Two-income families, long commuting times, kids' activities and easy availability have added to the desire to get someone else to do the cooking.

How will the consumers' preferences continue to evolve? One thing is for sure, nothing stays the same and everyone is competing with one another. Whether it is fast food or fine dining, farmers' markets or farms, Amazon, mail order or home delivery, options will continue to grow. Methods of delivery will change and so will the food, but there are some changes that can be predicted right now.

Look for ingredients to set the stage. It doesn't make any difference whether people are buying food that is fully prepared, ready to heat and eat, or whether they are doing the cooking themselves. What has changed is the menu. A logical progression from recipes to concern about quality, people are finding themselves craving simpler foods. Higher quality is what people are looking for and chefs have introduced clean, simple meals that satisfy not because of complicated techniques, but

because of the ingredients on the plate.

For the deli department, prepared foods will continue to dominate but only if the ingredient labels are clean and free of artificial flavors, colors and trans-fats. Consumers are looking for fewer ingredients — ingredients they can easily recognize from their own pantries.

Retailers have seen huge increases in certain categories, spurred on by new products and increasing variety. Specialty cheese may be the best example. From a self-service case with under 50 varieties, specialty cheese has evolved into its own sub-department in many stores. High-volume and specialty retailers often have cheese as a separate department with its own buyers and merchandisers.

Salami is another example that has moved from a slow-selling, stagnant category to an explosion of SKUs and increased sales. High-quality and artisanal deli meats are also pulling sales up. Often, these are stand-alone products and typically the highlight of the meal.

Olives, antipasti, fresh pasta and other ingredients are also seeing increased exposure. Why? Traditionally, these were all ingredients in meals and entrees. Cheese and high-quality meats were key ingredients in party platters and entertaining. Now? An increase in casual get-togethers doesn't explain the explosion in sales.

There is a changing pattern of use. Spurred on by creative chefs who are enjoying simple quality ingredients, consumers are seeing the possibilities of a quick dinner of salami, a chunk of amazing cheese, maybe some dried fruit and olives.

Pasta with butter and grated cheese served with a salad is also a delicious 10 minute dinner. Not only is it easy, but also the variety is endless from different pastas and cheeses to added ingredients such as sun-dried tomatoes, chopped pistachios, fresh vegetables or prosciutto.

The best delis will not only be concentrating on prepared food, but also options for customers looking to stock their own pantries with ingredients for simple yet satisfying meals.

DB



www.labonneviecheese.com



Retail Trends For Today's Delis

Creative foodservice offerings, healthful fare and natural selections help supermarkets compete

BY LISA WHITE

If there were one word that could be used to describe today's supermarket deli trends, it would most likely be 'fresh.'

This not only encompasses deli departments' prepared food offerings, but also how this key section of the store is now perceived.

According to the Madison, WI-based International Dairy-Deli-Bakery Association's (IDDBA) 2017 *What's In Store* report, better efficiency in managing shrink and increased awareness of freshness perceptions have played an important part in bumping up deli margins.

Not only does the report reveal deli is the fastest growing perimeter department, but the main growth driver, prepared food, accounts for close to 60 percent of this increase.

In the second edition of *The Why? Behind the Dine*, Acosta

research shows sales of freshly prepared foods at grocery retail outpaced growth trends in grocery overall as well as foodservice.

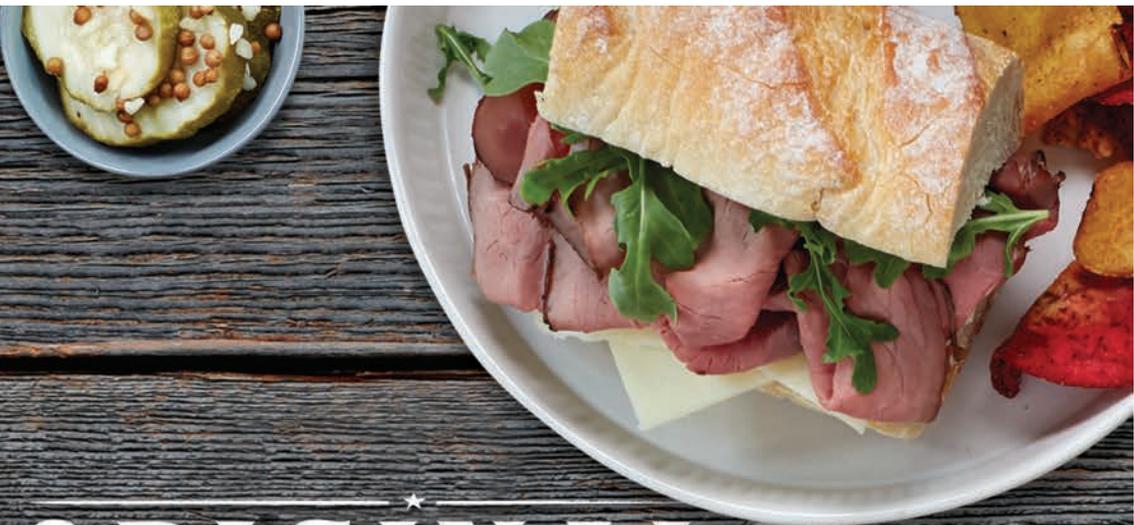
But this aspect of the department isn't the only revenue driver. The New York-based Private Label Manufacturer's Association's (PLMA) *Private Label Yearbook* reports store brands also are burgeoning in supermarket delis.

Sales of these products reached \$118.4 billion in 2015, an all-time record and an increase of \$2.2 billion over the previous year, reports PLMA. Store brands' dollar share came to 17.7 percent, also the highest mark ever.

Influencing Trends

There are a number of lifestyle trends that have been impacting the direction of the deli.

For example, IDDBA reports shoppers consider health more



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often with grocery prepared foods than restaurants, which has led to a growing demand for healthy prepared food. Ethnic cuisine also has become a staple, especially in the Millennial demographic's repertoire. Also, meal kits offering components for cooking semi-scratch dishes are allowing deli departments to better tap into consumers' creativity, while satisfying their need for convenience.

Kettle Cuisine, based in Lynn, MA, has seen continued growth in fresh soup and clean labels, as quality continues to be a key qualifier for consumer purchases.

"Today's consumers are acutely focused on nutritional call outs and options that fit

sales, as these are mostly [centered around] comfort foods."

To gain a bigger share of stomach, supermarkets also are trying to copy restaurants' bundling effect.

In retail as opposed to foodservice, with the myriad of options available, this process can be easier, quicker and more affordable. Consumers also have the ability to customize selections.

"It is simple for consumers to bundle food and ingredients to make it easier to put meals together at home," says Shepard. "[In the process,] shoppers will pay more for quality but less than eating out."

"The biggest thing we're seeing in [super-

foot-long sandwiches in the deli cases and now these items are offered in smaller snack sizes," says Mahin. "This also decreases the needed footprint for these items, as deli retailers only have so much space for snack items on their shelves.

Bold Flavors

Flavors for these products are more likely to be bold, with an international bent.

Charlotte, NC-based Stefano Foods, maker of sandwiches and pizza, also is seeing increased demand for items with bold flavors, according to Alan Hamer, the company's vice president.

"The biggest thing I'm seeing is bold flavors like sriracha and kimchi [a national Korean dish consisting of fermented chili peppers and vegetables, usually based on cabbage]," says Mahin. "Pickles also are a big item."

Noting this trend, the chefs at Kettle Cuisine have launched Harissa Chickpea and Chicken Soup this December, which feature authentic, North-African flavors.

"Global foods are influencing soup flavors beyond the traditional favorites," says Kettle Cuisine's Seeratt Dutt, product developer. "Millennials are a key driver in this trend, seeking authentic flavors featuring spices, herbs and vegetables from around the world."

Ethnic comfort foods with Asian, Italian, Hispanic and Indian influences that require minimal prep and cook time are especially on trend.

"Deli departments are trying to balance [their offerings]," says Bob Sewall, executive vice president of sales and marketing at Blount Foods, located in Fall River, MA. "Stores need to offer a little bit of traditional and ethnic foods, which should be a blend of the everyday selection."

The supermarket's location will have an impact on offerings and flavor preferences, with Southwest fare most prevalent in Texas, for example. Yet, this doesn't mean delis cannot step outside the box and experiment.

The days of including rotisserie chicken with traditional mac and cheese on the hot bar have passed, as selection and flavor expectations are greater than ever before.

"Each region has every day offerings that may mean something to their customer base, but above and beyond that it's about offering something new or different," says Sewall. "This includes providing dishes with authentic ingredients, organic sides and lower calorie counts for women and



their lifestyles — vegetarian, vegan, gluten-free and allergen-free claims are all resonating," says Julie Clements, senior director of product development for Kettle Cuisine. "We see strong sales growth in all of these dietary categories, especially vegan and gluten free. Functional ingredients also are [on trend]."

Comfort foods are still a big part of deli prepared food offerings, and the more traditional, the better.

Kirkland, WA-based Fortun Foods still sees the highest sales for its main soup lines, including Cheddar Broccoli and Tomato.

"It's what most people have grown up with," says Mary T. Shepard, director of sales. "The fancy flavors never hit as far as

market deli] foodservice trends is smarter snacking, a demand for cleaner label products and more grab-and-go meals," says Amber Mahin, director of marketing and merchandising at San Diego-based Monterrey, KeHE's Fresh Solution. "There was a time when prepared food sections in delis were small and there weren't a lot of options, but now supermarkets are trying to get daily shoppers into the store to buy more snacks and meals."

These include fresher products that consumers are demanding as well as options for on-the-go snacking, since day part meals are less of a factor with the younger generation.

"For example, five years ago we'd see



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The days of simply including rotisserie chicken with traditional mac and cheese on the hot bar have passed, as selection and flavor expectations are greater than ever before.

millennials seeking healthier options.”

This better-for-you-food requires call-outs and signage for stores to take full advantage of the marketing potential, whether items are organic, gluten free or made with functional ingredients.

“Retail specialty products are going from 12 packs to six packs to make it easier for pack out,” says Weyd Harris, national sales manager at Conroy Foods, headquartered in Pittsburgh.

Along with smaller sizes, cleaner labeling is more prevalent with regard to ingredients.

“Consumers also are interested in knowing the proteins they are eating are from animals raised on a vegetarian diet without the use of antibiotics or growth hormones,” says Sandy Rega, Kettle Cuisine’s senior director of marketing.

In addition, today’s shoppers are looking for user-friendly, resealable packaging for both convenience as well as sustainability.

Packaging Trends

For its retail and foodservice soup lines, Fortun Foods offers a bag of soup that doesn’t include plastic or cardboard. The emphasis of this family pack is on convenience as well as clean packaging.

“The next big packaging trend is recyclables, since less is more,” says Mahin.

Convenience also is key. Stefano Foods has recently introduced a line of bakable tray items with packaging that encourages consumers to use ovens rather than microwaves to reheat its calzones, stromboli and panini lines.

Along with sustainable packaging, trends related to grocerants, combining grocery stores and restaurants, also have become more predominant. These include sit down dining areas in the deli or supermarket, which encourage shoppers to linger and provide the opportunity for stores to increase basket rings.

“More retailers have in-store seating, where consumers can have lunch or a snack,” says Mahin. “This allows the deli staff to become more familiar with people,

and customers to better connect to the store.”

There also is a continued push for hot bars, which have allowed retailers to better compete with restaurants.

“People are either going to buy prepared foods and take it home or eat out, that’s really what’s driving the excitement around fresh prepared foods in supermarkets,” says Sewall. “Due to the increased labor, equipment and time, stores are seeking more meal solutions for hot bars, and that has been our focus.”

These trends are impacted by the different demographic segments, none probably moreso than the Millennials. Consumers are increasingly drawn to retail prepared foods, according to the IDDBA report. In fact, compared with two years ago, 34 percent of consumers overall and 46 percent of Millennials consider this fresh department to be more of a destination.

PLMA’s nationwide survey of more

than 1,800 shoppers age 20 to 29 revealed millennials want food done their way. Fresh and healthy foods are at the top of their shopping lists, while prepared and portable foods are also popular.

Health & Wellness

For Millennials, eating is largely unscheduled, according to PLMA’s latest report *How America’s Eating Habits Are Changing*. These consumers incorporate food consumption, whether meals, snacks or bites, into a range of everyday activities.

“Millennials are seeking fresh foods in smaller portions,” says KeHE’s Fresh Solution’s Mahin. “Stores are capitalizing on being a daily destination for snacks and meals, while also experimenting more with theater merchandising.”

This includes offering cooking classes, providing demos and including literature next to food items that educate consumers on the item’s origin, healthful attributes and flavor.

“One of the most significant trends in retail history is the shifting away from three meals a day eating to something incorrectly described as snacking,” says Brian Sharoff, PLMA’s president. “Part of this is the emergence of Millennials, but also at the same time a change in lifestyle for people.”

This raises the question of whether consumers will be spending more time at



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supermarket hot and cold food counters than in the past.

PLMA's study found millions under the age of 35 will be obtaining meals at supermarket deli hot food counters.

It's no longer a question of whether people are eating out, but rather how they are eating. This means it's more important than ever for delis to not only offer the types of items shoppers are seeking, but also to let people know what's available.

"The great thing about Millennials is they will take the recommendation off a social media platform and try anything once," says Seeger at Kettle Cuisine. "This requires us to constantly monitor the latest both in the restaurant space, and with the power of social networking, the flavors and ingredients that are currently trending around the world."

One ongoing trend is restaurant-quality fare at the store level, which is driven

by Millennials.

"To this demographic, cooking is putting ingredients together, rather than creating a meal from scratch," says Fortun Foods' Shepard. "For this reason, delis need to be innovative and market items properly to capture more market share."

The Impact

The emergence of these trends are transforming the landscape of today's supermarket delis.

Part of the revitalization of deli requires the department to have a greater presence around the store, according to IDDBA's *What's In Store* report.

"In terms of day-to-day operations, there is more demand for theater, which means stores need more labor at a time when this is decreasing," says Mahin. "Due to the low margins in prepared foods, retail chains will have us pay an additional 3 to 5 percent to merchandise in the store."

Along with interactive merchandising and innovative marketing, the impetus on deli departments is to make sure products outperform comparable items found in other parts of the store.

"We may not be the only pizza in the store, but the deli needs to offer the best pizza," says Stefano Foods' Hamer.

Technology also is going to play a larger role in the years ahead, presenting even bigger challenges, but also providing potential revenue drivers.

"[For example,] while delivery services such as Seamless have made a name for themselves these last few years, big name companies such as Amazon, Google and Uber have made a push into the food delivery market," says Seeratt Dutt, Kettle Cuisine's product developer.

Retailers can leverage all of these trends by reviewing the department's offerings in relation to a store's demographic, while also keeping an eye on both marketing and merchandising.

Questions to ask include: "Are there gluten free options?"; "Is the deli vegetarian and vegan friendly?"; "Are healthier options called out?"; and "Is the hot bar plentiful, fresh and rotated frequently?"

"Retailers can better compete with restaurants on lunch and supper purchases if their flavors are compelling and of the best quality," says Clements.

Retailers that stay current with the trends, including flavors, ingredients and dietary preferences, will have a leg up on the competition, including restaurants. **DB**

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Flatbreads On The RISE

Expanding the selection increases sales

BY BOB JOHNSON

As many new customers have yet to be introduced to flatbreads and many familiar consumers have yet to learn all the ways these products can be used, there is still tremendous room for growth.

Retailers can take advantage of this opportunity by carrying a variety of products, and displaying flatbreads in ways that draw attention to the many uses.

"Flatbreads are versatile and can be used as a carrier cracker, a bread alternative, a snack cracker and even a pizza crust," says Jenni Bonsignore, marketing manager at Valley Lahvosh, Fresno, CA. "Some of the trends that tie-in with flatbread are ethnic cuisine, Middle Eastern, ethnic dips and Mediterranean."

Show Many Breads

An exciting aspect of this category's versatility is the number of unique products that come from different parts of the world.

"Many ethnic breads have become popular and are broadly appealing," says Karen Toufayan, vice president of marketing and sales at Toufayan Bakeries, Ridgefield, NJ. "The Indian naan bread is a great example of an ethnic bread that has become so popular, it's even sold in Costco and Trader Joe's."

The company is developing an organic version of naan in both regular and garlic varieties to combine the ethnic appeal for more health-conscious consumers.

The East Indian flatbreads, in particular, have textures and flavors that are gaining favor with the mainstream.

"Tandoori-style naan is a popular variety," says Leigh Thornberry, director of marketing at Kangaroo Brands, Milwaukee, WI. "It's good on its own, warmed up, great for just

breaking bread and dipping. The richer, more wholesome flavor and texture makes it the perfect base for tossing on healthy veggies and deli meats, or to use for pizzas. This product makes great fruit tarts toasted up with some cinnamon and sugar and then topped with fresh fruit."

"Another growing ethnic bread, which we introduced recently, is Markouk, an unleavened flatbread popular in the Middle East," says Toufayan. "While it has many of the same appeals of pita bread, it is much larger and ultra-thin, almost translucent. It has only 35 calories per serving, which is highly appealing to many segments of the general population."

The expansion of different styles of flatbreads are exploding in the marketplace.

"We have new items," says Warren Stoll, marketing director at Kontos Foods, Paterson, NJ. "We make a 7-inch pocket pita flatbread that is our vanilla ice cream, but we have about 50 flatbreads in our line. We have some that are for the Indian culture, but mainstream consumers like them. The Indian culture uses this bread almost like a spoon or fork to pick up the food. We offer one piece or a top and bottom. We sell the bread with the grill marks on it for making paninis."

With the wide range of interesting varieties available, merchandising the category begins with increasing the selection beyond pita breads and showing customers the possible uses.

"Flatbreads are here to stay, and will continue to be used for a variety of offerings, such as wraps and roll-ups with thin flatbreads, fold over panini-style sandwiches with conventional flatbreads, pizza crusts; chips/wedges for dips; etc.," says David Mafoud, principal and third generation baker at Damascus

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Bakeries, Brooklyn, NY. “We see retailers marketing our Brooklyn Bred Flatbreads in new ways, many aimed at appetizing and/or entertaining platters.”

The line can be part of a maffaletta platter on a potato bistro bun, a chicken artichoke ancient grain flatbread sandwich, a meatball-pesto thin crust pizza or, more simply, a chicken garden flax wrap.

“With the trend to add breakfast options in the deli, we see scrambles on top of flatbreads, spinach topped with sunny-side up or poached eggs,” says Thornberry. “Also, flatbread tarts are popular. Rather than using cookie dough or other high-fat bases, consumers are grabbing a light and healthy flatbread, topping it with yogurt and layering on fresh fruit.”

Because there are so many possible uses that many consumers are not aware of, retailers should take an active role in educating shoppers about options.

“As with any product, the consumer wants to know how to use it,” says Bonsignore. “Delis need to provide recipes and product demos that give their customers easy meal suggestions and product pairings.”

The possibilities are so varied that it helps to offer recipes in as many ways as possible, such as through signage, the internet or social media.

“We are seeing an explosion of flatbread recipes online with all the popular recipe sites,” says Thornberry. “They are a great, healthy platform for mixing up all

kinds of ideas. Cookbook displays, website URLs to find more recipes, and pairing flatbreads with partner foods like hummus and cheeses drive trial and encourage use.”

There is even room for in-store demonstrations to show its versatility.

“Demonstrating the versatility of flatbreads, the new healthier options and the new ethnic varieties that add a variety of tastes and textures are the most effective ways of encouraging the growth of this category,” says Toufayan.

Retailers can also simply let people see how to use the products without devoting the time and product it takes to demo or sample.

“The deli can merchandise by example,” says Stoll. “You don’t necessarily have to sample, but instead put a few sandwiches on display. We also have self-standing shippers. One of them has cocktail flatbreads that are only 2 inches, and another has pizza flatbreads. The uses are obvious.”

Healthy, Interesting Options

Flatbreads are expected to keep growing because these products fit many of the megatrends that are here to stay – breads are interesting, convenient and nutritious.

“The category continues to grow, as consumers seek more interesting, versatile, flavorful and easy-to-prepare meals and on-the-go options,” says Toufayan.

Virtually all flatbreads have lower carbs than conventional bread alternatives.

“We are hearing from health-conscious consumers, who are looking for a lighter carb bread alternative as a base for fresher cooking,” says Thornberry. “Moms enjoy using these items to get kids involved in cooking. Each flatbread can be made up as personal wraps or personal pizzas, and kids can add what they like.”

These products lend themselves to the culinary creativity that is in vogue with the younger generation of foodies.

“Millennials are embracing flatbreads,” says Thornberry. “Rather than picking up pre-made sandwiches or frozen pizzas, millennials are grabbing up fresh ingredients. These consumers embrace the food-making experience.”

It’s possible to think in terms of a lower carb, lower calorie, healthier alternative pizza.

“Our customers are the culinary ‘foodies’, as well as those who tend to eat lean or think thin,” says Mafoud. “Grandparents relish a good old fashioned delicious sandwich; young kids are always fascinated with novelty. And, of course, everybody loves a good pizza, right?”

There are newer products specifically intended to take the healthy aspect to entirely new levels.

“As in many categories, consumers are more focused on eating healthier, but not sacrificing taste,” says Toufayan. “The flatbread category is no exception. What we are seeing is a trend toward healthier. That’s why, in the past year, we’ve introduced a line of gluten free wraps. We also have introduced non-GMO certified versions of a number of our products.”

In addition, the company is introducing organic versions of its most popular flatbreads, including whole wheat pitas, smart pockets and wraps.”

Toufayan is also working with flour milled in a way to increase the breads’ nutritional value.

“To add to the healthful images of these products, this line is made with sprouted whole wheat, which uses flour milled from wheat berries that have been allowed to sprout before being stone ground milled into flour. This results in a particularly healthy wheat flour and also adds an even deeper, richer taste [to the bread],” says Toufayan.

The continuing trend toward healthier eating will do nothing but increase interest in flatbreads.

“I believe the category is gaining momentum,” says Thornberry. **“DB**

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UPPING THE ANTE ON DIPS AND SPREADS

Consumers are moving beyond the traditional flavors and varieties

BY BARRY SPARKS

Americans are snacking more than ever, yet they want to eat healthier and enjoy a wide variety of bold and savory flavors. This combination is fueling the sales of dips and spreads, which include hummus, salsa, guacamole, yogurt-based and nut-based products and more.

According to Nielsen, a global information and measurement company based in New York, NY, retail sales data for 2014 show that snacking accounts for \$124 billion in North America.

Flavors of North America International (FONA), located in Geneva, IL, reports the salty snacks and chip market is forecasted to increase 31 percent by 2018. This bodes well for the dips and spreads market.

Consumers' perception of dips and

spreads has changed over the years. These items are no longer just relegated to party platters or sandwich condiments, but also are considered as everyday snacks or pre-meal options.

A casual, pre-dinner meal is now routine for 78 percent of Americans, according to a study conducted by Wakefield Research for Sabra Dipping Co., headquartered in White Plains, N.Y.

"This often happens around the kitchen counter, maybe even while standing," says Eric Greifenberger of Sabra. "We're calling this the Unofficial Meal. We believe Sabra and healthy dips and spreads in general have transformed what was late afternoon mindless snacking into a more mindful and nourishing, fresh way of connecting and eating food."

Dips sales reached \$1.3 billion in 2014,

an increase of 7.4 percent over 2012 sales, according to Mintel, a London-based market intelligence agency.

Hummus Racks Up Sales

Hummus, made with smashed chickpeas, is a star in the dips and spreads category. Traditional hummus combines ground chickpeas with spices, olive oil, lemon juice and garlic. It also can be mixed with many other ingredients.

Hummus is nutritious, tasty and comes in a variety of flavors, making it popular with consumers. The Mediterranean favorite generated nearly \$700 million in United States retail sales in 2014, according to Statista, a leading statistics company based in New York, NY.

"I think consumers have responded to hummus' perceived healthfulness, its

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Source: Nielsen Total U xAOC - Multi Outlet Refrigerated Dip Category 52 Weeks ending 6/18/16

Dips and spreads are typically great sources of protein, which is valued by health-conscious Millennials, Baby Boomers, vegetarians and vegans.

simple preparation and almost ubiquitous availability,” comments Nathan Roe of Reser’s Fine Foods Inc., a Beaverton, OR-based company.

The Moscow, ID-based USA Pea & Lentil Council reports hummus sales barely topped \$5 million 20 years ago. Today, it’s estimated that 25 percent of American homes stock hummus in the refrigerator.

Aimee Tsakirellis of Cedar’s Mediterranean Foods Inc., based in Ward Hill, MA, says, “Hummus’ popularity has very much been driven by its unique flavor profiles. With so many different size options and flavor options, the sky is the limit for this ever-growing food.”

Hummus is particularly popular with Millennials, according to a recent Mintel report. Forty-three percent of consumers purchased hummus during the six months ending October 2014. Of the consumers surveyed, 54 percent of Millennials had purchased the product, the highest percentage of any age demographic.

“Millennials love the fun and unique hummus flavors,” says Tsakirellis “It is a way for them to be indulgent, but still feel good about healthy eating.”

Endless Flavors

One of the reasons behind the exploding popularity of dips and spreads is the almost endless variety of flavors that help

satisfy the cravings of consumers looking beyond the traditional sour cream, French onion and vegetable dips and nut or cheese-based spreads.

“Sriracha continues to be very popular,” says John Becker of Sandridge Food Corp., a Medina, Ohio-based company. “In fact, spicy dips have now surpassed mild-flavored dips on restaurant menus. Other Asian spices, such as Thai sweet chilies, are on the rise. Bacon as a flavoring continues to see growth. And, there are plenty of citrus-style offerings.”

Many of the flavor profiles are also on trend, driving usage and experimentation.

Roe says, “Newer and trending Mediterranean taste profiles, including mint and fennel, as well as Southern-inspired flavors, such as pimento, have found their way into more mainstream products. Other popular flavors include artichoke, spinach, peppers and all kinds of cheeses.”

Brands also are mixing flavor profiles to create even more unique flavors.

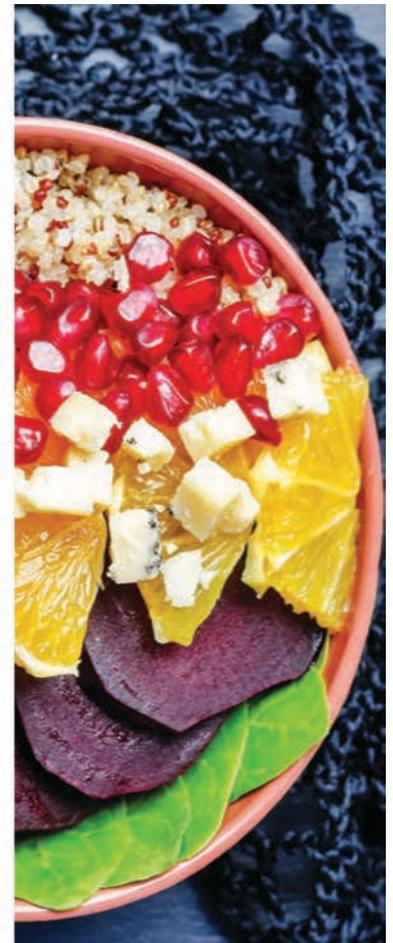
Cedar’s Mediterranean Foods recently introduced pineapple jalapeno and organic lemon cayenne flavored hummus. Other examples of unique flavor combinations being marketed include raspberry chip-



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tle, Buffalo sauce, caramel and chili pepper and blueberry and whiskey.

"Consumers are more educated than ever, and they have a wider palate," says AnnMarie Kraszewski of St. Francis, WI-based WIXON, Inc. "They are looking for more flavors, more protein and clean labels."

According to Packaged Facts, a company located in Rockville, MD, 53 percent of consumers are seeking bolder flavors as well as a wider variety of cheeses in dips and spreads. Blue cheese and feta are encroaching on cheddar's stronghold.

"Cooking shows, restaurants and social media are having an impact on consumers' interest in trying new flavors," says Luke Buholzer of Klondike Cheese Co., headquartered in Monroe, WI. "They are starting to embrace different and bolder flavors."

Besides unique flavors, dips and spreads are no longer just purees.

"Corn, black beans and fruit are adding bulk to dips and spreads," says Becker. "There is also a continued focus on vegetarian and vegan consumers, who are always looking for a good source of protein in order to meet their nutritional needs."

Healthy Grab And Go

Dips and spreads' role in America's snacking habit is reflected by packaging innovations that have made them a grab-and-go and individual serving item. They often come with mini crackers or pretzel chips, ideal for dipping and lunch boxes.

"Grab-and-go items are still increasing," says Tsakirellis. "They are a convenient snack, condiment substitution or meal replacement when paired with other items. Moms love grab-and-go dips and spreads because these are healthy options, and it's an easy, convenient way to get their kids to eat healthy."

In addition to an increased role in snacking, dips and spreads are being used more frequently as substitute ingredients in cooking recipes. As companies and individuals post more online recipes, consumers become more aware of different ways to use the products they know and like, just in a different way.

Sandwich use is another growth area. Supermarket delis with sandwich programs can promote sandwich ideas, as well as offer recipes for sandwiches customers can make at home.

These products are typically great

sources of protein, which is valued by health-conscious Millennials, Baby Boomers, vegetarians and vegans.

"We know 49 percent of Americans eat a sandwich every day," says Greifenberger. "With so many delicious sandwich ideas online, consumers are adding delicious and better-for-you condiment, fixings and breads."

Based on these insights, Sabra recently introduced Sabra Spreads, which have 75 percent less fat than mayo. The condiment comes in a convenient, squeezable bottle in three flavors—garlic herb, honey mustard, and sea salt and cracked pepper.

Grabbing Attention

With the demand for dips and spreads still increasing, what is the best way to merchandise the products?

Traditionally, retailers merchandise them alongside complimentary items. From pretzels, crackers or pita chips to serving dishes, garnishes and even wine or beer, creating a separate display will grab the shopper's attention and promote impulse sales, says Becker.

He suggests creating a dedicated entertainment section in the department.



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Buffalo Chicken dip is a great tailgating option and upscale seafood dips can be paired with imported meats and cheeses.

Retailers also can work with other store departments for pairing ideas.

"We have a retail partner who demos a cheese spread as a topping for grilled salmon," says Becker. "Likewise, another spread was featured as a topping for burgers. Retailers can talk to meat, seafood and produce departments to come up with some interesting pairings."

Buholzer advocates letting consumers sample the dips and spreads with various deli department items.

"In-store demos are the easiest way to get the customer to taste the product," he says. "It makes it easier for them to try a new flavor and/or combination of a dip or a spread with a cracker or vegetable."

Consumers are becoming more willing to experiment with new flavor profiles. Mintel reports that 34 percent of respondents who buy chips or dips purchase new flavors.

Holiday Entertaining

How can retailers appeal to customers who are focused on family gatherings and entertaining friends, co-workers and relatives?

"The holiday season is all about the options for easy holiday entertaining and for all those unofficial meals that get you through the busy time period," says Greifenberger. "Providing delicious, culinary flavor varieties, including limited edition flavors in a variety of sizes and

containers, helps consumers make quick choices in the store to guarantee appetizer and pre-meal snacking is covered."

Greifenberger points out that more than 40 million Americans travel for Thanksgiving and the holidays. This is an opportunity to offer delicious alternatives to typical mindless snacking for the on-the-go crowd.

Retailers can help give consumers a way to think about spreading joy and hospitality by offering fancy bread and complex crackers with seeds and nuts, interesting

cheeses and fruit spreads and dips that can be warmed, says Roe.

Retailers should be aware of the many snacking formats during the holidays and strive to offer items for each need.

"Besides the traditional large family gatherings, there are many other entertaining opportunities," Becker says. "A home party for New Year's may require a different, more upscale menu, such as shrimp- or crab-based dips. A football playoff gathering would lean more toward traditional salsa, hummus and cheese dips." **DB**





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Raising The Olive Bar

Simple solutions to keep sales strong

BY CHRIS AUMAN

What does a healthy olive program in the supermarket deli department look like? The answer: an attractive, clean display that is well stocked with a good mix of olives and antipasti items at the right price.

Simple yes, but simple still takes commitment. Olive bars have enjoyed a growing reputation in deli departments, but when sales fall flat, it's time for retailers to get back to basics. It's time to raise the bar on olives.

Displays That Attract

The first step to attracting busy shoppers is displays. "Our merchandising team

is constantly being challenged to help stores solve the display challenge," says Brandon Gross, vice president of marketing at FOODMatch, based in New York, NY. "Cleanliness is key. Shoppers buy with their eyes first, so if the olive and antipasti display doesn't look fresh, consumers won't want to shop it." This commitment to cleanliness means dedicating a few minutes every hour to wipe spills, refill and/or stir the product and make sure signage remains in place.

Cleanliness isn't the only factor, of course. Gross suggests that displays should be blocked properly to present consumers with a variety of attractive colors, shapes and sizes. "Our FOODMatch merchan-

dising team is traveling the country daily and training our retailers how to maximize sales with the right display, maintenance schedule and product mix," says Gross.

Anthony DiPietro, vice president of George DeLallo Co., headquartered in Mount Pleasant, PA, has similar advice. "The most successful retailers are dedicated to execution at the store level to ensure that the bar is always clean, full and planogrammed correctly," says DiPietro.

An attractive bar will sell product, but that's not the end of the sales push. Jeffrey Shaw, marketing director for Foods from Spain, headquartered in New York, NY, says retailers need to focus on signage that is informative and sells the taste appeal of



“The most successful retailers are dedicated to execution at the store level to ensure that the bar is always clean, full and planogrammed correctly.”

— Anthony DiPietro, George DeLallo Co.

and pitted medleys have been mainstays, but regional varieties such as the Castelvetroano from southwestern Sicily, or green olives that are grilled after curing, have gained popularity.”

While seasonal differences may not have much of an impact on consumer choices for olives, seasonal antipasti choices can. This is why DeLallo partners with retailers to create offerings that coincide with seasonal recipes and meal occasions.

Smart choices with antipasti help deli managers bolster their programs. Accord-

ing to DiPietro, “An olive and antipasti program should be selected on the merits of the product offered by the supplier to include the quality and consistency of the products’ sensory profiles. From that, the supplier should be able to guide the customer in the setup and operation of a successful olive and antipasti program from store level up, as the appearance of the bar and additional displays will be what attract the customer first, then the quality and consistency will hold their loyalty and the creativity of the program will expand usage

olives. “Also, talk about varieties and origin and make it interesting,” he says. “Cross merchandising and not forgetting prepared foods offer a good upside, like tuna salad with olives or precut cheese with olives for a snack tapas pack.”

Fixing The Mix

Bars also need to attract shoppers with an enticing variety of olives and antipasti. “Don’t forget to vary up the item selection,” says Gross. “Rotate seasonal items in and out, have at least a 50/50 mix of olives and antipasti and test new items. If shoppers see the same items every time they shop the bar, you risk consumer fatigue.”

DiPietro notes that, “Kalamata olives



Consumers do understand the health benefits of the Mediterranean diet and retailers should capitalize on that with olives.

and drive incremental sales.”

Olive and antipasti bars are no longer an emerging concept in the retail space. This presents a challenge to retailers to keep things exciting for consumers. As Gross says, “For FOODMatch, olive and antipasti bars’ growth has been seen with the introduction of new/seasonal items, along with consumer takeaways that focus on recipes, pairing and usage. I also believe that the bar needs to be positioned to solve a problem. Whether it’s simplifying entertaining, providing healthy and prepared snacks or letting you customize foundations like pasta, greens and grains, retailers need to make sure that all demographics of shoppers understand the quality and value of the olive bar.”

Sensible Pricing

Even attractive displays with great variety need help and smart pricing is also key.

“Retailers are getting frustrated because they’re not seeing growth and they’re really starting to second guess their olive program,” says Jeffrey Siegel, president of Farm Ridge Foods, Brooklyn, NY. He has seen stores replace olives with even more antipasti items to keep sales from flat lining.

Pricing may be part of the problem, but with a few adjustments, retailers can stabilize the program and even see growth.

“I’ll give you an example,” says Siegel, “You have a Cerignola olive that comes out of Italy going for \$4.50 to \$5.50 a pound and the retailer has this blended into an olive bar at \$8.99. So they’re los-

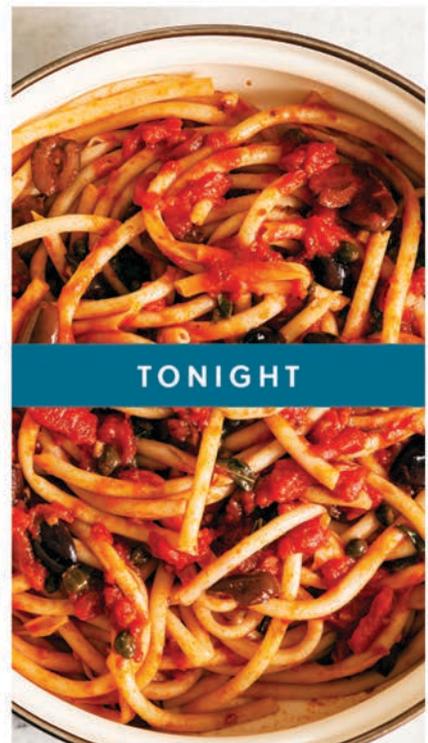
ing money and the consumer doesn’t even know what it is. Take that one out and put in one or more affordable olives or a blend or antipasto item.” Siegel sees this as a way to tighten the mix and get the price down. “I don’t see the point of having 40 different olives out there. It looks great, but the price is crazy, the shrink is crazy and consumers don’t even know what it is.”

Point Of Sale

With the three basics covered, it’s time to educate consumers on the different varieties, their health benefits and the many ways to consume them. “POS should be decisive with short and clear messages about health, or innovative use and tie-ins with specialty cheese, dry sausage and wine will help drive a whole basket purchase.” says Dipietro.

Siegel recognizes the importance of education as well as the desire of consumers to learn about each variety, especially when serving them to friends and family. “Consumers love to know what it is, because olives are a destination at a party.”

The Olive Branch uses POS materials to get the message out, as Siegel says, “We customize a trifold to exactly what



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the stores carry and then we have free-standing education pieces that attack three types of olives at a time. We group them by olives from France, olives from Greece, olives from Italy—they can be stuffed olives, they can be black olives—and every month we feature one, and we have all the background support.”

The seasonality of olives offers another opportunity to educate consumers. “Think of olives the same way you would any piece of fresh produce,” says Gross at FOODMatch, “Each varietal has a time of year in which it is planted, harvested, cured and ready to be eaten. Additionally, once the olives are packaged, their flavor, texture and even color will change over the lifespan of a given crop.”

Understanding how olives continue to cure to lose bitterness and take on a more fruity and smoky flavor profile, can help move varieties.

According to Gross, “Understanding an olive’s seasonality can also influence in-store promotions and seasonal rotation items. We’ve seen great success with retailers who embrace the concept of ‘new crop’ and announce the arrival of a given olive.”

The health message is important, too. “We have half the salt level of our competitors,” says Siegel. “We worked so hard to do that, but we’ve done a lousy job as a company getting that out. So we’re going to really be supporting that. That’s our fault and the retailer’s fault and you’re going to see a shift in that now. Consumers know intuitively that the Mediterranean diet is healthy, there’s no gluten, they buy it.”

Consumers do understand the health benefits of the Mediterranean diet, and retailers should capitalize on that with olives.

“One trend that we have really taken seriously is the consumer’s desire for healthy and flavorful snacks, appetizers and small-bites,” says Gross. “Olives and antipasti have always fallen into this category, but we’ve been taking it a step further by developing products like our Calabrese Antipasto Salad that features Greek varietal olives, such as Kalamata and Mt. Athos, along with cubed Asiago and Calabrese salami. We’re essentially creating the antipasti platter for the consumer and allowing them to bring it home and serve.”

“Cross merchandising continues to be a huge growth driver,” says Gross. “The olive and antipasti shopper is one-in-the-same, with shoppers wanting to find the

next great specialty cheese, charcuterie, hummus, cracker, pasta, etc. Providing a 360-degree experience for shoppers to find everything they need—and better yet if you can curate it and provide pairings—is a sure-fire way to increase sales.”

Shelf-stable offerings also provide an opportunity for retailers to cross merchandise with deli items, such as cheese, charcuterie, crackers and dips.

According to Gross, “We’ve seen tre-

mendous growth in this line over the past several years and have had great success with a variety of SKUs, specifically organic olives, as those are not typically found on the olive bar so it provides the consumer with a unique option.”

Sticking to the basics of display, varietal and antipasti mix and pricing that makes sense, backed by POS educational materials, will help raise the bar on deli olive programs and keep sales high. **DB**

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Blue Cheese

Sales Are On The Upswing

A look at why delis are stocking more unique varieties

BY KEITH LORIA

Blue cheese is a distinctive variety that some people are afraid to try. However once tasted, consumers are surprised at how complex the cheese is and how well the unique flavor compliments a variety of dishes.

“Food lovers are seeking bolder flavors and more pairing combinations, and blue cheese is perfect for this,” says Francis Plowman, marketing director of Rogue Creamery, based in Central Point, OR. “One of the basic tenets of our company is ‘Cheese is First’ and part of that includes getting customers to put it in their mouths to taste the difference of hand-made cheese.”

That’s why it’s vital for delis to offer samples and let customers taste the difference for themselves.

“The more samples, varied uses and ideas retailers can give consumers, the more it will ease their fears and give them a chance to show off as cheese aficionados,” says Margi Gunter, brand manager for Litehouse Foods, headquartered in Sandpoint, ID. “In the artisan cheese world, customers want to know who makes these products as well as the stewardship principles and business practices of the producing company.”

Mike Christensen, retail sales manager for Swiss Valley Farms Cos., based in Faribault, MN, notes sales continue to

hold steady year over year within the retail category, and the company expects continued growth moving forward.

“Retailers have become very tactical in allocating appropriate space in each case, since every item is renting a spot; if it is not paying for its space in the form of sales, the product is replaced,” he says. “Samples are essential in understanding the flavor customers are seeking; however, it can be difficult to sample every item.”

Jasper Hill Farm, based in Greensboro Bend, VT, is focused on raw milk artisan blue cheese production and only started selling cheese in 2003.

“When we started, we began by sending product to the top chefs and retailers



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in the country,” says Zoe Brickley, Jasper Hill Farm’s director of sales and marketing. “We don’t sell any of our cheese packed out to wedges. The stores need to break down a whole wheel, which may limit some retailers, but the savvy ones will take advantage of what we offer.”

One of the biggest trends in the industry is that retailers are seeing what the independent cheese shops and specialty shops are doing to be successful in the cheese category, then following their lead.

“You see places like Whole Foods and others responding to the culture of appreciation around artisan foods, and they are building and repositioning what they are doing in the cheese sections,” Brickley says. “We have noticed more supermarkets adding a service cheese counter, and that’s really picking up steam as we head into a new year. These service kiosks can make a huge difference to increasing sales in the category.”

A Brief History

Blue cheese, the generic term for “blue vein” cheeses, refers to cheese produced with either cow’s, ewe’s or goat’s milk and ripened with cultures of the mold *Penicillium*. The final product is a mixture of green, grey, blue or black veins or spots of mold throughout the body of the cheese.

The characteristic flavor of the cheese tends to be sharp or salty, and the popularity of the product has risen in recent years, as artisan cheese lovers have learned more about the different offerings.

The origin of Roquefort cheese—at least according to legend—dates back to 79 AD, when a young man was eating a

lunch of bread and ewes’ milk cheese. He abandoned his meal after being seduced by the pretty fairy of the cave. After days of amorous adventure, he returned to the mouth of the cave, only to find his cheese was covered in a blue mold. Starving, he ate the moldy cheese and bread and found it to be delicious.

Gorgonzola is another of the older

known blue cheeses, dating back to 879 AD, though it is written that it did not actually contain blue veins until around the 11th century. Another variety, Stilton, started to become popular in the early 1700s.

Merchandising Matters

Retailers typically merchandise blue cheese in specialty cases near the deli counter, however it is not uncommon for blue cheese to be found in the dairy department, as well.

Merchandising cheese is very specific to the retailer and the focus on cheese. If they’re looking to provide a lot of variety and create self-service, upright cases will be utilized where consumers can open the door to grab what they want. If the retailer is looking to be a cheese destination, the store may offer more coffin case styles that group cheeses by texture, such as blues next to Gorgonzola and feta.

“I think the biggest trend that retailers need to capitalize on is the story of the brand that made the cheese,” Gunter says. “The deli managers could create sections dedicated to local states and provide information on those producers.”

Plowman notes that blue cheeses are dramatic to look, at so merchandising cut wheels and large wedges really draws the consumer’s eye.

“All blues require refrigeration and so pre-cut pieces are great for grab-and-go cases,” she says. “Full-service cheese cases give the retailer an opportunity to

One of the biggest trends in the industry is that retailers are seeing what the independent cheese shops and specialty shops are doing to be successful in the cheese category, then following their lead.

showcase larger blue cheese displays. Blue cheeses require a little more attention than firmer cheeses as far as keeping the display neat and appealing.”

Where stores sometimes make mistakes with selling blue cheese is not investing in adequate labor.

“That’s the biggest pitfall we see,” Brickley says. “They have this great idea

and design a really cool space to do merchandising, but then they walk away from it. Customers will walk right by and not even stop and look.”

The problem is, blue cheese may be too expensive to sell itself. For this reason, the stores that do well with it are those investing in the labor with someone standing next to the display, engaging with the customer and putting the cheese in their mouths.

“I hear from cheese mongers that they love blue cheese and the more you sample, the more you can get someone on board and the more the category will grow,” she says. “People walk up to a table and say ‘I don’t like blue cheese’ but giving them a taste of a really good one can usually change their mind.”

Cross Merchandising

Blue cheese can effectively be cross merchandised with a wide range of pairing

Where stores sometimes make mistakes with selling blue cheese is not investing in adequate labor.

suggestions like honey, dried fruit, nuts, jams, chutneys, etc.

“Blue cheese also has a variety of cross merchandising applications, including, salads, spreads, sauces and honey,” Christensen says.

Litehouse’s Gunter has heard many retailers place blue cheese near pizza, in the meat department by steaks and even in the dairy wall where ingredient cheese is found.

“This product is so versatile that merchandising by complimentary products provides bigger turns for both,” she says.

Craft beer is also a cross merchandising partner that is popular with blue cheese, as customers who spend more on their quality beer are not shy about marrying the purchase with great artisan cheese.

Consumer Demos

Litehouse research reveals blue cheese consumers tend to be couples with no children at home and those with higher household incomes. These shoppers value experiences, and often entertain for friends and family.

Christensen notes health-conscious consumers with a taste for quality natural ingredients also are attracted to naturally-aged cheeses.

A Whole New World

The industry is always looking for the next have to have widget, whether in products, supplies or cheese.

In this vein, Litehouse recently introduced Simply Artisan Reserve, the first shakeable blue cheese.

“Since the product’s launch, there has been great acceptance and distribution gains,” Gunter says. “Historically, blue cheese has been sold in a wheel, wedge or as a crumble product. Our goal is to reinvent the category and also add exciting new product innovations.”

Rogue Creamery is now USDA Certified Organic and Plowman notes the customer response has been overwhelmingly positive to this major product transition. The company has also veered away from just offering a 5-pound wheel.

“We are very proud of our newest product called Tolman Blue. It’s a 1-pound format Organic blue cheese that is naturally rinded and features a fudgy, creamy texture and potent earthy flavor,” Plowman says. “It’s a perfect size for an intimate gathering or small party.”

Swiss Valley Farms’ Christensen notes blue cheese slices and spreads seem to be the newest innovation in the case.

Delis would be wise to continue to invest in blue cheese and help make it something that becomes a regular item on shopping lists.

DB





The *King* Of Italian Cheeses

Parmigiano Reggiano benefits from strict production guidelines and a complex flavor that sets it apart

BY LISA WHITE

There are not many cheeses with as long a history as Parmigiano Reggiano.

The only authentic Parmesan cheese, it was created more than 800 years ago by Cistercian and Benedictine Monks in the Parma and Reggio Emilia provinces of Northern Italy as a way to preserve excess milk. By the 1530s, Italian nobles began to refer to the cheese as Parmesano, meaning 'of or from Parma.' Given the close ties between the Italian and French nobility, the name was shortened to Parmesan in the French courts of the day.

This variety adheres to strict production guidelines set forth by the country's

Consorzio Parmigiano Reggiano. Some may consider this surprising, as the cheese is made from just three ingredients — cow's milk, salt and rennet.

"In the European Union, only Parmigiano Reggiano can be called Parmesan, while in the United States there are many domestic hard cheeses using the name Parmesan," says Danielle Bolla, co-director of Consorzio Parmigiano-Reggiano USA Promotions and Marketing, Ponte PR, located in Petaluma, CA.

Despite being high-end, this cheese's popularity is growing. In 2015, 43,000 tons of Parmigiano Reggiano was sold worldwide, with 8,876 tons sold in the United States, according to Consorzio Parmigiano

Reggiano USA. This was an increase of 34 percent from 2014.

About 16 million pounds of Parmigiano was exported last year, according to Elizabeth, NJ-based Atalanta, a specialty food importer.

History And Attributes

Today, Parmigiano Reggiano is produced exclusively in the Italian provinces of Parma, Reggio Emilia, Modena and parts of the provinces of Mantua and Bologna, on the plains, hills and mountains enclosed between the Po and Reno rivers.

Aged Parmesan is known for its complex fruity, sweet and nutty flavor as well as a granular texture. An 18-month variety



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It's important for importers to align with the right producers to get the highest quality cheese. This includes providing animals with the approved feed and using fresh milk in the production. Those who cut corners or shorten the aging process won't get the expected results.

"So many producers and cheese production have been threatened because smaller companies haven't survived," says Michele Buster, co-founder of Forever Cheese, based in Long Island City, NY. "It has become necessary to produce a larger quantity for a bigger rotation and to compete in the marketplace."

The cheese won't get its proper markings unless it has been aged at least 12 months, tested and then aged another six months or longer.

This variety also needs to be aged in the proper conditions to acquire the perfume and depth of flavors it's known for.

Forever Cheese works with the Consorzio for its seal of approval, which includes a hammer test and fire branding.

"The flavor profile and a good piece of cheese start with milk, animal feed and how the animal is treated," says Buster.

In order to further support sustainable development in the mountains and to extend guarantees to consumers beyond those of origin to include the quality of

might be creamy or milky in flavor, while a 36-month is more intense and full of complexity. The small crunchy crystals that some mistake for salt are actually tyrosine crystals, naturally occurring amino acids that develop as the cheese ages and allow it to be easily digestible.

"Today, more than 300 dairies make Parmigiano Reggiano according to those ancient techniques," says Andrea Berti, Atalanta's senior business development manager. "Parmigiano Reggiano Consorzio is charged with carefully inspecting each hand-made cheese wheel to ensure it is worthy of displaying the respected DOP name."

The Ambriola Co., based in Caldwell, NJ, offers Parmigiano Reggiano that's aged 18 to 24 months and more in whole, quarter and 1/8 wheels as well as both random and exact weight wedges. The company recently introduced a grated line.

"If the cheese has DOP and Consorzio seals, it has to be cut and wrapped in Italy's Parma region, since it has a protected designation of origin," says Philip Marffuggi, Ambriola's chief executive.

Some contend that, with the increasing popularity of this cheese, its integrity can be compromised. Indeed, there have been quality issues in recent years.

"In light of issues with cellulose or wood pulp being found in domestic varieties of grated hard cheese using the name Par-

mesan, we encourage retailers to educate their customers on why it's important to buy a wedge and look for the pin dots on the rind so that they know they are getting [authentic] Parmigiano Reggiano," says Bolla.



the cheese, the Parmigiano Reggiano Consortium launched Quality Project — Mountain Product within the last year. The Quality Project label means 100 percent of the cheese's milk is produced in stables in the mountain areas; more than 60 percent of the cows' feed is grown in mountain areas; maturation of at least 12 months is in mountain areas; quality selection at 24 months is carried out by Consortium experts; and a sensorial evaluation or tasting group is held.

Unique Uses

Although this cheese has been around for nine centuries, there are still innovative ways it is being incorporated into dishes and paired with other food.

"I'm seeing it used in desserts now, paired with dark chocolate," says Brian Halloran, chef and director, culinary services, for Schuman Cheese, based in Fairfield, NJ. "Also with dried fruits, ground walnuts and honey made into dessert truffle, Parm with soft poached eggs and caviar, and roasted heirloom carrots with a Parm Zabiglionne. Its big flavor accentuates the earthy flavor of root vegetables and mushrooms."

Celebrity chef Marcela Valladolid recently shared via social media how versatile Parmigiano Reggiano can be in cuisines outside of Italian, including Mexican dishes.

This is proof that Parmigiano Reggiano has been known for its versatility.

"It can be made into Parmigiano Reggiano crisps or used to flavor and



as well as a crostini topper.

"It also is used as a table cheese, since it's not too salty," says Marffuggi. "People enjoy the nutty flavor and creaminess, which is unique in a hard cheese."

Displays & Merchandising

Millennials are a prime market for Parmigiano Reggiano, as this demographic takes great interest in their food's origin, heritage and unique flavor aspects.

"Millennials are definitely interested in where their food comes from and the farm

recipes. The Regg It Up campaign shows different ways to use the cheese in everyday cooking.

This encourages customers to buy the entire wedge, rather than just purchasing grated cheese in delis.

"Retailers are really trying to convey information about the single dairies producing this product," says Berti. "They also tend to offer more suggestions on how to use it."

In terms of displays, Parmigiano Reggiano is often merchandised in wheels showing the authenticity stamp, along with the wedges stacked next to it.

"Cross-merchandising opportunities include balsamic vinegar, mostarda di frutta and pears," says Forever Cheese's Buster. "The increasing awareness and talk of cheese will help expand the market for Parmigiano Reggiano."

In the past, this cheese variety was priced too high for many segments of the population, but since the Consorzio has increased the visibility and marketing, it has become almost a commodity in today's supermarkets.

This has driven prices down from between \$18 and \$24 a pound to between \$10 and \$15 a pound.

"The price fluctuates, but is now at the lowest it has been in the last 10 to 15 years," says Ambriola's Marffuggi. "Now a lot more people can afford it and are exposed to this cheese." **DB**

Millennials are a prime market for Parmigiano Reggiano, as this demographic takes great interest in their food's origin, heritage and unique flavor aspects.

thicken soups," says Atalanta's Berti. "However, many retailers are rediscovering Parmigiano as a small plate hors d'oeuvre in a more simple and true way, and as the perfect accompaniment to traditional balsamic vinegar."

This cheese is known for being grated over pasta, salad, potatoes and vegetables

to table movement," says Consorzio Parmigiano-Reggiano USA's Bolla. "We hire a local chef, invite the local food bloggers and learn together why this cheese is so special and so versatile."

A new campaign led by Atalanta has placed faux Parmigiano Reggiano wheels in stores with looping videos to highlight



NATURAL MEATS ARE HERE TO STAY

Clean labels are driving sales

BY BOB JOHNSON

For many deli customers, it is no longer enough to offer fine meats with superior flavor and a delicious story about grazing and processing traditions that go back many centuries.

There are more consumers than ever before who want to know about humane methods used to raise and slaughter the animals, and about the ingredients added to process the meat.

"People are looking for the cleanest labels they can find," says Camille Collins, marketing director at Les Trois Petite Cochons, New York, NY. "There is an increase not only in all natural, but also in organic. We've known about no preservatives and no artificial colors forever. Now

it's gluten, nitrate, nitrite and GMO free."

This interest in more natural meat products, and a willingness to pay a little more for them, should be here to stay because it is led by a younger generation of food-savvy consumers.

"Millennials are the ones asking us questions about how we cook our roasts and how our meat is raised," says Daniel Estridge, chief flavor officer at Real Deli and NYDP, Westford, MA. "They're the ones reading our packages and e-mails, and reaching out to us to learn more. And more importantly, they're the ones talking to their friends about the food they're eating and how they feel about it. And with their grasp on the ever-growing range of social tools, they're empowered to spread

the word quickly about new ideas in food, politics, fashion, sports, business, etc."

What's the Price?

The answer to the question of what we mean by natural meat can be fuzzy, partly because there is a bit of blarney, like the tale about the label touting hormone-free pork from producers who really should know hormones are not allowed in pork.

But much of the uncertainty in this category stems from the definition of natural, which depends a lot on how much consumers are willing to pay.

"I think of it as four tiers," says Claas Abraham, owner of Abraham of North America, Lincoln Park, NJ. "There are meats that make no claims whatso-

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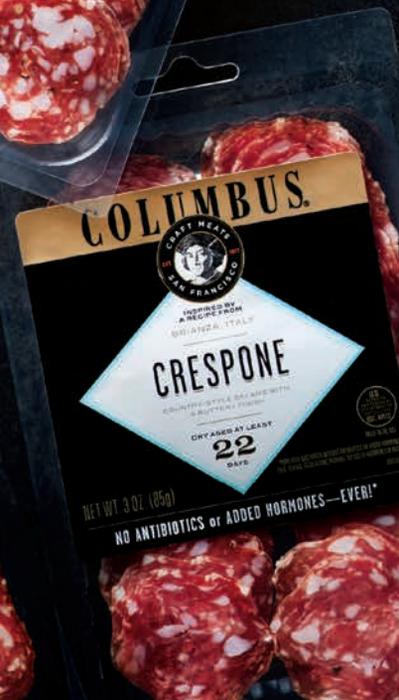




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ever; then there are uncured meats with no nitrates or nitrites; then no antibiotics ever; and finally organic. The consumer is switching from level two to level three, the no antibiotics ever. The top of the line is organic, but it comes at a hefty price, so I don't think there's that much demand for these products."

In selecting which of these tiers to highlight, it is helpful to have a sense of the kind of premium the market can bear.

"It costs more money," says Jean Paul Grasmuck, national sales manager at Paris Gourmet, Carlstadt, NJ. "You have to be more selective about the meat, and it also takes more time. People will pay more, but there are limits, between 20 and 40 per-

cent more maximum. If you go too high, you won't generate tonnage."

Other suppliers agree with the fact that there are general price increase ranges for more natural meat products.

"The premium is 20 to 30 percent," says Guy Giordano, president and CEO of Vincent Giordano Corp., Philadelphia, PA.

The cost for meats with no nitrates or nitrites, the first step up the all-natural ladder, is modest.

"There's the no nitrates and no nitrites, or the higher level of natural for antibiotic free," says Simone Bocchini, president of Fratelli Beretta USA, Budd Lake, NJ. "The clean label with minimal additives is the most popular, but the price increase is

limited, maybe five percent. For antibiotic free, it is substantially higher."

The nitrate-free category can become complicated when labels are examined more closely.

"You will see a label from uncured salami or pepperoni, and the ingredient list includes sea salt," says Dave Brandow, corporate sales director for Piller's Fine Foods, Ontario, Canada, which markets the Black Kassel brand in the U.S.

Nitrate and nitrite free can be the gateway to other, frequently more expensive, product attributes.

"Natural meat in the past had to be without preservatives," says Grasmuck. "Today, when people talk about natural meat, it means a lot more. The answer is all of the above—pasture raised, hormone free, GMO free, organic, no added salts or flavorings, and all natural. The first priority was to do away with nitrates, then we saw it was a lot more involved. Hormone free? Most definitely. GMO free? Yes, absolutely. Were the pigs raised humanely, not only how they lived but also how they were slaughtered?"

Abraham finds significant consumer interest in antibiotic-free meat, his third



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tier, despite the substantial increase in cost.

"There's about a 30 percent premium in our cost for meat from level two up to level three," says Abraham. "But 20 to 25 percent can be level three, the no antibiotics ever."

Other suppliers also find that there is strong demand, in particular, for antibiotic-free meat.

"Demand for antibiotic-free meats is definitely at the top of the list for customers, along with simpler ingredient statements," says Jay Holt, senior vice president for sales at Columbus Craft Meats, Hayward, CA. "We are definitely seeing higher demand for more natural, less processed meats, and this is where much of the category growth is coming from."

Part of the appeal of antibiotic-free methods of livestock raising is the contribution to public health made by reducing the danger of resistance to medicines that humans need.

"Columbus has begun transitioning to antibiotic-free meat and recently launched a line of antibiotic-free sliced deli meats that have no nitrates or nitrites added and a clean ingredient list," says Holt. "This meat will generally command a 20 to 30 percent

premium at retail, but we're seeing strong demand for these products. This is due to the growing awareness of how antibiotics in livestock are causing an increase in drug-resistant bacteria that threatens public health."

On a practical level, antibiotic-free meat becomes complicated, however, when some of the animals get sick.

"People are interested in the humane treatment of animals, and they are interested in no hormones," says Brandow. "People want antibiotic-free meat to eat, but does that mean if the animals get sick

we can't give them antibiotics like we do our children? If an animal can't enter the supply chain, what is the farmer supposed to do with that animal?"

Usually farmers and ranchers selling this meat type split the animals treated with antibiotics from the herd and sell them at a lower price.

Then there are claims made on some meat packaging that make little sense, like hormone-free pork or poultry.

"As to hormone-free, it's often called out, though as folks in the industry know, with respect to poultry and pork, regula-

Usually farmers and ranchers selling this meat type split the animals treated with antibiotics from the herd and sell them at a lower price.

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tions don't permit their use anyway," says Estridge. "Still, you see it on labels, so it's apparent that many marketers feel consumers want to see the claim; however, it is meaningless."

There is also, these days, strong interest in gluten free, even though most meat products have always been gluten free.

"Being a true, cured meat, we are naturally gluten free, but we get that question more than any. The other important claims that we can support are 'free of added nitrates and nitrites,'" says Johnson. "The consumers' knowledge is growing and they are beginning to become more aware of items that they want to stay away from."

Although there is interest in organic meats, demand is relatively slight because of the price premium.

"Nobody would argue that organic isn't appealing, but the cost is very high, so it has limited penetration into the natural meat category," says Estridge.

Abraham agrees that cost limits the market for organic meat, saying, "The consumer is still very price-driven."

Amid a confusing maze of claims, one of the leading mainstream natural foods stores has already laid much of the ground-



PHOTO COURTESY OF LES TROIS PETITE COCHONS

work in offering definitions for natural meat products.

"There is a general list, and the Whole Foods list has become a standard of never ever ingredients," says Giordano. "The most in demand attributes right now are antibiotic free, no HGH (human

growth hormone) and no GMOs. Clean label ingredients are becoming more and more important."

The demand for natural meats is steadily increasing, and the market is developing the kind of maturity that will result in a steady and reliable supply chain. As a result, farmers and processors can comfortably plan their volume in advance.

"There is significant demand for higher-end natural meats, and it is growing," says Giordano. "Millennials are a large part of the growth in this category as well as Baby Boomers."

Maturity of the market should bring greater stability to both the supply and price of these products at different levels on the all natural continuum.

"The companies that raise our meat or slaughter it need a commitment to a certain volume, so we do too," says Abraham.

It's About The Quality

The complex list of attributes included in claims that meats are more natural can make you dizzy, but the products must ultimately pass the simplest of tests: Do they taste better and feel better in your mouth?

"Pasture raised, hormone free, GMO free, organic, no added salts or flavorings, or all natural are all good claims," says Johnson. "When you use quality ingredients, it doesn't just show in the ingredients list, but it shows in the flavor of the product."

There is a strong relationship among consumers between the interest in more natural foods as well as the desire for better-tasting options.

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"We see the natural and premium, high-end consumer segments converging," says Estridge. "There are two things driving this. First, as the market for more natural deli is maturing, more vendors offer so-called natural products. From a marketing perspective, it just makes sense to offer distinctive quality along with the naturalness. And second, these customers are also skewing younger, and this demographic is interested in small-batch, craft-quality foods in general."

At this level, more natural means less processing and fewer ingredients.

"Our approach is Cooked, Not Processed and our customers tell us they appreciate it," says Estridge. "We also tend to develop recipes that are unique and richly flavorful. What we do may not scale as readily as the usual processor's approach, but we feel strongly that artfully cooking real roasts of intact meat right off the bone versus industrially processing formed meat-products is worth the added extra trouble."

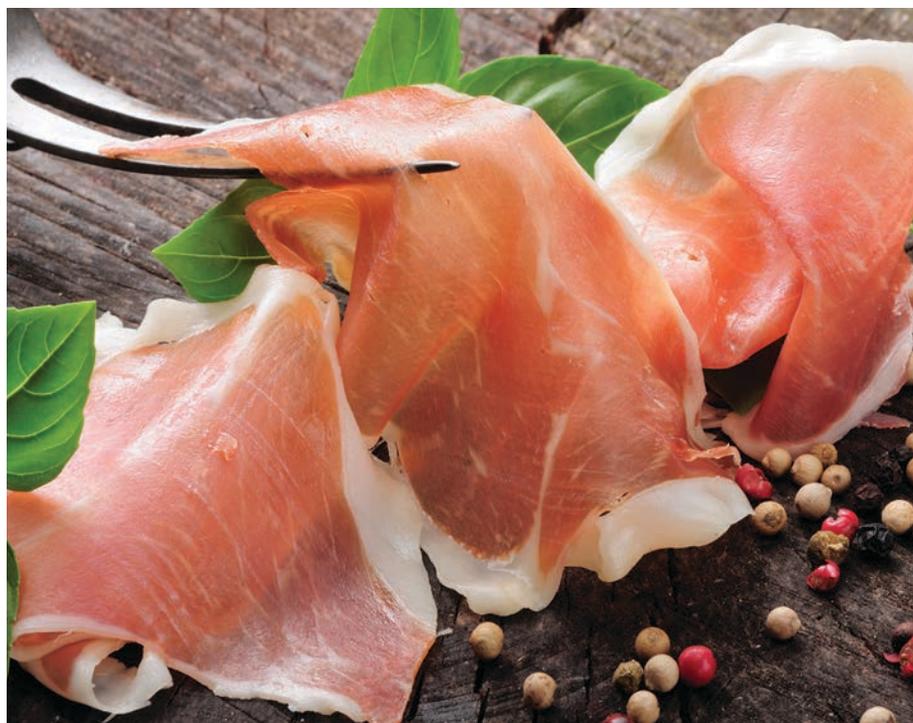
Some suppliers still find more meaning in the taste of their products than in claims to be more natural.

"We don't know what 'natural' means," says Brandow, "The USDA definition is pretty broad. We could put gluten free on the label, but we never had gluten."

Show Them The Meat

There are enough levels of natural meats to make it worth the effort for retailers to communicate clearly what consumers can get for their money.

"We do a lot of signage, and we offer retailers demos," says Collins. "It's an



opportunity to get the product into consumers' mouths and to converse with them. We also do back of the house training, so people can speak intelligently when we're not there."

Some producers are developing their own brands, offering a combination of clean labels and quality.

"We try to communicate our quality through our packaging," says Abraham. "We work on our design; a renowned company in Germany does our packaging."

The market for premium natural meats skews younger and, on the whole, is relatively well-informed.

"Consumers who look for our prod-

ucts are educated foodies," says Collins. "Millennials are a definite target. We are focusing on that group more heavily now. They are savvy about labels, and they know about food. For the Boomers, our products are 'everything in moderation.'"

The younger consumers may not need highly-detailed descriptions of why the meat is more natural.

"This is being led by the sought-after consumers, the Millennial generation," says Bocchini. "They are much more sophisticated and educated."

Younger consumers, particularly those located in larger cities, lead the market for natural meats.

"It starts in the urban areas and moves out into the whole country," says Grasmuck. "The Millennials and the Gen Xers are most important; people between 20 and their late 30s are the premium market."

Because these younger people are key to the market, social media is particularly important in merchandising.

"Millennials are the biggest group of consumers driving food trends," says Holt. "This demographic also is driving the social media movement. They use Facebook, Twitter, Instagram and Snapchat to get advice, learn about what they want to buy, and are excited to share anything new they find through social media. Attracting Millennials has network effects that smart brands and retailers are trying to tap into." It's the wave of the future and where the natural meat segment is headed. **DB**



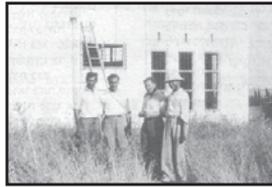
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KEEPING IT KOSHER

Since 1926, Tnuva has been the world's largest kosher food manufacturer, delivering a variety of premium cheeses and high-quality frozen products to consumers in Israel, the U.S., Canada and the UK.

Tnuva's roots are interwoven with the pioneers who built the State of Israel. In 1926, Tnuva began as a milk cooperative, where pioneering kibbutz dairy farmers worked day and night to create a dairy industry by distributing fresh milk to members of the pre-state community. The success of this innovative venture enabled the kibbutz dairy pioneers to expand their extensive list of dairy products to consumers in the 1930's.

With the formal declaration of the state in 1948, Tnuva became an integral part of Israel's



developing economy and food industry, eventually transforming itself into the largest kosher food company in the country and the world.

Tnuva formally entered the North American market in 2004 via hundreds of kosher and mainstream supermarkets.

Dozens of products are available to North American consumers, ranging from dairy cheese products and frozen pastries, to heat-and-eat chicken products and dessert puddings.

In 2016, Tnuva's USA division began producing a number of dairy cheese products in the Midwest region.

Tnuva continues investing heavily in cutting-edge food technologies and standards, providing consumers seeking balanced and tasty foods with high nutritional values.

Blast From The Past is a regular feature of Deli Business. We welcome submissions of your old photos, labels or advertisements along with a brief description of the photo. Please send material to: Editor, DELI BUSINESS, P.O. Box 810217, Boca Raton, FL 33481-0217 or email DeliBusiness@phoenixmedianet.com. For more information contact us at (561) 994-1118.

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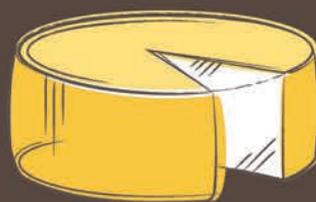
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