



PHOTO COURTESY/JOHN VENA INC.

Dan Vena, director of sales (left) and Chris Scotti, sales support associate, at John Vena Inc. Specialty Produce, Philadelphia, inspect mangos. To strengthen its traditional wholesale services, the company has focused a portion of its business specifically on serving foodservice audiences.

Wholesale Moves To A Fuller Line Of Services

Wholesalers continue their decades-long metamorphosis to provide even broader customer service.

BY JODEAN ROBBINS

In the quest to serve customers over the past two decades, wholesalers have continued to expand what they do.

“We never say no,” says Filindo Colace, vice president at Ryeco in Philadelphia, PA. “If it’s humanly possible, we do it. We pride ourselves on being a value to our customers.”

Wholesaling has become more complex, asserts Rick Feighery, vice president of sales for Procacci Brothers Sales Corp. in Philadelphia, PA. “We are retail service providers,” he says. “It seems simple, but when you look at the amount of items, and locations, it keeps us busy. It’s about filling a need for our customer and having the right mix of products, delivery, quality and retail support.”

During the pandemic, there was a markedly different use of the wholesaler because they were such a vital link to get food to consumers. Now, says Joel Fierman, president of Fierman Produce in Bronx, NY, “it’s hard to get a grasp on what direction we’re going because we’re going in so many different directions.”

“The recent past has proven that the wholesaler can change at any given moment to suit the needs of what’s going on.”

Yet even as wholesaling changes, it remains a firm cog in the supply chain. “Years ago, my cousin said ‘we provide the stability in the instability,’” says Gabriela D’Arrigo, vice president of marketing and communications at D’Arrigo New York in Bronx, NY. “It defines the wholesaler job. We create the solution so our customer doesn’t have to deal with it.”

Highland Park Market in Farmington CT, with three stores, considers wholesalers a big part of its success, according to Brian Gibbons, produce director. “Produce departments have changed so much from two decades ago,” he says. “Our wholesaler does a great job of bringing in new items and changing with the times.”

CREATING MORE VALUE

Changing customer demands have led to creation of more services. “Wholesalers have become more service-oriented and more

attentive to customer needs by expanding, developing and increasing services,” says Mike Maxwell, president at Procacci.

At Rocky Produce in Detroit, MI, Dominic Russo, buyer and sales manager, puts it this way: “We work smarter and do things a bit differently. And if we have to work harder, we do that, as well.”

Retailers are moving toward streamlining vendors, services and product lines, as the business experiences more consolidation, says Maggi Brooks, senior director of retail for Pacific Coast Fruit Co. in Portland, OR.

“A nimble wholesaler can create an opportunity for various services such as cross-dock for other vendors in the network, contract freight, ripening, repack and warehousing of supplies, thus fewer trucks bumping the retailers’ dock and fewer trucks on the road,” she says. “Wholesalers must have a wide breadth of knowledge on new and innovative items.”

S. Katzman Produce in Bronx, NY, has grown in many areas, says Stefanie Katzman,

executive vice president. “We’ve expanded our product line, we’ve increased our fleet of trucks and we’ve grown our staff. This all helps us serve our customers better.”

More wholesalers are adding services such as processing, fresh cuts and even growing their own products, adds Andrew Scott, vice president of marketing and business development for Nickey Gregory Co. in Atlanta. “We also see more DSD (direct store drops), cross-docking and redelivery.”

For well over a decade, John Vena Inc. Specialty Produce (JVI) in Philadelphia, PA, has focused a portion of its business specifically on foodservice audiences. “We developed a niche offering broadliners and produce distributors a turnkey specialty program to enhance their relationship with chefs,” says Emily Kohlhas, director of marketing. “On top of access to our line of stocked specialty and ethnic items, our foodservice clients find value in our repacked sizing on key items, our library of collateral and the training support we offer for sales teams.”

In today’s challenging business environment, the relationship between distributor and customer is more critical than ever, emphasizes Jim Reynolds, vice president of sales at Pacific Coast Fruit Co. “Today, key words describing supply chain relationships are reliability,



PHOTO COURTESY S. KATZMAN PRODUCE

Like many wholesalers, S. Katzman Produce in Bronx, NY, has pivoted in in many areas, such as expanding its product lines, adding to its fleet of trucks and hiring more staff — all with an eye toward serving customers better.

transparency, partnership and commitment to service. Though the standards of ‘service, quality and price’ are still foundational, the operator is increasingly turning to distributor partners for advice and help on building business while reducing cost.”

IN-STORE SUPPORT

Given the labor shortage climate, retail takes advantage of merchandising support from wholesale partners. “We get a lot of

support and help from our wholesalers,” says Jim Sullivan, produce merchandiser from Yokes Fresh Market in Spokane, WA, with 19 stores. “We coordinate to use their merchandisers to help set tables in a remodel or re-set.”

Sullivan explains the labor benefit of using wholesale merchandisers. “Normally, we pull a couple of our produce managers when we reset, but we’re limited on that because we stress the store we’re pulling bodies from,” he says. “When we use wholesale merchandisers,



Detroit’s Premier Produce Distributor

A Full Service, Fresh Produce Company

Wholesale • Retail • Food Service • Distribution

www.RiggioDistribution.com

313.843.0840



we don't stress stores by taking away their produce manager."

"Also, currently a lot of stores just don't have the depth of experienced produce managers at retail, so we really rely on the wholesalers to help with that expertise. The merchandisers have a produce background — some have been produce managers, some ran stores — so we utilize that knowledge."

Teaching produce managers how to maintain the right set-up and have the right products on display are the finishing touches on a sale, says Katzman. "We want to support their entire process because we want our customers

to be successful, and that makes us successful as suppliers."

Maxwell says Procacci's seven merchandisers are busy around the clock supporting the customer base. "They assess the demographics of the area, what the changes are and identify the opportunities," he says. "Most of them are multilingual, so they talk to the customers and find out more about what the customers want from each store."

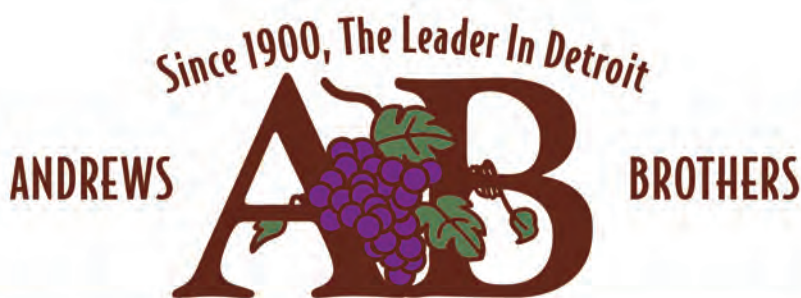
TARGETED INFORMATION

Wholesaler merchandisers add value through market-specific knowledge. D'Arrigo



PHOTO COURTESY NICKY GREGORY COMPANY

Wholesalers continue to augment sales and service through repacking, ripening and fresh-cut.



Detroit's leading distributor of a complete line of fruits and vegetables from all producing areas.

Proudly serving our customers and suppliers with over a century of produce experience.



**Jeff Abrash, David O'Brien, Kevin Hornauer, Jim Boggio, Jr.
Charlie Palazzolo, Bob Ventimiglia, Anthony Balsamo**

ANDREWS BROTHERS. INC.

**(313) 841-7400 • (313) 842-6740
Fax: (313) 841-0385**



7201 W. Fort St.
Detroit Produce Terminal - Detroit, MI 48209-2997



explains merchandisers are teams of people who study the demographics and psychographics of customers in the area, so they understand the shoppers.

"Teams also make suggestions about purchasing," she says. "They help us understand each customer's store footprint and consumer buying habits, which, in turn, helps us understand what's going on with our customer. We can give them more guidance on items that could move better, spacing allocations or good deals for them."

Although technology delivers targeted information faster, Pacific Coast's Brooks points out merchandisers are still the boots on the ground to see what consumers are gravitating to.

"This is also what we share with our grower partners for future planning," she says. "Given the number of choices coupled with the current economic climate, retailers must decide to sell what they know they can sell and still demonstrate they have a vision for variety and a changing shopper demographic."

Procacci's Feighery views the role of merchandisers in understanding the retail business as the "eyes and ears" on the ground. "They look at the day-to-day challenges the retailer faces, how we can better support them and find issues we might miss," he says.

Merchandisers from Four Seasons Produce in Ephrata, PA, connect the company with retail needs, states Jonathan Steffy, vice president and general manager. "We support driving sales through displays, train new staff they have, and help with major projects like grand openings, remodels, assortment reviews and seasonal resets."



A relationship with a value-added wholesaler can help retailers and foodservice operators overcome labor challenges and keep abreast of industry updates.

Rocky Produce

DETROIT, MICHIGAN

ROCKYPRODUCE.COM



XXXX AA



A ★★★★★ I



JACK RUSSO, RONNIE RUSSO SR., TOM RUSSO, DOMINIC RUSSO,
DAVE HOLLAND SR., STEVE PIZZO, VINCE VITALE, MATT VITALE, JOHN VITALE, TOM LUCIDO,
ROCCO RUSSO III, JOHNNY RUSSO, DAVE HOLLAND JR., RONNIE RUSSO JR.,
MATTHEW R. VITALE, ANTHONY GALLI AND SCOTT HARRIS



Rocky Produce Inc. – 7201 W. Fort St. – Detroit, MI 48209 313-841-7780 – info@rockyproduce.com – fax 313-841-7858



Highland Park's wholesaler reps help install new cases or tables and show new equipment such as new airflow racking. "I attend food shows with buyers from my wholesaler so we can both find items we are interested in together," says Gibbons.

EMPLOYING TECHNOLOGY

Wholesalers have also made substantial investments in technology. "New software systems have come into play, both inside the warehouse and also in services," says Katzman. "We've added a QC app so our inspection team can work in the warehouse. They use an iPad so they can take photos. Our warehouse is connected to WiFi so information can be uploaded. Technology has helped us with both information gathering and sharing, giving our buyers and sellers tools to success."

Wayne Hendrickson, director of sales at Four Seasons, points to the level of technology needed to run the business in warehouse operations and traceability, food safety, logistics and delivery fleet. "That, plus the level of technology needed to transact on a larger scale with customers and suppliers via EDI, digital portals, and online ordering and more, would have been hard to imagine 15 years ago as an independent wholesaler," he says.

Ryeco has made significant investments in technology and software for its warehouse. "Our WMS is to the point now where it's improving our service," says Colace. "We can pull orders faster and get trucks out earlier. This year, our employees who put orders together will have computers on their wrist. We'll be paperless by the end of the summer. It helps us be more efficient for our customers."

Four Seasons' teams are learning to embrace technology platforms the pandemic forced them to use in ways they couldn't have imagined. "For example, with Microsoft Teams or Zoom, we can have a three-way video call with a key customer in a nearby state, people from our team, and a key supplier from the other side of the country to plan upcoming seasonal promotions together," says Steffy.

The industry has been in the digital age for decades and ERP's continue to evolve with more features, allowing enhanced service levels to customers while mitigating cost increases, says Ted Hendryx, chief operating officer at Pacific Coast Fruit.

"The major shift in software is the affordability, adaptability, increased data collection and algorithms integrated into the system," he says. "We have been undergoing a digital transformation that touches many parts of our business and impacts operations as well as customer experience."

■ SUPPLY SIDE PARTNERING

With the evolution of the marketplace and distribution chain, wholesalers have evolved in their relationships with the supply side to help growers and provide greater service for customers.

S. Katzman Produce in Bronx, NY, has been partnering more with packers and growers, says Stefanie Katzman, executive vice president. "To be successful at the retail level, you need consistent supply and quality. We've spent 100 years building relationships with our growers in the U.S. and around the world. We're deeply ingrained in the supply chain, so as things change, we change with them."

Ryco in Philadelphia, PA, partners with growers in the industry to grow brands. "We want to be loyal to our customers and shippers," says Filindo Colace, vice president. "If customers call to say they want specific vendor brands, then we are true partners with our customers and our vendors and everybody wins. Our goal is to develop personal relationships that flow through us and into our customers."



Merchandisers from Four Seasons Produce in Ephrata, PA, help retailers with displays, training, remodels, assortment reviews and seasonal resets, like this small store reset for an updated assortment.

PHOTO COURTESY FOUR SEASONS PRODUCE

Supply-side relationships lead to consistency for both sides. "We develop relationships with our growers so when things are tight, we get product, and when things are long, we can help them out," says Dominic Russo, buyer and sales manager at Rocky Produce in Detroit.

"We communicate to growers about what can sell better in the market, and they're communicating to us about what's coming on. This allows us to perform well for both our grower and customer."

Four Seasons Produce in Ephrata, PA, considers "exceptional partner-

The wholesaler-shipper relationship is more important than ever and yields real benefit for retail customers.

ships" one of its core values. "When we develop mutually beneficial relationships with grower-shippers and execute for them, it can create opportunities for our retailers," says Jonathan Steffy, vice president and general manager. "Sometimes, those opportunities are special spot buys to sell through extra product a grower is flushing on. Other times, it is being in-stock on a tight market when few others are."

Mike Maxwell, president at Procacci Brothers Sales Corp. in Philadelphia, PA, explains its services for shippers and customers include logistics. "We offer hauling for some of our vendors," he says. "We'll also pick up some hardware goods and send. A lot of suppliers come to us because we are multi-spoked in the Northeast. Over the past 75 years, we've built solid working relationships."

Creating efficiency from a loading standpoint is crucial for shippers, adds Gabriela D'Arrigo, vice president of marketing and communications at D'Arrigo New York in Bronx, NY. "Cross-docking and consolidation services are important," she says. "The longer a product sits, the worse off everyone is."

Partnership can also mean creating customized merchandising and promotion plans, says Steffy. "This can include display contests for retailers with unique or impactful produce items from that grower-shipper to help the retailer differentiate," he says. "For example, a shipper may use Four Seasons Produce and some of its independent retailer customers to trial a brand new item or pack, or to kick off an exciting new variety."

D'Arrigo partners with shippers to provide targeted POS materials. "If they're in California, they don't know what works in a particular borough of New York," says D'Arrigo. "We communicate with them, so they can send the right materials. Every bit of information is power. Often, when items don't move, it's because the consumer lacks information."

pb



FIERMAN

PRODUCE EXCHANGE INC



May your troubles be less and your profits be more and nothing but quality produce comes to your store

Distributors of a Full Line of Fresh Vegetables & Fruit.

718-893-1640
Fax: 718-328-3738

247 - 248, 250 - 257, 271
Hunts Point Market • Bronx, NY 10474








Highland Park Market in Farmington, CT, considers wholesalers a big part of its success. In fact, Brian Gibbons, produce director, even attends food shows with buyers from his wholesaler “so we can both find items we are interested in together.”

PHOTO COURTESY HIGHLAND PARK MARKET

According to Hendryx, Pacific Coast is deploying or reviewing several data software packages, including an algorithm-based slotting package using a facility map, rack locations, physical product data and velocity information to optimize pick locations to minimize the total travel time needed to pick all orders. The company also is implementing a Dynamic Routing package and GPS Logistics information.

Hendryx also believes Automated Guided Vehicles (AGVs) and Automated Mobile Robots (AMR) are becoming more mainstream. “They will find their way into warehousing and distribution as the cost of the equipment continues to fall and the technology is easier to deploy,” he says.

ADDING VALUE

Wholesalers continue to augment sales and service through repacking, ripening and fresh-cut. To serve foodservice customers, Nickey Gregory does case splits. “We also ripen items for foodservice, including bananas, tomatoes and avocados,” says Scott. “And we pack into customer’s private labels.”

JVI sees increasing demand for on-site ripening. “We specialize in ripening non-banana products including avocados, mangoes and plantains, and have experimented with papaya and melon,” says Kohlhas. “We’ve been working with these items for almost two decades. Ripening these finicky and seasonal products to hit a particular stage later on in the supply chain takes a lot of skill and experience.”

Repacking remains a demanded service, too. JVI has developed a special niche co-packing for kitting and ecommerce companies, but the majority of its repacking volume is for conventional supermarket-type retailers.

“The retail market has been getting more and more competitive and every chain — public or private, national or regional — is clamoring to add value, be it with fresh-cut, in-store foodservice, selection or convenience,” says Kohlhas. “We’ve developed custom repacking programs within our own inventory for some retailers so they can offer items in splits that are more appropriate for store-level distribution, and for others we offer purely bagging services.”

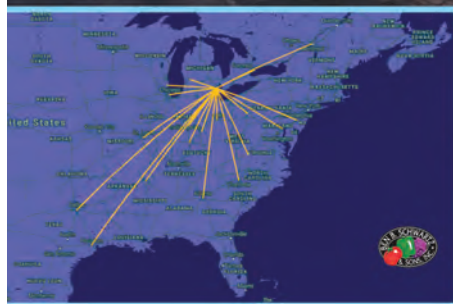
A relationship with a value-added wholesaler can help retailers and foodservice operators overcome labor challenges and provide dynamic, concept-relevant solutions to business needs, explains Jaynelle Nash, senior director of strategic sales for Pacific Coast Fruit. “A good wholesale fresh-cut partner can provide the nuts-and-bolts items reliably. A great wholesale fresh-cut partner can innovate based on your brand identity so the presentation and experience for consumers are seamless.”

Highland Park’s Gibbons emphasizes the growing need for reliable value-added. “Cut

fruit and veg sales continue to grow, and there is only so much you can handle in-house,” he says. “A retailer needs quality outside sources of superior product.”

Ryeco is so committed to value-added it will soon break ground on a new warehouse in South Philadelphia. “This will increase our repack business, and the next step will be another facility for processing,” says Colace. “We want to offer our customers all the value-added items here in Philadelphia. To be a relevant wholesaler 10 years from now, you’re going to have to be providing value-added products.” **pb**

SOME COMPANIES JUST WORK HARDER THAN OTHERS.



**Your Choice For
High Quality Produce
& Agile Distribution**

**Next Day Delivery Anywhere East
of the Mississippi, Including Ontario**



Quality & Service 1906



Phone: 313-841-8300

**Email: sales@benbdetroit.com
Detroit Produce Terminal, Detroit, MI**

