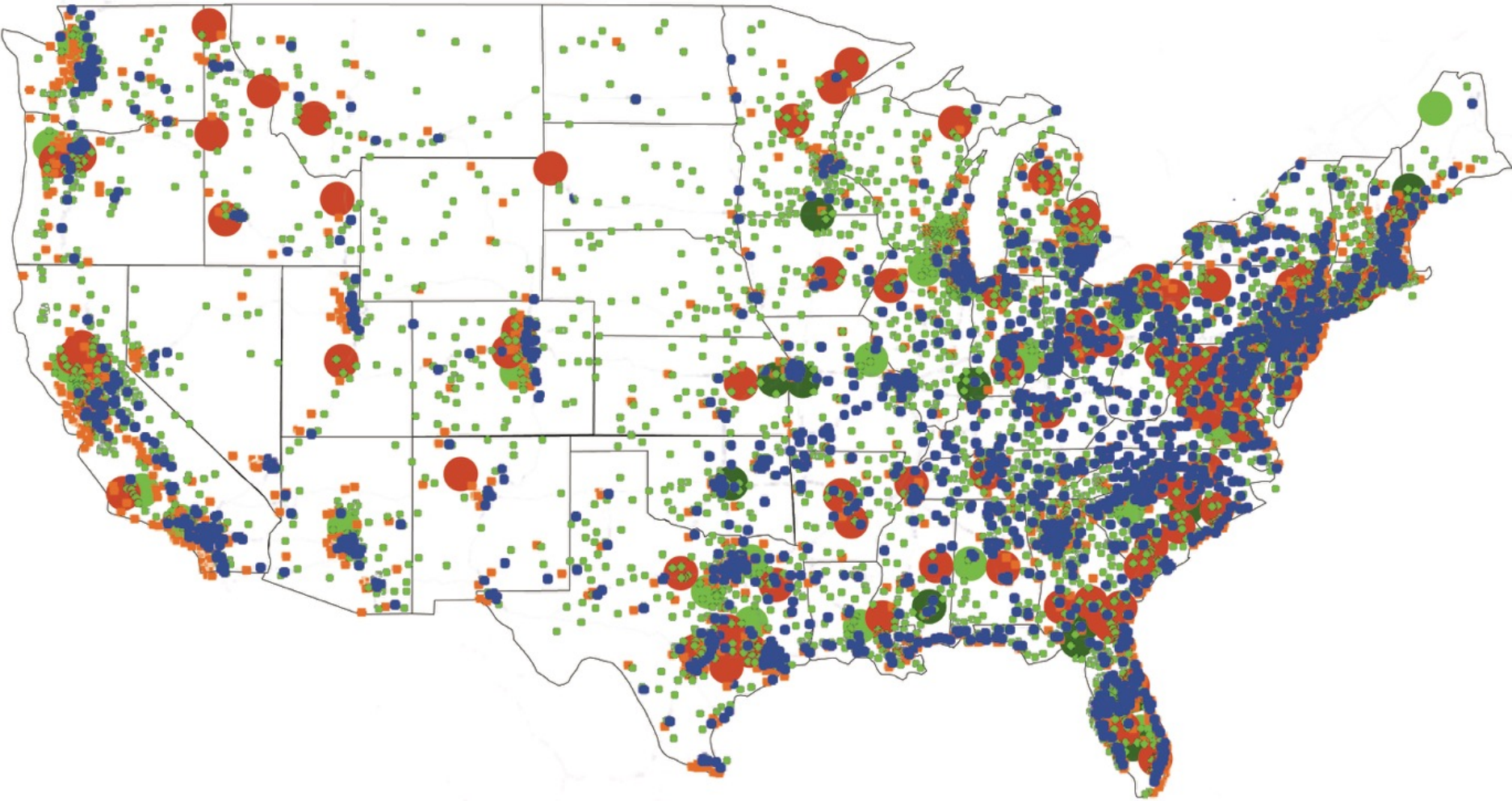




# Expectations of A Co-Packer

Mulch & Soil Council Annual Meeting--Nashville 9.20.17

# Retail and Contract Manufacturing



## Why Use a Co-Packer?

### **Capital Constrained:**

- Cost of developing capacity in low volume markets

### **Early Stages of Growing Branded Business:**

- Taking regional brands into expanded markets

### **Identify Acquisition Targets:**

- Establish raw material sourcing relationships

### **Inefficient Operations:**

- Under planned production capability
- Over budgeted volume

### **Incremental Volume:**

- Customer requests
- Volume exceeds plan



# Why Be A Co-Packer?

## No Desire to Sell Direct to Retailers:

- Insulated from the interactions with the retailers
- Desires freedom to produce to customers of own choosing
- New to the industry

## Packaging is a Compliment to Other Business Dynamics:

- Land clearing operations
- Bulk landscaping supply markets
- Green waste/Food waste composter

## Under Utilized Capacity:

- Increase utilization of assets
- Between awards at retailers



## Expectations of the Co-Packing Customer

### Statement of Clarity

- Unimposing
- Achievable expectations
- Annual Plans

### Support Team

- Buyer/Planner support for day to day activities
- Dispatch support (in required)
- Continuity of team members
- Technical Services
- Marketing & Product Development

### Communication

- Effective ERP tools to increase efficiencies

### Business Support

- Raw material sourcing



## Expectations of the Co-Packer

### **Trusted, Like Minded Partner**

- Shared vision
- Achievable expectations

### **Operational Commitment**

- Consistent fulfillment of demand requirements
- Consistent quality
- On-Time Delivery
- Adaptable to customer requests

### **Communication**

- Awareness of Issues

**Questions?**

**Comments?**

