

## NC GROWING TOGETHER

*Connecting Local Foods  
to Mainstream Markets*



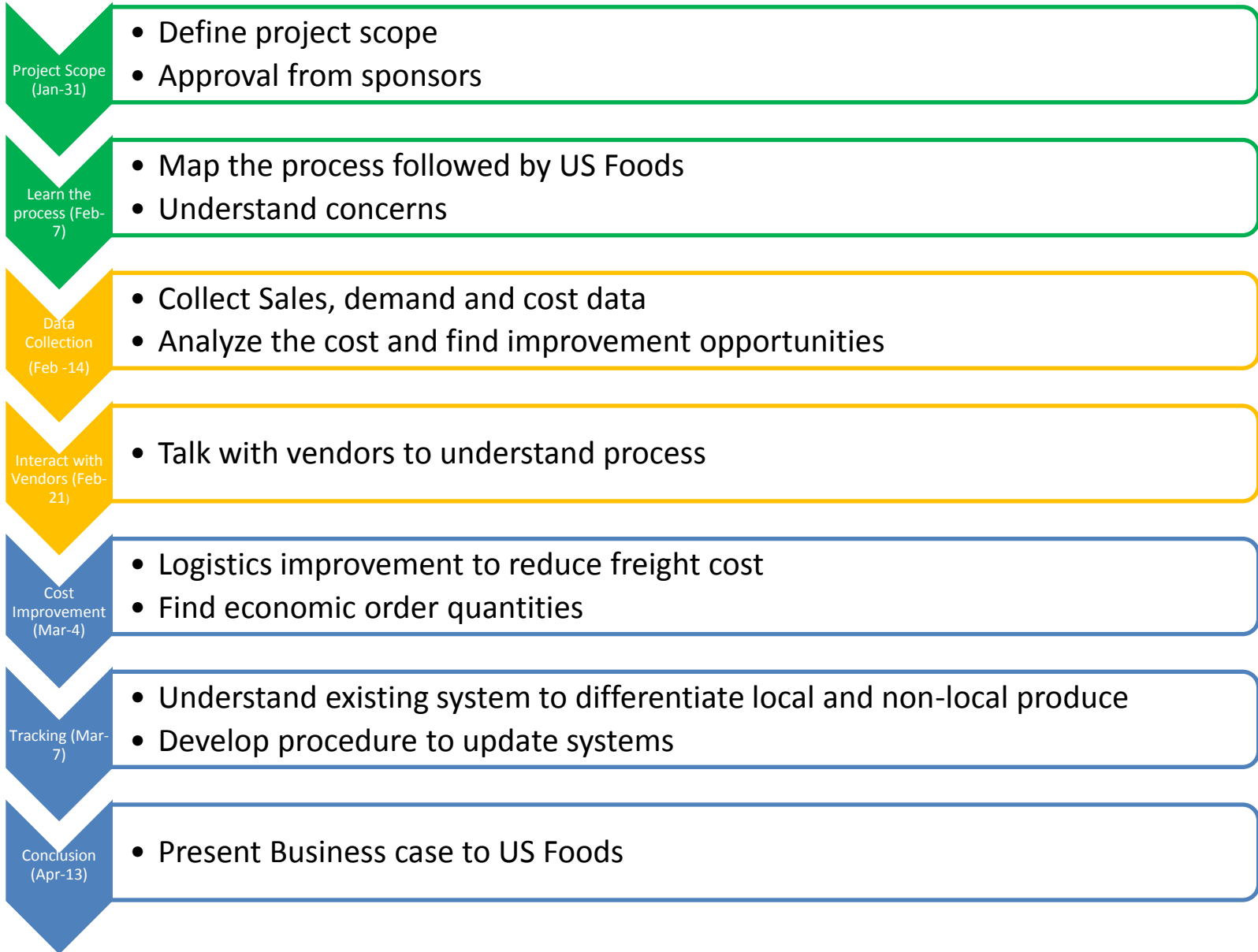
# Cost Analysis of Local Strawberries: Southeastern NC to the US Foods Distribution Center in Zebulon

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NOTE: Proprietary information  
has been deleted for the public distribution of this presentation



# Observations

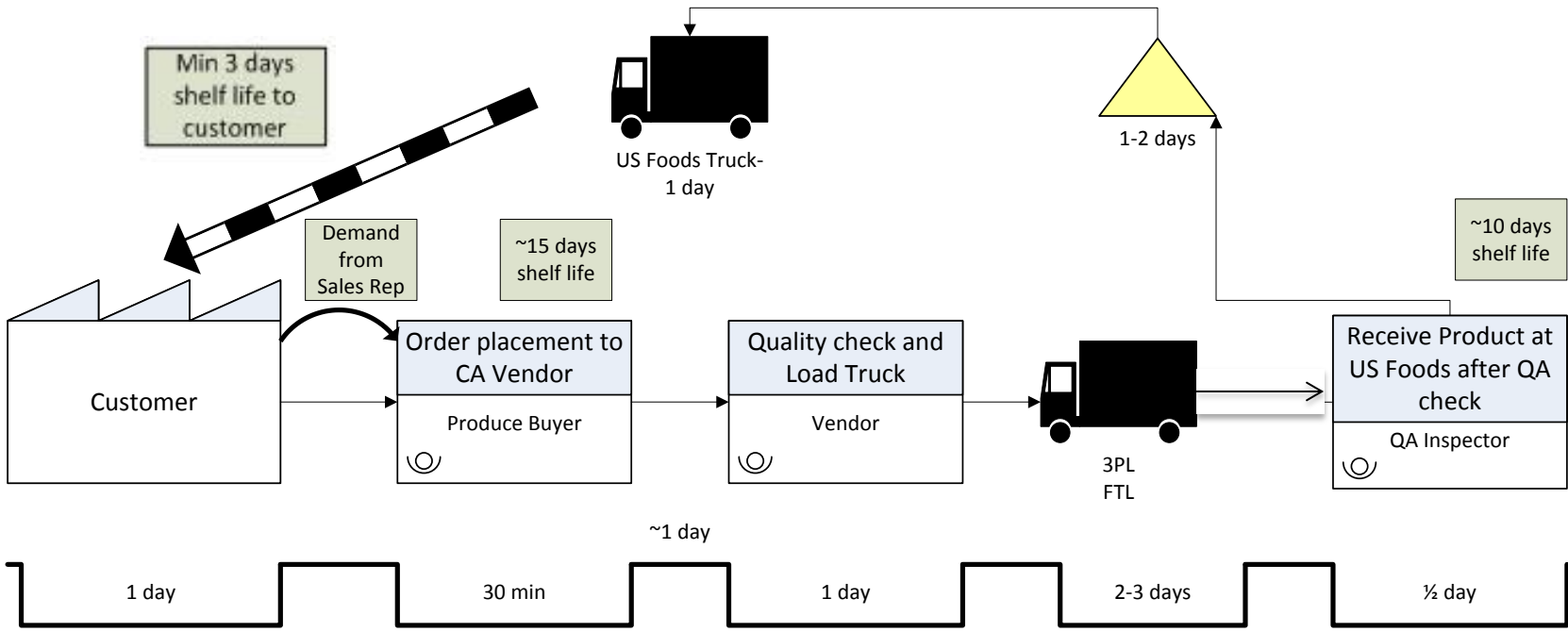
- North Carolina strawberries are 2-2.5 times more expensive than California product.
- 85% of this cost difference is due to the costs of logistics (i.e., transport from source to US Foods distribution center).
- $\leq 25\%$  of customers are willing to pay a premium of \$X for NC strawberries
- Shorter shelf life of NC strawberries is largely attributable to the varieties grow in NC
- Conservative anticipated demand of X pallets of local strawberries per week at this price
- Total of X pallets total strawberry demand during the NC season

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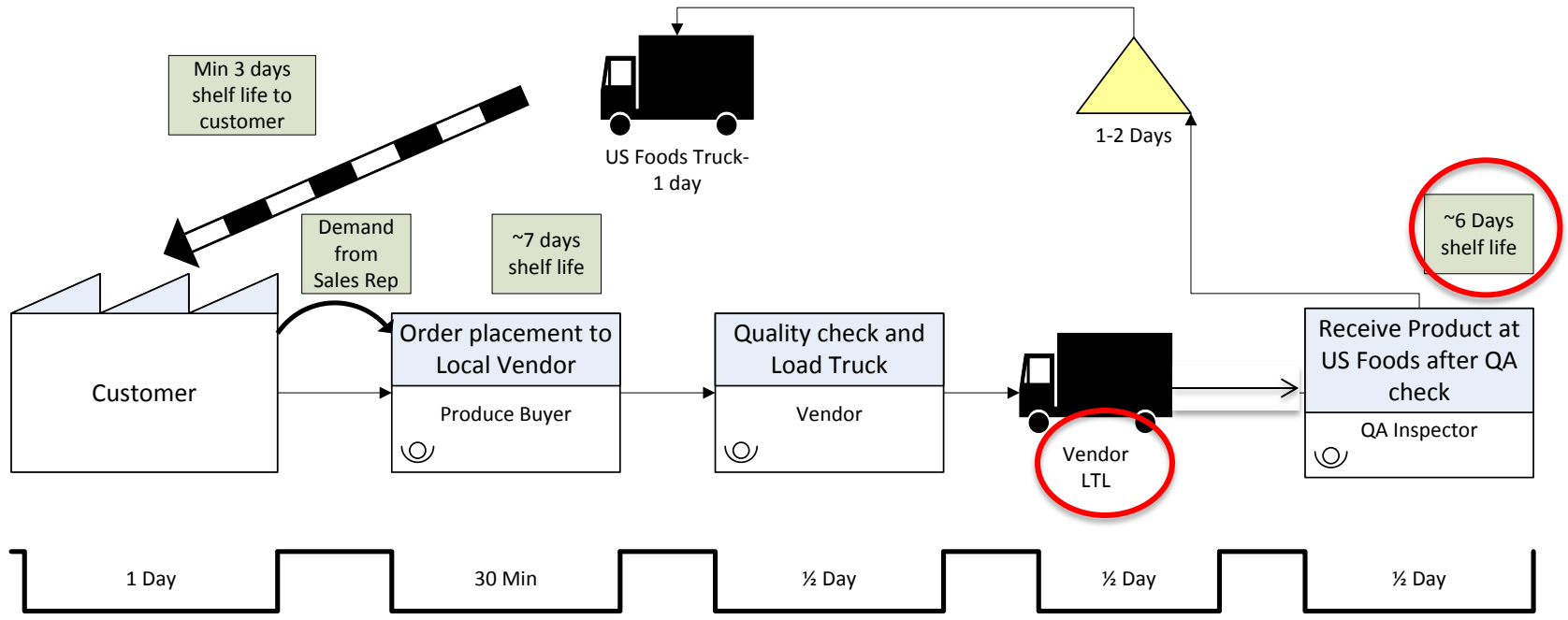
# Challenges

Concern	Local Produce	California Produce
Shelf Life (from the day received at US Foods)	~5-6 days	~10-12 days
Seasonality	April- May	Rotating crops
Frequency	Low	High
Demand certainty	Low	High
Public relation Risk	Yes	No
Cost	\$X more per case	-
Insurance	Varies	Available

# Value Stream mapping for Strawberries- California



# Value Stream mapping for Strawberries- Local



# Recommendations to US Foods

- Have been deleted for distribution to the public





# Thank you!