



How PrimePro[®] saves money for produce growers

What is PrimePro®?

PrimePro® is a shelf life extension packaging technology developed by Chantler Packaging Inc.

It absorbs ethylene gas, a powerful plant hormone.
Ethylene is the:

- Trigger for the process of ripening
- Regulator of the speed at which ripening occurs

By reducing ethylene levels in the air surrounding fresh produce, growers can maintain the freshness of fruits and vegetables.

How does it save money for growers?

1

- Maximizes saleable weight

2

- Reduces rejected loads & claims from chain stores

3

- Increases customer loyalty

Maximizing saleable weight

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Reducing weight loss

Produce loses weight during:

- Storage
- Shipping
- Retail display

It loses weight because it loses water (through transpiration).

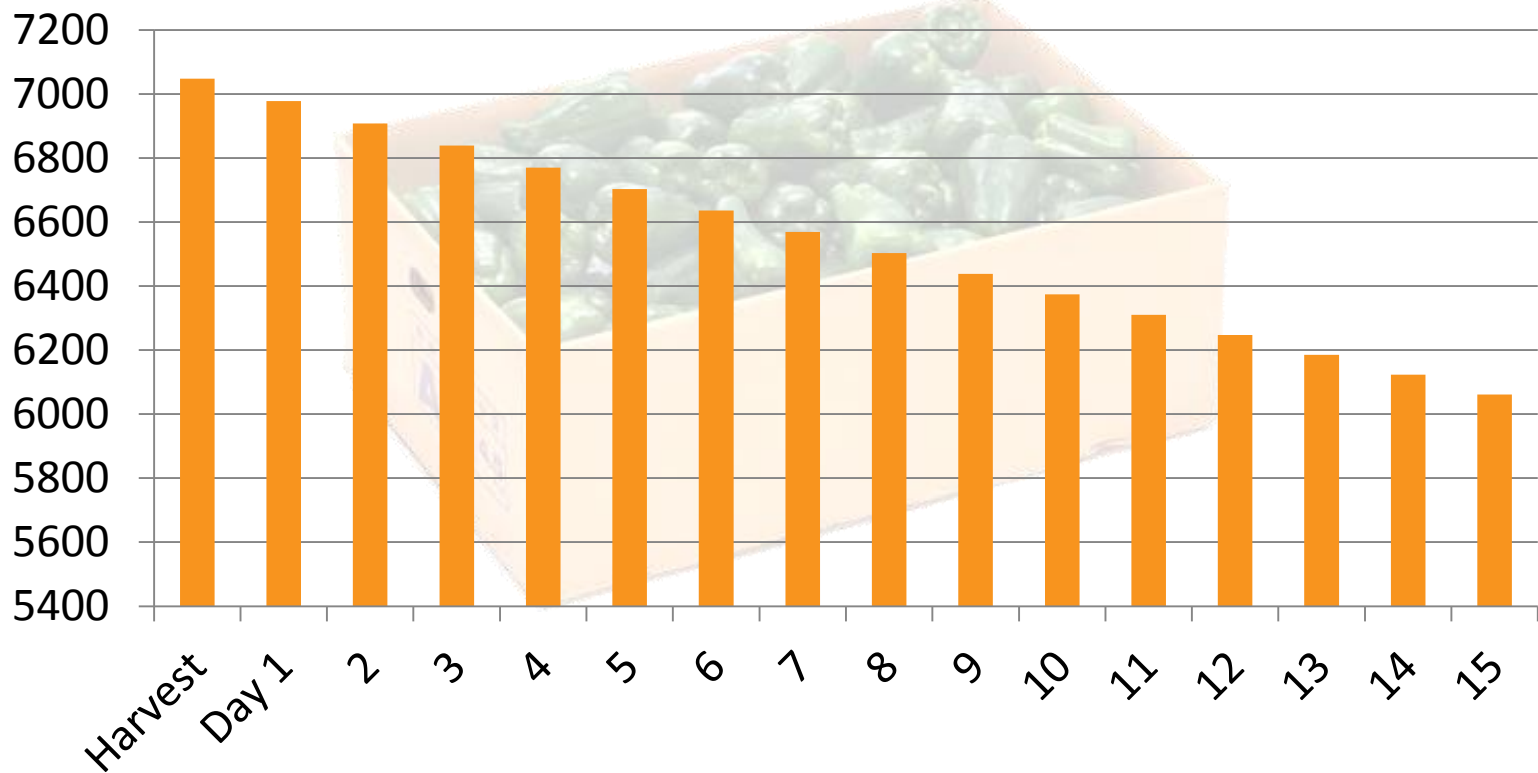
Reducing weight loss

Consider a box of bell peppers...



Produce loses weight each day post-harvest

Weight of a 15 lb. box of bell peppers (g)



Each day after harvest, the peppers will lose water. This means they will lose weight.

Planning for weight loss

Growers expect produce to lose weight.

The solution has traditionally been to add extra pieces of produce to the carton. That way, even as the produce loses weight, it will still be at the correct weight on arrival.

The problem with this solution is that it costs money.

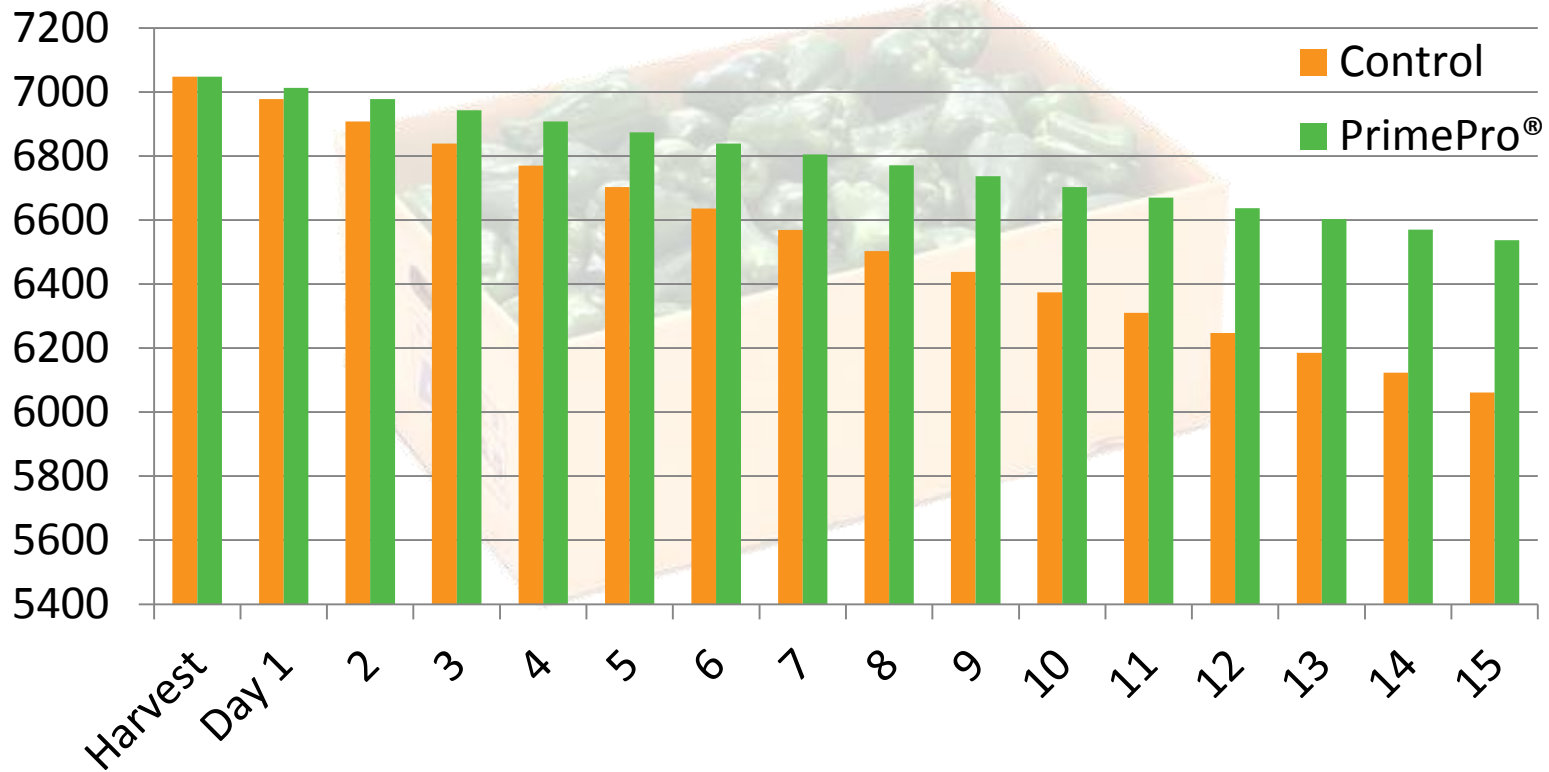
Overfilling

Overfilling is giving away produce for free.



PrimePro[®] reduces weight loss

Weight of a 15 lb. box of bell peppers (g)



PrimePro[®] has been shown to reduce weight loss of fresh produce during transport, storage and retail.

Savings from reducing weight loss: example

PrimePro[®] has been shown to reduce weight loss in bell peppers by approximately 5% during an extended storage trial. Let's be conservative and say we will only save 2.5% of the case weight compared to the old way of shipping peppers (without PrimePro[®])

Average price, 15 lb. box of red bell peppers (California)	\$14.25
Estimated reduction in weight loss, PrimePro [®] vs. control	2.5%

Savings from reducing weight loss: example

If we can reduce weight loss by the amount we think we can, we are on track to save \$0.36 per box. Less the cost of the PrimePro[®] sheet, the grower is ahead \$0.25 per box of peppers shipped.

Savings per case based on estimated weight loss	\$0.36
Cost of one PrimePro [®] sheet, delivered	- \$0.10
Net savings per case shipped in PrimePro [®]	= \$0.25

Savings from reducing weight loss: example

If a grower ships 1 million cases of peppers per year, the grower will save \$250,000 by using PrimePro[®] to reduce weight loss during shipping and storage.

Cases of bell peppers shipped per year	1,000,000
Savings per case	x \$0.25
Annual savings if grower ships in PrimePro [®]	= \$250,000

Reducing rejected loads

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Reducing rejected loads

When a load of produce arrives at the grocery store's distribution centre, it is inspected by grocery store staff.

If the produce fails the inspection, the load is rejected.

Types of rejected loads

Sale on secondary market

- Grower receives a portion of the product value (takes a loss)
- Grocery store wastes time, must source new supply

Disposal

- Grower receives no money for the product
- Grocery store wastes time, must source new supply

Rejected loads cost the chain

Even if the produce can be sold on the secondary market:

- The grower takes a financial hit,
- The grocery store wastes time dealing with a disruption in their supply chain
 - Not enough product for a promotion
 - Disappointed customers
 - Need to source alternate supply at higher cost

Reducing rejected loads

By shipping in PrimePro[®], growers can reduce the number of rejected loads that cost them money.

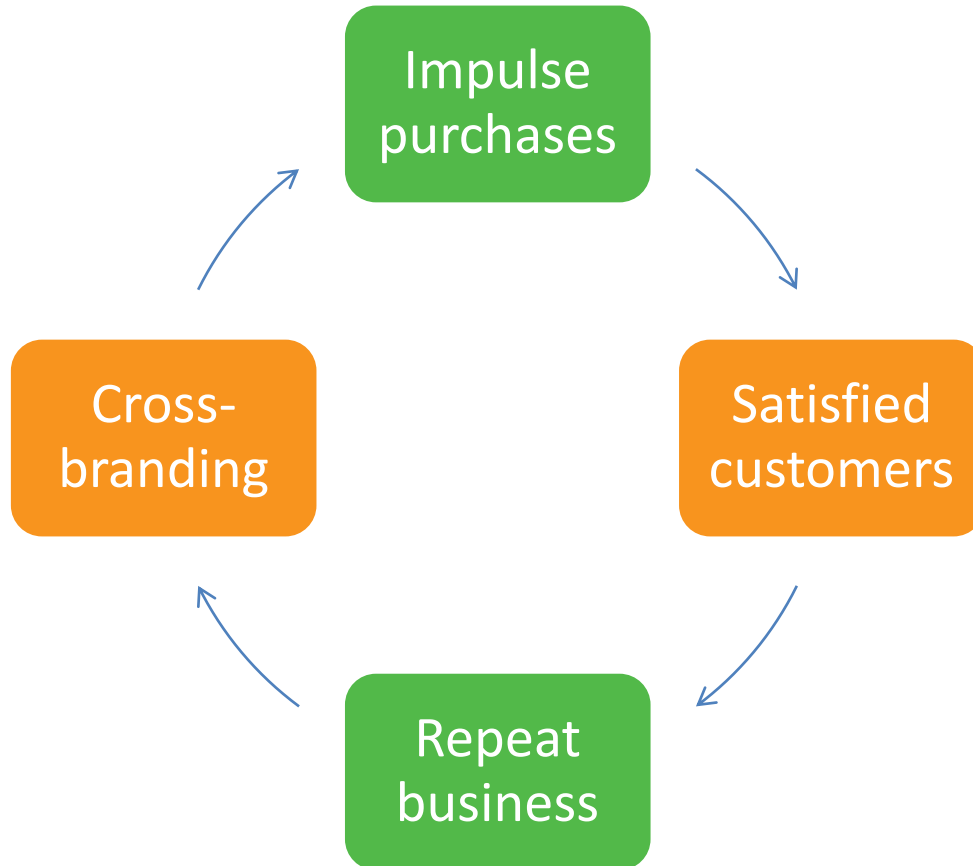
PrimePro[®] reduces damage from ethylene during transport and storage – a key factor in maintaining product quality.

Better quality = fewer rejected loads

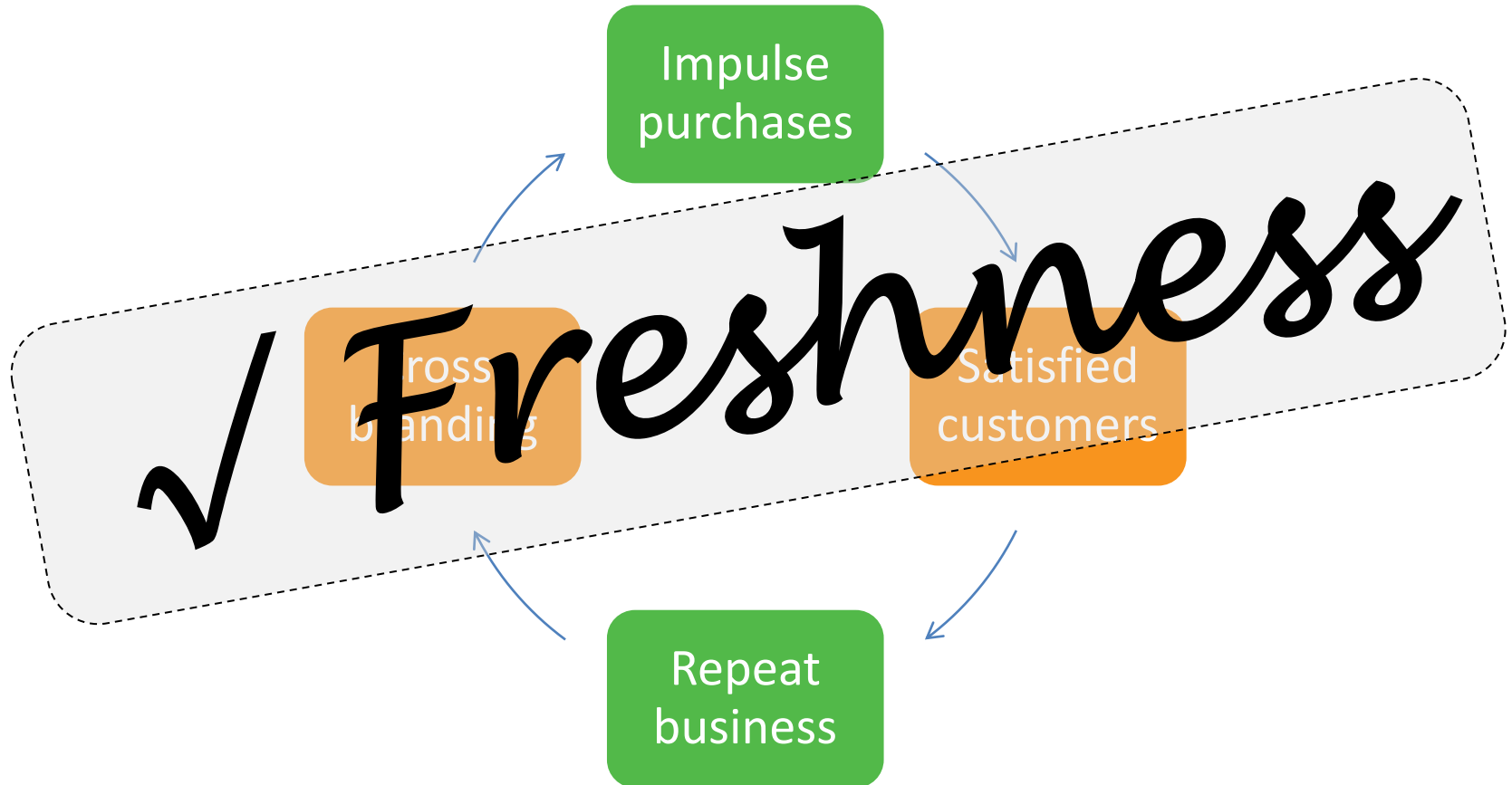
Increasing customer loyalty

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The consumer loyalty cycle



Where consumer loyalty starts



Increasing customer loyalty

Consumers want fresh produce.

Delivering sub-par product will not help growers build their brands and it will not create loyal consumers.

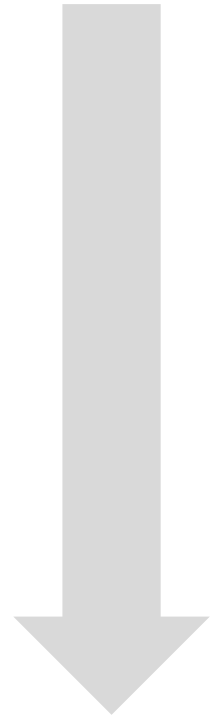
Excellence in fresh produce is built on delivering a superior customer experience, every time.

Next steps



Next steps

Step	Deliverable	Green light
1. Grower test	Quick in-house test to confirm compatibility with process.	No adverse effect on product.
2. Shipping trial	Use PrimePro® on all shipments to selected chain stores for a defined time period. Track results (\$ savings).	Cost savings over time (minimum 3 months).
3. Full rollout	All shipments to all stores in PrimePro®	



Tests vs. trials

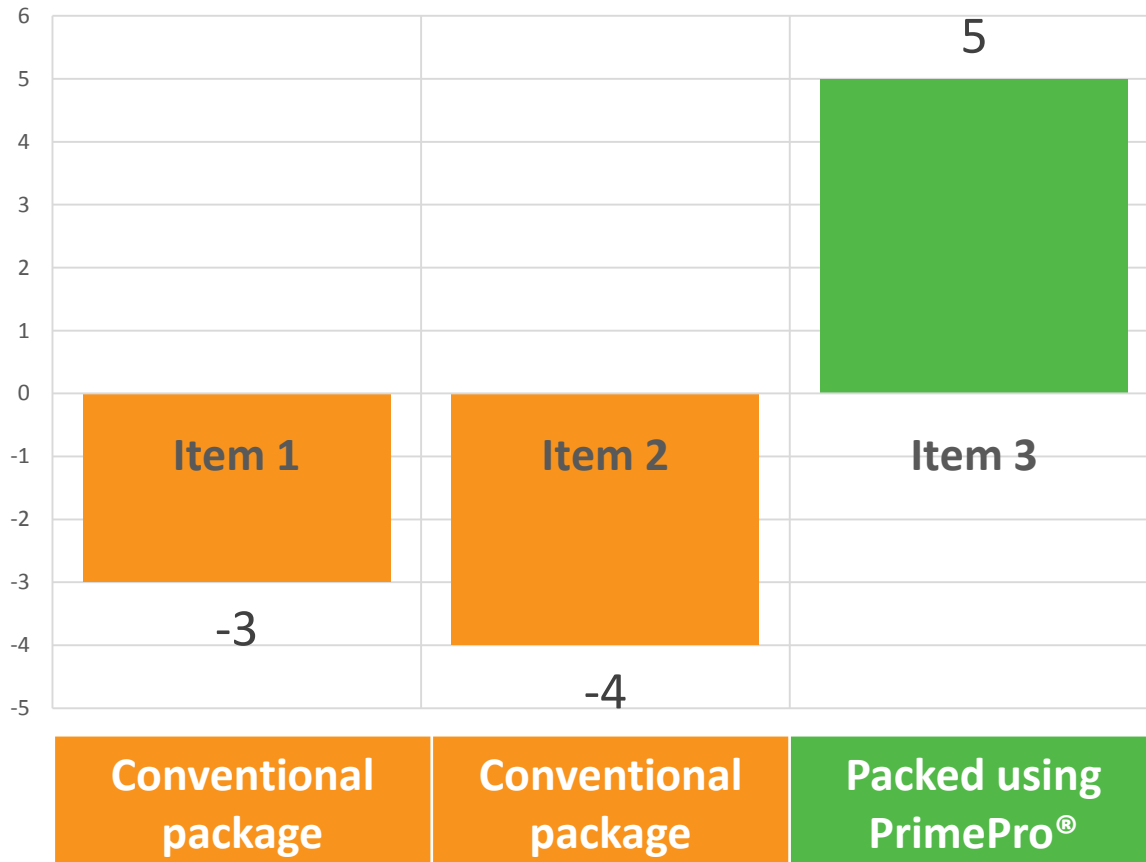
The grower test is simply to confirm that PrimePro[®] is compatible with existing processes.

To see the value of PrimePro[®], growers need to run a full trial, shipping many loads in the technology and tracking the results with the chain stores:

- Number of rejected loads at DC
- Amount of store discards
- Profit / loss on season

“What did you change?”

Sales growth of a citrus grower’s product line at a supermarket, 2011 season (Nov. – March)



The supermarket asked the grower “What did you do differently with Item 3?”

The difference was that Item 3 was packed using PrimePro® sheets.



Thank you for your time!