

Van Whole Produce

It's not by fluke that Van-Whole
Produce has survived and thrived 30
years as a wholesaler in the fiercely
competitive produce industry. Hard
work, commitment and knowing what
it takes to keep customers happy have
helped put the company firmly on top.

Leonard Jang, Vice President & General Manager, Van Whole Produce



ix mornings a week, the loading dock at Van-Whole Produce is abuzz with activity as workers load boxes into trucks and a throng of retail buyers inspect open cases of fruits and vegetables and negotiate for deals. Though it may look like chaos to the casual observer, this morning ritual at the Vancouverbased wholesaler is hardly that.

A tremendous amount of thought goes into ensuring the 24/7 operation runs efficiently. Dock sales officially open at 7:00 a.m. but promotional items are held back until 8:00 a.m. to give all buyers a fair shot at securing a deal. Sales staff arrive early to open up the coolers and familiarize themselves with labels and the quality of products. They then stand by to show prospective buyers what's available, provide samples as well as information about items sourced from all over the globe. Meanwhile, traffic runs smoothly, thanks to support staff stationed in the parking lot.

"We have the most dynamic dock sales on the whole street."—Leonard Jang

Everyone from small independent retailers to large chain stores benefit from Van-Whole's depth of product, which includes mainstream and specialty products, all housed under one roof. Specialty fruits and vegetables are mostly targeted at the ethnic markets, but as neighbourhoods become more multi-cultural, even traditional retailers are now loading up on greater variety to appeal to a broader group of consumers. And if the warehouse doesn't have what someone wants, Van-Whole is more than happy to accommodate buyers' special requests.

"We have the most dynamic dock sales on the whole street," says Leonard Jang, Van-Whole's vice-president and general manager. And that's quite something considering the street Jang is referring to is Malkin Ave., otherwise known as Vancouver's Produce Row. "It's quite a thing to watch and it takes amazing coordination," he says of the morning dock sales. "Buyers' feedback on the product on the dock keeps us on our toes too, because if buyers don't happen to like the product that day they'll just walk away."

A focus on quality, careful attention to detail and strong emphasis on customer service are at the root of the success Van-Whole Produce enjoys. With a combined warehouse area of 80,000 square feet and a fleet of 50 trucks, Van-Whole has grown to become one of the largest produce wholesalers in British Columbia. This year, Van-Whole turns 30—a very good reason to celebrate in such a fiercely competitive industry. "We've definitely grown into





what we are from the strong competition we face," Jang says. "It makes us 'go the extra mile.""

Over the past 25 years the company's reach has extended beyond British Columbia's borders to markets stretching as far east as Montreal and Toronto. "Vancouver is the Pacific gateway for Asian products, so we are positioned to send a lot of imports from Asia to major cities all across Canada," says Jang. He adds that some of the products also reach remote and under-served areas through partnerships with specialized food distribution companies. In 2001, the Jim Pattison Group acquired Van-whole Produce, a move that opened up opportunities to expand the business right across Canada. For future growth plans, Jang says, "We would entertain acquiring other businesses if the right opportunity comes along."





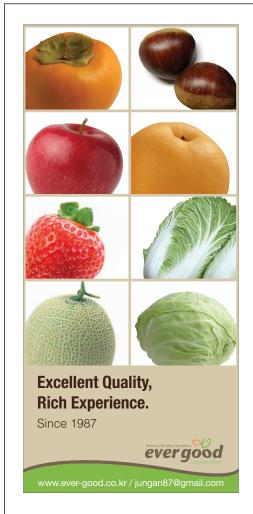
Flexible to meet suppliers and customers' needs

Much can go wrong in the perishable produce industry and it takes a lot of commitment to build trust and loyalty throughout a distribution system that stretches across vast distances. "We are the link between suppliers and retailers and our business depends on how we can keep them together," says Jang. "In a commodity business like this you must have initiative and ingenuity to differentiate yourself from the competition and you can't let down your guard for a second."

With strong supplier alliances all over the world, Van-Whole offers about 800 different items from 40 countries. Still, local growers remain an important source of seasonal fruits and vegetables. "The buy local trend has always been part of our program," explains Jang. "There are a lot of small growers in B.C. that offer a variety of fruits and vegetables with the freshpicked advantage and we try to make sure they have representation in different markets. But there are challenges since there aren't as many small local growers as there used to be. And, of course, local produce isn't available year round."

One of the biggest market changes over the years has been the rising demand for greater variety, partly as a result of immigration and also because of consumers' growing interest of specialty products. Traditional staples like apples, oranges and grapes are no longer enough to satisfy consumers.

"Everyone is looking for something new," Jang says. "Our customers expect us to constantly be on the lookout for products that will meet their consumers' demands. With so much diversity in the population today, there is lots of opportunity to bring products to Canada." Ten years ago,







Left to Right: Sukh Kailay, Jaswinder Kailay (Owner of Kailay Orchards), Raymond Tsang (Purchasing Manager), Leonard Jang (Vice President & General Manager), Edwen Ma (Purchaser).

Van-Whole established its own Topsweet brand to represent the very best quality products in their categories. The brand now includes Chinese mandarin orange, dragon fruit, snap pea, sugar pea, garlic, specialty vegetables, young coconut, pomelo, watermelon, jet fresh pineapple and papaya.

Having employees from a wide range of cultures and backgrounds, Van-Whole believes it has an edge when it

comes to understanding consumption patterns related to different ethnic and religious celebrations and festivals. As well, the sales and purchasing team keeps tabs on the market by frequently touring retail stores to see how products are being sold and what consumers are buying. When product gaps are identified, the purchasing department is tasked with sourcing what is needed.

When suppliers want to implement specific programs, Van-Whole helps by suggesting retail environments that would be a good fit. For example, if a grower has a bumper crop that needs to move quickly, Van-Whole can create a special promotion to help move volume. "Selling product based on attractive retail price point and good flavour profile will encourage consumers to try a product that they might have been hesitant to buy," says Jang. "It's all about being flexible. Yields are not always the same so the approach at retail has to be flexible, too.

"We are in this business for the long term," adds Jang. "We deal with a lot of suppliers and we've developed good relationships so we trust each other. This is a perishable commodity and sometimes it is a challenge





Congratulations
Van Whole Produce
...on 30 years of
continued growth

Available from Johnston Farms:

BlueJay | TopJay | Victor

Harley Phillips, Derek Vaughn, Cameron Vaughn Sales 661.366.3201 FAX 661.366.6534 sales.bluejay@gmail.com



when producers need help to move product quickly. We always want to be fair and ensure that everyone—from the producer to the wholesaler, the retailer and the consumer—wins."

Keeping customers happy

"Your most unhappy customers are your greatest source of learning," is a Bill Gates' quote that Van-Whole Produce takes to heart as it strives to be No. 1 in customer satisfaction.

Twice a year, customers are invited to complete formal satisfaction surveys that the company sends out so it can gauge whether service levels are being met. Are orders being filled properly? Is the variety sufficient? The survey response rate is good but Jang emphasizes that his staff also stay in tune with customers' needs in a more proactive way, through personal visits.

Establishing relationships—even friendships—with the company's 1,000-plus customers may seem daunting, but it is encouraged at Van-Whole Produce. Following the morning rush on the loading dock, staff often call on retailers in the afternoon, says Raymond Ho, Van-Whole's sales manager. "We want all our sales people to regularly see customers. If they are close, we visit once a month to keep the relationship strong. Even customers as far away as Toronto and Montreal are regularly visited. It's important to gain insight on how we can do better. In our business, problems are inevitable. We have to deal with them quickly."

Like Jang, Ho stresses the need for integrity while providing the best service and products to customers. "Our track record of delivering what we promise has helped us secure the position of integrity in the customers' eyes," he says. "Our customers are an extension of our teams; if they are doing well, then we are likely doing well too."

It's all about adding value for customers and ensuring that innovations make sense. Jang focuses innovation on building efficiencies and enhancing marketing programs. For example, adopting a freight tracking system with GPS in all delivery trucks has helped cut down on inefficiencies. "Now we always know where our trucks are so we can let customers know when they will get their orders," says Jang. "After all, our customers are not just buying produce, they're also running a business. We are there to help them plan their day. If they expect a truck to come in at 10 [a.m.] and it isn't there until noon, our system provides us information to troubleshoot and take corrective action."

A messaging application that's used as a tool to instantly send product information and photos to customers at virtually no cost is another innovation helping add value for customers. "Customers need up-to-date information," notes Ho. "This makes it easier for them to keep in tune with the market. Real time information leads to better decisions."



Raymond Ho (Sales Manager) conducting a customer visit.

Congratulations to Van-Whole Produce on your 30th anniversary

A job well done!

Proud to be your partners



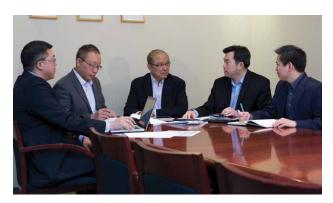


In-house marketing solutions

Three years ago, Van-Whole created a marketing department to meet customers' growing demand for a full-service package. "Purchasing and sales requires the support of marketing to enhance the retail shopping experience," says Samantha Chan, the company's marketing coordinator. "Our service doesn't stop at delivering product; I help customers by customizing programs that promote products and support special promotions."

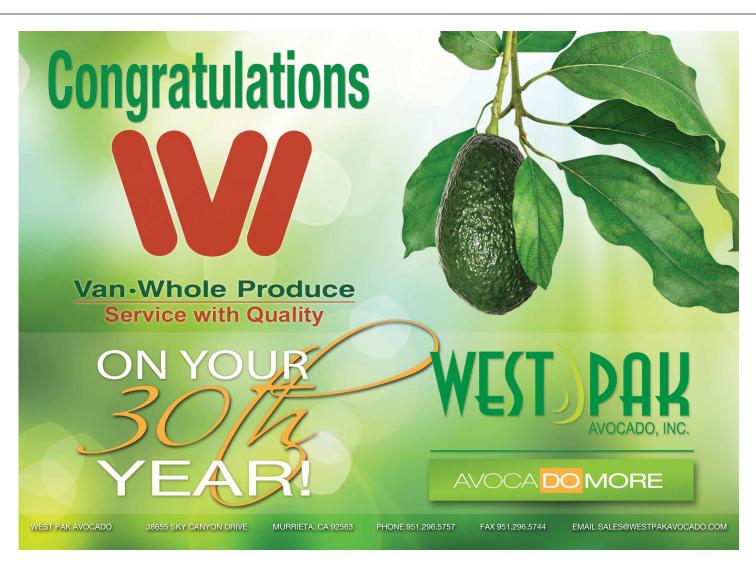
Van-Whole's marketing package can include food demos and customized point-of-sale (POS) materials, as well as design for newspaper ads. For the most part, all are created in-house. "We understand our customers' needs and can see the whole picture better than an outside third party would," says Chan, adding that she also seeks POS materials from national trade associations and suppliers wherever possible. "It helps our customers because they don't have the time to go looking for the services themselves."

Scaled up or down, depending on retailers' needs, the customized program may include tents for sampling demos, banners, as well as educational materials that help



Van-Whole management (left to right): Keith Liu (Operations Manager), Benjamin Shuen (Divisional Controller), Raymond Ho (Sales Manager), Leonard Jang (Vice-President & General Manager) and Raymond Tsang (Purchasing Manager).

launch new products or varieties of produce. "When you are selling commoditized products it is difficult to differentiate between the commodities," Chan explains. "But we still see a lot of potential in identifying the differences in brands and varieties."







Van-Whole Produce's Virginia Lee (Credit Manager) and Samantha Chan (Marketing Coordinator).

Seasonal promotions are another opportunity, says Chan. "August and September, during back-to-school season, for example, is a good time to promote a specific variety of apple. It's particularly great for lunchboxes because it doesn't go brown for hours after cutting, removing the 'ick' factor with kids."

Considering the seasonality of produce, making sure promotions happen at the right time is a challenge. "That's why it is important for the buying and selling sides of the business to work closely together," says Chan. "We need to make sure customers have enough support to drive their sales."

A people place based on trust, integrity and fun

Probably no one understands how Van-Whole Produce has evolved over the years better than credit manager Virginia Lee. Lee started working at the company 30 years ago as a switchboard operator and is now Van-Whole's longest-serving employee. "Many of us have been here a long time," she says. "Twenty years ago, our management team focused on learning and our current management team still continues the culture of learning. They make this a great place to work and give us lots of opportunities to learn and



from BCfresh and our grower families

















grow. I've watched a lot of people come in at entry level and move into management. After all these years, I still look forward to coming into work every morning."

Working hard is a given for Van-Whole's 230 employees, but having fun is important too. Christmas parties, summer picnics and celebrations are regularly scheduled events where employees and their families can get to know each other a little better. "This is a tough business but we want our staff to go home and spend time with their families," says Jang. "It's important to have your family behind you and if you are happy at work and have fun, you'll keep working here. I've been doing this for 27 years and I still wake up excited."

To mark the company's 30th anniversary, a long display panel was put up to showcase photos from the last 30 years. "It was interesting to see pictures of children at parties 20 years ago and then see them grown up in photos from our last summer picnic," says Jang. "It really hit home to me how much we are a family, getting to watch each other's kids grow up. Our many celebrations and staff parties have value. We recently had a Hawaiian luau and everyone was learning to hula. It was great!"

With so much emphasis on developing positive relationships, it's not surprising that giving back to the community is a huge part of what Van-Whole Produce is all about. "Our charity work ties the whole team together," says Jang. Over the years, the company has donated more than \$350,000 to charity. For the past eight years, a portion of proceeds from Topsweet sales has gone to the Canadian Cancer Society. And every year, a large number of Van-Whole's staff and their families participate in the B.C. Children's Hospital Foundation's ChildRun to raise money to support child health. Van-Whole also frequently donates fresh produce to local charities to help them with their own events.

"In the end, people make the difference, otherwise we are just a bunch of trucks and buildings," says Jang. "Our focus is to make sure we do business with integrity and trust—that's what differentiates us from the competition. We've got to listen to our staff, our customers and our suppliers so everyone is happy."

- 1. Van-Whole 30th anniversary celebration (left to right): Leonard Jang, Dan Bregg (President of Buy-Low Foods) and Jim Pattison (Managing Director, Chief Executive Officer & Chairman of Jim Pattison Group).
- 2. Van-Whole staff learning how to hula.
- 3. Van-Whole cheque presentation to Canadian Cancer Society (left to right): Raymond Ho, Samantha Chan, Shakeela Begum (Director, Leadership Philanthropy, Canadian Cancer Society), Queenie Lam (Senior Import Category Manager, Van-Whole), Raymond Tsang, Ron Kuehl (Vice President, Revenue Development, Canadian Cancer Society) and Sandra Krueckl (Director Information & Support, Canadian Cancer Society).
- 4. The Van-Whole staff and friends participating in the B.C. Children's Hospital's annual ChildRun fundraiser.