

SUPPLIER UPDATE

21 May 2020



Welcome to our latest newsletter for suppliers. This week we share some of the ways Foodstuffs has been supporting New Zealanders get through the past weeks of lockdown and look ahead to the recovery. We also have an update from the distribution centres and some insights from our retail team.

Thank you to all those who have given us feedback on the newsletter – we're really excited to have this new platform for our regular communication with you. We will review and update the newsletter format and frequency over the coming weeks. You're welcome to share this with your team, and if you want to add subscribers, you can do so [here](#).

Please also keep up your communication with us. As we have said previously, we are keen to catch up with you by phone, video conference, or face to face if you're in Christchurch. We'd love to hear some of your insights and any opportunities for new products, promotions and ideas that will make your products stand out from the crowd.

Sincerely, Phil Lemon

Supporting recovery from COVID-19

Our mission, Feeding the South Island, has always extended well beyond the retail aspect of our business and in times of need we play a significant role in ensuring South Islanders have access to grocery essentials. In mid-April Foodstuffs made a commitment to donate more than \$1 million to help those who're facing tough times due to COVID-19. We've connected with some of our existing charity partners, many of them South Island based, and we've established some new partnerships to make this happen.

Our \$1 million plus donation commitment will help support vulnerable New Zealanders, making sure they get a helping hand to get back on their feet as we look to rebuild New Zealand together.

Specifically in the South Island, Student Volunteer Army, Canterbury Foodbank, Satisfy Food Rescue North Canterbury, Ronald McDonald House Christchurch, Nelson Kiwi Rescue, Presbyterian Support, South Westland Emergency Relief Trust, Neighbourhood Support, SPCA Canterbury have all been allocated contributions, as well as Christchurch City Mission who will use our \$50,000 product donation to provide more food parcels as demand for their invaluable service has grown exponentially.

Our contributions have all been incredibly well received by our partners old and new. I wanted to share just one of the many comments we've had, from Christchurch City Missioner Matthew Mark:

"We're humbled by this generous Foodstuffs donation so we can keep looking after our community. We are still rolling on with our services and with this donation, we're now able to increase the quantity and speed at which we deliver food parcels to those in need."

You can watch the whole story from Seven Sharp [here](#)

FOODSTUFFS
South Island

Distribution Centre update

Over the past few weeks our three Distribution Centres have adapted to a 'new normal'. We have seen a good increase in weekly demand, and all sites are handling the inbound and outbound volumes very well. At inwards receiving the teams are giving priority focus to key lines. These include products that have previously been out of stock. This ensures they become immediately available to our retail stores.

We are engaging with new and existing suppliers about our Primary Freight, Vendor Stock Holding, and Cross Dock processes. These offer both suppliers and Foodstuffs greater operational efficiency using our distribution and supply network. Further information about these processes can be [found here](#).

Site hygiene and physical distancing remains in place at the DCs, and we will continue to monitor and adapt as needed when requirements change.

New World has partnered with Student Volunteer Army to start up, scale and sustain a grocery delivery service for older and vulnerable New Zealanders. The Foodstuffs fund donated \$194k to support this project go from a one-store pilot to nationwide service in just weeks.

Retail update

We've seen a few changes in shopping patterns at Alert Level 2. A reduction in basket size and increase in transactions reflects people moving away from a weekly shop. The primary shopper in Alert 3 and 4 appears to be passing this duty to other members of their bubble, and they are starting to shop in groups again.

Shopping at the local store has come back from the peak under lockdown. Our insights suggest there will be an increase in demand for New Zealand brands, along with a desire for value for money.

On The Spot

The team is back on track with the roll out of the new checkout systems in stores. So far they have 28 stores with this new point of sale installed. This gives reporting that will help the group with ranging and promotional analytics.



Need help?

Our supplier support team are available to assist you during office hours.

Call 0800 555 985

Or email suppliers@foodstuffs-si.co.nz

Thank you again for your ongoing support. Please keep up your communication, especially regarding any stock supply issues.

Stay safe and let's keep Feeding the South Island.