



# Guide to Working with Food Market Professionals

## Food Retailer – Grocery Store

- What is the delivery schedule?
- Do you have a receiver? If so, what time do you receive?
- What licenses, certifications do you require?
- What is your mark-up/margin for products?
- Do you accept products that are hand priced or do you require a UPC?
- Can I run a special or coupon with my product? Is this required?
- How will I receive payment? What is the pay agreement?
- Do I need to stock my own product?
- If I stock my product, will I receive a discount?
- Are you interested in promoting my product as local?
- What cooperative promotions would you consider?

## Tips for Working with a Grocery Store

- Have all your paperwork in order with correct licenses from the state.
- Make sure your product has clear, easy to understand labeling.
- Be professional when meeting with the grocery manager and be organized, this creates a sense of confidence between you and the manager.
- Present a sample of your product along with a detailed price list.
- When setting up your delivery schedule, keep in mind your distance from the farm to the store and how many times you will need to restock, especially if it's a popular product.
- Assure the grocery manager of the quality of your product and also continuity of your product, that he/she will have a constant supply of your product.

The Division of  
Agricultural  
Development  
also has information  
about these resources:

loan programs  
grants for farmers  
USDA programs  
Something Special  
from Wisconsin™  
Product Development  
Resources  
Export Programs



For more information  
contact the:

**Department of  
Agriculture, Trade  
& Consumer Protection**

Division of  
Agricultural Development  
2811 Agriculture Drive  
PO Box 8911  
Madison WI 53708-8911

**800-942-2474**

Website:  
[www.datcp.state.wi.us](http://www.datcp.state.wi.us)

## Hiring a Food Market Professional/Consultant

When working with a food market professional or consultant, it is important to establish clear expectations of the work to be conducted at each stage of development. These expectations will help the consultant and the entrepreneur understand what activities will take place and who is responsible for each activity. The questions in this guide are intended to help the food entrepreneur begin a dialog with a variety of consultants and food market professionals. Good communication will create a mutually beneficial working relationship for years to come.

### “What is a Food Market Professional?”

Food market professionals work in and have a working knowledge of the food industry. As a food entrepreneur, you may want to use that knowledge to develop product and market opportunities for your food enterprise.

### “Is a Food Market Professional / Consultant Needed?”

A consultant will not “have all of the answers”, but will offer a level of experience and knowledge the food entrepreneur can find valuable. A consultant may save money or time for the food entrepreneur, but only if used effectively.

Employing a food market professional should be considered an investment in the food business. This investment, which can be expensive, needs to be considered along with other needs of the food business. In addition to the services provided by a consultant, have your legal counsel review any contract you consider, and work with a qualified insurance provider to obtain product liability insurance.

## Food Retailer – Restaurant

- Is the menu item involving my product a special?
- How long will my item remain on the menu?
- How will I be paid? Monthly, weekly, etc?
- When do you want the product delivered?
- How do you want the product delivered?
- How can we set up a communication system to keep each other updated on changes/developments?
- Are you interested in promoting my product as local?
- What cooperative promotions would you consider?

### Tips for Working with a Restaurant

- Identify what differentiates your product from others, why your product is special and unique.
- Clearly convey what supply patterns you can provide, for example, seasonal deliveries only.
- Always maintain open communication and keep the restaurant updated on your product's status, and if you cannot deliver on time, call the restaurant AS SOON AS POSSIBLE.
- In order to maintain good communication, have a good fax, telephone message system and email to keep in contact with restaurants.
- Be professional and honest when working with restaurants, and remember your conduct and performance establish your reputation.



## General Questions

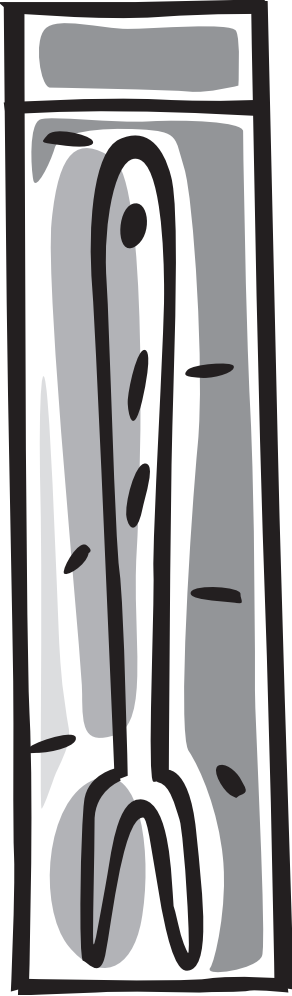
- What industry affiliations do you have, i.e., Wisconsin Restaurant Association, National Grocers Association, Madison Consultants Association, etc.
- Tell me about your experience: examples of companies worked with, your responsibilities with each company, and length of time you worked with each company.
- What is the fee structure and how is it constructed?
- Please define your work plan.
- Do you use subcontractors, and if yes, who are they? Are they Wisconsin companies?
- What type of reporting will be used, in order to track the activities of the consultant?
- What milestones or benchmarks will be identified? How are these set?
- How much input comes from the producer?
- How are differences resolved in the event of a conflict?
- What relationships, experience or contracts do you have with other food market professionals (equipment representatives, restaurants, wholesalers, etc)?
- Have you had any complaints filed against you or your company with the Better Business Bureau?
- Ask for a resume, firm brochures, and references, etc.



## General Questions

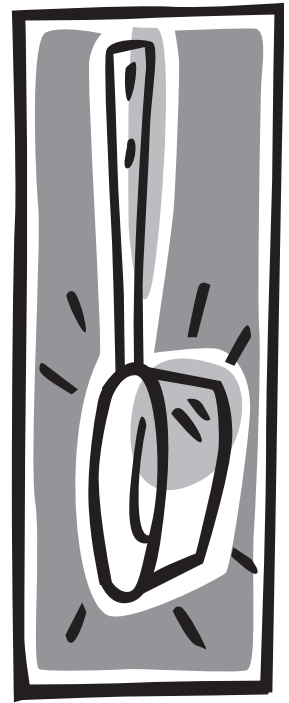
- What products do you represent?
- Do you have a complete line of products for the small producer or are they going to have to find several suppliers?
- Do you offer a turn-key type of offering, including installation?
- What are the warranties on your buildings or equipment?
- How will your equipment accommodate my size of operation?
- How many operations have you worked with?
- Is the equipment approved by DATCP, etc, for food processing or dairy, etc?
- Can prospective buyers look at some equipment either in an operating plant or at the place of manufacture?
- Please share with me the specs on your equipment.
- Are you bonded or insured?
- Do you work with subcontractors and if yes, who are they?
- Are replacement parts/service easily and quickly accessible?

## Equipment Representative



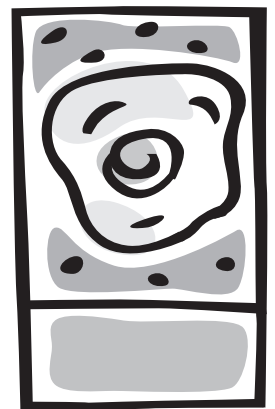
## Safety and Compliance

- Do you have a working knowledge of local, state and federal regulations that affect the food industry? Please explain.
- Do you have a list of contacts for regulatory officials?
- Are you familiar with current pasteurization requirements?
- Do you understand 3-A requirements for dairy equipment?
- Do you have a working knowledge of labeling requirements for dairy and food products? Please explain.
- What experience do you have with regards to regulations that govern small food processing operations or equipment installation in Wisconsin?
- Are you familiar with Hazard Analysis Critical Control Point (HACCP) plan development? Are you certified in HACCP?
- Do you understand food safety issues that are associated with the dairy and food industry? Please explain.
- Are you familiar with local and state building and zoning regulations?
- Provide a list of references and credentials.



## Food Processor

- Can I take a tour of your facility?
- What is your fee structure?
- How will you protect my recipe/business confidentiality?
- How will the processing of my products be scheduled and separated from current products?
- What quality assurances can you provide?
- Does your facility meet local, state, and federal standards, including HACCP?
- Do you offer temporary storage of my product and at what price?
- How soon do I have to pick up my product after it is produced?



## Distribution Partner (i.e., broker, distributor)

Although brokers and distributors can both offer aid in getting your product to stores, they do so in different capacities. A broker's job is to sell. The broker should have relationships with many store managers and local chefs. They convince these buyers that they need your product, and should work with them to help move your product with good rotation. A distributor, on the other hand, physically brings your product to stores and restaurants. Although they often have salespeople on their staff who work with stores and restaurants, they may represent many products and may dedicate less sales time to your product.

- What expertise can you bring to my area of business?
- How are your fees structured (percentage, flat fee)?
- What specific details can you give me to illustrate how you will work for me?
- What is included in your services, shipping, invoicing, storage, etc?
- What food products do you specialize in (specialty foods, dairy, condiments, beverages, meat, etc)?
- Are you familiar with refrigeration issues pertaining to perishable food products?
- Where do you have good contacts? What stores do you get into?
- Who is responsible for: advertising, product demonstrations, stocking shelves, shipping, etc?
- How do we set sales goals and objectives? How often do we review sales projections?
- Can I accompany you on sales calls throughout the year?
- Who is responsible for storage (refrigeration)?
- How are returns and out-of-date products handled?
- Who assumes liability for the product throughout distribution?

## Business Planner

- What fees do you charge?
- How will you assist me with each of the following:
  - developing guidelines for the operation of my company.
  - identifying strengths and weaknesses of my company and its competitors.
  - providing a strategy to further my company's growth.
  - developing my ideas into actual business practices, products or services.
  - acquisition of money from lenders or investors.
- How will you help me determine which type of entity is most advantageous for my business?
- Describe how you will work with me in developing a business plan.
- Will you be able to do an environmental/economic impact analysis if needed?
- Are you available for periodic business plan reviews (financial analysis, progress reports, etc)?
- What is your experience with my product industry, can you provide sample business plans?
- Will a sensitivity analysis be included in my business plan (i.e., worst case scenario)?



## Product Development

- Share with me some experiences where you have helped develop and market a product.
- If you are going to help with my product development and marketing, will you help develop my product labeling, including required nutritional information, bar coding and design?
- What experience do you have with product labeling?
- What is your experience with recipe development?
- What access do you have to processing facilities to aid in the development of my product?
- What proprietary information experience do you have, i.e. branding, trademarks, patenting, etc?
- Please provide references for writing nutritional labeling.



## Markets Consultant

- What is your experience with product development and marketing?
- Please describe your methods for the following market research: who performs the research, what are the goals of the research, and how will it be conducted?
- Is your marketing expertise primarily local, state, national or international?
- What specific marketing tactics have you used successfully to introduce a new product?
- Do you think there is a need/niche for this new product?
- Tell me about the product life cycle in this product area.
- What assistance will you provide for initial sales?
- What time do you have available to commit to initial marketing activities?
- Who will be responsible for developing marketing support information (i.e., product sheets, point of sales materials)?
- Will you help me determine the need for a sell sheet and if one is needed, how will you help me develop one?

