

# Matsumura Farm & Yakima Farmers' Market Yakima, Washington

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## Selling Directly to Grocery Stores and Restaurants

*Remarks made at the Washington State Small Farmers Conference*

*By Ron Matsumura*

[sfbvgb@aol.com](mailto:sfbvgb@aol.com)

Grocery stores and restaurants are opportunities for selling direct with greater profit.

### Grocery Stores:

1. Fred Myer, Wal-Mart and Safeway are examples of stores that buy only from their distribution centers.
2. Stores like Rosauers, Save-On-Food, Top Foods and Food Pavilion can buy outside of their distributors. All stores want to see samples and the samples need to be what you plan on delivering.
3. The stores probably won't just start buying right away because chances are they have other farmers selling direct or someone who is buying from the farmer and delivering to the store.
4. Do not just visit them once and leave your business card or name and phone number. They will never call you. Visit them often with different samples and visit them in the off season.
5. The one thing that you are trying to promote is freshness, so pick the product that morning and keep the quality up. If the quality is not good, do not take it.
6. Once you are delivering to a store, you need to call them every day at the same time of the day preferably in the morning, so that if you can not deliver a product it gives them time to order out of the house.
7. Delivery is also important because they usually only want deliveries at a certain time in the morning. If you can arrange a more flexible time of delivery it can become more important if you are building your store clientele. You will not be able to make deliveries to the stores at the same time.
8. Another way of possibly getting started is to ask the produce manager if there is a product that you can grow specifically for them and provide a steady supply of it.
9. **Selling cheaper may be a way to get in a store, but in the long run it is a quicker way of losing money.** You still need to pick it, box it and now you have to spend time, gas and mileage on a vehicle to get it to the store. If you want to sell it cheaper, stay home and advertise it in the paper for a cheaper price and have the customer come to you.
10. If you want to sell bins of produce, such as apples or pears, than the produce managers are going to want a bigger discount because they need to move it faster and the only way

to do that is by lowering their prices. Items like bins of winter squash or watermelons are the exception because that is how they are normally sold.

11. Try to keep your prices close to the book prices of houses such as Charlie's or AG's. The prices can change from week to week, so keep asking the produce managers. Some of them may be helpful and some will not be of any help.

### **Restaurants:**

1. Restaurants can be easier to sell to because there are more independent restaurants, but not all restaurants are willing to buy because they do not want to upset their suppliers.
2. Like the grocery stores, you may have to supply samples at first.
3. Restaurants are also looking for freshness, so try to pick the produce the day of delivery. Not everything needs same day picking; items like tomatoes can be picked ahead of time as long as it is not overripe. Beans, on the other hand, tend to do better if picked that day.
4. Restaurants do not need deliveries every day, so usually deliveries one or two times a week are all that is necessary.
5. If you can line up enough restaurants for deliveries it can be profitable, but if you have only one or two restaurants, then you should have something else like one or two grocery stores at the same time to make it worth the time.
6. Restaurants do not buy a lot at a time. They only buy a box or a half box of a product at a time. Depending on the product they may even buy a pound or two.
7. Because restaurants buy in small quantities you can charge more. Prices can be double what you would charge a grocery store because of the smaller quantities. If you are competing against a restaurant that goes to a grocery to buy their produce then you are not going to get the best price because most grocery stores give discounts to the restaurants.
8. Restaurants are usually more flexible on their delivery time, usually if you deliver the day of the order during business hours, they can accommodate you.
9. Restaurants usually pay in cash or check, as long as you have a receipt for them.