



CHB Southern Style

Merchants Foodservice sells CHB products all over the Southeast.

by Sara Gugelmeyer

If you've eaten Certified Hereford Beef (CHB®) in the Southeast, chances are you've eaten a product distributed by Merchants Foodservice. Although it just started selling CHB in April 2009, Merchants has grown to be CHB's third-largest distributor.

Headquartered in Hattiesburg, Miss., Merchants Foodservice operates state-of-the-art distribution and warehousing centers in Jackson, Miss.; Clanton, Ala.; Newberry, S.C.; and Tifton, Ga. The company provides in-stock line items — ranging from frozen entrées and fresh produce and meats to paper plates and even mops to all sorts of restaurants, schools, military bases, hospitals and convenience stores throughout the region.

Despite its sprawling size now, Merchants has humble beginnings. Started out of an old church building in Hattiesburg in 1904, the company originally employed 10 people and two horse-drawn drays. It wasn't long before the company expanded, and by 1923 it had reached \$1 million in sales and had its own cornmeal mill, grain elevator and cold storage plant. Over the years the company has owned packing plants and state-of-the-art feed and grain-processing plants, but in 1982 the company chose to focus on distribution. It consolidated into warehouses in Jackson, Clanton and Newberry.

Since, it has grown into the foodservice giant it is today. Of the 2,600 food distribution companies in the U.S. in 2009, *Institutional Distributor Magazine* ranked Merchants Foodservice 20th in the nation in sales. And it's growing still; in January 2010 Merchants announced its acquisition of a warehouse in Tifton, which broadens the company's distribution range to cover the entire Southeast.



The leadership of Merchants Foodservice pause in front of one of the company trucks that promote CHB. Pictured (l to r) are Tim Hanberry, vice president of bids and procurement; Andy Mercier, president and chief executive officer; and Johnny Barlow, vice president of marketing.

Since Merchants began selling CHB, sales have grown steadily; and now the company sells about 35,000 lb. of CHB a month. The company employs two “center-of-the-plate specialists,” Alex Tinkle and Ray Freeman. Alex describes the job as showing and selling protein. “Typically the center-of-the-plate or main entrée is going to be steak, fish or chicken. About 99% of what I sell is the Hereford beef line.” He also helps restaurants with menu development or any problems they may have.

Alex has experience being on the other side of the sale as he worked in the restaurant business as either general manager or executive chef for 10 years prior to coming to work at Merchants about nine months ago.

As a chef he worked with CHB for several years, so it's an easy sell for him. “Typically we just describe the genetics program, the consistency of the product in comparison to

whatever they are using,” Alex says. “Me personally, I use the fact that I served this beef for years, so I know exactly what it's going to do, how it's going to perform.”

Ray, who has been with Merchants for more than five years, agrees with Alex's praise for CHB. “We've had very good results,” Ray says. “Even with customers who don't have a history with Hereford or don't know right off hand what Hereford is, they have a good experience with it, with the flavor profile, the texture and the tenderness of it.”

Common practice in the meat sales industry is winning the chef or buying decision-maker over with a cutting. That's where Alex says the decision is usually made. “On the tenderloin, I am going to beat everything else in the market, in a certain range of price. Pretty much, (CHB) is the best of both worlds; you get a quality product at a reasonable price.”

continued on page 46...

Although the No. 1 seller for Merchants is the ribeye, Alex says the difference in Hereford beef really shows in the tenderloin and filet. "The tenderloin in Hereford beef is just head and shoulders above everything else in the market. Part of that comes from the consistency in product and the profile; the taste of the beef comes from the beef, not just the fat. So I've found that in the leaner cuts, especially the tenderloin, the New York strip is going to be a better product than anything else in the market because it doesn't rely so much on the marbling to achieve the taste."

Merchants is helping CHB grow. Ray says he adds a couple of new accounts

each week. "The key to it is not only telling the story, but once they put it in their mouth and they taste how good it is and the tenderness of it, then it becomes a very easy sell," he says.

Alex agrees, saying restaurants are really catching on to the quality and value in CHB. "That's my experience of years of people coming in and doing cuttings to try and get my beef business (when I worked in the restaurant business). I haven't found a product out there yet that's remotely close in price that will beat it. We're taking all the big accounts from the competition every day of the week. Almost all of the fine dining restaurants

in the metro Jackson area are using Hereford beef right now. I know we are giving the competitors a fit."

Ray says before selling CHB, Merchants offered an Angus product, which he called a "me too" product, campaigning on the Angus name. CHB, though, he says, offers something special, "This is unique. We're able to walk in and say this is different, everybody else has Angus, you need to look at our Hereford program." **HW**