

# Heritage Agriculture

Revitalizing and Energizing  
Historical Agricultural Economies



Ron McCormick VP/DMM, Walmart Produce & Floral  
Steve Pinkston, Regional Buying Walmart Produce & Floral

# Food & Agriculture Goals

## New Strategies: [Heritage Agriculture](#)

1. Local
2. Outreach to Women & Minority Owned Suppliers
3. Ethnic Item Competitive Advantage

Anticipated Results, Tactics and Time Frame	Key Measures
<a href="#">Local</a> – a. Create current supply chain visibility to local and regional sources. Develop new local and regional sources. b. Market Local to our customers and educate on benefits. c. Improve freshness with less road time and lead time	<ul style="list-style-type: none"> <li>-% of suppliers identified as local</li> <li>-Insight scores</li> <li>-Markdowns &amp; sales</li> </ul>
<a href="#">Women &amp; Minority Owned Suppliers</a> – a. Increase our 1 <sup>st</sup> Tier and 2 <sup>nd</sup> Tier spend with diverse suppliers. Benefit of corporate reputation, customer loyalty, and competitive advantage. b. Grow and produce <i>superior</i> items with these growers.	<ul style="list-style-type: none"> <li>-Number of diverse suppliers &amp; spend</li> <li>-Insight scores</li> <li>-Minority insight scores</li> </ul>
<a href="#">Ethnic Items</a> – Re-invigorate historic growing areas to grow items popular with the US's growing minority communities near the consumer providing supply, freshness, & cost advantages.	<ul style="list-style-type: none"> <li>-Food Miles for ethnic items.</li> <li>-Sales and margins.</li> </ul>
<b>Annual Expected Financial Benefit</b>	<b>\$ undetermined</b>

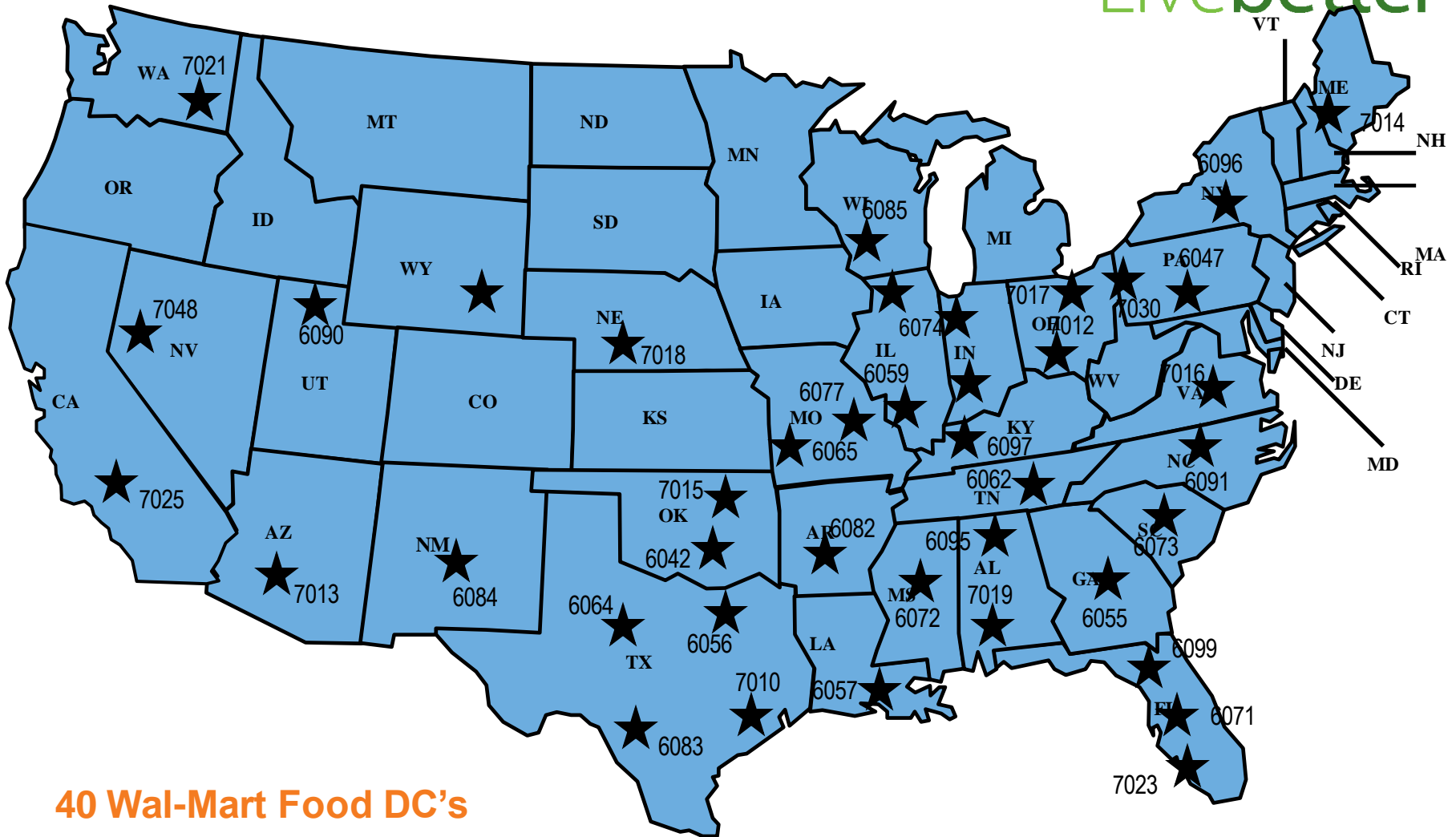
**Rogers, Arkansas**, the home of the first Wal-Mart store, was once in the middle of a highly productive commercial apple growing area serving major markets such as St. Louis and Chicago. The industry was one of the largest employers and a significant driver of the economy of Northwest Arkansas. Today only a small handful of U-Pick orchards remain of that once thriving growing area. Across the US that story is



repeated for many different produce and floral items. Our buying power and our 40 Food distribution centers spread across the USA could be the seed for growing-area revitalization. The proximity of other large retailers and the growing customer demand for locally produced foods would allow the areas and economies to build a sustainable, market based business model.

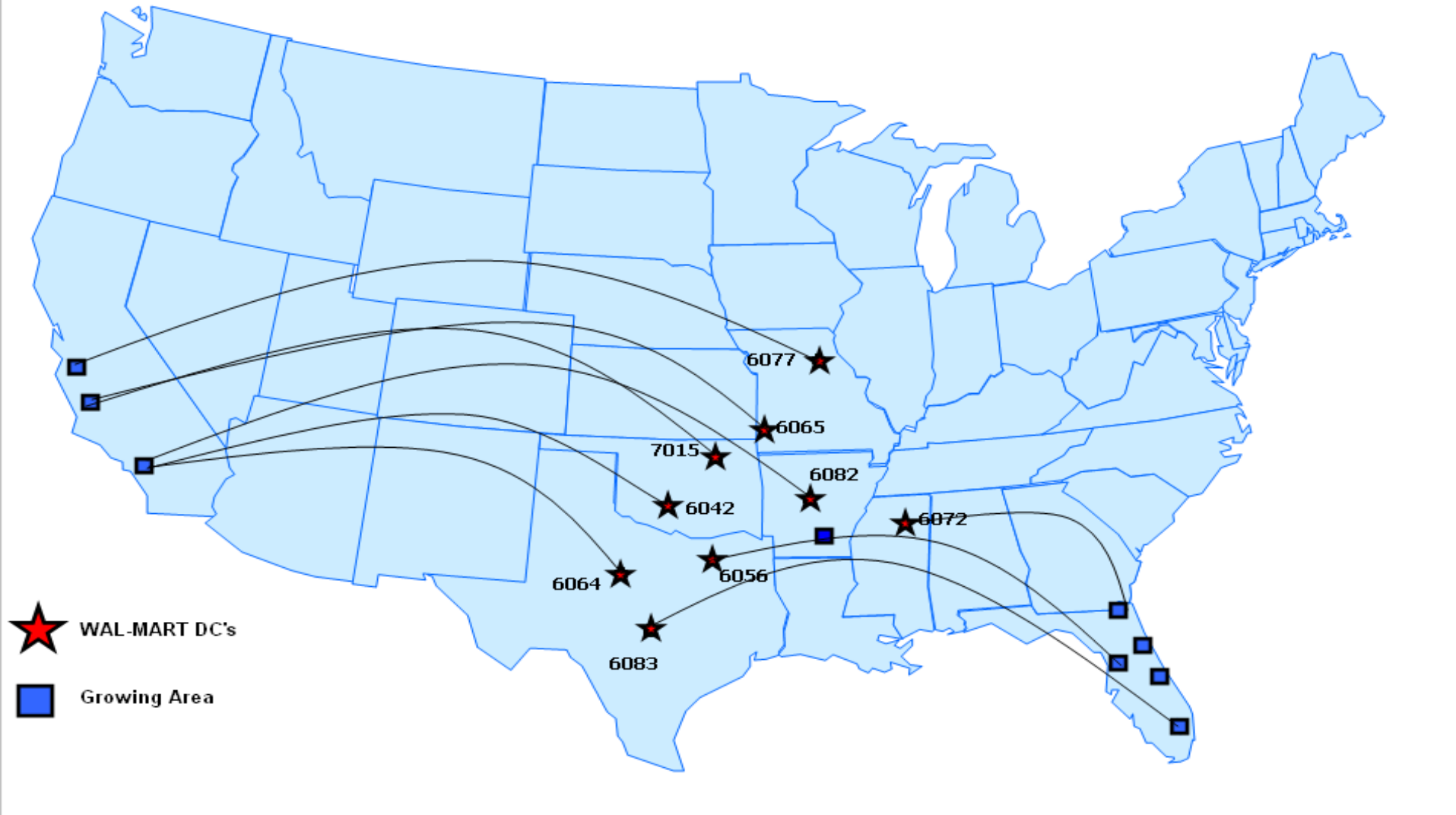
Opportunity

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40 Wal-Mart Food DC's  
A Golden Opportunity

## Slicer Tomato Food Miles without Arkansas crop



## Arkansas Slicer Tomato Food Miles







## CLANTON FARMS HERMITAGE, AR

### Quick Facts

- Randy has grown tomatoes in an 8 week window as his crop for close to 40 years. In 2007, he started growing Cooking Greens and Cabbage.
- Successful Spring and Fall Crops have eliminated almost 75,000 Food Miles, or 15,000 gallons of diesel in just 2 short years.
- Because of the success of the program, Randy has doubled his acreage from 2007 to 2008. We look to increase that again in 2009 by 35%.
- Other growers in Bradley County, AR are seeing the success, and are approaching CHR about growing in the future. No less than 4 grower families have approached CHR.
- Greens and Cabbage allow Randy to go from a 2 month grower, to a 8 month grower.

**Future Commodities Testing:** Watermelon, Bambino Personal Watermelon, Broccoli, Cauliflower

**Pictured above:** “4 Generations of Clanton Family Growers in Hermitage, AR”

**Pictured left:** The first Cabbage grown commercially in Arkansas in close to 50Years.



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## DELTA HARVEST INDIANOLA, MS

### Quick Facts

- Since starting to grow Corn in MS, CHR has saved over 300,000 Food Miles to WM DC's.
- Over 800 acres of Sweet Corn and 400 acres of Mirai Corn are grown in a 7 week window.
- Corn is grown on the best soil in the Mississippi Delta, the 2<sup>nd</sup> best soil in the US behind Salinas.
- In 2007, Walmart represented 68% of the Corn shipped from Delta Harvest
- In 2007, we are proud to say that we had a 100% Service Level to Walmart on MS Corn.
- Corn is grown on land that once produced Cotton.
- Working with Mississippi State University and Centest Seed Company to Maximize Yields.

### Future Commodities Testing: Cabbage, Cooking Greens, Cantaloupe

**Pictured above:** Ribbon Cutting on New Hydro Coolers and Cooling Facility in Indianola with Growers, Steve Pinkston with Walmart, Dr. Lester Spell, the Sec. of Ag for Mississippi, and reps from CHR.

**Pictured left:** Getting ready for planting in 2008 with a new Sweet Corn Planter, all getting grown on land that used to grow cotton.





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**ALLEN EUBANKS  
FARMS  
LUCEDALE, MS**

### Quick Facts

- Allen Eubanks is a 4<sup>th</sup> Generation Grower. The land he grows on has been in the family since 1862.
- Allen is CH Robinson's regional grower on several items, including Eastern Veg, Watermelons, and Bambinos.



Pictured Above: Allen Eubanks and his son  
Pictured Right: Greg Hardison of Seminis  
Seed Vegetables, Doug Miller of CH  
Robinson, and Allen Eubanks in a Bambino  
Watermelon Field Trial.



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## ALCORN STATE UNIVERSITY NORTH MISSISSIPPI DELTA GROWERS COOP

### Quick Facts

- Facility paid for by Mississippi Dept. of Ag, with support from Alcorn State University has all but sat dormant for close to 10 years. CHR is working with Growers from the North Mississippi Delta Growers Coop to start utilizing this facility to pack and cool produce.
- Facility will be utilized as a shipping point for Mississippi Watermelons while growing in Northern Mississippi.
- CHR is working with Elizabeth Myles and Dr. Magid Dagher to try to make this facility more efficient.
- Minimal volume now, but working toward building supply chains utilizing this facility.



**Pictured Above:** Representatives from Alcorn State University, and CHR.  
**Pictured Left:** Packing Yellow Squash in Alcorn's Facility.





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## MISSISSIPPI WATERMELONS 350 NEW ACRES

### Quick Facts

- CHR, working with the Custom Harvesters from Seasonal Labor Solutions, have created a supply chain from South Mississippi to North Mississippi, utilizing 22 under-resourced, many of which are minority growers, to supply over 300 loads of watermelons.
- Every Grower is a First Time Grower for Walmart.
- Specialized PLU stickers identifying Seedless and Seeded Watermelons on every Melon.
- 100% of the Watermelons are going to Walmart.
- Watermelon Production from May – Sep

**Pictured Above:** Braxton Bullock, the largest Watermelon Grower in “The Project” that has 40 acres of Seedless Watermelons in Carson, MS.

**Pictured Left:** Some of the seeded Watermelons in production in Lucedale, MS.



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## ESCAMBIA BLUEBERRY GROWERS COOP BREWTON, AL

### Quick Facts

- Grower was going to fold the business after 2007 because of previous marketers' not paying them for the product.
- Grower was approached by CHR, and in 2008, 100% of the Alabama Blueberries are going to Walmart.
- CHR is currently servicing AL Blueberries to 4 Walmart Distribution Centers.
- Alabama historically grew many acres of Strawberries and Blackberries in the early 20<sup>th</sup> Century.
- Land is plentiful, and the perfect environment for Strawberries and Blackberries, something that is already being discussed for 2009.



Pictured Above: Don Wambles, Director of the Alabama Farmers Market Authority, and proprietor of "Buy Fresh, Buy Local" with one of the Blueberry Growers, Tommy Miller.

Pictured Left: Alabama Blueberries, complete with the "Crimson" label. "Roll Tide!"





**Pictured above:** Mike Lehr and Steve Pinkston from Walmart, and Representatives from CH Robinson meet with George Warden, one of the Satsuma Growers.



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## **ALABAMA SATSUMA GROWERS COOP**

### **Quick Facts**

- In the early part of the 20<sup>th</sup> Century, over **28,000 acres** of Satsuma Groves existed in Alabama – today, less than 250 acres exist.
- Only 14 Growers have orchards this year.
- Growers work in conjunction with Auburn University, who have developed a freeze-resistant tree.
- The season for Alabama Satsumas is November through December.
- Approximately 20,000 cases will be produced in 2008.
- Trees continue to be planted for the future.
- The Satsumas would compete with Import Clementines, so food mile savings are substantial.





***“WALMART ABSOLUTELY SAVED OUR LIVES, AND FOR THAT, WE WILL ALWAYS BE LOYAL TO THEM.”***

**-Tim Minor, Jim Durban Farms  
Chilton County, Alabama**

Pictured above: Tim Minor and Jim Durban give an education On peaches to Terry Youngblood, Angie Beehler, and Mike Lehr From Walmart, along with reps from CH Robinson.



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**CHILTON COUNTY  
PEACHES  
DURBIN FARMS  
CLANTON, AL**

### **Quick Facts**

- 500 acres of Peaches
- Clanton, AL is half-way in between Montgomery & Birmingham, AL. Because of this, Clanton is a bedroom community that is one of the fastest growing markets in the US. Growers in this area are selling land that once grew produce to contractors to build houses for the booming construction market in this area.



Brian and Gary Pahl. In 2008, they will be supplying Eastern Veg and Sweet Corn to Walmart Supercenters in Minnesota



Chris Abbas, QC Manager from Tomah, WI, with representatives From CH Robinson outside of Bushel Boy Tomatoes in Owatonna, MN. General Discussions have begun with Bushel Boy to supply Walmart with Regional Tomatoes in the future



### Quick Facts

- New Commodities to Minnesota Stores in 2008 include Sweet Corn, Peppers, Cucumbers, Squash Green Beans and Eggplant, and Potatoes.
- Future Opportunities include Carrots, Cabbage, Tomatoes, Parsnips, and Radishes.
- Working with Paul Hugunin from the Minnesota Dept of Ag, and professors at the University of Minnesota.



Fred Wescott of Wescott Orchards in Elgin, MN in discussion with Mike Lehr from Walmart and Doug Miller from CH Robinson



Meeting in Corrine, UT to discuss the future of Utah Corn. Included are Wil And Tina Honsvick, the growers, Mike Lehr from Walmart, Dr. Dave MacKenzie, President of Centest Seed Companies, Richard Sparks from The Utah Department of Ag, and representatives from CH Robinson

*"I am so excited for this opportunity to get Back into the field. I appreciate Wal-Mart's Support to get me back on my feet..."*

-Wil Honsvick  
Sweet Corn Grower  
Tremonton, UT

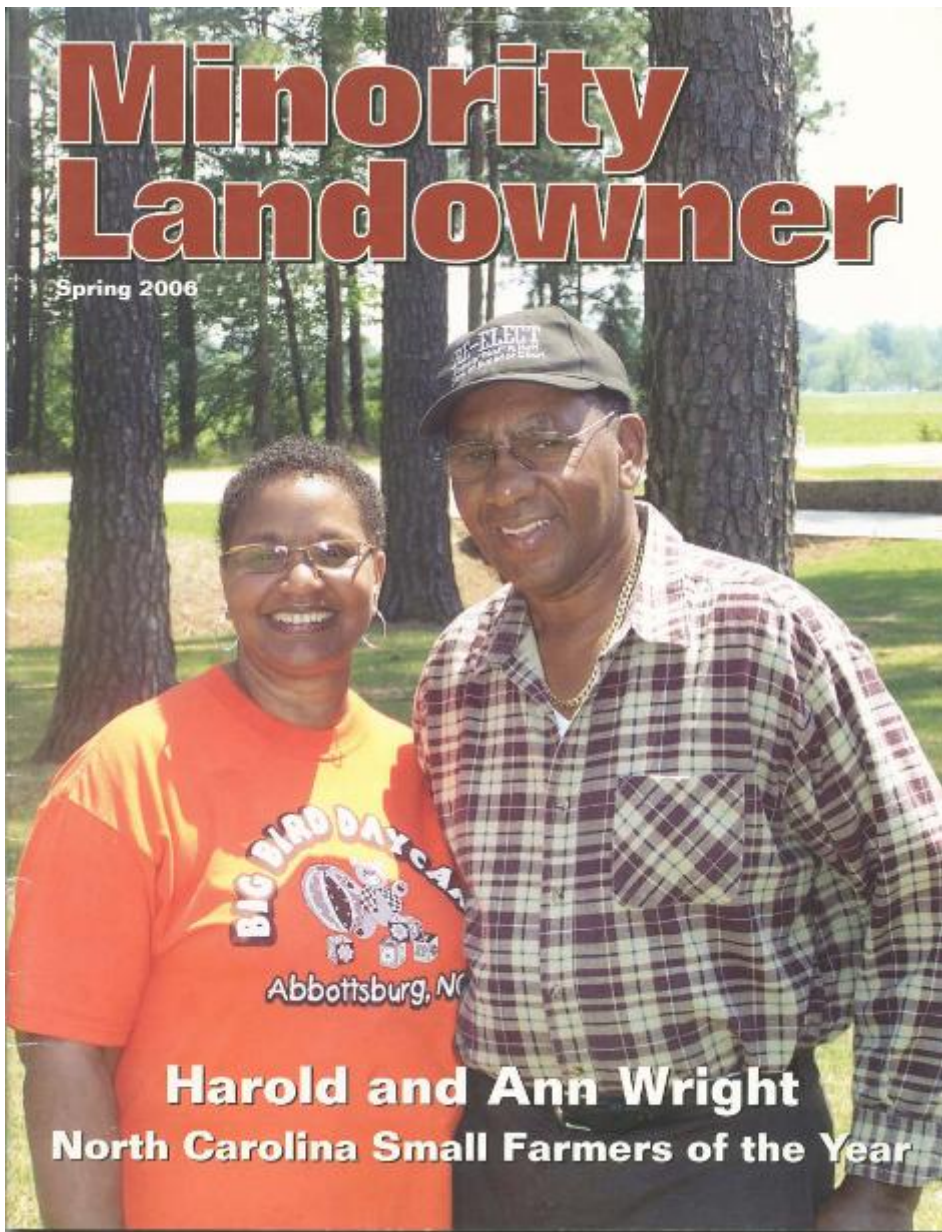


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SWEET CORN  
WIL HONSVICK  
TREMONTON, UT

### Quick Facts:

- Utah historically was a hot-bed for locally grown products. The commodity market, along with Contractors have changed that.
- Last year, the closest "regional corn deal" that could be located was Sweet Corn in sacks out of Idaho.
- An alfalfa grower named Wil Honsvick expressed interest in converting land to Sweet Corn in Tremonton, UT.
- In 2008, several varieties of Sweet Corn have been planted on Wil's land.
- Looking at 2009 as a commercial style Corn operation.
- Receiving Full Support on Field Trials from Dr. David MacKenzie from Centest Seed.
- Receiving Support from Richard Sparks of the Utah Department of Agriculture.





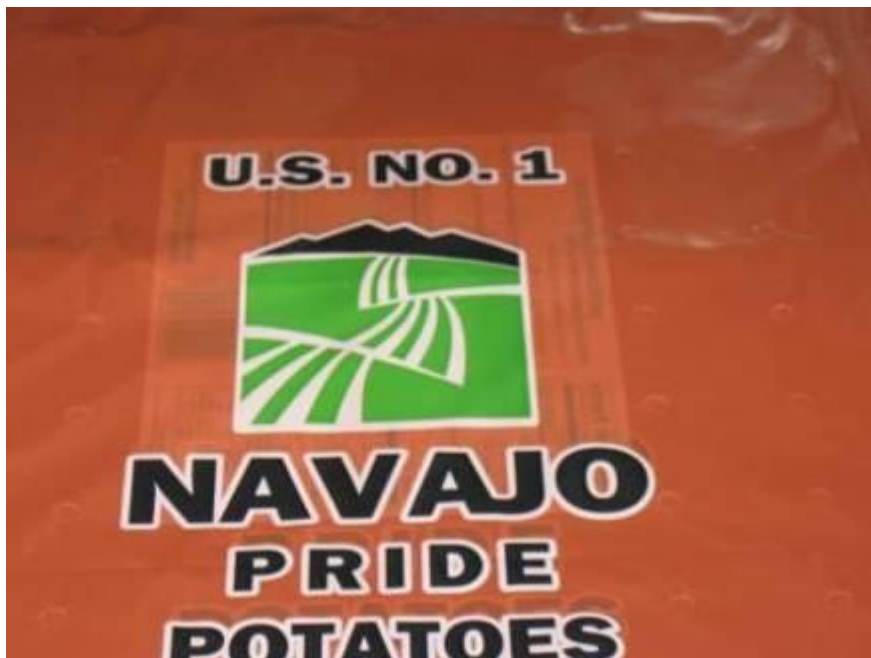
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**North Carolina  
Collation of Farm  
and Rural  
Families**

L&M Companies working with North Carolina Collation of Farm And Rural Families. Has developed a relationship with many minority Growers to grow products for Wal-Mart. All are first time growers To Wal-Mart.

Potential items will be sweet potatoes, summer vegetables, and melons. Plans are to have the Wright's product In our stores spring 2009.



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**Heritage Agriculture –  
Native American**



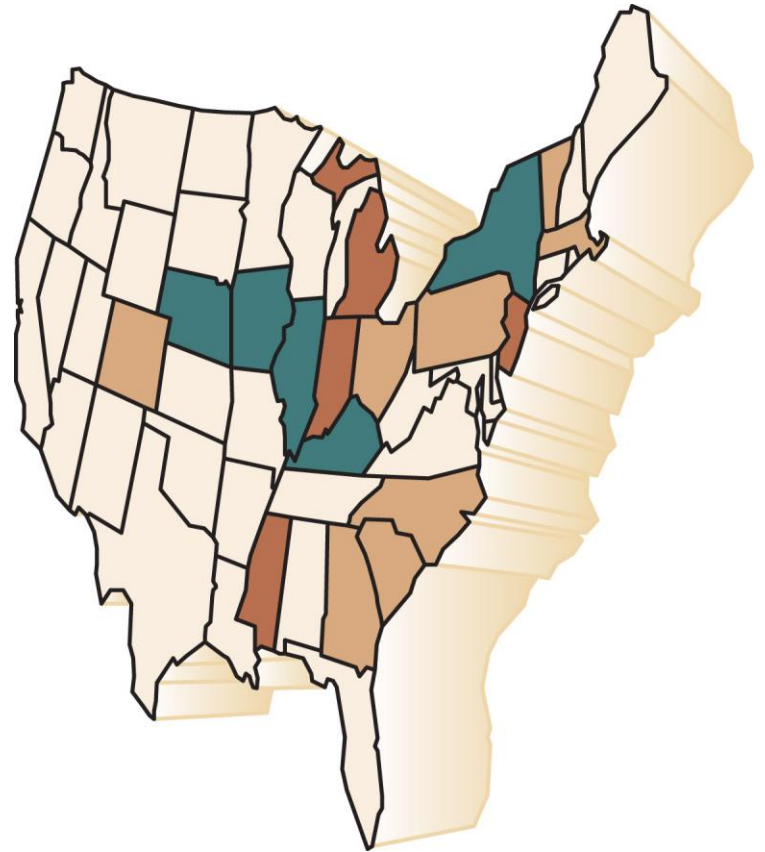
Native American initiative working with the Navajo Nation which has 125,000 acres dedicated to Agriculture, of which 40,000 are Virgin irrigated acres.

Also working with Yakama Nation In Washington State, and with other Tribes throughout the US. Great opportunity within the Company for all departments to capitalized on a vastly under utilized resource.



# The MarketMaker Pilot Project.....

Build a web-based resource to aid in the development of a value-added food supply chain



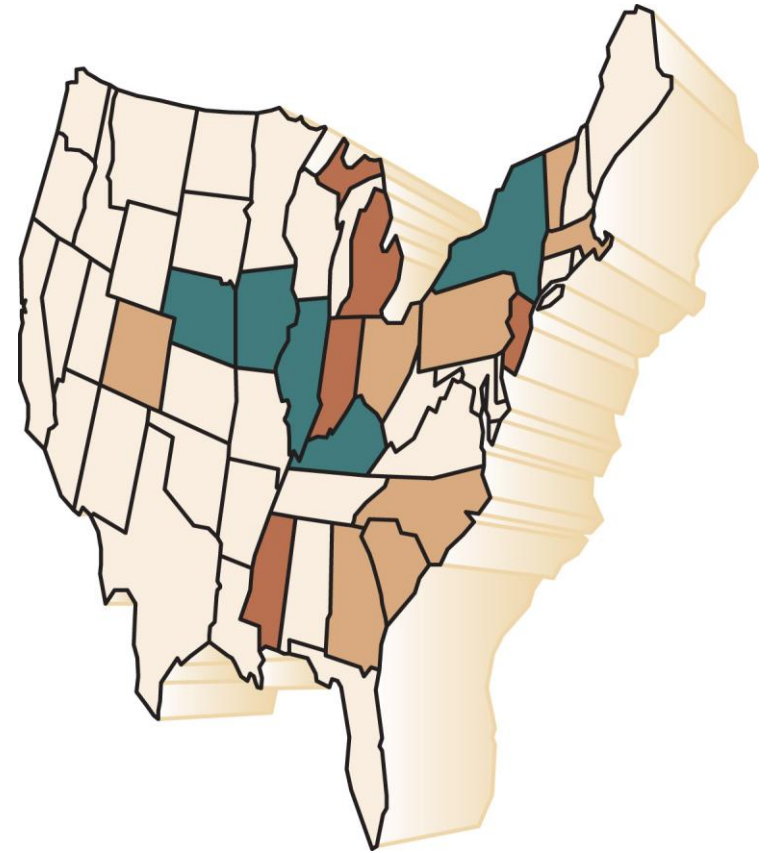
MARKET MAKER™



# MarketMaker Features

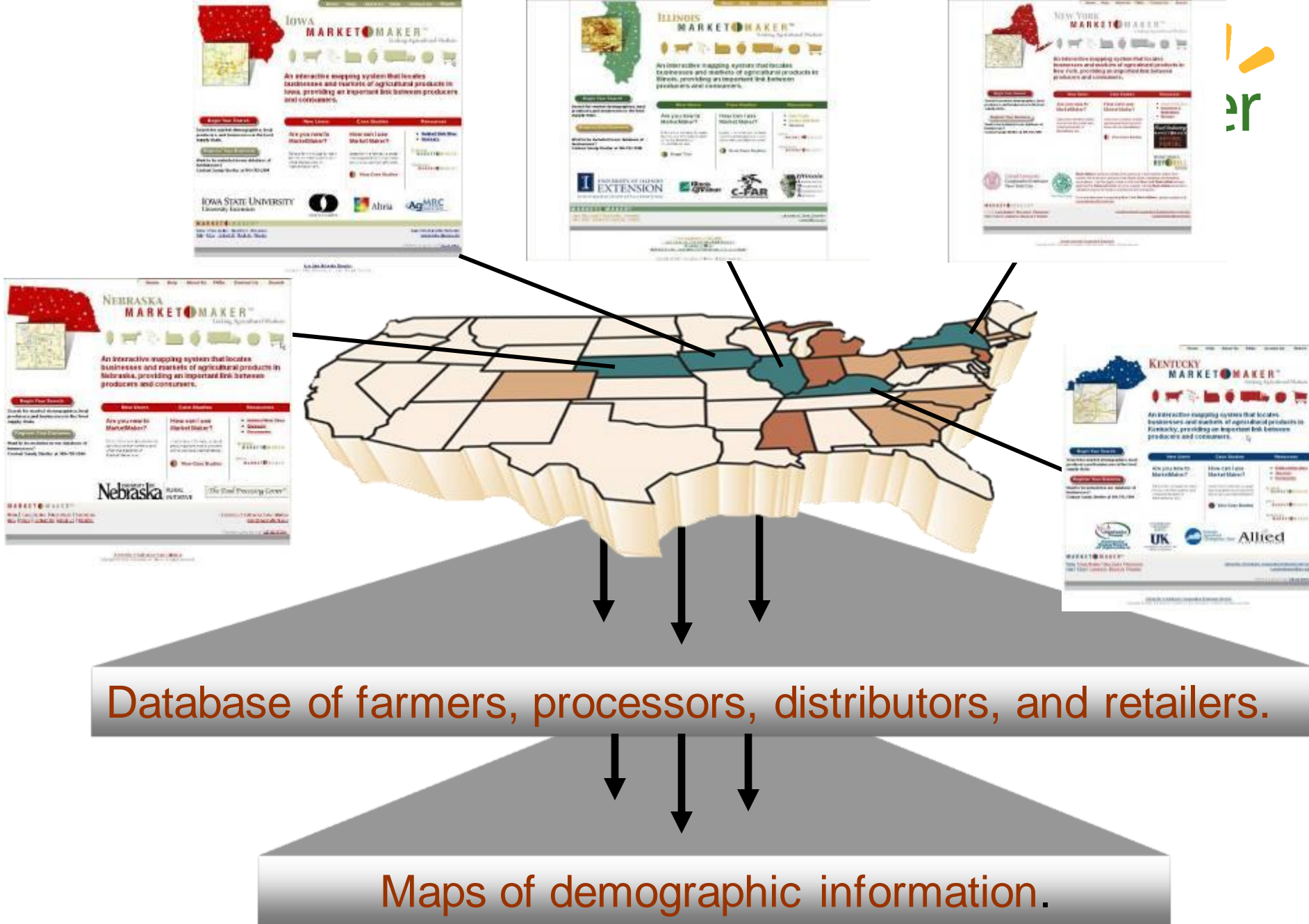


- Maps potential markets by demographic characteristics
- Provides census profiles of the markets being targeted
- Maps and provides profiles of farmers and food related businesses
- Allows users to query all data.

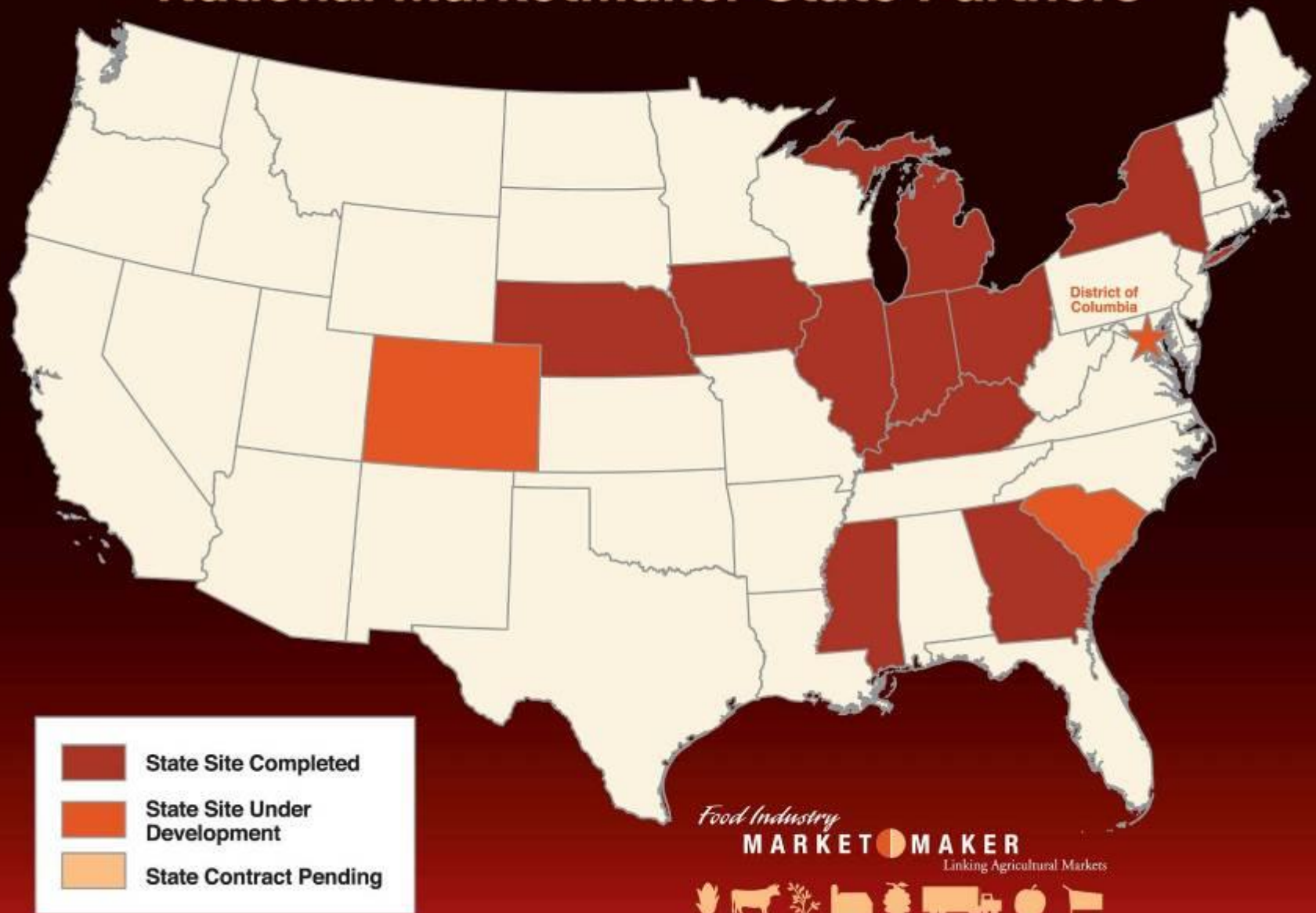


MARKET MAKER™





# National MarketMaker State Partners



<http://national.marketmaker.uiuc.edu>

# Questions?