

Program & Commodity Pricing Updates
Effective November 1, 2013

Confidential Information

Commodity Driven Contracts

The contracts below are formula-based, reflect the markets and change monthly or quarterly. We will not always provide an explanation for pricing changes, as the pricing of these programs continually ebbs and flows with the markets. A yearlong snapshot of pricing gives the most appropriate view of the benefits associated with entegra's negotiated pricing, and the monthly pricing reflected does not portray the full year benefit. However, we do want to keep you informed so you can make menu and pricing adjustments as appropriate for your facilities.

Cheese Updates

- Schreiber Foods, Inc. (Processed Cheese) **Category Increase +0.8%**
- Great Lakes (Natural Cheese) **Category Decrease -0.7%**

Darling International

- Kitchen Grease Pick Up Service **No Charge**

The Jacobson Index average for the last 30 days did not meet the threshold to trigger the monthly fee. This means that Darling and Darling Sub-Contractors will pick up waste oil at locations during this month at NO CHARGE.

To enroll in the Source1-Entegra Program with Shoes for Crews please contact your JQH account support team at:

JQH@Source1Purchasing.com

Fair Oaks Farms

- Breakfast Sausage **Decrease -5.7% Trim**

Farmland Foods

- Raw & Cooked Bacon **Category Increase +1.2%**
- Breakfast Sausage & Whole Hog Sausage **Category Increase +4.7%**
- Ham & Deli Meats **Category Flat (Hams down 2%, Deli Meats up 2%)**
- Fabricated Pork (i.e. Chops & Tenderloins) **Category Increase +2.1%**
- Hot Dogs, Sausage, & Pizza Toppings **Category Increase +5.6%**
- Fresh Pork **Category Flat to slightly down**

Belly (source of Bacon) stocks are in good supply and seasonal demand is trailing off. Ham is gearing up for increased demand heading into the holiday season. Trim (source of Sausage Hot Dogs & Pizza Toppings) came down drastically last month so pricing is bouncing back somewhat, however, expect seasonal down trend to continue through winter. Generally, hog slaughter is unexpectedly down with some tightness in supply. Some speculation around the reduction in supply is also affecting prices as the PED virus is becoming more prevalent, however the real impact from the PED virus will occur in spring when the lost head count would have matured, gone to slaughter, and entered into freezer stocks and supply.

Koch Foods

- Bone in Breaded **Category Decrease -.09%**
- Bone in Raw **Category Decrease -.06%**
- Breaded Boneless Breast **Category Decrease -3.7%**
- Breaded Nuggets and Patties **Category Decrease -0.6%**
- Raw Boneless **Category Decrease -0.6%**
- Pulled, Diced and Cooked Strips **Category Decrease -1.03%**
- Breaded Strips **Category Decrease -2.8%**
- Cooked Unbreaded Breasts and Patties **Category Decrease -2.9%**
- Wings **Category Decrease -0.3%**
- CVP **Category Decrease -5.2%**

Commodity Driven Contracts Continued

Slade Gorton

- Haddock ONLY

Category Increase +6-7%

Prices are at a record high pushed by buyers trying to get as much purchased as possible. In addition, this increase is due to lower catches and strong demand. Catch quotas are down this year and there is not enough fish available to meet the quota. The only relief could come from users switching to Cod, therefore lessening demand. This however would push cod prices higher.

Ventura Foods

- Bulk Margarine
- Oil, Shortening

Category Decrease -1.5%

Category Decrease -0.8%