**Program Updates: Effective June 1, 2013**

**Food and Related Supplies Pricing Changes**

**Bay Valley Foods** (Canned Puddings and Cheese Sauces)**Average increase +5%**

The percentage of change is due to the increase in raw materials.

**Domino Foods** (Bulk Granulated, Confectioner, Brown and other bulk Sugars)**Average Decrease -9%**

Worldwide sugar production has been at record highs. This has forced many countries to export sugar. Sugar supply is exceeding demand and thus the prices are dropping.

**Regional Bakery**

·          **LaRonga Bakery** (Artisan breads)   **Average Decrease -4%** (effective June 1, 2013)

·          **Calise & Sons Bakery** (breads, buns, rolls, other)**Average Increase +2%** (effective June 1, 2013)

·          **Morabito** (specialty breads)**Average Increase +2%** (effective June 1, 2013)

Regional Bakery pricing adjustments are a result of increased wheat and flour costs.

**Shasta Sales, Inc.** (Carbonated Soft Drinks 8 oz. and 1 liter; La Croix Sparkling Flavored Water)   **Average Decrease -7.4%**

Entegra has been able to work with this partner to negotiate lower pricing through an extensive RFP process.

**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.*

***Read more about commodities and entegra Pricing in the Indicator Forecast Report at entegraPS.com***

*(Navigation=entegraPS.com>Current Customers>Entegra News>The Indicator Forecast Report)*

**Cargill –**

**Ground Beef   No change**

**Stew Beef Cube Steaks & Beef Strips**   **Category flat to down 1.1%**

Beef prices are continuing to hold steady. While wholesale prices have recently hit their highest level since 2003, it appears as though consumer demand has tempered major price movement. The total U.S. domestic cattle herd is still at historic lows, which puts inventory and supply at risk for the next several seasonal cycles.

**Cheese Updates**

–      **Schreiber Foods, Inc.** (Processed Cheese) **Category Increase +5.24%**

–      **Great Lakes** (Natural Cheese) **Category Increase +1.45%**

Prices on cheese, both block and barrel, have advanced over the last month due to the impact of New Zealand’s drought that has created an opportunity for new exports from the U.S. As export cheese is made to order, this has tightened the fresh cheese market, which has left less cheese to come to the Chicago Mercantile Exchange (CME) for sale. Although New Zealand has received some good rains as of late, they still need more through their fall into winter season to ensure regrowth of pastures when they head into their new production season in June. Until the market is confident this will occur, international prices will likely remain at a premium to the U.S., which will create further export demand from the U.S.

**Darling International**(Kitchen Grease Pick Up Service)

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.

**Farmland Foods**

–         Raw & Cooked Bacon: **Category Increase +3.8%**

–         Breakfast Sausage & Whole Hog Sausage: **Category Increase +2%**

–         Ham & Deli Meats: **Category Increase +2.4%**

–         Fabricated Pork (i.e., Chops & Tenderloins): **Category Increase +3.8%**

–         Hot Dogs, Sausage & Pizza Toppings: **Category Increase +2%**

–         Fresh Pork: **Category Increase +5%**

Strong foodservice demand, as well as a new presence for pre-cooked bacon in the Quick Service Restaurant (QSR) category, have recently driven tight supplies. Expect belly (source of bacon) markets to remain strong through the summer months, which is peak bacon season. Retail demand heading into grilling season and holiday weekends have kept the markets strong for hams, fabricated and fresh pork. Trim (raw materials for sausages and other ground pork products) markets have been relatively stable to weak, while minimal export interest has not allowed for extreme swings but a gradual strengthening instead.

**Koch Foods**

–         Bone in Breaded: **No change**

–         Bone in Raw: **No change**

–         Breaded Boneless Breast: **No change**

–         Breaded Nuggets and Patties: **No change**

–         Raw Boneless: **Category Increase +0.69%**

–         Pulled, Diced and Cooked Strips: **No change**

–         Breaded Strips: **Category Increase +0.23%**

–         Cooked Unbreaded Breasts and Patties: **Category Increase +1.57%**

–         Wings: **Category Decrease -0.17%**

–         CVP: **Category Increase +10.50%**

**Kraft Foods** (Cream Cheese) **No change**

**Ventura Foods** (Bulk Margarine) **Category Decrease -0.14%
Ventura Foods** (Oil, Shortening)**Category Increase +0.59%**