

Pandemic Food Supply & Redistribution Program

A solution to address the urgent need to feed families while ensuring the viability of the food supply chain

FoodSourceUSA.COM

ReposiTrak® Solves Problems All Along the Supply Chain

Retailers | Wholesalers

Sales Growth & Inventory Optimization

Increase Sales, Margins & Shopper Loyalty

- ✓ Reduce Out-of-Stocks an average of 50% in just 3 months
- ✓Improve Forecasting & Ordering from Suppliers, to Stores
- ✓ Shift Inventory to Suppliers



Supplier Sourcing

Source for Revenue Growth

- ✓ Discover Emerging Brands
- ✓Accelerate Supplier Onboarding
- ✓Support local sourcing, seasonal and event needs



Supplier Discovery

Increase Sales & Margins

Expand Distribution

✓Improve Exposure to Potential Buyers

✓ Optimize Forecasting & Replenishment

- ✓ Promote New Products
- ✓ Leverage Good Compliance Practices

Compliance & Risk Management

Protect Your Brand

- ✓ Mitigate Supplier Risk
- ✓ Manage Regulatory Compliance
- ✓Improve Quality & Safety



Compliance & Risk Management

Suppliers | Brand Owners

✓ Reduce Out-of-Stocks an average of 50% in just 3 months

Sales Growth & Inventory Optimization

✓Improve Sales Visibility by viewing all SKUS, all Stores, Every day

Protect Your Brand

- ✓ Mitigate Supplier Risk
- ✓ Manage Regulatory Compliance
- ✓Improve Quality & Safety





Exclusively Endorsed in the Industry



"ReposiTrak augments our food and drug safety efforts...with a **proven, comprehensive** and easy- to-implement solution that doesn't require systems changes and is extremely cost effective."



"We see the ReposiTrak system becoming an **industry standard** for the retail supply chain, helping all trading partners **meet the new federal food safety requirements**, reducing unsalable products and keeping the end consumer healthy."



"We were looking for a technology partner to help us **raise the bar** not only with our data management and reporting, but also with upgrades to all of our user interfaces. It made perfect sense to partner with ReposiTrak because of their **experience in the industry** and technical capabilities."



"ReposiTrak is a **pioneering innovator** in delivering robust retail management software solutions for our rapidly changing industry. This technology will equip our members with a toolbox for success in a constantly evolving marketplace. We are thrilled to partner with ReposiTrak as we continue to advance and expand our ecosystem."





Stability, Security, Scalability & Experience

The ReposiTrak Platform on which FoodSourceUSA Operates



Stable & Secure Platform Technology

\$150MM+ invested in continual technology stack upgrades & maintenance

20+ year history in execution of cloud-based solutions

No unscheduled downtime

SOC I & SOC II, Tier I Compliant Tier 5 TIA Secure Data Center

Highly Scaled, Specialty Supply Chain Solutions

TENS of THOUSANDS of companies using solutions in over 100 countries

100,000+ Facility-level connections

20MM transactions processed daily

9MM store/SKU forecasts/orders/daily

55MM item/store perpetual inventories

100,000+ invoices generated daily

Experienced

- A team of experts in application development, onboarding, implementation and day-to-day management with average of 20 years' experience with interoperable, cloud-based solutions
- Agile development of specialty solutions enables pivoting to react to industry needs





Brands Trust ReposiTrak Solutions

Across the Supply Chain







































Ahold

Delhaize

Retail Business Services















Companies











































5 Threats to US Food Supply Chains

1. Supply chain mismatches

 60% of products produced for food service is packaged wrong; will need packer changes to redirect to non-food service consumer

2. Increased food insecurity

• 15% unemployment rate; up 11.5 points from before the pandemic

3. Crunch on delivery capacity

• Essential grocery store processes

4. Virus outbreaks at food plants

 Processing plants are at increased risk of outbreaks, causing a disruption in the supply chain

5. Agricultural reliance on guest workers

 Policies to cut payments to seasonal guest workers could slow picking U.S. fruits & vegetables

The Pandemic is Decimating the Food Supply and Current Approaches Won't Fix It

Highly fragmented, donation-based systems won't solve the whole problem:

- The food service sector has collapsed
- The sector is built for bulk and intuitional products that need processing before distribution to food banks.
- Smaller sizes, and different packaging are required, and food banks are short of volunteers.
- Food is going to waste in fields because it can't be processed and transported in a donation-based system, as communities in need continue to expand
- Processors can't buy products from farmers and producers, pay to process them and then donate them. This is leading to structural issues.
- Donation-based systems designed for short term, localized emergencies, or predictable long-term need will not fix this problem.



The Pandemic Requires a New Solution to Address Food Imbalance and Shortages

The Country Needs A Long-Term Sustainable Solution: A Payment System for Producers and Processors

- Addressing only the supply or demand side of the situation will fail. A comprehensive solution is required.
- We need to get food where it's needed, but we must ensure that the current sector of the supply chain that is collapsing remains viable. Producers and processors must be able to sell product and recover their costs. The intention is to cover all variable costs rather than all costs plus a margin.
- Farmers, ranchers, and processors in the food service sector must be fairly compensated to stay in business. Loss of their production capacity will be devastating.
- Diverting food supply from the grocery sector to food banks will be disastrous. Expecting increases in donations from grocery sector is a non-starter.
- We must move rapidly to underpin the food service supply chain and repurpose it for feeding the needy.



How FoodSourceUSA Works

Producers and Processors Must Recover their Costs

• Working through FoodSourceUSA, government agencies will provide payment to food producers and processors to create much needed revenue streams and to help reduce food waste and spoilage. The intention is to cover all variable costs rather than all costs plus a margin. Donations are not a consistent source of supply and will not be expected (after the pilot) in this program. Companies should check with their tax advisors to determine if there are tax benefits associated with the program.

Focus on Perishables

- Focus of FoodSourceUSA is to bring produce, dairy and protein producers together with communities in need to help solve critical food shortages during times of natural disaster and in areas of widespread economic hardship.
- FoodSourceUSA is a secure online exchange where food banks can search for surplus food product inventories anywhere in the country and procure shipments for their organizations. Approved suppliers, processors and distributors can post and easily maintain available inventories by item and type to reduce waste and spoilage and keep their operations viable.

Logistics Support from the National Guard

- The National Guard will provide logistics management, manpower and equipment to handle the relocation of orders to recipient organizations. It is anticipated that the logistical support would primarily be coordination of private sector transportation alternatives. In many cases, either the provider or the recipient may have their own transportation ability, for which they would be compensated when providing that service.
- During the COVID-19 crisis, FoodSourceUSA is working with the US Department of Defense and National Guard to facilitate the widescale redistribution of food supplies throughout the US to meet the urgent need created by the economic impact of the crisis.

Who Can Participate?

- Providers of food products and suppliers can register to participate in FoodSourceUSA at www.foodsourceusa.com.
- Food banks, food pantries and community organizations can register for FoodSourceUSA at www.foodsourceusa.com.





Next Steps? Proof of Concept

Goal of the Proof of Concept (POC)

• The goal of the POC is to show the need for perishable products (dairy, produce & protein) and that a logistical system can be established ad hoc to get these products where they need to be during crises.

Where? Within the state of Kansas

- Approach a handful of suppliers to provide product, available for distribution within Kansas and connect them with a few food banks/food pantries in Kansas
- When transportation is not otherwise available, the National Guard will provide logistical support of transportation and manpower to deliver the products to the food banks/food pantries

Timeframe? 2-4 Weeks

• For this initial 2 to 4-week proof of concept and prior to setting up the financial mechanisms for payment, we are asking the producers to donate product

Expansion? Success Criteria

• If successful, the POC can be rapidly expanded to other states and participation will be expanded to as many suppliers and recipients as possible



Only initially are we asking producers to donate product,
After POC – product will be paid for at cost



FAQs

Who can participate in FoodSourceUSA?

- Providers of food products with excess inventories can register to participate. Registration requests can be made at info@foodsourceusa.com
- Food banks, pantries and other charitable organizations will be vetted for participation by relevant government agencies. Access requests can be made at info@foodsourceusa.com
- Primarily, the program is focusing on small and medium-sized producers, providers and distributors

Is this a donation system?

• No. Approved suppliers will be paid market rates and processors will be compensated for their variable costs by relevant government agencies. In addition, the system can accept donations, but they're not expected.

Who puts the product details in the system?

• Once set up for access, providers can post and upload their available product inventories, with the support of the FoodSourceUSA/ReposiTrak team.

Who handles shipment and delivery?

• The National Guard and other involved government agencies will coordinate and execute the logistics of pickup and delivery when the provider or the recipient are not able.

What's the relationship between FoodSourceUSA and ReposiTrak?

- Neither Park City Group or ReposiTrak are receiving compensation or fees from either the providers or the recipients.
- Park City Group is providing the ReposiTrak technology to power FoodSourceUSA to match urgent demand with excess supply, and with the support of government agencies, reimburse suppliers and processors and manage logistics and transport.
- FoodSourceUSA emerged from a US Department of Defense project utilizing ReposiTrak data to make better decisions on how to support the evolving government response to COVID-19.



Get Started in Your Area

FoodSourceUSA



Getting Started in 3 Easy Steps

FoodSourceUSA



PROVIDER?

What type products, sizes, availability, location, etc.

RECIPIENT?

Location, who's authorized to order product

Fill out & submit the request form

Name, Phone, email, Title, Company name, Website, Company role (Provider or Recipient)



Go to the website

Use link on <u>foodsourceusa.com</u> to request registration.



Getting Ready for FoodSourceUSA

Steps to begin using FoodSourceUSA

- Inform the audience both Providers and Recipients
- Find funding for the first week's product exchanges
- Follow 3 Easy Steps to get process started
- Determine your business rules
 - Invoicing
 - Reporting
- Provide contacts for all parties
 - Providers
 - Recipients
 - Transport
 - Invoicing



What FoodSourceUSA Executes

- System setup for Recipient & Provider business rules (service agreement)
- Gathering and entry of Provider product profiles
- Communication with Transport
- Product invoicing process: PO, payable, receivable, etc.





Recipient Ordering

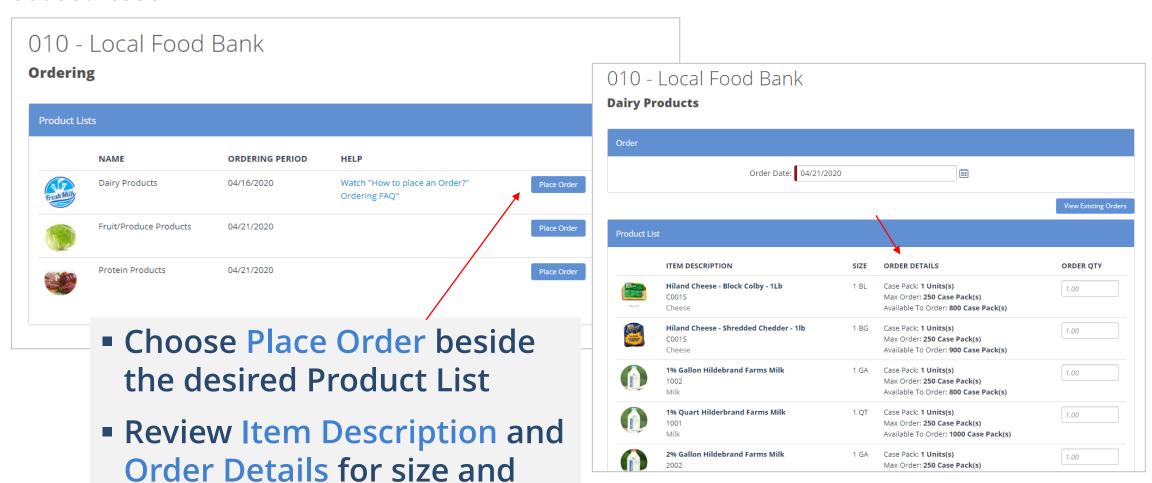
FoodSourceUSA



How a Food Recipient Orders

quantity available

FoodSourceUSA



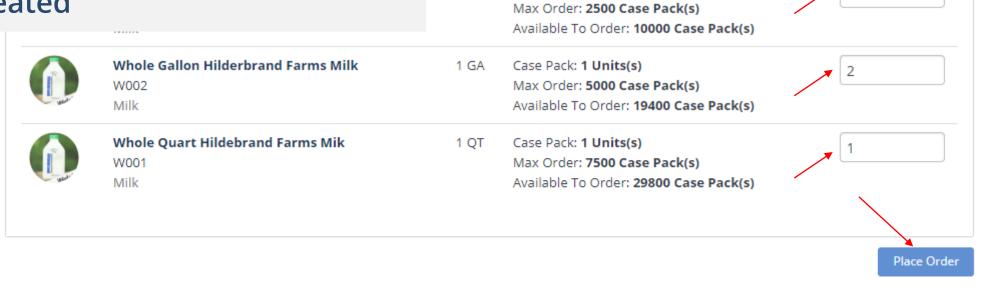




Placing the Order

FoodSourceUSA

- Enter Order Qty beside desired products, continue to Place Order
- Available item quantities will be decremented, and the order will be created



1 GA

1 GA

1 GA

Case Pack: 1 Units(s)

Case Pack: 1 Units(s)

Case Pack: 1 Units(s)

Max Order: 2500 Case Pack(s)

Max Order: 2500 Case Pack(s)

Available To Order: 10000 Case Pack(s)

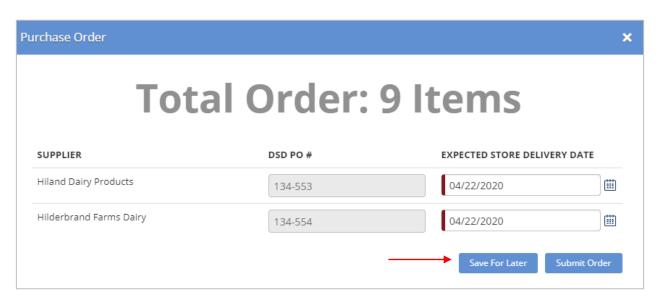
Available To Order: 10000 Case Pack(s)



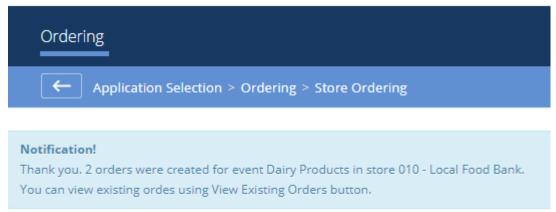
1.00

Completing the Order

FoodSourceUSA



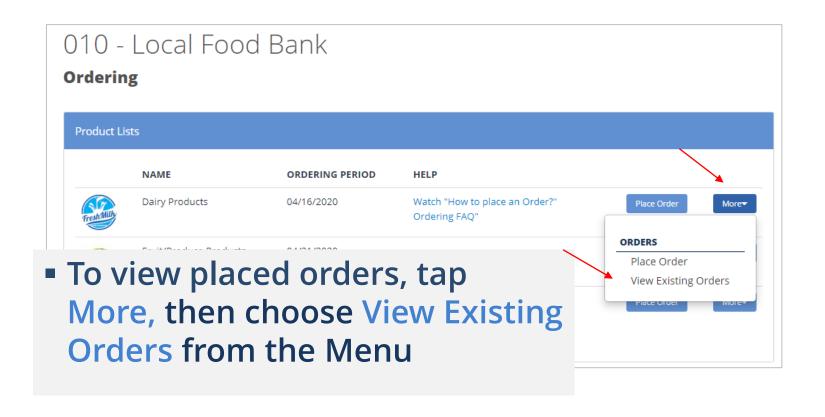
- You may Save For Later, or Submit Order
- Get notified of submitted order





Viewing Existing Orders

FoodSourceUSA





Reviewing Purchase Orders

FoodSourceUSA

View Purchase Order summaries or View Details of a specific purchase order

Purchase Orders

PO NUMBER

111134

111122

ORDER DATE

04/30/2020

05/01/2020

04/30/2020

04/30/2020

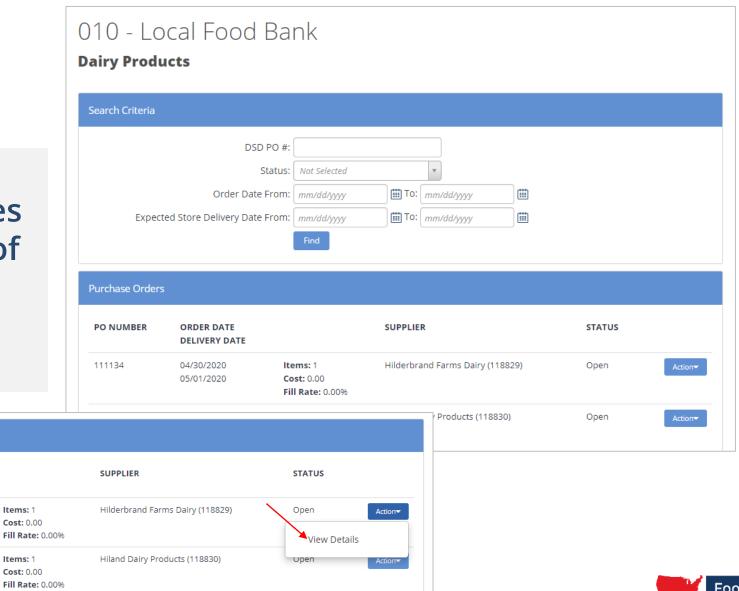
DELIVERY DATE

Items: 1

Items: 1

Cost: 0.00

Cost: 0.00



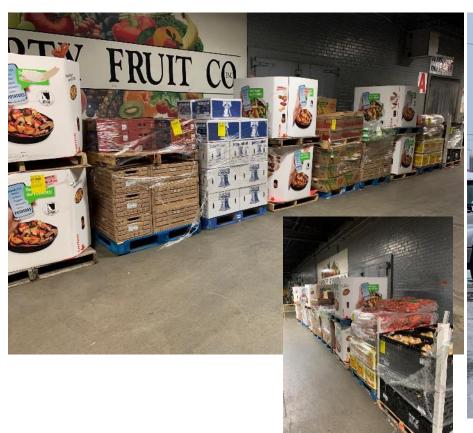






info@foodsourceusa.com

FoodSourceUSA.COM





Kansas Pilot

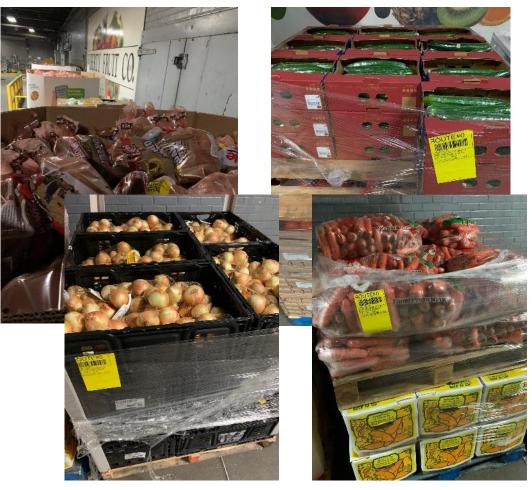
Liberty Fruit & Harvesters April 24, 2020



Products Ordered by Harvesters from Liberty Fruit

April 24, 2020



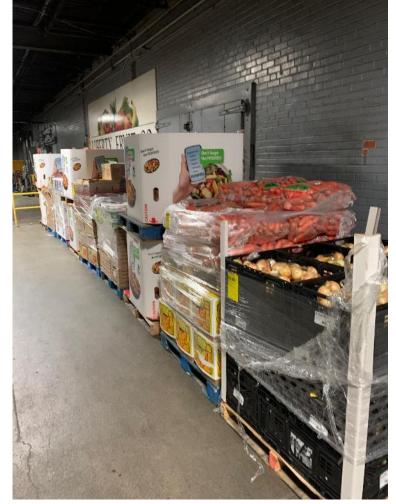




Product on Pallets Ready for Pickup at Liberty Fruit Co.

Liberty Fruit Co | April 24, 2020







Harvester Community Food Network Pickup at Dock

Liberty Fruit Co | April 24, 2020





