



Source1 Marketplace Source1-Entegra Programs

Program & Commodity Pricing Updates
Effective September 1, 2011
Confidential Information

Ice Cream

Blue Bell Ice Cream (Ice Cream) Regional TX, LA, GA, FL, AL Increase +4%

The ice cream prices for all Blue Bell accounts in TX, LA, GA, FL, AL are rising in response to the high cost of all of our major ingredients, mainly milk. There have been supply issues for milk as a result of the recent drought.

Giffords Ice Cream (Premium ice cream, frozen yogurt, non-fat/no sugar added sherbet) Decrease -14%

Dairy market volatility has allowed us to re-negotiate our pricing with Gifford's. This opportunity allowed us to bring this program more in line current market pricing.

Monsoon Kitchens (Indian Foods)

This is an annual pricing adjustment based on increases in raw ingredients and fuel. Increase +4%

Standard Coffee (Products below all come under the Standard Coffee Program)

Standard Branded Coffees Increase +2 cents per pack

National Branded Coffee Products Increase +6.5 cents per pack

K-Cup Products Average Increase +14%

Flavia Products Average Increase +10%

Due to the ongoing increases in the Coffee Commodity Index and raw material costs of related items. Manufacturers and suppliers have passed on price increases to Standard Coffee. Pricing for coffee continues to be volatile due to weak US dollar and high demand for quality Arabica beans, although there has been some softening in the commodity coffee market. In general, the market price for coffee now appears to be range bound from 2.50 to 2.65 per pound.

Whipped Toppings

Rich Products (Whipped Toppings) Increase +6%

Prices are increasing in response to the high cost of all of major ingredients, mainly butterfat. There have been supply issues for milk/butterfat as a result of the recent drought and increased demand from China.

Regional Bakeries

Bakery de France Increase +4%

Pricing for this contracts has not changed in several years. These pricing increases are a result of commodity pricing - namely, wheat, which has increased in the past year due to shortages. Other contributing factors are the increased costs of labor and fuel.

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.

Cargill Whole Deli Roast Beef Increase +2.1%

Cargill Raw Processed Beef (Stew Beef, Cube Steaks, Kabob Meat & Julienne Strips) Increase +2.1%

Cargill Ground Beef (Ground Beef Patties & Bulk, Meatloaf, Salisbury Steaks) Decrease -7.3%

Steer are being forced into feed lots early due to the effects extreme weather is having on pastures. This movement is causing yields of Ground Beef to be high while the yields for raw processed portion cuts and deli cuts are low. With higher yields of ground beef the pricing is decreasing. Likewise, with lower yields (supply) of the portion cuts and deli, the prices are increasing.

Schreiber Foods, Inc. (Processed Cheese) Increase +1.6%

DCI (Natural Cheese) Increase +0.9%

Extended heat through the upper Midwest had a tremendous effect on milk production, with local cheese production plants seeing as much as a 25% drop in milk. The drop in milk production, coupled with the start of school (and milk being directed toward fluid milk) has driven cheese prices up this month.

The pricing for DCI Cheese uses factors based on the Chicago Mercantile Exchange (CME). Schreiber pricing follows the CME *Barrel* Market along with a slightly different pricing timeline and therefore has increases and decreases that are not necessarily in line with the DCI fluctuations.

Farmland Foods

Raw Bacon	Increase +9.9%
Cooked Bacon	Increase +2.0%
Pure Pork Sausage	Increase +5.0%
Whole Hog Sausage	Increase +12.1%
Ham	Increase +5.6%
Deli Lunch Meat	Increase +2.8%
Fabricated Pork	Increase +3.7%
Hot Dogs & Smoked Sausage	Increase +2.8%
Raw and Cooked Dinner Sausages	No Change
Pizza Toppings	Increase +2.5%

Fresh Pork

<p>Pork costs are increasing in general due to record high corn commodity costs which drive the feed costs for farmers. Coupled with the high feed costs is increased demand driven by general consumer demand. Foreign demand continues to be very strong. Heat and drought have also affected herds of domestic animals causing concern over the future price of feed and smaller animals (lower yields). Fast food bacon usage is substantially up with more Quick Serve Restaurant's moving into breakfast and adding bacon to burgers. Domestic frozen belly stocks (the source of bacon) are almost depleted forcing packers to move to fresh belly supply. Pricing is expected to level off and be more favorable in October.</p>	Increase +2.2%
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Koch Foods

Bone in Breaded	No Change
Bone in Raw	Increase +0.2%
Breaded Boneless Breast	Increase +3.4%
Breaded Nuggets and Patties	Increase +6.1%
Raw Boneless	Increase +2.3%
Pulled, Diced and Cooked Strips	Increase +1.0%
Breaded Tenders, Tenderloins, Popcorn, Strips	Increase +5.0%
Cooked Un-breaded Breasts and Patties	Increase +3.2%
Wings	Increase +0.3%
CVP	Increase +5.4%

Other Contracts

Kraft Foods (Cream Cheese)	Increase +.5%
Ventura Foods (Bulk Margarine)	Decrease -3.3%
Ventura Foods (Oil, Shortening)	Decrease -1.4%
Jennie-O Foods, Inc (Turkey Products)	Increase +0.4%