2017 Was A Record Breaking NAMA OneShow page 26



How To Fuel SUCCESS STORY +

From card readers to micro markets. WeServ invested in technology to become a powerhouse in Northern California.









To grow your vending business, you need a winning strategy to capture new locations, defend your base locations and increase same-store sales. That means offering the most advanced equipment available today - equipment that attracts new consumers and provides an engaging retail shopping experience. Media not only helps you sell more, it also enables you to manage your business more effectively via over the air updates for firmware, advertising content, planograms, and price changes.

Empower Your Strategy



CRANE MERCHANDISING SYSTEMS



Deli-Fresh Quality without the Waste featuring Flavor-Guard™ Packaging System

Any way you look at it, Fresh-Cut is the better choice in cold sandwiches. We start with the finest ingredients, like homestyle breads, natural cheeses and premium meats. Then we lovingly protect it in our new, Flavor-Guard™ clear packaging that lets you fully see the deliciousness that awaits inside. For deli-fresh quality with less waste, nothing will grow your sandwich program like Fresh-Cut. Only from AdvancePierre Foods.



Average foodservice product spoilage cost = \$879.00per store, per month.

> Source: NACS State of the Industry Annual Report, 2015 data

Consumers want as much of the deli sandwich visible as possible. This allows them to see the freshness and know that nothing is being hidden.





Source: Usage and Barriers Study, proprietary auantitative research. APF

Contents MAY 2017 VOLUME 59, NUMBER 3



SUCCESS STORY OPERATION PROFILE

30 • WeServ Becomes A Powerhouse In Northern California

Five years ago, this operator had a comfortable market share in Chico, CA. But current owner Todd White had no intentions of simply coasting. Today, the company boasts nearly \$4 million in annual revenues, employs 25 people and is rapidly outgrowing his warehouse due to aggressive micro market growth.



MORE FEATURES

22 Small Op: Professionalism... Or The Lack Of It In Vending

A story to illustrate how you can win business (or lose it) based on your vehicle's appearance, driver's manners, proper cleaning and maintenance of equipment, and all the little things that create a professional service.



26 NAMA OneShow Coverage

2017 Was A Record Breaking NAMA OneShow

38 A Passion For Customer Service



At NAMA. Dan
Mathews found the
opportunity to
share knowledge
and see young
people grow. In
his retirement, this
is what he hopes to
continue doing.

DEPARTMENTS

8 Editor's Note Want Versus Need

10 ► VendingMarketWatch News

14 ► OCS Update

Daily Coffee Consumption Increases Among Americans, Gourmet Varieties Drive Increase

40 ► Classifieds

41 ▶ Products

NEW!

DEVOUE

Try these enticing, big flavor meal combinations that fulfill your cravings.



READY. SET. DEVOUR.

Kraft Heinz

Contact your Kraft Heinz Foodservice Representative for more information.

© 2017 H. J. Heinz Company Brands LLC



Online Exclusives

AVAILABLE ONLY AT VENDINGMARKETWATCH.COM

BLOGS, PODCASTS & VIDEOS



▶ VIDEO: 365 Retail Markets Presents Sign Up! For Increased Sales

VendingMarketWatch.com/12323406

► EDITOR'S BLOG: Technology Is **Leaving A Data Analysis Vacuum**

VendingMarketWatch.com/12329687

BLOG: Reflections From NAMA OneShow 2017

VendingMarketWatch.com/12331697



EDITOR'S BLOG: Planning: The Big, Not So Secret Strategy **Behind Success**

VendingMarketWatch.com/ 12320990



GUEST BLOG: Government Policies

> VendingMarketWatch.com/ 12325511

SPECIAL SEGMENT **Only Available**



Empire Coffee's Mike Riger Talks Roasters How should you go about

finding a roaster and what should you look for?

on the Coffee Service Channel



Visit www.vendingmarketwatch.com/coffee-service or have it delivered to your inbox at www.vendingmarketwatch.com/reg/newsletter/

SouthComm Business Media, Inc PO Box 803 • 1233 Janesville Ave Fort Atkinson WI 53538 920-563-6388 • 800-547-7377

BUSINESS STAFF

PUBLISHER Ron Bean

(920) 568-8386 Ron.Bean@VendingMarketWatch.com

MULTIMEDIA ACCOUNT Julia Sheade

REPRESENTATIVE (920) 563-1608

Julia.Sheade@VendingMarketWatch.com

LIST RENTAL Elizabeth Jackson

Account Executive Merit Direct LLC (847) 492-1350, ext. 18 ejackson@meritdirect.com

EUROPEAN SALES Julian Maddocks-Born

Sales Director +44 (0)1442 230033 iulian@itsluk.com

REPRESENTATIVE, Benedict Hume ITSL MEDIA

Sales Manager +44 (0)1442 288287 benedict@itsluk.com

EDITORIAL STAFF

EDITOR Emily Refermat (920) 563-1615 Emily.Refermat@VendingMarketWatch.com

ASSOCIATE EDITOR Brittany Farb Gruber

(847)454-2736 Brittany Gruber@VendingMarketWatch.com

SUPPORT STAFF

ART DIRECTOR Erin Brown

PRODUCTION DIRECTOR Steve Swick

PRODUCTION MANAGER **Barb Evenson**Telephone: (920) 563-1629
Fax: (920) 568-2392 bevenson@southcomm.com

AUDIENCE

DEVELOPMENT MANAGER Suzanne Carlson

SOUTHCOMM, INC

CHIEF EXECUTIVE OFFICER Chris Ferrel CHIEF FINANCIAL OFFICER Bob Mahoney CHIEF OPERATING OFFICER Blair Johnson EXECUTIVE VICE PRESIDENT Gloria Coshv VICE PRESIDENT, TECHNOLOGY Eric Kammerzelt VICE PRESIDENT PRODUCTION OPERATIONS Curt Pordes VICE PRESIDENT, MARKETING Gerry Whitty
DIRECTOR OF DIGITAL BUSINESS DEVELOPMENT Lester Craft

SUBSCRIPTION CUSTOMER SERVICE

877-382-9187; 847-559-7598 Circ.VendingMarketWatch@omeda.com PO Box 3257 • Northbrook IL 60065-3257

Brett Petillo, Wright's Media 877-652-5295, ext. 118 bpetillo@wrightsmedia.com





Automatic Merchandiser (USPS 017-280), (ISSN 1061-1797 print; ISSN 1948-5697 online) is published 8 times per year in March, April, May, June, August, September, October and December by SouthComm Business Media, LLC. 1233 Janesville Ave, Fort Atkinson, WI 53538. Periodicals postage paid at Fort Atkinson, WI 53538 and additional mailing offices. **POSTMASTER:** Send address changes to *Automatic Merchandiser*, PO Box 3257, Northbrook, IL 60065-3257. Canada Post PM40612608. Return undeliverable Canadian addresses to: Automatic Merchandiser PO Box 25542. London, ON N6C 6B2.

Subscriptions: Individual print subscriptions are available without charge to qualified subscribers in the U.S. Complimentary digital subscriptions are available to qualified subscribers worldwide. Please visit www.vendingmarketwatch.com and click on "Subscribe' Publisher reserves the right to reject non-qualified subscriptions. Subscription prices: U.S. \$36 per year, \$72 two year; Canada/Mexico \$62 per year, \$108 two year; All other countries \$88 per year, \$165 two year, All subscriptions payable in U.S. funds, drawn on U.S. bank. Canadian GST#842773848. Back issue \$10 prepaid, if available Printed in the USA. Copyright 2017 SouthComm Business Media, LLC

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recordings or any information storage or retrieval system, without permission from the publisher.

SouthComm Business Media, LLC does not assume and herby disclaims any liability to any person or company for any loss or damage caused by errors or omissions in the material herein, regardless of whether such errors result from negligence, accident or any other cause whatsoever. The views and opinions in the articles herein are not to be taken as official expressions of the publishers, unless so stated. The publishers do not warrant, either expressly or by implication, the factual accuracy of the articles herein, nor do they so warrant any views or opinions offered by the authors of said articles.

SUPERCHARGE YOUR PROFITS WITH EPORT CONNECT AND YOU COULD WIN A TESLA



USAT is the industry leader in secure, unattended cashless payments and consumer engagement for the unattended retail market. We provide the industry's most comprehensive, secure, and turnkey suite of services designed specifically to connect your business to more sales, better operating data, and stronger consumer relationships. Contact your USAT Sales representative at 800.770.8539 for more information.



Want Versus Need

Sometimes the line between a good-to-have and need-to-have is a bit blurry.

usiness owners are continuously being told about "the next great thing." I know plenty that feel bombarded by salespeople. Whether it's the latest version, best quality or better price, there seems to always be some reason the business owner needs "this." It can be overwhelming. And, if there is no immediate need in the operation for the "new" item, be it a product, service, technology, or something else, it is easy to take a wait-and-see approach. Less

IT TAKES an open mind to see potential benefits.

money spent on fancy, new technologies or offerings is more money directed to the company's bottom line after all. It's a waste of time and resources to create a solution, when there is no problem. Right?

Careful consideration

I think the answer is a bit more complex. In a mature industry, such as vending, most operators are selling the same service and products. Therefore, it requires something "new" to stand out among customers.

Secondly, there is an old business saying that "if you're not growing, you're dying." Perhaps this is overly dramatic, but it

does illustrate the need for innovation. There are plenty of companies that thought they had a good thing doing business as usual (Kodak, for example). The status quo can sometimes be the path to declining sales.

Finally, what about those problems you don't know you have? The invisible ones where customers can't buy or don't like your selection. What about the inefficiencies and frustration

that create a poor working environment and reflect poorly on your business as a whole.

Let me share some examples. In this issue, Gary Joyner, our small operation contributor shares his experience with a competitor, on page 22, who did not want to invest in new vehicles or new vending machines. It cost him.

Investing is also the theme of this month's success story, WeServ Inc. headquartered in Chico, CA. Todd White, the owner, bought a strong vending business from his father, but saw an opportunity for growth and took it. He is now doing nearly \$4 million in sales and continuing to implement more technology into the operation. Read about it on page 30.

Redefine need

If you attended the NAMA OneShow (and if you didn't there's a recap on page 26), then you were likely overwhelmed by what you saw. It might be easy to ignore them as good-to-have someday, but not today. On the other hand, it may be time to take a hard look at your business and where it could go. Consider what is being offered in the industry and how others have already taken advantage of it.

It takes an open mind to see an item's potential benefits. From all natural snack and drink products that increase sales in the micro market to solutions that eliminate the need for handhelds in collecting DEX data for the vending management system, there are companies benefitting from investing in the new. At some point these were unknown and it took operators who saw their potential to try them and gain profits. There is no guarantee every idea or new investment will work, but don't be as quick as the previous generation to dismiss change. Today's industry is different, moving faster than it did even 5 years ago. That means owners need to be flexible and ready with new solutions in order to stay relevant.

AUTOMATIC MERCHANDISER EDITORIAL ADVISORY BOARD

Anant Agrawal Cantaloupe Systems

Brad Ellis Crane Co.

Carl Moser Cardinal Canteen Food Service

Chuck Reed Crane Payment Innovations (CPI)

Elyssa Allahyar-Steiner **Cantaloupe Systems**

Jeff Whitacre Food Express

leff Deitchler PrairieFire Coffee Roasters

lim Carhone **Workwell and Tradecraft** Coffee & Tea Outfitters

Jodi Glimpse Camelback Vending

Joe Hessling 365 Retail Markets

Michael Miller Mondelez International

Paresh Patel PayRange

Paul Schlossberg D/FW Consulting

Sandy Thornton VendEdge



@VendingMagazine



http://linkd.in/VendingMarketWatch

The New VM 40

Leer's breakthrough Vending Machine





An Employee Owned Company

- Low Investment Cost
- Low Operational Cost
- Quick ROI Potential
- Manage Remotely From Your Laptop or Mobile Device
- Bagged Ice Delivered By A Certified Packaged-Ice Manufacturer / Distributor

Stop by booth **1623** at NAMA to see a live demo April 19-21

People often need ice at all hours of the day and night so ice should be available for purchase 24/7. This method of ice merchandising is built around customer convenience, ultimately providing more money making opportunities for you, the machine owner.

Call: 800-766-5337 or Visit leerinc.com



VendingMarketWatch Top News Stories

Crane Launches New Venture

rane Payment Innovations
(CPI) and Crane Merchandising Systems (CMS) announce
the launch of the newest addition to
Crane's Payment and Merchandising Technologies portfolio: Crane
Connectivity Solutions (CCS).
CCS is a joint venture between CPI
vending connectivity and CMS
Streamware teams. By integrating
the engineering and development
efforts of the two businesses, CCS
is able to leverage Crane's full suite
of software, wireless hardware and



CCS will leverage Crane's software and hardware and applications.

applications into a single entity. The result is a more responsive customer experience supported by CCS technology leadership and diverse network of partners.

In the field

Already, CCS represents more than one million vending machines managed by its enterprise software and over 400,000 cashless systems installed worldwide. With nine sites in six counties, and a global network of technicians, CCS offers local support to customers in North America, Europe, Australia and the Middle East.

In addition to card readers and telemeters, CCS designs and delivers enterprise software solutions, cashless processing, mobile applications, interactive screens, hosting services, digital advertising, cashless processing, cloud reporting and consumer analytics.





Tyson Foods To Acquire AdvancePierre Foods

Tyson Foods, Inc. and AdvancePierre Foods Holdings, Inc. entered into a definitive merger agreement pursuant to which a subsidiary of Tyson will launch a tender offer to acquire all of AdvancePierre's outstanding common shares for \$40.25 per share in cash. This strategically compelling transaction provides a unique opportunity to create value by joining highly complementary market-leading portfolios.

The total enterprise value of the transaction, which has been approved by the Boards of Directors of both companies, is approximately \$4.2 billion, including \$3.2 billion in equity value and \$1.1 billion in assumption of AdvancePierre debt.

Vagabond and AMS Showcase Touchless Machine, VIV App

Vagabond and Automated Merchandising Systems have released the AMS Touchless, available to reserve immediately at vgbnd.co/market-place. The AMS Touchless machine showcases forward thinking clean design without peripheral components such



as bill validators, coin mechanisms or credit card readers anywhere on the machine. Instead, the machine relies on Vagabond's embedded VIV commerce platform for all purchases. By eliminating the need for additional components, the machine features space for a 6th selection in the snack trays, enables operators to rent or purchase the machine at 20 percent less and better engages the user.



Accent Food Services To Deploy Rubi Coffee Machines

Feniks Inc, creator and distributor of the Rubi Micro Café premium coffee kiosk, has entered into a development agreement with Accent Foods to deploy Rubi across Accent's growing base of operations.

Scott Meskin, former owner of Black Tie and current Division President for Accent Food Services Mid Atlantic Division has been an advocate of the program and his team has been placing Rubi in high volume workplace, college and hospital venues for the past two years, including at the U.S. House of Representatives in Washington, D.C.

Coca-Cola Co. Reports First Quarter Results

Net revenues declined 11 percent to \$9.1 billion, impacted by a headwind from acquisitions, divestitures and structural items of 10 percent related to the ongoing refranchising of bottling territories and a foreign currency exchange headwind of 1 percent. Muhtar Kent. Chairman and Chief Executive Officer of The Coca-Cola Company, said, "The first quarter performance was in line with our plan, and we remain on track to deliver our underlying revenue and profit targets for the full year."



Florida Fresh Vending **Buvs Automated Refreshment Services**

Florida Fresh Vending (Florida Fresh) announced the acquisition of Automated Refreshment Services (ARS) headquartered in Jacksonville, FL. ARS was founded in 1973 and serves customers in eight counties covering the Northern Florida region. Prior to the acquisition, Florida Fresh served customers throughout Central Florida from distribution centers located in Tampa, Plant City, Orlando, and Melbourne, FL. The ARS addition dramatically expands the company's footprint which now covers two thirds of the state and into Southern Georgia. Florida Fresh ranks among the largest and fastest growing independent vending and micro market services providers in the state of Florida. Including the ARS customer base, the company now serves 1,000 active customers representing over 4,000 vending machines and over 70 micro markets.



Cantaloupe Systems & Vendors Exchange **Partner For Remote Functionality**

Cantaloupe Systems has entered into a partnership with Vendors Exchange. The partnership leverages Vendors Exchange's UCB (Universal

Control Board) and Cantaloupe Systems Seed Cashless devices to enable operators the ability to make pricing and merchandising updates remotely from any Web-based device through the Cantaloupe Systems platform.

Parlevel Debuts New **Tools For Operators**

New tools enhance Parlevel's product suite and help operators spend less, sell more and optimize their operations. For Parlevel's micro market operators it added a streamlined userinterface, product addition through the kiosk and easy audit variance.

Parlevel's vending management system (VMS) operators received smart planning, Mobile Shrinkage Tracking, and DEX on demand.

Parlevel also added Parlevel Now, a customer-facing website that allows operators to connect with their customers.

Two Arizona Men **Stocked Machines With Stolen Product**

Police in Gilbert, AZ have arrested two men who allegedly scanned lesser cost items at a local Sam's Club, instead of the items they actually took, to stock vending machines the pair operated, reports ABC15 Arizona. For the past 6 months, the pair used the Sam's Club's 'scan and go APP' to purchase cheaper product options. Police believe they amassed about \$5,500 worth of products. Both men had prior felony convictions and have been charged with 60 counts of retail theft, according to the source.

People in the News

John Healy Launches 'The Vending Marketer'

John Healy, industry marketing veteran affiliated with vending since 2009 through his work for NAMA has launched a new marketing company, The Vending Marketer. Services offered by The Vending Marketer will include website builds, search engine optimization (SEO) and marketing (SEM), online advertising and other lead gen strategies and more.



Accent Food Services, based in Pflugerville, TX announced that Josh Rosenberg has been selected as one of QuantumShift's Top Entrepreneurs in America for 2017 by KPMG LLP's Private Markets Group and the University of Michigan's Ross School of Business.



U-Select-It, Inc.'s (USI) Northeast USA and Latin American Sales Manager, Jerry Gutierrez, announced that he has retired effective April 30. Gutierrez' 12-year tenure with USI caps a 54-year career in the vending industry.

365 Retail Markets Names Joe **Rogan Chief Financial Officer**

365 Retail Markets, a rapidly growing selfservice technology company, is pleased to announce the recent appointment of Joe Rogan to Chief Financial Officer. As CFO, Joe will implement processes and procedures to support 365's significant increase in customers and new product introductions.

Seaga Adds Robert Dixon As New **Marketing Manager**

Seaga, with headquarters in Freeport, III., hires a local talent to spearhead its marketing team. Marketing Manager, Robert Dixon joined the Seaga family on the 24th of April, 2017.





SEVA Finalizes Plans For 2017 Conference

he Southeastern Vending Association (SEVA) is finalizing plans for the SEVA 2017 conference themed "Igniting TEAM SEVA". The 2017 event marks the 12th anniversary of SEVA, comprised of six state vending association members including Alabama, Florida, Georgia, Louisiana, Mississippi and Tennessee. The conference is scheduled for August 15-17, 2017, at the Hilton Sandestin Beach Golf Resort & Spa in Miramar Beach, FL and attracts more than 250 attendees with more than 50 operator companies being represented.



SEVA will take place August 15 to 17 at the Hilton Sandestin Beach Golf Resort & Spa

DIGITAL

and pick up their fresh food minutes later. Digital Checkout cuts wait times by 50 percent or more. Digital Checkouts can also be used as a register staffed by a cashier during peak hours, and as a micro market kiosk other times.



USAT & Gimme Announce Partnership

USA Technologies, Inc. (USAT) announced an alliance agreement with Gimme Vending that combines USAT's ePort® cashless acceptance technology with Gimme Vending's software. It equips self-serve machines with cashless and online services capabilities that are integrated with wireless, plug-and-play technology that helps download DEX from the machines. The app then syncs vend visits in real-time with the operator's existing vending management system to populate large picture displays through a user-friendly interface.

Professional development

SEVA 2017 will offer multiple professional development opportunities over two mornings; afternoons filled with group activities including golf and volleyball; and enhanced evening events. The convention kicks-off with the Opening Night Party featuring special tailgating tents for upper level sponsors. Attendees can mingle, catch-up with industry friends, operators and suppliers, and also build new relationships. The second night will feature special entertainment. The final night includes the new Sponsor Showcase, which affords attendees valued time with sponsors. For more, visit southeasternvending.org.

CALENDAR OF EVENTS

JUNE 1-5

New England Vending Association Spring Meeting The Newport Harbor Hotel and Marina, Newport, RI

JUNE 8-9

Maryland DC Vending
Association Annual Meeting
Clarion, Ocean City, MD
www.mddcvending.org

www.mddcvending.org Phone: 571-346-1900

www.massvending.org

JUNE 22-25
Kentucky Automatic
Merchandising Council Meeting
Dale Hollow State Park,
Burkesville, KY
www.kyvending.org
Phone: 513-608-0165

JULY 25-26 NAMA 2017 Fly-In

Capital Hill Washington, DC www.namaflyin.org

AUG 15-17 SEVA 2017

Hilton Sandestin Beach Golf Resort & Spa Miramar Beach, FL http://southeasternvending.org

SEP 28-30 Texas Merchandise Vending

Association 2017 The Omni Corpus Christi, Texas http://tmva.org

Digital Checkouts Launches For Foodservice Cafes & Micro Markets

Digital Checkouts debuted a versatile, innovative and cost-saving self-order kiosk system to be an all-in-one point of sale system that would reduce labor and increase sales.

Digital Checkout uses breakthrough technology that allows customers to place and pay for orders in advance, either through a website, mobile phone app or in-person at the kiosk,





STOCK THE VERSATILE SNACK THAT BUNDLES MEALS AND BUILDS PROFITS.

66% of LUNCHABLES® customers also consume a drink, chips or crackers, fruit and a sweet treat.1

Adding Lunchables to your operation is serious business. On-the-go customers reach for Lunchables as a sensible meal foundation, prompting additional purchases. If you're looking to fuel sales growth, you won't find a better build.

of Lunchables are consumed by adults.1

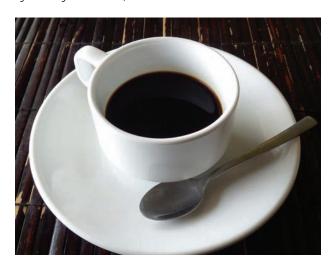
Product Name/Flavor	Pack	Net Wt.	Kraft Heinz Code
Turkey & American Cracker Stackers	16/3.4 oz.	3.4 oz.	000000447003600100
Turkey & Cheddar with Crackers	16/3.2 oz.	3.2 oz.	000000447000245500
Ham & Cheddar with Crackers	16/3.2 oz.	3.2 oz.	000000447000245800
Ham & Swiss with Crackers	16/3.2 oz.	3.2 oz.	000000447000245400
Nachos Cheese Dip & Salsa	16/4.4 oz.	4.4 oz.	000000447003603500
Extra Cheesy Pizza	16/4.2 oz.	4.2 oz.	000000447000241100

For more information, contact your Kraft Heinz sales representative today!



Daily Coffee Consumption INCREASES Among Americans, Gourmet Varieties DRIVE Increase

By Brittany Farb Gruber, Associate Editor



most robust increase occurred among those from 13 to 18 years to age, whose daily consumption rose to 37 percent in 2017 from 31 percent in 2016, capping a 14-point increase over 2014's 23 percent. The 40 to 59 age group showed an 11-point uptick over last year, rising from 53 percent in 2016 to 64 percent in 2017. Those above 60 years old moved to 68 percent in 2017 from 64 percent last year. On the younger end of the spectrum, daily coffee consumption increased from 60 percent to 63 percent among 25-39 year olds while the 18 to 24 year age group edged up to 50 percent from 2016's 48 percent.

mericans seem to be loving their caffeine more than ever. According to the recent National Coffee Association's (NCA) 2017 National Coffee Drinking Trends (NCDT) consumption tracking report, the percentage of Americans drinking coffee on a daily basis increased to 62 percent in 2017, up from 57 percent in 2016. The increase brings overall coffee consumption back above 2014 levels while reversing slow declines since 2013.

According to the NCDT, "soaring consumer enthusiasm" for coffee varieties was among the drivers behind the increase in addition to a "robust increase" in past-day coffee drinking among younger consumers.

"More of us are drinking coffee, and younger consumers appear to be leading the charge," said Bill Murray, NCA's president and CEO, in the report's news release. "A steadily growing taste for gourmet varieties is also driving a wider trend toward specialty beverages."

In fact, while the research found the frequency of daily consumption continued to grow for all age groups, the **62% 57% 62% 57%**

2017

2016

The percentage of Americans drinking coffee on a daily basis increased to 62 percent in 2017, up from 57 percent in 2016.



EL SABOR QUE NO SE **DETIENE**"

[THE FLAVOR THAT DOESN'T HOLD BACK"]



Add excitement to the office with the rich, authentic flavor of **Café Bustelo**°. Hot and iced coffee and specialty beverages come in popular formats, perfect for any office location.



AUTHENTIC & CONVENIENT FORMATS FOR YOUR OFFICE

Select Brew® C-60 Specialty Coffee System

Specialty coffee at the touch of a button



Roast & Ground and Whole Bean

Enticing aroma and flavor that stands up to milk and sugar



Bustelo Cool° Ready-to-drink coffee beverages



Call your Smucker Foodservice Sales Representative or visit smuckerfoodservice.com for more information.

Going gourmet

For the first time in the NCDT's 67-year history, more than half (59 percent) of coffee cups consumed daily are now classified as gourmet, compared to 46 percent in 2012. While traditional drip brewers are still the most common method of preparation, 2017 was the first year where fewer than half of daily coffee consumers drank coffee prepared with a drip brewer on a past-day basis (46 percent).

Perhaps most notably, daily consumption of gourmet coffee beverages among those 40 to 59 years of age jumped to 39 percent in 2017 from just 24 percent in 2016. Other daily consumption increases include 36 percent to 39 percent for those 18 to 24 years old, 41 percent to 50 percent for the 25 to 39 year olds, and 24 percent to 34 percent among the over 60 year old group. Among 13 to 18 year olds, 29 percent reported that they drank a gourmet coffee beverage yesterday, compared with 19 percent for traditional coffee, and a 70 percent share of the cups they drank were gourmet versus 30 percent non-gourmet.

Single-cup also grows

In addition to gourmet trends, single-cup brewing has also grown considerably in 2017. NCA data shows that 33 percent of American households now own a singlecup brewer, up from 29 percent in 2016 and up nearly five times since 2012.

Intent to purchase a single-cup brewer also rose with those who would "definitely or probably buy" a single-

cup brewer jumping to 17 percent in 2017, up from 10 percent in 2016.



Similarly, definite or probable gifting intent jumped by 5 percentage points over last year.

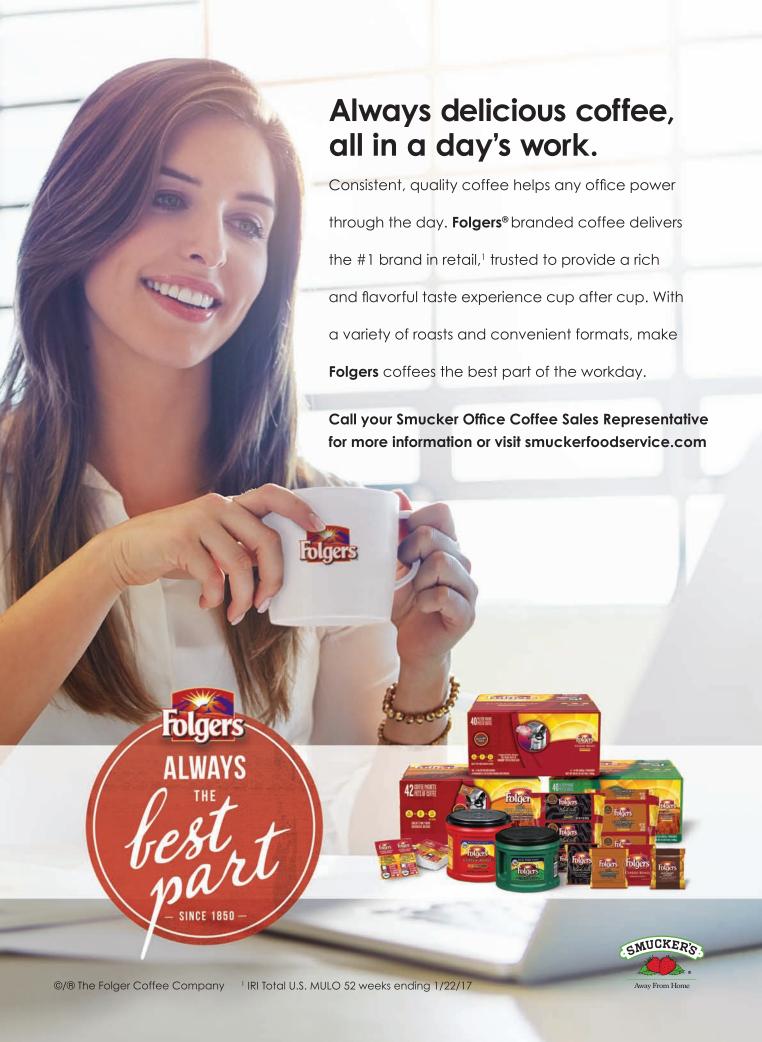
Non-espresso based beverages

To reflect the emerging popularity of premium beverages among mainstream consumers, the NCA added the new category "Non-Espresso Based Beverages" to this year's

NCDT. Beverages include cold brew, nitro coffee and frozen blended coffee. These beverages are predominately popular among consumers under 35 years of age and the NCA believes this may present potential long-term growth opportunities for the industry.

"The 2017 National Coffee Drinking Trends report shows that the coffee market is undergoing a period of transformation, driven by the demands of a new generation and the influence of new innovations," wrote Kyra Auffermann, communications and content manager at NCA, in the association's blog following the publication of the report. "'Coffee' used to be associated with a traditional percolated brew, consumed at home at the breakfast table. Now the perception of coffee has expanded to include an afternoon nitro cold brew while working at a café, or a bottle from a vending machine in the train station after work."





HEALTHY As The NEW Normal

By Brittany Farb Gruber, Associate Editor

Smarter snacking habits drive demand for healthier options in both vending and micro market settings.

ealthy snacking, once considered a possible fad, is now becoming more prevalent nationwide among American snackers. According to a report from Nielson, food purchases are becoming less driven by what is displayed on the front of the box than what is listed as ingredients. Natural, healthier foods are proving that they are here to stay, encouraging vending and micro market operators to re-think their inventory in order

to meet these evolving demands and expectations.

In a recent blog, Bill Cioni, president of Technivend in Wilmington, MA, addressed the opportunity of healthy snacks in both the vending and micro market segments. He wrote, "Healthy Vending...for many vendors this is an oxymoron. For others, it's an opportunity. It is not a fad but a trend, a way of life for many. Unfortunately, most of the old time vending companies still remember

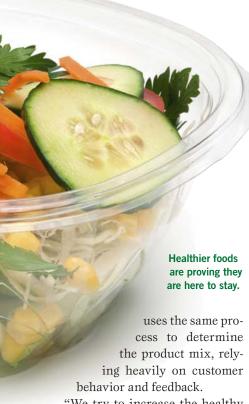
the 'good ole days' when healthy didn't sell. Some of these operators figure it out, but a lot don't. Micro markets have been a great help showing vending machine operators that healthy does sell. Yet, the product transition from micro markets to their vending machines fall short."

Instead of viewing healthy programs as just another cost, figuring out how healthier snacks can set you apart by addressing this widespread trend will offer greater sales opportunities.

What to offer

When starting to incorporate healthy snacks, Michael Ray of Healthy Generation Vending in Houston, TX suggests a ratio of 10 percent of healthier items and then adjusting to meet demand. In both his vending and micro markets, Healthy Generation Vending





"We try to increase the healthy percentage as much as possible because the demand is there and it's a market that we do not want to miss. We believe it is the future," he said. Miller explains there is a natural "lag" from "new to market" and "new to the vending market." Items he recently introduced successfully include: That's It Bars, Sargento Balanced Breaks, Snapple Straight Up Tea bottled beverages, Boulder Canyon All Natural Chips, Frito Lay's SunChips and Smartfood Popcorn.

Randy Miller of Kimble's Food in LaGrange, GA, employs a similar strategy for incorporating healthier items into his vending and micro market programs. "We do not have a given percentage for vending nor micro markets," he explained. "The customer dictate's what we offer."

In Miller's experience, fat-free and sugar-free products perform best, while micro markets have proven to be the "easiest" market in which to sell healthy. "You don't have to tie up a whole selection like in a snack machine," he said. "Instead, you can put two or three products on the shelf in a market."



U.S. Centers For Disease Control

The U.S. Centers For Disease Control's (CDC) 2015-2020 **Dietary Guidelines were** designed to help Americans eat a healthier diet. Intended for policymakers and health professionals, it offers five overarching guidelines and a number of key recommendations with specific nutritional targets and dietary limits. Vending and micro market operators can use these guidelines as a means to identify healthier snack and beverage options to offer in their vending and micro market settings.

- Follow a healthy eating pattern across the lifespan.
- Focus on variety, nutrient density and amount.
- Limit calories from added sugars and saturated fats and reduce sodium intake.
- Shift to healthier food and beverage choices
- Support healthy eating patterns for all.

Key recommendations:

- Consume less than 10 percent of calories per day from added sugars.
- Consume less than 10 percent of calories per day from saturated fats.
- Consume less than 2,300 milligrams per day of sodium.

"Demand for healthy options are definitely up in both environments, but because you are not limited by the product size in micro markets, you have many more items to choose from and higher healthy item sales," added Miller.

Millennial snacking habits

Earlier this year, a national study conducted by Amplify Snack Brands, Inc. and the Center for Generational Kinetics, both based in Austin, TX, determined that Millennials have been the main driving force behind the growth of the better-for-you snack category. As a result, thanks to these health conscious and influential consumers, healthy snacks are now sought after by a mainstream audience.

Responding to Millennials' desire for healthy snacks, colleges across the country have been re-thinking their traditional vending machine offerings. The University of Nebraska at Kearney has been working to add healthier vending snacks that contain less sugar and fewer calories than typical vending machine options. University officials also plan to keep prices of the healthier snacks identical to more typical vending snacks. On the West Coast at Contra Costa College in San Pablo, CA, professors and administrative staff petitioned for healthier food options in campus vending machines late last year. The petition, sent to the college's president, was started after English department faculty and staff raised concerns for a lack of nutritional items offered to students in vending machines, linking how sugary snacks are correlated to negative health issues and poor classroom performance.

As Millennials age, they also are influencing future generations. The study found that 69 percent of Millennial moms say their kids understand that some snacks are healthier than others and 55 percent say their kids

What's Trending

Here is a look at several of Amazon.com's best-selling healthy snacks:



Annie's Organic Fruit Snacks

Available in an array of flavors, including Berry Patch, Summer Strawberry, Sunny Citrus and Tropical Treat, Annie's Organic Fruit Snacks offers 100 percent daily value of vitamin C and contains real fruit juice. As a certified-organic product, snacks contain no artificial flavors, synthetic colors, preservatives or high-fructose corn syrup.



CLIF BAR Energy Bar, Chocolate Chip

This classic flavor provides the familiar taste of a chocolate chip cookie but in nutrient-packed snack bar. Made with organic rolled oats, each snack bar contains a whopping 10 grams of protein and 4 grams of fiber.



Clean and simple ingredients reign supreme.

are more likely to choose a better-yousnack over another packaged snack.

"Millennials have set the quality bar high for better-for-you snacks, and consumers deserve nothing less," stated Tom Ennis, Amplify Snack Brands' CEO in the study's news release.

Challenges

Cost remains one of the most common challenges for operators as it can prove difficult to find "true" healthier and clean options at reasonable prices. Spoilage and shrinkage also present costly obstacles.



Chewy Granola Bar, Protein, Peanut Butter Dark Chocolate

These snack bars were designed to provide a quick and natural energy boost while also serving as a good source of protein. Made with roasted peanuts, semi-sweet chocolate chips and creamy peanut butter, this flavor-filled snack has been a hit for those looking for a nutritious, palette-pleasing bite.



KIND Bars Dark Chocolate Nuts & Sea Salt

This nutritious nut bar is certainly not skimping on the flavor. Each bar contains just 6 grams of sugar and offers a taste-filled blend of Brazilian sea salt sprinkled over whole nuts and drizzled with dark chocolate.



Planter's Single-Serve Nut Packs

Planter's offers a variety of single-serve snack packs, including classic salted peanuts, honey-roasted peanuts and salted cashews. Ideal for healthy snackers on-the-go, each serving contains a healthy source of key nutrients such as fiber and protein.

However, this may be improving as healthy snacking trends continue to become prevalent.

"As consumers buy-in more and more and are willing to spend a little more for clean eating, companies will continue to produce better and better tasting products," said Miller. "Healthy refreshment options are the future and it is not as hard as it used to be to offer healthier options."

Balancing the old and the new also is paramount to meeting an array of customer demands. "The Snickers bar is not going anywhere, but there are new kids on the block in the snack and refreshment arena and they cost a little more, taste pretty great and are better for you," said Miller. "The consumer still wants an unhealthy treat every once and awhile and there is nothing wrong with that. Our mission is to provide healthy, clean choices along with the traditional items. Choice and balance

HEALTHY options will become prevalent as consumers place more value in them.

are the new keys to the refreshment kingdom."

Staying current about popular snack trends and new products may also prove to be challenging. Attending industry events, such as NAMA's annual OneShow, offers great opportunities to learn about what's new to the marketplace and ways to gather ideas about how to incorporate healthy items into vending and micro market segments.

Additionally, NAMA's FitPick program, a healthy vending and micro market labeling program, is designed to help both vending and micro market operators and consumers identify products that satisfy rec-

ognized nutrition guidelines. The guidelines are presented in a way that aims to be easy to understand and apply by including information about approved maximum values on calories, fat, sugar and sodium. Currently, there are approximately 665 FitPick- and FitPick SELECT-approved products that are available in vending machines and micro markets, with more products being added each day. For more information about FitPick visit www.fitpick.org.

Natural, wholesome snacks in convenient grab-and-go packages are the new direction of snacking. Healthy is no longer a fad, but part of business as usual.

PROFESSIONALISM... Or The Lack Of It About the Author Gary Joyner started in the vending business About the Author Sary Joyner started in the vending business



Gary Joyner started in the vending business in Orlando in 1994. Since then he has owned, operated and sold three vending

companies in Florida. Joyner is currently the factory authorized distributor for Federal Machine Corp. in the state of Florida. He can be reached at gwj45@aol.com. By Gary Joyner, Contributing Editor

A story to illustrate how you can win business (or lose it) based on your vehicle's appearance, driver's manners, proper cleaning and maintenance of equipment, and all the little things that create a professional service.



t all began as a beautiful spring morning on the west coast of Florida. The temperature was in the low seventies and a gentle breeze was coming in off of the Gulf of Mexico. I had my windows rolled down to enjoy the fresh air knowing full well in a couple of months that the hot humid summer in Florida would not be conducive to having my windows down thanks to the high temperatures and humidity.

I was stopped at a red light when I began to hear something very loud getting closer to my car. I looked to my left and what I saw actually began to make me angry. A cargo van pulled up beside me that looked like it had been in a war zone and it had what sounded like heavy metal music playing very, very loudly with the bass turned up as high as it could go. Let me say that I am not against rock and roll music. My wife will attest to this, although she also says I'm an old time rock and roll lover, but back to the van.

To say that the van was dirty and beat up would be an understatement. As I was contemplating it, I saw the small magnetic sign on the side. It had the name of a vending company followed by the statement "Professional Vending Services". This made me look more closely. Inside the van were two dirty, grimy looking characters. One had a baseball cap on that was backwards and the second man had a cigarette dangling from his lip.

At that point this thought came to me: "How could the vending company have such a motley looking crew and company van looking the way it did?" Is it any wonder that many people don't have a high opinion of some vending companies. I wondered what the customers of this so called professional vending company think when they show up to restock the machines looking the way they do. The idea that they would be handling food products could not be



inspiring confidence in the employees of the location.

I smiled at the people in the van, now seeing me watch them, and asked the man with the cigarette if vending was a good business to be in. He said no, because it is hard work and the only person making any money was the owner of the company. He also said they were only paid minimum wage.

Unprofessionalism loses business

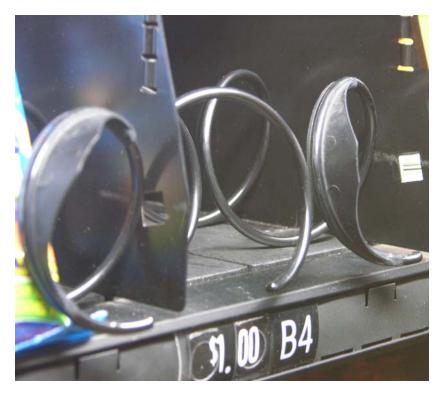
Vending companies who fit into this unprofessional category often have so many fingerprints on the front of their glassfront snack and cold beverage machines that you sometimes have trouble identifying what the products are inside. These are the same people that have ten selection cold beverage machines but only eight selections are in working condition. I think we can all agree they are not professionals. To be blunt, they are losers and they give the vending industry a black eye.

As the two characters in the rusted-out van drove off and pulled in front of me, I decided to follow. It

was only a few short blocks until they made a right turn into the parking lot of a large manufacturing plant. The first thought that occurred to me was that surely this could not be one of their locations. After watching their cargo van go behind the building I proceeded to turn into the employee parking lot. It only took a few moments for me to count a total of 227 cars.

I then drove up to the front office of the plant, went inside the front door to the lobby and told the receptionist I wanted to send their human resource manager a literature package about our vending company. She became very animated and said they were looking for a new vending company because virtually everyone was not happy with their current vendor. She gave me the name of the human resources manager and I drove to my office.

We sent out our literature package the same day and in a couple of days the human resources manager of the manufacturing plant called and asked if I would come out and talk to her about our vending company. Of



ROI is worth the initial cost installing professional equipment.

course I was very pleased to make the appointment. The next day I met with her and the plant manager in their conference room. I asked to see their current vending machines and they took me to the employee break room. I was amazed, to say the least, when we walked in and I was made aware of the fact that the location had recently remodeled the break room. They had asked the current vendor to update their vending machines to go along with the new break room decor. The vendor told them that they usually did not install new machines, but they could check into updating the equipment. The human resources and plant manager told me it has been almost two months and they had not heard a word about getting new machines from their current vendor.

What I saw in the break room was a total of five machines. Two of the

machines were from the two major bottlers in the area. One was a glass front machine that by my count had 21 sold out selections and the other eight-select drink machine had an out of service sign taped to the front. A four wide snack machine that was at least fifteen years old, a cold food machine with over half the selections filled with Ramen noodles, Gatorade, Yoo Hoo and microwaveables. The fifth machine was a coffee machine that looked as though it came over on the Titanic.

We were able to sign a 48 month vending service agreement with the location on the spot by informing them we would install brand new state-of-the-art electronic merchandisers with credit/debit card acceptors. In addition we were told they also had another smaller location about thirty minutes from the main

plant that we also signed on to service a week later.

These two prime vending locations had a combined total of 461 employees of which approximately 425 were good paying blue collar positions. The larger of the two plants was averaging \$5,100 in monthly sales and the other plant averaging \$3,800 in monthly sales.

What professional service gets you

We landed two 48 month vending service agreements that generated approximately \$427,200 in sales for the life of the agreement simply because of the other vendor. That company must have thought it was ok to operate a vending business with old, used equipment that was constantly breaking down as well as vehicles and employees who definitely were less than professional. The entire scenario took place because I happened to be in the right place at the right time to make the observation and offer an alternative. That was all, I happened to bump into the other vending company owner a few months later and he could not understand why I was willing to purchase nine brand new state-of-the-art electronic merchandisers for the location. When I told him the total cost of the machines was under \$60,000 he just shook his head. I could swear I heard him mumble to himself that he should have invested in the new machines and kept his vehicles and employees in better condition. Then he might not have lost his largest location.

Being a professional in vending doesn't cost that much more, and, in the long run, your return on invest will far exceed the price paid for not being a professional vending service provider for everyone with which you do business. In fact, an interesting side note is that the person I sold my business to still has both of those locations six years later.

INTRODUCING THE INTEGRATED, AFFORDABLE, LABOR-SAVING,

EASY-TO-USE, HEADACHE-FREE, KICKASS

SELF-CRUER & SELF-CHECKOUT KIOSK, ONLINE & MOBILE ALL IN ONE POS PLATFORM

It's fast and reliable – it never calls in sick. Digital Checkouts is the integrated hardware and software system designed for micro markets and foodservice that just works.

Digital Checkouts is the first and only platform that is completely integrated with mobile phone order, online orders, menu boards, information stations. With our easy-to-use system, you change an item or price once and it's automatically updated on each system.

Digital Checkouts is powered by a highly secure and stable network. It's versatile enough to fit in any size space. And it allows you to monitor multiple operations remotely. This is the system you've been waiting for.

Want to see it in action?

Call Digital Checkouts for an online or face-to-face demo.





2017 Was A **Record Breaking** NAMA

According to the National Automatic Merchandising Association (NAMA), the 2017 OneShow had the highest exhibitor count to date. Out of the 311 exhibiting companies, 76 were first-time participants. Not to mention the 4,500 attendees that made their way to Las Vegas this year to attend educational sessions, walk the trade show floor and network.

The General Session, sponsored by PepsiCo, featured former First Lady Laura Bush, who delivered a powerful address, sharing stories from her time in the White House and her work with the George W. Bush Institute, her recent books and her work on global healthcare and education initiatives. Following her keynote address, she took part in a one-on-one fireside chat with NAMA CEO Carla Balakgie.

The General Session also unveiled new branding for the OneShow, officially deeming it "The NAMA Show," aligning it with the long-standing nickname bestowed on the event by attendees.

The annual industry awards, hosted by NAMA Chair Pat Hagerty, were a special highlight with a ceremony honoring: Industry Person of the Year, Randy Smith; Allied Member of the Year, Mandeep Arora; and Operator of the Year, Lance Whorton.

The robust 2017 education lineup resulted in some of OneShow's highest-attended sessions, including audiences ranging from 50 to 400 + participants on Wednesday and Thursday. Key topics included micro markets, industry technology, employment law, nutrition trends, break room design and Generation C.

The highest attended sessions included "What's Trending in Vending, Coffee Service and Micro Markets" with more than 400 attendees, and "Optimize Your Business with a Technology Roadmap," with more than 200 attendees. Tuesday's four pre-conference sessions drew more than 140 attendees total — a record for pre-conference education. A selection of OneShow education presentations are available for download at www.namaoneshow.org/schedule.



The annual industry awards, hosted by NAMA Chair Pat Hagerty, left, and NAMA CEO Carla Balakgie, far right, were a special highlight with a ceremony honoring: Operator of the Year, Lance Whorton, middle left; Allied Member of the Year, Mandeep Arora, middle; and Industry Person of the Year, Randy Smith, middle right.



Following her keynote address, Laura Bush, left, took part in a one-on-one fireside chat with NAMA CEO Carla Balakgie.



PayRange founder Paresh Patel announced the company's new innovations during a live-streamed event on the trade show floor.



NAMA
welcomed
4,500
attendees
and 311
exhibiting
companies
to Las Vegas,
NV in 2017,
including
76 first time
participants.



Jonathan Hart, CEO of the Automatic Vending Association in the U.K. talked about vending in Britain with Heidi Chico, the Wittern Group and future NAMA Chair.



A number of operators weighed in on the importance of technology and lessons learned implementing it, including Megan O'Neal, general manager of Daniel's Vending.



- American Green featured a biometric vending machine at the 2017 NAMA OneShow that would dispense only after a person's identity had been verified.
- A panel discussion on adding office coffee service to your business revealed the many opportunities for new business through OCS as well as some of the challenges such as a demanding customers and additional SKUs in the warehouse. From left, Scott Halloran, Trolley House; Paul Tullio, Gourmet Coffee Services; Melinda Grandell, Accent Food Services; Mike Flanagan, Canteen; and Karen Webster, Newco.





Two Rivers Coffee created a mock workplace cafe right on the NAMA OneShow floor.



Micro markets continue to be a powerful new business driver for the industry. They dominated at the NAMA OneShow with a number of kiosk launches for smaller locations, two new micro market suppliers, enhanced shelving and micro market design offerings, and integrations with existing vending technology not to mention the selection of new products and educational sessions about how to succeed in this lucrative service segment.



▲ The highest attended sessions included "What's Trending in Vending, Coffee Service and Micro Markets" and "Optimize Your Business with a Technology Roadmap."



Micro markets now come in all sizes.



Sam Baffes, Kellogg Co., talked about the different needs of today's micro market consumer during an education session.



Specialized racks showcased different types of micro market product merchandising options, including free standing units.



Kiosk suppliers brought many micro market examples to Vegas.







▲ New, lightweight micro market displays were all the rage.



PepsiCo displayed a micro market extension of the "hello goodness" brand.



THE HEALTH LOCK Your Micro Market Insurance Policy

The MICRO MARKET segment is hot and growing with no signs of slowing down!

Nordon LLC is your trusted resource for all your Micro Market food service equipment, here to help you grow your Micro Market operations' sales and profits.

Cooler Solutions, a division of Nordon is proud to introduce the NEW Imbera Health Lock Timer on Coolers and Freezers available today!

To learn more about Imbera Health Locks, contact:

Jeff Gordon Director of Sales Cooler Solutions Direct: 215 341-3919 jgordon@coolersolutions.com



Cooler Solutions, Inc., One Cabot Blvd East Langhorne, PA 19047 215 504-4700 | www.coolersolutions.com

The **Hoshizaki DCM-270BAH** dispenses easy to chew cubelet Ice and water, and features built-in ice storage capacity. Perfect for Micro Markets, driving incremental sales and profits!

To learn more about Hoshizaki's 2017 equipment line, contact:

Sales Nordon, Inc. 215 504-4700 Visit our new website: www.nordoninc.com







Performax 30
Ideal for unattended locations.
Our commitment to protecting your investment.





that catered to local shoppers. Once the large regional supermarket came in, White's father, Ron, couldn't compete. Therefore, he decided to pivot into a new business — video and arcade service. The family expanded into vending with the acquisition of Glyn Pye Vending in 1979. It was a one-man operation with 10 accounts. With Ron at the helm, the company grew steadily, becoming a Canteen franchise in 2003.

White joined his father in the 1980s after having traveled and tried a few other careers that didn't quite fit. He loved working with his father. "He is a great man," said White. "He ran a route himself into his 60s." In retirement, White and his father play golf weekly.

It was the succession to the next generation as Ron retired, and evolving consumer needs, that sparked an opportunity to change for WeServ in 2012. White felt very strongly that a vending provider had to "follow the money." To him, that meant being able to accept any form of payment at the vending machine, especially cashless. He set about investing in card readers and today has cashless on 80 percent of machines. White feels it is one of the most significant technology investments he's ever made. "It drives up sales at the vending machine," said White. "I would recommend putting a card reader on your machines to anyone."

WeServ uses two-tier pricing, charging a dime for patrons using a debit and credit card. He feels that is a good price to cover fees and cashless service without demanding to much from vending machine users. All his card reader devices also support mobile payments, such as Apple Pay. This is important as White sees mobile gaining traction in the vending segment. "This year 10 percent of all my cashless transactions were made using a mobile device," said



Each WeServ micro market installation includes custom designed signs and stands as well as a grand opening event at the location.



WeServ provides locally roasted Has Beans coffee to the area hospital.

White. "That is a significant increase over a year ago."

WeServ services many vending machines in higher learning locations, such as junior colleges and universities. These have a higher mobile payment usage percentage and White feels their habit of buying from a vending machine with their mobile device won't stop once these students graduate. Therefore, he is ensuring that mobile purchases can be made across his business, including micro markets, by replacing a few early card readers in kiosks that don't currently support mobile payments.

A new level of control

Two years after investing in cashless, WeServ embarked on another technology journey as they added a vending management system (VMS). "VendMAX changed our world quite a bit," said White. In fact, it was such a large project that White called in long time employee Jeff Schmaljohann to help.

Schmaljohann began his career in vending as a route driver for White's father in 2000. After showing a high degree of technical ability servicing the vending machines and learning about the new technologies, Schmaljohann was pulled off routes to be a full-time technician, being made the lead technician in 2009. His knowledge of the operation and positive attitude about technology made him the perfect person to help with implementing VendMAX.



One Company. Complete Solution.











Cashless Payments

Hardware

Telemetry (LTE 4G)

VMS

Contact us today to get more information info@nayax.com | (410) 666-3800 | www.nayax.com Mention "AM-May 2017" to receive a special offer!

White made Schmaljohann general manager in 2016.

"Without a vending management system, the drivers are in control of the company," said Schmaljohann. "You are at their mercy, which can be good or bad." All that changed with the VMS. "With VendMAX, I have complete control," he said.

The VMS allows Schmaljohann and White to review vending machine service frequency, track product movement, account for money collected and much more. WeServ started prekitting using the forecasting tool which saved money and made for more robust routes. However, the hardware used to collect the vending machine data made implementation a headache. "The biggest hassle was handhelds and DEX cables," explained White. "It killed me. We couldn't keep up with cables breaking."

Frustration with the hardware led to a search for a handheld replacement. WeServ chose GIMME. "I love GIMME, because the drivers no longer complain about the handhelds not working," said Schmaljohann who finds happy drivers do a better job. "GIMME allows the drivers to work with an iPad mini instead of the handheld," added White. "The difference is night and day. Not to mention the benefits of using Bluetooth instead of a physical connection."

Schmaljohann heard non-stop complaints about the handhelds, from the little touch screens that needed a stylus that would break or go miss-

ing to accidentally DEXing the wrong machine. This last caused many errors that affected commissions for the drivers, taxes, warehouse SKU management and a lot more. "If you are on the beverage machine, but DEX the snack machine, your numbers will be way off," said Schmaljohann. With the handhelds, there would be no way to catch it until the next day.

Because GIMME uses Bluetooth, the driver taps the machine to start the data collection process. There is simply no way to DEX the wrong machine, according to Schmaljohann. GIMME feeds the DEX data from the vending machines into the WeServ VMS seamlessly,

Success In Micro Markets

Retail experience leads to superior micro market workers

Todd White's family used to own grocery stores before getting into vending. He understands well the difference between a retail store and vending, which has limited merchandising possibilities. That is why when he launched into micro markets in

2015, he only transferred a few trusted drivers over that wanted to learn. The rest of the micro market staff came from diverse retail backgrounds. "I always look for people in the retail mode," said White. He has hired 99 cent store manag-

ers, convenience store employees, retail associates, etc. White even separates most of the micro market products from the vending products. "There is not a ton of cross over," he added, and he never combines the two on routes.

Strong micro market merchandising is a must

Micro markets account for more than \$1 million in annual revenues for Todd White, CEO of WeServ. He pulls from his grocery store background to merchandise the micro markets similar to retail stores with spinner racks, baskets of fresh fruit, convenience valet units that include items like pain killers, peg bags of everything from candy to pretzels, and locally made items. Among customer favorites are the fresh donuts made daily, caterer-provided pasta salads and quinoa, local granola and nuts, as well as the coffee roasted by Chico, CAbased Has Beans.



Doughnuts made locally each day are offered in WeServ micro markets.

allowing for the beneficial reporting, forecasting, etc. A photo of the vending machine, complete with planogram, displays on the iPad making it easy for a driver to restock without having to remember what item went into a sold out spiral or what the correct par level is for every spiral. "I estimate it cuts down on vend visits by 2 minutes per machine," said Schmaljohann. "When you service 20 to 30 machines in a day, that's a whole hour of time saved." Among the other features Schmaljohann likes about the technology is the easy-to-use interface. "GIMME has been really great. I like bring able to change the schedule while drivers are out in the field — something I could never do with a handheld," he said.

Customers have noticed a difference in WeServ's service. "We have heard that customers noticed more consistency with products. It is no longer the driver guessing what should be in the machine, it is all forecasted, prekitted and planogramed now," said Schmaljohann, "and drivers love it too."

Better service with micro markets

While continuing to look for investments that would benefit WeServ and better serve customers, White decided it was time to add micro markets. The company placed its first micro market, an Avanti Markets unit, in 2015 and White never looked back. "I like micro markets," he said. "It lets me play with merchandising, design and offerings."

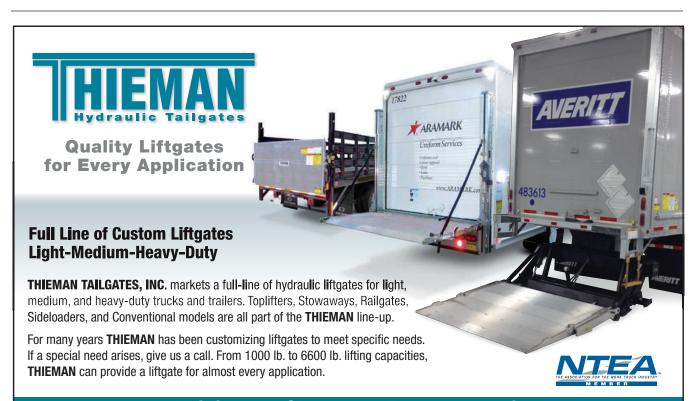
White uses his grocery store background to a higher degree in micro markets than he ever could in vending machines. He concentrates on store flow, design, product placement, adding local items and being creative with displays. "There are lots of opportunities for different options in a micro market," said White. "I think it's a lot of fun." However, White warns that you can't treat micro markets like a vending machine. He explains that a traditional vending machine operator might be tempted to put

For WeServ,
GIMME has
successfully
eliminated
hassles
associated with
handhelds.
Instead drivers
use the GIMME
key and iPad minis.

in a few prepackaged pastry items, common snack and candy options, national brand beverages, etc.



Whereas, White contracts with a local baker who makes fresh donuts daily and a caterer who specializes in trendy entrees such as pasta salad and quinoa. White's dedication to improving the offerings has paid off. In locations where WeServ replaced their vending machines with micro markets, sales increased an average of 50 percent, with some going even higher.







600 E. Wayne Street • Celina, Ohio 45822

Ph: (800) 524-5210 • 419-586-7727 • Fax: (419) 586-9724

Email: info@thiemantailgates.com • Website: www.thiemantailgates.com

"In our very first account, we replaced four vending machines doing \$900 a week with a micro market," explained Schmaljohann. "Right away, it started doing \$500 a day, \$2,500 a week. It is now making \$3,000 a week." Schmaljohann believes the micro markets are reaching people that wouldn't use a vending machine, and that results in the sustained increase in sales. Another reason markets do so well is that Northern California is a lot of framing and small towns, so the audience at a location is more limited on other eating and refreshment choices. "They rely heavily on the vending machines, and now micro markets," said Schmaljohann. This gives WeServ added flexibility around where it places micro markets. "We have some accounts under 100 people that are successful, provided we right size the market," said White. "We might place one beverage cooler, one food cooler, a 24-inch snack rack and a small kiosk."

Schmaljohann believes that the most important aspect of the micro market is the grand opening. "Primarily, it functions as the day where I stay and train the customers on how to use it, set up their micro market account, and hear their feedback," he said. Typically, he holds grand openings on

Wednesdays, giving him Monday for equipment drop off and Frustrated with Long Lead Times? We've Got Your Locks Now, Ready to be Assembled! Lock America Delivers On Time with Huge Savings! We can match most every key code: Ace, American Lock, Baton, Camlock Systems, Cobra, ESD, Fort, GEM, Greenwald, Master and Even Abloy. 9168 Stellar Court Fax: 951-277-5170 Corona, CA 92883 www.laigroup.com sales@laigroup.com 800-422-2866



NeServ elevates its vending machines with branded toppers.

Tuesday to assemble and stock the market. "I stay the whole day, from 7 am to 3 pm," said Schmaljohann. "I don't want them to avoid using the market because they are afraid of doing it wrong." Instead he teaches, instructs, helps and just encourages customers to feel comfortable with the micro market. To encourage use of the micro market and market account, WeServ

provides some money in each account as well.

Multiple systems a non-issue

WeServ uses multiple micro market suppliers: Avanti Markets, Company Kitchen and 365 Retail Markets. White admits that three micro markets systems plus the VMS creates a bit more work for the segment managers, but it isn't as time consuming as some people believe. In addition, two of the systems do, or soon will, communicate with the VMS to help in management of SKUs.

Bean to cup popularity

A popular area in the micro markets as well as an independently growing segment for WeServ is office coffee service (OCS). In a location that doesn't offer free coffee to employees. White likes to offer specialty coffee options in the micro market. "Bean-to-cup brewers have been especially popular for the last couple years," he said. The new brewers fully automate the process of making a specialty beverage from espressos to mochas to cappuccinos. WeServ offers national brand coffees to customers who ask, but most of its coffee comes from a Chico-CA based cafe and coffee roaster named Has Beans. WeServ delivers it to a local hospital in addition to offices throughout the area.

White isn't afraid of delivering one of the high-end bean-to-cup brewers to locations that ask for it, provided they are willing to pay for it. "We did a location that had pantry service that wanted an espresso machine," he said. "I rented them the brewer as they require a lot of maintenance and labor over and above the initial cost outlay." It was a win for both WeServ and the location.

Credit for WeServ's continued success is do to the willingness of White to invest in new technology and the willingness of his team, including Schmaljohann, to implement and use it. White bought a great company from his father, and continued to grow it until WeServ became known as the expert service provider in Chico.



Learn more at CoffeeTeaAndWater.org

A Passion For

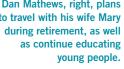
By Emily Refermat, Editor

At NAMA. Dan Mathews found the opportunity to share knowledge and see young people grow. In his retirement, this is what he hopes to continue doing.

an Mathews, National Automatic Merchandising Association's Executive Vice President and Chief Executive Officer, hadn't planned on staying at NAMA for the long haul. He had already enjoyed a storied career in the foodservice industry, but the siren call of opportunities and innovation at the association kept his interest.

Eighteen years later, Mathews is embarking on a new journey - retirement. He plans to have fun — golf, play with his grandchildren, travel — and to continue educating young professionals, sharing the ideas and knowledge to position them for success in the years to come, something that drove him during his time at NAMA.

Dan Mathews, right, plans to travel with his wife Mary



His dream job

"I love to work with young people," said Mathews, "high school seniors or college and university students who would benefit with personal leadership training to assist them in being more successful."

Mathews wants to give back in the way his own mentors did for him, by helping others achieve their hopes and dreams, address failures and successes. "They have so much to look forward to," expressed Mathews with deep feeling about the young leaders. "It is fun to watch them grow."

Cultivating leaders, especially through education opportunities, has always been important to Mathews. When he was hired by NAMA's then

An Indelible Mark: Dan Mathews Scholarship Fund **Honoring an Industry Leader**

At the 2017 NAMA OneShow, Dan Mathews' contribution to the association and the industry was recognized as he exits NAMA for retirement. Mathews' wide-ranging legacy at NAMA includes a 16-year partnership with Michigan State University offering a NAMA Endowed Professorship and hosting NAMA's prestigious Executive Development Program.

Throughout his career at NAMA, Mathews was fiercely passionate about the importance of continuing education for industry professionals, particularly small operators. He continues that with the Dan Mathews Scholarship Fund. To make a gift or pledge go online to www.namanow. org/foundation/scholarships or by mail by sending a check to the NAMA Foundation, 20 N. Wacker Drive, Suite 3500, Chicago, IL 60606. (Specify "Dan Mathews Scholarship Fund" in the memo.)

Dan Mathews' contribution to the association and the industry was recognized as he exits NAMA for retirement with a Dan Mathews Scholarship Fund.





CEO Richard Geerdes in 1999, one of his first projects was to assist NAMA in forming an affiliation with a major university.

Mathews joined the search for the right school to form a strategic partnership. While there were several interested parties, it was Michigan State (his alma mater), and in particular Ronald Cichy Ph.D. and Michael Kasavana, Ph.D., who asked what NAMA wanted from the relationship and were ready to work together from the beginning. "That is how The School of Hospitality Business at Michigan State University got the endowed professorship, and it has paid off huge dividends," said Mathews, who calls Kasavana a "machine gun of ideas."

Mathews also considers the NCE designation program one of his many accomplishments while with NAMA. The NCE or NAMA Certified Executive, is a designation earned through experience, education, demonstrated leadership and finally an exam. The designation identifies those who demonstrate outstanding professionalism and raise the standards of the entire vending, micro market and office coffee service industry.

NAMA's evolution

In the early 2000s, Mathews saw NAMA double its finances, form strategic initiatives and hold the first capital campaign. It was the beginning of a positive change for the organization and Mathews decided that while he had planned to stay only five years, he wanted to remain a part of the organization. "This industry has a tremendous volunteer group," said Mathews. "There is a strong board of directors and an active executive committee. The staff is so very caring, supportive and helpful."

Mathews was inspired to see the industry come together to address issues that threatened the future of vending. For example, in a time when vending machines were being cited as selling only junk food, the association created the Balanced for Life program to address nutrition in snack-



Lost revenue from installation delays? OptConnect provides you with instant cellular connectivity while bypassing local IT. Enjoy placement flexibility, a private network connection, 24x7 technical support and same day installations.



Call OptConnect Today 877.678.3343

ing. Mathews led the development of the nutrition program, working with industry members and nationally-recognized experts to find a solution. Balanced for Life would eventually form the current FitPick program used by operators nationwide to offer "betterfor-you" options to consumers.

Another large step forward came when NAMA went in search of a new CEO. Mathews considers the start of Carla Balakgie's term as NAMA's president and CEO another defining moment for the organization. "She brought a new level of professionalism to the association," he said. NAMA

became more global with international companies interested in the U.S. industry. There was a greater mix of professionals with women stepping into important roles. The Women in the Industry (WIN) group was founded along with the Emerging Leaders Network (ELN). "The young people in our industry are so smart," said Mathews. "I'm so impressed with them." That is why he's ready to hand over his role in the organization he loves. "There are so many dedicated young people in this organization looking for an opportunity. It's time for me to step aside and give it to them."

Enjoying the journey

As he steps away from NAMA, he's focused solidly on the future. "I'm not one to look back — I'm looking ahead. I believe I have a lot to offer, and whomever would like to be on the receiving end, I'd like to help them," he added, ready to continue to serve.

He's counting on the expansion of so many evolving segments of the industry to continue to drive growth. "Office coffee service, pantry service and micro kitchens will continue to deliver benefits for consumers and the industry overall," he added, not skipping a beat.

Marketplace

Inquiries to Julia Sheade: Toll Free: 800-547-7377 x1608 • E-mail: jsheade@southcomm.com





Contact Julia Sheade for information! 1-800-547-7377 ext. 1608 jsheade@





PRODUCT ROUNDUP





B-Tea Kombucha, a line of shelf stable, raw and organic bottled Kombucha beverages, recently has introduced their Kombucha products through an exclusive distribution agreement with Southern California leading beverage distributor Statewide Beverage Company. B-Tea Kombucha is currently available in two sizes, 8-ounce and 16-ounce bottles, and is available in 8 flavors: Original, Green Tea, Lemon Balm, Tranquility with Aloe Vera, Serenity with Chamomile, Original with Ginger, Lemonade and Chili Cleanser. All B-Tea Kombucha products are Raw, Organic and Shelf Stable.

VendingMarketWatch.com/12327773





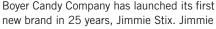
Follett Launches Chewblet® Ice, Sparkling Water And Chilled Water All In One FOLLETT CORP.

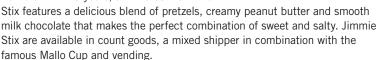
Sleek in style yet versatile in design, the new 7 and 15 Series ice and sparkling water dispensers redefine the joy of refreshment. For the first time ever, enjoy premium sparkling water and our signature, consumer-preferred Chewblet ice all in one innovative package. Only from Follett.

VendingMarketWatch.com/12328411

Jimmie Stix

BOYER CANDY CO.. THE





VendingMarketWatch.com/12322929



Chocolate Cake Twinkies®

HOSTESS BRANDS

Hostess® has introduced of Chocolate Cake Twinkies®, featuring chocolate cake with creamy filling, in the same iconic Twinkie™ shape. Not only did Chocolate Cake Twinkies score high in concept tests, but they also performed well in a blind taste test in which the vast majority of consumers said Chocolate Cake Twinkies met or exceeded expectations. Hostess Chocolate Cake Twinkies are now available at retailers nationwide and are sold in single-serve, twin-pack and multi-pack formats.

VendingMarketWatch.com/12331353



SwarmTemp SENSORSWARM

SensorSwarm has introduced Swarm-Temp that monitors three major segments of the cold chain: Retail vending/micro market coolers, distribution center walk-ins and refrigerated transportation. SwarmTemp helps operators deliver on operators' food safety promise, prevents food safety lockouts by alerting before lockout occurs and logs, stores and reports temperature data for local board of health compliance. The SwarmTemp sensor wirelessly sends temp data to the cloud, is battery operated and requires no drilling into coolers.

VendingMarketWatch.com/12328708

PRODUCT ROUNDUP





Gaviña Fresh Brewed Iced Tea

GAVIÑA COFFEE ROASTERS

Gaviña's iced teas are made with a fine selection of tea leaves from around the world and delicious tropical fruit flavors. These teas were developed with the same level of pride we take in creating a new coffee blend. We carefully selected each tea to achieve the taste profile and quality standard that is worthy of the Gaviña name. The teas come in portion controlled packs for consistent strength and are Kosher Certified. Available in five flavors that include Black, Green, Caffeine Free and Herbal.

VendingMarketWatch.com/12323437



vīv

VAGABOND VENDING LLC

Vagabond's mobile app allows consumers to walk up to a vending machine, scroll through a menu of products, review product details, and make a purchase using whatever form of payment they want. The product is delivered without the consumer ever touching the machine. Vending operators gain access to Vagabond's instant Insight telemetry hardware, VIV cashless platform, and the vending management software of their choice for \$10 per month.

VendingMarketWatch.com/ 12328096

Nona Lim Heat & Sip Cups

NONA LIM

Nona Lim Heat & Sip Cups are convenient 10-ounce to-go single serve cups of Nona Lim's most popular soup and broth varieties. Quickly heated with a microwave, Nona Lim Heat & Sip Cups are nutrition packed pick-me-ups with amazing flavor. They are currently available in Carrot Ginger Soup, Tomato Thai Basil Soup, Thai Curry and Lime Bone Broth, Vietnamese Pho Bone Broth and Miso Broth.

VendingMarketWatch.com/12330076



Fresh-Cut® Wraps

ADVANCEPIERRE FOODS

AdvancePierre Foods Fresh-Cut® has introduced new wraps for vending, micro market and convenience store retailers. The wraps include the Chicken Caesar Wrap and Southwest Turkey Wrap and are made with natural cheese and premium meats. AdvancePierre's Flavor-Guard™ packaging affords consumers a 360-degree view of the product through a sturdy, protective clamshell. A recessed formed lid creates a secure seal to lock in freshness and all products feature a front-of-pack calorie call-out.

VendingMarketWatch.com/12331350



ULTRA-LITE MICRO MARKETS

IMPROVING FUNCTIONALITY AND DURABILITY

MICRO MARKETS CAN BE INSTALLED IN ONLY MINUTES





COMPLETELY CHANGE THE APPEARANCE IN LESS THAN

10 MINUTES!

WATCH THE VIDEO AT WWW.GRAPHICSTHATPOP.COM

VERSATILE - SOLID - LIGHTWEIGHT

- Markets expand & contract as needed
- Modular interchangeable components
- Custom graphics & headers change easily
- ✓ Durable ABS plastic sides
- ✓ Strong 1/8" aluminum connection L brackets
- ✓ Threaded connections that hold more than 150lbs each



BREAKS DOWN ONTO 1 PALLET FOR EASY SHIPPING



18" SHELVES DEEP & ADJUSTABLE DIVIDERS HOLD TONS OF PRODUCT



INTERLOCKING PANELS MAKE ASSEMBLY QUICK & PAINLESS

THE GTP GUARANTEE

We are so confident that you will love our product that we back it with a money back guarantee. If you are not completely satisfied, you can return it undamaged within the first 90 days for a full refund.



Products of the Year READERS' CHOICE AWARDS



The **THIN** SNACK with **WIDE** APPEAL

Help drive on-the-go business with OREO THINS Cookies. The portable take on the cookie they love.



It's the best of both worlds—an OREO Cookie in a thinner, portable snack. In an easy-grab 4-cookie format customers can take anywhere.

- From the brand with 95% brand awareness¹ that makes the #1 cookie in America²
- 90% of consumers surveyed who tried OREO THINS would repurchase³

Pack size: 4 cookies **Total Calories: 140**





1-855-202-3913

fs-snacks-desserts.com

1. Ipsos, brand health tracker, Q3 2014

2. Nielsen, xAOC plus Convenience, latest 52 weeks ending 10/24/15 3. Nielsen, BASES® II, January 2015