

THE WIDGET

DEVELOPMENT & TRADING COMPANY, LLC.

FROM CONCEPT TO DISTRIBUTION

Home Style Sausage Products



Home Style Foods





Home Style Foods in Sam's Club Past and Present Buyers include but are not limited to:





























U.S. FOODSERVICE



McLauren Meat **Distribution**





Frozen Goat Chunks Locally grown, processed in the USA

- Frozen Goat Chunks
- •Grown in the USA
- •Extended Shelf Life
- •Allows for more introduction time and marketing time.
- •Opportunities to expand distribution into other Distribution Channels



> Food Service/Restaurant/Institutions



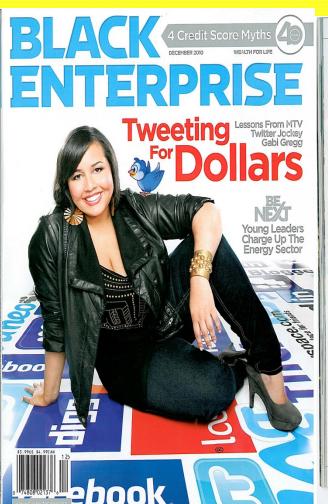


Guinea Fowl Galette

Gotcha Goat Meat



In the beginning



Tapping the

Boost your business by selling your product internationally

processor and distributor of turkey, pork, and chicken sausages, would resonate with black South American palates. has had a local following since the business opened in the midnext stage was to look beyond U.S. shores.

But Martin believes he can do better." I looked at the [revenues], the recipe and outsource the manufacturing), they have to coorlooking for quality products beyond our borders," he says.

tion. SUSTA is a nonprofit agricultural export trade develop- or April 2011 and increase the company's sales by 40% to 50%. ment association made up of the agriculture departments of 15 southern states and Puerto Rico. With the delegation came representatives from retail giant Wal-Mart Stores Inc., whose

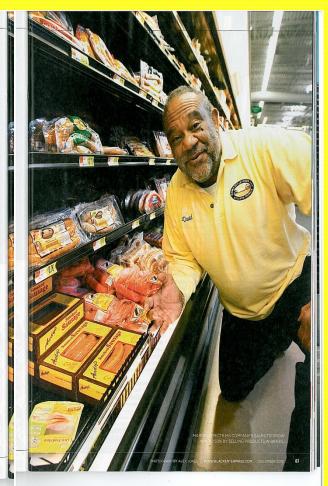
DAVID MARTIN WAS COOKING UP WHAT WAS PERHAPS 400-plus Walmarts in Brazil would serve as Home Style Foods pathway into the country. A lot of potential business was rest-Inside an Atlanta botel, the president and CEO of Home ing on the critique of the delegation. After all, Brazil has one of Style Foods LLC. wanted to impress a delegation of Brazilian the largest economies in the world, and a sizable population. businesspeople brought to the U.S. in 2008 to identify American Though Home Style seeks to appeal to a broad population, the producers of food products. Home Style Foods, an Atlanta-based hope was that the Southern-style smoked flavor of the sausages

1990s, but Martin felt the best way to take the business to the sausages. "We also showed (the Brazilian delegation) the chicken and turkey sausage and one said, 'I like all of them," Martin Home Style Foods' products are sold mostly in the Southeast recalls. As a result, the company is working with the Ministry of and can be found in chain grocers, including certain Kroger, Food Agriculture, Livestock and Food Supply (Brazil's equivalent of Lion, Giant, and Walmart stores, as well as independent grocers. the U.S. Food and Drug Administration) and is in the preliminary Best known for its Southern Style Premium Smoked Sausage, the stages of exporting products to Brazil. Since Home Style Foods company posted revenues around the \$2 million mark in 2009. doesn't own the facility where the sausages are made (they own and looked at the number of people who are meat eaters and dinate with the Brazilian government and a processor based in Alabama. Once that's done, the actual sausage products must be Through the Southern United States Trade Association, Martin registered in Brazil before hitting the shelves. Martin, who is 57, participated in the trade mission to meet the Brazilian delega-

Home Style Foods is just one U.S.-based company that has realized the benefits of tapping into the global marketplace. In 2009, American companies exported about \$1.05 trillion in goods. And

By Alan Hughes









"Forming Your Widget"

Preparing to do Business

Frances L. Martin, Chairman David L. Martin, President/CEO

www.widgetdtc.com



Structuring the Business

- Tax Structure
- Legal Structure
- Marketing
- Operations
- Human Resources
- Finance



Additional Requirements

- If you elect to form your farm operation as a Corporation or Limited Liability Company (LLC), you must file with the Office of the Secretary of State.
- If you choose to form your farm operation as a Sole Propriety, (individual), you should file with the Office of the County Clerk where you live.
- You will then need to file with the Internal Revenue Service (IRS), to get a Federal Identification Number SS-4: (also referred to as an EIN-Employer Identification Number)

Business Registrations

- Registering to get a DUNS Number. The Data Universal Numbering System (DUNS), is a unique 9-digit identifier number issued and maintained by the Dun & Bradstreet Co, that verifies the existence of a business entity.
- UEI-Unique Entity Identifier
- Registering in SAM.Gov. The System for Award Management (SAM) is an official website of the U.S. Government. You may be required to register in SAM.Gov to do business with the government, (contracts, grants and programs. When you register you are issued a CAGE Number.

Safety Certifications & Insurance

- GAP (Good Agricultural Practice)
 Certifications
- Good Handling Certification
- FSMA (Food Safety Modernization Act)
- General Liability Insurance
- Product Liability Insurance



Business Planning:

- Business Planning is important to your success in business
- You can continue trying to operated by a "Flying by the Seat of your Pants" approach.
 - Waste years doing the wrong thing-When you could have been doing the right thing.
 - REMEMBER THIS: IF YOU DON'T KNOW YOUR HISTORY, YOU ARE DOOMED TO REPEAT IT.

Building a Sustainable Business

This includes the following:

- Traditional Business Planning
- Understanding Marketing Principals
- Realizing your Personal, Economic, Environmental and Community Values

Markets are forever Changing

- New Competitors enter
- Rivals go out of business
- Substitute or New Products enter the market
- Elimination of old Products

Market Assessment

- Products
 - Customer Segment
 - Unique Product Characteristics
- Distribution
 - Logistics
 - Market Locations
 - Marketing Costs

Product Classification

- NAICS Code (North American Industry Classification System)
 - Example:
 - Sausage is 311612
 - Goat Meat is 112420
 - Baked Goods 311812
- SIC Code (Standard Industrial Classification)
- SKU

(Stock Keeping Unit: your internal item number)

"Sales"



Pricing
Performance
Advertising
Adjustments

The "Buyer" Wants It! Now What?

- Company Set-Up
 - Company information, Insurance, etc.
 - Payment Terms (Discounts, days to pay, final due date
 - (2/10/30): 2 discounts, if paid in 10 days, net due in 30
- Product Set-Up
 - Global Data Synchronization (1SYNC)
 - Warehouse Set-up
 - Case Pack: Number of units per case
 - Case Cube: LxWxH/1728=Cube
 - Ti/hi (Tier-number of cases per tier: High-number of layers per pallet
- Ordering
 - EDI (Electronic Data Interchange)
 - Ordering
 - Purchase orders
 - Invoice
 - Remittance

Logistics Delivery

- Shipping Documents
 - Bill of Lading
 - Packing Slip
- Warehouse/Common Carrier
- DSD (Direct Store Delivery)
- Mail order- UPS/FedEx/USPO



Evaluation and Adjustment

- It won't be perfect the first time
- What went right
- What went wrong
- How do we fix it
- How long will it take
- Who will be responsible for the adjustment

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