FIRST CHOICE INGREDIENTS

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HOLY COW, TIME FLIES!

First Choice Ingredients celebrates 20th anniversary.

Back in 1994, Jim Pekar had a vision. He wanted to do more with his sales job at a local ingredient company. He thought the company was becoming complacent and felt like management wasn't taking advantage of the market. Jim had spent years traveling, meeting with customers of all sizes. While his customers were satisfied with his line of products, they wanted new options and applications.

After a few months noodling with the idea, Jim decided that it was time to deliver for his clients and bet on himself. He started First Choice Ingredients out of his suburban Milwaukee home on April 4, 1994.

"WITH TWO FRIENDS AND HIS SISTER WORKING BY HIS SIDE, JIM SOON LEARNED THERE WAS AN ENTIRE MARKETPLACE HUNGRY FOR HIS UNIQUE CONCENTRATES."



FCI Germantown, Wisconsin headquarters, circa 2002.



President Jim Pekar and Vice President Roger Mullins in new warehouse space in 2006.

Business took off, and after just two years, First Choice Ingredients moved into their first office.

Early on, Jim learned two valuable lessons.

Number one was to always do what you say you're going to do. It certainly wasn't a novel concept, but Jim was surprised by how many competitors just said whatever they needed to secure an order. "My vision was always for long-term success," said Pekar. "Customers trust us to deliver what we say we are going to deliver, when we say we are going to deliver. If you do this, and really focus on taking care of and anticipating their needs, you will always succeed in this business."

DID YOU KNOW? 910/0 of our business is custom flavor development.

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WHILE WE WERE Launching First Choice Ingredients, what else Was going on in 1994?

• Forrest Gump won the Oscar for best picture



- Sony Playstation was launched
- Netscape Navigator became one of the most popular web browsers



- Princess Diana and Prince Charles separated
- With the attack on Nancy Kerrigan, Tonya Harding had her skating title stripped
- Cost of a gallon of gas was \$1.11
- The sitcom Friends was
 launched



FCI looking forward to another 20 years.



Our first sign and brochure.

Jim's second valuable lesson was to make sure to assemble a group of employees that

always put the team first. "When we were lean, I always looked for people who would literally do whatever it takes. From the warehouse to clerical to the scientists, I wanted people who were committed to doing whatever was needed in order to make sure we were successful. That vision has not changed in 20 years."

In 2002, Pekar moved his 12-person operation to Germantown, WI. The initial facility included 15,000 square feet of offices and production. Today, after what Pekar guesstimates has been 10 additions and expansions, First Choice has grown to two separate facilities and over 150,000 square feet of production/warehouse space.

"Back in early 2000, we realized that our core strength was



Our first trade show booth.

producing dairy-based concentrates," said Pekar. "That is the point where we really took off. Focusing on our core competencies what we do best — enabled us to really put our heart and soul into this business."

First Choice now partners with some of the largest food companies in the world and is



Jim with his sister Jill in the early years.

considered a global specialist in the dairy concentrate marketplace. Although binded by confidentiality agreements, it's highly likely you are sampling FCI flavors daily as we are partners with some of the most popular brands and products in the world.

WHY CLEAN LABELS ARE HERE TO STAY

With watchdog groups' power rising with each successful lawsuit, more and more food companies are learning a valuable lesson. If you're going to market "all-natural" and "organic" products — you'd better make sure your products are in strict compliance, or be prepared for the consequences.

> MANY COMPANIES ARE FINDING A VIABLE ALTERNATIVE TO STRICT ORGANIC AND ALL-NATURAL GUIDELINES BY PRODUCING "CLEAN LABEL" PRODUCTS WHICH FEATURE FEW INGREDIENTS AND SIMPLE WORDING.

"Customers don't want labels with ingredients they can't pronounce," said R&D Chief and partner, Roger Mullins. "What I always tell people is to be careful with your claims, especially 'all-natural.' Make sure you have all of the data to back up your claim. It's usually a minor ingredient that negates your claim." One of the reasons Mullins believes the clean label market will continue to grow is because of poor organic supply. "There is a real shortage of organic dairy supply in the market," said Mullins. "So because of limited to no supply out there, the price just continues to increase. That means customers are out there looking for the next best thing, and right now, that is clean label products."

Supermarkets all over the country are leveraging the clean label trend by positioning clean label products in similar spaces to organic products. The result is a side-by-side product and price evaluation. And with the economy still not at full steam, customers are looking for healthy alternatives at the right price. Clean label products certainly fit the bill.

To taste our natural cheese concentrates in action and begin the process of creating your own clean label product, simply contact our inside sales team at newbauers@fcingredients.com.



MEET THE FCI TEAM



Priscilla Reeves, CFS Senior Scientist

Priscilla is a veteran Food Scientist with a wide array of experience at some of the top food companies and flavor houses in the world, including Symrise, Chr. Hansen and Givaudan. With proven expertise in sauces and dressings, Priscilla is a Certified Food Scientist from the IFT and has over 25 years of experience in dairy creation and application.



Jerry Wasikowski Sales

Jerry has been in the First Choice sales department for the last three years. He will be moving from his role as inside sales representative at our home office to Regional Sales Manager based out of Austin, Texas. We're excited to see Jerry bring his talents and energy to our southern markets.

"I'M TASTING A LITTLE BARNYARD"

New Dairy Descriptors Brochure designed to help get everyone on the same page.

All the knowledge and theory in the world doesn't guarantee that a food scientist will have a great palate, or be able to put into words what he or she is tasting. It takes a combination of training and experience to develop a sense of taste for certain flavor profiles. With that in mind, FCI has developed a new Dairy Descriptors Brochure filled with the most common dairy descriptors and terms.

> "The intent of the new brochure is really to get on the same page with our customers," said R&D Chief Roger Mullins. "It really helps speed up the product development process when everyone on the team understands the nuances and terms being discussed. Clients love having this resource

available as they are tasting products."

The brochure features 73 common dairy terms and gives brief descriptions of each. While the brochure is available to customers during taste trials at our corporate office, you can also get your own copy by emailing newbauers@fcingredients.com.

Rocky Mountain IFT Suppliers' Night Maryland IFT Suppliers' Night September 17, 2014 Denver. Colorado

Biscuit & Cracker Manufacturers' 111th Annual Convention September 21-23, 2014 Isle of Palms. South Carolina

Food Technology Summit & Expo October 1-2, 2014 Centro Banamex, Mexico City

Philadelphia IFT Suppliers' Expo October 7, 2014 Mt. Laurel, New Jersey

October 9, 2014 Baltimore, Maryland

Association of Dressing & Sauces **Annual Meeting** October 11-13, 2014 Naples, Florida

Minnesota IFT Suppliers' Expo October 22, 2014 Minneapolis, Minnesota

Longhorn IFT Suppliers' Night October 30, 2014 Frisco, Texas



FCI RENEWS SOF LEVEL 2 CERTIFICATION

In April 2014, FCI was granted a one-year renewal of their Safe Quality Food (SQF) Program Level 2 certification. Recognized by the Global Food Safety Initiative (GFSI), the SQF Program provides organizations with a rigorous system to manage food safety risks, and in turn a credible food safety certification for suppliers to stand by.

In addition to completing the SQF Program's annual audit, FCI held refresher courses to acquaint employees with regulations and any new features.



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Germantown, Wisconsin