

# Provisions International

**Location:** White River Junction, Vermont

**Business structure:** Independent Limited Liability Company (LLC)

**Product offerings:** Cheese, meat, oil, vinegar, baking supplies, condiments and other specialty foods from Europe and New England. Emphasis is on artisanal cheese.

**Services:** Marketing, delivery, in-store tastings, sales and regional hauling.

**Suppliers:** 25 regional cheese suppliers. Provisions International distributes anywhere from all of a supplier's product to only a small percentage, depending on the scale of the operation and the number and size of accounts suppliers have established on their own.

**Customers:** Regional chefs and specialty retailers

**Years in operation:** 23

**Producer requirements:** Provisions International conducts site visits to all its regional suppliers' facilities. Some of its suppliers are organic, but this is not emphasized. Product flavor and quality are the main drivers in Provisions International's sourcing.

**# of employees:** 21: 4 sales, 2 purchasers, 1 bookkeeper, 1 general manager, and additional hauling and warehouse staff.

**Pricing:** Pricing is established through negotiation with suppliers. In many cases, Provisions International orchestrates all of the distribution needs for regional cheese producers and simply charges a percentage for the service.

**Website:** [www.provisionsintl.com](http://www.provisionsintl.com)



Provisions International is a small, wholesale purveyor of specialty foods based in White River Junction, Vermont. When it was established in 1986, the company specialized in procuring and distributing European imports to its rural New England restaurant and retail clientele. In recent years, the company has shifted toward sourcing more high quality, regional products. This trend has emerged as a result of both the increased demand for, and the improved quality of, local product. Provisions International integrates regional and international, as well as rural and metropolitan, artisanal food networks. It demonstrates the importance of product knowledge and consumer education in the sales and marketing of specialty foods.

When Provisions International founder Wendy Hallgren first moved to White River Junction, Vermont in 1986, she planned to start a catering business. However, initial market research and conversations with area chefs indicated there was a much greater need for a specialty foods purveyor in the region. At the time, chefs and retailers throughout northern and central New England were placing individual orders with national specialty food companies that required costly and inefficient deliveries. Building on the contacts she had developed as a caterer in Princeton, New Jersey, Hallgren formed partnerships with established New York distributors who had long-standing relationships with European suppliers.

Today, Provisions International's service area extends from southern Maine

west to New York's Hudson Valley. The company operates out of a refurbished, turn-of-the-century building. Its facilities include a warehouse, offices, an industrial kitchen and a historic ballroom that is used for tastings and other events. Provisions International also owns a fleet of five 12-pallet trucks and makes weekly deliveries throughout the region, hauling local products south to Boston and New York and returning with imported specialty goods.

At Provisions International, products' stories and origins are viewed as integral to their value. As such, all products bear their producers' labels and new products are carefully selected not only for quality, but for the values and story they carry. This emphasis on quality and marketing characteristics is illustrated in the company's approach to expanding its selection of local products. Provisions

International initially expanded its domestic cheese selection slowly, marketing local cheeses alongside trusted imports. In addition, the company provided extensive education about product origin, differentiation and handling. As local foods became increasingly popular, the company had already established strong relationships with its customers and had proven that it would not sacrifice quality for origin. Provisions International exemplifies how small, specialty distributors can provide both their suppliers and customers with skillful marketing and efficient distribution services, as well as customer education about emerging and novelty products.

## Challenges

**Supply shortages.** While Provisions International is growing and capable of further growth, the company is wary about the unintended consequences of expansion—particularly a decline in product and service quality.

**Sourcing high-quality product.** Although the recent trend toward people seeking out locally grown food has bolstered demand for local product, the company remains committed to ensuring that product quality is not sacrificed for product origin.

**Persuading local, artisanal food producers to entrust marketing and distribution to a third party.** Provisions International initially found that many local food artisans were reluctant to relinquish tasks such as marketing, tastings for buyers, demonstrations, sales and deliveries for a 20 percent charge. Hallgren believes that few producers realize the true cost of handling sales and distribution themselves. These days, producers learn about the company from its existing suppliers and seek its professional services in order to break into new wholesale markets.

**Independent couriers can be unreliable for rural clientele.** Independent couriers generally require a full truck before they haul. This makes for irregular deliveries to rural areas where order volume and demand are low. As a result, Provisions International handles nearly all of its own deliveries and has increasingly taken on hauling jobs for independent regional producers and buyers. The company's timely deliveries have earned it a strong reputation as a reliable regional hauler.

## Lessons

**Imported specialty foods now compete with a growing number of regional artisanal products whose quality and availability have improved dramatically over the past decade.** When Provisions International started in 1986,

80 percent of their specialty cheeses were imported and 20 percent were sourced locally. These days, the ratio of imported to domestic product has nearly reversed. Hallgren attributes the improved quality of domestic products to rising consumer standards and increased opportunities for producer education and networking. However, some purchases may be driven by the exchange rate. When the dollar is strong, inexpensive imports put local producers at a disadvantage.

**Limiting scale and growth can help sustain high levels of product quality and customer service.** Although current demand exceeds supply, Provisions International remains cautious about pressuring its producers to expand. Hallgren believes that customer service and product quality are closely connected to scale and relationships and that heedless expansion could compromise quality. Hallgren advocates for cultivating more high-quality local producers rather than growing existing businesses.

**Professional resources and responsiveness to the market are critical to success.** Hallgren was able to capitalize on her market niche because of the valuable contacts she cultivated with international importers through her previous catering business in metropolitan New York. Without these contacts, starting a specialty foods distribution business in a rural area would likely have been much more difficult.

**Strong relationships between producers, distributors and wholesale customers result in a mutual investment in product quality and greater product loyalty.** Building relationships with producers requires visits to production facilities to learn about cheesemaking. Provisions International exceeds industry norms in its commitment to customer education about product care and origin. These practices forge lasting relationships with suppliers and wholesale buyers.

**Product quality and consumer satisfaction must come before product origin.** Provisions International could not afford to sacrifice the relationships and reputation it built as a purveyor of European specialty foods by distributing inferior-quality local product. Significant improvements in local, artisanal products, particularly cheeses, made it possible to carry more local goods without compromising quality. As more producers and distributors become interested in local and regional products, it is important to remember that flavor, appearance, cost and food safety remain among the most important drivers for consumers. The long-term success of local products and food businesses will require that all of these characteristics are taken into account.