

Summer of Intelligence Lunch 'n Learn Series

Distribution FAQs

July 8th, 2026

Brantly Hatrich, B&B Pecan Processors

Wendy Martin, UNFI

Quick recap

This meeting was a presentation on distribution in the food industry featuring two distribution experts: Brantley Hatrich from B&B Pecan Processors and Wendy Martin from UNFI. Brantley explained the role of local distributors, focusing on shelf-stable products in grocery store local sections, and outlined key considerations when choosing a distributor including geographic reach, service frequency, contract terms, and pricing strategies. Wendy provided insights into full-service distribution through UNFI, describing their relationship with Harris Teeter and their ability to handle refrigerated, frozen, and deli products, while discussing various fees including slotting fees and display costs. The presenters addressed questions about UPC requirements, payment terms, category reviews, and strategies for getting products onto store shelves, with both emphasizing the importance of proper product labeling, consistent communication with distributors, and promotional activities like in-store demos to drive sales.

Summary

Pecan Distribution Process Overview

Brantley Hatrich from B&B Pecan Processors presented on distribution, explaining that his company distributes local products to major grocery chains throughout the Carolinas including Harris Teeter, Lowe's Foods, Publix, Wegmans, and Food Lion. He described the distribution process, explaining that food distributors manage inventory in warehouses and trucks, monitoring when products need to be reordered. Brantley has been working in distribution for almost 11 years since graduating from UNC Pembroke with a management and marketing degree.

Grocery Store Distribution Opportunities

Brantley discussed opportunities for small businesses to get products into grocery stores through in-store demos and local distribution programs. He explained the differences

between local distribution (limited to the state where products are manufactured) and larger distributors like UNFI, comparing them to minor leagues versus major leagues in sports. Brantley provided guidance on evaluating distributors, including considering their reach, service frequency, contract terms, pricing structure, and cancellation policies before signing any agreements. He emphasized the importance of being proactive in promoting products and telling the company's story during in-store demonstrations.

Distributor Requirements and Best Practices

Brantley discussed important requirements for working with distributors, emphasizing the need for proper product labeling including UPC codes, descriptions, nutritional panels, and best-by dates. He stressed the importance of maintaining regular communication with distributors about inventory levels, lead times, and any manufacturing delays. Brantley also highlighted the need to understand receiving days and times, minimum order requirements, and free-fill requirements, while encouraging active product promotion through in-store demos and social media.

Product Distribution to Retail Shelves

Brantley explained the process of getting products on store shelves, detailing how manufacturers must ensure product availability to distributors, while distributors review new items annually with grocery chains to decide which products to add. He emphasized the importance of understanding distributor contracts thoroughly before signing and highlighted that timing from acceptance to shelf placement can take several months due to system setup. Brantley also addressed questions about payment terms, explaining they vary but are typically 15-60 days, and clarified that both approaches—selecting a distributor first or pitching directly to stores—can be effective depending on the product's scope and location.

Distributor Requirements and Pricing Strategy

Brantley discussed distributor requirements, explaining that new brands need sales data from the past six months to a year, current business history, and existing retail partnerships to get started with grocery chains. He clarified that their company only works with shelf-stable products and doesn't handle refrigerated items. When asked about competitive pricing with major brands like Pepsi or Coca-Cola, Brantley advised focusing on local section pricing rather than competing directly with national brands in the center store, suggesting that local customers are willing to pay more for quality products and that in-store promotions can help drive sales.

UNFI Distribution Process for Retailers

Wendy from UNFI explained the distribution process for getting products into Harris Teeter stores, noting that UNFI handles about 4% of Harris Teeter's business by managing products that cannot be fully served through the retailer's two warehouses. She detailed the fees involved including slotting fees of approximately \$1,200 per distribution center and in-store marketing costs ranging from \$2,800 to \$13,000 depending on the display type. Wendy clarified that products requiring refrigeration or freezing can be handled by UNFI, but deli and bakery items with short shelf lives under 21 days are not suitable for their distribution due to transit time requirements.