

Supply Chain Disruptions Increasing

COVID-19 has created supply chain disruptions in every industry. Due to perishability, the food industry has been more disrupted than others. As more people get vaccinated and the economy picks up, the pace of supply disruptions will increase.

Sunrise has attended several food industry seminars, done research and talked extensively with our suppliers to minimize out of stocks for you.

When the lockdowns first started, foodservice sales went to nearly zero and retail grocery sales zoomed ahead. Food manufacturers, especially the ones that served both segments, had to instantly shift production, package sizes and product mix. As the traditional 50-50 split between the two segments returns, those same companies have to shift back. This is the key reason for the supply disruptions. It comes down to one issue, demand forecasting.

Think about your business, can you forecast with any certainty the quantities or types of products your customers want? It shifts week to week as the number of people vaccinated, hospital caseloads, tiers and shifting government rules change. On a grand scale, the raw material suppliers, like flour and sugar, have to guess whether to supply small boxes for home baking or 50-pound bags for industrial use.

The pipeline is rebalancing and some companies are hoarding, so they don't run out. This sends the wrong demand signals to manufacturers, making the problem worse. This uneven demand and fast-growing usage causes spot shortages. All of this is fueling price increases, especially in flour and oil. Many suppliers are limiting the amount they sell to customers, based on their historic demand. This process is called selling on allocation. It's the best

way to protect the system but is frustrating when we are just trying to keep inventory so that when you need products, we have them.

The other issue in the supply chain is the national driver shortage. Before the pandemic, the U.S. Department of Transportation estimated that the trucking industry was short 100,000 drivers. The pandemic has made this worse as hiring in all industries is challenged. Many people are receiving some type of government assistance and finding it more profitable to stay home. In addition, for people concerned with keeping their distance from others,

going to work each day frightens them. So even if inventory is produced and ready, getting it trucked to the right place is not easy.

So what can you do?

The best advice we can give you is to stick with your partners. Calling new suppliers, especially for products on allocation, will not get you the items needed. If suppliers are already short, they will naturally take care of their existing customers first. Sunrise is YOUR partner. We URGE you to stick with us as the best strategy to get inventory. We are committed to serving our current customers FIRST, before we supply new business.

We also pledge to keep you informed. Sign up for our newsletter and textline so that when we have news, you can hear about it first.

These issues will eventually settle down as supply and demand become normal again. The next few months may be rough, but we should be happy that COVID-19 is fading away and we all look forward to returning to the way life was before. Sunrise has always put service first and we remain committed to you and your success.





A Chocolate Craze Awaits this Spring!

It is no secret that chocolate is a beloved staple of the bakery industry. There are several reasons why chocolate can be leveraged as a tasty tool to drive customers into your bakery; delicious flavor, rich texture, and surprisingly positive health benefits to name a few. Finding creative ways to

incorporate chocolate into your best-selling baked goods will provide a tasty upsell opportunity to increase profits.

The potential menu applications for high-quality chocolate are endless. Chocolate chip cookies and chocolate croissants are common delicacies, but don't just stop there. Chocolate-dipped strawberries deliver a visually appealing treat that combines the rich flavor profile of chocolate with the fresh taste of fruit. Try salted pretzels coated in dark chocolate for a sweet and salty snack that will have customers salivating with every bite. And last, but certainly not least, is chocolate ganache, the perfect solution for a scrumptious chocolate dessert base. You can use it as a glaze, icing for cakes, sauce, and even filling for delicious pastries.

Not only is chocolate delicious, but it also possesses antioxidants and other beneficial minerals. Dark chocolate is loaded with nutrients that positively impact your health. On average, a 100g bar of dark chocolate with 70-85% cocoa has 11 grams of fiber and 67% of the recommended dietary intake for iron, magnesium, and copper. It also contains powerful sources of antioxidants and supports a healthy heart, as the key nutrients in dark chocolate play a role in improving blood flow and lowering blood pressure.

Sunrise carries a full lineup of chocolates that promise to enhance all your tastiest sweets this spring. We stock our shelves with high-quality chocolate from premium suppliers, such as Barry Callebaut, to make sure all your chocolate-filled goodies deliver the signature flavor to keep customers coming back for more!



Enjoy Exclusive Eggs and Extracts this Spring!

#99680 Vanilla Flavor

#91113 Dark Yolk Eggs



It's Not a Dream, It's Heavy Whip and Cream!

ALTA DENA

#90216 Heavy Whipping Cream

#P90286 Manufacturing Cream



SUNRISE SPOTLIGHT: Serving Sustainable Sweets

Sustainability is top of mind for many of today's consumers. An increasing portion of the population cares about how food production impacts the environment, becoming a prominent factor in purchasing decisions. Many of these consumers are willing to pay more for a product that is organic certified. A simple solution to support sustainability efforts while also appealing to new customers falls on embracing organic ingredients throughout the menu.

Soil and water pollution, two of the major environmental problems in our world today, largely come from non-organic food production. Organically grown and produced food does not use the typical chemical fertilizers and pesticides that can damage soil over time. Organic farmers follow strict regulations and work to rebuild soil health. Under organic production, farmers use natural fertilizers and less energy.

Roughly 1/3 of all greenhouse gas emissions come from agriculture and food production, but a commitment to organic can help reduce that. Organic agriculture stores a greater amount of carbon in the soil, reducing emissions compared to conventional techniques. Organic farming also benefits wildlife. Researchers have found that organic agriculture results in greater biodiversity of plants, animals, insects, and microbes.

Eating organic is eating sustainably. Using organic foods provides a long-term solution for less soil and water pollution, a reduction in greenhouse gas emissions, and greater biodiversity. At Sunrise, we are contributing to the sustainability effort by offering a lineup of organic baking ingredients. Not only does this help our environment, but it provides our customers with the opportunity to serve delicious, organic baked goods at a premium price.



**Bite into
Signature
Flavor by
following
ABC:
Authentic.
BelGioioso.
Cheese.**



#91850 Shredded Asiago

#90888 Mascarpone Bulk



**No Dairy, No Problem!
Creamy and Consistent
Cakes Await**

RICH'S

#99019 Tres Leche



SUNRISE STATS:

6 Tasty Trends to Look Out for Through 2021



Focus on Customer Indulgence

76% of consumers prefer cakes or pastries that allow them to indulge



Look Good, Taste Good!

49% of millennials report that cakes or pastries with multiple colors are considered to be more premium



Holiday Specials and LTOs

74% of consumers state a desire to try new and exciting cake or pastry experiences



Clean Label Sweets

38% of millennial consumers said they seek out Vegan cakes and pastries compared to just 24% of the total population



Embrace Functional, Health-Conscious Foods

56% of millennials find the best cakes or pastries to be the ones that feature healthy ingredients



Sustainable Solutions

56% of consumers want to know what is in their baked good and where the ingredients come from

*Information courtesy of Barry Callebaut



2307 East 49th Street
Vernon, CA 90058

sunrisefoodservice.com