



Chin's Import - Report

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LEE KUM KEE SOY SAUCE PROMOTION



Until April 30th, enjoy special pricing on Lee Kum Kee's popular **Premium 5 gallon Soy Sauce**, specially priced at \$19.50/bucket when purchased in our minimum 5 bucket bracket. Reap extra value savings by purchasing 10 buckets, then receive (1) bucket absolutely free, resulting in a next cost of \$17.73 each.

We especially encourage new customers who have never purchased LKK's product to compare, as its naturally brewed flavor profile, easily cuts up against any other traditional Japanese competitor's product. Whether utilized in traditional Chinese stir fry, Korean teriyaki sauce, or Japanese sushi bars, customers can easily save over \$8 per bucket during this promotional period. We'll even sweeten the deal by offering to replace your worn out table dispenser bottles with matching regular (red cap) & low sodium (green cap) bottles, at no charge. Contact your local sales representative for product samples.

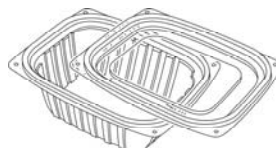
HVP RECALL TAINTS NUMEROUS FOOD PRODUCTS

In late February, hydrolyzed vegetable protein (HVP) manufactured & distributed by Basic Foods became the focus of a recall, due to *Salmonella* contamination. While the recall was slow & inefficiently communicated to the public, many food products were affected & ultimately pulled from distribution. While we did not distribute any of the affected products to the food service community, some soup bases, dips, as well as seasoning/spices were recalled. HVP is commonly used as a flavor ingredient replacement, in lieu of MSG. We have been assured by Ajinomoto & LKK, that their chicken soup bases do not contain HVP produced by Basic Foods, and are safe for consumption.



DART CONTAINER PROMOTES

Even with the chaotic nature of the most recent industry price increases on plastic related products in March, Dart Container has chosen to promote selected clear OPS products this month. While many manufacturers announced 8% price increases in Feb/Mar, some competitors have failed to implement increases on higher volume commodity product lines. The weak economy has resulted in concerns of market share



shifts, should loyal customers place brand loyalty on the back burner, when it comes to comparing bottom line pricing.

Although raw resin material costs have risen, we will be promoting selected Dart products



from the ClearPac (deli containers/lids), ClearSeal (clear hinged trays), as well as the Conex portion cup/lid line, reflecting \$1.25/case savings in April.

SUGAR PRICES SOFTEN

It appears that the worst may be over soon, as white granulated sugar prices are showing signs of weakening. C & H Sugar just recently reduced the price of its 50# sugar by \$2.50/bag. Sources indicate that prices should hold stable for the next several months, until new crop harvest is ready in June/July. While early indications are that this year's crop looks good, it may be too premature to go out on a limb to speculate.

STRONG WORLDWIDE PAPER MARKET

Having just returned from China, paper converters are indicating that raw material prices are demanding 30% higher prices, probably through August. Coupled with higher ocean freight rates, due to take effect on May 1st, the international market appears to be driving higher domestic prices on napkins, towel & tissue.



We are also seeing paper bag manufacturers announcing 10% industry wide price increases, which further supports a strong paper market at the moment.