



Chin's Import - Report

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PEAK SEASON SURCHARGE HITS



Yet another ocean freight rate increase was recently announced in May which will be affecting summer import cargo. Coined as a Peak Season Surcharge (PSS), rates are due to increase another US\$450 per 40 foot container on June 15th, a little over a month after rates took another increase on May 1st. Loading space for containers on vessels continues to be a problem, as steamship lines have parked vessels due to the down turn in economy. Upcoming rate increases will definitely be passed along to consumers on imported goods, as rates have gone up about US\$1,000 per container.

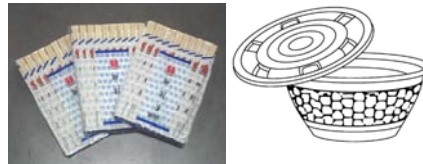
NEW FROM AMOY!

Soup stock is one of the most essential elements of cooking. Soup stock is used not only for soup, but also for stir fry, marinades, dim sum fillings, sauces, etc.



Learned from master chefs, AMOY Morchu Gaotang reproduces authentic soup stock that is made through simmering to extract flavors and nutrients from chicken, pork, and ham. Product is available in a food service pack size of 4/6 lb bags, with samples available in the coming weeks. While Ajinomoto purchased Amoy in 2009, this product is being sold under the Amoy brand name, and priced at about \$68.05/case.

KARIOUT 36 OZ BOWL PROMO



Until supplies last, we are promoting Kariout's 36 oz White Rice Bowl & Lid combination sets! Purchase (10) cases of 36 oz Bowls/Lids, and receive (1) case of 40/100 Japanese Wooden chopsticks for free. Or, purchase (5) cases of 36 oz Bowls/Lids, and receive (1) case of 40/100 chopsticks at \$10/case (a \$52 value). While supplies are limited basis, product cannot be placed on book & hold.

PAPER MANUFACTURERS ANNOUNCE JUNE INCREASE

While some are seeing signs of a strengthening economy, paper manufacturers have begun the first round of price increase announcements. In particular, Georgia-Pacific has announced a minimum of 9% increase on its line of towel, tissue, & napkins. We have seen others in the market begin to follow, as the cost of raw materials worldwide strengthen. It is rumored that pulp prices will remain strong through the end of the summer.



While Golden West's major food pail competitor has announced a 12% price increase, we have opted to maintain our current pricing & promotional allowances for an additional 30 days.

Considering many operators are feeling the pinch of tough economic times, we realize that customer brand loyalty is important.

ALMOND MARKET TIGHTENS

While sources indicate that the 2010-11 new almond harvest will yield a bumper crop in August/September, current spot prices have skyrocketed up about \$0.90/lb. Translated simply, case prices for blanch split almonds have increased over \$22/case. Although we underestimated our annual contract usage, we will be forced to purchase product on the "spot market", until new crop arrives. While some may view this negatively, many do not want to be caught holding onto higher price inventory going into a down market.

GINGER, DRIED MUSHROOM, GARLIC & PEANUT MARKETS

Because of low market prices last year, many agricultural growers have stopped planting less productive crops this season, resulting in a shortage many products. Ironically, one source has indicated that **minced garlic** in China is currently selling at higher prices than pork. We have already seen recent prices for minced garlic, up over \$25/case. Expect similar increases on **sushi ginger, dried black mushrooms, as well as peanuts.**

Ask your sales representative on how to receive a free blender, simply by purchasing Mocafe products*!



*Buy & submit a receipt for the purchase of any new blender, and receive (3) cases of selected Mocafe products absolutely free.