Women in the Industry Awards

STATE OF THE INDUSTRY REPOR

A Year of Rapid Recovery

page 14

Automatic MERCHANDISER

Convenience services for vending, micro markets and workplace beverages



NEWSCHOOL

Tech-savvy generation propels Vander Vending ahead of the pack.

page 40

Vending



Automatic MERCHANDISER



Heather Bailey SmithAmundsen



Lindsay Easter Gimme Vending



Ashley Marcellus BBI



Michelle Marsh First Class Vending



Sarah Shelton Cantaloupe



Elyssa Steiner Cantaloupe



Brittany Westerman 365 Retail Markets



Tammy Whittemore BBI



Mallory Wonoski 365 Retail Markets

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Success Story



Old school meets new school



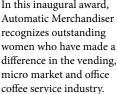
Tech-savvy generation propels Vander Vending ahead of the pack.

Features



State of the Industry Annual Report 2021: A year of rapid recovery The vending and micro market retail channel regained most of 2020's losses, but sales remained 13% behind 2019's benchmark high.

The Most Influential Women in Convenience **Services Awards** In this inaugural award,





Beverage trends for vending, OCS and micro markets

Consumers are looking for premium products and a variety of options

Unattended retail systems Technology helps boost micro markets.

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On the cover: Vander Vending founder Jerry Schreiner (right) and son Cade Ridenour (left)



******* ONLINE EXCLUSIVES**

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OCS Operator

An unprecedented referral opportunity as engagement picks up



Bob Tullio

NOW THAT OPERATORS CAN BEGIN TO FINALLY

interact directly with clients – with meetings, lunches, dinners and sporting events back on the table – operators will find themselves in a unique position of reliving the client-operator "honeymoon period," amplified by the many reinstallations that are occurring as offices repopulate.

VendingMarketWatch.com/21268136

Cantaloupe's Seed transforms Continental Services operation

Continental Services, which offers a variety of services for its multiple businesses, including vending, micro markets and office coffee, pantry and dining services, is using Cantaloupe's Seed Pro, Seed Office, and Seed Delivery to streamline its operation and drive acquisition growth.

VendingMarketWatch.com/2126914

JDE Peet's accelerates its journey toward 100% responsibly sourced coffee

JDE Peet's announced it will increase its responsibly sourced coffee target from 30% to 80% by the end of 2022. The company also announced it will invest EUR 150 million into its responsible sourcing program to directly support more than 1 million smallholder coffee farmers by 2025.

VendingMarketWatch.com/21267993

Special Report

*** * ***

Micro Market

Gallery partners with Falkbuilt to streamline build process for grab-and-go, self-serve kiosks



MICRO MARKET NEWS

The addition of Falkbuilt's Digital Component Construction technology is the latest in Gallery's lineup of innovative products being used in arenas, stadiums and retail locations across the U.S.

VendingMarketWatch.com/21269007

AutomaticMERCHANDISER



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All signs point to continued growth



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Your insights
helped us
gauge how
the industry
is recovering
after a long
pandemic year.

IN THIS ISSUE, WE ARE PLEASED TO SHARE OUR ANNUAL STATE

of the Industry Vending and Micro Market report. So many of you took the time to respond to our survey, and we are grateful to you. Your insights helped us gauge how the industry is recovering after a long pandemic year. The data shows that the vending and micro market retail channel regained most of 2020's losses, but sales remained 13% behind 2019's benchmark high. You'll find the report starting on page 14, where Nick Montano, Automatic Merchandiser contributor, writes that "A strong rebound in sales in all major food and beverage categories through vending machines and at micro markets led to a 46% increase in 2021 over the previous year's revenue. Sales in the unattended retail channel totaled \$19.4 billion in 2021, compared with \$13.3 billion in 2020, when vending and workplace refreshments suffered their biggest downturn ever."

In this issue, we are also honored to present the first-ever Automatic Merchandiser Most Influential Women in Convenience Services award winners. I enjoyed reading all of the nominations and the inspiring women in this industry who show leadership, innovation, philanthropy, guidance and passion for advocacy. These empowering women have made a positive impact on their colleagues as well as the industry. Read all about the winners – and why they are deserving of this special recognition – on page 24.

For this issue's profile, we turn the spotlight on Rock Island, Illinois-based operation, Vander Vending. Founder Jerry Schreiner says that technology has played an increasingly important role to drive the company's growth and success. Read more about Jerry and his family business on page 40.

This year is zooming by fast and so much is ahead of us. NAMA's 2022 Fly-In & Advocacy Summit on July 18-19 in Washington, D.C., will offer expert-led sessions to help define the policy agenda, and NAMA will promote several legislative items during the Fly-In & Advocacy Summit, including reinstatement of 2021 Q4 access to the Employee Retention Tax Credit. Attendees will have the opportunity to visit with members of Congress and staff to address important issues to the convenience services industry.

Lastly, the deadline for our 40 Under 40 Awards nominations is approaching, so there may still be time for you to submit an entry. The award winners will be recognized in the September/October issue of Automatic Merchandiser.

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her achievements as our marketplace recovers.

The Route Driver of the Year winner will receive a trip to NAMA 2023 in Atlanta and a gift card prize, and will be featured in the March 2023 edition of Automatic Merchandiser magazine.

Two runners-up will also receive gift card prizes!





To nominate a driver or view complete contest rules, visit bit.ly/22RDOY

No Purchase or Subscription Necessary to enter or win. A purchase or subscription will not increase a nominee's chances of winning a prize. Nominators and Nominees must be residents of the 50 U.S./D.C. and 18 years or older (19 or older in AL and NE). Nominators must be employed by an active vending operation or a customer of an active vending operation. Nominees must be employed as a route driver of an active vending operation. Drivers may nominate themselves. Ends 12/31/22. Void where prohibited. Entries will be judged. For full entry/prize details and judging criteria, access: bit.ly/RDOYrules. Sponsored solely by Endeavor Business Media, LLC., Fort Atkinson, Wisconsin. Mondelēz Global LLC is not a sponsor.



TOP NEWS

NAMA-led group urges passage of ERTCRA legislation

[ASSOCIATION]



A GROUP OF 102 NAMA-LED

coalition partners urged congressional leaders to pass the bipartisan Employee Retention Tax Credit Reinstatement Act (ERTCRA). In a letter delivered on June 2 to Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell, the associations and charitable nonprofits, which represent a wide range of small businesses, made the case that the ERTCRA is the most viable way to help small businesses recover from economic setbacks caused by the COVID-19 pandemic.

The NAMA-led coalition pointed to:

- Strong bipartisan support for the legislation across both chambers, 57 Republicans and 46 Democrats.
- Dire need for passage given inflationary pressure combined with the tax and administrative effects of the retroactive rollback of ERTC.
- CBO estimate of \$8.2 billion cost of Q4 2021 ERTC and the likelihood this number is now smaller given some businesses have now shuttered.



Quench acquires Pure Water Solutions of America

Quench, a leading provider of filtered water solutions for businesses and dealer partners across North America, announced it has acquired Pure Water Solutions of America, one of the largest providers of point-of-use drinking water systems and ice dispensers in the United States. Founded in 2012. Pure Water Solutions of America is a leading Wellsys dealer, with operations spanning five states, including Utah, Nevada, Arizona, Idaho and Washington.

VendingMarketWatch.com/ 21269758



FreshBrew announces \$10M investment in roasting, tea and RTD production

Houston-based FreshBrew, one of the largest privatelabel coffee and tea producers in the U.S., announced the investment of \$10 million into its specialty roasting and production divisions. The investment will expand current roasting production and will fund extraction, bottling and canning capabilities, making FreshBrew one of only a few companies in the country to offer total end-to-end beverage solutions, according to the announcement. Expansion is slated to be complete in early 2023.

VendingMarketWatch.com/ 21269747



Tillamook County Creamery Association expands partnership with Dot Foods

Tillamook County Creamery Association announces expanded partnership with Dot Foods. The exclusive partnership unlocks the potential for Tillamook Ice Cream to be accessible via Dot's network of customers, including more than 5,200 distributors in all 50 states.

VendingMarketWatch.com/

21269599



Coca-Cola to phase out Honest tea product line

The Coca-Cola Company is prioritizing brands with the greatest potential for scale and profitable growth. The Honest teas product line will be phased out of The Coca-Cola Company's beverage portfolio at the end of 2022. Gold Peak. a national brand, and the regional Peace Tea offering, will anchor the company's ready-to-drink tea strategy in North America. The Honest brand was founded in 1998 by Seth Goldman and Barry Nalebuff.

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Mondelēz progresses with ESG goals

Mondelēz International Inc. published its 2021 Snacking Made Right Report, demonstrating progress against its short- and longterm environmental, social and governance goals. The report shares measurable progress against key areas including more sustainable ingredient sourcing; improved packaging; increased actions to help address climate change; initiatives to advance DE&I; and support for consumer and community well-being. VendingMarketWatch.com/

21268346



Five Star Food Service to expand headquarters

Tennessee Gov. Bill
Lee, Department of
Economic and Community
Development Commissioner
Bob Rolfe and Five Star
Food Service Inc. officials
announced the company
will expand its headquarters
operations in Hamilton
County. Through this
expansion, Five Star will
create 25 new jobs as
the company relocates
its Chattanooga location.
VendingMarketWatch.com/

21268228



365 Retail Markets acquires Sentry

Australia-based Sentry is a vending management software company that offers a full-featured web application and a driver and inventory management mobile app. Designed to enhance the capability of vending and micro market businesses, Sentry's capability will complement 365's existing product offerings. Features include intuitive planograms and optimized merchandising, routing, market maintenance and picking systems.

VendingMarketWatch.com/ 21267013



Bolthouse Farms acquires Evolution Fresh from Starbucks VendinoMarketWatch.

VendingMarketWatch. com/21269165

Utz Brands to add manufacturing facility in NC

VendingMarketWatch. com/21266396

Flybuy and Apex partner to provide digital locker pickup VendingMarketWatch. com/21268836

Jack Link's to invest \$450M in Georgia manufacturing facility VendingMarketWatch. com/21266233







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PEOPLE IN THE NEWS



UNFI announces chief operating officer Eric Dorne to retire

Dorne has spent 46 years in the grocery industry and the past 11 years in senior leadership roles at United Natural Foods Inc



Travis Leonard to join Hostess Brands as new chief financial officer

Leonard will oversee all financial matters. He joins Hostess Brands with more than 25 years of global financial executive experience.



SandStar appoints Marianne Haugland Hindsgau

As the new managing director for European markets, Haugland Hindsgaul brings a wealth of experience in both technology and retail, most recently as CEO and co-founder of Bobly Inc.



Laird Superfood names Andrew Judd chief commercial officer

Judd will oversee marketing, sales, product development and customer experience to drive business growth and aggressively expand market share.



Dan Ehlen retires from AVS Companies Ehlen was a sales manager at the Hartford, Wisconsin, office and has been in the vending industry for over 30 years.



Betson Enterprises promotes Kyle Berger to VP of sales and purchasing

Berger has been an integral part of the Betson sales team since 2004 and has held progressive roles during his time, most recently, managing several national accounts.

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me to install bean-to-cup brewers in the warehouse as well."

A DESIRE TO ELEVATE THE AMENITY

Employers are turning to equipment and products to elevate the office refreshment amenity in an effort to keep employees happy. Dave Mandella, VP of sales at American Food and Vending, said there are so many positive developments in our industry right now as employers seek to elevate the office refreshment amenity - from the strong return of cold brew, to the appeal of new brewer technology, to the demand for flavored sparkling water.

CLIENTS ARE ASKING FOR MORE

Siller said he sees the same positive trend when it comes to client needs. "Today, it is unusual if a client does not order a brewer, allied products, a water machine, often with flavored sparkling water - and even an ice machine," he said.

SUPPLIER OPPORTUNITY

Employer enthusiasm has opened the door for suppliers to provide products that offer a little something extra to elevate the OCS amenity. Here are some examples and what the suppliers feel is driving interest in their products:

Alliant's sweet solution

Marina Cappagli, marketing director at Alliant Coffee Solutions, said that the company's Flavor Singles flavored sweetener packets are a great way for coffee drinkers to have their coffee the way they want it – on the go. Flavor Singles packets allow them to enjoy the perfect amount of flavor and sweetness in their coffee with just one packet.

Lavit's plug-and-play machine

Matt Van Orden, head of sales at Lavit, said his company's success is being driven by a strong upward trend favoring still and sparkling water machines. "Lavit requires no special drilling, just a counter, access to a water line and an electrical outlet. It is truly a plug-and-play machine. Lavit boasts 23 different flavors including big brands like Arizona and Celsius that come in 100% aluminum and fully recyclable Eco-capsules," said Van Orden.

Easy Ice hands-free ice machines

Angela Cook, marketing director at Easy Ice, said they have seen a notable trend toward touchless ice and water dispensers. "Hands-free ice machines, such as the Scotsman Meridian HID540, dispense popular chewable nugget ice and water directly into drinkware using sensors to ensure the ice supply is safe and users won't expose themselves to a contaminated surface," she said. "These are self-contained units that deliver between 260-500 lbs. of ice per day. Measuring 21 inches wide by 42 inches tall, this machine has a small footprint that is great for any office or breakroom." They can also be installed on a stand, so a business can install a hands-free ice nugget ice dispenser, even without free countertop space.

Waterlogic's touch-free unit

Lisa Vanwyngarden, director of marketing at Waterlogic, said her company is also seeing an increase in customers wanting touch-free solutions to help employees feel safe returning to the office amid COVID-19 concerns. "Our new WL3 Firewall unit has been really popular to meet that demand since it has an infrared sensor to dispense cold, ambient and sparkling water," she said.

Pods are picking up steam

Ryan Barrett of White Bear Coffee Company is seeing opportunity in the pod market. "The strongest growth area for us right now is our biodegradable single-cup coffee pods, brewed on the Newco CX Touch."

Ratio Six - double-digit growth

Mark Hellweg, founder and CEO of Ratio, said his company is seeing double-digit growth in its Ratio Six coffee machine. "We are seeing lots of offices reopening and upgrading coffee

equipment so that employees coming back to work find an elevated experience. They want to taste coffee that is similar to the coffee they're paying for at a specialty café," said Hellweg.

SUSTAINABLE SOLUTIONS THAT ELEVATE THE AMENITY

Three companies that recently cosponsored a Vending Market Watch webinar, "How operators can earn more through sustainable solutions," are surging because their products can instantly elevate a refreshment program, as a sustainable solution.

- With its on-demand micro roaster, ansā coffee is seeing huge interest from operators around the country.
- Faced with scrutiny from clients about their own level of sustainability, operators can turn to Marco Beverage System for POUR'D – a bag-in-box cold brew system that significantly lowers an operator's carbon footprint while offering an easy cold brew solution.
- As the world seeks sustainable alternatives to their favorite products, Güdpod Coffee has rolled out a line of 100% compostable, Keurigcompatible pods.

"When we visit workplaces with our clients, the HR directors and facility managers tell us that our type of product checks off all their boxes by elevating the amenity and providing a sustainable solution at the same time," said Miguel Gonzalez, chief sales officer at Güdpod. "That combination is what clients want to see today." •



About the author

Industry consultant and Vending Market Watch.comcontributing editor Bob Tullio is a content specialist who advises operators in the convenience services industry

on how to build a successful business from the ground up and advises suppliers on how to successfully connect with operators. Tullio's YouTube channel, b2b Perspective, is designed to "elevate your business in two minutes" For more info, visit www.tulliob2b.com or email bob@tulliob2b.com.

2021 A year of RAPID RECOVERY

The vending and micro market retail channel regained most of 2020's losses, but sales remained 13% behind 2019's benchmark high.

By Nick Montano, Contributor

CHART 1A: Industry revenue in billions

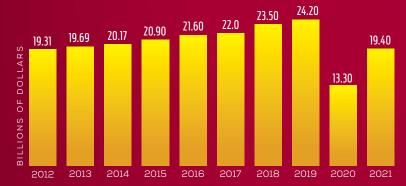
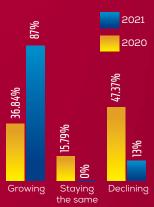


CHART 2: Operator sales

SIZE	REVENUE RANGE	% OF 2021 OPERATORS	PROJECTED 2021 SALES	% OF 2021 SALES
Small	under \$1M	58.2%	\$1.261B	6.50%
Medium	\$1M - \$4.9M	30.6%	\$4.520B	23.30%
Large	\$5M - \$9.9M	5.6%	\$4.016B	20.70%
Extra large	\$10M+	5.6%	\$9.603B	49.50%

CHART 1B: Micro market 2-year review



49.5% of the industry's revenue is made up of 5.6% of the businesses



all major food and beverage categories through vending machines and at micro markets led to a 46% increase in 2021 over the previous year's revenue, according to Automatic Merchandiser's latest State of the Industry report. Sales in the unattended retail channel totaled \$19.4 billion in 2021, compared with \$13.3 billion in 2020, when vending and workplace refreshments suffered their biggest downturn ever.

The vending industry's revenue was initially expected to fully return to, or surpass, 2019's benchmark revenue high of \$22.2 billion, after falling 45% in 2020, the first year of the pandemic that brought months-long lockdowns. Conversely, lingering at-home work patterns intensified by coronavirus variants, rising inflation and supply chain disruptions worked together to hinder a stouter recovery in 2021, and continue to do so this year. Vending operators tried to beat back this perfect storm of headwinds with price increases, which had a limited impact due to key product shortages. In the end, 2021 remained \$2.8 billion below 2019's pre-COVID high-water mark.

U.S. vending operators and the businesses they serve did their best to adjust to the new economic realities of the COVID world, with some success. Those realities are profoundly affecting workplace service providers more than any other merchant class. And the new reality that became evident in 2020 is a game-changer: the performance of vending, micro markets, coffee service and contract foodservice is no longer tied to employment like it had always been. Low unemployment rates no longer translate to more people at offices as key U.S. employers have transitioned to remote or hybrid work models.

Last year, in fact, total job numbers grew 4.6%, according to the Congressional Budget Office, making 2021 the seventh-fastest year of job growth since the end of World War II. In general, according to CBO's relative pre-pandemic projections, adjusted for population, the U.S. economy

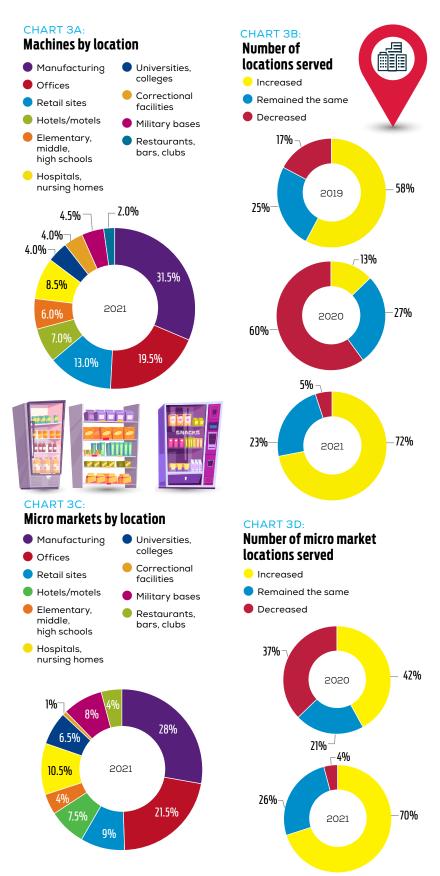


CHART 4A: **Estimated total** Percentage of each type that makes vending machines up placed vending machines Cold beverage 3,504,566 in 2016 Glassfront 2.5% Refrigerated 3.5% 12.5% 2.103.473 food in 2017 Hot beverage 42.0% Frozen only 2,084,500 2021 in 2018 39.5% 2,175,756 in 2019 1,740,604 in 2020 in 2021

CHART 4B: Active micro market locations

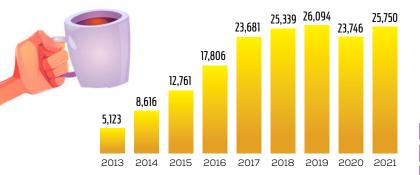


CHART 4C:

Smallest location where a micro market is currently placed

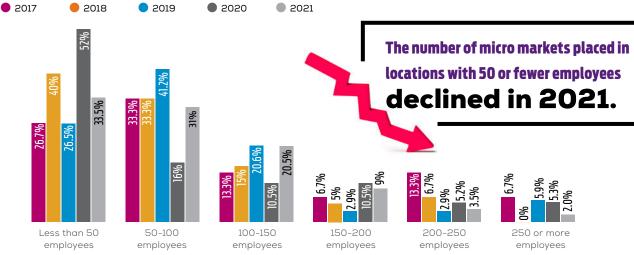


CHART 4D:

Average shrinkage rate in micro markets, as a %

	2018	2019	2020	2021
0%	0.0%	3.4%	5.2%	0.5%
1%	0.0	6.9	0.5	6.5%
2%	35.0	13.8	5.3	8.5%
3%	5.0	13.8	37.0	15.0%
4%	6.7	10.3	21.0	31.0%
5%	20.0	13.8	10.4	15.0%
6%	14.0	13.8	5.2	15.0%
>7%	19.3	20.7	10.5	7.5%
l don't know	0.0	3.5	4.9	1.0%

CHART 4E:

Most common loss prevention techniques, as a %

	2019	2020	2021
Regular market inventory	62%	63%	69%
Hired loss prevention employee	17	5	23
Working with a loss- prevention consultant	-	16	7
Screens showing canceled orders	69	58	84
Signage about theft in micro market area	66	69	62
Camera feed displayed above kiosk	76	63	61

Several operators noted that more

manufacturing clients and prospective



clients preferred vending over micro markets

because the latter presented temptation

of theft among employees.

in 2021 was still 4.4 million jobs short; additionally, 2.7 million fewer people were employed as of December than the CBO had anticipated pre-COVID. So, there's room for at-work employee population growth in the coming years.

ALL VENDED CATEGORIES UP

Regardless of the unpredictable nature of the COVID-influenced labor market, the pandemic has established the vending operator as an essential part of the business supply chain. The operator's ability to provide reliable services to workplaces was reflected in dramatic improvements in all major product categories last year.

Combined vending machine and micro market revenue gains were:

- Healthy items (including plantbased) up 200%.
- Food (sandwiches, salads, entrées) up 170%.
- Snacks (salted, bars, mixes, etc.) up 120%.
- Packaged cold drinks up 92%.
- Candy (chocolate and nonchocolate) up 85%.
- Confections (pastries, cookies, etc.) up 64%.
- Ice cream/frozen items up 50%.
- Hot drinks (vended coffee, tea, cocoa, etc.) up 40%.
- Miscellaneous "other" items up 26%.

AS EXPECTED

In the overall retail and foodservice economy, sales of plant-based foods grew three times faster than total food sales in 2021, according to data compiled by the Plant Based Foods Association, the Good Food Institute and wellnessfocused research firm SPINS. Their data showed plant-based growth at 6.2% in 2021, bringing the total plantbased market value to a record high of \$7.4 billion. Likewise, micro markets and vending installations saw their strongest year in plant-based sales, which are currently recorded as part of AM's "healthy" category. Sales in the vended healthy segment (combined

vending and micro market) beat 2019's high by 25%, increasing from \$1.4 billion to \$1.8 billion.

Packaged cold drinks held the No. 1 rank among the convenience product categories last year, generating 25% of revenue, or \$4.8 billion. Always dynamic categories, packaged snacks,

confections and candy jointly constituted the largest market share of convenience services. In 2021, these items in these categories led the way in dollar volume, representing 38% of all sales through vending machines and 34% of all sales in micro markets, or \$6.3 billion and \$1.2 billion, respectively.

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Panoptyc's "Market Detective" product uses a combination of machine learning, smart cameras, and human DVR reconnaissance to uncover, investigate and catch micro market thieves.



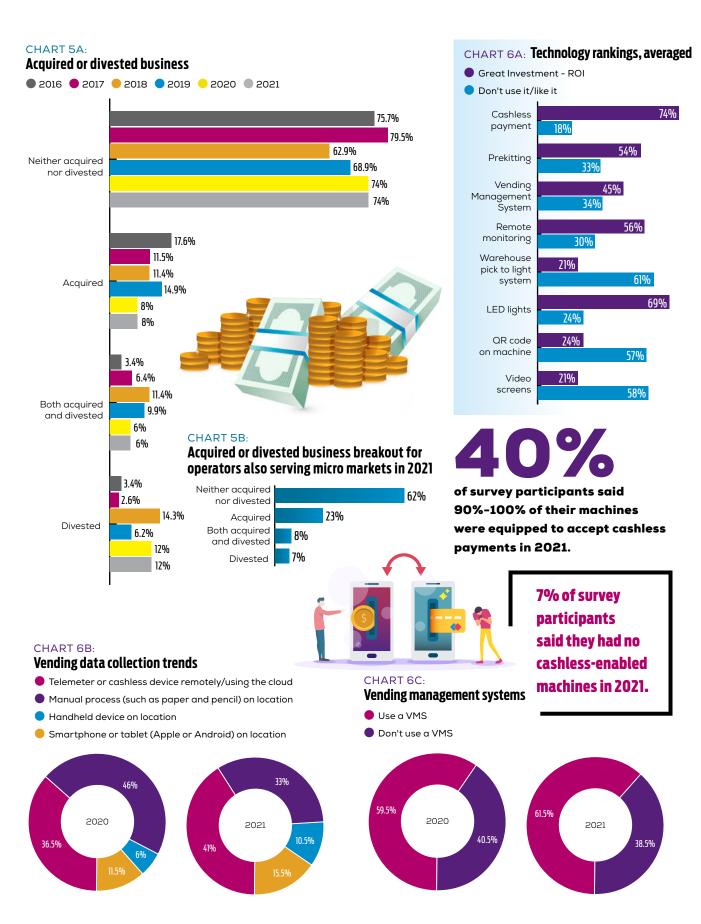
Over 3,000 micro markets use Panoptyc's artificial intelligence loss prevention solution.

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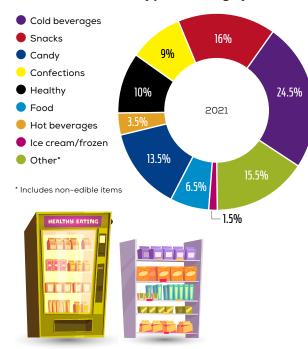


THE #1 MEAT SNACKS BRAND'+ A VARIETY OF OPTIONS.
THAT'S A GOOD PROBLEM TO HAVE.



CHART 7A:

Vended share of sales by product category



CIMME OPERATIONS GIMME OPERATIONS Automatic

CHART 7B:

Micro market share of sales by product category

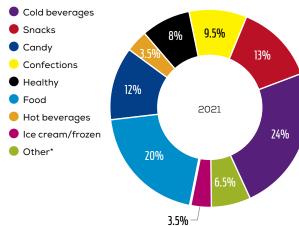


CHART 7C:

Share of sales by service category, combined services

	2019	2020	2021
Vending	50.1%	49.7%	48.0%
Micro Markets	11.1	14.6	18.5
ocs	7.2	7.0	11.0
Water service	2.5	2.5	2.5
Other	8.0	8.5	6.5
Pantry service	4.1	3.1	4.5
Bulk vending	3.4	3.1	2.5
Manual foodservice	4.4	3.1	1.5
Music	2.8	2.5	1.0
Games	4.1	2.9	1.0
Janitorial Supplies	2.2	3.0	3.0

OPERATION SNAPSHOT

Most (47%) of this year's survey participants defined their businesses as full-line operations providing vending machines, micro markets and office coffee services. About 10% were traditional full-line vending operations without micro markets, while just under 5% operate micro markets only. And some 19% of the businesses claim to be candy, snack and beverage only operations. These unattended retail areas, prevalent in workplaces, are collectively known as convenience services. About 10% said they were bottlers.

Most of this year's survey participants (70%) said they operated between one and nine routes, and 40% employed between one and five people. Almost 40% of all operators were involved in acquiring or divesting routes or parts of their operation. And most vendors (75%) said their cold drink machines, ranging from count between 5% and 100%, were supplied by a bottler. Some 71% of operators said the number of locations they served in 2021 increased.

During the 2021 recovery, the nation's operators had an estimated 1.97 million vending machines on location,

CHART 8:

Projected sales by category, in billions

VENDING PRODUCTS	2021	MICRO MARKET PRODUCTS	2021	SERVICES	2021	% CHANGE
Vended ice cream/ frozen	\$0.2 (B)	Micro market ice cream/frozen	\$0.1 (B)	Vending	\$12.2 (B)	43.53(%)
Vended food	1.2	Micro market food	0.7	Micro markets	3.3	91.18
Vended candy	2.2	Micro market candy	0.4	ocs	1.5	37.61
Vended hot beverages	0.6	Micro market hot beverages	0.1	Water service	0.4	37.93
Vended healthy	1.5	Micro market healthy	0.3	Other	0.3	25.00
Vended confections	1.5	Micro market confections	0.3	Pantry service	0.4	33.33
Vended snacks	2.6	Micro market snacks	0.5	Bulk vending	0.1	-33.33
Vended cold beverages	4.0	Micro market cold beverages	8.0	Manual food- service	0.7	11.11
Vended other	2.3	Micro market other	0.2	Music	0.2	66.67
				Games	0.2	33.33
increasing from 1.74 milli	on the			Janitorial supplies	0.2	17.65

increasing from 1.74 million the year prior. Last year's micro market installed base climbed to 25,750, up 8.5%, compared with 23,745 installed markets in 2020. Manufacturing and office locations represented a little more than half of the convenience services demographic last year.

SHELF SHOCK

For most merchant classifications, 2021 was a year of empty shelves, severely impacting U.S. retail sales. Empty shelves were evident in the vending and micro market segment, too, as operators struggled to procure common confections and beverage products that were once abundant. According to a NielsenIQ analysis of on-shelf availability, empty shelves cost U.S. retailers an estimated \$82 billion in missed sales last year. In the convenience services sector, product shortages significantly hampered the recovery.

Vending, and more recently, micro markets, rose in response to market challenges, and it has demonstrated an ability to keep on doing so. The marketplace vending operators serve has undergone a profound transformation in the past two years and their workplace clients recognize the value proposition they bring to their businesses. All signs point to continued recovery for the industry. •

Methodology

Data in Automatic Merchandiser's State of the Industry report are compiled from a survey sent to operators in the spring. It collects responses from vending and micro market providers, as well as snack and soda operations. The State of the Industry report looks at performance results in major product categories.



NAMA Opens Coffee, Tea & Water Call for Speakers, Plans New Features

Coffee Tea & Water is back, and it's bigger and better than ever in 2022, with the beautiful MGM Grand in Las Vegas as the backdrop Nov. 14-15.

NAMA's Coffee, Tea & Water Show 2022 – with an event agenda heavily focused on education – plans targeted breakout presentations across five sessions in two days. This agenda is reliant on those in the convenience services and adjacent industries to share thought leadership at the event. The Call for Speakers is open now with an August 1 deadline. Access the Call for Speakers submission form on the Coffee, Tea & Water web page (coffeeteaandwater.org/).

NAMA seeks presentations that are relevant to the coffee, tea and water audience. Some example topics include:

- · Making the workplace a destination
- Efficient route management
- · Accounting for OCS and other amenities
- Preparing for technical innovations in OCS
- · The essence of tea
- Servicing a hybrid workplace

In addition to the features that regular attendees of Coffee, Tea & Water have come to love about this event – like an expo, education and networking to keep coffee, tea and water people perking – NAMA plans other new features this year.

After successful introduction of Imagination Way at the NAMA Show 2022 in Chicago, NAMA will present Imagination Way at Coffee, Tea & Water. Focused entirely on office coffee solutions, hot beverages and office amenity services, its immersive, experiential displays will depict three environments – corporate office, industrial workplace and public spaces.



NAMA will present a targeted Imagination Way at the Coffee, Tea & Water Show after the highly successful debut of this interactive showcase of futuristic ideas at The NAMA Show 2022.

Even the expo has something new for attendees and exhibitors in 2022 – more uninterrupted time on the expo floor. The expo, which is dedicated exclusively to coffee, tea and water service, will be open for six hours straight, with lunch served inside the hall and no competing events on the agenda, ensuring that it's show time when the hall is open.

To reserve a booth, sponsor or for information about participating in Imagination Way, email events@namanow.org.

For information about attending the event, visit the Coffee, Tea and Water web page coffeeteaandwater.org to subscribe to email updates about the event. You'll be the first to know when registration opens for the event.



REGISTER

Get notifications & special offers at coffeeteaandwater.org



The Most Influential Women in Convenience Services

Awards

In this inaugural award,
Automatic Merchandiser
recognizes outstanding women
who have made a difference in
the vending, micro market and
office coffee service industry.

utomatic Merchandiser is proud to present the 2022 Most Influential Women in Convenience Services Awards. We recognize these individuals who have made a positive impact on the convenience services industry or their organization. This award is a celebration of their achievements and spotlights the most influential women who are shaping the future of the industry. We appreciate everyone who submitted a nomination for a colleague deserving of this award.

Congratulations to the Automatic Merchandiser Most Influential Women in Convenience Services award winners!



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HEATHER BAILEY



Co-chair, Labor and **Employment Service Group,** SmithAmundsen LLC

At SmithAmundsen, Heather Bailey is cochair of the firm's Labor and Employment Practice Group and the fourth woman owner of the firm. She spearheaded and serves on the firm's Committee for



Heather **Bailey**

Diversity and Inclusion, helping to recruit, retain and mentor attorneys and staff of all backgrounds. For more than 21 years, Bailey has concentrated her practice in employment and labor counseling and litigation. Through her practice, she's become a leader in the vending industry and a go-to advisor for employers/ operators. Her counseling on day-to-day operations has helped those in the vending industry gain success and avoid legal pitfalls. She has served as an employment and labor Knowledge Source Partner of NAMA since 2003, offering operators complimentary guidance and speaking at various NAMA Shows, Fly-Ins and state council meetings throughout the years. Bailey is also involved in community events and organizations. For the last 15 years, she has participated in the annual Chicago Polar Plunge to raise money and awareness for the Special Olympics. She also serves on the Advisory Council of the Illinois Restaurant Association, is a past president of the Professional Women's Club of Chicago, and is an EC member of ProVisors, where she is now the diversity, equity and inclusion liaison and host for the Women's Affinity Group.

MELISSA BROWN

Founder/Owner, Well-Bean Coffee Roasters

Melissa Brown is a self-made entrepreneur, receiving her inspiration to become a roaster while visiting coffee farms in Nicaragua on a ministry trip. Beginning with only a passion and a few setbacks, she evolved from a campus-



Melissa Brown

based coffee cart to a full-fledged, high-quality roaster and OCS, vending, micro market and pantry operator. After selling her route business, Brown continued to build her roasting business while making time to contribute to industry educational sessions as a charismatic presenter and panelist at NAMA events. She is always eager to help operators, suppliers and brokers, providing valuable input.

PATTY CLOSSER

CEO. Translucent LLC

After years in mid-level management positions at some of the largest companies, Patty Closser decided to start Translucent. The vision for the company was to help operators be successful in markets and technology and learn how to take their operations to the next level.



Patty Closser

As Closser always says, "It's all about the operators!" She is deserving of this award as a most influential leader in our industry.

LINDSAY EASTER



Operations Manager, Gimme Lindsay Easter has been awarded one of the Most Influential Women

in Convenience Services because of her ability to put herself in the shoes of operators. Empathy is one of Gimme's core values, and it is where Easter excels as a customer success/service



Lindsay Easter

employee. Even though she is new to the industry, Easter is experienced and talented in her ability to talk to anyone, and customers feel heard when working with her. She also loves this industry and is passionate about bringing new technology to improve this space. She goes above and beyond to understand convenience service operators from every role within the organization, from owners to route drivers to service techs and sales. An example of this is getting up at 3 a.m. to answer support calls, or one step further, in riding along with a route driver at 3 a.m. during product deployments. Plus, she's a coffee lover, so she's always excited to be a product tester for the operators who make their own brand of craft coffee.

CARLY FURMAN

CEO, Nayax LLC

Carly Furman has been an integral part of Nayax since she joined the company in 2014 as chief financial officer of Nayax's subsidiary companies at its R&D headquarters in Israel. Due to her hard work, in 2016, Furman was asked to relocate to Hunt Valley, Maryland, where



Carly **Furman**

she established Nayax's North American office, serving as CEO since then. Furman has been responsible for growing Nayax's North American customer base to almost 11,000 unattended business operators, making the North American branch the largest Nayax subsidiary. She has also had a global reach, being heavily involved in taking Nayax public, as the company made its debut on the Tel Aviv Stock Exchange in 2021. She has worked hard to ensure that North American merchants and consumers have access to the latest payment technologies, such as APMs when using Nayax's solution. She has pushed for EMV (Europay, Mastercard, Visa) compliance, recognizing its importance and educating the market on this topic. Furman has a B.A. in economics with an emphasis on accounting from the University of California, Santa Barbara (UCSB), and is a registered CPA.





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JAMIE GUADAGNINO

Vice President of Sales for the Vending, Office Coffee, Military and Campus Segments, Vistar

Jamie Guadagnino has recently been promoted to vice president of sales for the vending, office coffee, military and campus segments. She began her career at Vistar in customer service and has held several



Guadagnino

positions within Vistar, including purchasing, customer service management, sales management, national account management and operations general manager. Currently, Guadagnino is the president at Vistar Arizona. She has grown throughout the company, exceeding at each level.

JULIE HURRAN

Managing Director, **Bulk Vending Systems**

Julie Hurran has led from the front during the last couple of testing years at Bulk Vending Systems from Brexit to Covid. She supports women in vending, and 80% of the management at Bulk Vending Systems are women, which is a massive achievement in



Hurran

a male-dominated industry. She is an inspiration, a rock of support to all who work for her, and a role model.

LORNA KANE

Owner, Kane's Distributing

Lorna Kane grew up in the vending and convenience industry. She bought Kane's Distributing from her parents when they retired in 1999. She has maintained a tightknit community at her company despite challenges during the COVID crisis. With the first lockdown in 2020, Canadian businesses



Lorna Kane

were forced to keep their doors shut unless essential, but Kane's Distributing was deemed essential because it sells PPE products. Kane's innovative, entrepreneurial mind has helped keep the company thriving, as she was the impetus for them to diversify and move into other industries such as micro markets. She also decided to partner with Nayax and shift to more cashless payment solutions.

LORRAINE MAGNUSSEN

Owner, Lorraine Magnussen Sole Proprietor

While attending Lynchburg College,

Lorraine Magnussen worked part-time in the restaurant industry. Throughout her career, Magnussen dealt with vision impairment, and in 1986, she joined the Virginia Randolph-Sheppard program. She



Lorraine Magnussen

has managed many convenience businesses in numerous secure federal facilities. Her success is all about her employees. She is a member of various associations for the blind and is helpful to many Randolph-Sheppard Vendors. She has served the Pentagon personnel for 20 years.

ASHLEY MARCELLUS

Account Executive C-Store, Burdette Beckmann Inc. (BBI)

Ashley Marcellus is an account executive for the C-Store channel at Burdette Beckmann Inc. (BBI), a national sales agency established in 1955. BBI provides innovative solutions centered on shortterm strategy, long-term growth, and



Ashley Marcellus

unique capabilities in omni-channel and traditional segments. With trade shows cancelled due to COVID-19, the company was faced with new challenges without the opportunity to showcase items in person. Marcellus created a virtual trade show vehicle called "BBI's Early Access Box" for manufacturers. This took the company's trade shows and business to the next level by literally "thinking outside the box." Marcellus was able to pivot to help BBI clients maximize their experience successfully. She introduced the BBI Early Access Box, offering a sneak peek at manufacturer's items and deals in virtual trade shows. It included product samples, deal sheets and links to short videos of each manufacturer's items and deals. It is inspiring how Marcellus tackled a problem and created a unique way to advance and thrive during unprecedented circumstances. Due to her ingenuity, the entire Southeast C-Store team was able to partake in a virtual new way of conducting business and achieve sales. Marcellus led a traditional sales process into a brand-new novel and creative idea with finding an innovative solution.

MICHELLE MARSH



President, First Class Vending Michelle Marsh has played an integral role in taking First

Class Vending to where it is today. Her dedicated leadership has allowed the company to continue to pursue its goals and keep true to its values. As president, she cares about her employees and her



Michelle Marsh

employees' families. She isn't afraid to tackle any issue - from employee retention to product availability. She feels very strongly that all the employees in the company, from warehouse to management, are an integral part of the team. She has a unique perspective that she brings to the company when it comes to contracts, hiring and best practices. She provides encouragement, passion and kind-heartedness. Prior to becoming president of First Class, Marsh worked as an advocate in the field of domestic violence. She is passionate about helping others to become the best version of themselves. Through community partnerships, First Class has been able to provide opportunities to men and women re-entering the workforce. Marsh believes that happy employees are the heart of a successful business. She helps empower employees to be stronger and achieve their dreams, no matter their past, and she gives back to the community through volunteer work, donations and events.

Congratulations ASHLEY MARCELLUS



The entire BBI team would like to celebrate

Ashley Marcellus
for being selected as Automatic Merchandiser

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Shaping the future of the industry.









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ANGELA ROBUCK

Beverage Specialist, PrairieFire Coffee Roasters

As a beverage specialist at PrairieFire Coffee Roasters, Angela Robuck has learned the lingo, functionality and even ability to install some of the coffee equipment herself in new accounts. She is eager to learn, motivated and driven to



Angela Robuck

be the best at what she sets out to accomplish each day. Among her account team, she is the only female out of seven members, and Robuck outsold all of them in 2021 and was named the company's beverage specialist of the year. She provides excellent communication to her customers and has built long-lasting friendships due to her professionalism and hard work.

PEGGY RUSSELL

Vice President, Human Resources, Five Star Food Service

Peggy Russell serves on the senior leadership team for Five Star Food Service, Canteen's largest franchise. Since 2007, Russell has successfully guided the company through two recessions and a pandemic. Today,



Peggy Russell

her team supports a growing base of just over 2,000 employees located in eight states. Russell is a leader and advocate for diversity, respect and fairness in the workplace. She is highly committed to her practice, holding an MBA and maintaining multiple certifications through SHRM and HRCI. Russell currently serves as a founding board member of Five Star's nonprofit 501c3 foundation Feeding the Future, which raises money to donate to local food banks creating meals for kids facing hunger.

SANDY SCHOENTHALER

Micro Market Specialist Empire Vending, LLC

Sandy Schoenthaler has been referred to by many as a hurricane in this industry and with good reason. She first joined Empire Vending as a



Sandy Schoenthaler

consultant in 2019 when it landed its first micro market and quickly realized that the energy and atmosphere at the company matched her incredible ambition, and she decided to join full-time. Since then, Schoenthaler has helped lead the company to become a major hitter. She continually puts her best foot forward. With her dedication to this industry, she is influential to many, but most importantly, to strong women everywhere like her.

SARAH SHELTON

Vice President of Customer
Operations, Cantaloupe Inc.
Sarah Shelton has been in the
convenience services industry for 12
years, working closely with customers
and operations teams to ensure they

are taken care of - from onboarding to



Sarah Shelton

support. As technology and the industry have evolved, Shelton has continued to strive at making sure that the company is optimizing every step of the customer journey along the way. She started with Cantaloupe, formerly USA Technologies, in 2011 where she first worked on the marketing team, and throughout the years, she has worked across all customer-facing business units, including revenue, support and customer success. Shelton has proven that she serves not only as an inspiration but also as an advocate to other female leaders within Cantaloupe. In her role today, while she may be behind the scenes ensuring processes are streamlined, the sales team is enabled to sell, and customers are getting a simple and easy experience every time, she continues to make a tremendous impact. Shelton is truly an inspiration to the employees at Cantaloupe and deserves the recognition as an influential woman in convenience services.

VATSANA SOUVANNAVONG

Founder/CEO/Chef, Koala Kolache Vatsana Souvannavong is a visionary who has leveraged leading-edge vending technology in a new way. She customized a Bake Xpress robotic hot food vending kiosk to



Vatsana Souvannavong

function as a bakery ATM, allowing her to meet her customers' requests for longer open hours and more locations. Koala Kolache is able to open new locations throughout Texas without the capital required to build out a new storefront or find employees. Souvannavong has highlighted the possibilities of the latest vending technology and elevated the perception of vending foods to unprecedented levels. She taught herself how to make award-winning pastries and promoted them by donating her products to local schools and events, a commitment to community that she continues to emphasize throughout her business. She also served a need in other sites like local hospitals where round-theclock foodservice is needed but not possible. Also, the new vector of her business is sustainable even during the unpredictability presented by COVID or other challenges.

ELYSSA STEINER



Vice President of Marketing, Cantaloupe Inc.

Elyssa Steiner has been an innovator in the convenience services industry since her early now serves as the vice president



Steiner days with Avanti Markets. Steiner of marketing at Cantaloupe Inc. where she has raised the bar on creating impactful programs to empower sales and give customers the tools they need to succeed. She embodies the perfect mix of creativity, responsibility and humility, while inspiring everyone she works with to do their best. She is a wealth of industry knowledge and has helped lead the way for the adoption of disruptive technologies across the industry. In a traditionally male-dominated industry, Steiner exemplifies what it means to be a female leader and powerhouse at Cantaloupe. She is truly passionate about this industry, demonstrated through her advocacy and leadership within NAMA and helping to push the industry forward. Steiner is a true leader who goes above and beyond to enable customer success and is absolutely one of the most influential females in the industry.

BONNIE TRUSH

Chief Operating Officer, Vagabond Inc.

Bonnie Trush started with Vagabond as operations manager in 2016 and moved up to VP of operations before becoming chief operating officer. Everything from human resources to accounting to customer service falls under her leadership, and she is integral to resolving challenges with suppliers, customers and partners. She has organized every detail of multiple NAMA Shows for Vagabond and



has helped close strategic commercial relationships to increase revenues. Trush has provided stability and a calming presence to the organization so Vagabond can help its customers perform effectively. She also brings joy and positivity to every interaction she has, even when times are stressful.

SUSANNA TWAROG

Co-CEO, SOS Group Inc.

Susanna Twarog cofounded SOS to transform people's perception of vending through design-first machines and product curation. With market expansions expected this year, Twarog is working with leaders across corporate America to redefine how people access health and wellness essentials on-the-go. Her inspiration is rooted in an obsession over the lack of access and functional design (especially for women) in places where we work, play and travel. It started as a frustrating moment on a trading floor and has expanded to

naysayers drive them to think even more ambitiously.

something so much bigger. Twagog says she loves a challenge - and the



Twarog

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LYNNE VERSCHUEREN

Regional Vice President, Canteen Lynne Verschueren started in the industry in 1982 as a route driver and was one of a few female route drivers at that time. When she was pregnant, she continued to work full-time and ran the route right up until a week before giving birth. Her hard work was noticed,



Lynne Verschueren

and she was promoted to customer service manager in the Portland, Oregon, branch, overseeing multiple route drivers and managing client relationships. She was promoted to district operations manager, where she helped mentor several managers, and in 2020, she became regional vice president over all Canteen operations in Oregon and Washington. Her positive attitude, calm demeanor and work ethic make her an outstanding leader.

BRITTANY WESTERMAN



EVP of Corporate Development and Operations, 365 Retail Markets

Brittany Westerman joined 365 Retail Markets in 2015 working on cross-functional strategic projects, including acquisitions and integrations. By combining her strong academic



Brittany Westerman

background in engineering and business administration from the University of Michigan with her keen grasp of convenience services industry, Westerman has taken on increasingly challenging roles at 365 Retail Markets. In her current role as the EVP of corporate development and operations, she is involved in defining the strategy for growth and evaluating new opportunities to expand the product offerings to 365's customers. During the height of the pandemic, as the whole world was grappling with supply chain issues, Westerman and her team quietly worked with several suppliers, finding alternate sources to keep the products rolling out from the assembly line helping operators throughout the convenience services industry in keeping lights on for their clients. Through her direct involvement in evaluating new opportunities for M&A and overseeing post-transaction integration, Westerman has been instrumental in fueling the growth of 365 and the overall technology footprint in the convenience services industry.

Honorable Mentions:

DOROTHY SCOTT

Canteen of Coastal California

KALPANA SHAH Sunny Vending

TAMMY WHITTEMORE



Telesales Manager, Burdette Beckmann Inc. (BBI)

Tammy Whittemore is telesales manager at Burdette Beckmann Inc. (BBI), a national sales agency established in 1955. Whittemore has earned the respect of her clients and direct reports by delivering the desired



Tammy Whittemore

results. She is professional and takes ownership in the performance of her team. She has built quite the network of connections within the industry. 2021 certainly was a challenging year, but Whittemore consistently provides direction and leadership to the team. She works closely with each of BBI's AEs and field team on the day-today business to include improving productivity, sales training and support along with client expectations, scorecards and business reviews. Even with the loss of one of Whittemore's direct reports, she maintained her focus with the team and was supportive to his family. She always supports management and works to improve the telesales process and streamline and onboard new clients. Once Whittemore is given a task, she immediately takes control and responsibility of the process to ensure a successful outcome.

MALLORY WONOSKI



Product Manager, 365 Retail Markets

Mallory Wonoski is an eight-year veteran of 365 Retail Markets. Having started as a graphic designer in the marketing department in 2014, Wonoski had a front row seat to the evolving product expansion of 365 early on. This



Mallory Wonoski

provided her with a wealth of product knowledge that eventually led her to join the product management team of 365, becoming the mobile product manager. In that role, she spearheaded the creation of the 365Pay mobile app, which required alliances to be formed across the convenience services industry. Her efforts and partnerships ushered in the first accessible consumer app in the industry with 365Pay. Wonoski also contributed to the launch of the NanoMarket tablet, the PicoCooler, the PicoVend and PicoVend mini and later, PicoMarket and PicoMarket+. Wonoski received a B.A. of mass communications from Rochester University and User Experience Certification from the University of Michigan, and she joined the Emerging Leaders Network (ELN) as part of her commitment to NAMA and the industry. She was also featured as part of the inaugural 40 under 40 in 2021 by Automatic Merchandiser. Wonoski is an annual attendee of the NAMA Show and NAMA's Coffee, Tea and Water event, representing 365 Retail Markets.

Congratulations TAMMY WHITTEMORE



The entire BBI team would like to celebrate **Tammy Whittemore** for being selected as Automatic Merchandiser

MOST INFLUENTIAL WOMEN IN THE INDUSTRY

"Tammy has earned the respect of her clients and direct reports. Most of these individuals are men, and Tammy earns their support by delivering the desired results. She is very professional and takes ownership of the performance of her team. She has built quite a network of connections within the industry."









Beverage trends for vending, OCS and micro markets

Consumers are looking for premium products and a variety of options.

By Molly Rogers, Managing Editor

annual State of the Industry for Vending and Micro Markets, found in this issue's report, beverages are the most popular products that consumers buy — from coffee and tea, either freshly brewed or in cans and bottles, to soda, energy drinks and healthy beverages. Some trends that operators have shared are that consumers want more product offerings, better-for-you options and sustainable solutions.

The following are just a few examples of the many beverage options available for vending, OCS and micro markets, and suppliers shared their insights on what consumers are looking for.

OFFICE COFFEE SERVICE

According to Alliant Coffee Solutions, a leading provider of high-quality coffee and related products for the office environment, more than 92% of office coffee consumers say that brand is important when selecting their coffee.

"Our focus on quality, commitment to sustainability and wide variety of products gives OCS operators the freedom to create the perfect coffee experience for their customers' unique workspaces, cafeterias or other foodservice environments," said Marina Cappagli, marketing director with Alliant Coffee Solutions.

"We have made great strides in introducing recyclable, biodegradable and compostable materials into our products and packaging and continue to look for ways in which we can improve our practices and use of sustainable materials," she added.

Cappagli also shared that employers are looking for ways to boost office culture, and coffee can improve productivity by keeping employers engaged and energized, encouraging a positive workday, and increasing social interaction with coffee breaks.

Alliant offers compostable soft coffee pods, singleserve cups, whole bean, ground coffee, teas, portion packs, flavored sweetener packets, soluble powders, and more.

Its portfolio includes The Coffee Bean & Tea Leaf, Wolfgang Puck Coffee, Organa Organic Teas, Reunion Coffee Roasters, Donut Shop Blend, Flavor Singles Flavored Sweetener, Hurricane Coffee, Barnie's, Carlo's Bake Shop,



The Smartwell® Beverage Dispenser

Enjoy sparkling or still water. Add natural fruit flavors and sweetener, as well as electrolytes, vitamin C and caffeine. All without cans or plastic bottles.







Guy Fieri, Skinnygirl, Donut Shop Drive Thru, Cafexpress and Barista Select solubles.

NITRO COFFEE

Also making strides in office coffee and tea service is Bona Fide Nitro Coffee & Tea, headquartered in Ventura, California. Bona Fide produces perfect-pour nitro coffee and tea kegs for esteemed roasters and specialty coffee distribution. It is the first company on the market with a naturally stable keg brewing process for coffee and tea. Bona Fide Nitro Coffee & Tea was founded in 2015 with a mission to brew and deliver nitro coffee and tea using an innovative, disruptive technology that's sustainable.

"Our process reduces typical cold brew waste by 50%, and our kegs are shelf stable and do not need refrigeration during shipping," said Spencer Weiner, partner and COO of Bona Fide Brewing Company LLC.

The company's newest products include a Hot Nitro Coffee Dispenser that provides a constant supply of hot Nitro Coffee with the pull of a tap handle. It also offers a "No Nitrogen bottle required" countertop Cold Nitro Coffee Dispenser Double Faucet. With the Bona Fide Bag-In-Keg "BIK" keg solution, kegs are pre-infused and ready-to-pour.

ROAST PROFILES

Steve Erickson, senior manager business development of Caribou Coffee Operating Company, founded in 1992, added that partners are asking for a variety of products and roast profiles across program offerings.

"Caribou Coffee craft roasts in small batches to bring out the full flavor potential of our beans," said Erickson. "We offer light, medium and dark roast coffees, in both fractional pack and whole bean, that appeal to a variety of palates."

Caribou Coffee beans are 100% Rainforest Alliance certified, hand-crafted and roasted in Minneapolis, Minnesota. "This certification helps to create a more sustainable world by using social and market forces to protect the environment,

while improving the lives of farmers and their communities," Erickson said.

When asked about advice for operators, he added, "Now more than ever the value of providing exceptional customer service is evident. One example would be for operators to partner with their clients to create and offer employee-focused solutions that increase job satisfaction and employee engagement, ensure healthy workspaces and strengthen company culture."

Caribou also offers a range of readyto-drink coffee, such as its cold brew for vending. The 11.5-oz cans are shelf-stable and conveniently portable.

"In addition to our Cold Brew Black and Vanilla Crafted, we launched our Caramel Crafted cans in March," said Erickson. "Cold press coffee is a heritage product for our company that we have been serving in our stores for over 29 years. We are now bringing these beverages to our customers in a convenient ready-

to-drink package."

Caribou also offers a range of teas such as Earl Grey, Hibiscus Berry, Mint Verbena, Bou Black and Hot Cinnamon Spice.

SUSTAINABLE COFFEE PODS

Another company with a focus on sustainability for office coffee service is Smile Beverage Werks, a Delaware Public Benefit ("B")



corporation that makes sustainable and compostable coffee pods, coffee bags and straws.

"The pods are the only ones certified commercially compostable by both BPI and CMA. In addition, they are carbon neutral and USDA bio based," said Michael Sands, CEO and co-founder. "They are the most sustainable pods on the market with the longest shelf life. They meet or exceed all state and federal composting laws. We have pods that are compatible with Keurig or Nespresso original brewers and offer one-step disposal.

Sands said sustainability is a leading concern of customers for pod coffee. His advice for operators is to be cautious: "Many claim to have sustainable solutions, but not all components are certified, or excess wasteful packaging is involved."



PROBIOTIC WATER

Businesses across the industry are currently looking to expand better-for-you options in their food and beverage decisions, said Brad Coleman, vice president of sales at Karma Culture LLC.

"Today's consumers are more educated than ever and want to know what they are putting into their bodies will help lead them to a healthy lifestyle," Coleman said. "This is part of the reason we continue to grow strong double digits each year. With Karma Water, consumers are getting one of the healthiest beverages in the marketplace while delivering a great taste and it allows operators (and companies) to differentiate themselves from other products."

Karma Culture offers its Karma Probiotic Water and Karma Wellness Water in vending and micro markets across the country. Karma is sold as an 18-oz. bottle,

highlighted by its patented cap technology. The active ingredients (probiotics, vitamins, adaptogens) are stored in the cap until the consumer is ready to drink.

"Just peel, push, shake, thus ensuring all probiotics (2 billion cultures) and vitamins (6 vitamins at 100% RDI) are delivered at maximum efficacy and stated levels on the label," said Coleman. "Consumers also seem to enjoy the interactive process of seeing their beverage transform to wellness right in front of their eyes."

Karma Probiotic Water aid

For its latest product line, Coleman said the company is excited to introduce Karma CBD Water, which will be available in select states beginning March 2022.

Coleman's suggestion for operators: "To have all beverage segments represented to appease the masses and to continue to look for hot trending brands. Don't fall into just relying on the big beverage companies to make their recommendations because there are so many innovative brands in the market-place that taste great, offer functional benefits and will allow you to stand out from the crowd."





Poppi prebiotic soda

PREBIOTIC SODA

Another fast-growing company in the functional beverages category is Dallas, Texas-based Poppi, offering prebiotic soda for vending, micro markets and OCS as well as pantry. Infused with apple cider vinegar, Poppi delivers healthy benefits while only containing natural ingredients like fruit juice and plant-based sweeteners. Poppi has 4g to 5g of sugar and 15 to 25 calories a can.

"The ACV is in stealth mode so all you taste are great flavors like Raspberry Rose, Strawberry Lemon as well as classic flavors like Root Beer, Cola and Doc Pop and more," said David Smaltz, vice president of foodservice.

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"With the lingering effects of the pandemic still foremost in people's minds, everyone is more careful than ever as to what they eat and drink," said Smaltz. "All demographics are looking for added value and function in what they purchase. Operators need to continue to broaden selections offered in all channels of business. There is no 'one size fits all' POG anymore. It is vitally important to be tuned in to what your customers demand and to provide those items or someone else will."

KOMBUCHA

Rowdy Mermaid, founded in 2012 and based in Boulder, Colorado, offers two lines of functional wellness beverages, Kombucha and Adaptonic, in a sophisticated, portable and infinitely recyclable 12-oz. slim can for vending, micro markets and OCS space. "Our Kombucha is crisp, refreshing and light (without the "vinegary" bite), making Rowdy Mermaid supremely delicious and easy to drink," said Danielle Eberly, director of sales, Foodservice. "Our success stems from our unique flavors that are not too sweet, approachable, crafted with sustainably sourced ingredients in a sleek package with a playful name, which appeals to a broad audience."

Eberly added, "Functional beverages provide numerous health benefits that are especially relevant for those at their workplace where access to healthier beverages can help them achieve their wellness goals." Each of Rowdy Mermaid's nine kombuchas provide a specific health benefit using functional botanicals and herbs to address contemporary health needs, such as immunity, focus, calm and energy.

Beyond Kombucha, its new line of sparkling immunity tonics, Adaptonic, are made with bright botanicals, fruits, herbs and reishi mushrooms for immunity without the mushroom taste. "There's a rising consciousness around the benefits of holistic living, shifting people's priorities toward well-being. As a result, we see that consumers are seeking more from their beverages," said Eberly. "Quenching your thirst or trying new flavors isn't enough. They are turning to beverages and specific ingredients to help heal, prevent diseases, and treat today's prevalent conditions. But they must also be supremely delicious." •

Rowdy Mermaid Kombucha and Adaptonic



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By Nick Montano, Contributor

retail technologies, such as vending management system deployment and use of telemeters and cashless devices managed remotely through the cloud, continue to be on the rise. And, throughout the COVID-19 pandemic, contactless transactions became a high-tech tool for vending, micro markets and office coffee service. For most U.S. operators, the pandemic called for an acceleration in their digital transformation.

Here are a few technologies that are enhancing micro markets, including solutions for delivering fresh foods to workplaces and novel vending machine counterparts that can work alongside micro markets.

FOOD LOCKERS

Avanti Markets designed a remote ordering solution – with micro market

and vending operators in mind. Operators can use SimpliGet to set menus supporting local food orders that are delivered to secure lockers or other designated pickup areas. Customers place their orders on the SimpliGet website with funds from their Market Card accounts.

Customers will enjoy the benefits of freshly made options delivered during a set window, with contactless delivery to ensure a safe experience. Notifications arrive via text and email messages.

Menus, order cutoffs and delivery times are managed through a companion SimpliGet Manage website. Orders are handled through active and future queues, and fulfillment is tracked by the foodservice provider. This flexibility allows operators to use their own commissaries, outside kitchens or third-party food services. Menus

can be rotated or changed as desired. Deliveries are made to pickup counters or Avanti's optional lockers.

The locker system allows for contactless distribution. Delivery personnel place the order in a secured cubby with a QR code. The customer will use a scan code sent by email or SMS message to retrieve their order from the lockers once notified of delivery. Lockers run a UV-sterilization sequence after an order has been removed. If lockers are not in use, an operator can drop off an order at a designated pickup counter.

ROBOTIC MICRO BAKERIES

San Francisco-based Le Bread Xpress Inc. markets Bake Xpress, a robotic vending solution that can dispense pastries, pizza and artisan sandwiches freshly baked at the time of order.

Bake Xpress micro bakeries offer up to six menu choices per machine, ranging from croissants to pizzas. Each food item is prepared and partially baked at a traditional bakery before being stored in the Bake Xpress refrigeration unit. Selected items are freshly baked in Bake Xpress' onboard smart oven before being dispensed. In use, operators can specify Bake Xpress menus based on their customers' preferences, choosing from 25 artisan foods created in partnerships with suppliers nationwide.

In November 2021, Bake Xpress partnered with Macy's Westfield Valley Fair in Santa Clara, California, and installed a custom-branded Bake Xpress robotic micro-bakery adjacent to the toy department, offering shoppers convenient in-store meals and snacks. With its full menu of fresh-baked meals and pastries, Bake Xpress complements the beverage and snack options also offered, while providing Macy's customers with a fun, high-tech experience. Bake Xpress features a Macy's-branded machine wrap and a custom menu selected by Macy's.

AI-POWERED RETAIL

ViaTouch Media's VICKI, initially designed to complement high-profile retail brands and venues either as a module that could snap into store shelving or as a stand-alone vending machine, is an IOT self-checkout solution for retail. Replacing traditional vend mechanisms that use moving parts, VICKI features a secured door to protect products and allow access. The door unlocks once payment is authorized. VICKI is also a virtual assistant, and, like Amazon's Alexa, she speaks to and listens to customers.

AI-powered VICKIs are being deployed in traditional workplace breakroom venues. Additionally, VICKI is getting a lot of attention in the cannabis vending sector.

The machine's climate control system supports ambient and refrigerated operation.

High-profile brands and retailers are using VICKI to merchandise product and collect consumer data. Select 7-Eleven stores have been merchandising \$10 to \$50 items through VICKI. Building off this c-store model, micro market operators have an opportunity to vend highend nonfood goods behind VICKI's secure door.

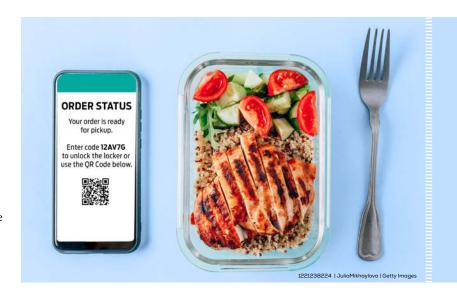
FRESH FOOD 24/7

If the pandemic showed us anything, it's that touchless, self-service and orderahead options will be requirements for many customers going forward.

365Dining can also be used as a selfcheckout system in a micro market or as a stand-alone cashier system in a café setting.

The 365Dining platform gives customers the ability to purchase fresh foods 24/7 and to have selfcheckout functionality. Its orderahead option allows customers to select menu items and pay from their desks or any other on-site location.

An optional locker system is part of 365Dining's suite. The tamperproof lockers promote contactless food deliveries by holding items in individual cubbies that require a code to open. The insulated cubbies can keep food hot or cold for at least 30 minutes.



Customers will enjoy the benefits of freshly made options delivered during a set window, with contactless delivery to ensure a safe experience.

Among the latest innovations in 365 Retail Markets' tool chest is 365Dining, a kitchen management and ordering system. Patrons place their orders whenever they want from their 365Pay app or MyMarketAccount.net.

CONCLUSION

From fresh food delivery solutions and AI-powered vending machines to ondemand baked goods, operators have high-tech unattended retail options to enrich the micro market experience.

Old School MEETS New School

Tech-savvy generation propels Vander Vending ahead of the pack.

> By Emily Cambriello, Contributing Editor

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LO

VENDIN



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SNYDER'S

Vander Vending founder Jerry Schreiner (right) credits son Cade Ridenour (left) and other young managers for embracing technology to catapult the company to new heights.

At the helm of the Rock Island. Illinois-based operation are founder Jerry Schreiner and his wife, Claudia, who credit their middle son, Cade, for his instrumental role in catapulting Vander Vending beyond its competitors.

"He has allowed us to become very tech savvy in a world where old dinosaurs like me would ordinarily get left in the dust," Schreiner said. "It's the



As Vander Vending's general manager, Cade Ridenour brings a new level of digital know-how and builds upon the customerfirst legacy that Claudia and Jerry have established over 13 years.



Don Muse, who came over from Property Management, has learned a lot in his short tenure as general manager of Fresh Ideas Foods and has quickly grown to be a valuable asset to the business.



Claudia Ridenour makes sure everything is in its place in the warehouse and continually rolls up her sleeves to lead by example in upholding the highest standards across Vander Vending's operations.

epitome of David and Goliath when taking on national companies. He has been the edge we needed when figuring out where we have to be and how to get there."

As is the case with most vending operators, Schreiner stumbled into the business by happenstance. He had renovated his basement with all the bells and whistles for the ultimate entertainment space, including several classic arcade games. But upon completing the project, he found that two of the games did not fit.

So. Schreiner installed one of the coin-op machines in his brother's bar and the other in a local pizzeria and became a coin-op amusement operator overnight. His day job was at Tyson Foods, where he worked as an electrical mechanic, which gave him a head start understanding the basic workings of the equipment.

But as he secured more locations, it wasn't all he had hoped it would be.

"I learned that with amusements, we could get six bars all signed on for us to run dart or pool leagues and tie them all together, but then one bar wouldn't be on board for one reason or another, and we couldn't get that seventh location," the operator recalled. "Equipment can be costly, and all that time to invest in securing five or six bars, and then, if the seventh won't flip, it is a lot of wasted time."

This frustration and less-thanstellar collections inspired him to instead try his hand at vending.

IF AT FIRST YOU DON'T SUCCEED...

Schreiner purchased a fixer-upper snack machine and got it up and running at his first location. He purchased \$500 worth of snacks at Sam's Club, stocked it full and stored the extra product in the bottom of the machine.

And with this first machine, Vander Vending was born. It is named after the couple's miniature schnauzer, which Schreiner picked because the



By growing the company, we increased our buying power, keeping prices low for our customers while maintaining the same personal relationship with our customers."

- Jerry Schreiner

dog's mother had bitten off half of its ear. So, they named the pup after Evander Holyfield of boxing fame, who suffered the same fate, and shortened his name to Vander.

When the fledgling operator returned to restock the vender and collect his money a week later, he found a mouse had snacked on every single package in the machine, and the lid on the stored product was not sealed tight, so the rodent helped itself to all of those goodies as well.

"Mice don't eat; they snack. It was like a cartoon skit. And then I opened the coinbox, and there was only \$1, and right then, a guy came up and told me he lost a dollar in the machine, so I gave it to him," the operator recalled. "It was a horrible first experience. But I'd drag my wife, Claudia, kicking and screaming, with a trailer to buy archaic equipment. I found machines for \$300 to \$400 on Craig's List. There's a lot of that while building a business, and it never works the way it's supposed to! But I kept plugging away and putting them out. In reality, I probably paid \$3,000 to \$5,000 to move junk equipment around and, before long, took it to the scrapyard."

Claudia worked part-time in the new venture while maintaining her job with former Congressman Bobby Schilling, until she joined her husband full-time in 2013.

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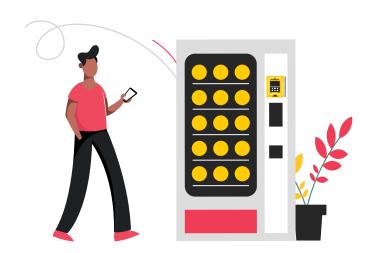
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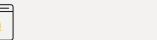
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Future-proof

Schreiner credits his experience as a mechanic electrician at Tyson Foods for helping to ease his way into vending with less of a learning curve than most.

"It was the best maintenance program hands-down," he remarked. "From preventive maintenance to troubleshooting, it's been very key to me being successful in vending. I also paid my competitor \$75 to send his mechanic to show me how my first machine worked and was able to hit the ground running from there; the best \$75 I ever spent!"

It wasn't long before Schreiner was convinced that the only way to provide vending service to the highest standard and compete effectively was with an investment in the proper equipment.

FROM DAVID TO GOLIATH

Working primarily with Crane Merchandising Systems to provide state-of-the-art machines, equipped with cashless payment, telemetry and all the latest advances, Vander Vending was able to win over accounts from more established competitors.

A great deal of this growth developed as Vander Vending absorbed other small vendors that had been servicing the Quad Cities area for decades.

"It was difficult for the smaller vendors to operate with good service and low prices as our economy changed," Schreiner recalled. "By growing the company, we increased our buying power, keeping prices low for our customers while maintaining the same personal relationship with our customers. Contrasting our company with corporate vendors is heavily weighted with pros and absent of cons."

The long list of pros, according to Vander Vending's founder, include that his customers play an active role in deciding what products go in their machines and have a larger variety, along with lower prices.



Cade Ridenour and John Sorensen team up to assemble a micro market.

"As issues arise, you get a real person when you call our number with faster response time to remedy issues," he added. "The money earned stays in the community, and our charities that we donate to are local, and in many cases, we have found that they have directly impacted some of the very same people who use the machines on a daily basis."

A pivotal acquisition for Vander Vending was its purchase of Fresh Idea Foods, its biggest competitor, in 2019. Vander Vending kept the wellestablished, respected Fresh Idea Foods name for accounts in the Muscatine region and surrounding areas served by its original warehouse and includes it on all the stickers on its machines.

Fresh Idea Foods started in 1955 as a Pepsi distributor and became a full-line vending company in 2003. As micro markets grew in popularity, the company added the self-checkout stores to its list of services. Challenged to find good quality, reasonably priced market fixtures that suited its needs, the company decided to design its own market fixtures and began using them exclusively. After several requests to

Vander Vending posts a sign – ahead of micro market and vending installations – to generate excitement and awareness.

Locally Owned

Locally Invested

BETTER

VARIFT

buy its system, Fresh Ideas launched FrameWorks Displays to offer its fellow operators a quality, affordable, space-efficient and easy-to-assemble all-metal merchandising system.

Sprouse Distribution owned the Pepsi franchise and Fresh Idea Foods. It sold the Pepsi franchise in 2018 and its vending business to Vander Vending in 2019, but kept Frameworks, which its owners continue to operate out of Vander Vending's warehouse. Vander Vending uses the fixtures in many of the markets it operates.

MICRO MARKET GROWTH

Vander Vending opened its first micro market about five years ago "under duress," in Schreiner's words.

"A customer said she wanted one. but she didn't like the company pitching it and wanted us," he recalled. "I told them we'd do it, but to please be patient, and within 30 days, they had a micro market."

Vander Vending began with a Three Square Market kiosk and has primarily stuck with the micro market manufacturer as its supplier of choice. "They helped us install our first one, and there were quirks; we had to do some on-site configuration, but we made it work and it didn't take long," he recalled. And the rest, as they say, is history.

When Vander Vending bought Fresh Idea Foods, it inherited some micro markets, and it has continually been building its own growing base of them, with some 80 in operation today.

"We love markets as much as our customers do," Schreiner commented.



Jerry Schreiner checks in on one of the company's 80 micro markets.

"We design markets with the customer and customize them to be branded for the customer to build morale in their company. We work with them to decide what's merchandised in them. If they're successful, we are."

SAY 'CHEESE'

Three years ago, Schreiner added a bright yellow "Big Cheese" branded food truck to his arsenal for special events and to offer locations something different on occasion to invigorate their employees' lunch break. The Vander Vending food truck specializes in all things cheese, including gourmet grilled cheese, cheese dogs, cheese fries and cheeseburgers.

"When their work site isn't close to any eateries, grabbing lunch feels less like a break and more like a race against the clock. Instead of wasting their break traveling across town, waiting in line and rushing back, they're invited to reach out to Vander Vending," Schreiner commented. "We'll park our company food truck near their work site and make sure their employees are well-served, and they can also use it to cater special events."









OPERATION PROFILE

Vander Vending

Founded: 2009

Headquarters: Rock Island, IL

Number of routes: 16

Number of acquisitions: 11

Number of vending machines:

2.900

Number of micro markets: 81

Tech/equipment providers: Cantaloupe, Crane, Vendors Exchange, Three Square Market, Avanti Markets, LightSpeed Automation

Distributors: Vistar, Performance Food Group, Coremark, Pepsi, Coca-Cola, Dr Pepper (At left) Vander Vending leverages the well-established and admired Fresh Idea Foods brand alongside its own on all of its machine stickers.

Reminiscent of the mouse in his first vending machine, procuring the truck was no simple task. "I bought it in Pennsylvania, so I flew there with one of my employees to buy it and to drive it back - what we thought would all be in one day," he recalled. "It was sleeting and we were freezing, and the best we did was 40 miles an hour. We got to Indiana at 2 a.m. and stayed in a hotel. The next day was the day before Thanksgiving, and of course, the truck broke down. Then, when we finally got a tow truck, the driver couldn't get his lift to work. I wondered if it was an omen, but it's been a good additional offering that sets us apart."

KEEPING IT FRESH

Vander Vending purchases its food from Kitchen Fresh Foods, a USDA-approved preparer of fresh, prepackaged food for micro market, vending, convenience and event market segments. Located in Green Bay, Wisconsin, it offers more than 450 items on a rotating menu, which provides a wide variety of fresh products for Vander Vending's customers.

"Everyone talked us out of running our own commissary, and we've been very happy with Kitchen Fresh Foods," said Schreiner. "With fresh food, there's always waste, and we try to be economical. I'd rather buy it than make it and make 50 cents or \$1 and not throw away any more wasted food than we have to."

MANAGERS WHO CARE ARE KEY

The key to success when selling fresh food, and ultimately across the board throughout Vander Vending, has been to hire more managers who care what's happening in the business, Schreiner stated.

"We take good care of our workers and pay them well to raise a family comfortably; I want to pay them more so they can live well and are vested in the company and protecting waste," the operator commented. "In return, they check to see if freezers and refrigerators are plugged in on the trucks and that nothing is left out. I don't have to micro-manage, so I can focus on the bigger picture of the day-to-day running of things."

Prior to micro markets, Vander Vending exclusively used Crane combo machines to merchandise cold food alongside beverages to manage perishability and waste. And the machines still have their place in locations that demand food but cannot support a micro market.

"Customers want machines to look full, but if they saw the actual sales, they don't recognize the cost of doing business," said Schreiner. That's why Vander Vending requires a \$1,000 monthly sales minimum for each micro market; otherwise, the account subsidizes the difference.

"Otherwise, we pull it if doesn't perform and convert it back to vending machines," Schreiner said. "You have to pay attention to waste and have good workers who report it. If not, you think the account is doing great until you eventually learn the truth."

GIVE THEM REASON TO BE LOYAL

Customer loyalty cannot be underrated in vending and is at the heart of Vander Vending's success, Schreiner emphasized. He credits his wife, Claudia, for helping set and maintain the highest of standards.

"I had to drag Claudia into the business, and now she's the hardest worker here as vice president of operations," Schreiner said. "Anyone can offer that the grass is greener. Human nature wants to believe just like with marriage and relationships in loyalty and building trust - that should be a consideration over shiny mirrors and beads. But there are always those people that go for flashy sometimes, so you just have to give every reason you can for them to be loyal."

For Vander Vending, that includes its guarantee to provide service within 24 hours and its promise to deliver the best products it can offer its customers across the Quad Cities, a complex of cities and surrounding communities at the Iowa-Illinois border, on the Mississippi River.

Today, the company has about 50 employees, thousands of vending machines and 80 micro markets, which are a booming and growing segment. A fleet of 50 trucks and two warehouses serve a 100-mile radius. The exception is a Tyson account two hours away that Schreiner says is worth the extra miles to serve it. Vander Vending recently updated its fleet with seven new Transits for its routes and Ford Fusions for its managers, with bold new graphics promoting its brand and services.



Emily Sanders picks product for her route and will soon have the added advantage of LightSpeed Automation's pick-to-light system.

The COVID pandemic thankfully did not put too much of a strain on Vander Vending's business since it primarily serves an industrial customer base of essential businesses that stayed in operation and fully staffed throughout. Many, including Amazon warehouses, even grew their workforces to keep pace with pandemic-related increased demand. And some new opportunities emerged with companies that have



closed their cafeterias and want micro markets in their place.

"We lost some business as a result of the pandemic but, for the most part, we were very lucky that most of this area kept moving," the operator said.

OCS UPSWING

Office coffee service is a small but important and growing piece of Vander Vending's business. It first offered the service to its vending customers at the lowest possible price on coffee possible and focused on making its revenue from vending.

"But we didn't realize how much could be made in coffee if we charge a fair price and offer exactly what they want," Schreiner said. "We don't want to gouge customers, but we've found we have to raise prices because everything is skyrocketing and who knows to what end. And we still have a lot of interest in our coffee program, and it's something we're focused on growing."

During the early days of the pandemic, Vander Vending swapped many of its traditional coffee brewers for liquid concentrate and bean-to-cup equipment, including Newco, Bunn, Nestle and Cafection models that minimize or eliminate touchpoints, many of which "make every specialty drink in the book." These machines have been well-received and further fueled demand for specialty coffee, opening doors for more business, according to Schreiner.

LABOR AND SUPPLY CHAIN WOES

"It wasn't so much COVID, but the worker effect later on has had a repercussion on our bottom line," the operator observed. "We have to pay people more who have less experience than people we had."

Another challenge, especially as Vander Vending is working to fine-tune its ordering system in preparation to install the LightSpeed Automation pick-to-light system in its warehouse,



Vander Vending recently updated its 50-truck fleet with seven new Transits for its routes and Ford Fusions for its managers, with bold new graphics promoting its brand and services.



What many don't understand is that if

we lose a \$100,000 account, we can quickly place the machines somewhere else to make money because of the reputation we have built."

- Jerry Schreiner

is shipping delays and product shortages across the supply chain.

"Keeping the right things coming into the warehouse every week is a struggle; there's always something new our distributors are out of. Customers understand but only to a degree," he said. "With Cantaloupe's vending management system, each specific item has its specific place. If that item doesn't exist one week, we have to enter a new one; you can't just replace it in the machine. So it's more time and money while we have these supply chain shortages. It's probably a good time for people to develop new products while operators are more apt to try something new to fill the gap if it's an appealing item."

Another interesting outcome of these turbulent times is enormous interest in the vending business, according to Schreiner.

"Never before have I been so inundated with calls from people getting into the vending business. I don't know if most realize how much work is involved, the technology, servicing the customer. We keep up," Schreiner remarked.

"A lot of guys are looking to get into the vending business because of desperation. I got into it because I wanted to build a business to best serve the customer and make money and leave a legacy for my family. People think it's so easy when they walk through the warehouse. What many don't understand is that if we lose a \$100,000 account, we can quickly place the machines somewhere else to make money because of the reputation we have built."

The operator emphasized that the only way to get more business is to take care of existing customers to the highest standards.

CUSTOMER FIRST

"You're only as strong as your weakest link. You need managers for checks and balances, because finding dedicated workers is not what it used to be," Schreiner stated. "We all have the same issues. Even as we battle each other for accounts, we have to have standards, and customers will eventually come back if we lost them in the end because we always keep an eye on the customer. It's still a moral dagger when I lose an account I spent so much time cultivating because of competitors that brought a few good sandwiches to woo them — that they wouldn't even sell in a market, which is a deceptive sales pitch."

Vander Vending also has a competitive advantage as a member of the Greensburg, Pennsylvania-based Unified Strategies Group purchasing cooperative and Greensboro, North Carolina-based US Connect consortium of the industry's leading independent vending and foodservice operators. US Connect offers a proprietary loyalty and promotional program and the ability to bid at the national level.

"We try to be at the cutting edge of everything. We use Cantaloupe to track product and sales in real time and for prekitting, and we're adding LightSpeed to make prekitting faster," Schreiner said. "Almost every machine takes cashless payment. Some of our micro market kiosks accept gift cards with our logo that is available to US Connect members and helps build our brand. I won five key bids a couple of years ago because US Connect lets us compete at the national level. It also creates a network, so when I go to Vistar I can compare notes with other members."

Additionally, Schreiner praised his Coca-Cola, Dr. Pepper and Pepsi bottlers for their support with the many branded venders they supply and his success selling their products.

NEXT GENERATION

In summary, the operator reiterated the value of new blood with fresh



Jerry and Claudia's grandson Cohen helps ready an order for delivery.

ideas entering the industry. "The younger generation like Cade grew up on technology and are key in us making those turns," Schreiner said. "Even simple stuff like setting up the phone system or security system. With markets, it's been really imperative having young people with the right skills and mindset to make that jump."

Other key employees who fall into that category are Luke Conger, head of

maintenance, who was key to getting Vander Vending's machines and micro markets on the Cantaloupe system, and Don Muse, general manager, who was instrumental with the Fresh Ideas Foods integration. Also, Mike Krup is another manager who Schreiner said has helped out tremendously, as well as Claudia's father, Richard Freyman, who, at 78, finds a place for everything as the company's project manager.

"It has been a struggle finding good employees with a good work ethic," Schreiner commented. "We are very lucky to have several young people who love to do their jobs and do not consider it work and have skills that I struggle with and fill in my blank spaces." .

Marketplace

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SELLING?

Mike Ferguson - VMAC Solutions has over 32+ years' Vending & OCS industry experience, an ex-operator turned intermediary business broker. I speak fluent Vending and Office Coffee.



All conversations are confidential!



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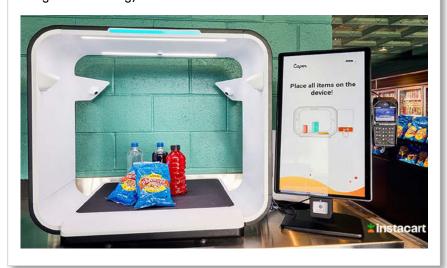


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Brittany Westerman *EVP of Corporate Development & Operations*

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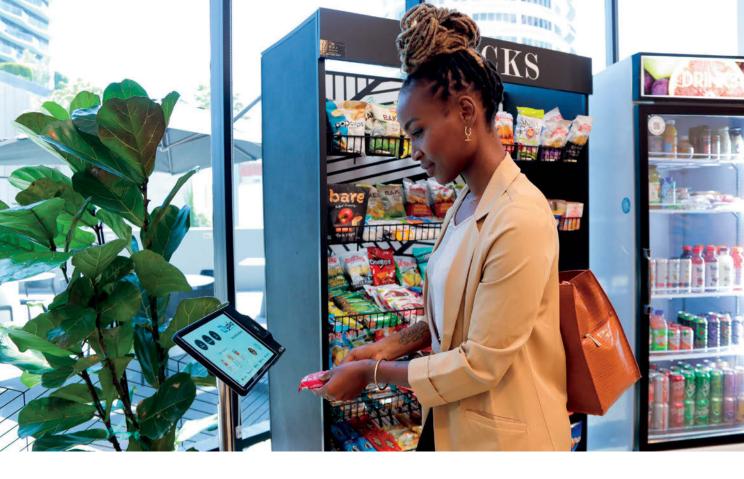


Mallory Wonoski Product Manager

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