



**The Shipper Perspective
Agricultural Transportation Coalition
Annual Meeting
June 16, 2016
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Overview



- Brief history
- Products
- International logistics network
- Challenges
- Opportunities

The Year was 1945



Ralph F & Alice Stayer opened a butcher shop & named it after their hometown Johnsonville, WI

Key Milestones






- 1950s—Expanded in nearby communities
- 1970s—Began delivery throughout WI
- 1980s—Expanded sales to 47 states
- Today—Most popular brand of sausage in the U.S. (all 50 states) and available in 40 countries.
- Johnsonville has 1,600 members and is located in Sheboygan Falls, WI



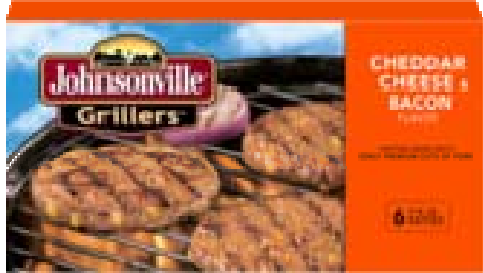
International Coverage



-  Exporting Countries
-  JVL Intl Sales Offices
-  JVL Production Locations

Johnsonville exports to over 40 countries

Products



Not Just Sausage Anymore



NEW

LIMITED TIME OFFER.

SIZZLING SAUSAGE GRILL™

INDOOR ELECTRIC GRILL

Try the Sizzling Sausage Grill,
your first meal is on us!

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International Logistics Network Prior to West Coast Slow Down



Trans-loading
40' reefer
containers
(53,000 lbs) at
the Port of
Oakland only

40' reefer
Containers
(38,525 lbs) from
Sheboygan Falls,
WI through
Oakland & LA/LB

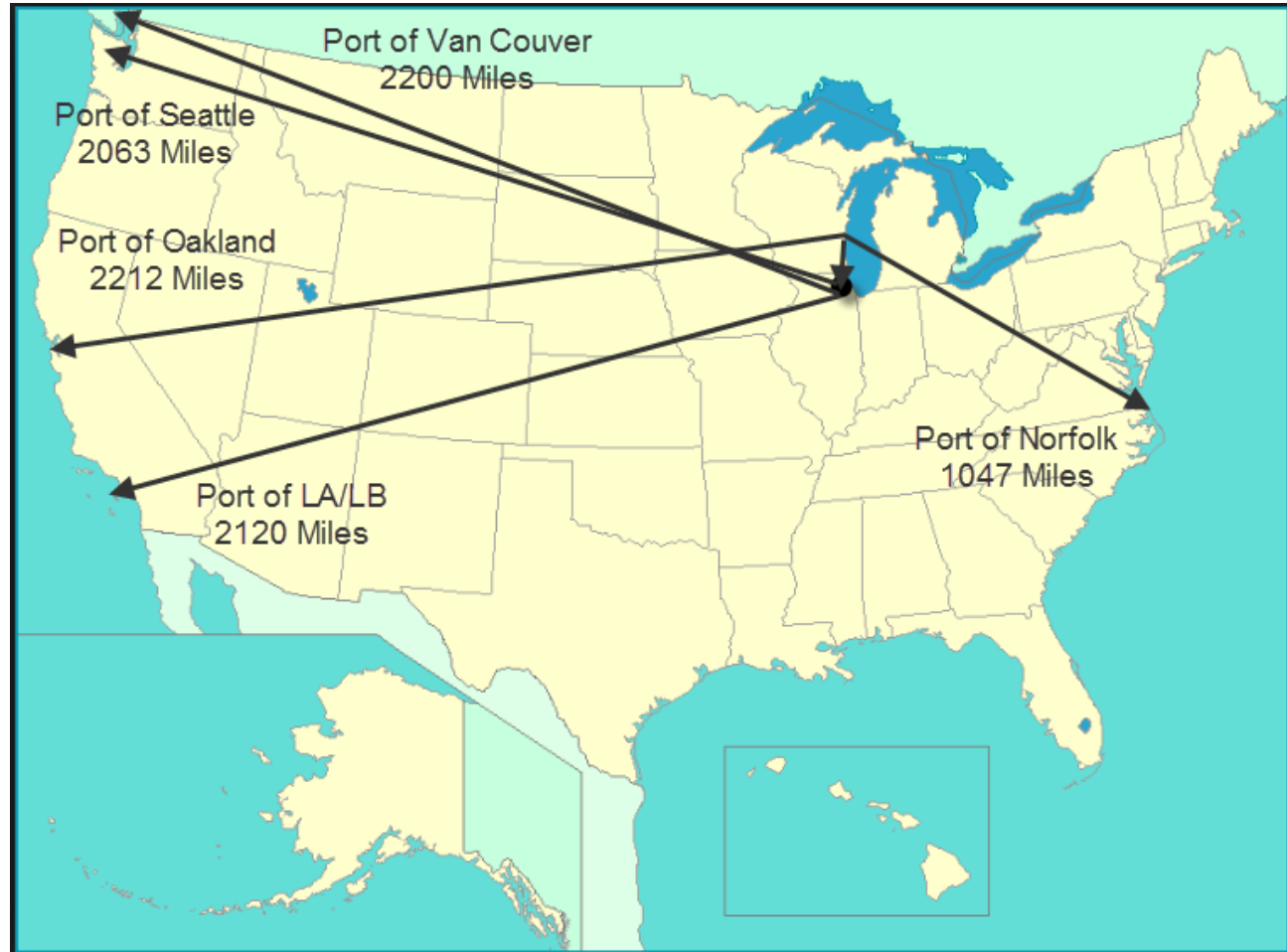


International Logistics Network During & After West Coast Slow Down



Trans-loading
40' reefers in
Oakland,
LA/LB, Norfolk
& Chicago

40' reefer
containers from
Sheboygan
Falls, WI
through Van
Couver, BC,
Seattle, Oakland
& LA/LB



Challenges with New Network



- **Longer transit times**
 - East Coast added 40 days of extra transit port to port
- **More documentation/less time**
 - ACE filings prior to train crossing into Canada
 - CFIA notice
- **USDA seals/added costs**
 - Required to trans-ship through other countries to Japan
 - Rusting
- **Cut offs/ETAs**
 - Securing cut offs at the end of the week. Due to our location, we need at least 4 days transit to the West Coast

Additional Challenges



- Increasing costs for the shippers
 - SOLAS, Pier Pass, Wait times at Port of Oakland
- Drayage from IL to WI
 - Lack of drivers & Accessorial charges
 - Chassis chase & mount
 - Out of route miles to obtain a chassis, genset, reefer container
 - Chassis
 - Tolls
- Lack of equipment/Good equipment
 - 20'reefers on the West Coast
 - Chassis with bad tires
 - Containers with stains on the floor
- Vessel delays/Lack of communication from SS lines
 - East Coast congestion, Panama Canal delays to LA
- Exchange rates
- High customer expectations/quality (We sell to the top 1% in each country. We are a premium brand).
 - No damages
 - Approval prior to changing logistics model
 - ETAs/ETDs
 - Educating our overseas customers

New Opportunities



- **Expanded vendor base**
 - Freight forwarders
 - Drayage partners
 - Trans-loaders
- **Contingencies**
 - Multiple ports of export
 - Multiple modes of transportation

Flavor UP™



Thank you!

