



Episode 8 “Simply Good Solutions”

Welcome to the eighth episode of the NJFPA Stradley Ronon Food Forum Podcast. In this episode, [Bill Mandia](#), Partner at [Stradley Ronon Stevens & Young, LLP](#), speaks with [Jared Cannon](#), Founder and CEO of [Simply Good Jars](#). Bill and Jared talk about COVID causing a 98% sales loss and how they bounced back, hiring and the Shark Tank.

Guest Bio:



Jared brought his concept for Simply Good Jars to life by taking a huge risk and leaving an 18-year career working for celebrated restaurants and growing fast-casual eateries. Simply Good Jars was founded in 2017 in Philly, has been featured on Season 12 of Shark Tank and is in the midst of expanding to towns all across the United States.

To give you a bit more of Jared's background, here's his introduction, taken directly from simplygoodjars.com:

“Working full time and studying to earn my MBA at night – eating a meal usually meant something fast, easily available, and often unhealthy.”

“My fast-food choices had me feeling guilty, tired, and never satisfied. I realized that this wasn't a challenge for just me – that there was an incredible need outside of traditional eateries for faster, healthier, food options that are actually delicious...so I took the leap.”

Listeners will hear:

- How a personal problem turned into a business opportunity.
- How COVID caused them to instantly lose 98% of sales and upended their entire business model - but focusing on their values and strengths led to a natural pivot.

- Redefining what “profit” means for an organization.
- Company culture that has made hiring fast and employees highly motivated. “We’ve never written a job description.”
- Jared’s almost missed opportunity on Shark Tank.
- Jared’s predictions for future changes in the food industry.

Edited Interview Transcript

Bill Mandia, Stradley Ronon [0:49]

Hello, and welcome to another episode of the Stradley Ronon New Jersey Food Processors Association Food Forum. I'm very excited today to have Jared Cannon from Simply Good Jars as our guest. Jared has a very interesting story and background, including an appearance on Shark Tank that I'll let him get into. Jared, if you could just start off by telling our listeners a little bit about yourself and Simply Good Jars.

Jared Cannon [1:16]

Thanks for having me, it's a pleasure to be here. Simply Good Jars was really founded out of my own personal experience of needing healthier food that tastes good. And that has a sustainability angle with all this pre-packaged food packaging waste that plagues our oceans and landfills. My background was as a classically trained chef. I spent about 18 years in the industry, Ritz Carlton hotels, multi unit restaurant concepts up and down the East Coast. I founded Simply Good Jars to really help empower everyday people to have better options available to them, from an access point of view. And also allow them to help combat things like hunger and food insecurity that plagues one out of five Americans here in Philadelphia, one out of six across the country.

Simply Good Jars, at its core, is healthy meals in jars. We've achieved a patent pending shelf life enhancement process that allows fresh ingredients to last longer, without any preservatives, 100% natural, with real food. We're starting with salads, and this year, we're looking to introduce a couple other interesting products that play in the same field of fresh, healthy, delicious. Leveraging our technology, but really to address additional day parts, so breakfast items, or snack items or dinner items.

Bill Mandia, Stradley Ronon [2:48]

That's great, it's kind of changed a little bit over time and pandemic sort of disrupted everybody's business in our model. A lot of folks including yourself had to adapt. Where can people find your products, both historically, and now as we're moving through the pandemic?

Jared Cannon [3:04]

Today, all of our products are found up and down the eastern seaboard. So Maine to the northern border of North Carolina, mostly in retail grocery stores, convenience stores, drugstores, some of the mass shoppers stores. Then we have a little bit of a presence online. You can go online, order from a goPuff, or one of these distributor home delivery

programs that carry our products. That was really the result of what COVID forced us to do. So before COVID, we were primarily found in vending machines, if you can believe it.

The whole business model was predicated on this idea that fresh, healthy food from an access point of view, was really hard to come by in places like convention centers and hotels that just had the breakfast buffet and all these places, [like] office buildings. We spent two and a half years building a pretty substantial business, addressing that consumer that was really captive from healthy tasty food options. And as you can imagine, COVID literally shut those places down overnight. So 98% of the business went away and we pivoted our focus to retail grocery convenience as a wholesaler and manufacturer of a product, and pretty quickly realized that our path forward was really going to be rooted in this strategy. We've since sold all of the vending machines and completely doubled down on our path to be a producer of a great product and a distributor of that product to our customers who are retail stores.

Bill Mandia, Stradley Ronon [4:47]

We have a lot of members in the New Jersey Food Processors who are in various stages of their business, but a lot of them are early stage. Some folks have just come up with an idea or product that they're testing so it'd be great if you could talk a little bit about your background in the food industry, how you came up with the concept of Simply Good Jars, and maybe offer some insight or advice to folks who are who are find themselves in a similar position to where you were a few years ago.

Jared Cannon [5:15]

The ideation stage, if you want to call it that, which is "I have this idea!" was about five years in the making. I think one of the biggest barriers to launching any business, especially a food business is, I've got bills. I've got student loans, I've got rent to pay. How can I afford to leave my job and literally lose that paycheck? Because I'm even still today living paycheck to paycheck. When you're in that mindset of paycheck to paycheck, how could you forego that next paycheck. It took five years for me to finally convince myself to actually do this. I went on, got a business loan for \$1,000, opened up an LLC, and did the whole legal entity and bank thing. I figured I'll probably screw this up, right? I only have \$1,000 in the bank. But almost four years later, here we are, and we haven't looked back. So it is possible and it doesn't take much, I can definitely promise you that.

Our approach was very, very much rooted in constant, constant product testing, product iteration, and getting product into the hands of consumers. First that didn't pay, they were free, we just wanted their feedback. It's funny though, once you get a customer to pay for the same product, your feedback changes pretty dramatically. So I always encourage people, give it away, get your feedback, but start paying attention once they start paying for it, because that's when you get the real, true, true, honest truth. We launched the company in October 2017. Within 30 days, we had a waiting list of 750 people that wanted to sign up to get this product delivered to their office. When we

launched, we delivered a subscription rotating assortment into the office. We did it once a week on Mondays, and you could effectively get your lunch for the week, because we had a five day shelf life at the time. The product on day one, it was just as fresh as day five. You had lunch at the office, and it was healthy, and you just threw your name on it and threw it in the fridge and hope nobody stole your lunch. And that worked out really well for us.

But as I said before, my background was as a chef, as a creator of making food tasty and delicious. In the market, there's a massive white space in the packaged, fresh goods assortment or category that never really met my expectations as a chef from a flavor and quality perspective. A lot of stuff was commoditized. You'd walk into a local grocery store and see an orange peeled in a plastic container. That really sums up what we in America do to food to make it faster, is we cover it in plastic. And what happens? We're on track to have more plastic in the oceans in weight than actual fish by 2026. We fill up our garbage cans all the time with all this packaging waste and it's really built around our laziness. But at the end of the day, as a busy working professional, getting my MBA, managing 18 restaurants, it was really hard to cook even as a chef. So you've got to imagine, the everyday person who might not be the best chef or cook, the solutions they're looking for. So that's what we went after. As I said about 30 days after launch, we felt like we were onto something because we had a lot of people really subscribe to this value proposition that we were offering.

Bill Mandia, Stradley Ronon [8:57]

That's great. So I know it's cliché, but people say hindsight is always 20/20. Is there anything from the early days, your early experience with this or even as you've progressed over the years. That you say yourself, I wish I would have done this differently, or I wish I would have thought of this sooner, that may be helpful for somebody who's in their early stages to be thinking about.

Jared Cannon [9:21]

I always say that if I went back and tried to repeat the same outcome, there's no way it would repeat itself. It was so day to day, so iterative by nature. So many things happened, so many decisions were made that were just in the moment, felt right for whatever reason, and compounded to getting to where we are today. But one of the things that I think we did well was when we started realizing that if this is a product for an end consumer, we're a consumer product and therefore we really need to connect to that consumer and create a brand. Very early on, one of my first hires was actually an intern that really helped us craft and design a brand that had an ethos and that connected and had cohesiveness behind the scenes that we wanted to expel forward. So that there was consistency amongst what we did, what we say we would do, the things we cared about, and all of those things existed.

I do wish that earlier on we would have built more of a finance function and team, because things move around so fast. We did the best we could, and we did a pretty good

job, utilizing the QuickBooks of the world and some of the free accounting softwares. Our books were not by any means complete garbage. But three years later, you start to look at historical data, and it's just not applicable anymore because it's changed so much. So [it] would have been a 'nice to have,' definitely not a 'need to have.' We really focused on making a great product, getting it to the customer as fast as possible, making sure we had a great customer service function in place. And we were able to create a brand to resonate with our consumer. That was our focus, everything else pretty much got pushed to the wayside.

I would definitely encourage anyone starting a business to make sure that you've got a Dropbox or some sort of file storage, centralized place, that you can have an organized set of files. As you move through the craziness, drop things in the right files, keep yourself semi organized. It doesn't need to be perfect, because you can always clean it up later. Ensure that you've got the accounting in place, the last thing you want to do is not do that which we were smart enough to not do. But you know, there's plenty of people out there that don't even think about that. I would highly discourage it.

Bill Mandia, Stradley Ronon [12:03]

So let's jump into the Wayback Machine to last March. By that I mean March 2021, when the pandemic started to hit. Maybe you can give the listeners an inside peek into your head and inside your business. What was going on, what were you thinking about how you were going to deal with this? As you mentioned, I think you said 98% of your sales almost went away instantaneously because of the vending nature of the business. If you could take us from there and move a little bit forward and talk about how you made that pivot. I think that would be great for our listeners.

Jared Cannon [12:37]

I remember clear as day. We had a board meeting in February, and most people had flown in and we were all in person sitting around a table. There were a couple that decided to dial in remotely because there was this starting stir of this virus, a pandemic circulating. We kind of talked about, do we have a contingency plan in place for this pandemic? Or epidemic it might have been at the time? My mind was like, no, not really, just, we'll be fine! And the advisement was, we should really take a step back, take a deep breath, reconsider, create a plan. Worst case scenario, you don't have to pull the ripcord right? And so we did and thank God we did. Because pretty quickly it was... everybody was there, everybody lived it, so I don't need to go into the details.

But stay at home orders went into place, our business literally declined by 98%. The only sustainable business we had in terms of this vending placement was in hospitals. We had just in February commercialized all of our production in the state of New Jersey, at a manufacturing capacity scale, we could do 100,000 units a week if we needed to. We were on the upward climb and then business got swept out from under us. So not only did we have nowhere to sell product, we had a dignified obligation to continue to be a good partner, for the people that have agreed to make this product so that we can

continue to do business. We, in effect, just made all of our vending machines in these hospitals free. We cranked up our order and just loaded these vending machines completely filled. I think we did four or five times a week, filled them up, made them completely free for the people that were now working 36 hour shifts without a break, trying to get healthy food in front of them. That was temporary to keep the team employed, give them something to do while we figured out what else needed to happen.

Almost accidentally, we stumbled across an opportunity with Walgreens in Chicago, who had just lost their fresh salad producer due to some other circumstances. By Easter, we were in 250 locations between Walgreens and a local store called Sheets. Pretty quickly, our revenues were climbing, they achieved the best revenues we had ever seen in the company's history. We were able to execute this literally from our bedrooms, remotely with no central office. In my head was how long is this really going to last? It was on everybody's minds. I had a feeling of responsibility for the people that I employed, and that had subscribed to become part of the Simply Good Jars team. Because what are we going to do? Just fire everybody or furlough everybody, that's not fair. So we rally the team and said, look, I'm either going to need to make some hard choices, which there's no right choice, or we can all come together, create a baseline salary that would be shared across all members of the team equally, until we can come out of this. And the team rallied and agreed to do that. So that was pretty cool to see that we did not need to necessarily terminate any employment. We just all downsized ourselves to be a little bit above the threshold of what unemployment would have put in our pockets, and just work through this. And that's what we did.

The plan went into place to continue to expand that retail presence, because again, by accident, we realized we had the best shelf life of any packaged salad in market and retail. We didn't know that! We were just continually trying to improve it to improve the economics of our business and servicing these vending machines. Instead of going five times a week, we could go 12 times a month, or we could go eight times a month. And now all of a sudden the value of the drop increases and we were able to drive the economics of the business in a good way. So that was the COVID effect, right? Is that - whoosh - rug pulled out from under us. Alright, let's take care of our team first. That's my priority. What do we have available to us in terms of getting product into consumers hands? We made the fridges free, I think we gave 7800 meals donated into Philadelphia area hospitals.

We turned on maybe three or four weeks of home delivery service, which was similar to the subscription service we launched on. But after launching in the retail, it was clear that we had to redefine the entire business. By doing that we had the force of focus to really drive everyone's goals and daily activities to one central thing instead of trying to be everything for everyone. So we made that determination. As of November, we had literally sold every single vending machine, focused the entire team's competency on execution at retail, and maximizing and increasing our distribution.

Bill Mandia, Stradley Ronon [18:00]

So one of the themes that I keep hearing coming up over and over again, from talking about the use of glass over plastic, the donations to the hospitals during the COVID, and things of that nature is a lot about sustainability. Also, a lot of people talk about the environmental, social, governance or ESG concept. I think a lot of people want to have it in their business, but I don't think a lot of people always have a clear vision for how that fits in. You seem to have a really solid philosophy on that. So I'd love to hear a little bit about how you think about that issue and how you're able to weave that into obtaining your business goals, as well as the goals you want to achieve as a good member of the community.

Jared Cannon [18:42]

It is a guiding north star for us as an organization, for myself as kind of the visionary. Fairly early on, I want to say in our first full year, we went after and acquired the B Corporation status. If you're not familiar with B Corporations, or certified B Corporations, they are businesses like Patagonia, and tons of consumer products, software products, all over the map, that are a force for good. To your point, social, really trying to define and address social and economic issues at the core of the way the business is modeled to succeed. And it's a process. I mean, I was literally probably filling out this application for six months, three hours every morning to just get to a pending status, which lasted about a year. Then everything and this questionnaire that you fill out you have to validate everything on paper in real time with audits that what you say you do, you actually do. And here's everything that I have to back it up. Once you've done that, you achieve the full certification which we did in early 2020. And so as a B Corporation, I think that helps become the stamp around all of those topics, you just highlighted there.

But I'm of the mindset that businesses, especially in this generation, have an obligation to really redefine what profit means for an organization. Yes, I can drop dollars from gross sales to net profits, and maximize those net profits and intangible dollars, create distributions for shareholders and reinvest them to the company and we can call that a profitable organization. Or you could say, look, I could take 50 cents, and feed someone or a family that otherwise would be going hungry today. What does that mean and in value in dollars and currency? How do you weigh that? There's really no monetary way to do that. But the thinking is that, as a business, we can change some of these economic issues, or at least do our part in helping and still be a profitable organization and still have dollars dropping to the bottom line, and still paying distributions for shareholders, but [also] really empowering.

What we like to say we do is, we empower everyday people to impact communities around them. So we created a package and a jar that not only helps extend the shelf life and have all these applications on the product side. But as a consumer, now you've enjoyed this salad, which hopefully you post it on Instagram and told all your friends about it, because it was so amazing. Then you have this package left right? What we say is, look, there's a QR code on the jar. Scan it, pledge to either reuse it at home, send us pictures, we love that stuff, or send it to the recycling bin, all of our jars are recyclable in

any municipality in the country. And when you pledge to do that, we will donate a meal equivalent to a local food bank through Feeding America partnerships. And that kind of approach, we were seeing participation in the 90th percentile of people that were buying our products would actually participate, scan the thing, commit to not throw it in the garbage, basically. So not only are we able to divert this waste from the landfills and oceans where it ends up most of the time. But we're also able to help combat that localized hunger, by just engaging with our consumers to make it easy to do things.

I think people intuitively and innately, they want to help. You walk past people on the street begging for food. Well, they're in need, but you might not have, I don't carry cash. So I don't have cash in my pocket, I can't help. So you make something easy, you put purpose behind things, and people subscribe to that. Again, when we talked about earlier about building a brand, and about connecting with that consumer, creating an ethos that really spreads across everything we do, and creating that Northstar and that guiding light. As a sustainable business, as a B Corporation, it's interesting, the type of people that we attract that want to work for us. I love what you're doing, I'm so and so this way of thinking or this way of being or this way of acting. There becomes a cultural alignment, almost by accident. Because the people that do the outreach that want to be a part of what we're doing. We all have this shared sentiment, which is let's do business better, while helping those around us.

Bill Mandia, Stradley Ronon [23:44]

That's an interesting comment there. Particularly the reaction you get from people that want to join your organization, because I hear a lot of people talk about sort of 'organizational purpose.' Everybody goes to work to earn a living. You need to do that, it's a means to an end. But when you can tie that to a purpose, it seems to really motivate people. Has that been your experience, you find you get a lot of highly motivated people who come?

Jared Cannon [24:09]

Absolutely, lots of can do's, lots of highly motivated [people]. My approach to hiring, we've never created a job description. We get dozens of inquiries every week. "Love what you're doing. Here's my resume." So what we typically do is say, write your own job description. What would you love to be doing right now? Really giving no parameters in terms of how it should be delivered, the structure, just send us your own job description. What would be your dream job? Where do you see yourself in a couple years? We'll take that, we'll file that away. When we have a match within the organization in terms of we're looking for this type of person, we'll give you a call.

That approach has compounded that effect of really getting, not only highly motivated people that feel like there's a purpose in coming to work, but there's alignment in their motivations and their talents, and what they believe they can add to an organization given their skill set or their desired path on their career. So by taking an inverse approach there as well, we hit the home run, so far.

Bill Mandia, Stradley Ronon [25:18]

Well, what's interesting about what you're saying is, it sounds like a very interesting joining of free market, free enterprise principles. To not only create a great product that people buy, but also to have an educational component to it in terms of just making sure people understand the real world impact of what happens to plastics and things like that, waste materials when we use them. Then I think, also, the ability to do some good by just scanning a QR code and a food bank gets a meal. So I think it sounds like a great merger there of a lot of concepts.

So all right, we got to get to the really, really fun stuff now and talk about Shark Tank. I'm sure a lot of listeners are eager to hear about it. So I'm just gonna turn it to you. Love to hear about how the opportunity came about, what the experience was like going through it, and where you are with that process now.

Jared Cannon [26:09]

The experience was surreal. I say that because as an entrepreneur, always raising money and trying to run a business at the same time. Our first, second and third jobs, you're attracted as a viewer of the show, and you always you watch, and you think, man, what would I say? How would I answer that question? Oh, that's tough. How would I handle that? When we got the call, after months, and months and months of interviews, after interviews, after interviews that we were selected, it was one of those - guess, I'm going to find out! The process started with being contacted by one of the casting team members and saying, season 12 open call is open. Have you ever thought about applying to the show, blah, blah, blah? Look, I don't have enough time in the day to just do what I'm trying to do, which is build this company. How the heck would I even make time for something like this? That was my initial thought, I didn't say it out loud. But then, you sleep on it. Then all of a sudden, it's like, maybe this is something, maybe this is a sign? Maybe this is something I should at least explore. What's the worst that can happen?

So I did, and so I pitched my phone, probably 500 times to create a really engaging, energetic pitch of Simply Good Jars should be one of the companies you select. Sent it in, did the application, got a callback to meet one of the producers and start the process, which was months and months and months of screening. I probably spent six, seven months getting to know them, them getting to know us, giving business updates and finally got to the point where we were selected to fly in and film. But keep in mind it is in the middle of a pandemic.

Bill Mandia, Stradley Ronon [27:59]

That's what I was just about to ask you. I wanted you to put it on a timeline. So can you just give us a sense when this started and where you were as you were going through all the craziness of the pandemic, we already said.

Jared Cannon [28:08]

I don't remember dates. I know, when we initially got reached out to by the casting team, that idea of COVID and a pandemic would have been on nobody's mind. It was a while

ago. By the time we were selected, and we filmed it was August, September of 2020. So I flew to Vegas, at the Venetian, spent almost two weeks there, and probably the safest I felt outside of my own home, in terms of the bubble they created there, and all that. So that was done really well. Then we filmed and really walked in there with the idea that like, this is crazy. I have no idea the questions I'm going to get. Nothing is scripted. There's not anybody in my ear saying, cry. You know, trying to direct me. You walk in, and you have your pitch. Then it's like, bring it! You have no clue. No context!

Bill Mandia, Stradley Ronon [29:02]
Can't call for a lifeline!

Jared Cannon [29:04]

Nope, nope. You can only practice so much for a million different ways that it could go. So I just really took the position that I know my business better than anyone else. I had some preconceived notions in terms of who I thought would be good partners. But at the end of the day, I was looking for somebody who understood and I could feel those signals that they got what we were doing, they saw the opportunity, and they felt they could help. If I could line those three things up, then there wasn't necessarily a price or a ceiling or anything where I was just going to walk away and say thank you. It was more about can I find an aligned partner here? Which, thankfully we did and more than one, which is great.

But the experience was surreal. Standing on that carpet, doing your pitch, I was basically like horse blinders. I could not tell you what happened until I saw that episode air for the first time like everybody else. Then it all came back and I was Okay, I remember what happened. But I'm telling you between recording and March when it aired, people were asking, how was it? Like, I don't remember. To make it even worse, we had filmed in September and aired in March. So there were six months where we couldn't even tell anybody. I couldn't tell my team, I couldn't tell any of the customers we have lined up that we're talking to and we're talking to some huge, huge retailers that have national distribution. We couldn't say, oh we filmed on Shark Tank, and we're going to create half a million people that we're going to be able to drive into your stores, and all of these things that did end up happening.

We couldn't share that because we were under embargo. There was no guarantee that we were actually going to be selected to air and we had no idea if we were going to be cut to be one of these entrepreneurs that was cocky and this, that and the other which I'm not. Which I figured was not going to be the case, but they can edit it however they want. So long story short, great experience, it was a blessing, it kind of popped up, created that opportunity. For us, we embraced it, took it seriously, did the best we could, tried to shake off the nerves (didn't really work). We got selected, we aired and business has monumentally changed ever since.

Bill Mandia, Stradley Ronon [31:33]

Just a quick question, I'm curious when you walk into that room for the first time and Mark, and Lori, I think was on your panel and Daymond, that's the first time you've seen any of those folks, you've been in that bubble, but you're not interacting with them at all right? So you just know, you're going to walk in and do your pitch, then they're going to start throwing the fastballs at you.

Jared Cannon [31:52]

Those first set of doors open, I'm walking down the hallway, the second set of doors open. There they are. Don't screw this up.

Bill Mandia, Stradley Ronon [32:03]

It sounds like for the question part, you said, well, I know my product, I know my business, I know what my goals are. For the potential offer part of it, it sounds like what you really were thinking about was just who may be good alignments. I take it, you were going to just deal with what the financial and ownership terms were as they came up, if something seemed to fit. Did you not have any preconceived, I'll take x to give up y ownership or I'm looking for...

Sometimes, they have the distribution type deals that they strike with people. Did you have any sense going into it, I do want to take on an equity part, or no, I don't?

Jared Cannon [32:42]

We did a ton of research in terms of sharks, how many deals they did, percentage they closed, typical ownership ask, the portfolio of companies that had to do with food, specifically, which is our world. So we had a pretty good read on the information needed to make real time responses and reactions. Obviously, I wasn't going to go in there and sell 50% of the company for, you know, X amount of dollars. We had already raised two and a half million dollars. So I had an obligation to our current investors and shareholders, we couldn't let someone in later in the game that would massively dilute them. For all the reasons that you know, and it's just the right thing to do. There was a bottom.

But to your point, my approach was, I know where we can't go. Hopefully, I do a good enough job of really painting the picture and the scalability and the size of the market opportunity and all of these things that you do when you pitch investors well enough that we can defend ourselves. Luckily, that didn't come up. So I suppose we did a pretty good job of laying the groundwork for: this is what we've done, this is the opportunity. There's nobody in front of us. We just need cash, time and distribution, and we can go. So Mark and Lori jumped on it, subscribed. We actually bounced live in the tank between debt deals and equity deals. I made the determination that again, if I'm going to give equity away against a debt that gets repaid where every other investor, it's money gone until it comes back. A multiple of 10x or pluses is my goal but that's kind of the scenario. It was crazy, no real preconceived notions outside of making sure we're taken care of our shareholders and made out good with Mark and Lori.

Bill Mandia, Stradley Ronon [33:24]

Just real quick, how's the impact of it been on your business? In terms of having a partnership with them, but also just in terms of how you market your product and things of that nature.

Jared Cannon [34:54]

So there's a lot of things we can and can't do. We can't really put Shark Tank on the product and market. You leverage it to market the product per se. Really the main value that came out of being on the show is that pretty quickly across the country, and then other countries like Canada, Europe, Australia, we had people tune in and automatically, we gained 10 million people viewed and had eyes on our product. The fact that we were on Shark Tank, that all the sharks enjoyed the product live on camera, on set, and we got a deal. That just builds product brand recognition and credibility. That in and of itself was really the true and realized value of the whole thing. Now, behind the scenes and investments and introductions and value add and all those things.

It's not what people think. It's not, I'm going to hold your hand and tell you everything you need to do to be successful. Follow this recipe for success and you will succeed. It's absolutely the inverse. I basically reach out if I need help, just like any advisor, any board member, anybody in our network. Can you help me with this? And it's a yes or no answer. Usually, we get a lot more yeses than noes. But that's basically the gist.

Bill Mandia, Stradley Ronon [36:19]

So I want to shift gears. We've talked a lot about the past, I want to finish up talking a little bit just about the future. I'd like to start with a little bit of talking about your business. What future visions you can share. If you can, I'd be curious to hear. I think you alluded to this a little bit earlier, when you said that's 'so far' how your alignment of your purpose, your business goals have worked. Well I'd be curious, as you go forward, and you grow, have you thought about how do you see yourself dealing with maintaining those core principles and purposes on a much larger scale?

Jared Cannon [36:55]

What's in front of us is extremely exciting. It's an exciting time here at the company. We started here in Philadelphia, we grew in the South Jersey, the New York market. Today, we have distribution from Maine to North Carolina. We're opening our Florida facility later this month in July, followed by our southern California facility in September, to help support some initial initiatives we're working with, with companies like Starbucks, and big, big major players in the market, not only here in the northeast, and the southeast, but also the southwest. So we're quadrupling the business by the end of the calendar year from not only a distribution and market penetration and access point of view, but the types of customers we're bringing on board. From a revenue perspective we'll 20x the business so there's a lot of putting things in place now to address that scalability, feasibility. It's easy to do something in a small pocket.

We realized when we were filling these vending machines that our shelf life was the barrier to scale. So not only have we commercialized that, patented it, we've optimized it

to a point where we started with the number one shelf life in market in retail in April of 2020. We've added 30% to that. So we've separated ourselves even farther from the pack, from the category perspective and validated it and applied it to other products that are not salads. What you'll start to see later this year is expanded distribution in additional markets with salads and other products. We are able to apply our process and technology, achieve that shelf life enhancement, completely natural, no preservatives, and have amazing distribution with amazing customers and partners. That's the exciting thing.

On the sustainability side, the QR code on the jar was, again, one of the forced pivots out of COVID. Because when we were in the vending model, pre COVID, you could actually return the jar to a bin located next to our vending machines. We would take that, clean it, wash it, sanitize it and reuse the jar, put a salad back in it. COVID killed that. The answer to that was that we had a model that failed. Nobody would have ever said a pandemic would hit, but it did. It completely broke our sustainable reusability model. By the introduction of the pledge, one jar, one pledge, scan the QR code, we now had a model that put the onus on the consumer, to empower them at their own choice and at their own judgment to decide if they wanted to participate. So far the majority have and we're encouraged that that will continue, though I'm sure we'll see a decline of overall percentage of participation.

But from a scalability perspective, it is truly engagement from the consumer at the point of purchase, or after enjoying the product, they make the decision. We trust that they are actually recycling and actually reusing it. We can't really prove that, but we're not out here to qualify people's statements. We're just assuming everyone's pledges equals action. Our promise is, you create a pledge, we will create action. We'll make that donation to those localized food banks through the Feeding America organization, which has a national presence in the majority of cities and communities all over the country. So it's definitely scalable. Our hope is that in two years, we look back and we're donating millions and millions of meals a month, selling millions and millions of products a week, and doing good business while doing good for the community and the planet.

Bill Mandia, Stradley Ronon [40:55]

That's great. So one final question. I'm always curious to hear from folks who have had multiple roles in the industry. So you've been in the restaurant side, now you're in the side that you're in with Simply Good Jars. Coming out of the pandemic, how do you see the industry changing, particularly in our area? The New Jersey, South Jersey, Philly region, how do you see things changing as a result of the pandemic?

Jared Cannon [41:22]

I think it's really interesting to see and live in real time. We're new to this space, talking a couple years. We're learning extremely fast, but we see what's happening. I think what we're going to see is consolidation at points of distribution, more localized sourcing of materials, product, supply chain. Yes, the pandemic affected consumer behavior. But if

you remember, you couldn't get toilet paper, you couldn't get all these things. It's not because it wasn't made somewhere. It was because if it needs to come from Washington State, (I'm making things up, by the way) and come into Jersey, that takes six days for a truck to load up. If it just turned on a dime to get to South Jersey to get to the warehouse, then get on another truck and come to your store. If your shelves get wiped, you can't fill them for eight or 10 days.

I think that the out of stock situation at retail and most places, made people realize that shortening that supply chain can help create more efficiencies and less lead times. You compound that with the fact that unemployment and some of the government benefits and whatever reasons have created a labor shortage in some of the blue collar work streams, trucking being one of them. It's a really well paid industry, but nobody can find truck drivers. Now not only do you have these long supply chains, and all this consumer demand on shelf, and a ton of people going online to make purchases and get either delivered at home or picked up. But you have a labor shortage on top of that.

I think what we're going to see is, and it actually aligns with the consumer interest, people want products that they feel are local. They're spending their money local, that localizer effect is really growing the cities and towns and whatnot around them, versus feeding a corporation in Southern California. So you spend your money in Jersey and it helps build Jersey jobs and Jersey this and Jersey that. So I think it's going to be localized sourcing, supply chains, manufacturing, product assortments. You see some of the players in retail and in grocery starting to feature regional, local vendors and suppliers. I think it's a promising future, especially for people just getting started in our side of the business, is that there might be a bigger appetite coming for more localized products that meet the economic needs and have the distribution capacity that these retailers are looking for. If you have high frequency of delivery, with quick turnaround time for distribution, you're going to solve a lot of the pain points that we're seeing today.

Bill Mandia, Stradley Ronon [44:12]

Tying into that point you just made about the locality of it, and people wanting to support their local community. It seems to me that the food industry is somewhat uniquely positioned on sustainability, environmental issues, social governance, some of the things we've talked about. Do you see that being a major focus in the industry going forward?

Jared Cannon [44:32]

Everything that I'm reading really aligns with the way that we've approached this from the beginning. But consumers, Millennials, Gen Z's, they're starting to actually demand this and seek products out that feature these types of benefits. Our 'why' in doing this had nothing to do with 'well, we have to' that's not the way we look at it. But I think other people in the food space are going to need to start looking at this and addressing it in their own unique way. I'm curious to see how the future kind of nets out. I think at the end of the day, the consumer is going to drive the way the industry acts. So far it's looking like a more sustainable future is absolutely in our foresight, from what I can tell.

Bill Mandia, Stradley Ronon [45:21]

Jared, thank you so much for your time. It's been a really interesting conversation. I wish you best of luck as you go forward. I look forward to seeing you at some future New Jersey Food Processors Association events.

Jared Cannon [45:32]

Absolutely. Keep a lookout for Simply Good Jars all over, on your local store, your local shelves, SimplyGoodJars.com. Order online and let us know what you think.

Jessica Campbell [45:43]

On behalf of the New Jersey Food Processors Association, we thank you for listening to this episode of the NJFPA food forum. For more information, you can visit us at www.njfoodprocessors.org. If you have an idea for a future episode, please email us at help@njfoodprocessors.org. We would love to connect with you and make your story and your experience part of this series too.