

Better Category Management, Better Food Recovery: How J.E. Russell Produce Uses Operational Excellence to Reduce Food Loss and Waste



Company Overview

Founded in 1977, J.E. Russell Produce is a family-owned wholesale produce distributor based at the Ontario Food Terminal in Toronto, where it supplies premium fresh produce to independent retailers, grocery chains, specialty retailers, and foodservice customers across Ontario and east to the Maritime provinces.

Specializing in berries, packaged salads, mushrooms, tropical fruit, grapes, melons, organic produce, and locally grown fruits and vegetables, Russell Produce sources products from growers across North and South America, then receives and distributes them daily through a temperature-controlled supply chain focused on quality, freshness, and food safety.

Because highly perishable products move through the business every day, reducing food loss and waste is directly connected to inventory management, forecasting, and customer service, which is why Russell Produce treats food recovery as part of operational excellence and directs each product toward its highest-value use.

The Challenge

Fresh produce is highly perishable, and each passing day reduces remaining shelf life while limiting the number of customers who can use the product.

This challenge is especially significant for packaged salads because they arrive with fixed best-before dates, while customers need enough remaining shelf life to support their own merchandising requirements.

Like many wholesalers, Russell Produce previously used progressively lower-value commercial channels to move short-dated inventory, which reduced immediate product loss but also created operational challenges by encouraging some customers to delay purchases until products were near the end of their commercial selling window.

Operating within the Ontario Food Terminal provides an important advantage.

Where Loss Occurs

Wholesale distribution, short-dated packaged salads, highly perishable fresh produce

Main Drivers

Best-before dates, forecasting variability, highly perishable inventory, customer purchasing patterns

Solutions

Defined donation thresholds, strong category management, community food redistribution, continuous inventory improvement

Key Partners

Second Harvest, Ontario Food Terminal, retail customers, Ontario growers

Produce Types

Packaged salads, berries, fresh vegetables, organic produce

Measurement

Shrink, gross margin performance, category performance, donation volumes, inventory performance

Social & Environmental Impact

Fresh food redirected to communities, reduced food waste, improved utilization of edible food, reduced disposal

Financial Outcomes

Improved gross margins, reduced shrink, better forecasting, stronger inventory management

Policy Context

Food Recovery Hierarchy, business-led food loss and waste reduction, community food redistribution

UN Sustainable Development Goals

2 – Zero Hunger, 12 – Responsible Consumption and Production, 13 – Climate Action, 17 – Partnerships for the Goals

A diverse marketplace of retailers, foodservice operators and independent grocers creates multiple opportunities for fresh produce to find its highest commercial use before food recovery is considered. The remaining challenge was straightforward: how could the company strengthen category performance while ensuring fresh, edible food continued to benefit people instead of becoming waste?



Operating from the Ontario Food Terminal, Russell Produce supplies fresh produce daily to independent retailers, grocery chains and foodservice customers across Ontario and east to the Maritime Provinces

The Solution

Russell Produce redesigned how it manages one of its most time-sensitive product categories.

Rather than continuing to move short-dated packaged salads through progressively lower-value commercial channels, the company established a clear operational decision point.

Once packaged salads reach six days of remaining shelf life, they are removed from commercial sale and redirected directly to Second Harvest while they still have several days of usable life remaining for families and community organizations.

The approach delivers benefits well beyond food recovery. By creating a consistent operating process, category managers gain greater visibility into shrink, inventory decisions become more disciplined and forecasting improves over time.



Managing highly perishable produce requires constant attention to inventory, quality and customer demand. Strong category management helps Russell Produce maximize the value of fresh produce while minimizing shrink.

Spotlight:

One Operational Change Created Multiple Benefits

The packaged salad program demonstrates that food recovery can be much more than a way to divert food from landfill. By changing a single operating practice, J.E. Russell influenced behaviour throughout the business.

Category managers became more accountable for shrink because every donated case became visible within their category performance. Better visibility encouraged tighter forecasting and more disciplined inventory management. Customers continued purchasing fresh product throughout the selling cycle rather than relying on short-dated inventory. Over time, this strengthened category performance while ensuring fresh, nutritious salads reached community organizations with significant remaining shelf life.

Key elements of J.E. Russell's approach include:

- **Defined Operational Thresholds** – Packaged salads are redirected while they still provide meaningful value to recipient organizations.
- **Direct Community Food Redistribution** – Product moves directly from Russell Produce's temperature-controlled warehouse to Second Harvest, preserving freshness and the cold-chain throughout the process.
- **Inventory Visibility** – Donated product is tracked internally, providing category managers with clear visibility into shrink and opportunities for continuous improvement.
- **Continuous Category Improvement** – Better forecasting and purchasing decisions reduce unnecessary surplus while maintaining customer service.
- **Highest-Value Use** – Products continue moving through commercial markets for as long as appropriate before being redirected to community organizations.



Russell Produce's temperature-controlled supply chain helps maintain product quality and freshness as produce moves from the Ontario Food Terminal to customers and community

Measuring Impact and Moving Forward

While detailed commercial results remain confidential, J.E. Russell reports stronger gross margin performance and reduced shrink within its packaged salad category following implementation of this approach. Donations initially increased as routine end-of-life sales were replaced by community food redistribution before declining over time as improved forecasting and tighter inventory management reduced surplus generation.

The experience demonstrates that reducing food loss and waste is not simply about recovering more food. It is about designing better operating systems that strengthen business performance while ensuring edible food reaches its highest-value use.

Although developed for packaged salads, the principles behind this approach have broader application across highly perishable produce categories. Establishing clear operational decision points, improving inventory visibility and integrating community food redistribution into everyday operations can help businesses improve performance while ensuring more edible food reaches people instead of becoming waste.

For more information contact:

Hutch Morton | hutch@jerussell.ca
www.jerussell.ca