2013 ANNUAL REPORT
ADVANCING THE INDUSTRY WITH YOUR SUPPORT
With Your Support, 
Great Things Are Happening

Your generous investment in the NAMA Foundation has helped ignite enthusiasm and excitement about the future of the vending and refreshment services industry.

I join my association colleagues in celebrating the tremendous success of our capital campaign. As we move into our second year of programming, I’m pleased to report that your support of the NAMA Foundation is paying dividends, helping to make measurable and significant progress on our strategic initiatives: Advocacy, Education and Information.

This annual report provides an overview of the accomplishments we’ve achieved and is a key component of the Foundation’s ongoing commitment to transparency and accountability.

On behalf of everyone at NAMA and the NAMA Foundation, I thank you for your leadership in moving our industry forward.

Mark Dieffenbach, NCE5, Chair
NAMA Foundation Board of Trustees
POSITIONED FOR GROWTH

In 2013, the NAMA Foundation celebrated the success of Positioning for Growth, its largest fundraising campaign in over a decade.

Fueled by the generosity and enthusiasm of member companies, individuals and state councils, we exceeded our goal of $5 million in just 15 months. An increase in overall donors and significantly broader participation among operators were a testament to the relevancy of the case and the strategic direction of the organization.

The Foundation is working hard to steward these investments wisely, helping NAMA build its core competencies and position the vending and refreshment services industry for growth. We are doing this in three key ways, each showcased in this report:

- **Advocacy:** Serving as the leading advocate for the industry, informing debates at the federal, state and local levels; driving favorable policy outcomes; and raising awareness of the value and impact of the industry.

- **Education:** Providing members and future leaders with relevant, high-quality thought leadership and education, preparing them to take advantage of emerging business opportunities and tackle current challenges.

- **Information:** Establishing NAMA as the definitive source of industry information for members, elected officials and the general public, including conducting research and acquiring information from outside sources.

With a strong team in place, spadework completed on a range of projects and your ongoing participation, the NAMA Foundation has already begun to make progress in propelling our industry forward.

**Total Raised**

$5,013,410
Your Investment at Work:
ADVOCACY

Top left: NAMA Regional Legislative Director Sheree Edwards — joined by Shayron Barnes-Selby of DS Services of America and Scott Plaisted of Southern Refreshment Services — leads a conversation with a representative from the office of U.S. Congressman John Lewis (Georgia District 5) / Right: NAMA Board members and CEO Carla Balakgie at the 2013 Public Policy Conference / Above: NAMA Board member Vic Pemberton, founder of The Pepi Companies, hosts U.S. Congresswoman Martha Roby (Alabama District 2) at the company’s headquarters in Dothan, Alabama
GAINING VISIBILITY IN WASHINGTON

Thanks largely to your support of the NAMA Foundation, NAMA ended 2013 having expanded its presence in Washington and fostered broader awareness of our industry.

A key accomplishment was raising the profile of NAMA’s Public Policy Conference in October. Foundation support resulted in more prominent industry speakers; increased attendance, including members of NAMA’s Emerging Leaders Network and Government Affairs Committee; a record 16 personal meetings with members of Congress; higher-level federal agency visits on issue-specific matters; and expanded media coverage.

In fact, one of the Capitol Hill meetings during the Public Policy Conference had an immediate impact: a member of Congress who had planned to co-sponsor the Cents and Sensibility Act (to change the metallic makeup of coins) declined to do so after being educated by NAMA on the burden such a change would entail for the vending industry.

In a direct outcome of relationships developed at the conference, several federal and state officials visited NAMA member businesses in the last few months of 2013. These visits give elected officials firsthand knowledge of how the industry operates, the jobs it provides and issues that impact NAMA member businesses — all of which helps promote fair treatment for the industry in legislative and regulatory debates.

“None of the outreach to elected officials would have been possible without the guidance of NAMA’s Government Affairs team and the support of the Foundation.”

» Pete Tullio, NAMA Board Chair

PROGRAMMATIC OUTCOMES

Foundation support helped to:

• Expand NAMA’s government affairs activity and engagement at all levels, including arming elected officials with the information they need to better understand the issues facing our industry.

• Lay the groundwork for driving a positive, industry-led conversation around nutrition and wellness after Foundation-funded research revealed that health-related issues were the top advocacy priority for NAMA members.

• Advance NAMA’s PR and marketing efforts, resulting in significant national and trade media coverage, increased exposure through social media campaigns, and greater awareness of the value provided by the vending and refreshment services industry.
Your Investment at Work: EDUCATION

Top: Micro Market Seminars in four U.S. cities drew sellout crowds / Bottom right: A graphic from the cover of the Micro Market Operational Guidelines manual depicts the popularity of this growing channel / Bottom left: NAMA’s Executive Development Program is one of several ways the Foundation helps prepare members for leadership and business growth opportunities
PREPARING FOR EMERGING OPPORTUNITIES

Education on micro markets exploded in 2013, as NAMA created a multifaceted product line around this fast emerging market opportunity.

Research funded by the NAMA Foundation drove the development of the first two offerings in a multiyear product line focused on micro markets: a seminar series and publication of operating guidelines.

The practical, interactive Micro Market Seminars were held in four cities across the country, drawing some 400 participants. The two-day agenda covered everything from merchandising and promotions to technology to fresh and frozen food options. It also discussed trends, growth projections and how to create a meaningful customer experience.

In conjunction with the seminars, a comprehensive, first-of-its-kind Micro Market Operational Guidelines manual was created. The 80-page document is designed to help businesses make the most of this growing business opportunity.

As NAMA helps the industry learn and develop new business practices and revenue through this channel, it is establishing itself as the go-to resource for micro market operation. Foundation funding will help ensure that this trend continues.

I was able to gain insight and experience from the best minds in the industry. This seminar would be worth twice the cost.

» Robert Powell, Canteen, Philadelphia Micro Market Seminar Participant

PROGRAMMATIC OUTCOMES

Scholarships are one of the principal ways the Foundation advances NAMA’s educational agenda. In 2013, the Foundation:

• Awarded over $30K in educational scholarships across a variety of programs, including the popular NAMA Foundation Undergraduate Scholarship program.

• Provided two scholarships to NAMA’s prestigious Executive Development Program at Michigan State University.

• Subsidized training costs associated with the hiring of a new instructor for the one-of-a-kind Vending Machine Repair Program at the A. Philip Randolph Career & Technical High School in Philadelphia.
Foundation support helped launch NAMA’s new Nutrition & Wellness Center, an important tool in the organization’s strategy to lead the national dialogue and shape perceptions around nutrition issues. The eye-catching, user-friendly site makes industry information, case studies and nutrition resources easily accessible to members, elected officials and the public.
LEADING THE NUTRITION CONVERSATION

In 2013, NAMA initiated a major refresh of its long-range strategy around nutrition and wellness to better shape perceptions around nutrition issues, lead the national dialogue, and influence government officials and the general public.

A key part of this strategy was the development of the new NAMA Nutrition & Wellness Center, made possible with funding from the Foundation. With a modern look and feel, and a special focus on Fit Pick, the dynamic site provides the platform to showcase NAMA's nutrition commitment to a broad audience of stakeholders and greatly expands information for members, public officials and consumers.

A public rollout is planned for the 2014 OneShow to generate buzz and engage members with the site. It will be a prominent vehicle for communicating new regulations and nutrition guidelines and showcasing the industry’s proactive leadership in this area.

The Foundation will continue to play a prominent role in efforts to drive a positive, industry-led conversation around nutrition and healthy choices.

CASE STUDY

NAMA’s Fit Pick program is increasingly being adopted by businesses, educational institutions and government entities. For example, the U.S. Army’s Soldier Fueling Initiative is promoting healthier eating through standardized menus, provision of nutrition education and the introduction of more nutritious foods identified as Fit Pick in vending machines. The initiative has earned the recognition of the Bipartisan Policy Center, which has urged its expansion to all branches of service.

PROGRAMMATIC OUTCOMES

Providing current industry research for members and public officials is one of the most important contributions the Foundation makes. In 2013, the Foundation:

- Produced research related to three main industry business lines: CTW, micro markets and vending. These included Hot Beverage Consumption Data, Micro Market Benchmarks — the first-ever operating census data on this channel — and the Operating Ratios Report.

- Initiated the planning of NAMA’s comprehensive member/industry needs assessment. This market research will uncover and/or validate the research and business insights that are most valuable to NAMA’s core members — vending, CTW and micro market operators — for their continued profitable growth and success. Results will guide the development of products and services for all relevant business lines.
Thank You, Investors!

Thank you to all of the companies and individuals who generously contributed to the NAMA Foundation’s Positioning for Growth Campaign. Your investment is hard at work, advancing the quality and visibility of the vending and refreshment services industry.

Pinnacle Investor » $1,000,000+
- PepsiCo Foodservice

Legacy Investor » $500,000+
- Coca-Cola Refreshments

Founder Investor » $250,000+
- Mars Inc.

Cornerstone Investors » $100,000+
- AdvancePierre Foods
- ARAMARK Refreshments Services
- Canteen Vending
- Dr Pepper Snapple Group
- General Mills, Inc.
- Green Mountain Coffee Roasters
- The Hershey Company
- Kellogg’s Food Away From Home
- Mondelēz International
- Vistar Corporation

Heritage Investors » $50,000+
- Buffalo Rock Company
- Crane Merchandising Systems
- DS Services of America, Inc.
- G & J Marketing and Sales
- Gaviña Gourmet Coffee
- Kraft Foods Group
- MEI Conlux
- Royal Cup Coffee
- U.S. Roasterie
- Vend Catering Supply
- SEVA

Ambassador Investors » $25,000+
- 365 Retail Markets
- A.H. Management Group, Inc.
- Avanti Markets
- Bunn
- Burdette Beckmann
- California Automatic Vendors Council
- Cargill-Truvia
- Company Kitchen
- Everpure, LLC
- Flowers Foods/Mrs. Freshley’s
- GES
- Holiday House/BrewTek/Kool Tek
- MD-DC Vending Association, Inc.
- Nestlé Professional
- R.C. Bigelow
- Red Bull North America
- Sodexo
- Tri-State Automatic Merchandising Council

Friends Circle Investors » $10,000+
- Alabama Vending Association
- All Star Services, Inc.
- Associated Services
- Cantaloupe Systems
- Canteen of Coastal California
- Coin Acceptors, Inc. and InOne Technology
- Continental Vending, Inc.
- Evergreen Vending
- Follett Corporation
- Georgia Automatic Merchandising Council
- Gourmet Coffee Service, Inc.
- Inventure Foods, Inc.
- LightSpeed Automation LLC
- Lincoln County Vending
- Mark Vending Company
- Mississippi Automatic Merchandising Association
- Monumental Vending, Inc.
- Newco Enterprises, Inc.
- The Pepi Companies
- ProStar Services, Inc.
- Refreshment Solutions, LLC
- Smith Vending Corp./Canteen
- Southern Refreshment Services - Canteen
- Sugar Foods Corporation
- Tomdra Inc.
- U-Select-It Corporation
- Vending Machine Operators of Louisiana

Supporters Circle Investors » $5,000+
- All Brands Foods, Inc.
- Arizona Automatic Merchandising Council
- Atnpi Co., Inc.
- Automatic Food Services, Inc.
- Automatic Merchandising Association of Florida
- Avtobar J.S.C.
- Carla Balagkie, FASAE, CAE
- Chicago Vendor Supply, Inc.
- Cloverhill Bakery
- Excelso Coffee And Tea
- FOCUS 365
- Greg Breland
- Illinois Automatic Merchandising Council
- Indiana Vending Council
- Jack Link’s
- Jimmy Wilmore
- Kentucky Automatic Merchandising Council
- Kimble’s Food by Design, Inc.
- M & M Sales Co.
- Monogram Food Solutions

All Other Investors » Up to $5,000
- Acme Music & Vending Co., Inc.
- Baker & Baker Vending, Inc.
- Brella Productions
- Connecticut Vending Association
- D/FW Consulting
- Dan Mathews, NCE5, CCS
- Finn Partners - John Healey
- Heritage Coffee Co./KNJ Sales
- Iowa Automatic Merchandising Association
- J & S Vending
- Jonathan T. Howe
- Lima Enterprises, Inc.
- Lindsey K. Nelson
- Mid-America Automatic Merchandising Association
- Midlantic Vending
- Minnesota Automatic Merchandising Council
- New York State Automatic Vending Association
- Northwest Automatic Vending Association
- Patterson Co., Inc.
- Pod Pack International, Ltd.
- PrairieFire Coffee Roasters
- Premier Broker Partners
- Royal Vending, Inc.
- Saverino & Associates, Inc.
- Tennessee Automatic Merchandising Association
- Texas Merchandising Vending Association
- United Food Group, Inc.

New York State Automatic Vending Association
Northwest Automatic Vending Association
Patterson Co., Inc.
Pod Pack International, Ltd.
PrairieFire Coffee Roasters
Premier Broker Partners
Royal Vending, Inc.
Saverino & Associates, Inc.
Tennessee Automatic Merchandising Association
Texas Merchandising Vending Association
United Food Group, Inc.
FINANCIALS

Total Revenue: $2,319,711*
Total Expenses: $823,491

2013 Expense Summary**

*Accrued revenue reflects campaign commitments pledged over five years

**2013 expenditures reflect paced programmatic spending based on cash receipts and investments in the areas of Development and General & Administrative. Beginning in 2014, and over the five-year funding period, expenditures will naturally shift to key programmatic areas.

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