Surplus Food Donations

A socially responsible and simple alternative to throwing away surplus food
Our Vision
When they had all had enough to eat, Jesus said to his disciples, "Gather the pieces that are left over. Let nothing be wasted."
John 6:12 (NIV)

Our Mission
Expand our global network linking available sources of surplus food to those in need through existing charitable organizations.

Grow our company in a manner that provides a level of profitability necessary to carry out our vision.
Prepared Food Donations

✓ From 14,000 locations (1,300 companies)
  Restaurants, universities, hospitals, airports, motorways, malls, grocery stores, convenience stores

✓ To 10,000 recipients
  Shelters, rescue missions, YMCA afterschool programs, Salvation Armies, Boys & Girls Clubs, food banks

✓ Countries include U.S., Canada, Poland, Mexico

✓ 1.8 million donation transfers annually

✓ 65 million pounds annually
Why Donate Surplus Food?

✓ Employee Pride & Engagement
✓ Environmental - Waste Reduction
✓ Sustainability
✓ Community Relationships
✓ U.S. Incentives Encourage Donations
Food Waste Recovery Hierarchy*

Source Reduction – Reduce the volume of food waste generated

Feed People – Donate extra food to food banks, soup kitchens and shelters

Feed Animals – Provide food to farmers

Industrial Uses – Provide fats for rendering and food discards for animal feed production

Composting – Convert food scraps into a nutrient rich soil amendment

Landfill Waste

* US EPA has developed a food waste recovery hierarchy to illustrate how productive use can be made of excess food. The hierarchy emphasizes practices that provide the greatest ecological, economic, and social benefits, with disposal as the last option.
Liability Protection

Bill Emerson

Good Samaritan Food Donation Act

Public Law 104-210, signed in 1996

Liability protection, except in cases of gross negligence or intentional misconduct
What are the Tax Incentives?

U.S. Tax Code provides an *enhanced tax deduction* the lesser of \( \frac{1}{2} \) of the gross profit or basis cost

<table>
<thead>
<tr>
<th>Example Benefit Food Item</th>
<th>Product Sold</th>
<th>Surplus Not Donated</th>
<th>Surplus Donated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Revenue</td>
<td>$10.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Basis cost (food &amp; direct labor)</td>
<td>$3.25</td>
<td>$3.25</td>
<td>$3.25</td>
</tr>
<tr>
<td>Gross margin/ (loss)</td>
<td>$6.75</td>
<td>($3.25)</td>
<td>($3.25)</td>
</tr>
<tr>
<td>Enhanced tax deduction</td>
<td>--</td>
<td>--</td>
<td>($3.25)</td>
</tr>
<tr>
<td>Total income/ (deduction) for tax</td>
<td>$6.75</td>
<td>($3.25)</td>
<td>($6.50)</td>
</tr>
<tr>
<td>Tax (assumes federal marginal tax rate of 21%)</td>
<td>($1.42)</td>
<td>$0.68</td>
<td>$1.37</td>
</tr>
<tr>
<td>Gross margin/ (loss) after tax</td>
<td>$5.33</td>
<td>($2.57)</td>
<td>($1.88)</td>
</tr>
</tbody>
</table>

*In this example, donating reduces after tax cost of surplus food by 27%.*
<table>
<thead>
<tr>
<th>Restaurant</th>
<th>Years</th>
<th>Pounds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pizza Hut</td>
<td>29</td>
<td>110 Million Pounds</td>
</tr>
<tr>
<td>KFC</td>
<td>23</td>
<td>84 Million Pounds</td>
</tr>
<tr>
<td>Olive Garden</td>
<td>18</td>
<td>45 Million Pounds</td>
</tr>
<tr>
<td>Red Lobster</td>
<td>18</td>
<td>28 Million Pounds</td>
</tr>
<tr>
<td>Chipotle</td>
<td>14</td>
<td>12 Million Pounds</td>
</tr>
</tbody>
</table>
Leaders Donating Prepared Food
Example Recipients

Just a few of our 10,000 active agencies
Important Steps

✓ Food safety is first
✓ Identify potential donation items
✓ Select qualified charities
✓ Provide ongoing support & management
✓ Track donations
✓ Calculate & report savings
Harvest Program Equipment

- Cambro® Pans
- Food Safe Storage Bags
- Transport Bins
- Insulated Transport Pouches
Process for Food Service

Identify

Store

Package

Measure

Scan

Record
Process for Charities

Pickup

Serve or Distribute

Transport
Ongoing Support and Management

No charge to Agencies

Live Answer Harvest Support Center

Insulated Transport Pouches & Agency ID Badges

Food stays within 5 miles

eLog Mobile

KEEP IT LOCAL
FDC Technology – eLog

✓ eLog Mobile tracks all donations
✓ Donation data entered by donor
✓ Local charity picks up food
✓ Charity verifies donation and signs the Donation Acknowledgement Form (DAF) electronically
✓ Ability to notify charities of recalls of donated food
What are the advantages?

✓ Proven program
✓ Variety of food
✓ Local availability
✓ Immediate impact
✓ Positive impact on environment
✓ Free to hunger relief organizations
✓ Tax incentives encourage donations
USA or Canada Contact

1-800-831-8161

Development@foodtodonate.com

www.FoodToDonate.com