

Coastal Pacific Acquires CalPac

• STOCKTON, Calif.

On May 31, Coastal Pacific Food Distributors, Inc. announced it had entered into an asset purchase agreement to acquire California Pacific Associates LLC. In an initiative to be completed by October, Coastal Pacific will integrate CalPac's operations and staff into its organization.

CalPac is a Prime Vendor in Japan, runs the Defense Commissary Agency's (DeCA) bakery-deli business in the Far East market and also supports Air Force morale, welfare and recreation (MWR) business in that part of the world.

"We are very excited about the opportunities and synergies this acquisition brings to Coastal Pacific and our customers," said David Jared, Coastal Pacific president. "The acquisition solidifies our position as the only full-service distributor to DeCA's Far East locations. Along with our current perishable business, the deli-bakery category will allow us to maximize not only frequency of delivery but also cube stabilization for the customer. CalPac's strong presence in the MWR subsistence arena enables us to grow significantly the foodservice side of the business, complimenting our Prime Vendor contracts."



KING JOINS COASTAL PACIFIC

Jeff King, president and chief operating officer (COO) of CalPac, will join Coastal Pacific and manage the joint business, responsible for the integration of the CalPac business into Coastal Pacific operations. He will also assume an expanded role, after the integration, as a Coastal Pacific vice president.

"Jeff is well respected in the industry, and his position on the American Logistics Association (ALA) board of directors is indicative of his dedication to the military resale industry," Jared said.

In anticipation of this announcement, Coastal Pacific has already begun expansion of the freezer and perishable docks in its distribution center here to house the additional

volume done through CalPac. The integration of CalPac's inventory into this facility is expected to be completed by late 2006. Coastal Pacific has also signed a long-term lease agreement to maintain the CalPac offices in Burlingame, Calif.

"Our investment in CalPac, Jeff King and our significant investment in our state-of-the-art Stockton facility is indicative of our long-term commitment to preserve the benefit for the military patron," Jared said.

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