Target to Offer Exclusive Organic, Sustainable Products

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This undated image provided by Target on Tuesday, April 8, 2014 shows Method's non-aerosol air freshener. The nation's second largest discounter has selected 17 of the leading natural, organic and sustainable brands that already sell to its stores and has challenged them to come up with new products or new twists, including this air freshener. (AP Photo/Target)

NEW YORK (AP) — Target is upping the game on organic and sustainable products.

The <u>nation's second-largest discounter</u> [1] has hand-selected 17 of the leading natural, organic and sustainable brands that already sell to its stores and has challenged them to come up with new products or new twists. As a result, an exclusive collection of more than 120 items like non-aerosol air freshener and bleach-free baby diapers have been hitting shelves since last month.

The products, which are being produced by such names as Chobani, Method and Seventh Generation, will range in price from \$1.99 to \$24.99, and will span across baby, beauty, grocery, health care and household items. Half of the products will be new, while the remaining will be extensions of an existing product line like a new scent or a new flavor.

The collection includes Method's non-aerosol air freshener that's powered by air, bleach-free cotton baby diapers from Seventh Generation, breakfast sandwiches from Evol Foods, and smoothies from Plum Organics. They will be exclusive to Target for at least six months, the retailer said. The complete collection will be available by September.

The move comes as Target is enjoying strong sales in products that offer healthier

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Published on Food Manufacturing (http://www.foodmanufacturing.com)

alternatives for the consumer or for the environment. Target says that it has seen 15 percent sales growth in this area over the last few years, outpacing the industry's 10 percent pace. And sales of these products quadruple those of the company's non-organic and regular items. But Target's latest initiative pushes the brands to work together to make change and bring more innovation — at an affordable price.

The products will be featured in the usual aisles and as part of specialized collection displays that will highlight a new logo called "Made to Matter." The "Made to Matter" banner will also highlight all products currently offered by the participating brands. The partnership will be advertised on social media and on the web, culminating with a TV commercial this fall.

The "Made to Matter [2]" initiative was conceived in early 2012, but it's taken on more importance as Target is still reeling from a massive security breach that occurred before Christmas. The discounter announced in February that its profit in the fourth quarter fell 46 percent on a revenue decline of 5.3 percent as the breach scared off customers worried about the security of their private data.

While Target said in February that sales have been recovering since the breach was disclosed in mid-December, the Minneapolis-based retailer expects business to be muted for some time: It issued a profit outlook for the current quarter and full year that was below Wall Street estimates as it grapples with hefty costs related to the breach.

In an interview with The Associated Press on Tuesday, Kathee Tesija, Target's executive vice president of merchandising, declined to offer an update on how business has been faring since it gave its outlook in February, but said, "The appeal (of these products) will bring them back."

"Our guests are looking for products they can feel good bringing home without sacrificing price and performance," she added.

Eric Ryan, co-founder of Method, which has pitted itself against big names like Procter & Gamble with environmentally-friendly alternatives to soap and other cleaning products in whimsical packaging like teardrop-shaped bottles, said the partnership is pushing everyone to do more. Method, which was founded in 2001 and started selling to Target in 2003, has been a catalyst in helping bring together executives from the different brands.

"It's about inspiring and challenging each other," Ryan said.

Ryan says Method is building what he says is the most environmentally sustainable manufacturing facility in North America. The facility, which features solar panel installations and green houses on the roof, is being built in Chicago's South Side.

Source URL (retrieved on 01/29/2015 - 5:37pm):

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Published on Food Manufacturing (http://www.foodmanufacturing.com)

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[1] https://twitter.com/Target

[2] http://www.target.com/c/made-to-matter/-/N-558sz