delivering well-being through the art of tea **CASE STUDY** Numi Organic Tea helps millions of people heal their mind, body, and spirit with a little help from:



OVERVIEW

Not many industries can trace their roots back five millennia, but tea can. Steeped in tea's rich traditions yet passionate about innovation you'll find Numi Organic Tea, a company dedicated to

bringing the health and wellness properties of this revered beverage to fruition. Established in 1999, not only is Numi the largest Fair Trade, organic premium tea company in North America¹, but they are playing a pivotal role in the growing interest of this time-honored drink—here and abroad. Enabling success behind-the-scenes is PRISM Logistics, Numi's exclusive logistics partner. PRISM is responsible to receive and process orders, support customer service inquiries, manage inventory levels, address special requirements (e.g., labeling, kitting) and arrange for shipment to destinations such as Japan, the Philippines, South America, and Australia.

"Not only is PRISM our fulfillment partner, but they handle customer service at the level and scale we require."

- Dannielle Oviedo Director of Fulfillment Operations Numi Organic Tea

The global tea market in 2016 was estimated between \$38.2 to \$42.1 billion (USD). With anticipated growth of over 4% CAGR, tea will continue to be the world's dominant thirst-quencher, second only to water².

WHY PRISM?

We spoke with Dannielle Oviedo, Director of Fulfillment Operations at Numi about their partnership with PRISM. She explained that when Numi went looking for a fulfillment partner, they quickly discovered that providers did not offer the type of customer service support operation they desired. PRISM stepped up to the challenge. According to Oviedo, PRISM not only understood what was needed, but was transparent about what it would take to make it happen. Reflecting on their five years together, she was able to offer the following insights about PRISM:

Uncommon Responsiveness. Regardless of the situation, PRISM has always been ready to answer questions, reflect on concerns, work through solutions, or collaborate on projects on the horizon.

Capability & Commitment. In addition to handling all of Numi's executional needs—from customer service to fulfillment—PRISM helps Numi stay in front of their exponential growth.

Organic Certification. An organic infrastructure is critical for tea as leaves are generally unwashed before being dried, packed, and ultimately placed in a cup. PRISM supports this organic certification, vital to Numi and their customers.

"PRISM is very responsive. They respond to every request and rise to each occasion with honesty and integrity."

> - Dannielle Oviedo Director of Fulfillment Operations Numi Organic Tea

¹ https://www.teatimemagazine.com/numi-tea/

 $^{^2\} https://www.statista.com/statistics/326384/global-tea-beverage-market-size/$

http://www.businesswire.com/news/home/20170623005637/en/Global-Tea-Market---Drivers-Forecasts-Technavio

Delivering Well-Being Through the Art of Tea

How Numi Organic Tea helps millions of people heal their mind, body, and spirit with a little help from PRISM Logistics

THE HISTORICAL INFLUENCE OF TEA

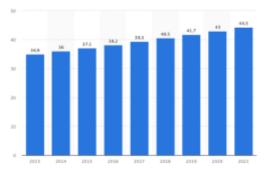
Tea has been cultivated in China for 6,000 years ². Although we consume it much differently today, that same little leaf from ancient lore is still grown and consumed throughout the world. The popularity of tea shaped global trade and commerce throughout history. In the early 1600's, Dutch traders introduced tea to Europe, including the global power Great Britain. As their influence spread, so did tea. China maintained a monopoly on tea, one of three main exports along with silk and porcelain, until the mid-1800's when the East India Trading company stole tea plants from China and relocated them to the British colonies in Darjeeling. Since then, tea has quickly become a commodity and is the most widely consumed drink, second only to water.

Fun Fact:

The Clipper ship, a logistics marvel of the time, was developed in response to the need for a more rapid form of tea delivery from China.

TODAY'S TEA MARKET

According to statista.com, an online aggregator of statistical studies, the global tea industry is expected to reach \$39.3 billion (USD) in 2017 and \$44.3 billion by 2021³. Interestingly, the United States remains the third largest importer of tea in the world and is the only western country to be increasing both production and consumption of the desired commodity. According to the Tea Association of the United States, domestic tea beverage sales across all forms in 2016 reached an \$12 billion4 with traditional preparations like bagged and loose-leaf teas representing just over half of the market. According to World Tea News, citing a report by global market researcher Technavio, the Organic Tea market specifically is expected to grow by +5%, reaching \$295 million by 2021⁵. At the center stands Numi Organic Tea, one of five key vendors identified in this space.



Size of the global tea beverage market from 2013 to 2021 (in billion USD)



A key vendor in the organic tea market according to World Tea News

 $^{^2}$ https://ed.ted.com/lessons/the-history-of-tea-shunan-teng

³ https://www.statista.com/statistics/326384/global-tea-beverage-market-size/

⁴ http://www.teausa.org/14654/state-of-the-industry

⁵ http://worldteanews.com/news/us-organic-tea-market-set-grow-5-percent-next-five-years



INNOVATION & PARTNERSHIP

Consumers' better understanding of tea as part of a holistic, healthy lifestyle, along with changing perceptions that tea is indeed a modern, gourmet beverage are spurring this global market growth. Numi is committed to bringing well-being to satisfied customers even as their numbers significantly grow, which requires constant product and packaging innovation. Integral to this process are visits by Numi to remote regions of the world to identify unique herbs and teas unknown in the United States. And innovation requires meaningful partnerships across the supply chain. From farmers in China and India to Numi's exclusive logistics partnership with PRISM Logistics, all parties operate with mutual respect, gratitude, and understanding to bring these innovations to life and meet the consumers' needs.

SHARED TENETS OF PHILANTHROPY

Further strengthening the Numi-PRISM partnership is a mutual commitment to philanthropy. Since inception, both companies have embraced and perpetuated service to others and the environment.

Founded in 1999, The Numi Foundation and its programs—Nature Underlies My Inspiration and Together for H₂OPE—have transformed the lives of millions of people domestically and around the world. Through their decisions in supply chain management and work with other like-minded organizations, Numi sets an example of exemplary dedication to sustainability, which has led to changes in corporate standards and federal regulations.⁶

For PRISM, doing well in business is all about doing good in the world. This credo is apparent in PRISM's work with Abundant Life Ministries, which brings education and water to Ugandan communities, Rise Against Hunger, for which PRISM provides storage, mealpacking, and distribution operations, providing trucks, storage and running supplies to help those affected by fires in Northern California and logistics support over the years for the American Aid Logistics Network (ALAN).

About PRISM Logistics

Founded in 1993, PRISM Logistics and PDC Logistics serve Northern California and the US West from a network of facilities in Hayward, Sacramento, Stockton, Modesto and Livermore, California. PRISM is a leader in its field by virtue of technology investment, a skilled labor force and respected leadership team, delivering leading edge efficiency for highly demanding, high-value customers. A 'paperless' operation for more than a decade, PRISM boasts state-of-the-art warehouse management systems (WMS), and highly automated radio frequency RF-enabled processing systems throughout its 1 Mil+ square feet network of food grade warehouse capacity. For more information, go to www.pdc-logistics.com.

⁶ http://www.numitea.com/impactreport/