IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
Fleming Companies, Inc., et al.,[1]	)	Case No. 03-10945 (MFW)
	)	(Jointly Administered)
Debtors.	)	

Objection Deadline: June 26, 2003
Hearing Date: N/A

DEBTORS' REPORT OF CLAIMS UNDER THE PERISHABLE AGRICULTURAL COMMODITIES ACT, 7 U.S.C. § 499a ET SEQ., THE PACKERS AND STOCKYARDS ACT, 7 U.S.C. § 181 ET SEQ. AND SIMILAR STATE STATUTES

The above-captioned debtors and debtors in possession (the "Debtors") hereby submit their Report of Claims under the Perishable Agricultural Commodities Act, 7 U.S.C. § 499a et seq., the Packers And Stockyards Act, 7 U.S.C. § 181 et seq. and Similar State Statutes (the "PACA Order").

Jurisdiction and Procedural History

1. The Court has jurisdiction over this matter under 28 U.S.C. § 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(N). Venue of these chapter 11 cases in this district is proper under 28 U.S.C. §§ 1408 and 1409.

[1] The Debtors are the following entities: Core-Mark International, Inc.; Fleming Companies, Inc.; ABCO Food Group, Inc.; ABCO Markets, Inc.; ABCO Realty Corp.; ASI Office Automation, Inc.; C/M Products, Inc.; Core-Mark Interrelated Companies, Inc.; Core-Mark Mid-Continent, Inc.; Dunigan Fuels, Inc.; Favar Concepts, Ltd.; Fleming Foods Management Co., L.L.C., Fleming Foods of Texas, L.P.; Fleming International, Ltd.; Fleming Supermarkets of Florida, Inc.; Fleming Transportation Service, Inc.; Food 4 Less Beverage Company, Inc.; Fuelserv, Inc.; General Acceptance Corporation; Head Distributing Company; Marquise Ventures Company, Inc.; Minter-Weisman Co.; Piggly Wiggly Company; Progressive Realty, Inc.; Rainbow Food Group, Inc.; Retail Investments, Inc.; Retail Supermarkets, Inc.; RFS Marketing Services, Inc.; and Richmar Foods, Inc.

Background

2. On April 1, 2003 (the "Petition Date"), the Debtors filed their respective voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Cases"). The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these cases. An official committee of unsecured creditors (the "Committee") was appointed on April 14, 2003.

The Report

3. On May 6, 2003, the Court entered that certain Order Requiring Segregation of Funds to Cover Certain PACA Claims and Authorizing Procedures for Reconciliation and Payment of Valid Claims Under the Perishable Agricultural Commodities Act and the Packers and Stockyard Act (the "PACA Order"),[2] a copy of which is attached hereto as Exhibit 1.

4. Under the procedures established by the PACA Order, the Debtors are required to file and serve on all parties in interest and all parties who have requested notice in these proceedings an initial PACA Report listing (i) Claims, if any, and the amount thereof which, after good faith review and evaluation, are deemed valid and entitled to payment in accordance with applicable law, (ii) Claims, or any portion thereof, deemed disputed or invalid according to applicable law and stating in detail the legal or factual basis for the such listing, (iii) Claims that have not been reconciled by the Debtors; and (iv) Claims, if any, that have been paid prior to the filing of the PACA Report.

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[2] All capitalized terms not otherwise defined herein, shall have the meaning ascribed to such terms in the PACA Order.

5. The Debtors and their professionals have devoted significant time and effort in reviewing and analyzing the PACA Claims. In total, the Debtors received notices from in excess of 250 vendors (the "Vendors") asserting claims, in aggregate, of just greater than $51 million. A copy of the Debtors' PACA Report is attached hereto as Exhibit 2.

6. The PACA Report contains Exhibits A, B and C.

(i) On Exhibit A, the Debtors indicate those vendors to which an offer has been made (an "Early Payment Offer") which, if accepted, will (a) provide for early, estimated payment of a portion of the accepting Vendors' PACA Claim and (b) provide a framework for the final reconciliation of such Claim. A copy of a sample Early Payment Letter is attached hereto as Exhibit 3. Early Payment Offers were extended to those vendors where the Debtors had sufficient time and either enough vendor-provided detail or historical detail to review, reconcile if necessary and calculate the estimated payments provided for in the Early Payment Letters.[3]

(ii) On Exhibit B, the Debtors indicate the PACA Claims of those Vendors that have been partially finally reconciled to indicate those portions of such Vendors' Claims that the Debtors believe to be valid and invalid, respectively, and to indicate that portion of the Claim that has not been finally reconciled at the time of the PACA Report. Based on current information and review, the Debtors were unable to calculate estimated payments to the Vendors listed on Exhibit B sufficient to make an Early Payment Offer to such Vendors. The Debtors are willing to discuss the Claims listed on Exhibit B with the applicable Vendors and to consider, if appropriate and with the requisite approval of the Committee and their senior secured lenders (the "Lenders"), extending Early Payment Proposals to such Vendors where such discussions and/or additional information so warrant.[4]

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[3] Many Vendors have already entered into Letter Agreements with the Debtors and the Debtors have either already made or are in the process making payments to such Vendors. Payments made or scheduled to be made at the time of the this Report total several million dollars. No Vendor has contacted the Debtors to inform that they will not enter into the Letter Agreement. Any questions regarding the Letter Agreement may be directed to Kirkland & Ellis, Attn: Steven R. Kotarba at 312-861-2193 or by email to SKotarba@kirkland.com.

[4] Such inquiries may be made to Charles Cipione at 972-906-8108 or by email to CCipione@alixpartners.com.

(iii) On Exhibit C, the Debtors indicate the PACA Claims of those Vendors that have been received but that remain unreconciled. Based on current information and review, the Debtors were unable to calculate estimated payments to the Vendors listed on Exhibit C sufficient to make an Early Payment Offer to such Vendors. The Debtors are willing to discuss the Claims listed on Exhibit C with the applicable Vendors and to consider, if appropriate and with the requisite approval of the Committee and their senior secured lenders (the "Lenders"), extending Early Payment Proposals to such Vendors where such discussions and/or additional information so warrant.

7. As of the Date of this PACA Report, many of the PACA Claims remain subject to final reconciliation. This is the result of several factors including the difficulty and, in some cases impossibility of conducting automated or electronic reconciliation of claims and the failure, in certain circumstances, of certain Vendors to produce sufficient documentation or detail in support of their Claim. In addition, while some Vendors have produced requested documents, the production was made in paper (as opposed to electronic) format or was made at such a date that the Debtors were unable to complete the reconciliation process in time for inclusion in the PACA Report.

8. The PACA Report is based on the Debtors' books and records and information provided by the Vendors as of the date hereof. The Debtors reserve the right to modify the Report and/or interpose new objections upon the receipt of new or corrected information.

NOTICE

9. Notice of this Report has been given to (i) the United States Trustee; (ii) counsel to the Lenders, (iii) the Vendors, (iv) counsel to the Committee; and (v) all entities who have filed a notice of appearance and request for service in these cases pursuant to Bankruptcy Rule 2002. The Debtors submit such notice is adequate and appropriate under the circumstances and is in compliance with the PACA Order.

Wilmington, Delaware
Dated: June 16, 2003

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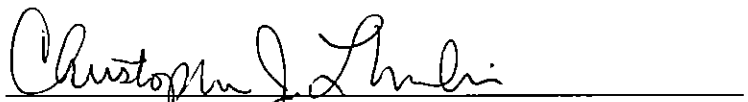

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