



Gas prices down, food prices still up on the Central Coast

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Reported by: [Kory Raftery](#)

Gas prices are down, food prices are not.

And with the economy struggling, surviving the recession could come down to being able to keep food on the table.



The average gallon of regular unleaded in California is going for \$1.79. That's down from an average of \$4.61 on June 19.

In the meantime, for the last nine months or so a dozen eggs sells for around \$3.50, and a loaf of whole-grain bread averages around \$4.00 at the store.

Baking, making, and buying bread: three facts of life that can't be ignored no matter how you slice it.



"Food is definitely a necessity," said House of Bread owner Sheila McCann.

McCann watches commodity prices very closely. She needs to. Her business has a symbiotic relationship with the price of milk, eggs and wheat. The latter, she said, has an ever increasing demand in the global market.



"We're competing now with U.S. demands, with China and India, who have an emerging middle class," said McCann.

That middle class is eating more meat. And that is one reason that even though gas prices are down, grain prices are not.

"Why didn't that translate into lower prices at the grocery store?" asked Matt Hathaway, a local shopper.



That question is on the mind of many shoppers. One local grocery store manager said even without extra distribution costs, food prices remain stagnant.

"Wholesalers haven't really reduced their cost of goods to us," said local grocery store manger Stephen Dominguez.

It's not likely they will. The USDA predicts the price of commodities will rise about five percent in 2009.

Sheila said even if her stocking fees decline, she can't lower prices because when gas and food prices were high, she protected her customers.

"I did raise my prices during that time period but not the same percentage that my price of good went up," said McCann.

If you are looking to save money on food, you can shop smarter. One of your best bets is an age old common sense tried and true method: look for sales.

Looking to Save on Food? Here are Some Tips:

- Consider a frequent diner card membership. Frequent Dining Card List:
<http://www.valueconsumer.com/Dining/default.htm>
- Don't be afraid to take your leftovers home with you! For many people, dinner portions are more like two meals. Why not eat them both, separately?
- Fast food can be a real deal, but don't make it the mainstay of your diet. Your health is your wealth.
- Use coupons, but use them wisely. Ask yourself these questions:
 - If the product is more expensive than your usual brand, will the coupon still save you money?
 - If you have to buy several of an item to use the coupon, will you be able to use it all before it goes bad?
 - Will you have to drive out of your way to take advantage of the offer?
 - If so, will you save more than you spend on gas?
 - Do any of the supermarkets near you have a day when coupons are worth even more?
 - Online coupon sites make finding coupons easier. Some require registration. Read their privacy policies carefully before entering your personal information.



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