

Baking & Snack

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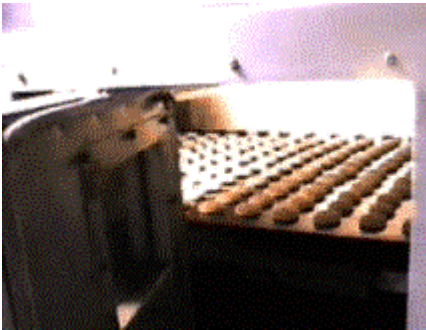
written by Steve Berne

While immersed in the specialty baking markets, Bloomfield Bakers created a paradigm shift of consumer perception.



Diversification keeps up growing at a healthy clip, whether from sheer number and variety of products, or by an extensive customer base. Such is the premise for Bill Ross and Harold Rothman, co-owners of Bloomfield Bakers, Los Alamitos, Calif.

Starting out in 1981 with less than 5,000 square ft of a multi-unit building, its philosophy was simple: "Our products must be better than the standard brand both in quality and taste, or it doesn't leave our dock." Nineteen years later, production exceeds 80,000 sq ft, and plans call for an additional 20,000 sq ft within two years.



"We started out with one used rack oven making cookie mix-ins for ice cream manufacturers," recalled Mr. Ross. "Very quickly, we began recognizing other niche markets where we could stake a claim." With Mr. Rothman's background in formulation and retail baking, the company hired Sam Calderon, whose wholesale/commercial expertise spans 40 years. Mr. Calderon's accomplishments include being instrumental in initially developing fat-free and specialty products for some of the major baking companies through his own Southern Foods baking company.

With their combined proficiencies, Bloomfield Bakers began dabbling in a number of new areas. "We began offering mainstay cookies as well as specialty items such as sugar-free, wheat-and gluten-free, nutraceutical-type items, organic products and pressed-crumb pie crust," recalled Mr. Ross. "As our customer base grew, we discovered a large market for co-packing and corporate branded products."

But to succeed in that market, Bloomfield had to create a shift in consumer perception about private label brand quality and taste. "And we are succeeding," noted Mr. Ross. "Consumers are becoming more and more attuned to the fact that value does not have to mean sacrificing taste or quality." "The issue has been loyalty to brands," added Mr. Rothman. "The perception of lower quality if a product doesn't have a household brand name is changing at the retailer level as well. Many stores are offering premium quality house brands that are better overall than branded items, and consumers are even willing to pay extra for that quality. We are making an impact and branded product makers are beginning to recognize this trend."

Bloomfield produces for many of the Fortune 500 food companies as well as many of the smaller mass marketers, according to Mr. Rothman. Bloomfield receives volume orders that may be too small for the big companies to run efficiently and too big for the small companies to handle. "In either case, our standards don't change based on the customer," said Mr. Ross. "American Institute

of Baking inspections rate us “superior,” and we continually have customer and Kof-K Kosher certification inspections as well. We have a full Hazard Analysis Critical Control Points program including complete traceability from raw materials through retail shelf. This not only protects the consumer and retailer but also places considerable accountability on our suppliers.”

Mr. Ross estimates about 40% of production is co-packing, with the bakery-producing product to the customer’s specification. Approximately 35% of production is ice cream and bakery ingredients. Another 10% to 15% is “corporate branded” production. “The industry is shying away from using the term “private label,” which imparts a negative image,” noted Mr. Rothman.

Corporate brand products are exclusive with Bloomfield, using its own proprietary formulations. Within this segment, about 5% of production is under the bakery’s own labels, Bloomfield Bakers and Café Scandia. The remaining 10% constitutes outside accounts. With sales anticipated to reach \$20 million this year, no single customer accounts for more than 8% of Bloomfield’s business, according to the owners. “Our strength is flexibility, non-dedicated lines and rapid turnaround of ideas,” said Mr. Rothman. “With our recent addition of a fourth processing line, we continue our growth mode and are even considering new distribution channels such as on-line grocery companies.”



Bursting At The Seams. From its humble beginnings in a multi-unit industrial complex, Bloomfield gradually acquired units from other tenants to reach its current 80,000-sq-ft space. “During the past 18 months, we spent \$3 million for additional processing systems including ovens, conveyors and ancillary equipment,” said Mr. Ross. “We spent \$250,000 alone on improved pie crust equipment, doubled our total production capacity and added sandwich crèmes capability.” Bloomfield’s latest investment is an enrobing system, set to be on-line this month. New equipment for a bite-size cracker line should be up and running by December.

Plans call for acquiring an additional 20,000 sq ft next year and 20,000 sq ft more in 2002. “Next year’s expansion will include out-side warehousing for finished products to give us more production space in the existing structure,” noted Mr. Ross. “We will also add silos for flour and dry sugar, and incorporate automated metering systems for these items.”

In 2002, plans call for liquid bulk storage with metering systems and possibly another processing line. The plant currently has four ovens (three indirect, one direct), with multiple cooling and packaging lines that can be configured for a variety of product and packaging treatments, depending on customer orders.

Part of the recent expansion included redesigning process flow. “As we acquired more industrial units, production became disjointed,” Mr. Ross said. “We totally reconfigured the processing layout of ovens and other equipment with help from our oven supplier, APV Baker. We gained efficiency in production flow and set ourselves up for future growth.”

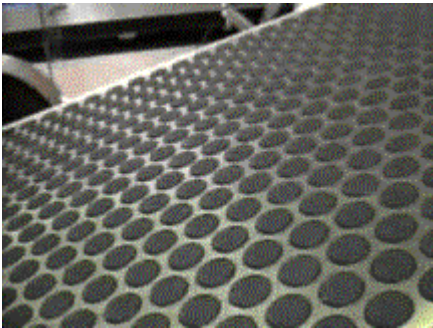
With all this expansion and growth, Bloomfield prides itself on versatility, quality, flexibility and attention to detail. “Many products such as wire cut cookies – either cupped or trayed – are still hand packed us. Automated packing systems,” noted Mr. Ross. “We are able to produce a higher quality product compared with other companies that were forced to change product characteristics to accommodate automated pick-and-place systems. They had to reduce the size and moisture so their product wouldn’t fall apart. This reduced quality, mouth feel and other attributes.”

Part of Bloomfield's flexibility enables it to offer a variety of product types including organic items and genetically modified/non GM products, based on customer requests. "While we have many types of ingredients, we base ingredient usage on customer input," noted Mr. Ross. "From what we have seen so far, raw material cost and margins have the biggest influence, at least for now."

Bloomfield's products range from premium, low fat, no fat, high-protein, wheat-free, gluten-free and oat-type wire cut cookies. It also bakes jam-filled breakfast bars, rotary-cut animal crackers, spritz and jam-centered spritz cookies and iced cookies. It bakes and grinds small wafer cookies for ice cream mix-ins. Granola, sandwich crèmes, graham and cookie crumb piecrusts and tart crusts are also niches for the company. Within the year, snack crackers and enrobed cookies will also be rolling off the production lines.

Blooming with Quality

"We have a tremendous reputation to uphold," said Mr. Rothman. "In our niche markets, if the quality suffers even once, we lose customer and consumer confidence, and they drift back to branded products. While there is this paradigm shift occurring, it is still a very tenuous balance."



The bakery has three full-time R&D technicians set on continuously mimicking and improving upon branded products. Besides research functions, its 15-person quality assurance staff conducts off-line tests including moisture, pH, sensory (color, granulation, etc.) and packaging integrity. Product cutting are conducted daily for sensory comparison. All micro tests are outsourced for analysis. Employment at Bloomfield is approximately 130, double what it was five years ago. The plant currently runs two to three shifts, five to six days per week.

Every batch begins in the mixing room. Four J.H. Day 1,500-lb capacity mixers feed production, with enough space in the current mixing room for one more machine. The mixing room also houses a 120-qt Hobart mixer for icings and crèmes. The plant uses a number of flours, organic and standard sources, including wheat, soy and oat. Ingredients are delivered on a daily basis due to space limitations.

Because each corporate brand and co-packing customer has specific needs, ingredient types exceed 400. Allergen ingredients are controlled through separate storage systems and labeling. After mixing, troughs of granola bar or breakfast bar dough are transferred to line No. 1, which is dedicated to these products. Many pieces of equipment are modular, including filling and icing systems, adding flexibility to each line. The APV Baker multi-zone, 120-ft indirect-fired oven bakes continuous ribbons of product to an even color via convection heating. Strips exit the oven, passing through a guillotine cutter. Individual bars transit 300 ft of cooling conveyor to reach a pair of Doboy horizontal form/fill/seal wrappers. "Baked energy bars have seen a 30% increase during the past year," said Mr. Rothman, "and we have both wrappers running at nearly full speed." The bakery is standardized on Safeline metal detection systems, which immediately precede each packaging system. Packaged bars travel over a Yamato checkweigher before being boxed and cased with a Tanney cartoner and Ilapak case sealer.

Line No. 2 brims with versatility using an APV Baker 80-ft indirect-fired, two-zone oven. Wire cut cookies and rotary items, such as animal crackers, cheese crackers and several dozen other cookie shapes, are baked on this line. Feeling it needed a point of differentiation, the company decided to get creative with its animal crackers... Disney creative. "We employed the services of a Disney Studios

designer who gave “life” to our bears, lions, monkeys and other animals in the Bloomfield brand,” noted Mr. Ross. “It is by far our most intricate and expensive rotary die. The product is also getting rave reviews from customers.”

Wire cut products from this line are trayed or cupped. Trayed cookies are wrapped in a Dobby horizontal f/f/s system; while hand packed cupped cookies use a Dobby bag sealer. High packaging flexibility for bagged product comes from the Rovema vertical f/f/s system, packing bags ranging from 1 oz to 2 lb, with a gusseting/flat bottom option. A Deamco bucket lifter elevates product to an Ishida 12-head weigh scale. A Peters Machinery eight lane sandwich system, capable of outputting 3,600 crèmes per minute, can be rolled in and out from line No. 2 as well.

Added Efficiencies.

Bloomfield’s third line contains its original APV Baker 120-ft direct-fire oven. “This mainly bakes sandwich crème cookies, as well as crackers for ice cream mix-ins, in either graham or chocolate varieties,” said Mr. Ross. “We bulk pack the crackers for transfer to the grinding room, where we grind, sift and separate the crumb from the fines. Larger crumb is sold as ice cream mix-ins and we use the finer material for our pie crust production.”

A Werner-Lahera laminating and sheeting attachment, set to be installed this month, will allow the company to make boxed cheese crackers and flavored variety crackers on this line as well. Bloomfield’s newest line uses an APV Baker 60-ft, indirect-fired oven for pilot testing and small or trial-sized runs. “Designed with the versatility of line No. 2, this line produces about half of the second line’s volume during a shift,” noted Mr. Ross. Previously, Bloomfield used the longer oven for testing and small runs as well as higher-volume production, creating production inefficiencies and decreased productivity.

Efficiency is a key element to Bloomfield’s operation. “While we run a third shift, we limit the operation for maximum efficiency,” Mr. Ross continued. “The main activity during third shift is mixing, baking and bulk packing animal crackers. We try to avoid running any packaging or ancillary equipment, as they need more attention and manpower than our mixing and baking systems.”

Bulk animal crackers are packed off the next morning, generally in 1-oz bags for institutional food service. Using an Eagle Packaging twin 12-head weighscale, two Rovema vertical f/f/s systems can be fed simultaneously.

Piecrusts have become a nice side operation for the company, according to Mr. Rothman. Tinned piecrusts are produced adjacent to the grinding room using two Colborne Corp. crust press lines. One rotary, 9-plate system has the flexibility to run all crust products, which range in size from 3-in. diameter, oz tart shells to 9-in. diameter, 10 oz pie shells in regular and “deep dish” styles. The second pie line, a straight-line system, mainly runs 9-in. institutional crusts having a rolled aluminum lip and inverted separator, vs. the retail style that clamps the inverted cover in place for shelf display.



With all its capabilities in corporate branding and co-packing, Bloomfield Bakers is on the road to stardom. “We’re kind of like the ‘quiet giant,’” concluded Mr. Rothman. “As the perception of taste and quality differences with national brands becomes smaller and smaller, loyalties to those brands are wavering, and we see that as a continued growth opportunity.”

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