

*Why did Highland Baking move into a plant three times bigger than its old site?*

So it could bake more of....

## WHAT CUSTOMERS WANT



*Excerpt from Baking & Snack March 2008*

**BACK TO BAKING.** Although Highland Baking started up in 1985, the company benefits greatly from the owners' long family history in the baking industry. It was almost 100 years ago when Samuel Rosen, Jim's grandfather, arrived in the US. The Poland-born master baker settled in Chicago and in 1909, founded S. Rosen Baking Co., specializing in Jewish hearth rye bread and variety rolls. It became a major supplier of buns to the city's many small eateries and fast food businesses. Samuel Rosen passed the company along to his son, Don. His grandson, Jim, also learned his baking skills in the family business. In 1981 the company merged with another Chicago-based bakery, Alpha Baking Co., which continues to make S. Rosen's brand breads and buns.

Highland Baking does a good job of balancing the artisan and specialty bread and bun products of its fresh business with the commercial-scale output of its frozen division. "We achieved this by almost having two different bakeries under one roof: one focuses on the high-volume items and the other on the small-run things," Jim Rosen explained. "We realize each requires its own focus and skills. The challenges are making sure we have the right people in the right places, as well as always understanding the customers' needs and making sure we communicate correctly to set appropriate expectations."

Not only did the Highland Baking business grow, so did the Rosen family's involvement. "Our son, Stu, always knew he wanted to be in the bakery business," Gail Rosen said. After earning an advanced degree in business management, Stu Rosen became the company's general manager and vice president. "Our daughter, Cheryl, also works here full time in human resources." The couple also has a 13-year-old son, Daniel, who is still in school.

**POINTS OF DIFFERENCE.** In the sprawling Chicago market, many bakeries compete to serve the region's numerous food service locations. Other bakeries also specialize in artisan-style products. What makes Highland Baking stand out? Stu Rosen credits the company's success to three key elements: flexibility in operations, attention to customer needs and commitment by everyone involved.

"Flexibility of operations is critical," he said. "We have a plant that can make products for individual restaurants and scale up for larger chains." The company selected highly adaptable machinery and systems so it can readily match bakery capabilities to customer size.



"Providing quality bread at wholesale prices"-that's the niche Jim Rosen and his family carved out for Highland Baking Co., a producer of high-quality, artisan-style breads and rolls supplied to restaurants and other bakers throughout the Chicago, IL, region. Its frozen division supplies frozen hamburger buns, specialty pan breads and a variety of other breads to food service clients nationwide.

"In our philosophy, what matters is what the customer wants," Stu Rosen continued. "We don't know of any better way to manage our business than that." The bakery is managed by a fairly small group of people. "We turn decisions quickly, and at the end of the day we're all committed to the business here. Finally, I really do believe that this place operates on the heartbeat of my dad. He has earned the trust of his people and built it over the years. That commitment enables us to grow."

Jim Rosen added, "My door and Stu's are always open. The other thing that makes us unique is our people. Nobody, including myself, is bigger than the operation. It takes all of us, all 340 people here, to make it work."

**MAKING TRANSITIONS.** Going frozen with volume production methods posed an enormous challenge to Highland Baking, but the bakery and its staff accomplished the changes by taking the same care with frozen processing and products that it does with its fresh items. Although the production capacity of the equipment became larger, the commitment to quality remained the same.

"There was no way to grow without going into automated tunnel oven methods," Jim Rosen said. "The biggest thing was that we had to be sure the product coming out of the tunnel oven was the same as it would have been coming out of the rack ovens. By the start of 2005 we were almost out of production capacity at Lincolnwood. We had to decide what to do to continue our growth." Putting in another oven there would have undesirably limited the fresh side of the business. Adding another site was one option, but he wanted to have everything under one roof.

After more than a year of searching, the managers found the Northbrook site. Highland Baking made a leapfrog jump from its 80,000 square foot bakery into a 250,000 square foot building located on 17 acres. "It was quite an undertaking," stated Jim Rosen.



The new facility met current business needs while also providing available space for future expansion efforts. Boris Golenson, Chief Engineer, explained, “We wanted more open space to separate the new fresh and frozen operations, as well as the packaging area. We also needed a larger freezer.”



Getting staff to a comfort level with the new facility was important, according to Gail Rosen, who stated, “We could not just throw them in but instead wanted to ease them along with us.” Managers discussed the move with their staff at length and in detail. The company hosted employees and their families at the new facility for a visit before the renovation and again right before startup. “They were informed of the actual move almost a year prior to the jobs moving, in case they wanted to consider relocating closer to the new plant,” Jim Rosen said. “We repeatedly told everyone our goal was for all employees to come with us.”

Such care paid off. Highland Baking retained 90% of the Lincolnwood staff. Mike Galenson, Director of Operations, stated, “We lost no key people- no supervisors or assistant supervisors.” (Mike Galenson and Boris Golenson are brothers, although they spell their names differently).

#### TWO SHOPS, ONE PLANT.

Of the 250,000 square feet available, Highland uses 100,000 square feet for processing, 50,000 square feet for packaging, 30,000 square feet for warehousing, 14,400 square feet for freezing and 5,000 square feet for offices. The remaining space, including a second story over part of the building, is held in reserve for future use.

The first line that was installed was the new tunnel oven, which was put right to work baking hamburger buns for the frozen division. Rack ovens followed, along with all the processing equipment associated with the fresh operation. The existing tunnel oven was transferred to the bakery. Highland

Baking was able to bring most of its existing equipment to the new site, but also bought a second tunnel oven, several rack ovens, a third stone-hearth deck oven, a 2-pocket multipurpose divider, a 6-pocket roll line and a 2,200- pallet freezer. Compared with adding that first tunnel oven, the second one was almost easy “because we knew the technology,” according to Jim Rosen. “Basically, we bought the same Gemini Werner & Pfleiderer oven in a slightly updated model.”



“This plant operates as two bakeries in one,” Mike Galenson said. Stu Rosen added, “Each department, fresh and frozen, has it’s own supervisors, scheduling and equipment. Both departments follow the same policies and employee practices.” The two departments share support systems, such as ingredient handling and engineering.

#### FRESH DEPARTMENT.

Fresh production uses six processing lines with equipment supplied by Adamatic, Gemini/ W&P, Glimek, Kemper and Rheon.

“We added a 2-pocket divider, more proof boxes, a production freezer and a product retarder for preparation of our artisan items,” Gail Rosen said.

“Fresh has more variety, smaller runs and different toppings,” Jim Rosen said, comparing it with the company’s frozen products, which he described as “more of a bulk production situation.”

Fresh products are made using rack proofers and rack and stone-hearth deck ovens. Proofers provide push through design for first-in, first-out sequencing. “Hard” products such as crusty rolls bake in three W&P Matador deck ovens, while

other items go to the bank of rack ovens from Revent, Adamatic and Sveba-Dahlen. “We had run out of room for more rack ovens,” Gail Rosen said.

**FROZEN DEPARTMENT.** The frozen/wholesale side’s equipment is large in capacity, but operators put the same care into these products as they do fresh side items. “Although this side is more automated, there’s always someone watching the product,” Mike Galenson said. From the Gemini/ W&P ovens, products are depanned onto conveyors that take them through the G&F Systems’ ambient-temperature spiral cooling system. Each oven line has its own spiral cooler.

**PRODUCT & SERVICE.** Highland Baking’s business revolves around the customers. The company continues to add new products, according to customer demand. The company considers product assortment to be an integral part of customer service. “We can get into production with a new item very fast,” Mike Galenson said. Jim Rosen adds, “Service is key to our success on both fresh and frozen. We can turn around samples in a day or two. That has helped us gain a foothold in fresh, and especially, in frozen.”

Such speed served Highland Baking well in its decision to move into larger quarters. “The new location gives us the ability to expand our business tremendously into the future,” Jim Rosen explained. “Our complete focus can now be on this facility.” Gail Rosen adds, “We are a customer-driven company. That’s our niche, too.”

