

# right FROM THE start

Carl Watts and Bill Mahoney could hardly contain their excitement. As Tasty Baking Co.'s president and vice-president walked through the state-of-the-art Emerald Baking snack plant in Oxford, Pa., soon to be shuttered by United Biscuits (Holdings) p1c, more and more possibilities came to mind. More



Cooling of Honey Buns and yeast-raised sweet goods at Tasty Baking Oxford involves two IJ White Spiral Cooling Systems. The first allows the goods to cool slightly before icing or glazing while the second, shown here, provides time for the toppings to set properly before packaging.

opportunities revealed themselves. "This is exactly what we need," they said to each other. "This can take Tasty Baking into the future." And right from the start, it has.

Through quick thinking and fast action, Tasty Baking made its own luck. The news that UB would close its snack food plant broke during the Thanksgiving weekend in 1995. The announcement prompted Mr. Watts to make a quick drive 50 miles down the road from Tasty's Philadelphia headquarters to peer through the fence at the site. A few days later, Tasty managers walked through the facility for the first time.

Getting fast approval from Tasty's board of directors, Mr. Watts and his staff did the deal with UB by fax. It would be six months more before the company let the rest of the industry learn about the deal. The sale closed in July 1996. Less than six months later, the plant shipped its first Tastykake Honey Buns, producing them at rates of more than 200 per minute.

**PURCHASE STRATEGY.** It takes vision to accomplish such tasks, and clear vision supports Tasty's plan for strategic growth. "The acquisition is a continuation of the company's strategy to increase its core business, expand geographically and seek strategic acquisitions," said Mr. Watts.

While the terms of the purchase agreement with U.B. were not disclosed, Mr. Watts said the price was attractive. He said the total cost of the facility and its initial production line came to roughly \$17 million.

"We have a neat Cinderella story here at Oxford," he continued. "There haven't been a lot of new plants in the sweet goods industry recently. Here, not only did we bring jobs back to life, but we also

Acquisition of Oxford was important to both Tasty and UB. "Both sides wanted the deal to go through," said Ed Pixler, general manager, Tasty Baking Oxford, Inc., Oxford, Pa., "and pre-planning by both parties allowed the plant to stay intact."

Although a number of food companies were very interested in the Oxford property, Tasty prevailed. "We were fast and flexible and there first," said Mr. Watts.

Such foresight allowed Tasty to retain key building amenities - especially the state-of-the-art ingredient system and the electrical, refrigeration and air-handling utilities. Foresight also enabled UB to reach its financial objectives in the liquidation. The rest of the three snack processing lines was sold through auction.

Mr. Pixler, who joined Keebler in 1988, was the project manager for the Emerald Baking project in Oxford. When the snack facility opened in February 1993, he became its plant manager. He also got the task of closing it down in November 1995. He conducted that important first tour through the plant by Tasty's executives.

"We came with the plant. Tasty bought our contracts, too," laughed Ed Pixler and Lynn Curry, operations manager. "It made sense for us to make Ed a part of our team, too," said Mr. Watts.

**BREAKFAST MARKET.** "Breakfast is Tasty's fastest growing segment," Mr. Watts said.

Donuts are Tasty's fastest growing core product line, according to the company's 1995 annual report. Tasty expects donut sales to increase at double digit rates for the foreseeable future. It's a market that the 83-year-old company first entered during 1985. During 1996, Tasty sold

made a good deal for Tasty."

Tasty Baking, with annual gross sales of more than \$200 million, now distributes products in 38 states. In addition to its plants at Philadelphia and Oxford, Tasty Baking owns Dutch Mill Baking Co., Wyckoff, NJ. It acquired the producer of boxed donuts and fat-free angel food cakes in August 1995.

The company just wrote a new three year strategic plan. it outlines five key strategies: 1 - new product introductions, 2 - base business expansion, 3 - cost management controls, 4 - infrastructure improvements and 5 - maximizing new companies' potential. The last point concerns itself specifically with Dutch Mill and Oxford, and it notes that the company plans "to continue to seek other new acquisition candidates that fit our strategic profile."

"When it feels right and fits our plan, we move ahead," Mr. Watts said.

nearly 20 million units of Honey Buns and Pastry Pockets.

"The Oxford plant fits a lot of our future plans," Mr. Watts said. Specifically, it fit the need to self-produce Honey Buns, which were previously made by a contract manufacturer. But this product required a long line, one that wouldn't fit into the Philadelphia plant. The company also wanted to expand into Danish and other yeast-raised speciality items. That's what Oxford brings to Tasty's table.

### ***Right Start Continued***

"We're planning some terrific things here," Mr. Watts said. "This is a tremendous acquisition for our business. We can make products here that are not possible at Philadelphia."

Honey Bun production started on-site in Oxford during January 1997. As of February 1997, the Oxford plant was running a 11/2 -shift schedule and was hiring a second-shift team. Concurrently with the Honey Bun start-up, managers began acquiring equipment for the plant's second line, due to be on-stream in May 1997. "This plant has 40 employees now, and at full plan we expect about 100 people to be working here," said spokesperson Kathleen M. Grim, corporate and community relations director.

"Once the paperwork cleared in July 1996, we got a fast start. And here we were running on the first of January - that's almost unbelievably quick!" said Mr. Pixler, who noted that original construction and equipping of the snack plant consumed 14 months.

"This plant came up on schedule and on budget," Mr. Watts said. "We're delighted with what's happening here at Oxford. At Tasty, we pride ourselves on careful planning and budgeting. We expect things to come in on time and on budget."

**FLEXIBLE LAYOUT.** The Oxford plant is built on a site covering 42½ acres. Mr. Pixler described the building design as "long and lean." Construction used a Butler building capable of being expanded to more than twice its current 160,000 sq ft.

Building utilities - two 275-hp screw compressors for the air-handling system, steam boiler, and a separately housed ammonia refrigeration system - were

The other side is devoted to receiving and distribution, with two inbound and 12 outbound dock doors. Tasty takes care to hold its finished products separate from the incoming materials.

This plant includes an extensive air handling system, allowing Tasty to closely control ambient conditions throughout the facility. Interior walls between departments and some partial overhead walls in the processing areas assist temperature and humidity control. Makeup and packaging areas are air-conditioned during summer months, while the fryer and oven areas are not.

The building will eventually house three high-volume processing lines. Already in operation is Line One, set along the inside wall, for making Honey Buns. It is also capable of making Pastry Pockets and yeast-raised donuts. The next to be installed is Line Three, an oven line for baked pastries and sweet goods. It is being positioned along the far wall, the outside wall of the building. When Baking & Snack visited the plant in mid-February, a raised cement pad was already in place, ready and waiting for the tunnel oven. Line Two will fit between the other two and is already in the planning stages.

After Line Three comes in, managers plan another addition: a big, new freezer. It's set for installation this summer.

"We're going to make products at this plant that require freezing," Mr. Watts said. Mr. Pixler added, "We need this to gain the production flexibility being planned here."

**LOW-STRESS LINE.** When fully mixed, the dough is released from the mixer by the operator who jogs and dumps the bowl's contents into a waiting trough. The operator wheels the filled trough to the

deliberately sized by the building's original owner to handle twice its current demand, another factor supporting easy expansion in the future. Plant utilities include a Square D switching station that handles as much electric power on this single site as the entire city of Oxford requires.

Mr. Curry explained that all utility lines are labeled and color-coded according to their contents and code rating. "We built this plant originally to meet specs that wouldn't be required until the year 2 000, he said.

The layout separates the facility into two zones with a central two-story corridor. That structure houses the quality assurance laboratory and maintenance shop on the first floor and offices and training rooms on the second. On one side of the corridor are the bays containing production areas, raw material inventories and the ingredient system.

Lanham Baking Solutions hoist and engages it. The full trough is carried up and dumped over to transfer the dough into a large, wide feed hopper above the Rykaart "no-stress" yeast-raised dough makeup line.

Honey Bun dough moves onto the makeup line through the action of gravity and is assisted by the slow-moving conveyor belt that forms the bottom of the feed hopper. The thick blanket of unstressed dough travels through a series of gauge rolls and multiple-roller reduction stations. An in-line depositor applies a light coating of cinnamon filling to the dough sheet's surface.

### *Right Start Continued*

A grooved curling roll, set at an oblique angle across the belt, forms the dough into a continuous spiral. The dough roll continues forward passing under a pressure belt moving synchronously with the makeup line. The belt's light pressure keeps the roll together and imparts a slightly oblong shape to the roll's cross section. The next stage passes the continuous roll through a guillotine cutter that separates it into individual Honey Bun pieces. Long forming table runs separate the rolling and cutting stages because this dough needs time to relax between moulding operations.

Once cut, the individual pieces encounter a quickly moving transfer conveyor. This pulls the dough over, so one cut edge lays on the bottom. The transfer conveyor ends in a transpositor that drops the dough pieces, row by row, into proofer trays.

Honey Buns travel a 1,600-ft serpentine path through the Belshaw proofer. Proofing time averages 31 minutes for this product. The Belshaw system automatically controls the temperature and humidity within the proofer as well as the speed of the chain carrying the proofer trays.

Proofed buns leave this system by flipping over onto a series of thin string-like plastic belts. The belts diverge slightly to distribute the proofed dough pieces across the fill width of the Belshaw automated fryer.

The conveyor fryer uses a flighted chain, traveling just under the surface of the hot fat, to move dough pieces forward.

Halfway down the length of the fryer, a flipper turns the Honey Buns over one row at a time so they fry evenly on both sides.

"Packaging takes over when the products move off the spiral system's wire rod belt onto the white plastic belting," Mr. Pixier said.

The two Sasib FMC horizontal form/fill/seal wrappers allow output rates as high as 200 units a minute. Each wrapped Honey Bun is coded with date information as it passes through a Markem coder. From the wrapper, the buns pass over a Ramsey Icore Accurex check-weigher and through a Ramsey metal detector. The wrapper, check-weigher and metal detector comprise a fully computerized system, electronically controlled to maintain accurate operation and provide operation statistics.

The wrapped buns enter an APS distribution system that carries them to the manual carton-loading station. Cartons, set up by a Bradman-Lake carton erector, feed along the top of the distribution system. Operators pull down an empty carton, place six Honey Buns in each and put the filled carton on the conveyor leading to the over wrapper.

Over wrapped cartons pass through another metal detector before operators load them into waiting shipping cases.

### **MADE TODAY, SOLD**

**TOMORROW** Oxford's shipping room is tied by computer to Philadelphia for order management. From here products go to Wilmington, Del., for dispersal from Tasty's distribution center there and to Tasty's main manufacturing facility in Philadelphia.

"We ship every day," Mr. Pixler said.

"Our products get to the store only a few hours old instead of days old."

"All Tasty branded product is fresh,"

Ms. Grim said. "Made today, it's on the

**COOL, GLAZE, COOL, PACK.** Honey buns exit the fryer onto a wire rod conveyor that rises to feed a low-profile **1J. White Spiral Cooler**. The design of the transfer conveyor allows Tasty operators to insert a glazing unit before the cooler, if desired. It can also be set to bypass this first short cooling conveyor if shorter cooling times are needed.

When Honey Buns complete their first cooling period, roughly 20 minutes, they pass under a Hinds-Bock waterfall icing and glazing unit. Then they move up another slanted conveyor, leading to a second **1J. White Spiral Cooler**. The 1,200-ft-long system provides 47 minutes of cooling.

Leaving the final cooler, the sweet goods pass through an **IJ. White** constant radius wire-belt turn and enter a series of Portec Knife-Edge turns and conveyors that split the flow of products to feed two wrapper lanes in single-file order.

grocer's shelf tomorrow."

Although Tasty has offered Honey Buns for several years, Oxford was the first company-owned site to make these items.

"We had to learn together how to make Honey Buns," Mr. Pixler said.

For start-up, the company brought in its staff three weeks ahead of time. For two weeks, classroom sessions in the morning alternated with hands-on work and sanitation training in the afternoon. Vendors provided training for equipment operation. Ingredient suppliers and Philadelphia staff handled training in formulating and quality assurance.

"Those weeks of training helped us get the product right," he continued. "And everybody on the line has to be a quality assurance person under our method."

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