THE NUTS AND BOLTS

Leading Canadian nut processor boldly chasing the American dream with startup of a U.S. manufacturing subsidiary to drive future sales and market share growth

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PHOTOS BY JOHN PACKMAN

The vast U.S. snack-food market can be a very tough nut to crack for foreign-based companies hoping to cash in on its virtually-limitless growth potential and opportunities.

But reaching for the starts is nothing new for the Mississauga, Ont.-based Trophy Foods Inc., one of Canada’s leading producers of many different varieties of edible nuts sources from all over the globe.

Founded in 1967, the company worked relentlessly over the years to become a well-trusted and highly respected co-packer and bulk nut supplier for leading Canadian retailers, including Loblaws, Sobeys, Walmart, Safeway and others.

Over the last four years, it has also enjoyed great success with its own flagship Trophy brand of processed nuts and dried fruit and berries - served straight-up or as primary ingredients in trail-mixes and chocolate-covered confectionaries - building it into a major product category stalwart in the Canadian snack-food market.

Packaged in many types of flexible packaging formats - including the popular resealable stand-up pouches - the Trophy brand also retails in various-sized PET (polyethylene terephthalate) plastic jars and composite cans at the lion’s share of major grocery outlets across Canada.

Servicing its far-flung domestic retail and food-service client base nationwide from two busy, high-volume manufacturing plants in Mississauga and Calgary, the company has recently set its sights on the highly promising retail market south of the border.

So promising, in fact, that in late spring Trophy started up a full-fledged roasting and packaging facility just outside of Buffalo in Cheektowaga, N.Y., enabling it to serve its fast-growing list of U.S. customers right from their own home.
turft.

Operating under the banner of Redland Foods Corp, the wholly-owned subsidiary represents an epic new chapter for a company that has prospered in Canada in large part through continuous product innovation, premium product quality and formidable packaging capabilities, as evidence by the nearly 2,000 different SKUs (stock-keeping units) in a highly diverse product portfolio.

“This project has actually been in the works for the last two years,” relates Redland’s vice-president of operations Luis Javier Rendon, who remarkably also serves in the same official capacity for Trophy’s two Canadian production facilities.

While the sheer scale of such multi-tasking would seem daunting to most of us, the affably upbeat Colombian native clearly seems to relish this latest professional challenge in his illustrious 11-year stay with Trophy Foods.

While the company had initially considered simply exporting some of its Canadian output to U.S. customers, Rendon says there is no substitute for being where the action is, which right now is mostly in the U.S. private-label segment.

“We also learned that the Trophy brand name was already trademarked by another U.S. food brand, which played a part in reshaping our strategy for the U.S. market,” Rendon told Canadian Packaging on a recent visit to the ultra-clean, 65,000-square-foot facility that is still mostly in its infancy in terms of reaching its ultimate production capacity.

“This is a big investment for Trophy Foods, and we had to make sure we get everything right in terms of succeeding the U.S., where fast growth in the private-label segment is having a huge impact on the retail market across many food product categories,” says Rendon.

Although currently accounting for a tiny fraction of Trophy’s total annual output of six million cases - representing 32 million kilograms of processed product - the Redland plant already employs 15 full-time people to run its state-of-the-art packaging equipment and a high-performance, turn-packing line to produce several private-label SKUs of stand-up pouch and pillow-bag packages for a leading U.S. retailer.

“Our management fully expects this facility to become a high volume and efficient operation like we have in Mississauga and Calgary,” he relates.

“That means producing the same full range of edible nuts, making confectionary products such as chocolate-covered almonds, cashews, raisins et al, and supplying bulk shipments of whatever edible nuts and dried fruit our customers require,” Rendon says, noting that a good portion of the company’s products are retailed by in-store bulk bins.

“There is still a lot of work ahead of us at this location,” Rendon acknowledges, “but we’re off to a promising start so far, thanks to some excellent equipment we have installed onto our RSU (reusable stand-up) packaging line.”

Expertly designed, laid out and integrated to take advantage of ample extra floor space - earmarked for future capital expansion in coming months - the packaging line employs two horizontal form-fill-seal (HFFS) bagging machines at the heart of its operations.

This includes the recently-installed Swifty Bagger 3600 system supplied by the renowned Montreal-headquartered packaging equipment manufacturer WeighPack Systems Inc., which Rendon calls the real star of the show in the packaging area.

As Rendon relates, he personally approached WeighPack at its lively exhibiting booth a couple of years ago during the PACK EXPO International 2012 trade show in Chicago, soon after reading a Canadian Packaging article citing a successful Swifty Bagger installation at a food manufacturing facility in western Canada.

“I exchanged business cards with WeighPack’s salesperson Derek Chandler, and soon after the show a WeighPack personnel came to our Mississauga plant to follow up on our conversation,” Rendon recalls.

“I told them exactly what we were looking for in terms of speeds, output, and flexibility, and they took it from there,” says Rendon, holder of an MBA degree and a P.Eng licences in industrial engineering with 30 years of experience in food manufacturing both in Canada and back in his native Columbia.

“Historically, we’ve been using rotary baggers at our Canadian plants, so we had to be convinced that a linear bagging machine would meet our needs,” he relates. “To their credit, WeighPack did everything in their power to do that.

“They appointed a fully-dedicated project manager to work with me on this installation on 24/7 basis, from initial drawings and layout sketches right through the trial product runs and equipment customization, which was all done at their Montreal facility,” Rendon recalls.

“Even after providing to us that this machine would be able to bag at our required speed of over 40 bags per minute, they only shipped it after we completed signed off on it.

“After the machine arrived in January, WeighPack sent in a technician, at their cost, who spent a full week here taking us through the installation and startup, and he did not leave until it was totally synchronized with our process.”

“I really have to give WeighPack big kudos for their excellent service and attention to detail,” Rendon exults. “Naturally there were some change that needed to be made as we went along, but that happens with any major installation, and WeighPack did everything we asked of them.

“Providing virtually flawless operation since start up, the Swifty Bagger 3600 machine has been running between 12 and 14 hours a day at the Redland facility, which is quickly getting itself primed up for the busiest season of the year leading up to Christmas, according to Rendon.

“It is working perfectly for us,” he beams. “It offers the same speed that we have with our rotary systems,” he says, “and when you also compare the price, maintenance costs, the parts costs, changeover time and all other variables, we are very happy with our investment decision.”

In fact, Rendon confides that he is already in talks with WeighPack about an installation of another bagging line at the Redland plant in the near future, as the facility is aiming to become a two-shift operation, fully-certified to the BRC (British Retail Consortium) global food safety standards, in time for the busy pre-Christmas rush.

“What I like about working with WeighPack is that they offer you the whole package,” says Rendon, relating that the Swifty Bagger 3600 was installed by WeighPack at the same time as the fully-automatic high-precision, 14-bucket PrimeCombi weigh-scales that dispense bulk product from the mezzanine level.

Installed at the Redland Foods facility earlier this year, the fully-automatic Swifty Bagger 3600 machine from WeighPack Systems forms the heart of the plants RSU (reusable stand-up) pouching line, producing an average of 40 stand-up pouches per minute in continuous operation that is designed to facilitate remarkably quick product changes.
overhead down to the bagger in precise quantities.

“WeighPack looked after all our needs: from opening the bags and putting them onto the conveyor right through weighchecking, making the shipping boxes with the Eagle boxformer, packing those boxes with the finished bags, and taping the boxes together.”

Rendon adds he is especially fond of the bagger’s user-friendly Allen-Bradley PLC (programmable logic control) functionalities and the real-time camera system that enables operators to keep an eye on how well the Combi scale overhead are doing their job during a run.

“We can always see what’s going on with the scale, for each and every bucket,” he enthuses.

The camera on top of the scale lets us know immediately if a bucket is down, if the product is not flowing properly, if the vibrator is not running well, and any other abnormalities, which we see in real time via a separate display terminal floor level.

“No other equipment manufacturer was able to provide this feature to us,” says Rendon, who currently spends an average of two to three days a week at the Redland facility as it continues to come up to speed.

“To the best of my knowledge, this Swifty Bagger is WeighPack’s first machine installation of its kind in the nut business,” Rendon concludes, “but in light of what it is enabling us to do at this new plant already, it will not be the last.”