

OTTOP

A Newsletter for the Foodservice Industry from Hatco Corporation. 100% Employee Owned — Fall 2016, No. 55

















FOOD FOR THOUGHT

by David Rolston President and CEO



WHO'S ACCOUNTABLE?

Accountability is one of those words that most of us like to avoid because it can carry connotations of blame and guilt. In reality, it is what occurs when we assume responsibility. And, like responsibility, accountability can take many forms.

In a personal sense, our actions and the choices we make result in our accountability to the people around us, including our spouses, our children, our co-workers, and our community. As such, we need to regularly ask ourselves whether we are willing to be responsible to do the right thing. Most importantly, do we have the humility to admit that when our decisions turn out badly we can address the situation, admit it, ask for help where appropriate, fix it, and move on.

One of the most difficult areas in both business and life involves shared responsibility/accountability. This frequently happens in situations in which a team is charged with a particular project. If all goes well, every member is justified in sharing the success. Unfortunately, if things turn out badly,

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The wit, wisdom. and experience of

David Hatch

he year 2016 marks David Hatch's 45th year in the foodservice industry. In that time, Hatco Corporation has grown from a small specialized manufacturer to an international foodservice industry leader recognized for innovation, quality, and a unique corporate culture.

We recently had the opportunity to meet with David Hatch (currently Chairman of the Board for Hatco) as he shared his experience, philosophy, and thoughts on business and life.

SPOTUGHT

Hot Topics: Tell us a little about your early experience in the industry.

David Hatch: Hatco has always been a part of my life. My parents founded the company in 1950, the year I was born, and we grew up together. My father was an engineer and worked on the technical side, and my mother, who was

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ON THE MENU

This issue of Hot Topics has been printed on recycled paper with non-petroleum inks.

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Introduction to Induction





With the introduction of the new Rapide Cuisine™ Countertop Induction Range, Hatco marked its first entry into the world of induction cooking/heating (see Product Profile).



Prior to entering the market, Hatco engineers were determined to include features and capabilities that would set the new product apart from the competition. Edward Nunn, Business Development Manager, explained some of the basics of induction and the advantages of the Rapide Cuisine range: "Basically," says Edward, "induction is achieved when an alternating electromagnetic wave creates a high-frequency field that extends about 1 inch above the cooking surface. When a 'magnetic' pan is introduced into that field, the iron molecules in the pan begin to vibrate. This quickly creates the heat that will cook or warm food."



The induction countertop is not to be confused with a standard electrical cooktop. Induction is not only more powerful but more precisely controlled. For instance, with induction, a temperature sensor measures the bottom of the pan. When set to, say, 92°F (33°C), chocolate will melt but not burn. This provides a great advantage in the preparation of dairy-based sauces, which will "break up" or separate if overheated.

One of the great advantages of induction, Edward says, is its efficiency. "Induction cooking requires up-front power of 15 amps, but it is 85% to 95% energy efficient. Compare that with a regular electric cooktop—which is 45% to 65% efficient—or gas, which comes in at 35%. Non-induction cooking ranges waste much of their energy in heating the kitchen, whereas induction delivers only the precise power level or temperature you want to the cooking vessel."



A critical factor taken into account by Hatco engineers involves the cooking environment. As with any sophisticated electronic device, a high ambient temperature can overcome internal cooling capability, resulting in failure. Hatco's Rapide Cuisine range can withstand the highest ambient temperature (124°F/51°C) of any competitive product. Further, a unique fan design and the inclusion of temperature resistant components result in a much quieter operation—typically, an 11- to 12-decibel gain as opposed to +20 decibels for other ranges. That's the difference between a "light leaf rustling" and a TV set or a conversation.

The portability of the Rapide Cuisine range was taken into account in the aesthetic design, which is at home in both the front and back of the house. The low profile is less than half the height of leading competitive models.

It was decided early on to provide customers with a comprehensive list of standard features. These include a zero to 100 resolution power control, Fahrenheit and Celsius temperature control, capability in 1-degree increments (68°F to 500°F/19°C to 235°C), and a timer extending from 1 minute to 10 hours.

Edward Nunn comments, "One of the most important advanced features is the ability to create simple pre-set programs directly on the Rapide Cuisine range. This will be invaluable to multiple-unit operators seeking to make their foodservice operation more consistent and is a valuable feature when equipment is being operated by less experienced personnel."

The Rapide Cuisine also delivers more power to the pan than competitive units (typically 10-11%). The range analyzes the pan and recalibrates the frequency of the wave to accommodate its characteristics. The combination of high power and precise temperature control makes it easy to sear and then finish a steak, and the setting can also be saved as a pre-set program for repetitive cooking cycles.



The efficiency and increasing popularity of induction means that the Rapide Cuisine range will be joined by other Hatco products in the future. According to Edward Nunn, "Induction cooking and heating has been popular in Europe and Asia since the late 1980s. Some might say that the U.S. has 'come late to the party' but now that we're here, we are determined to deliver 'Nothing less than the best.""



NOVEMBER 2016

HOSTECH BY TUSID November 2 - 5 CNR Expo Center Istanbul, Turkey

FEBRUARY 2017

NAFEM February 9 - 11 Convention Center Orlando, FL USA Booth #1612





Robots have arrived.

The foodservice industry is becoming more attuned to automation. A number of fast-food restaurants have installed "ordering kiosks" to supplement counter staff. Vending machines now feature pizza, sushi, and burritos. In the words of Andy Puzder, CEO of CKE Restaurants Holdings, Inc. (which owns Hardee's and Carl's Jr.), "Automation is coming whether we want it to come or not." (Chicago Tribune, August 17, 2016)

SPECIALTY OF THE HOUSE



a bar and restaurant REPUBLIC "of the people, by the people, and for the people"

When owners Matty O'Reilly and Rick Guntzel chose the name RePUBlic for their Minneapolis bar and restaurant, it wasn't just because they liked the name that included the word "PUB." Matty comments, "Our formula for success involves giving people what they want. That includes 104 tap lines dedicated to craft beers and ciders worldwide, superb food, and a warm



intimate atmosphere where people can enjoy good friends and conversation. We've eliminated the television and neon lights, and we don't carry macro brands."

The formula is working well. RePUBlic has been named to the "Top 100 Beer Bars in America" list for the past four years by DRAFT magazine. The restaurant operates a food truck and has established a second location and, most recently, a branch was opened at the Minneapolis/St. Paul Airport.

Despite its reputation as one of the area's most unique bars, more than 60% of RePUBlic's sales comes from food. Matty says, "People come to eat and stay to enjoy the specialty beers and ciders."

It might be said that RePUBlic's growing popularity and expanding customer base is a true example of "democracy in action."

RePUBlic is located at 221 Cedar Avenue S., Minneapolis, Minnesota 55454, telephone 612-338-6146, or visit their website at www.republicmn.com.

Republic's DUCK BURGER

Burger ingredients:

5 lbs (2268 g or 2.27 kg) ground duck 1.5 lbs (680 g) braised pork shoulder 1/2 c (115 g) minced shallots 1/2 c (115 g) minced garlic 1 Tbs (9 g) five spice powder

2 Tbs (11 g) ground ginger 1/4 c (60 ml) hoisin sauce 1/4 c (60 ml) soy sauce 4 c (435 g) Panko bread crumbs

Shredded lettuce

Sesame soy dressing—whisk together (to taste):

rice wine vinegar ginger dijon mustard tamari sweet chili oil sesame oil garlic (roasted)

Peanut sauce—whisk together (to taste):

peanut butter hoisin sauce brown sugar sesame oil sov sauce water sriracha sauce rice wine vinegar

Mix the burger ingredients thoroughly. Cook Duck Burger to medium/medium well and top with the sesame soy dressing. Toss shredded lettuce (or Napa slaw) with the peanut sauce and place it on a bun, add the burger, and eat.

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people-oriented, was in charge of administration and sales. She was always known for the very elaborate hats that she wore at trade shows,



and my first "serious" job was making sure the hat boxes got to and from the show without any accidents.

HT: How did you prepare for your career in the industry?

DH: After graduating from Marquette
University, I attended the Culinary
Institute of America. Back at Hatco,
I literally worked in every department,
including assembly, customer service,
administration, and sales. Like my
mother, I enjoyed working with people,
and the Sales Department was where
I felt most at home.

family. We compete from 9 to 5, but after hours we have fun together. You can see that at the shows, and even in the daily course of business. We watch out for each other. For instance, we don't drive product development, our customers do. They're concerned for our success because our innovations and the quality of our products are responsible for their success.

HT: As you moved into executive management, you created a really unique corporate culture. Was that planned, or did it just happen?

DH: I think it was a good amount of both. I've always believed in hiring the right people and then not getting in their way. Empowerment doesn't mean abandonment, but when you're determined to build the best team in the industry, the corporation has to show its appreciation. And that goes for

HT: What made you decide to sell Hatco to the employees?

DH: In my career, I've seen how publicly owned companies can be handicapped by excessive demands for performance and by uncertainties. Often, public companies are hesitant to reinvest in themselves. Their thinking tends to be more short-term. That's not the case at Hatco. As a private company, we are free to invest a percentage of our profits in expansion and product development.

I've always believed that you can never really "own" a company. You are a steward—a caretaker—who is charged with the preservation of the corporation. In addition to that, you are responsible for making it better over time.

Also, I have always been aware of the contribution made by each and every one of our employees to the company. Enabling them to become owners was a great thrill for me and one of the big moments of my life.

HT: What was the most important lesson you learned in your career?

DH: I think it was the value, and the responsibility, of leadership. I've always admired successful leaders—people like Henry Royce, Lou Holtz, and Mother Theresa. And, of course, leadership always comes back to your people. Hire good people, get them on the bus, and the bus will get you there. And never forget that every job is important. The person who sweeps the floor is creating a more pleasant atmosphere in which people can be comfortable and more productive.

HT: What traits do you most admire in leaders?

DH: I think the two most important things are integrity and humility. Integrity because it's essential in building trust, not just with your employees and customers but with everyone in your life. And humility because it's essential to learning. As the saying goes, "God gave you two ears and one mouth." You'll learn more by listening than by talking.



HT: What do you like most about the industry?

DH: We're serious about what we do but don't take ourselves seriously. For as large as it is, the foodservice industry is one big

everybody. That's why we have special events and recognition programs, and that's what led to the creation of the Employee Stock Ownership Plan.

HT: Over the years, Hatco has introduced many great products. Do you have a favorite?

DH: I think my favorite would have to be our first product—the high-temperature water heater. Over the years, we have repeatedly tried to change it, improve it, and alter it, but somehow it always seems to come back to what it originally was. It's not glamorous, but it does a great job, lasts a very long time, and still contributes to our bottom line.

HT: When it comes to the industry, do you have any specific concerns?

DH: Government intrusion has become a really big problem, and political correctness can really poison the atmosphere. I think we have to get back to basics and look at business—all types—for all the good it does and not for the occasional missteps of a few.

HT: Let's talk a little about you personally. If you hadn't gone into the foodservice industry, what do you think you would have done?

DH: I think I might have moved toward the automotive industry, probably



as a designer but definitely in a "hands-on" kind of job. When I was very young, my favorite Christmas gift was a hook-and-ladder fire truck that had lots of moving parts. As I got older, I moved on to automobiles, power boats, and other mechanical things. I've never had an aversion to getting my hands dirty.

HT: In your career, you have been very successful. How has wealth influenced you?

DH: I think of money as a tool. It expands your horizons and enables you to do good for others, both now and in the

future. I've recently helped the Boys & Girls Club of Door County in Sturgeon Bay to purchase a new building that will give them the opportunity to provide educational and recreational opportunities to the next generation. That's very satisfying. The fact is that the greatest value in money is in giving it away.

HT: Any regrets?

DH: Anyone who has been through
a divorce can tell you that it is an
emotional and painful experience.
Under the best of circumstances,
serious relationships shape who we are,
and when they fail, we realize the
importance of fine-tuning our
interpersonal skills. On the other
hand, failure has to be viewed as
a learning experience and, with the
right attitude, you emerge from it
a better and more empathetic person.

HT: Any final words of advice?

DH: Love your fellow man. Remember, we are all in this together, and the best thing you can say to someone else is "how can I help you?"

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it is usually the team leader who is "held accountable." Harry Truman understood this perfectly. He kept a small sign on his desk that read, "The buck stops here." Harry knew that no matter whose recommendations or advice he followed, if things went wrong, he would ultimately be blamed.

Although there are some instances when decisions are final, there are, thankfully, times when the plan can be altered before disaster strikes. I tend to be one of those people who gathers data before reacting. In the course of a recent personality analysis, I learned that I will not hesitate to revise a decision or the outcome of a situation if the circumstances are logical, defensible, reasonable, and "right" from my perspective. But I have to have the opportunity to understand the situation.

I think that much of this has to do with the fact that I believe the concept of accountability intertwines closely with positive thinking. People who think positively tackle projects more willingly because they have a belief or vision that they will succeed. Rather than spending time trying to evaluate every possible outcome, they move forward with their eyes on the goal. If their efforts fail or the outcome turns out not to be "the right thing," then a positive person will be more apt to own up to the results and, if possible, adjust their actions because they naturally believe they will survive, even if they have to endure some embarrassment along the way.

As the "team leader" at Hatco, it is my responsibility to create the kind of atmosphere in which our people are not afraid to "own"

their jobs and projects because they know that "accountability" is not about finger-pointing and criticism, and that even failure has a positive side when it becomes a learning experience.

The ability to assist the people in our lives in their personal and professional growth is something that all of us are capable of doing. The responsibility for choosing the correct path and making the best decisions and for helping others to do so is what life is really about—and, in the end, the thing for which we are most accountable.

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Countertop Induction Range

Induction efficiency—Hatco quality

atco's new Rapide Cuisine™ Countertop Induction Range sets a new standard in induction cooking with precise heat control, user-friendly controls, and energy efficiency.

Features include:

- Sleek, low-profile design (half the height of competitive models) that can be used in buffets, at chef stations, and back-of-the-house cooking and prep areas
- Offers 68°F (20°C) to 500°F (260°C) in 1-degree increments in temperature control
- Timer permits settings from 1 minute to 10 hours
- Achieves 575°-600°F (302°-315°C) in power control for sauté cooking
- Up to six preset cooking profiles can be created and saved for repeat use

Discover the latest and most versatile advances in induction cooking today with Hatco's Rapide Cuisine™ the new standard in performance and efficiency.



PRODUCT

