

HOT TOPICS

A Newsletter for the Foodservice Industry from Hatco Corporation. 100% Employee Owned — Fall 2015, No. 52



FOOD FOR THOUGHT

by David Rolston
President and CEO



Too MUCH!

In an effort to understand the competitive environment in which their messages have to function, marketers have often attempted to estimate the number of advertisements to which the average individual is subjected in the course of a day. One such study recently created a comparison with earlier measurements and found that in 1971, the total number of exposures per individual per day was approximately 560. Less than three decades later, it was estimated at 3,000—an astounding exponential growth!

Although we understand that these numbers represent, at best, an estimate and that real results would vary from one person to another depending on their viewing and listening preferences, the point is made that the clutter has vastly increased.

The main reason for this has been the proliferation of different media vehicles and sources of information and entertainment.

For those of us in business, the research on advertising underscores a problem that we face and that continues to grow—and that is, the glut of data that we have to sift through in order to make informed decisions.

Please see “food for thought” on page 5



A SLICE OF EVERYTHING

SPOTLIGHT

It’s everywhere, and it comes in all shapes, sizes, and flavors. You can buy it whole or buy it by the slice. You can eat it in, take it out, or have it delivered. New varieties are always being created, though its history goes back to ancient times. It’s pizza. And no matter what your taste, there will be a version that appeals to you.

Although the earliest mention of pizza is found in a Latin manuscript from the 10th century, the concept goes back to the ancient Mediterranean area where people began to use oils, garlic, and other herbs and cheese to flavor their bread. The modern pizza traces its origin to Naples, Italy, where in one of the great moments of culinary history some forgotten genius thought of covering a base of dough with tomato sauce and adding cheese and other toppings.

First brought to the United States by Italian immigrants, the dish was popularized through neighborhood restaurants. One of the earliest is the Frank Pepe Pizzeria Napoletana, which opened in 1925 in New Haven, Connecticut, and which remains in the family today. Frank’s original pizzas—which in Neapolitan were called “apizza” and pronounced “ah-beets”—were made with tomatoes, grated cheese, garlic, oregano, and olive oil. A second recipe included anchovies.

The original locale is now one of eight locations, all of which bake their pies in coal-fired ovens. The menu has grown to include further selections and such specialties as Frank’s famous white clam pizza—still a favorite!

Please see “Pizza” on page 4

ON THE MENU

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CRISIS management planning...

A **MUST** for foodservice professionals



In virtually every business segment, an expected crisis, improperly handled, can severely damage or even destroy a brand or a company. The food-service industry is especially vulnerable to these situations because of its high visibility and high public and media involvement.

Criminal acts by an employee, corporate officer or spokesperson, a product problem, an adverse facility inspection report, a political dispute, or a devastating review are all instances that can result in negative publicity and a rapid decline in customer and public confidence. Even if your operation is not at fault—as in the recent case of E. coli-contaminated beef shipped to multiple suppliers over several states—the fact that you are even a passive participant demands a response.

The best way to prepare is to develop an outline plan before anything happens. Most larger companies, especially those involved in consumer products and services, have such a plan and review and update it periodically. Whatever the size of your business, structuring a crisis management program will be helpful in getting you to think about what needs to be done if an emergency arises.

Here are several helpful suggestions:

■ **Identify the “crisis team.”** Although the members of the team will vary depending on the nature of the problem, it is important that all team members be aware of their responsibility and understand the importance of acting with urgency. An occurrence that is external to the business might require the involvement of only the management team and a spokesperson. One that involves the operation on a firsthand basis could require a competent attorney and possibly a communications professional to formulate any statements made to the media.

■ **Name one individual to act as spokesperson.** Make all employees aware of the individual who will serve as spokesperson and contact

with the media and advise them that any and all questions be directed to him or her. Because that individual becomes the face of the operation at a difficult time, he or she should be well-spoken, comfortable with interacting with media people and public officials, and available at specified times for questions and explanations. The spokesperson’s name should be referenced on all press releases and corporate statements as the primary contact.

■ **Define the problem and formulate a strategy as soon as possible.** Depending on the occurrence, the crisis team needs to define the problem as objectively as possible and formulate an effective and believable response. At this point, it is essential to define the key talking points for the media, the authorities, and the public and, if necessary, incorporate them into a press release. All employees and concerned individuals, including vendors and other associates, must be made aware of the facts and given assurance that it is being handled in the most proper and expeditious manner.

■ **Get out in front.** Even if the response strategy is not complete, assuring the public that management is aware of the problem and taking the proper action goes a long way to restoring confidence. Prolonged silences in the face of suppositions or accusations can result in further suspicion and inspire a presumption of guilt.

In 1982, the deaths of seven people in the Chicago area were found to have been caused by poison placed in capsules of Extra Strength Tylenol®. Johnson & Johnson, the drug’s manufacturer, immediately took action, recalling the entire supply of the drug, working with investigators to analyze the contents and determine where the poison had originated and, ultimately, devising the tamper-proof packaging common today

on drugs, foods, and other products. The company kept the public informed and aware of the extent of its efforts. When it was subsequently proven that chemicals had been placed in the drugs by a person or persons (still unknown) operating in a highly localized area, repackaged Tylenol was returned to the shelves. As a result of their fast action, cooperative attitude, and open lines of communication, Johnson & Johnson not only saved a valuable brand but inspired trust in the company and its other products.

■ **Follow up after the fact.** Once the problem has been resolved, inform all concerned parties and the public of what corrective action has been taken. If it resulted in changes that will improve the operation, take advantage of that fact. In any case, it is essential to let the public know that the difficulty is now in the past and that there is a continued commitment to quality and service.

■ **Know your media and local officials.** As with your customers, building credibility with the media and local officials is a continuing process. Representation in civic and charitable affairs, sponsorships of local school teams, and other civic and community activities not only promote awareness of your operation but can be valuable in case of unexpected difficulty.

Business, like life, is based on optimism and, in many cases, individuals and businesses that survive crises emerge stronger. When those unfortunate events occur, the chances of defeating adversity can be greatly improved by planning. As in any major emergency, knowing what to do can mean the difference between survival and extinction. ■



SHOWTIME



TRADE EXHIBITIONS

OCTOBER 2015

- PIR Expo
October 5 - 8
Crocus Expo
Moscow, Russia
- Anuga
October 10 - 14
Cologne Exhibition Centre
Cologne, Germany
- NACS Show
October 11 - 14
Las Vegas Convention Center
Las Vegas, NV, USA
Booth #5383
- HOST
October 23 - 27
Fiera Milano
Milano, Italy

NOVEMBER 2015

- Igeho
November 21 - 25
Basel Exhibition Center
Basel, Switzerland
- Horeq
November 25 - 27
Feria de Madrid
Madrid, Spain

65 Years of

“Nothing Less than the Best.®”



SPECIALTY OF THE HOUSE

John's of 12th Street

A friendly neighborhood restaurant in New York's East Village



Since 1908, John's of 12th Street has served signature Italian dishes in a warm and intimate atmosphere. Founded by John Pucciatti, a native of Umbria in northern Italy, the restaurant quickly established a reputation for superb food and responsiveness to patron's preferences, a tradition that continues today.

According to Nick Sitnycky, who with his partner Judy Anderson and wife Valentina has operated the restaurant for 43 years, "We believe in keeping things homemade. All of our baking is done on premises, and we make our own special pasta. Even the mozzarella on our pizzas is made right here, and all our sauces are traditional recipes from our early days." In addition to the traditional menu, John's has developed an extensive selection of vegan Italian specialties.

The restaurant's reputation has attracted guests ranging from the notable to the notorious. Nick recalls, "We know that mobster Lucky Luciano dined here, but that was before my time. More recently, we've entertained Stiller & Meara, their son Ben Stiller, Guy Fieri, and Broadway and film star Alan Cumming, among others."

For a taste of Italy in one of Manhattan's favorite neighborhoods, plan a dinner at John's of 12th Street. Located at 302 East 12th Street, John's begins serving at 4:00 p.m. Telephone 212-475-9531, or visit www.johnsof12thstreet.com. ■

POLPETTO DI VITELLO (Veal Meatballs) (approx. 20 meatballs)

Total prep time: 2½ hours for caramelized onions, 1 hour for meatballs

Ingredients for Meatballs:

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|--|--|
| ½ loaf Italian bread, crust removed, roughly chopped | 6 cloves chopped garlic |
| ¼ c (59 ml) milk | 4 Tbs butter (57 g), plus 2 Tbs (28 g) for serving |
| 2 large eggs | 1 c (237 ml) Marsala wine, plus splash for serving |
| ¼ c (57 g) grated Pecorino Romano cheese | 2 lbs (907 g) ground veal |
| ½ c (113 g) chopped scallions | ¼ (15 g) to ½ c (30 g) bread crumbs |
| ¼ c (57 g) caramelized onions (see below) | ½ c (119 ml) Marinara sauce (for coating cookie sheet) plus additional Marinara for serving with meatballs |
| 2 Tbs (30 ml) Worcestershire Sauce | 2 Tbs (30 ml) olive oil |
| 1 Tbs (14 g) dry basil | Fresh basil chopped (for garnish) |
| 1 Tbs (14 g) dry oregano | |
| Salt and pepper (to taste) | |



Instructions for Meatballs:

Preheat oven to 350°F (177°C). In a large bowl combine the bread and milk. Squeeze bread until the milk is absorbed and bread dissolves. Add the eggs and mix together. Add cheese, scallions, caramelized onions, Worcestershire sauce, dry seasonings, and garlic. Season with salt and pepper and mix together. Melt butter in pan and add Marsala wine. Add veal to the large mixing bowl, then add the butter/Marsala wine. Mix everything together, gradually adding the breadcrumbs for texture. Coat cookie sheet with Marinara sauce. Roll individual meatballs (about 2 oz (57 g) each) and place on sheet. Bake for 10 minutes until golden brown. For table service: Add equal parts of olive oil and butter to a skillet and add a splash of Marsala wine. Heat up and brown the meatballs over medium heat. Serve with Marinara sauce and sprinkle chopped fresh basil on top.

Ingredients for Caramelized Onions:

- | | |
|----------------------------|--|
| 1 c (225 g) chopped onions | 2 Tbs (30 ml) olive oil or vegetable oil |
|----------------------------|--|

Instructions for Caramelized Onions:

Heat oil in heavy skillet and add onions. Sauté on medium heat so there is some sizzle and the onions just start to soften but not brown. Lower heat to a point where the oil is just barely sizzling, and let cook uncovered for 2 hours or more until onions are a deep caramelized brown. Stir about every 10-15 minutes. As the onions release their liquid, you may have to adjust heat to maintain some bubbling in the liquid. If necessary, add a little more oil. Be patient and do not rush the process! Slow cooking ensures the best caramelization. You'll see some color change by the 1-hour mark. By the 2-hour mark, the onions should be close to being their desired deep brown color.

“Pizza” from page 1

The dynamic growth of pizza in the United States occurred in the post-War period and was sparked by American servicemen who had sampled the dish while fighting in Italy in World War II. Early pizzerias were frequently storefront operations and became popular as much for the showmanship of chefs who twirled the dough and tossed it into the air as for the food.

Choices inherent in the product and the many options available to customers greatly enhanced pizza's popularity. Along with the traditional tomato sauce and cheese—almost always mozzarella—a pizza can include any number of specialty items. Many Americans were first introduced to pepperoni and Italian sausage when they tasted them on pizzas. Crusts could range from very thin to extra thick and, along with the traditional round shape, pies were available in Sicilian style (oblong pan), in deep-dish preparation, and in unique shapes for special occasions. The fact that pizza was available by the slice as a quick snack or as a whole pie that could be served as a family meal made it one of the most convenient foods available.

The franchise restaurant boom that swept America in the late 1950s and 1960s greatly increased pizza's visibility and popularity. It also introduced a new business model. Pizza Hut®, which opened its first unit in 1958 in Wichita, Kansas, Little Caesars, which started in Garden City, Michigan, in 1959, and Domino's®, which began in Ypsilanti, Michigan, in 1960, each created a highly visible nationwide presence and positioned pizza among the preferred choices in the rapidly growing “fast-food” market sector, as well as the “fast casual restaurant” group.

Steve Green, publisher of “PMQ Pizza Magazine,” and his wife Linda are both industry veterans. Linda's father owned a pizzeria, and Steve was a Domino's franchisee and marketing consultant. Steve comments, “One of the fascinating things about the pizza business is the speed at which it has evolved and continues to move forward. One company will start a trend that will be adopted throughout the industry.



Home delivery, buffet-style service, and specially discounted products are among the concepts that became trends and subsequently established themselves. As our latest ‘Pizza Power Report’ points out, even in a slower economy, sales have increased. From a business perspective, pizzeria operators are in the forefront of America's small businesses, with independent operations (pizzerias with less than 10 units) accounting for 54% of the market. In 2014, U.S. pizza stores numbered 73,097. Only 1,181 units closed. The demand for pizza is very strong and relatively inelastic. It's a fascinating business and, as a publisher, I can tell you that it takes a large and dedicated staff to keep up with it!”

Pizza is also responsible for growth in other foodservice segments as well. Many restaurants that started out with pizza eventually added other Italian specialty items, often to the extent that pizza now forms only a part of the total menu.

Pizza has also made significant inroads in both supermarkets and in the fast-growing convenience store market where it is frequently available cooked and ready to eat or frozen for take-home use.

Hunt Brothers® Pizza of Nashville, Tennessee, created an extremely successful niche market in selling to convenience stores. The company started in 1962 when the four Hunt brothers, who had grown up in the restaurant business working with their father in Indiana, started a new company called Pepe's Pizza. After attempting separate ventures, the brothers reunited and eventually created a system based on partnering with convenience stores in a manner that gave each unit an exclusive neighborhood territory. According to Trey White, Communications and Promotions Strategist at Hunt Brothers Pizza, “We are, and have always been, an extremely innovative company. Our pizzas include up to 10 toppings, and we are continually using LTO (limited time only) offerings to test new ideas. We've



introduced our ‘Breakfast Pizza,’ ‘Buffet-style Pizza,’ and other food items. We also operate Hunt Brothers University, a cutting-edge training facility serving more than 300 employees in the 28 states in which we’re represented.

“Convenience stores have consistently been one of the fastest growing market segments in the foodservice industry, and we like to feel that we’ve been a part of that growth.”

A relatively recent presence in the pizza world is the “Take-N-Bake” pizza. Originated by Papa Murphy’s in 1981, the company has now grown to be the fifth largest pizza company in the U.S. through wide customer acceptance and an aggressive franchise program.

Pizza’s popularity is also responsible for its status in popular culture—ranging from Dean Martin’s 1952 hit song, “That’s Amore,” which began “When the moon hits your eye like a big pizza pie,

* “That’s Amore” by Harry Warren and Jack Brooks, ©1952



that’s amore”* to a “pizza powered” funny car exhibited at the Volo Auto Museum in Volo, Illinois, to comedians’ jokes and appearances in films.

Not surprisingly, pizza continues to evolve. According to the latest research, current trends include the increased use of locally sourced and organic ingredients and the growing popularity of “on-demand” creations that allow customers to specify their individual preferences. The

dough has also morphed from thick crust or thin crust to pretzel crusts, stuffed crusts, and crusts with exotic flavorings.

Whatever the culinary future holds, we can be sure that pizza—in one form or another—will be a part of it. Its appeal crosses all generations and lifestyles, and it can be found everywhere. The food that prides itself on flavor, convenience, and innovation will continue to delight future generations just as the flavored breads of the past satisfied our ancient ancestors. ■



“food for thought” from page 1

Immediately prior to the Second World War, while serving as England’s First Lord of the Admiralty, Winston Churchill asked his subordinates to list “on one side of a sheet of paper” the preparations that had been made in the event of war. He realized that an open question could lead to interminable discussion and no real answers. He needed the basic facts on which to make his decisions.

The amount of information to which we have access at present and the speed with which we can obtain it gives us tremendous advantages in plotting the course of action for our near- and mid-term future but only if we can use it in the most efficient and effective manner possible. Our team at Hatco has found that the key to successfully negotiating the data glut involves setting priorities, and that is not as easy as it sounds. Too often we become so busy “putting out fires” that we can lose sight of the objectives that are really important over the long run. Here are some suggestions that we have found valuable in developing our priorities and in managing the information flow necessary to realize them:

- **Create a “brain trust.”** By assembling a small group of individuals knowledgeable in the predominant areas of your company’s business, you will be better able to extend

your vision and define the goals that you want to achieve. Keep the group small. Too many voices can create the confusion you’re trying to avoid. With the right input, you will be better able to formulate correctly defined objectives. For instance, “increase sales” is meaningless. “Increase sales by 12 percent from existing customers and an additional 5 percent from new customers” is much more realistic and to the point.

- **Think about the questions before you look for answers.** We use data to provide answers to questions that impact our objectives. Citing the previous example, you might wish to know who are most likely your repeat customers and who are your prime prospects, where they are located, and what is the seasonality of their business. Are they planning changes in line with industry expectations, and who are the purchase influencers? Closely define the questions, and point to the logical places to find the answers.
- **Identify your key sources of information.** Open-ended searches can waste time or, worse, lead you to the wrong information. By qualifying your sources and staying with them, you can shut out the extraneous noise and move forward faster.

- **Periodically reevaluate your strategies and informational resources.** Over time, priorities can be affected by new and emerging trends, by changes among your information providers, and by factors involving your capabilities. The six-month review with your team can point the way to keeping your information flow both fresh and accurate.

The points that I’ve suggested are not limited to the executive suite. They can work at any level of the organization. In fact, we found them extremely effective in streamlining our manufacturing process by listening to people on the factory floor. They’ve also helped our sales and service teams in anticipating customer demand.

In my personal experience, I’ve come to realize that it’s hard to do everything. And, it’s even harder to do everything right. While modern technology has given us access to better and more timely information than ever before, it is only through setting our priorities, translating them into questions, and knowing where to find the right answers that we can save time, effort, and even our sanity!

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PRODUCT PROFILE

Introducing a

BRIGHT GREEN

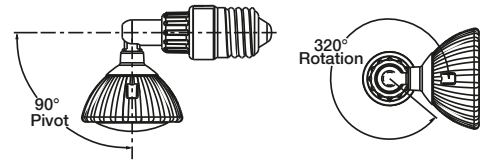
idea from



Your food and your energy bills will both look better when you install Hatco's new patented Chef LED Bulbs in *any* strip heater. Designed to operate in high-temperature areas, they illuminate instantly, can be dimmed, and swivel so they can be adjusted to direct light where you need it. Best of all, Chef LED Bulbs use **92% LESS ENERGY**. Available in 2700, 3000 or 4000 kelvin, Chef LED Bulbs are:

- rated for 25,000 hours—nearly 17 times the amount of halogen bulbs and 8 times the amount of incandescent bulbs
- available in 120V and 230V (for international use only)
- warranted for one year.

Contact your Hatco representative or visit www.hatcocorp.com and discover how Chef LED Bulbs can give the **GREEN LIGHT** to greater savings in your operation! ■



Annual Cost to Operate

Chef LED
\$2.30

VS

60W Bulb*
\$30.66

*Based on 3,650 hours per year at 14c per kilowatt-hour (kWh)