

## FAST FORWARD

Forget the past. Mrs. Smith's Stilwell, Okla., plant works fast and looks forward to its new future with Schwan Bakery.

By Dan Malovany

When Neil Armstrong first stepped on the moon, he uttered the unforgettable statement, "That's one small step for man, one giant leap for mankind."

When The Schwan Food Company purchased Edwards Fine Foods, Heidi's Gourmet Desserts and Western Pies from a New York investment firm two years ago, the Marshall, Minn.-based frozen foods producer took a substantial step into the frozen dessert category.

From a production standpoint, the company took a giant leap when it acquired Mrs. Smith's Bakeries from Flowers Foods this year. That's because the purchase included two huge facilities in Stilwell, Okla., and in Spartanburg, S.C., where the speeds on most of the lines were double and sometimes triple those that Schwan had been running before.

"They're Indy race cars. They run fast. They're made for long runs," says Joseph Leonardo, vice president for group operations at Schwan's Bakery. "They have quantum-leaped the rest of the world when it comes to making pies."

Take a look at the Stilwell facility — a 610,000-sq.-ft. plant that houses nine lines and has room for more. Its high-speed, ready-to-bake (HSRTB) fruit pie line operates at speeds up to 150 a minute. Its Mrs. Smith's Special Recipe line cranks out full-crust or lattice-topped gourmet pies at rates from 80 to 140 a minute. Meanwhile, the cobbler line can produce either 60, 5-lb. products or 120, 2-lb. cobblers a minute. Likewise, the Dutch/Custard line cranks out Dutch apple, pumpkin and custard pies at speeds of more than 120 items per minute.



STILWELL PRODUCES MORE THAN 120 PUMPKIN PIES PER MINUTE.

The plant also houses a pie-shell line that makes up to 150 shells per minute. Moreover, there are older apple-dumpling and bread-making lines; the latter produce breaded okra, squash, zucchini and mozzarella sticks that are packaged in bags from 12 oz. to 5 lbs.

At full capacity, running 24/7 non-stop, the plant can bang out 33 million cases of product annually. More realistically, the plant's capacity is in the 22 to 24-million-case range.

"There is no plant like this in the world," says plant manager Michael Mitchell. "What has been done here technologically had never been done before. You could take all of the unbaked pies produced in the country and put them into this plant, and you would still have capacity."

The Spartanburg facility is no slouch, either. At that 300,000-sq.-ft. plant with six lines, Leonardo notes that former owner Flowers Foods (Thomasville, Ga.) had again added "quantum-leap

technology" with lines cranking out pies and sheet cakes at speeds that can exceed 100 per minute.

From a product standpoint, Mrs. Smith's appears to be a pretty good fit with Schwan's existing operations. All of Edwards products are sold ready to consume, while everything produced in the Stilwell facility still has to be baked.

From an operations' perspective, the newly formed Schwan's Bakery Inc. can also marry speed and flexibility to maximize efficiencies. Starting early next year, in fact, the company will begin product rationalizations designed to maximize productivity even further.

In some cases, such rationalizations may reduce redundant stock keeping units (SKUs). In most cases, it might involve moving high-volume products like Edwards Key Lime Pie from its Atlanta plant to more efficient lines in Spartanburg and shifting slower-moving items from Spartanburg to slower lines. Or it

Photos by Vito Palmisano

can take heavily decorated cakes from its Spartanburg plant and produce them at its Tucker, Ga., facility, which is basically a hand shop that specializes in decadent, highly decorated desserts under the Heidi's Gourmet Dessert label. It could even shift production to its Salt Lake City operation that produces ready-to-serve pies for the foodservice and in-store bakery market. That plant is designed for multiple changeovers.

In addition to driving efficiency, Leonardo says the acquisition of Mrs. Smith's brought Schwan an "insurance policy" for the risk management that many of its large foodservice customers prefer from their suppliers. The company now has the ability to produce one product in multiple facilities, ensuring a backup source in case a major line or plant goes down for a significant period of time.

**SUCCESSFUL RUN STRATEGY**

In the near term, Schwan's Bakery is focused on the upcoming holiday season. Its operations team has concentrated on tweaking production schedules to maximize production, install uniform quality control procedures and define long-term strategy for its operations.

"We really wanted to put together a run strategy that made sense—one that took plant economics and reasonable inventory levels into account and let them have some success," Leonardo says. "We didn't want to make any major changes. We're not changing equipment. We're not changing people. Consistent with Schwan policies, we are making some changes on quality and other fronts."

Leonardo believes it will be best to have the Mrs. Smith's team



**HIGH-VOLUME PIE SHELL PRODUCTION**

experience a successful holiday season and begin a winning streak for the division.

Both the Mrs. Smith's and Edwards groups have gone