FOOD FIGHT INC.

Napkin Sketches to Retail Shelves: An Entrepreneur’s Odyssey of Triumphs and Lemons
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www.foodfightinc.ca

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On a late afternoon in fall, escape from the office often leads to a quiet patio table at the closest Starbucks where the sight of people ‘brown bagging it’ is of no consequence. The surprise interruption of my solitude with one said brown bagger would demand my time and attention. The man sidling up to my table has obviously other intentions than to take delight in his homemade lunch and his introduction to me is a fully confident one: “The lady in your office said I would find you out here. I understand you take popular restaurant recipes and food ideas and introduce them into grocery stores across the country.” The awkward pause that follows does not deter him. “You have to try one of my wife’s famous dulce de leche infused mini scones; she tops them with chunks of crunchy real Canadian bacon dunked in dark chocolate! Go on, try one.” He leans in closer and whispers in my ear: “We’ll make millions together.”

Now, aside from the fact that reaching my hand into a stranger’s brown bag, however deliciously described, is beyond unappealing, I am now faced with the dilemma of the short or long answer as to how financially risky and utterly nervy his assumption really is. Where do I start? Do I tell him to take his head out of the bacon and chocolate covered clouds and send him and his brown bag on their way? Or, do I take the more responsible and onerous road, as I want to do, and begin to sketch out the fundamental blueprints for the epic, and frequently fruitless journey. I often begin by saying: “You learn more about what not to do when you lose money doing the wrong thing. I can tell you how I’ve
lost a boat-load of it over the past 20 years playing this game of delusional buffet-sized profits."

This book is a hard-earned collection of stories that have to do with being fanatical about finding the next big food and drink thing, that next sliced-bread or Coca-Cola idea. It’s about surprising, and sometimes unplanned, successes and carefully planned product launches ending in agonizing failure. Generously filled with themes of persistence and perseverance, and spiked with a pinch of humility, Food Fight Inc. is a spoonful of reality mixed with sugar to make the medicine go down. In the same breath, it’s a testimony baked with fundamental lessons and practical guidance that can be applied to any aspiring entrepreneur’s crusade, particularly those with only modest means, looking to unchain a product idea so that they can share it with the world. Regardless of the industry you’re trying to break into, I hope that my adventures, particularly the brutal failures, the really sour lemons, will cause you to take a big step back to rethink your path.

From crafting tequila cocktails for former Van Halen front-man, Sammy Hagar, to popping too much popcorn for Pope Saint John Paul II, there's a little somethin' somethin' for even the pickiest of eaters. At times, the lessons and guidance may be a little difficult to taste because they’ll be soaked in tales of booze and butter. But trust me, they're in there, sticking to the sides of the bowl. Learn, respect and practice the basics in this book, and you’ll be able to make your product launch mission tastier and much more financially digestible should the soufflé sink when it’s pulled from the oven.

As with any maiden journey, the first attempt is generally the hardest one. More often than not, it’s also the most painful one. And like with most journeys, you’ll begin to move faster and more freely with a knowledge of avoiding danger zones the more the road is travelled. It’s nothing short of exhilarating and liberating to dream up your own product idea, sketch it out on a cocktail napkin and then gaze up at the outcome on a retail shelf a year or so later. When you get the launch formula right, it’s a beautiful thing. When you get it wrong, and chances are that you will, more than once, chalk it up as a valuable lesson learned, wipe the counter clean and then start over again. Making mistakes is not only acceptable gameplay, it’s a secret ingredient. Remember, it takes repetition to build muscle. To that end, if I can save one person from betting the farm on their Grandmother’s secret Saskatoon Berry Jam, or help them in successfully selling a truckload of the silky organic sesame miso marinade they discovered in Osaka Japan—then my food fight will have been worth it.
My brother Dave and I have always had our own personal strengths, his being academia and mine, despite my body type being reminiscent of Shaggy from Scooby Doo, was being able to eat a lot. Perhaps not the typical strength to brag about, but it has served me well now in my pursuit of delicious food and has been a source of amusement for my family and friends for as long as I can remember. My Uncle Lou loved to watch me devour a thick stack of fried veal cutlets during Sunday lunch, and then jog the block to digest just enough to put down another plate. The staff at Chinese Food Buffets were warned that “all you can eat” was a dangerous proposition when I walked through the door. My friends cheered me on to tackle a third soft serve cone, or the Flintstone-sized steak.

It is only fitting then that my first job was as a stock boy at the local Red & White grocery store. There I was, a thirteen-year-old budding foodie making $3.81 an hour facing-up canned goods and carrying out paper grocery bags for nice old ladies for a 25-cent tip. Ten years, and many more veal cutlets later, I would find myself working for my Uncle El in his boutique design and print firm, Rockprint (now Creative Rock / creative rock.net). His main gig was, and still is, designing and printing food packaging for a large (and now monster large) food company called Johnvince Foods (johnvincefoods.com). This is an over-40-year-old family owned establishment that both repacks (other companies’ bulk products) and manufactures a colourful multitude of both
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to learn the food business, I packed my bags and moved into a small
townhouse that the company had rented for management relocating
during the weekdays. Although unseasoned, I was an ener-
ggetic player in a crowd of accomplished and driven food-athletes.
The early mornings were launched with a couple of short espressos in order to
reach the office by 6:30 a.m. and work straight through until 8 p.m. We
grocery shopped, cooked and ate dinner together, caught up on the local
evening news and would all then beat a hasty retreat to our rooms.

It should be noted that there weren't enough bedrooms so I was dele-
gated to crash on a mattress placed on the floor in the living room with
musty and ancient brown office dividers for a little privacy. For me, this
unusual frat house served as a CPG (consumer packaged goods) Food In-
dustry University, but instead of spending time with beer guzzling frat
brothers, much of my precious waking time was spent with the CEO,
COO, CFO, CIO and specialized consultants. Being in their proximity
made it inevitable that I would pick up a few golden food-biz nuggets.

In the candy factory I spent the next few years happily tucked away
on the vast and nearly abandoned top floor with a fellow recruited from
the Willy Wonka candy company. Unlike the Oompa-Loompas in Char-
lie’s Chocolate Factory, the sprightly Mr. Blair Neuss was a buttoned-
down and veteran marketer with an infectious laugh that echoed down
the lonely fifth floor halls like rolling thunder. The 432,000 sq.-ft fac-
tory was our candy-playground to experiment with. On shoe-string
budgets we developed and helped launch over a hundred delightful and
funky confectionary creations. Some were instant hits, like sour green
apple alien head gummies, and others, like the Dr. Suess inspired green
‘chocolate-y’ eggs with multi-coloured marshmallow centres, were
blockbuster sugar-bombs.

Unlike working in an overly structured, cubicle-freckled corporate
environment, we had complete free rein to self-indulge in any crazy idea
our hungry hearts desired. This was a fortunate opportunity and ef-
fective method to learn what worked and what didn’t on someone else’s
dime. It also didn’t hurt to have a 10kg shipping carton of peanut butter
cups hidden under my desk at all times. Purely for inspiration, of course.

On an early morning bike ride during a weekend getaway at JP’s
cottage, he and I chatted openly and intensely about my next career move. I explained that it might be a suitable time for me to take leave of the cozy rabbit-hole in search of a more corporate company chapter with whom to continue my food journey, with the promise to return one day with more to offer both him and myself. With a charming and heavy grin, he gave me his official blessing. Three weeks later I received my first offer from The Quaker Oats Company in Peterborough, Ontario and I swiftly accepted it. Little did I know that, over the course of the next ten years, all of my major career decisions would be thoughtfully discussed and forged during early morning bike rides at JP’s cottage. Always over a hot Tim’s coffee and a freshly buttered ‘everything’ bagel while dangling my feet from the same public picnic table overlooking the lake.

Quaker was a barn-sized culture shock for me, as my vast fifth floor playground was replaced with a closet-sized cubicle. Where I once had the freedom to exercise my impulsive ideas and get involved with all things marketing, sales, operational, and legal, I was now boxed in by a very restricted set of marketing responsibilities and measured deliverables. Everyone spoke in a strange foreign tongue filled with acronyms and buzzwords I didn’t understand. I felt like an Italian immigrant getting off the boat at Pier 21 into Halifax trying to settle into my strange new surroundings. As with all new adventures, there was an adjustment period and things did eventually click and I found a voice and my groove. The majority of my fellow Quakers proved to be fabulously sharp and highly motivated companions.

I learned how to dig deep into the countless dollars spent on consumer research to decode the food business at a different level. I learned how to structure, deliver and execute a proper product launch. I enjoyed exercising my multi-million marketing budget and I picked up a little corporate-poise along the way. Thank the food Gods for my brief stint at Quaker, as without it, the recipe that ended up becoming my career would have been dangerously void of salt and pepper. I like to think I made an impression on my new family at Quaker: the Marketing Director told me the prudent and well-respected then CEO blurted out a ‘Fuck No’ when he heard of my departure.

With my feet dangling once again from the lakeside picnic table, JP took a bite of his buttered ‘everything’ bagel, looked over the water and made me a casual and hefty offer. ‘I have an opportunity. It won’t pay anything for at least a year, but it could turn into something.’ I was still unmarried, with no brood of my own to watch over. The timing felt right in the pocket as the corporate life, although stable and promising, just didn’t feel like me. With a few exchanges and high-fives, it was done. (Seriously, there were, and usually still are, solid old school high-fives to consummate such decisions.) JP and I were now business partners in a company that I would operate and he would watch over with a helpful hand and a keen eye.

Settling into my entrepreneurial life at the newly formed BrandFusion Ltd. (brandfusion.ca), I could faintly sense the value and strength that my experience up until this point had given me. I was able to meld together the youthful spirit and take-no-prisoners approach of working in a private and flat-structured organization with the discipline and methodology of working in a large public corporate setting—I’ve tried to uphold the right balance between these contrasting worlds ever since. Over the next 17 years, with a growing band of fanatical foodies, I would be devoted to trying to unearth the next food product sensation. And I’m still at it.
For those of you wanting to get into the grocery game, or into any product launch game for that matter, here are the Coles Notes; for a small start-up enterprise it’s all in the cold math. How many store shelves can I squeeze my product onto? What will it cost me to get there? How many units per week, per year, can I conservatively move? Do I have the mandatory cash flow and the patience to wait until my return on investment clears the breakeven hurdle? If my product doesn’t move can I finance the messy aftermath cleanup? Therein lies the rub. And unless you’re cutting a deal in some quaint Farmer’s Market where a transaction is consummated with a firm handshake, things can get costly and complicated quickly.

Let’s start from the ground up. To get the ball rolling, you have to find a reputable and accessible contract packer (also known as co-packers or private label manufacturers) that will translate your small-batch kitchen recipe into one that can be commercialized and cost effectively mass-produced. Essentially, contract packers are manufacturing companies that you can commission to produce and pack your product. They can also be positioned to appear as if the product were manufactured directly by you. This is the stage where your virgin recipe usually ends up somewhat manhandled and transforms into a slightly adulterated version of its former self. It’s important to stick to your guns. Do not compromise your recipe concept and vision in an act of desperation. A contract packer will always reach for the big red easy button and opt for what’s economical and most closely aligned to his existing production capabilities. Unless you have a proven track record, or can demonstrate that your innovation will make big money in short order, or you are able to create an alliance with a rare and benevolent contract packer, you’ll be charged a nominal lab fee—your first donation into your contract packer’s notorious food bank, a bank that witnesses far more deposits than withdrawals. If your product calls for unique ingredients or components that the contract packer must procure and store exclusively for you, you’ll be on the financial hook for their entire minimum commitment should your product eventually see daylight.

Before you get ahead of yourself and start spending money on whimsical packaging designs, understanding the contract packer’s requirements, production limitations and flexibilities is vital. Granted, it is feasible to start fishing around for prospective retailers without investing upfront time with a contract packer. However, what’s your end game if you miraculously convince a smaller mini-chain store to take a chance on you without knowing your true cost of goods (COGS), your minimum production run size commitment and lead times, packaging format capabilities, the product’s shelf life or chemical reactions over time, etc.? Selling 100 cases of an authentic spicy Greek taramosalata when you have to pay your contract packer for a run of 500 cases will eventually leave you having to sell 400 cases to a shifty clear-out artist for the cost of a dinner at one of Mario Batali’s New York City restaurants.

Armed with your mass-production recipe requirements and a reasonable grasp of how to navigate through the contract packer’s requests and limitations, you would then move to honing your brand vision and crafting a packaging design. For a start-up mission this is a critical stage because the packaging design must perform the lion’s share of heavy lifting with respect to drawing consumer attention. It’s very possible to create a contagious brand buzz without having a consumer-marketing budget (i.e. print, television, radio, social media, PR, couponing, sampling, etc.) but it doesn’t happen all too often. When it does, it is because someone has found the elusive and magical combination of introducing the right product with a design that speaks the perfect message, at just the right point in time, merchandised in a perfectly precise place in the store.

The design phase is also a liberating stage as your personal vision and aspirations become a more tangible reality. The process is very
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I can stare at the first mocked-up product for hours on end. It feels so damn good. It's like staring at your baby wondering what it will grow up to be. Will she be strong and admired or awkward and reclusive? With a decent mock-up and reliable COGS in hand, it's finally show time. Do not spend another red cent until you have a decent sized fish hit the bait hard enough. You could, I suppose, invest in a small packaging run and convince your still somewhat sceptical contract packer to run the absolute minimum number of cases so that you have an actual finished product to flaunt. At that point, however, consider that you're now fully invested to make things fly. A little pressure and a sense of urgency is undoubtedly useful, but it also means that if you can't get a retailer interested you may also start to panic because of the skin you now have in the game. If your concept is in fact worthy, and the buyer knows and does his job properly, they'll be able to see past the scotch tape and fugitive glue dots. The leading advantage of clenching your purse strings tightly at this stage is that you'll safeguard the ability to tweak and improve your product by incorporating the buyer's requests and recommendations—that little dash of retailer ownership is usually worth its weight in gold. What's more, if the sales performance begins to falter, you might just get that indispensable helping and forgiving hand you wouldn't have otherwise experienced.

Boom baby! After a sack full of email requests and countless phone calls into a seemingly always-full voicemail box, you get a rare chance to deliver your sales pitch. And you pretty much nail it. That once unbelievably impossible to reach buyer has bought into your vision, and better yet, your precious creation. This is it; your chance in the big leagues to make an honest buck after probably a year of dispensing cash like a human ATM. Ah, wait a minute. How did we go from a snazzy scotch-tapped sample to a profitable product on the shelf, you ask? Well, it’s quite simple. It’s all about the 3 P's, baby—you’ll need the persistence of Rocky Balboa coupled with the presentation skills and passion of Steve Jobs. Did I overkill my point? Of course I did, but this is the mother of all junctures in your napkin-sketch-inspired quest. If you do nail it, it's the one moment that you'll most likely take the time to truly celebrate because it's now legitimately game-on. Once you're in the pool using both

personal but also demands a fluid and open mind for constructive criticism. God knows that every friend, family member and the mailman will have a spirited opinion. Be sure to smile politely, nod acceptingly and process the suggestions and criticism internally. Only you can sort the treasure from the trash. The design phase is also the first potential financially hazardous stage because it's where the second and considerably larger contribution is made to fund your mission.

There are many echelons of design firms in both Canada and the US. A fresh and new-fangled design can run anywhere from $2,500 to $25,000 per sku. If you're taking a chance on your first food venture with a modest to medium tolerance for pain, I advise sticking to the former. The downside is that the risk is heavily weighted on your natural ability to recognize a brand design and narrative that will look suitable, will have both a memorable and proprietary feel to it, and will communicate the right message to your target audience in a meaningful way. The upside is that saving $20,000 in design suggests that you'll be 20,000 units closer to a breakeven scenario based on a food product that puts $1 per sale back into your pocket.

I imagine this will be a controversial point because someone (most likely, and rightfully so, a marketing agency or pricey design firm resident) will argue that an out-of-the-park design and brand message conjured up by a seasoned pro will help sell truckloads more product. I completely agree. Maybe. Sometimes. However, I've had the privilege to peruse the balance sheet of quite a few food start-up failures who were badly in need of a shot of capital to keep them alive. Spending beyond their financial means too quickly in the game for brand development, packaging design and website development is usually the first menacing number that jumps off the page like a signal fire. It's a tough call as I've had the pleasure of introducing both successful brands and products built using minimal outside aid, and the pain of unleashing stink bombs built with small fortunes and over countless pricey strategy dinner meetings; why do consultants always seem to choose the over-priced Brunellos? Once again, it depends on your risk tolerance against the size of the opportunity and how strongly you believe that your drilling for the ultimate packaging design will help tap into a sales-gusher.
your hands to tread water, there’s no opportunity for high-fives. Your presentation handout must be succinct and compelling, and your delivery must be confident and convincing. The squinty-eyed and usually intense personality sitting on the other side of the negotiation table is waiting to jet back to their desk to respond to 500 new emails, most of them peppered with fires needing to be extinguished.

**Let It Simmer ~**

1. *Does your product concept adequately fill a meaningful consumer void and opportunity gap within the category it will be sold in?*
2. *Are the driving benefits of your concept truly valuable and unique, or have you simply created sexier packaging for a me-too product? Remember, you can put lipstick on a pig, but it’s still a pig.*
3. *Have you personally scoured every store shelf to ensure that your product concept will help to enhance their existing assortment offering?*
4. *Have you cut (i.e. taste tested) your product against the competition’s to ensure that it meets or exceeds your pledge to the consumer?*
5. *Is your product concept priced realistically and fairly when compared to similar offerings in the marketplace?*
6. *If shelf space is limited, what is your recommendation to the retailer for possible placement? Which competitive products should get the cold boot to clear space for your undertaking and why?*
7. *Try to snap a picture of your mocked-up product set up on a retailer’s shelf to see how it looks in action (note—always ask the store manager for permission, or a smock-sporting bouncer may ask you to kindly leave).*
8. *How will you support and nurture your product concept once it’s impatiently sitting on the shelf?*
9. *How much money can you stomach parting with to help mop up the aging inventory should the product not meet with the retailer’s expectations?*

**CHAPTER 3**

**Show Me The Cheddar**

**Rules of Engagement**

Show me the golden cheddar! That first cheque stub deserves to be proudly framed and displayed on the fireplace mantel beside your kid’s first picture with creepy mall Santa. So be prepared, and avoid personal devastation when that cheque finally arrives in the mail with a figure that’s only a mere fraction of what you expected to receive. Build your pricing model with great care. Retailers will want to keep you fed and alive, but do not want to fatten you up. How much they believe you take home versus how much you actually end up banking are two very different stories. Don’t be greedy, or if you’re lucky enough to get through the door and onto the shelf, your retails may end up hopelessly high. Don’t price your product too low just to get through the door, or you won’t have the necessary funds and fuel to travel far enough on your journey.

Striking the ultimate balance between achieving a realistic retail while giving the retailer the top end of their desired gross profit margin, and still managing to keep enough bread for your table, isn’t always easy. Before you slide a piece of paper with a penciled price across the buyer’s table, you have to know the retailer’s pricing program expectations. Except for a select few, each retail chain has a custom mélange of financial contribution requirements; no doubt spurred on by crafty accountants. And unless you build in a reserve for a 5% Co-op fee, 2% Volume Rebate, 2% Damage Allowance, 1.5% Business Development Fee, 1% Cash Terms and a .025% Clean Underwear Fee, you’ll squeeze yourself out of the financial picture.
Like most business ventures, planning for the worst-case scenario while secretly hoping for the best outcome is always a prudent approach. Crunch and munch the numbers to ensure that you can store enough acorns away should the retailer turn the tables and want restitution for poor performance.

In addition to the retailer’s obligatory programs, build in some monies to protect your precious new real estate by supporting the marketing efforts needed to draw in attention to your tasty vittles so that they don’t collect dust sitting on the shelf. When operating with a restricted budget, temporarily reducing your sell price to help fund in-store feature deal activity (e.g. 2 for $5.00 vs. a regular price point of $2.99 each) is a safe wager among the many more futile and fruitless retailer managed marketing options. Its effectiveness is highly measurable and, for the most part, it can still be profitable if your COGs (Cost of Goods) are intact and the retailer chips in on the deal. Unless you can piece together a consistently effective social media campaign, most other aggressive out-of-store consumer marketing activities are ordinarily beyond financial reach at the start line.

Confused? Don’t be. I’ll compare and contrast the paybacks and pitfalls of out-of-store advertising vs. in-store promotional marketing in Chapter 31: Milk Money. For now, let’s make a note to play it safe by building in a set amount of money for marketing activity contribution into your pricing model. For example, for a product that retails for $3 up to $5, try to work in 50¢ per unit. Better yet, if you can afford to assign 75¢ to $1.00 per unit, you’re groovin’. If not, allocate what you can comfortably afford until your volumes and production efficiencies eventually increase, thus causing your COGs to decrease, at which point you should be able to start setting aside more marketing monies. Take heed. In the early going you’ll find that production and order fulfillment efficiencies are thrown out the window in an effort to stay afloat. Until you fall into a steady supply and demand rhythm, plan for your COGs to be a conservative fifteen percent north of your initial calculations.

Aside from the more conventional marketing expenses, there’s a handful of supporting role services that will serve to raise your tab. For example, hiring a third-party merchandising team to visit high traffic stores to ensure that your product is in stock as well as properly placed and represented on shelf will become an eventual rule of engagement. However, at $20 to $30 per store for a one-hour call, you’ll have to put this one on ice until you can build your empire a little. More often than not, we’ll price out a product putting every minuscule drop of profit we pocket within the first two years straight back into the campaign to ensure that we have a fighting chance. As long as you can afford to wait it out, breaking even in the short term is not only customary, it’s prudent if you know that you’ll gain efficiencies and pick up more margin down the road.

Take into account that buying a truckload of butter, or sugar or black mission figs will be much cheaper than buying only a couple of pallets at the onset. Ordering 50,000 cartons or impressions of packaging film will be significantly cheaper than ordering the minimum amount—which is customarily plus or minus 10,000 units or so. Let’s say that you save 20 cents per unit as a result—one on a master shipping case of 12 units that’s an additional $2.40 in your piggy bank. Having said this, it’s tempting to bite the bullet and fork out the cash required for the larger run in order to start your race with lower COGs and a more comforting profit. Personally, unless the overall cash outlay is close, I’d rather order fewer materials and take the temporary margin hit upfront associated with ordering a more controlled 10%-15% over what’s truly required. Otherwise you’ll be gratuitously chewing up your bank account, increasing your cash burn rate, and may run the risk of indeterminately storing unused packaging and wasting warehouse space (or worse yet, valuable garage space). Don’t fret. We’ll delve deeper into the numbers and the corresponding success metrics a little later in the book.

Seeing the first Purchase Order (PO) appear in your otherwise empty inbox, or patiently resting in the fax tray, is a wonderfully euphoric, yet anxious moment. Feelings of jubilation and fist pumps are closely followed by pensive thoughts of: ‘Can I pull this off in time? Have I covered all my bases with respect to the other players involved that will need to do their part in order for me to pull this off?’ The irony is usually that it will take a dog’s age to squeeze the first order out of the retailer,
yet they’ll want you to deliver it yesterday. And, by the way, if you don’t deliver the goods on time you’ll be fined, tarred and feathered. This is when you need to exercise your basic management skills. Triple check absolutely everything. Walk through every step with everyone involved in the game—your team, the packaging company, the contract packer, the guy on the line attaching the doohickey to the whatchacallit, the freight company, etc.

Murphy’s Law: the one single and seemingly inconsequential step or piece or person that you don’t check will bring down your house of cards. It’s remarkable how many folks in business, irrespective of the industry they work in, don’t practice this attention to detail methodology. After my first year in business, the president and founder of Kernels Extraordinary Popcorn®, Scott Staiman, expressed this notion to me: ‘It’s surprising how many people don’t have “it” when “it” is the most important quality to have.’ I never forgot that.

You park in the tic-tac-toe of cars and abandoned grocery carts. Walking through the sliding doors, you feel giddy and your stomach is in knots. Did my product make it into this store or is it helplessly trapped in the retailer’s distribution centre, or lost here somewhere in their box-city of a backroom? Walking down aisle 5 you catch a glimpse of a red box on the shelf at the other end of the store. Is that my little red box? Tears of joy and pride christen your cheeks as you realize it is your glorious, most perfect crimson little red box of promise smiling back at you on the very top shelf. You wish it wasn’t on the top shelf because you can’t reach it and worry about who actually can. But, that’s a problem for another day. For today is your first official day in business.

Many of our business escapades have dealt with licensing and leveraging a well-known restaurant or an established food brand. In the beginning, we were super-green and super-eager, so we ended up saying ‘Hell YEAH’ to 95% of the opportunities that crossed our vacant desks. Today, we have double the opportunities and say ‘Hell NO’ to 95%. Most often it’s because we don’t get the right vibe from the prospective business partner. The business idea could feel rock solid. The strategic fit with our business, existing relationships and capabilities may make perfect sense, but something will just seem uncomfortably . . . alien. At first, we fooled ourselves by thinking that the awkwardness would eventually wane the closer we worked and grew with a person or another company.

After a dozen or so such partnerships we eventually realized that there was a strong and undeniable correlation between people that we felt naturally comfortable with and a product’s ultimate trajectory. Similarly, we noticed that the partners we couldn’t relax with would eventually cost us the most time, money and aggravation. Perhaps it’s a self-fulfilling prophecy to evaluate people and opportunities with this jaded lens? I don’t think so. Having fun and gelling with those involved in your mission is an absolute must. These days, our standard issue acid test is what we call the breaking bread factor. Can we sit down at a table with a prospective partner and really enjoy a meal together? Does it feel forced or is there a natural spark (without the assistance of a bottle of
Brunello)? Do you wince when their call comes through or perk up in your chair with enthusiasm to pick up the phone?

For all intents and purposes, a healthy partnership isn’t any different than a healthy marriage—if you can’t sit across the dinner table and break bread with your potential spouse, would you want to get married? Dave and I have developed such trepidation for toxic relationships that we pull out the break-up card at the first sign of foreboding. Remember, the deeper you dive, and the more time you spend with one another, the tougher it is to pull the plug so you might as well be honest with yourself and them. As you read through the compilation of case studies that follow, many of which involve both fruitful and fruitless partnerships, you’ll begin to see a pattern: the healthy relationships most often ended in making money. And the bad ones, well, save for the hard lessons learned, were bad ones all around.

CHAPTER 5

Eat Well, Sleep Well

Do What’s Right

Nice guys finish last, do they? This may hold true in stories and myth, and occasionally in the real world, but we pride ourselves on running our business with integrity and respect. Perhaps we would be further ahead in the profit game if we played dirty, but empty victories won’t sustain you. For every morally decent person out there, there are double the number of jerks without a conscience hacking away to get what they want despite any collateral damage they create. I’m not trying to sound self-righteous or ostentatious, it’s just the mould in which I was cast. As a result, many of you might read a thing or two and disagree with how we ultimately handled a situation. ‘You should’ve gone legal.’ Or: ‘Come on, man, fight back!’ are a couple of choice phrases that you might want to mutter under your breath as you continue to read on. That’s fine, I can respect that, but I need my sleep and can only get it when my head hits the pillow without preventable conflict or sobering regret. Lose money on a bad assessment or poor decision, so be it, you’ll recover. Unethically torch an otherwise good relationship over anything other than an unrecoverable loss, particularly when a close friend or family members are involved, no thanks, I’ll pass. I prefer to take in only what I know I can digest without heartburn.
When the Toronto Blue Jays were battling it out in the 2015 MLB postseason, the fellas in the office and I took a minimum five-minute break to play catch in the parking lot at least once every 2 or 3 hours. Outside the postseason, we like to keep parking-lot-catch down to a more respectable once a day. Now, guitar playing in the office is a much more frequent and religious practice. My office-acoustic guitar (once owned by Glass Tiger’s Alan Frew) is never more than ten feet away from my enthusiastic reach. Some people chain-smoke to calm their shot nerves. I enjoy bending and sliding out a few choice riffs to help regulate my blood pressure after either wrapping up a jittery customer call or to celebrate after intercepting a much anticipated purchase order. Most of the time I sit on the cushy couch by the fireplace in my office and play softly so that I don’t disturb the others. However, on Friday afternoons during our ‘Gentlemen’s weekly’ toast, I get a kick out of strumming a few fresh new licks for the fellas while we leisurely sip our single malt scotch and passionately chat about the upcoming week’s ambitions. If Dave has cooked a little extra fare earlier that afternoon in our test kitchen, it’s also a good opportunity to double back and clear out the fridge. If we’ve hosted a tailgate barbeque party in the parking lot earlier that week for our sales team, or as neighbourly thanks to our local Starbucks barista gang, chances are there’s a giant foil-tray loaded with spicy Italian sausages. Which incidentally, goes perfect on a fresh bun with my Grandmother’s homemade Sicilian caponata (chopped fried eggplant, olives, capers and sweet sautéed onions)—we always have a jar or two on hand.

During school holidays, a couple of jumbo ice cream sandwiches for dessert is also in the cards as my eleven-year-old son, Gabe, runs his beach-themed popsicle bar (Gabo Wabo’s) from the sidewalk outside our office during lunch hour. On Thursdays during the late fall through to early spring (indoor pizza oven season) and sometimes during mid summer (outdoor pizza oven season), we try to schedule our meetings around making fresh batches of Neapolitan pizza dough, using a ‘poolish’ bread starter, before the long weekends. Before you judge me, let me explain, it’s completely necessary because the KitchenAid® stand mixer at the office has a much larger bowl and is more capable than the ancient one I have at home. Plus, making pizza dough forty-eight hours before you actually need it, and then storing it in the fridge, allows it to gradually rise, giving your crust a bolder taste and airier texture—bada bing!

Throughout the day, it’s customary for the gang to breakout into ridiculous wisecracker songs about Archie (our beloved veteran new product developer) and his interesting 80s-themed colourful fashion choices or his peculiar bird-like eating habits. Rest assured, it’s only because we admire the ol’ boy. Integrating silly humour and chanting foolish songs about coworkers and supply partners (i.e. contract packers and suppliers of raw material ingredients and packaging) plays an immense role in our work life. It lies deep at the core of our office culture. Without humour, and without lively song, the day somehow feels painfully long and the office vibe much too sombre—which also explains why everyone in the office loves to play Boom 97.3’s ‘Just a Sec’ daily name that tune challenge. (By the way, Arch is also our resident champion.)

I didn’t realize how strange and outrageous our work philosophy was until we had our accountant spend a full day in the office with us. At first glance, I’m more than certain that we all seem shockingly childish and unfocused at best. Or at least, I hope we do. But listen up, don’t assume that our light-hearted conduct means that we’re unproductive or disinterested. Conversely, you’ll find us problem solving until late in
the evening and on the weekends long after the regular work folk have eagerly punched out. My best ideas, strongest inspiration and the courage to provoke big change, come to me when I step away from my desk.

The key, however, is knowing when it’s time to hunker down. When the bough breaks, turning off the music and stepping up to quickly lick an impending issue should be automatic. Firmly taking hold of a slippery opportunity has to materialize instinctively and effortlessly. I do believe, and have experienced, that work cultures fabricated on enforced structure, management intimidation, and most notably, without simple amusement, are both stifling and downright depressing. It’s a terrifying approach and scene that scares me to the point of constant paranoia of losing what we’ve built.

Over the years, success has become less about strictly financial reward, and more about being able to preserve the unique and quirky culture I’ve come to love. To boot, I know that our small seasoned and spicy team of loyal food warriors is more productive and determined than a room full of uninspired workers. When you have the right crew, they’ll recognize when the line slips out of hand and needs to be reeled back in. If you have the best players on board, they’ll be self-motivated and self-driven. Making sure that they’re inspired, stimulated and unencumbered is where I focus my energy. (Speaking of comfortable, you can’t beat the custom BrandFusion slippers we like to sport in the office during frosty Canadian winter days.)

I’m also too distracted being in constant awe over how quickly we can dream up, develop and bring a new food product to market compared to larger and more regulated companies. We may not always achieve the same level of case volume sales or consumer awareness that a larger and more financially equipped company can reach; however, our cost to operate the business, and the number of mouths we need to feed are both drastically fewer. If my memory serves me correctly, we’ve boldly pedalled through the entire launch process in 20 weeks. Granted, the path to market was considerably unorthodox and freckled with luck but we pulled it off just the same.

I don’t sanction this loose approach or relaxed attitude on a regular basis by any means, but once in a blue moon it’s healthy to throw caution to the wind. Don’t try this at home without adult supervision, but the 20 weeks looked a little something like this:

- **week 1**—product concept ideation—’Hey guys I have an interesting idea’
- **week 2**—identified a popular brand licensor to partner with—’I bet if we could market this product under that popular restaurant name, we’d sell truckloads more than any brand we develop ourselves’
- **week 3**—designed preliminary packaging design and mocked-up a credible sales sample—’Whoa! This actually looks credible! Well worth the $500 investment. Let’s flaunt it around to a few choice retailers to see if we can get a decent bite before we’re in too deep and spend too much time and money on fine-tuning things’
- **week 6**—locked-up a retailer and an opening order commitment before we actually knew who would build the product for us, or if the brand licensor was even interested—’Glad to hear you like the product. We’ll fill out the new item forms and get back to you in a few weeks with a confirmed lead-time for shipment of the first order’
- **week 9**—approached and locked-up the brand licensor partner based on the retailer’s commitment to purchase
- **week 12**—sourced and secured a manufacturing contract
- **week 19**—completed recipe development, product testing, regulatory requirements, polished up packaging design, ordered raw materials and production; week 20—ran product and fulfilled opening order
- **week 21**—take an extra long weekend

In order to pull off this hocus-pocus of a product launch, you’ll need a very fluid project management approach, a giant pot full of luck and a big love for what you do. Trust me, without a genuine affinity for the game, you’ll want to tap-out long before the PO appears in your inbox. I’m constantly amazed at the sheer volume of projects we can comfortably balance efficiently at once and how each member of the team can
easily slip in and out of wearing multiple hats-of-responsibility on any given day; from researcher, to data analyst, to designer, to lawyer, to sales person, to production manager. I’ll spare you from citing the old cliché that says: ‘Do what you love and you’ll never work a day in your life.’ So let me just say this and be done with it: ‘Do what you love and you’ll never work a day in your life.’

Let it Simmer ~

1. Do you truly love your product concept, its ultimate purpose and the impact that it will have in the marketplace? Bear in mind that at some point, or more accurately, at multiple points in the process, your affinity for your product and the mission will be your solitary touchstone.
2. Are you building a team and company culture that will keep both you and them interested in the long run, and that will attract and preserve the calibre of players you need to succeed?
3. How quickly and competently can you launch your product when your back is against the wall with a do-or-die opportunity? What factors would be holding you back from racing through a hurried product launch? Can you deal with and improve those factors now so that you’re ready if and when the opportunity presents itself?
4. Are there amusing rituals and activities related to your industry that you can incorporate into your day to help create an inspiring and creative environment? Making Neapolitan Pizza dough, playing guitar and scarfing down jumbo ice cream sandwiches are my vice, what’s yours?

I love hot, buttery popcorn—the childlike anticipation of waiting for the first kernel to reach 450°F, where moisture turns into steam and creates a transformational and magical ‘pop’. Be that as it may, I never would have guessed I’d spend my first two years at BrandFusion convincing retail chains and Canadians alike that they ought to eat the beloved snack generously sprinkled with Kernels Extraordinary Popcorn® seasonings (kernelspopcorn.com / kernelsfun.ca). Long live Mmmm ... White Cheddar and Dill-ious! It took well over a year’s time and the patience of Job, but soon Blockbuster Video and Walmart and then Loblaws jumped on board our flavour-train. Had I not started the company with this seemingly cute and impulse-driven snack food product, I might not have had the privilege to share the many adventures that follow this lucky one.

This product launch effort is chockful of fundamentals with respect to introducing the right product, at the right point in time and in all the right places. I also have to take this opportunity to offer a solid chunk of credit to the strategy and instinct of a lay-it-on-the-line food sales warrior named Don Lock. Before I strolled into the Kernels Popcorn picture, he was the guy who insisted that Kernels (a 30-plus-year-old Canadian franchise with over 70 kiosks popping perfect popcorn flavours) shouldn’t make its entrance into the grocery game with yet another bag of popped popcorn. Why fight for a share of the consumer’s stomach and the retailer’s self-space with the brash titans of the...
Acknowledgements

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About the Author

Bruno Codispoti is Founding Partner at BrandFusion Ltd., and Co-founder at Crazy Uncle Cocktails. Over the past twenty years, he has crafted and launched over one hundred unique retail food products into the Canadian and US marketplace. He lives in Vaughan, Ontario with his wife Lisa and their three children.