



a golden state foods company

FLASH

Winter 2018

At the holiday season, our thoughts turn gratefully to those who have made our progress possible. To all of our associates and suppliers, your efforts are greatly appreciated and allow us to continue to deliver exceptional quality products every day. As a company, GSF/KanPak made considerable investments in new processing and packaging equipment, and this year also saw us open our new state-of-the-art warehouse in Arkansas City, and we want to thank everyone involved in these major strategic undertakings.

And because the goodwill of those we serve is the foundation of our success, it's a real pleasure at this holiday time to say **"thank you"** to all of our customers, wishing you, your teams and your families a full year of happiness and success.

President and CEO
KanPak, a golden state foods company

golden state foods
FOUNDATION



Our Foundation is busy this holiday season!



KanPak **sponsored a toy run** on Veteran's weekend, with all toys donated going towards our toy distribution on December 22nd to families in our community



We also have **120 pairs of shoes** that will be delivered to Arkansas City and Winfield Schools for distribution to kids in need as part of our Best Food Forward Program



We just held our Annual No Lunch Lunch event and **raised almost \$13,000** that will be given to the Kansas Food Bank to assist with their food4kids program here in Cowley County





The US remains the land of opportunity for many businesses with an eye on expansion, but restaurants – particularly QSRs – can face substantial barriers to growth. With the major franchises having saturated most lucrative markets, they need to begin to look elsewhere to maintain growth.

The most successful businesses understand this dynamic, and are prepared to do their homework before expanding into new markets – whether it's across a state line or an ocean. While recognizing the enormous upside, they also acknowledge they could be seen by some as interlopers, and know that success depends on appreciating and adapting to local tastes and customs.



LEARNING LESSONS

Consider the giant US-based franchises expanding into foreign countries with rapidly growing middle classes and disposable incomes. Apart from careful selection of region, they've learned that they need more than marketing to stimulate sustainable local interest. They also need to invest in menu development, avoiding a cookie-cutter franchise plan that ignores the community's values and interests. Simply bringing your current offering to a new market, without taking into account the local culture, tastes and trends can be a recipe for disaster. However, you also need to be true to your brand. Typically, any regional adaptation should not undermine your core identity – such as a “hero” product, service or experience.



Consequently, supply chain groups are challenged to deliver fresh solutions that will drive interest, create traffic and ensure profitability. For example, experimenting with limited-time-offers (LTOs) with local themes can help increase trial and adoption. Peripheral items might require adaptation to address perceived menu gaps and satisfy local tastes, with due consideration for cultural adjustments to mainstay items.

Once the marketing and menu development work is done, it becomes the job of the product development and supply chain groups to execute the approved plan. This can involve reviewing and addressing issues such as non-GMO requirements where consumers demand it (or regulations require it), or offering Halal, Kosher or other menu items in regions that follow dietary traditions.



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Talking to Experts

Adding to the complexity, certain countries or jurisdictions have rules and regulations around the use of inputs such as anti-foaming agents or specific artificial colors. There are now numerous companies providing Global Regulatory advisory services to help market entrants to understand, interpret and comply with local food regulations. Even issues like adapting a coffee extract or a fruit puree can be impacted by local supply of a specific coffee bean or type of mango.

While the path to successful expansion is not an easy one, it is one that can greatly enhance profitable future growth opportunities, especially in those areas with strong population and income growth. The GSF/KanPak team has manufacturing operations in multiple areas of the globe, and currently supplies products to over 40 countries on five different continents. **To find out how we can help you with your expansion plans, email sales@kanpak.us or call 1-800-378-1265.**

Teamwork **WORKS**

Bryan Bartee has much to be proud of, but it's his humility that's immediately engaging. The retired Navy Chief gives enormous credit to his years of service for contributing to his "we can do this" attitude. Along the way, he developed the valuable skill of listening, to bring out the best of the crews he's led and worked alongside.

Brought aboard five years ago by KanPak as Production Supervisor at their Arkansas City plant, Bartee empowered his team as they focused on finding what he calls "infrastructure bulges" that could be streamlined, upgraded, eliminated or replaced. It was all part of KanPak's commitment to adding greater capacity and better support systems, as well as pursuing peak efficiencies and fail-safe quality assurance. But to do so required a rethink of the plant's entire operation.

Bartee encouraged his Operational teams to approach every challenge with outcome-oriented, solutions-based objectives, turning a well-developed plant into a state-of-the-art facility.

"Replacing functional but dated analog equipment with digitally monitored assemblies gave us end-to-end control," explains Bartee. **"Ingredients for each customer-specific recipe are calibrated carefully, and the entire process is monitored, step by step, with everything being fully traceable."**

The overhaul took two and a half years – positioning Bartee to take on the operations of KanPak's next acquisition. Becoming the new General Manager at the Penn Yan facility in Central New York State, Bartee identified how to best add three aseptic processing lines to the existing yogurt production assets.

"Penn Yan was a relatively new plant, with expandable infrastructure," Bartee explains. "And they already had a



good team in place, so it was a matter of familiarizing them to new customers with particular needs. Fortunately, we gained valuable experience from the Arkansas City transformation."

Now KanPak's Senior Director in charge of both plants, Bartee wishes he could give every customer a personal tour of each facility. "It's all about streamlining the flow," he says. **"We've invested in increasing our capacity and efficiency to serve current and future customers."**



To Bartee, every success is the result of people working together. "Honest relationships build trust, and trust builds a shared culture," he says with his engaging mix of pride and humility. "The result is a positive work ethic and a desire to contribute viable, sustainable solutions."



Call or email today and find out how KanPak can help drive your beverage and dessert business and profitability!

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