Bellisio Foods
Jackson, Ohio

Building a Business Model
In Southeast Ohio
Company Background

- Headquarters in Minneapolis, MN
- Founded by Jeno Paulucci in 1989
  - Duluth MN
- Opened Jackson Plant in October 1991
- Partnered with Centre Partners, Nov. 2011
- Acquired Overhill Farms June, 2012
- Acquired Former Austin Pkg in June, 2012
- Brands include; Michelina’s, Lean Gourmet, Boston Market, Chili’s, Zap’ems, Joy of Cooking
- Manufacture and Distribute to every Retailer in the US and Canada
- CoManufacturer for; McCormick, Rich Foods, Newman’s Own, Nestle’, Land O Lakes, Nutrisystems, General Mills, Goldstar Chili, Private Label Entrée’s and Pizza Rolls
Situation in 2005

- Sales Growth required substantial incremental capacity
- Facilities were being consolidated to a single site for retail business
- Plant had run 7 days a week for 14 consecutive months
- Growth outpaced infrastructure requirements to sustain Customer Service requirements
- Customer Service Levels plummeted
- Encountered Margin erosion from increase Cost of Goods
“The Fix”

• Get Plant off 7 day schedule:
  – Move from run to failure to Preventative Maintenance
  – Line by Line Rebuilds
  – Facility Start times adjusted
  – Facilities and Equipment Upgrades
  – Build Reliability to Support Business
  – Temporary Customer Allocations
“The Fix”

• Fix Infrastructure;
  – Upgrade Enterprise IT system
  – Install WMS
  – Install Automated MRO and PM Systems
  – Upgrade Quality Regulatory Programs
  – Purchased Local Dry Storage Warehouse
  – Reorganized attached Warehouses
  – Invested in WWTP facility
  – Upgraded Purchasing Systems
“The Fix”

- People
  - HQ and Plant Management Reorganized
  - Headquarter Functional Support aligned
  - Created Supply Chain Organization
  - Successful Contract Negotiated to Support Model
  - S & OP Established
  - Plant Incentive Programs Aligned to Business Model
  - Enhanced Community Involvement
“The Result”

- Plant On 6 days production by April 2006 and 5 days by May of ‘06
- Base Established to Build “Make to Order” vs. “Make to Forecast” Business Model
- Plant Capacity performance improved to support Make to Order Model
- Inventory Management Automated and Accurate
- Customer Service Levels 99%+ by May ‘06
Jackson Ohio Operations

Today

- 2.5MM Meals per day
- 1300 Employees
- 2.9 million hours without a lost time between the two accidents on 12/15/12 and 2/25/2014.
- 600 tons of Materials converted into Finished Goods per day
- Make to Order Model Delivered Customer Service Levels of 99.5% for 7 years
- JIT and VMI Supply Chain support “Best in Class” inventory turns
- Fully Automated Information Systems throughout the facility
- Optimal Distribution System
- Vertically integrated
Jackson Operations Today

- SQF Level III Certified
- Standout Corporate Citizen
- Sustainable Business Model
- Full National and International Distribution