

2011 Refrigerated Foods Processor of the Year: Company for all seasons

by Bob Garrison

December 1, 2011

Blount Fine Foods invests, acquires and innovates to become a year-round leader in premium refrigerated blended foods.

Welcome to Boston, Loozah. ESPN The Magazine certainly didn't mince words in a mid-September feature on Boston's dominant sports teams. The magazine cover showed a man's fist with each finger donning a world championship ring for the city's pro football, baseball, hockey and basketball teams.

The bottom line? Massachusetts residents now enjoy contending teams year 'round, in every season.

Of course, there's another historic, leading franchise just 50 miles south in Fall River, Mass. Blount Fine Foods traces its roots back to 1880's oyster and clam shucking in Rhode Island's Narragansett Bay. Later, it was F. Nelson Blount who started Blount Seafood Corp. in 1946 to process bay quahogs (clams) from a plant in Warren, R.I. Today, Blount is the nation's largest producer of lobster bisque and one of the largest nationwide suppliers of refrigerated soups to club stores and supermarket chains.

Although soup is a seasonal product (think basketball, hockey and baseball's spring training) Blount finds itself in a different season altogether – one of transformational investment, growth and change.

During the past 12 to 18 months, the company has posted 20 percent annual sales growth, completed an acquisition, doubled the size of its Fall River plant, expanded retail packaging and introduced nearly 100 new items across its foodservice and retail lines of refrigerated and frozen soups, dips, sauces and spreads.

It's for these reasons that Refrigerated & Frozen Foods recognized Blount as the magazine's second annual "Refrigerated Foods Processor of the Year."

A fifth generation family member, Todd Blount is company president.

"If you'd look at our growth since 1995, you'd see we have grown at 20 percent each year and developed entirely new products from one year to the next," he says. "A general manager once asked me, 'Why can't we just stick with the products we made last year?' But the answer is 'no.' This is our DNA. We don't sit still. We are always thinking about the next thing."

Speaking of big, Blount processes more than 350 proprietary frozen and refrigerated soups for non-commercial and commercial foodservice accounts (including Panera Bread, Legal Sea Foods) as well as retail club, in-store deli, private label, contract and branded sales. In 2009, it began expanding its product portfolio to include refrigerated premium dips, salads and spreads. Officials peg annual sales at about \$117 million.

Todd Blount says new products will help the company thrive in every season.

"It may take a few years but refrigerated salads are counter seasonal (from soups) and should help us down the road with more consistent production volumes each month. Meanwhile, we're not trying to become the next deli salads or spreads giant. We will focus on unique, premium products."

Todd Blount certainly knows the company business. From ages 16 to 18, he worked summers in Warren, working on the line and in maintenance. After earning an MBA, he officially joined the company in 1993 and assumed leadership in 2000 from his father, Ted. Three years later, Todd led Blount through an important step change.

"We entered the soup market in 1990 and by 2003, the category represented our largest market," he says. "We were processing clams and other seafood specialties but soup seemed to offer endless growth opportunities."

In 2004, the company consolidated four facilities and built a \$15 million, 65,000-square-foot soup processing plant and headquarters in Fall River; moved most of its people and operations to Fall River (in 2004); and changed its name from Blount Seafood to Blount Fine Foods.

That said, Todd Blount will not forget the company's proud heritage. More recently, the company remodeled and retooled its seaside Warren facility. It reopened it this November for specialty, artisan seafood soups and will eventually house a visitor's center.

Meanwhile, Todd Blount says he feels much more comfortable with the company's ongoing transformation.

"Earlier (in 2003 and 2004), it felt as though everything was in the air. We were changing products, closing facilities and moving operations and people everywhere," he says. "We built Fall River to handle three times the soup volume during a 10-year span. As it turns out, we grew quickly in refrigerated branded retail products and it only took six years (2010) before it was time to expand. Even though we're equally busy now, I feel much more confident because we've already proven we can handle change and take it to the next level . . . We've planned these investments."

Business certainly isn't child's play. Even so, Blount draws a youthful analogy to his company role.

"When kids bowl, they put up bumpers in the gutters to guide the ball down the lane. My job is to put those up, leave room in between and say something if a new opportunity is not in the lane for us," he says. "We say 'no' quite often and I need to make sure that when we say 'yes,' that new opportunity gives our sales and R&D teams room to be creative."

Blount found the right opportunity in Neco Foods LLC, a Lantana, Fla., competitor with complementary products (including finishing butters), operations and customers. Blount acquired Neco this August for undisclosed terms. Officials say the business continues as Neco Fine Foods, a subsidiary.

During R&FF's early October visit, Todd Blount hints that Blount is close to completing perhaps its second deal of calendar 2011, just four months after Neco.

"We are still in an investment and transition phase and we're looking for a few additional acquisitions," he admits. "But we're avoiding items like sandwiches or sushi. Rather, we will concentrate on high-end, branded, blended foods."

Pleasing customers, consumers

As Todd Blount eyes future business growth platforms, Bob Sewall, executive vice president of sales and marketing, fixes his gaze on the present ... to please customers and consumers alike.

And to hear Sewall talk is not unlike listening in on a post-game interview with a confident Boston sports athlete. "Tough times make certain companies better. And as the nation's economy has softened, we've grown," he says. "It's a balance of know-how and a can-do attitude. We strive for excellence in every department – from product safety to packaging – and we simply pin our ears back and go.

"We're not concerned about what others (competitors) are doing," he continues. "Rather, we're doing what customers ask and bringing them more solutions as a one-stop shop. If we're just shipping you soup, we're not interested. We have to be a resource, an asset to our customers . . . Commodity is not us. We're in the high-end prepared foods business." For that matter, new products illustrate how Blount puts its money where its mouth is ... or better put, where the consumer's mouth is. Here are examples across the company's core and emerging lines of ...

... soups. This fall found Blount rolling out private label "soup toppers" for several large supermarket customers. The product combines refrigerated soup with popular ingredient mix-ins (packaged separately, ala yogurt). French Onion, for example, comes with Swiss cheese and croutons; while Tortilla Soup comes with cheddar cheese and tortilla strips. "It's all meant to replicate the restaurant experience at retail for more consumers eating at home," says Sewall. In addition to new on-trend flavors (Spiced Pumpkin Bisque, Butternut Squash & Apple), Blount addresses better-for-you concerns with new reduced sodium, all natural, organic and / or gluten-free varieties.

... dips and spreads. Blount puts its own spin on dips with several Panera Bread premium and better-for-you, yogurt-based offerings. New varieties this winter include Spinach and Artichoke yogurt dip, Roasted Red Pepper Asiago dip and a Greek Yogurt vegetable dip. Other new offerings include Legal Sea Foods Crab & Ale dip, Legal Sea Foods Smoked Salmon spread and a Legal Sea Foods Smoked Tuna spread.

... salads. Blount puts a premium protein twist on prepared salads. This year brought the debut of nine new foodservice varieties including Lobster (made with 75 percent North Atlantic lobster meat), Seafood Trio, Shrimp Taboule and Chesapeake Shrimp & Crab. Others include Cuban Chicken, Greek Chicken and Cranberry Chicken. "We're taking this category out of the 'belly filler' side dish area to incorporate more into other areas," says Sewall. "Customers are ready to offer more but they have to have the right products. We know seafood ingredients, proteins and fresh produce and these salads are ideal for premium sandwiches – or entrée salads, on field greens . . . These salads also can help some traditional restaurant chains (such as steakhouses, pizza) offer better-for-you menu items and attract new patrons (particularly women diners).

... sauces / butters. Blount quickly tapped into Neco Foods for a new line of Legal Sea Foods retail gourmet finishing butters including Chipotle Lime and Lemon Dill varieties. Sewall says Blount offers several creative in-store displays, customized to merchandise refrigerated 3.5-ounce butters as well as 7-ounce dips and spreads in the supermarket's seafood and meat departments, right beside complementary proteins.

"Our goal is to go deep to offer customers more items and programs that help them succeed," says Sewall. "We are becoming a larger supplier of fresh foods at retail and can offer more one-stop shopping, with more varieties of fresh products on the same truck. "We never stop coaching our customers — encouraging them not to diminish quality," he concludes. "Supermarkets have done a great job taking business from restaurants. Now they have to keep their product quality at a premium [level] and also use us to innovate. The goal is not only to keep the business — but grow it."

Company: Blount Fine Foods

Location: Fall River, Mass.

Top exec: Todd Blount, President

- Annual sales: \$117 million
- Products: Approximately 350 refrigerated and frozen soups, entrée salads, sauces and dips
- Brands: Blount, Panera, Legal Sea Foods as well as private label and foodservice labels
- Distribution channels: Commercial and non-commercial foodservice, club and supermarket (in-store, packaged)
- Background: The Blount family's involvement in the shellfish industry began in the 1880s, with Eddie B. Blount's entry into the oyster business in one of the many oyster houses in West Barrington, R.I. After World War II, the company consolidated a number of smaller shellfish operations. Eddie Blount's grandson, F. Nelson Blount, incorporated the business as Blount Seafood Corporation in 1946.

Annual sales growth: 20 percent

- New products: More than 100 new refrigerated and frozen soups, dips, salads and spreads
- Operations: Doubled facility with 58,000-square-foot addition. The \$13 million project included processing, packaging and chilling equipment – as well as a refrigerated distribution center – for soups, salads, dips and spreads.
- Mergers & Acquisitions: Blount acquires competitor NECO Foods LLC, Lantana, Fla., in August 2011.
- Awards: Ernst & Young LLP, Boston, recognizes Todd Blount as a 2011 Entrepreneur of the Year (New England chapter). Boston Business Journal named Blount Fine Foods among its 2011 Pacesetters, private companies achieving annual 20 percent growth.

Old plant becomes new “see food” showcase

They say “what’s old is new again.” Perhaps there’s no better way to talk about Blount Fine Foods’ seaside plant in Warren, R.I.

Built in 1842, this 40,000-sq-ft. operation was the long-time home to Blount’s clam and seafood specialties processing. It also facilitated Blount’s shift to seafood soups including lobster bisque and clam chowder.

Even though Blount now produces most items at its seven-year-old site in Fall River, Mass., President Todd Blount is not about to forget Warren’s proud contributions.

“We’re going to reverse engineer our history a little bit,” he says. “Just as people think of Boston as home to the Samuel Adams brewery, we want to celebrate Warren and welcome people to ‘the world headquarters of clam chowder.’”

Blount has renovated and retooled the operation so visitors can tour and watch employees hand craft new premium seafood soups. Todd Blount notes most products will feature locally sourced ingredients including domestic clams (Blount owns its own allocation of clam supply).

Interestingly enough, Blount also reassigned several top managers and employees to Warren and has given them entrepreneurial autonomy to run the operation and develop innovative new products.

“Broccoli cheddar is our top-selling item and we’re branching into dips and salads,” notes Blount. “Even so, the Warren plant is important to our personality and we don’t want to lose that part of our heritage.”