

Growing the Good: Alpha Baking Company Delivers the Goods During a Pandemic

DAVE CASPER: Welcome to Growing the Good. I'm Dave Casper, head of BMOs, North American commercial banking business. We're working with our customers to help them through this incredibly volatile time. They're stepping up in so many ways, helping to keep commerce moving, and keep people safe. I have the pleasure of speaking with a number of CEOs running businesses in a variety of industries, hearing their personal stories about the challenges they're facing, and some of the very innovative ways they've adapted in these uncertain times. Joining me today is Larry Marcucci, the CEO of Alpha Baking Company. Alpha is a leading supplier of fresh and frozen baked goods. Welcome, Larry, it's a real pleasure having you with us today. Maybe just to start, give our audience a little bit of a description on your business. What do you sell and what markets you serve?

LARRY MARCUCCI: Okay, great. We supply fresh and fully baked frozen products. That's mainly under the Alpha Baking Company brand. We also serve fresh bakery products throughout the Midwest, we actually also do a large amount of co-packing under other people's brands.

DAVE CASPER: Among the markets you serve, am I right that schools is one of the markets?

LARRY MARCUCCI: Well, up until a couple months ago, it used to be, yeah.

DAVE CASPER: Tell us a little bit about when schools did close. What did Alpha do to really help these kids?

LARRY MARCUCCI: When they did close, they closed like, boom, you know, it was really fast, we reached out to our the food service people or the school district customers in the schools and offered to set up alternative delivery locations. So we got it out there and helped a lot of school districts keep those lunch programs going.

DAVE CASPER: Oh, that's great. So Larry, as the economy is turned pretty quickly, unemployment increased. Many people out of jobs, lots of community organizations struggling, tell us a little bit about what you've done. The partner with some of these organizations.

LARRY MARCUCCI: We work with a lot of donation programs we have for a lot of years, because of that we ramped up our support to some of those different avenues. And we started doing some fresh bread donations on a local basis. So we primarily work with, I think, two groups in Chicago, the Greater Chicago Food Depository, and the Illinois Food Bank, and then they in turn, supply some of the local groups with the fresh bread that we gave them.

DAVE CASPER: You know, when I think about the company, you've obviously got to worry about the safety of the people in the plants making the bread, but you have the additional issue with you have lots of drivers, you got to worry about their safety, and you have to they're delivered into places that may not be that safe, how have you handled that to make sure that everybody stays safe.

LARRY MARCUCCI: We have hundreds of drivers really out on the road every day. And things were happening so fast. That was really, as things were cropping up with quarantining and discovering people having the virus etc, was a really evolving, changing situation. And we were actually initially involved in one of those first COVID cases when a Chicago School discovered they had someone who had had the virus early, early in March, it really before any protocols or processes or anything, were in place. And we got a call and they said, Hey, you have to quarantine your driver for 14 days. That was a big wake up call to us. And it dawned on us that that we have this large exposure with all of these people out on the road. So pretty quickly, we started discovering that the nursing homes were also a big concern. And so we ended up having to work out something with their people and other customers to coordinate our deliveries with our people. So our drivers didn't have to enter in physically in the facilities, or at least with like, with minimal minimal contact of their people. So we just had to invent ways of doing this stuff on the fly. But we continue to serve the customers.

DAVE CASPER: So when you think about now, our hopefully towards the end, more and more states are beginning to open. How have you been transitioning back to normal? And when do you think when you think normal will really come?

LARRY MARCUCCI: As governments allow we're seeing the businesses back open again, and people starting to populate the restaurants and places like that. So you know, we're a lot of the way back. You know, we're fortunate in that the people have to eat so so they have I have a vested interest in making sure we, you know, we keep busy, but I'm afraid it's kind of going to be a low, slow, steady climb. You know, back to hopefully you know where it was before all this happened. I wish I could tell you how long it's gonna be. But I think it's going to be slower than we certainly want.

DAVE CASPER: Are there lessons you take out of this as far as the pandemic, anything that you think, man, I hadn't really thought about this before?

LARRY MARCUCCI: I gotta tell you, especially in our business, when things were cratering, you know, everywhere around, I was really astounded at, I guess maybe I shouldn't have been astounded. It was this maybe as expected, but you never know, until it happens. But I was astounded at how well all our people consistently came and did their job, did their work, understood that, hey, we're in the we're in the food supply business, and people depend on us. But I guess lessons. When I think about it, I think we're going to have to look at maybe how to bulletproof things more, or we have to make sure that we have resiliency, I think that's one of the things like I learned the hard way watching some lines when when we had challenges.

DAVE CASPER: Yeah. So and I've heard that from a number of clients, and that that would go the same here at the bank. Larry, thanks so much for taking the time to speak with us today and sharing how alpha baking is continuing to feed our country during this very challenging time. We really appreciate it. Have a great day. Thank you. Thanks for listening to Growing the Good. I hope you'll join me again for another conversation. Until then, stay safe.