Sharing Success

Robert Ditty

I come here having listened to Tony Phillips and I agree with every single word he has said. I might be one of these old bakers who are conscious about price but after listening to Tony I've changed my mind about that.

Northern Ireland, I have a slide here which gives a breakdown, I believe in Northern Ireland we still are the only region, and I

may create some controversy here where we still have craft baking. The reason for that being is that we have an ethnic range of products which our customers still want to buy and even Sir Peter told us yesterday from the Bible of St Sainsbury how good they are for cheap food and looking after the safety of food in the UK, they have

thankfully been unsuccessful in Northern Ireland. They tried to take the Northern Irish ethnic product in store, it failed, and people still come to their craft baker to buy their daily product and their daily bread. Northern Ireland as you know has a population of 1.5 million, we cover an area of 90 square miles and we have 150, affectionately known in Northern Ireland as 'Home Bakeries', and three plant bakeries with a total market of £175million and an interesting fact which I only discovered last week to my amazement is that plant bakeries use 1000 tonnes of flour per week and the home bakeries, all 150 of us, use 500 tonnes per week.

We in Northern Ireland, and I've seen a number of BCA colleagues businesses on the mainland still pack our shelves every morning with fresh product, particularly breads, ethnic breads and confectionery and in many cases that has to be refilled at lunch time. Sandwiches and snack foods are all added value to us. Northern Irish products, if you're not aware of, there's a full range of hot plate products that namely would be soda breads, or soda farls, potato breads, pancakes and muffins, and then we have what is more popularly known in Southern Ireland as brown soda bread which has appeared on many of the supermarket shelves in the mainland. We in Northern Ireland call it wheaten bread. All of these products believe it or not add up to 70% of our weekly sales and this slide is typical of Northern Ireland, these figures have come from a flour miller who tells me this is the breakdown of bakery sales in Northern Ireland, particularly in

the craft sector and believe it or not when we looked at our own product range and breakdown, its exactly the same or very close to it.

Hot plate soda bread, we just have a hot plate production, we produce off that hot plate something in the region of 35,000 units per week. It is certainly not a cheap product. Its all hand made unfortunately, we believe in our business particularly we can't mechanise this product. In fact our theme for this year has been to go back to basics and we've started, and I told someone this morning who looked in amazement at me, we now sift every mix of flour prior to mixing and I think some of the BCA members have had the privilege of trying to handle some Northern Irish breads and found it very difficult. My bakers found it even more difficult whenever we started to sift the flour because that had added a certain aeration to it that we weren't familiar with. It's a high volume sale product and certainly a value added product. When we speak about oven soda bread which is what we call in Northern Ireland 'wheaten breads' and average 800 gram piece of this bread in Northern Ireland today retails at £1.90, so Sir Peter telling us yesterday about cheap bread, it certainly doesn't exist in Northern Ireland. This is a very popular product, again we would produce somewhere in the region of 10,000 units of this per week.

Going on to our own business we celebrated our 40th birthday last year. We have two retail shops, some local wholesale which are to small independent

retailers, specialist companies which is a new side of our business which we have built over the last 4 or 5 years and I'll talk about that somewhat later. Country based agents are people that we supply with these niche market speciality products. Our success we believe is based strictly on craft baking principle, innovation and strict quality control and the result we believe is we give our customers a high quality product and probably not in English or Scottish terms, reasonable prices. Our own breakdown is as I've said very similar to the national average breakdown. We haven't included in this the niche products that we do because we have taken that into a separate side of the business and we run it almost as a separate company. Because of the situation in Northern Ireland for many years it was strictly unadvisable to be involved in sort of retail and we shied away from retail. In the 30 years that we spent trying to kill each other, it was not advisable to open shops so we built our business very much on wholesale. But since we've finally decided to live together and at least appreciate each others views albeit that our politicians can't get that sorted out, we have had another serious look at retail and over the last 3 years we've put a lot of effort into retail and just recently fitted a new shop out. As you can see the figures are changing and our anticipation now this year is to be 55% retail and that is just down to growth.

Part of the thought behind looking at retail again was obviously as Tony rightly said earlier, its cash in the bank that evening but we had to make

some very big decisions about where we would go in retail and I having a look around some other retail outlets, I was very saddened by the state of young people today that are in the retail sector and a lot of bakers shops you go into, you almost feel that the people are under an obligation to serve you. So we employed a food critic who I was quite friendly with and her background was very much in visiting restaurants, shops and retail outlets. She writes for John McKenna's Food Guide for Ireland and she visits all these places so she has a real handle on how retail and service should be carried out. We brought her on board and we did these 5 week training sessions with our retail staff and updates and it was a breath of fresh air. We couldn't believe the difference it made: in fact I argued for months after one shop's sales increased by over a period of 2 months, by 20%, that it was down to something else other than the fact that our staff were better salespeople. It has been a real buzz for us and what we've done as a result of that is give us confidence to go ahead and spend a substantial amount of money on a new shopfit. This is our own base shop in Castledawson where we have put in a sandwich bar and we have carry out and snack foods. As I said earlier that we see as added value, but the basic of the Northern Irish product is some of the product that you see here and we still have a huge range of morning goods and affectionately known in Northern Ireland 'wee buns' which are small ambient cakes.

Because of the confidence that we had in retailing we had a

new shopfit, I believe we have the product that's right, the service we now believe is right and we went ahead and made this move. One of the things we did consider was to try and create a shopping experience within the shop, that it wasn't just somewhere you walked in to a counter and bought product and again the advantage of seeing what other people had done in the BCA we have this pick up area in the shop which in only 3 weeks of opening has proved to be a huge success and we now sell product which we found difficult to sell in the past. Design of the shop basically is quite revolutionary, we haven't quite got this front part finished but the idea is that we'll be able to open our doors in the summer months and the locals will almost think they're in Paris when they're dining. If we get the weather we got last summer.

The other side of our business that we've concentrated on is this niche side and it all stemmed from a product that had been around the bakery for many years and we saw the opportunity to market it very much as an Irish product, and for all our sins in Ireland one of the advantages we have is that we're seen internationally as being green and food from Ireland seems

to have a higher prestige than food from other places and we have looked very seriously at marketing and packaging products and I've used this one here primarily as a mistake. It was a very attractive piece of packaging, looked unique and different on shelf but unfortunately was an absolute disaster when it came to product because of the triangular shape. So we

revamped it and with new packaging, new style we can now mechanise the whole process of packaging and we're look forward to increasing sales of this product from about half a million a year to possible a million plus in the forthcoming year.

On the theme of that, the whole marketing thing, and I think this is where a lot of bakers let the side down and it was very obvious listening to Sir Peter yesterday on how Sainsburys and the other multiples sell themselves, they tell everyone what they do and they do it very loud and clear. I mean it may be rubbish but people listen to it. We certainly feel from our point of view that we have to do the same and bakers generally are very bad at it. We don't tell people what we do and interestingly I thought last week when I saw Jamie Oliver advertising beef that had been hung for 20 days, every good High Street butcher that has been in existence has done that all his life, what's the big deal about Sainsburys doing it. I think its only a matter of time until they start telling us they are making their bread from 24 hour ferments, they're making their bread from long sponge and dough processes. We don't tell our customers that and we're very bad at it. Certainly we have tried very hard to do it and one of our marketing ploys has been to bring ladies groups into the bakery. We possibly see in the region of 100 ladies a month and over a period of 7 years we have interviewed or talked to in excess of 8,000 ladies and I can assure you, as Tony rightly said, we have a competition and only once in the 7 years among 8,000

ladies has one lady been able to tell us the price of three different items in our shopping basket. So people are not price conscious regardless of what the supermarkets tell us they are not price conscious. They are price conscious when it comes to the fact that their grocery bill last week was £60 and this week its £65 but they wouldn't notice 20p or 30p on the price of bread. They may then say I didn't need that double chocolate cake or that bar of chocolate and they would see that as the reason why their bill was £5 or £10 more expensive.

We do, and like everyone else, we have a problem with staff. We have a great shortage of craft people and in our industry, particularly in Northern Ireland where we believe that we can't mechanise and make good Irish ethnic products by machinery, we have to look for people who are hands on in craft and much to my regret we are bringing Czechoslovakia bakers in

at the end of next week. But we've done a lot of work and I think he's in the audience today with Derek O'Brien from the Bakery School in Dublin and believe it or not Derek tells me he has 140 people enrolled to do bread classes at the Bakery School in Dublin. I think that's a great way forward. Not many of these people may end up in the trade but certainly people in Ireland want to learn how to make real bread. So we are trying to encourage young people into the trade. I, 20 years ago had a great rapport with my local schools for young people to leave school and come into the trade, again as Tony says, we are going to educate a lot of people in this country that are going to

find it a huge shock whenever we have huge unemployment.

Tasting sessions with invited customers is something we have just done very very recently and the feedback from that has been fantastic. What we do is invite a number of customers along to our shop for an evening and we get them to do some role play with our staff. We give them some product to taste and we tell them what's new and what's happening and the benefits of that have been fantastic. It has made huge changes to the way we sell our product, the way that we display our product and the time of day that we introduce product to our customers. As John has pointed out we do a quarterly magazine which we pass on to our customers. It's very much for the public, we tell people what we're doing and we try to encourage them through out doors.

Exhibitions are another means of marketing and I told someone last night about the difference in peoples attitude to food. We did the slow food show in Turin and I know, certainly in Ireland the fastest growing sector in food is speciality and there's a great group of people in Cork now have latched on to this slow food thing and its growing quite rapidly and hopefully will spread right through the country. We had a stand in Turin at slow food and I recall being there at 11.00 on a Saturday night, the halls were still full of people generally under the age of 25, buying product, tasting product and asking questions about product. Where in the UK would you get people under 25 to go out and taste food on a Saturday night without free beer or something and I think that

attitude has to come back. I think there is a generation of people now who are maybe more time rich, who want to experiment, who want to buy good food and "goodies" and I think the celebrity chefs on television have gone a great way to help that. Unfortunately we don't and we seem to be the only trade who doesn't have its own television stars. I saw recently where even undertakers have their own programme.

Websites is something that we have because we thought it was something that we just had to have. We don't sell product on it but it is something that is probably there for the future. I haven't spoken to many bakers yet that are making their fortune on selling stuff on the internet.

Research and development - and this is where I want to go on to the other side of the company. We were approached about 6 years ago by our celebrity chef in Northern Ireland, Paul Rankin who started a company called Gourmet Ireland based on the strength of the back of his television series where he travelled around Ireland buying different product. The company primarily was a hamper company and a very very seasonal thing but as a result of working with him it has developed to other hamper companies and other speciality food people looking for product. So we were looking basically for long shelf life product and a product that we could make and stock and hold and obviously on the back of the oat cakes we decided to carry that through to sweet and a range of savoury biscuits. This has been a huge success for us and we now deal

with 7 or 8 different hamper companies within Great Britain. We've gone outside and we deal with an American company and just recently we sent some biscuits to Japan through one of England's premier cheese monger Paxton & Whitfield. But it's a new side to our business, it does create certain problems with production, but hopefully in the next 6 months we are going to probably even relocate that part. The biscuits are the main side of it which account for 60% on the sweet side, 10% on savoury and again seasonal speciality cakes and puddings would be mostly Christmas and in a 4 year period our turnover has doubled year on year. In fact last year it was an absolute nightmare pre Christmas. The Gourmet Ireland range is something that has now developed into, and because it's a branded product, we can supply as many or as little to the particular company. I think last year we did 13 different products for the Gourmet Ireland range. In many cases we get prices which are better than our own retail.

Castle Leslie, probably famous for the marriage of Sir Paul McCartney, who in turn led to Castle Leslie product being sold in Fortnum & Masons, we do a range of products for them. its not huge volume but its certainly going into very prestigious accounts and believe it or not people can always find out where the product has been made. Hiding behind a brand is not as simple as we thought it was. The product range is something that we develop. The savoury side is mostly based on the original oatcake. Dulse which is an Irish sea vegetable or

weed, which we thought was something that we would play around with, put dulse into a biscuit and see what happens. It's probably our biggest seller now and I don't believe it's just the novelty factor. On the sweet side

we have just the basic shortbread, oatmeals and a full range which we are currently developing with a flavour house to add some sort of intriguing flavours to sweet biscuits.

Artisan Bakers of Northern Ireland

I suppose my membership of the BCA really spurred this on in Northern Ireland, I decided because of the benefits of like minded people sitting around and particularly people who were passionate about what they did, discussing it and sharing their values and their views, and their problems in many cases, we decided to set up a group in Northern Ireland. In 2001 we had 5 members and basically our objectives were to share ideas, to share our problems and knowledge and I suppose most important of all was to promote ethnic Northern Irish breads and confectionery. To some extent we have succeeded in that. The advantages of this group basically is that we share costs on everything. We'll do our second big show in Northern Ireland this Spring where we're going along to a big agricultural show where apparently they have 62,000 visitors and it's about promoting, and sharing the cost of this. It would be prohibitive for any of the members to, including myself, to spend the cost on a show like that but when we share the cost between 10 people its very easy and the benefit to all the other

members of the group has been tremendous. They have certainly lifted their profile, they've certainly increased their sales and they are very enthusiastic about the group as a future group of people. We are lucky in Northern Ireland that we do have this range of ethnic products that we can promote and sell and talk about to people but I don't see any reason why this can't be done within other regions. The initial thought behind it was that we meet once a month and the numbers never get any bigger than what can sit around one table for dinner. We still can manage that because we don't always have full attendance, but there have been a number of opportunities for us to even go as far as branding a product and we have spoken to different agencies about branding a product on to the Artisan brand. This group covers most of the areas of Northern Ireland.

Question: John White, London

In relation to your last set of slides about Artisan bakeries in Northern Ireland why you didn't go for an All Ireland approach to that, given that the Irish brand is quite strong already.

Answer:- It's a logistics problem basically. We have spoken to Derek O'Brien and there are plans to set up a group in the South. In fact we were at a stage where there was actually money available for a group because as you would appreciate in Northern Ireland, any cross border project will be financed and we had gone to the stage where we were going to build a website and we were going to do a fair bit of training and I think the budget

for it was around £150,000. Unfortunately somebody decided it was too big a risk because we're bakers.

Question: Geoff Howarth, Learnington Spa

I've just bought a bakery, yesterday. I found your presentation fantastic. I built a printing business which 10 years ago was all things to all men and 5 years ago I started to specialise in just one product and my sales doubled in 2 years. Over the last year I've been doing a lot of work with a bakery company and I've seen his success, so much so to the point where I thought I want a piece of this action and I bought myself a bakery, not because I'm a baker but because I can see the marketing opportunities and its great to see someone like

you taking advantage of that. But one point which maybe some of the other small bakeries may want to be aware Of, I've spent 3 months doing some market research into the product that I want to sell and who I want to sell it to and what I want to charge

for it. I've received a number of grants, one of £35,000 of European regional development funding just for the provision of a website. In addition to that I've received a number of other grants, over £20,000 in marketing support and this for a bakery that hasn't even opened yet, that I've not been trading with and part of my business plan, its frightening, but its also an opportunity for me when you say not many bakeries have developed a product for the net because the one that I see, and the opportunities that I'm going to develop, I hope if my business plan comes to fruition that 50% of my sales will only be traded on the net, so I wont be a retail bakery in that sense, I'll be an e-bakery and I think there are tremendous opportunities there.

Answer: Its something we are probably too busy to look at, it may be something for the future, but speaking to people that do use the internet its certainly a good advertising tool and we unfortunately don't even use it as that, but we will do.

Geoff Howarth

There are a lot of similarities in the print industry where I came from and the bakery industry where there are a number of big players and then huge diversification with much smaller businesses and in my print business, the business we were doing when I left, £3million turnover. Within a 5 year period we changed £2million worth of business where we only transacted with our clients on the internet and we did that because we employed somebody to purely concentrate and look at the opportunities because I didn't have the time to do it, I was too busy running my business. So I think if you dedicate some resources and energy to it you will see some opportunities.

Question: John Gillespie, Aberdeenshire

Looking at your packaging and marketing which is excellent, did you get any financial help or advice from the local enterprise board, local

government, or have you had to do it all yourself. Were there any grants available to help you?

Answer:- No, we've done it all ourselves. Primarily we used a marketing company longer than most craft bakers have, we've been involved with a marketing company for 20 years now, albeit that we don't use them so much now, I think we suddenly realised that a lot of the work we were doing, they were just putting it together. They were just taking our thoughts and putting it into a package for us which I suppose what marketing is about, but it was the cost and we do a lot of our marketing in house now. My background is fine art and I often wondered why I was paying someone huge sums of money to design packaging for me when I could have done it myself. But I now find I have time to do it myself. The examples of the oatcakes and triangular pack was a terrible mistake which a marketing company made. They didn't have the ability to take the product right through the whole production process. It looked fantastic on shelf but was no good. But no we didn't get any grants.

You decided to look at a consultant/expert to review what was going on in your shop and you said you put a training package in for 5 weeks and you said it had excellent results. I just wondered what they actually did for you that you felt you didn't identify yourself and the actually training you implemented why did it work and what did they actually do for you.

Answer: It's a fairly extensive package, it is available on CD. The girl took our staff and the first thing she did was improve their appearance. How often do you do into a shop today where people really don't really want to see you, they don't acknowledge you. Our shop staff now are pleasant, they smile, they talk to the customer, she improved their product knowledge and they tell people and they onward sell. Sir Peter told us yesterday how well they train their staff; I can assure him that's a load of nonsense. You ask any difficult question to a girl behind a Sainsbury stand or shelf and she won't have a clue what you're talking about in many cases and she will have to consult someone else. We took this down to the shop staff, the girl who knew it and I think one of the things this food critic was able to do very successfully was she sent them home and she said this is how I want you to come back tomorrow, you're organising a dinner party at home this is exactly the same as selling in your shop tomorrow, what's one of the first things you do when you organise a dinner party at home. You clean your house, you tidy your house, and it has to look right. The whole process right down to inviting the guests into your home and the girls came back with all these ideas and thoughts that they had put into this and the difference it has made to these people, the sellers is fantastic. She did a package where she went through that very professionally and I said to someone last night she is affectionately known by the girls as "Mrs Doyle from the Father Ted series" because of the way she niggled on at them all the time. She insisted on it and

of the comments we get from people we invite in on evenings is how professional our girls are, how well they know their product. On the catering side where if we're making beef burgers a girl will tell the customer that its made from 100% lean beef, its not just a beef burger. And those little comments are remembered, that's what consumers want nowadays, they want to know what they're eating, they want to know the good points about it. That's what she has emphasised and put through to shop sales. We have seen tremendous growth and I would be the last person to admit the training at that level was the reason why we had success and our tills were ringing more often and our figures were going up week on week. I'd find all the excuses under the sun, it took me a while to admit to the fact that it was down to better trained staff and that had to come back from the customers. We did see a better level of customer service, we did see a better level of spending. In our new shop the first week albeit there was a lot of nosy bodies in there who would only spend £2.90 on a cup of coffee and a small cake, the average spend was £2.90. Last week the average spend was £4.95 so that's down to people being comfortable. We are serving less people but our turnover keeps going up. I'm look forward now to getting into that shop and saying right we have reached a peak in the shop, now is the time to stretch it a little bit extra and I think we can do that with people.

British Society of Baking Spring Conference 2004

Northern Ireland.



Northern Irish Bakery Products

- Hotplate products
 Soda Faris, Potato Bread, Pancakes, Muffins

Oven Baked Soda Brends Wheaten Brend, Plain Soda, Frinted Soda Brend.

Northern Irish Bakery

- Hotplate Goods
- Oven Baked Soda Breads 26%
- Morning Goods
- Confectionery











Our success is based on the principles of craft baking, innovation and strict quality control.

The result - give the customer high quality products at reasonable prices.







Ditty's Product Range

Ditty's Sales Breakdown















Retail Staff Training

- Employed a food critic to evaluate our sales techniques.
 All retail staff received 5 week training.

- Monthly updates and refreshers
 Results: Substantial increase in shop sales, excellent customer reaction and increased job satisfaction.























































































