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## Franklin Foods finds market in NYC schools

*Helen J. Simon*

Note to readers: A version of this story appeared recently in our Franklin County edition.

By Helen J. Simon

ENOSBURG FALLS -- It's a success story that might inspire other Vermont companies: After several years of trying, a small Franklin County cheese maker has landed a contract with the school meals program of the largest school district in the United States.

Franklin Foods of Enosburg Falls is supplying its low-fat Hahn's Yogurt & Cream Cheese Spread to the New York City school district, which has 1.1 million students and serves 860,000 meals daily. The schools are buying the plain and strawberry-flavored spread in 1-ounce containers for individual servings and in bulk for cooking.

With a healthful product that appeals to young palates, Franklin Foods hopes to ride the wave of opportunity created by concerns over rising obesity among American children and efforts to make the fare available in school cafeterias more nutritious.

For the Vermont cream cheese-maker and other food manufacturers who can catch that wave, the potential market is huge: About 40 million students eat breakfast or lunch daily in the nation's 15,000 school districts, according to Erik Peterson, a spokesman for the nonprofit Virginia-based School Nutrition Association.

Spending by school food services totals about \$7.2 billion annually, he said. In December the federal government is slated to release new guidelines for its school meals programs that include higher nutritional standards.

Jorge Collazo, the New York City school district's executive chef, said he liked the flavor of the Hahn's cheese spread and it was well-received during extensive testing that included about 300 students in 15 schools.

"It has a slightly different quality in that it has a little bit more of a -- how should I say -- you know, that kind of yogurt tang, that kind of acidity. It has a little bit of a sharper tone," he said.

"It's the only cream cheese that we use here now," he added.

## Spreading the word

The spread, made with a patented blend of yogurt and cream cheese, has 60 percent less fat, 30 percent less sodium and 33 percent fewer calories than regular cream cheese, according to the manufacturer. Franklin Foods received a patent for the complex process of blending the yogurt and cream cheese in October and a patent for the spread on Aug. 31, company spokesman Rocco Cardinale said. Among those who invented the product is Franklin Foods Chairman Nordahl Brue, co-founder of the national Bruegger's Bagels chain, he said.

Cardinale said his company had been trying to place the spread in schools for three years. Franklin Foods, which employs about 85 people at its plant in Enosburg Falls, sells products under five labels to food service companies, restaurants, supermarkets, club stores and bakeries around the country. It does very little business in Vermont, Cardinale said.

Last year, with the help of a food broker in New Jersey, the Hahn's spread finally made the breakthrough in New York City, he said. Franklin Foods started shipping it to the schools in the spring and is fully rolling out the product this fall.

Peterson said it's difficult for small companies like Franklin Foods with tiny advertising budgets and little name recognition to compete with the food giants to persuade school buyers to try their products. However, he said, in the last year or two, small manufacturers have gained an advantage over large ones because the schools, the states and the federal government have different and changing nutrition guidelines.

"All of a sudden, this wealth of opportunities is opening for smaller companies," he said.

## Marketing the product

Cardinale said small companies like his have to make something markedly different from the competition to stand out from the bigger, more moneyed players.

"Being smaller like we are forces us to do that," he said. "You have to be innovative to compete."

Collazo, 57, who worked five years at the New England Culinary Institute in Vermont before being hired by New York City in 2003 to improve its school meals, said nutritional quality and appeal to students drive his choice of products.

The district works with many sources to select foods, he said, including the broker who told him the Hahn's spread was more healthful than the cream cheese the schools were using and persuaded him to try it.

"I said, 'I like this,'" Collazo said. The spread was then sampled by a panel and finally the students, he said.

"The product tested well," Collazo said, "and we went from there."

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