

SNACK FOOD & WHOLESALE BAKERY



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Gonnella Baking Co. celebrates the major milestone of 125 years in the bread baking business, mixing high technology with old world traditions. Once a small basement 'shop,' the now-extensive, leading U.S. baker of hearth breads, rolls and fresh-baked/frozen breads and doughs is still family-owned and operated and still takes great pride in its product.

Lauren R. Hartman, Editor-in-Chief

Alessandro Gonnella made his “dough” like many Italian-Americans: He baked it. He founded Gonnella Baking Co. in 1886 in Chicago, and has enjoyed consistent success ever since. So successful in fact, that this year, the company is celebrating its 125th anniversary in business. And by combining traditional goodness and modern production tech-

niques, Gonnella is ensuring its success for the next 125 years.

As the sole employee of his business, Alessandro Gonnella quickly learned his trade of mixing doughs, baking bread, delivering the products and keeping the books for the fledgling neighborhood enterprise. He began making fresh Italian- and French-style specialty breads, and his little bakery began to thrive, just as the large company still does today. Its meager beginnings in a





tiny basement shop on the Windy City's De Koven Street when Gonnella churned out a few hundred loaves a week hardly compare to the multi-product, multi-plant, high-speed operations of today (there are currently six production facilities total), which produce roughly three million pounds of product a week.

But even after an incredible 125 years, the breads continue to rival the quality of Gonnella's traditional Old World Italian flair. "We're planning to celebrate and have some parties, do some things for our employees, the city and our stockholders," says Ron Lucchesi, company secretary and a director of Gonnella's board. "Being in business this long is quite an accomplishment."

The event means a great deal to the company, adds Thomas Mazukelli, treasurer and another director of the board. "It is a testament to the hard work of all our employees over the years. Not many companies reach this milestone of 125 years of service."

Too numerous to mention

By 1896, Alessandro Gonnella moved to a larger building and brought his wife, Marianna Marcucci, over from the northern Italian village of Barga. In the early 1900s, his brothers-in-law, Lawrence, Nicholas and Luigi Marcucci, joined him in the United States to assist in the growing business. By 1915, the three brothers moved to a location on Erie Street, which is now the company's corporate headquarters.

Today, Gonnella is still all in the family and is owned by the family descendants, who make hundreds of types of bread—so many, that pages and pages of stock-keeping units fill the company's catalogs, making it almost impossible for the owners to count all of the SKUs. But the families maintain tight bonds and established traditions that allow the luscious bread to emerge from the ovens with the same quality that Alessandro Gonnella produced in his small, wood-burning oven more than a century ago.

"We incorporated in 1923," notes president Nicholas Marcucci, the third of



the company's board of directors. "There were seven company principles. Now, we have 150 stockholders, all descendants, so the base of the pyramid is getting a lot bigger, and depending on the family you're in, you're either fourth or fifth generation."

The families operate the bakeries much like their grandfathers and great-grandfather did all those years ago, using centuries-old methods to create rustic breads and rolls with a European hearth oven. There are approximately 33 family members who work for the company today.

Their breads include Italian, Vienna, French and Tuscan, as well as soft rolls, sub rolls, Kaiser and sandwich rolls, buns and many others, and are available to grocers and restaurants in the Midwest. The company's route distribution covers Milwaukee to Indianapolis.

Gonnella also produces fresh products, including hearth items for grocers, restaurants and contract customers out of its Chicago and Aurora, Ill., locations. It makes fresh-baked frozen breads, rolls, pan breads, ryes in numerous sizes, flavors and shapes, including Traditional and Wheat "families" for distribution to Midwestern in-store bakeries and restaurants. In the 1980s, the company expanded even further, establishing a frozen dough plant in Schaumburg, Ill., which ships in-store bakery and foodservice products throughout the United States. The company also offers a variety of bread crumbs, rolls and

breadsticks for retail sales.

It has a national distribution footprint in frozen products and in its contract business. Its overall business consists of one-third in frozen products, one-third in fresh and one-third in contract business. And it has expanded on both coasts over at least the last 20 years. "We started producing frozen dough [today totally some 150 different varieties] in the 1980s," recalls Nick Marcucci.

"That was really the birth of the frozen business," he says. "We then began expanding our boundaries. Prior to that, we were geographically located in the Chicago market because the fresh product had a one-day shelf life. But the frozen market was our first foray into the national market, and that allowed us to expand our horizons and our sales."

A recently introduced Thaw 'N Sell bakery solution gives retailers an easy, freshly baked option. "The Thaw 'N Sell program was created out of market demand for retailers who wanted more flexibility," Tom Mazukelli points out. "The program caters to retailers who don't have a bakery or chains that don't have bakeries in every store. Even if they have a bakery, Thaw 'N Sell helps them rotate stock, offer a wider variety and keep up with demand on busy days. The program also helps us expand distribution to new areas, such as convenient stores, club stores and grocery stores."

Gonnella also has opened a second,

state-of-the-art, frozen products manufacturing facility in 2008, located in Hazle Township, Pa. The 100,000-sq.-ft. operation boasts highly efficient production and warehousing capabilities.

“We’re very excited to have the modern Hazle Township facility online,” says Ron Lucchesi. “It allows Gonnella Frozen Products to meet the rising demand for the highest quality frozen dough items for which we are known. We are now centrally located to customers on the Atlantic Sea Board, where Gonnella products have been very well received.”

There’s also a fresh-bread production plant in Chicago that produces baguettes and French bread and artisan products, known as Plant Two.

Keeping up with demand

To say that business is rising as quickly as Gonnella’s bread is an understatement. “We’re undergoing a resurgence in our brand,” Tom Mazukelli adds. For Chicago bread connoisseurs, the Gonnella name is quite familiar, conjuring up visions of freshly baked, aromatic, crisp-crust, hearth-baked bread that could be found fresh baked every day of the year. But the six sophisticated and extensive facilities are producing bread that has quickly gained enormous popularity nationwide.

“Things over the last five years have become more competitive,” admits Tom Mazukelli. “Consumers have become more health-, cost- and value-conscious, and we are baking fewer product varieties in our frozen division on the store level and see a greater demand for technical support. Demand for Hispanic items has also grown tremendously.”

Despite increased demands from customers and consumers, as well as having to face increases in regulations and other issues, the company somehow manages to balance its fast-paced production with staying flexible.

“We bring a lot to the table,” points out Michael Lucchesi, vice president of operations, Fresh Division, who took *Snack Food & Wholesale Bakery* on the tour of the Aurora facility. “We balance the needs of

At a Glance

Company: Gonnella Baking Co.

Headquarters: Chicago, Ill.

Website: www.gonnella.com

Plant Size (Aurora location): 60,000-plus sq. ft.

Annual revenue: \$150-plus million

Production lines: Two bread and roll/bun makeup lines feeding one oven

Employees (Aurora location): 80

Years in Business: 125

Product list: Hearth-baked breads and rolls, pan-baked breads and rolls, frozen dough, frozen par-baked and fully baked breads, bread crumbs.

KEY PERSONNEL:

President: Nicholas Marcucci

V-P./Dir., Contract Sales: Paul Gonnella

V-P., Mktg.: Thomas Marcucci

V-P., Prodn.: Mike Lucchesi

Treasurer: Thomas Mazukelli

Secretary: Ron Lucchesi

our customers with our production capacities and run a lot of volume each day at most of the facilities to foresee the needs of our customers. We’re at the leading edge of anything we need to be.”

As the world has changed, so has Gonnella. The company is also enlarging its route distribution for fresh-baked/frozen products for both foodservice and retail customers, says Paul Gonnella, vice president of contract sales, and “the oldest” of the fourth-generation of the family. “Some of our retail customers are really taking us on in a big way. But we have been expanding nationally for some time. Our fresh breads are finding a national market, whether for restaurant chains or fresh-baked/frozen retail. And we’re working with two of the biggest food distributors in the country. So our Chicagoland distribution base has spread out.”

The company has been in the route business a long time, he says. “We have made sure that all of the states around Illinois know Gonnella very well. Now, we’re heading down to Kentucky, Arizona, Arkansas and several other places. I think

we’re also moving into Las Vegas, New Mexico and California. Since I started working in the family business 28 years ago, the growth in the company has been amazing. What we’re doing in terms of expanding our fresh-baked/frozen and frozen dough businesses is great.”

Inspected regularly, the 60,000-plus-sq.-ft. Aurora plant recently earned a superior rating from the AIB. There are several quality control points located throughout the facility and one Hazard Analysis and Critical Control Points (HACCP) validation.

“We’re working toward the GFSI (Global Food Safety Initiative), and one of our plants just became certified in that area,” Mike Lucchesi points out. “Two more plants are working on this as we speak and a third will come online shortly. It’s exceptional that we’re at that level already.”

Delivering product six days a week, the five facilities accommodate sustaining orders and can take orders by phone or the Internet. Orders are processed for the next day starting at 4 p.m.

A dedicated team

Operating all of the plants, balancing customer demands and daily deliveries and staying competitive with the vast amount of products Gonnella makes every day could be a logistical nightmare for any company. But it works, Mike Lucchesi says. “It’s amazing how we get everything out the door everyday. And we’re in a super-competitive—crazy competitive—market. But there are a lot of foundational building blocks here that employees should have their names carved in. We have a tremendous group of dedicated, loyal employees.”

Lots of family members work at the manufacturing sites in Aurora, Schaumburg and at the other plants as well as the downtown Chicago headquarters location. Some of the employees have generations of family who have worked for Gonnella, Mike Lucchesi adds. “It speaks volumes about the company that we inherited from our family. The loyalty is wonderful. Times change and things change, but we’re still



a very tight-knit group. I started working here in my teens. We have one gentleman who worked here for 70 years.”

While many bakers talk about trends such as different product types hitting the market, Ron Lucchesi says Gonnella has seen many businesses consolidate. “Our customers continue to consolidate,” he says. “There are more and more demands. Now we’re dealing with customers that buy millions of dollars worth of product—that demand and rightly so—to be our partner in this situation.”

Keeping things going

The company can also say that it has seen it all. “Just working in the company—it’s inbred in us how important the family business is and how important it is to continue,” Ron Lucchesi explains. “That’s the challenge we have is to grow the business with the future generations coming up. We’re doing that by making major investments in plants here and in Pennsylvania to be able to compete in the marketplaces we’re in.”

Ron Lucchesi, Tom Mazukelli and Nick Marcucci say that over the decades, the original bakery of course has gone from being a “hand operation” to a mechanized one, and then to multiple production facilities, and that means challenges. “We face challenges, as any other baker does today, regarding financing, commodity costs and labor—it’s a much more complicated, hard-to-understand business,” says Ron Lucchesi.

Sustainability plays a role at the company, and it hopes to save energy by changing its plant lighting. It’s also looking at harnessing wind energy at its plant in Hazle Township. Robotics for some of its packaging operations are also being considered, and updated packaging graphics unify the enormous line of items with a contemporary, consistent and unified message.

“We hope to expand our frozen dough division and put a facility on the West Coast in the near future,” adds Tom Mazukelli. “We also want to expand our



frozen and fresh product lines.”

The current economic crisis doesn’t exactly sway the many generations of employees. The ups and downs of the economy haven’t been as much of an issue as the gyrations of the commodity pricing, says Ron Lucchesi. “Over the last 10 years, it has gotten to the point that commodity pricing is totally unpredictable. That has really changed the business for us. We’re dealing with things overseas that control the commodity markets—that part of the business has changed dramatically.”

Paul Gonnella says it’s sad to see how many of the little bakeries and great restaurants have closed. “But we always remember that you’re never a big shot here. You do what you have to do for the business, even if that means delivering buns at 3 a.m. in a van to make this as successful as we can.”

The trends

The core consumers the company targets have also changed, which is why Gonnella continues to develop a variety of products that appeal to them, such as different types of rolls and breads. “It’s what has taken us nationally,” says Nick Marcucci.

“We see a greater demand for quality products and are targeting different ethnic groups with bolito rolls, telera rolls, ciabatta bread and artisan-type breads,” adds Tom Mazukelli. “Our goal is to make good quality products at a reasonable price. We’re trying to broaden our sales base by giving the consumers what they want. Families are smaller, so they’re looking for smaller package sizes. They’re also looking for health-conscious products, so we bake

more whole grain loaves of bread. Our top sellers in the fresh group are baguettes and rolls but in the frozen division it’s French and Italian breads, mini French bread and ethnic-style rolls.”

What is the family’s secret to keeping it all together? Ron Lucchesi says that each individual has an expertise. “As a whole, all of this bolsters the company to move forward. We’re in this boat together and we succeed together.”

Nothing comes easy, adds Tom Mazukelli. Success comes only from hard work and sacrifice. “You get out of the business what you put into it. We have good people and have to invest in the business with updated equipment to become a better manufacturer.”

But as the world changes, so do we, says Nick Marcucci. “It’s not our grandfathers’ company. But it has been a gift handed down, and we’re kind of like the stewards now. We’d like to keep it going, and I would love to see it last at least another 50 years.” Paul Gonnella smiles, adding, “My son is 10 years old and recently asked me if he could work in the bakery someday. So we hope things keep on going.” **SF&WB**

They 'Bake' to Differ

Celebrating 125 years in business, Gonnella Baking Co. operates sophisticated baking/manufacturing facilities that produce breads, rolls and more at rates exceeding three million pounds a week. Join us on a tour of the 80,000-plus-sq.-ft. Aurora, Ill., facility that includes high-tech equipment, superior operating standards and two makeup lines that provide plenty of product to major U.S. companies.

Lauren R. Hartman, Editor-in-Chief

When Gonnella acquired a plant in Aurora, Ill., more than six years ago, it installed new production equipment and overhauled much of the facility, which now produces eight luscious bread varieties—four consistently each day—and assorted bread and bun products. Eight is really a drop in the bucket considering Gonnella's massive stock-keeping units list. According to Michael Lucchesi, vice president of operations, fresh

Gonnella's Aurora plant produces assorted fresh bread and bun products for some of the largest, most popular food companies in the United States. These small loaves were being made for nationally distributed childrens' meal kits.

Photos by Vito Palmisano



division, the total product list for the entire company is about 14 pages long. “We make close to a thousand SKUs total, but we produce them at the various locations,” he says.

Employing 80 people, the Aurora fresh-product plant supplies contract customers, including two of the largest “soup” companies in the country. The plant starts its baking shift at 11 p.m. There are two makeup lines—one for bread and another for buns—that feed a 125-ft.-long tunnel oven. Production starts off with bread-baking and then migrates to producing buns, then back to bread and back to buns. “We change over the product on the lines on a daily basis,” Lucchesi explains. “We have a significant national presence in frozen dough and achieve the same type of presence in fresh-baked items.”

Equipment efficiencies and reliability are critical to this large-volume plant, he adds, which can output as much as 12,000 lbs. of product an hour. Safety is also of utmost importance, and the company aims to achieve the highest standards in customer safety, including top inspection scores. Inspected regularly, the 80,000-plus-sq.-ft. Aurora plant recently earned a superior rating from AIB.

Programmable logic line controls are



Top left, dough is mixed at the front of the line on one of two mixers that accommodate the bread and the bun line. Top right, the formed meal kit buns are automatically scored on the tops after being proofed. Above, dough balls are dusted with flour and are deposited directly into pans.

in place “and the lines can talk to each other,” notes Lucchesi. “The plant was laid out very effectively. It’s very spacious here, compared to some of our smaller, land-locked facilities in the city [of Chicago], so we have a lot of room to operate here.”

There are several quality control points located throughout the facility and one Hazardous Analysis Critical Control Point (HACCP). Each line receives daily maintenance and inspection, the latter from a

quality control inspection operator.

Delivering product six days a week, the Aurora plant, like the other Gonnella facilities, accommodates sustaining orders and can take orders by phone or the Internet. Orders are processed for the next day starting at 4 p.m.

On the morning of *Snack Food & Wholesale Bakery’s* visit, the bun line was producing aromatic, buttery sandwich rolls for childrens’ meal kits.



Mixing, rounding, dusting

At the head of the line is a mixing area, equipped with two mixers that accommodate the bread line and the bun line, with one mixer used for each line. In full production, both mixers are used for each line. Located on the outside of the plant are three flour silos that each hold about 100,000 lbs. for production of the fresh products, which carry a three-day shelf life but last for as long as 14 days, depending on the item.

Minor ingredients are scaled and manually dumped into one of the mixers. Flour and other ingredients are conveyed directly into a scaling (weigh) hopper located above each mixer. The hopper, which can hold 1,200 to 1,300 lbs. of dry ingredients, opens directly into the mixers. Water and other liquid ingredients are pumped into the mixers and the dough is then mixed for several minutes. The mixed dough then drops through a "slide" and into a dough pump.

The dough then conveys on a long belt to the roll makeup line and heads to a bun divider system. At this point, the line turns at a 90-degree angle and progresses in a long continuous flow into two hoppers leading to the divider. The dough then moves under a set of rounding bars to a flour duster chute that prevents the dough from sticking (the flour dust is re-circulated into the system).

Each divider creates four portioned balls of dough at a rate of about 400 pieces per minute. The dough balls are dusted with flour using the zig-zag dusting chute. At this point, if the product is to become a round bun, it's deposited directly onto a pan. If it's molded, the dough balls are immediately conveyed to an intermediate (pocket) proofer.

After a short resting time, the dough pieces drop out of the proofer pockets and onto a molding board and are then indexed into pans that hold 40 buns each (the amount varies, depending on the size and shape of the bun or other item being made). The large pans continue conveying downstream to the final proofer, which proofs the dough at temperatures of 96-



The buns are baked in a large oven at 400-410°F for 30 minutes. Times and temperatures vary with the many different fresh products produced at the facility.

98°F (this also varies with the product being made) for an hour.

"This line can produce hamburger, hot dog, sub buns and several other items," Lucchesi notes.

Just prior to proofing, line operators check the rolls for proper pan placement. "If the bun is overlapping or not centered properly in the pan, it's unacceptable and it's removed," he says.

After the buns are proofed, they are automatically scored on the top and are conveyed to a staging area. "This gives the buns some time to skin over on a circulating conveyor before they go to the oven," says Lucchesi.

Then, the scored buns make their way into the large oven, which bakes at 400-410°F, for nine to 30 minutes, again depending on the product. "We're equipped here to use pans or peel boards for certain types of hearth breads," he continues.

In the first stage of the oven, the scores open on the tops of the rolls while a golden-brown crust sets in the second stage of baking and the rolls achieve a warm golden color, or bloom, Lucchesi explains.

Quality control checks

After baking, the buns are then automatically de-panned and placed on spiral cooling conveyors where they cool at ambient temperatures for approximately an hour. Meanwhile, the empty pans convey back to the front of the line to be re-circulated into the system. Before the pans are reintroduced into the line, they are tilted and blown off with air to remove any residuals. After cooling, the buns move through

a metal detector system and are bagged in the packaging area. The clear bags are automatically clipped closed with a bread bag clip that incorporates a production code.

"A quality control test is performed every hour of production," says Lucchesi. The buns can also move through a set of indexers and rotary or band slicers as well as orienters if they are to be sliced, Lucchesi says. A quality check is also made at this stage to inspect for any rolls with imperfections. Measurements of the products are also taken to ensure they're the proper height, weight and size. "This is done every 15 minutes to make sure each product fits into the packaging properly and is made to our and our customers' requirements to ensure that the customer gets the best possible product," Lucchesi points out.

Just before bagging, a bun stacker groups the buns into multiples. During *Snack Food & Wholesale Bakery's* visit, the system placed six buns on top of another six buns for a 12-pack. A final quality control check is made in this area. The clear film bags are then loaded in counts of five into the shipping trays while sensors help control bag pattern feeders that orient the bags of buns for placement into the trays. The trays convey to the shipping area where they're stacked and loaded onto trucks ready for shipment. The closed-loop system requires that the trays returned from customers be washed in an automatic tray washer before being reused.

"The bread line operates almost the same way, and we can place six bags of bread on a tray," he says. The plant runs



two shifts, eight hours a day, five days a week.

Even though it's very well established, Gonnella isn't set in its ways. "We are innovative," Lucchesi continues. "In terms of our production, there is a lot of innovation in this world-class plant. We're dealing with some of the biggest food manufacturers in the world and we're competitive. We win their business because we're dedicated, compassionate, innovative and high-capacity. A lot of blood, sweat and tears end up culminating at this plant."

What's ahead?

Aside from adding two new indexers on the bun lines to pick up 1-2% percent of additional throughput, and some packing pattern conveyors, the Aurora facility is still new enough that major equipment changes or additions are not necessary for the foreseeable future. "We upgrade equipment on a continuous basis," Lucchesi says. "We

have various new things on the drawing board, and have customers who we're talking to right now on things that could take us into new levels of production. But at this plant, we're most concerned with maximizing product throughput, one efficiency at a time. As we expand into different markets, our next big investment could be on the packaging end, in terms of robotic palletizing and getting things ready for shipment without missing a stroke."

As far as the packaging itself goes, the retail packaging recently got a graphic revise, and Gonnella as a company is investigating 'green' or sustainable packaging.

Other environmental initiatives include adopting more energy-efficient lighting systems and upgrading to more environmentally-friendly motors, Lucchesi says. "We recycle plastics, paperboard, food and other materials. Food that doesn't make it to end users is reprocessed into animal feed and other things. Used motor oil and oils

used in the systems are sent to recyclers.

"We're a pretty light footprint of an industry. We use a lot of power, but only at optimal times," he continues. "We don't operate in the high-energy-use hours and we wind down production at mid-day, so our power profile is ideal. At our other plants, it's also ideal and our frozen dough plants try to balance out their energy power needs with respect to the community."

The beat goes on

The lines at this facility hum along every day (and night), without missing a beat. That's the whole idea, says Lucchesi. "If our customer wakes up and doesn't see his bags of bread delivered to his shop or store, he's in trouble," Lucchesi says. "We can't allow that to happen. We've gone through a lot over the years and survived all sorts of circumstances—we even ran out of flour once—but the bread gets out. We have always maintained the operation." **SF&WB**