



Summer Fresh Salads

A passion for healthy food, loads of natural ingredients and a pinch of persistent business development: this is the recipe that drove Summer Fresh to revenue of more than \$100-million from zero in 30 years.

Headquarters 334 Rowntree Dairy Road, Woodbridge, Ontario, L4L 8H2

Year Established 1991

NAICS -

Employees 500

Major Expansions 2012

Exports U.S.

Parent Company -

Other Locations -

When Susan Niczowski founded Summer Fresh in 1991, potato salad and coleslaw dominated the fresh packaged food sections of grocery stores. Consumers had limited options. And few knew what hummus, tzatziki or baba ghanouj were. In what seemed like a growth-constrained market segment, Niczowski saw an opportunity.

Equipped with a passion for healthy, tasty food and a vision to introduce new fresh packaged food varieties to Canadians, Niczowski believed her company could become a trailblazer in this niche segment of the market. Three decades of annual double digit sales growth and more than a hundred successful product launches have proven her right.

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After spotting the business opportunity, Niczowski took a leap of faith. She quit her job as a microbiologist at Maple Leaf Foods. Then she turned to her Macedonian-origin family's cookbook for inspiration. There she found the recipes for hummus, tzatziki, baba ghanouj, which her family enjoyed for generations. These were the delicacies that would later make Summer Fresh a pioneer in the ethnic dips category in Canada.

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shelves until consumers purchased them. Leveraging her experience in microbiology, Niczowski came up with a technology to naturally preserve the freshness of products without the use of synthetic preservatives. To date, Summer Fresh relies on that proprietary technology. It ensures the company stays true to its fundamental pillar: make great quality food products with natural ingredients only.

Since then, Summer Fresh has made food innovation a core part of its growth. Its portfolio vastly expanded over three decades to include artichoke and asiago dip, hummus with chimichurri sauce, Up & Oat breakfast bowl and other ready-to-eat meals. Today, with more than 500 employees and a 143,000 square foot facility in Vaughan, Summer Fresh manufactures more than 85 products. About 80 per cent of all products end up in major grocery store chains in Canada. The rest go to similar stores in the United States. Most consumers would recognize the bright green lids that have become synonymous with the company's brand. But Summer Fresh also produces a sizable portion of fresh packaged products for others under private label agreements.

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The journey from zero to more than \$100 million annual revenue was hardly a piece of cake. In the beginning, it was Niczowski, her mother and the family kitchen in Downsview, Toronto. After some early success in selling her products, she was ready to move into a production facility but lacked the necessary capital. The business almost wilted immediately when her father turned down her request to co-sign a \$100,000 loan that would finance the move to encourage Niczowski first look elsewhere. Thankfully, her mother got on board. That loan allowed Niczowski and her mother to move into a federally inspected 3,000 square foot facility in Woodbridge, Ont., placing Summer Fresh on a rapid growth trajectory.

Growth did not come easily during the first few years. Niczowski worked 16 hours a day, seven days a week. In the morning, she would meet with potential customers, mostly specialty food stores around Toronto, to pitch her products. Ethnic dips were largely unknown to many at that point. A lot of sampling, demonstrations, and pleading with store owners were key to securing the first few contracts. By noon, Niczowski would be back at the plant, helping her mother and their staff prepare the ingredients for the next day.

Hard work and the focus on manufacturing high-quality natural products paid off. By 1996, Summer Fresh was "busting the seams," as Niczowski puts it, and ready to move to a new 18,000 square foot facility in Woodbridge, Ont.

Besides hard work, two other external factors fuelled Summer Fresh's rapid growth. During the mid-1990s major grocery store chains were seeking to outsource their in-store fresh packaged food production. At the same time, consumers were starting to eat healthier and adjusting their diets accordingly. These trends positioned Summer Fresh as one of the first movers to fill the gap in this evolving market.

As a young, female entrepreneur in a male-dominated and intensely competitive industry, Niczowski understood that scaling the company up could be a challenge. Her passion and persistence led to more contracts, including ones from major grocery store chains in Canada and the United States. "I simply did





not take 'no' as an answer," says Niczowski. "I learned early on that a 'no' today may not be a 'no' forever."

Those contracts meant the company needed to hire more people as well as automate some of its processes. Niczowski recalls that finding the right people to build a strong team who could successfully scale up the company was difficult. Building the infrastructure that would ensure consistency in product quality and taste was also a challenge. However, the company was able to overcome these challenges over time, sometimes by learning from a few key experienced personnel and at other times, through trial and error. Niczowski says, "we always learn from our mistakes."

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The worst challenge, Niczowski recalls, was when a retail chain decided to delist Summer Fresh products for no apparent reason. That meant \$10 million lower revenues at a time when Summer Fresh was building its new facility in Woodbridge, Ont. Niczowski brought together her team to chart out a successful strategy that minimized the effects of this sudden change. The retail chain eventually brought Summer Fresh products back in but Niczowski believes that her company got stronger and more resilient going through that experience.

From that start in her family's kitchen, Summer Fresh now has a team of more than 500 people who take care of sourcing, production, marketing and sales. "The team has been the core part of our success," says Niczowski. She notes that the key to success was in building cross-team collaboration and focusing on transparency. "We spend more time with each other than with our families," she adds, highlighting the importance of getting to know each employee and understanding their needs.

In 2008, Summer Fresh expanded into a 80,000 square foot facility. Four years later, it moved again, this time to a 143,000 square foot facility that consists of two buildings in Vaughan, Ont. Here, 18 custom-designed, state-of-the-art production lines work continuously. They process different ingredients including Sasketchwan chickpea, vegetables from Holland Marsh and elsewhere in southern Ontario, and other seasonal ingredients sourced globally. Most salad material is cut by hand to preserve the "homemade" feel and to maintain the integrity of the product. Dips, hummus, and dressing are produced by fully automated lines armed with customized production equipment designed by Canadian suppliers whenever possible.

"Production is the bread and butter of the business as we need efficiency and effective processing capabilities to compete with other brands," Niczowski notes. The company constantly assesses its production technology to make sure it is up to date. It also puts emphasis on upskilling its employees to allow them to operate alongside new technologies safely and efficiently.

But efficient production is hardly the only factor in Summer Fresh's success. "When you look at the puzzle," Niczowski says, "you see product performance, effective internal communication, and sales and marketing are the key pieces."





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Measuring the performance of existing products and forecasting the impact of new products are especially important for Summer Fresh as consumers dictate its success. Niczowski recalls a time when Summer Fresh launched a new product, a gelatin mould dessert, that consumers did not understand. The company was simply ahead of the market and a decision had to be made to pull that product off the shelves.

These incidents are now rarer thanks to Summer Fresh's investments in data analytics and forecasting. Compared to 10 years ago, a lot more research takes place before a product is launched. Market trends and consumer demand are modeled by an experienced data analysis team that crunches data obtained from third parties to forecast demand for the company's existing and new products. These efforts have also helped improve the accuracy of production scheduling and created a more agile company.

Niczowski highlights that although operational success is key, for Summer Fresh, growth boils down to building and retaining a loyal customer base: "Customers stick with the brand they like and we aspire to stay true to our roots by providing them with quality, tasty and healthy natural food options." When asked about what she would recommend to aspiring entrepreneurs in manufacturing, she notes, "have fun meeting challenges and build a dynamic team to get you where you want to be."