

DELCO FOODS

WHY DO COSTS CHANGE?

By Peter Thor,
President Bellissimo Foods



WHAT TO EXPECT IN THE COMING YEAR?

Some really interesting things are happening in the world of food production which will significantly affect the costs and availability of key pizza ingredients. Just like the weather, and sometimes because of it, food costs are becoming more volatile and in many cases higher.

Weather, natural disasters, and (disastrous) politics are conjuring up a storm of cost increases which will impact you if it hasn't already. We understand that raising prices now is an unpopular subject, but if not that, what are you going to do to keep enough margin to stay in business? Our firm belief is that switching ingredients to lesser quality products is wrong and ultimately costs you business. This is especially true for the main toppings, cheese, sauce, and dough/flour which are the key ingredients which define your product and are noticeable to your repeat customers. However, working with your Bellissimo distributor to trial new products which might improve your quality or make it more consistent is always a good idea!

Every part of your business should be under scrutiny, especially the cost side. But if you're like many restaurateurs, you've already done that. Portion control, labor management, and reducing waste are three key processes you need to put into place and manage them personally. Here is what you can expect in food cost changes and why.

Cheese block prices have been rising since mid-June and are currently pretty steady over \$1.70. Total cheese production is up 4.7%, with mozzarella up 6.6%. Strong international demand for butter and other dairy products have doubled exports. The forecast is for cheese prices to remain high

until the New Year brings the block prices back down to the \$1.50 range.

Pork prices raised sharply this past spring and producer pork prices now are 75% higher than last year during the same period. These cost increases impact pepperoni, sausage, and all meats made with pork. Prices have risen due to tighter supplies and strong demand. Near term, prices can be expected to go somewhat lower beginning in October. But it is unlikely that prices will fall back to last year's levels because per capita supplies of pork are at the lowest they have been in 25 years at about 47 lbs / person. Hog production takes more than a year to really react to price, so expect prices to remain relatively high for the next year.

Beef prices have moderated after Labor Day, but the industry is still contracting. As a result, prices are expected to stay near current levels for the balance of 2010. However, beginning in the New Year, supplies will get tighter because it takes about 2 years to rebuild the breeding herd. So we will see higher pricing in 2011 across all beef products.

Chicken production and consumption is expected to continue to grow. Chickens are relatively fast and grain efficient to produce. Chicken output is expanding this year and is poised to expand in 2011. Cost changes are a bit mixed, with wing pricing currently below last year while chicken breasts are higher. But chicken breast prices are expected to fall for the balance of the year. It is possible that the boneless skinless chicken breast market could decline \$.20 to \$.30 before bottoming out in the winter.

Chicken prices and costs are most sensitive to grain costs. Grain commodity prices have

risen significantly in the past 3 months because of draught and fire losses in Canada, Australia, and Russia. Russia is the third largest exporter of wheat, and as a result wheat prices in the December futures contract have increased 65%. Higher grain prices affect almost all key pizza ingredients, and therefore it is estimated that this could increase the cost of pizza by up to 10%.

The tomato harvest in California is still officially forecast at 12.7 million tons, but the harvest is more than 2 weeks behind normal and October harvesting has the real potential for rain and crop loss. As a result the heavy inventory carry-over has not so far resulted in significant price weakness. The tomato pack and pricing could thus go either way.

But fibre-board and freight cost increases (both ocean and over-the-road) have been announced beginning October which should impact disposables costs and all things imported, including olive oil, pasta, and other products. Pasta, of course, also has premium wheat as its main ingredient.

In the pizza and Italian restaurant business we often think of ourselves as uniquely in a niche market, but it is clear once again that how the economy goes, so go us all! So enjoy the slowly improving demand for America's favorite meal; but continue to position yourselves with Bellissimo quality products because your food quality is the key to your success. Everyone is facing these changes, and we are diligently working to minimize these cost pressures, but quality is the area you can best differentiate yourselves. Discuss your options with your local Bellissimo distributor, and they can knowledgeably help guide you.





Pre-Saucing Pizza: A guide to Keeping Quality



Now that school is back in session, many of pizza shops are frantic trying to keep up with the busy rush hours. There is that strong tendency to want to pre-sauce the dough ahead of time to speed up the delivery process once an order is taken or placed. My general philosophy is to not pre-sauce, but that's easy for me to say when I don't have to get those pizzas out on a Friday night. So, I'll concede that pre-saucing is a necessary evil that can be done with a minimum of quality loss to our great pizzas.

If you must pre-sauce, try these few tips to help prevent your crust from developing a soggy texture, or gum line after baking:

- 1) Brush the formed dough piece with oil before applying the sauce to develop a moisture barrier between the sauce and the crust.
- 2) Don't over dilute your sauce with water. The thinner the sauce, the greater its tendency is to separate, and soak into the dough both before and during baking.
- 3) Try not to allow the pre-sauced dough pieces set for more than an hour before baking. The longer they set the greater the tendency for the sauce to begin soaking into the dough.
- 4) Don't get into the habit going one step further and applying the cheese to the dough once you have found the way to pre-sauce the dough without creating pizza flavored pasta. But isn't all of this just like a take and bake pizza? Well, as the commercial says "not exactly". Take and bake pizzas are specially formulated and designed to be fully assembled and then allowed to stand for hours, or even days without excessive moisture soakage into the dough.

Follow these easy to remember tips, keep the sauce to dough exposure time to a minimum, and take a little of the work out of making great eating pizzas all the time.



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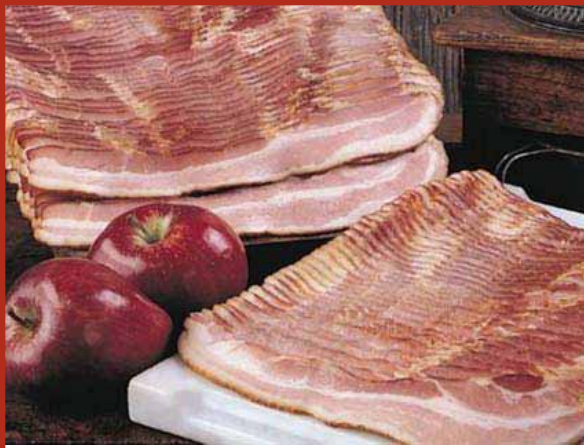
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The Caviar of Bacon

Here's the bacon so good it's won national acclaim from *The New York Times*, *Chicago Tribune* and *Cuisine Magazine* and been named Gold Award Winner in the Specialty Food Association's 2009 national competition. *The New York Times* described Nueske Applewood-smoked sliced bacon as the beluga (caviar) of bacon. You can actually *see* how lean Nueske's Bacon is...and you'll be amazed how little it shrinks in your skillet. Its taste is unforgettable too, because they **smoke it over glowing Applewood embers** to give it that rich, smoky Nueske's flavor.

Four generations of the Nueske family have produced premium quality Applewood smoked meats and poultry. They still use the same time-tested methods and natural ingredients, blended by hand with cures and spices in an artisan process that's been handed down from father to son. Then, they slow-smoke these specialties with a unique 24-hour process over real Wisconsin Applewood logs, finishing them to perfection. Their products deliver genuine old-fashioned quality and goodness. Order yours today and experience the Nueske difference.

#1002355	Bacon Smoked Sliced 16-20	2/5 lb	#1002360	Bacon Cherry Smoked Sliced	16/12 oz
#1002356	Bacon Smoked Whole Slab	5/9-11 lb	#1002362	Bacon Sliced Thick 10-12	2/5 lb
#1002357	Bacon Smoked Chunk Slab	8/1.5 lb	#1002363	Bacon Sliced Random Pieces	2/5 lb
#1002358	Bacon Smoked Sliced 16-20	16/12 oz	#1002396	Bacon Cherry Smoked Sliced	2/5 lb
#1002359	Bacon Smoked Thin Sliced 22-26	2/5 lb			



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Delco Foods offers a high quality and affordable line of spices to meet all of your seasoning needs. Packed in easy to store, convenient, plastic containers to help keep product fresh, Delco spices are a smart choice! Talk to your Delco Foods Sales Representative today about our extensive selection of spice offerings.





Employee Spotlight: Bobby Way

“If Bobby can’t fix it then it must not be repairable,” says Logistics Manager, Deb Weir, to explain his talents. She goes on to sum up his outgoing personality to a tee.

“Bobby is a one-of-a-kind, all-around great guy. He’s never met a stranger and he gets along with everyone,” Deb says. Bobby Way has been repairing and installing just about everything at Delco Foods for the past four years. He fixes and repairs all the machinery, fills in as a backup driver, maintains all the trucks and trailers, schedules services for the warehouse and installs coffee machines. Bobby says that scheduling time to work in so many different departments can be the most challenging part of his job, but Transportation Manager, Lee Miller, says Bobby juggles his responsibilities with ease. “Bobby is a tremendous asset to our operations...he can repair or fabricate virtually anything, perform all levels of maintenance and run most of our routes. He’s a team player,” Lee explains.

Bobby’s gregarious personality puts a smile on the rest of the Delco team. His favorite saying, “No problem, I’ll take care of that” makes him easy to approach and his jovial nature makes him a pleasure to be around.

During his free time, Bobby enjoys spending time with his wife of over nine years, Melissa, their two boys and two dogs. He can also be found fishing, riding dirt bikes or repairing motorcycles, dirt bikes and any small engines. Bobby uses his considerable skills to help needy families by fixing their cars. His family has also helped others by buying Christmas presents, groceries and clothing for others less fortunate. “Every year we share happy tears with families, and seeing their appreciation and relief is priceless,” he says. Bobby’s big heart and talents make him an important part of the Delco team and a go-to person when his co-workers need a hand.



Muffin Mania

Loaded with real fruit and other quality ingredients, Delco Foods is proud to introduce a line of muffin batter from Main Street Gourmet that will exceed all of your expectations. With varieties ranging from the classics to the exotic, they are sure to please every pallet. Scoop any size you want! Consistent quality product! Kosher dairy! Zero grams of trans fats!

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#1001845	Chocolate Chip Muffin Batter	2/10 lb
#1001846	Cranberry Muffin Batter	2/10 lb
#1001847	Lemon Poppy Seed Batter	2/10 lb
#1002135	Peachy Lean Muffin Batter	2/10 lb
#1002287	Better Morning Muffin Batter	2/10 lb

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Cheese Bread and Profits

One of my favorite appetizers has always been Mozzarella n Carrozza, or Mozzarella in a carriage. This cheese-bread combination is great because it's not only easy to make and tastes great, but sells even better.

Traditionally, this appetizer is prepared by combining a piece of bread and adding a slice of mozzarella to one side, dipping them in both flour and egg and finally placing it carefully into the deep fryer.

The result is that the cheese binds to the bread to create a great taste! Serve with some

tomato sauce and you have just created a great appetizer. To help your appetizer stand out, there is a creative twist to this cheese-bread favorite that is very simple and will set you apart from your competition.

Start with sliced white bread. Take 2 slices, and one (1.5oz) slice of mozzarella (fresh is best) and put the mozzarella in between the bread slices. Next, cut off the bread crust and slice the sandwich diagonally, so you have two triangles. Dip both sides in the flour egg combination like before but be careful to keep the bread as fluffy as possible. Add seasoned breadcrumbs to the outside of the bread so that no cheese is showing through.

Deep fry until golden brown and cheese is melted, but not oozing out. If you find that cheese is pouring out try covering the next one in more breadcrumbs and try again.

Finally, serve with marinara sauce and enjoy! This appetizer can be modified any way that you want. Add provolone cheese or thin slices of prosciutto for a twist. For a truly unique appetizer cut the triangle in half after it comes out of the fryer and stuff with cool bruschetta. This is a hot and cold combination that every one will love!

Serve something better than mozzarella sticks and kick up the profits!

Pizza With PIZZAZZ

What began as a basic meat and cheese dish has evolved into a sophisticated culinary creation featuring the latest in specialty ingredients. Exotic toppings include everything from prosciutto and potatoes to asparagus and pesto, while cheeses vary from the traditional Mozzarella, to more assertive, flavorful varieties. While the chains try to bulk up their pizzas, higher quality independent operators can explore more authentic tastes which often have fewer, but higher quality ingredients.

Flavors and styles of pizza are constantly evolving and growing to meet the ever-changing demands of today's consumers who crave much more than just the basic cheese and pepperoni pizza? they seek inventive combinations, bold flavors and interesting textures. Cheese plays a key role as an ingredient in many of today's top pizza trends, and is used as much more than a traditional pizza topping:

- *Grilled Pizzas*—The latest trend to hit the pizza scene has consumers clamoring for a lightly charred, thin and crispy pizza crust topped with melted Cheese and a hint of smoky flavor that only a grill can provide. After lightly brushing a pizza crust with oil to prevent sticking, grill the crust and then top with fresh ingredients including a blend of specialty cheeses. Return the pizza to the grill to warm the toppings and seal in the smoky flavor.

- *Specialty Pizzas*—Operators anxious to update their pizza menus are also offering specialty cheese pizzas, which can be paired with innovative toppings to make a delicious and profitable pizza. Create a specialty such as Asiago and Artichoke Pizza using foccacia bread as the crust, topped with shredded Asiago, Monterey Jack and Cheddar cheeses, artichoke hearts and red bell peppers.

Whether it be cheese or other traditional pizza ingredients, finding new uses for "old" toppings can help propel your pizzeria from status quo to trendy!





MONTHLY RECIPES



Wisconsin Blue Onion Dip

Ingredients: 2 tablespoons butter
1 tablespoon olive oil
1 1/2 cups yellow onions, quartered, thinly sliced
1/2 cup shallots, thinly sliced
1 tablespoon apple cider vinegar
1 1/2 cups cottage cheese
1 cup (8 ounces) Wisconsin Blue Cheese
2 teaspoons fresh tarragon, chopped
2 to 3 tablespoons milk
Salt and pepper, to taste
1/4 cup sun-dried tomatoes, chopped (optional)

Cooking Directions: In medium saucepan, over high heat, heat butter and olive oil. Add onions and shallots; stir 2 to 3 minutes. Reduce heat to low; cook 18 minutes more, stirring occasionally. Add vinegar; cook 2 minutes more, until onions are golden brown; cool.

In food processor or blender, purée cottage cheese until smooth. Add Blue Cheese, onions, tarragon and milk; pulse to desired consistency. Season with salt and pepper. Stir in sun-dried tomatoes, if desired. Serve with fresh vegetables and crackers. Refrigerate leftover dip in airtight container up to 3 days.

Super Spicy Italian Sandwich

Ingredients: 1/4 cup top quality mayonnaise
1 teaspoon or more to taste hot red pepper sauce
1 teaspoon lemon juice
8 ounces deli hot Italian coppa* (also called "capicola")
8 slices rustic roasted garlic bread, toasted
8 slices Vantaggio Provolone (Wisconsin) or Aged Provolone Cheese
1/2 cup hot giardiniera
Arugula leaves

*Coppa is a red pepper, dry-cured Italian sausage, available in many deli's. You may substitute a spicy salami if you must.

Cooking Directions: Mix the mayonnaise, hot red pepper sauce and lemon juice; set aside.

Preheat the broiler. Divide the coppa evenly among 4 bread slices. Place 2 slices of Provolone over coppa. Broil until cheese bubbles and melts. Remove from broiler. Spread the giardiniera, then the arugula leaves, dividing evenly, over the cheese. Spread mayonnaise mixture evenly over remaining 4 bread slices and top the sandwich. Serve immediately.

Flatbread Pizza With Romesco and Gouda

Ingredients:
Romesco Sauce:
1/3 cup canned fire-roasted tomatoes, drained
1/3 cup bottled roasted red peppers, roughly chopped
1 teaspoon roasted garlic (home roasted or purchased)
3 tablespoons slivered almonds, toasted
3 tablespoons Tolibia Parmesan cheese, grated
1 tablespoon extra virgin olive oil
1/2 teaspoon Bellissimo red pepper flakes

4 flatbreads, such as pocketless pita or naan
1 1/2 cup (6 ounces) Vantaggio Wisconsin Mozzarella cheese, shredded
1 1/2 cup (6 ounces) Smoked Gouda cheese, shredded

Pizzas:
4 large portobello mushrooms, grilled and sliced
Bellissimo Red pepper flakes, to taste
Fresh basil leaves, sliced, optional

Cooking Directions: Romesco Sauce:
Place all ingredients in a blender and purée. Set aside.

Pizzas:
Preheat oven to 350°F. Place flatbreads on 2 large cookie sheets sprayed with nonstick cooking spray. Bake 5 to 7 minutes. Remove from oven and top each flatbread with 1/4 of the romesco sauce. Reset oven to 375°F. In a bowl, toss Mozzarella and Smoked Gouda together. Sprinkle the cheese, divided equally, over the 4 flatbreads. Top each with mushroom slices and sprinkle with red pepper flakes. Bake until cheese melts and crusts crisp, about 12 minutes. Sprinkle pizzas with fresh basil, if desired.

Pistachio Wisconsin Peppercorn Feta Crostini

Ingredients: 1 cup (6 ounces) crumbled feta cheese with peppercorns (or 1 cup regular feta cheese mixed with 1 teaspoon cracked peppercorns)
1 (8-ounce) package cream cheese, softened
1/3 cup chopped pistachio nuts
1 loaf French bread (12 inches long), cut in 1/2-inch slices
1/3 cup extra-virgin olive oil

Cooking Directions: Preheat the broiler.
Combine cheeses and nuts; mix well. Set aside.
Brush both sides of the bread slices with olive oil, and place the bread on the broiling rack. Broil the bread slices, at least 4 inches below the heating element, until lightly browned on both sides, turning once. Spread each slice with the cheese mixture.