

HERE FOOD PROCESSORS CAN FIND BOUNTIFUL GROWTH



CAROLINAS GATEWAY PARTNERSHIP

INSIDE THE CHEESECAKE FACTORY'S ROCKY MOUNT FACTORY

By Lawrence Bivins



Nothing puts the special in special occasions like a slice of Oreo® Dream Extreme from The Cheesecake Factory. Just ask Abbey Shaffer, a proud mom of three young over-achievers who recently brought home good grades and high honors to close out the school year. “Every bite of this is a celebration,” says Shaffer, who lives in Raleigh. “It’s decadent, delicious and beautiful. And what kid doesn’t love Oreos?!”

And it turns out the Oreo® Dream Extreme – or any of approximately 70 varieties of Cheesecake Factory cheesecakes -- aren’t made far away. Since 2006, the California-based restaurant company has operated a facility at Whitaker Business & Industry Center near Rocky Mount that churns out about 11 million cheesecakes annually. Running two shifts, the plant and its 350 employees bake, finish and package cheesecakes for distribution to Cheesecake Factory locations in the eastern U.S. and abroad. The facility also ships cheesecakes destined for retailers like Target and Harry & David, as well as buyers in the food service industry.

Creating Cheesecake Factory cheesecakes, especially at the volume required of the Rocky Mount facility, requires a careful mix of modern technologies and human creativity. The plant maintains state-of-the-art mixing, baking and freezing systems, but human factors ensure the quality of the company’s storied brand.

The cakes are not easy to make. The company’s proprietary cheesecake recipes call on a universe of 500 ingredients. The biggest ingredients are cream cheese, sour cream, cream, cane sugar and eggs – all arriving from high-quality suppliers adhering to the highest food safety standards. Every ingredient is carefully sourced, down to the Swiss-made raspberry puree that goes into its popular White Chocolate Raspberry Truffle® Cheesecake. “Our standard of quality and food safety for our suppliers is a high bar to meet,” says Keith Carango, senior vice president and COO of The Cheesecake Factory’s Bakery Division.

A lot can go wrong. But the factory's well-trained workers are ready to spot errors, some of which are correctable, and ensure every cake leaving Rocky Mount is up to the company's lofty expectations. That includes how they look, with each cake being finished and decorated by hand. "The artisanal craftsmanship is something that a machine could never do," he says. Sophisticated technologies manage supply-chain and many aspects of production, "but the people part of it is more important than anything."

The Cheesecake Factory [Nasdaq: CAKE] is headquartered in Calabasas Hills, Calif., near Los Angeles. The company's founders, Evelyn and Oscar Overton, began making and selling cheesecakes in the early 1970s out of their basement. Their son David conceived the restaurant concept in 1978, opening the first Cheesecake Factory eatery in Beverly Hills. The enterprise flourished over the following two decades and in the early 2000s the company began a thorough strategic forecast of its growth, including where to build a second bakery facility to serve its growing eastern U.S. markets.

Consultants narrowed the site search to a triangle stretching from southeastern Pennsylvania to coastal South Carolina and as far west as Memphis. "We were picking a location that would optimize our distribution costs," recalls Carango. The company visited seven North Carolina properties - in a single day - when Commerce Department officials flew The Cheesecake Factory's site-search team to each location under consideration. The state's professionalism and customer-focus impressed company execs early on.

A 100,000+ sq.-ft. shell building near Rocky Mount caught the team's eye, and their interactions with the Carolinas Gateway Partnership provided valuable connections with a tasteful touch. "The CGP was very personal in the way they approached us," recalls Carango. "They acted as ambassadors for the county and the city."

In July 2005, CEO David Overton announced The Cheesecake Factory would build its bakery in Nash County. The facility opened the following year with an initial run of "Original" cheesecakes, the most popular offering in the company's repertoire. It added a second production line in 2012, and the site's nearly 16 acres of available space offer flexibility to expand into other foods popular among its restaurant patrons.

New Cheesecake Factory restaurants continue to open in the eastern U.S. and beyond. The company's international business has grown at an accelerated rate, with new locations opening in Hong Kong, Shanghai, Mexico, Dubai and Kuwait to great fanfare. Cakes from Rocky Mount supply those locations too, as well as many third-party international retail and food service customers. And new cheesecakes are pioneered every year, which the plant's team must learn to produce to perfection. Chris Radovan, the company's celebrated executive pastry chef, painstakingly develops new recipes in California. Radovan's cheesecake creations can go through as many 40 iterations, with close attention paid to every nuance in their look, taste and capacity to be reproduced on a large scale.

The California-based Carango, who visits Rocky Mount every month, is confident the company has the facility, workforce and local business relationships to accommodate future growth. The company is proud of its inclusion on Fortune's list of the nation's best places to work. "People are our greatest resource," he says. And more than a decade after opening its Rocky Mount bakery, the site has proven its mettle as a key asset in The Cheesecake Factory's company ethos and global business strategy. "We pride ourselves in performing well in everything we do," Carango says



CAROLINAS GATEWAY PARTNERSHIP