Hot Potato

How John Griffin’s growth agenda reinvented the humble tuber’s journey from farm to table, with lucrative results

By Stephen Kimber
It was impossible not to notice the roofless, gutted remnants of what had very recently been a potato packing facility. It was the spring of 2004, and Griffin’s Elmsdale farm in western Prince Edward Island was smack in the middle of a $1.3-million renovation and expansion designed to bring the family potato farm enterprise into at least the late twentieth century, a process the bank itself had agreed to finance.

But now…

Three years before — after a lifetime’s experience as a farmer’s son, followed by a more formal, 13-year post-university apprenticeship as head of the farm’s business administration and development division, then vice president — John Griffin had succeeded his mother as president and general manager of W.P. Griffin Inc.

Although the Griffin name had long been associated with the “Paper-10” market — peddling generic, from-the-ground table varieties of potatoes packed in heavy brown paper bags to the grocery store market — John understood the tuber market was now in turmoil. “I was in charge of the finances and I could see the books deteriorating year after year.” He believed the pathway to success would not only require producing great potatoes, but also finding new and innovative ways to market them. He’d traveled to trade fairs, even taken a potato farmer’s busman’s holiday to Ireland to see what was happening in the Mecca of the spud.

In 2002, W.P. Griffin had adopted what John calls a “consumer-focused product development innovation strategy.” Translated into the practical, that meant the company had recently become the first producer in Canada to market packages of double-washed potatoes pre-wrapped in microwaveable, shrink-wrapped film to meet the want-it-now demands of busy modern families. Soon after, it had begun marketing clamshell tray packs, each filled with three-to-six specialty potatoes.

Initially, not everyone was on board with the new strategy, including some inside the business. “Some of our staff resisted and constantly complained to other staff that these new products and processes were going to sink our business,” John recalls. To make matters worse, the company’s “growth and product development cycle was not a straight line,” so the changes didn’t immediately improve profitability, providing added ammunition to the naysayers.

Part of the problem, John knew, was that the company’s packing facility was already well past its best before date. Adding new products to the mix simply slowed the whole operation down, “and our waste was going sky high.”

John’s own vaulting vision for W.P. Griffin (formalized in a 2004 strategic plan that called for W.P. Griffin to become “a leader in producing, branding and marketing easy-to-prepare healthy potato meal choices”) meant the company had no choice but to expand and modernize its packing operation.
John developed a business plan, then took it to his commercial bankers. They said yes, and so — based on that verbal commitment — workers began dismantling the old packing operation to prepare for the installation of the new. Which was around the time their commercial banking rep showed up at the farm to say that... well, the bank had changed its mind. The bank considered table potatoes a chancier investment than growing potatoes for processing into French fries by agribusiness buyers like McCain and Cavendish, which had become the industry’s “main driver of growth,” and so it was withdrawing its financing offer...

John had to think fast. He consulted with his brother Peter, the farm’s hands-on vice president and operations manager. Since they were both convinced of the absolute necessity of the facility makeover, they offered to invest personal family funds to cover 25 per cent of the cost. The bank eventually OK’d that modified plan, and “the project was completed on time and on budget.” And that new packaging facility became what John now calls “a turning point in the history of W.P. Griffin Inc.”

The new plant and the ongoing “change-is-constant” updates and additions that have followed — from installing North America’s first optical potato grader, which employs video wizardry to grade and size potatoes, in 2005, to expanding the packing facility and wash plant again by more than 50 per cent in 2015 — has allowed the company to add more and more value-added potato products. There are now “BBQ Ready P.E.I. Potatoes” (“washed, wrapped, ready to grill”); “Heat and Eat Baked Potato” packages; “Spice It Up” and “Garlic Mashed” packs of russet, red and yellow-fleshed potatoes, each complete with its own simple cooking instructions and spice packs; “Annabelle Sensations Potato Steamers,” a microwaveable tray pack sold in Sobeys...

W.P. Griffin — which employs close to 50 people in peak season, many of whom have been with the operation for more than 20 years — still sells about half its harvest for processing by Cavendish and McCain, and has a niche in the food services market where it supplies premium potatoes to restaurant chains like The Keg in eastern Canada and Outback Restaurants in the eastern United States.

Griffin also continues to pack and sell its traditional paper and polybag potatoes. Even there, however, the company has added an innovative twist to the traditional, creating potato-by-use, colour-coded packaging for Sobeys: red for baking, blue for mashing, green for boiling and gold for baking. Inspired by a similar program in New Zealand, its purpose, explains John, “is to make potato selection for a desired meal occasion easier for consumers in retail stores.”

Partly as a result of all of that, W.P. Griffin Inc. — which now brands itself as “Griffin Prince Edward Island Potato Specialists” — was named the 2012 Ernest & Young Atlantic Entrepreneur of the Year in Atlantic Canada is taking on the world and KPMG is there, helping our people, businesses and governments succeed. With offices across the region, and the support of a global network spanning 155 countries, KPMG can help you find your way to a more profitable, sustainable future.

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I believe that the four Atlantic provinces need to partner in regional programs and services. Atlantic Lotto is an example. Other possible partnerships would include:

- The merger of our power utilities, and locate the head office in Newfoundland. This would give Atlantic Canada a power utility that would be comparable to Quebec Hydro and Ontario Hydro. My ultimate goal would be comparable power rates for residents and businesses with central Canada.

- Government departments could create strategic alliances and/or outsource services. For example the three smaller provinces could contract their education curriculum from Nova Scotia (for example). The four Atlantic provinces could centralize their liquor commissions in New Brunswick (for example).

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**The business-to-consumer category, and John himself has been selected as one of Atlantic Canada’s Top 50 CEOs for the past three years running.**

This year *Atlantic Business Magazine* is pleased to add to that recognition by naming John Griffin Atlantic Canada’s “Innovator of the Year” for 2016.

Oh, and that banker who initially decided the Griffins’ packaging plant was not worth investing in? Soon after the facility opened, John explains simply, “I changed financial institutions. I currently enjoy great relations with our new financial partner, who understands our business.”

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teachers weren’t paid very much and many, like Wilfred, ended up boarding with local families just to make ends meet. So Wilfred began casting about for what his son calls “more of a challenge,” and quickly found what he was looking for, a position as the business manager for a local Elmsdale potato farmer named Ronald McKenna.

Eleven years later, in 1958, Wilfred took ownership of the farm. He and his soon-to-be wife Marie then grew both the business and also their family, with one feeding the other while the farm morphed from 100 acres to over a thousand and, eventually, to more than 3,000 today. Wilfred and Marie’s four children — Barbara, Peter, John and Eleanor — not only grew up on the farm but they also all grew into the farm business, working at one time or another at everything from bailing hay to grading potatoes to working in the back office.

John remembers his father as the “best person I ever worked for. He was not always easy to work with in terms of his disposition,” he admits, “but he was very focused on his work. During the years he was operating the company, he was responsible for all aspects of the business. From field management to sales to finance. He didn’t travel much. He just worked. What I learned from him was that you have to pay attention to detail and you have to work hard.”

The potato doesn’t grow far from the root. “I am a very detail oriented person,” John acknowledges. “Whether it’s at the farm, the packing plant or in the office, I expect things to be tidy and organized.”

Peter (“more interested in driving John Deere tractors than going to school”) began to work on the farm full-time when he was just 16, and is now its troubleshooting vice president and operations manager.

John, younger by a year, went off to Saint Mary’s University, graduating with a business degree in 1988, and immediately returned home to become the
During the month of February, W.P. Griffin donates 25 cents for each bag of potatoes sold to the Canadian Potato Museum. In three years, the farm has donated $112,500 to the Museum. Taking part in last year’s cheque presentation of $42,500 (l-r): Darrell Wallace, P.E.I. Potato Board; Donna Rowley, Canadian Potato Museum; Billy MacKendrick, Canadian Potato Museum; Damien Noonan, Sobeys; Chris Kemp, Sobeys; John Griffin, W.P. Griffin Inc.; Kevin Kane, Sobeys; Peter MacNeil, Foodland.

farm’s “financial guy running the business end of the operation.”

As Peter explained their symbiotic relationship to a reporter from the Charlottetown Guardian in 2013: “Pretty good working with John over the years. We pretty much know what each other is doing.”

The transition from the founding to the current generation turned out to be so smooth and seamless — after their father died in 1996, their mother Marie took over for five years until she passed on the reins to her sons into 2001 — BDC named the company the first winner of the CFIB Business Ownership Transition Award in 2006. Catherine Swift, the then-president and CEO of the Canadian Federation of Independent Business, called the company “a perfect example of how putting the time and energy into creating a well thought-out business plan can ensure a business’ prosperity into the next generation.”

And they’re not done yet. Two of Eleanor and Troy’s children, as well as one of John’s, work on the farm, and John and Peter, now both in their early fifties, have begun thinking about the next generation. But not too much. There’s still plenty to do in this generation.

W.P. Griffin’s innovations over the last decade go well beyond finding new ways to market old potatoes.

In 2004, John brought in Stephen Hurst of Charlottetown’s Hurst Consulting Inc. to help reshape the company’s senior management team to more efficiently and effectively run the business — and to “embrace change.” Today, there

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are 10 sub-committees operating under John’s direction, overseeing everything from quality control, to food safety, to crop improvement. The team meets monthly to review performance and, once a year, goes on a retreat to revisit and revise the business plan.

Even his once reluctant workers have long since bought into his vision. “It is human nature to resist change,” John acknowledges, “but our dedicated staff now fully realize that these changes have benefited the company and themselves. They just have to look down the road to our neighbouring communities to see examples of the potato packing operations that did not survive.”

Griffin, on the other hand, has experienced revenue growth of 34 per cent since 2013, harvesting 50 million pounds of potatoes annually to help keep the packing plant operating almost year round.

And that too is far from the end of plans for growth. “Our number one goal for the next five years,” John says today, “is to expand our sales by 50 per cent plus.”

Much of the company’s short-term ambitions hang on the potential of a new-to-North-America potato variety called the Rooster.

The Rooster — a versatile, red-skinned, light-yellow-fleshed, drier-than-usual potato with a fluffy texture and a nutty flavor that’s good for baking, roasting or mashing — was created from cross-breeding at Ireland’s Oak Park agricultural research and development centre in the early 1990s.

Although John remembers hearing about the potato during his own visit to Ireland in 2001, “I didn’t really pay any attention the first time I heard the name.” That changed in 2010 after John traveled to Boston as part of a trade mission. At the time, Pat Binns, a former Prince Edward Island premier and federal MP, had just assumed his new role as Canada’s Consul General in Boston after a three-year stint as the country’s ambassador to Ireland. Perhaps not surprisingly, the Binns and the Griffins knew each other from Prince Edward Island.

“John,” said Binns’ wife Carol, “you have to get Roosters!”
By then, Roosters had become Ireland’s “favourite potato,” accounting for more than 70 per cent of table potato sales. Conveniently, the U.K.’s “favourite potato grower” — Albert Bartlett and Sons — was looking for U.S. and Canadian partners to bring the Rooster to North America.

It was a marriage made in potato heaven. Bartlett, similar to W.P. Griffin, is a 60-year-old, family-run farm business that boasts a focus on specialty potatoes, value-added potato products — and continuous, innovative growth.

In 2013, Griffin and Bartlett inked a deal. Now, says John, “we need to prove to the Albert Bartlett group that we are their flagship partner for growing and packaging in North America… If Rooster becomes a household word like it has in the U.K., it’s going to be a very big deal.”

The Rooster is already finding its place on shelves in Walmart and Costco stores across North America. And, on St. Patrick’s Day this year, Sobeys offered free sampling and food demonstrations to introduce the Rooster’s cooking possibilities to customers here.

To meet demand, John understands W.P. Griffin will have to partner with other growers across Prince Edward Island. “Our operation has some extra capacity,” John explains, “but as we reach full capacity it makes more sense to partner with other growers.” That’s been keeping John busy identifying potential new growers, visiting their farms, signing contracts and planning scheduling and delivery.

Last year Griffin even hired a crop agronomist to help his new growers transition to producing the Rooster and other newer varieties like the high in anti-oxidants, purple-fleshed Purple Petites, which Griffin also launched this year.

Some things, of course, don’t change — like the company’s commitment to change. “New customers, new products and new technologies,” John says. “We like to keep moving forward!”