



Holten Meat counts on the value CAB adds.

by Barb Baylor Anderson

Jim Holten prefers to take common things and see them perform uncommonly well. So it was not much of a stretch a decade ago for Holten Meat Inc., Sauget, Ill., to begin marketing not just beef patties, but *Certified Angus Beef*® (CAB®) brand ground chuck patties. It's no more of a stretch that Holten became a top-volume processor that counts on CAB quality and value to keep building the business.

"We have taken a commodity product and become a value-added producer with high-volume status," Holten, CEO, says. "As a licensed CAB company, we sell to distributors nationwide. Our CAB sales continue to grow. In four of the last five years, we have been the highest-volume CAB producer for ground patties."

Meaty history

Holten's entry into the CAB world followed several decades of food-related sales for the family-owned company. Jim's dad, "Red," started in the meat business in 1960 in East Saint Louis, Ill. Jim joined the company in 1961 and became a one-third owner in 1965.

The company began producing patties in 1976 with the purchase of a Formax patty machine still in operation today. A second was added in 1978, allowing Holten to produce 3,600 pounds (lb.) per hour, per machine. Jim's brother, Mike, also joined the company to learn from Red how to buy and price product, which remains his primary role.

A decade later, Jim developed the company's "Thick N Juicy®" beef patties. "They have become the most copied burger in the industry," he says. "We sold our original patties to institutional distributors and retail grocers. Our retail product was sold by the National supermarket chain owned by Loblaw, the largest retailer in Canada."

The business took a twist shortly thereafter. Marketing guru Dave Nichol had developed the "President's Choice" brand products for Loblaw, and met with Jim in the mid-1990s to produce President's Choice beef patties.

About the same time, Wal-Mart's Sam Walton hired Loblaw to develop a private label for Sam's Club. Holten's beef patty volume soon exceeded 20 million pounds per year. The relationship was a good one, until a competitor bought the Wal-Mart business slot for \$2 million.

"Then we got into CAB in 1996, and began producing Thick N Juicy CAB patties," Jim says. "We were marketing not only high-quality beef then, we were also marketing veal and pork to retail and institutional customers throughout North America."

CAB a main entrée

Today, Jim is one of three owners of Holten Meat. Mike is president, and

Scott Hudspeth has served as chief operating officer (COO) since 1997.

The company moved from East Saint Louis to a leased facility in 1990. The Holtens then designed and built a state-of-the-art, 85,000-square-foot (sq. ft.) processing facility in Sauget in 1998, adding another 70,000 square feet in 2001. Holten currently employs more than 300 people with two shifts running five days per week and some Saturdays.

Holten Meat produces more than 10 million lb. of CAB ground patties annually. Those are available as ground chuck and as 80/20 or 75/25 lean-to-fat ratios from trimmings. Patties come in a wide variety of sizes and as "sliders."

"We discovered sliders by accident," Jim says, noting Holten cooked and served small burger pieces on toothpicks at institutional food shows. Jim Bedwell, current vice president of sales, suggested in 1997 making patties on a 2-ounce (oz.) sausage plate so product could be sampled on small buns. "Soon, we were getting requests for the sliders as products. We began selling the little burgers. Our competition copied them and began to compete with our product. The slider 'craze' originated with our company."

To produce all of their CAB creations, Holten buys product from several different licensed CAB packers. Two-piece chuck roasts are ground up, and no fillers are added.

"Certified Angus Beef provides us with a very consistent product with good flavor. We know we can expect the best quality from licensed CAB packers," Jim says. "CAB is a growing segment of our business, and we have found adequate supplies."

Holten products are distributed nationwide and to the Caribbean, and are found in grocery stores, institutions and restaurants. The company services grocery chains like Schnucks and institutional frozen foods companies like Sysco, U.S. Foods and independent food distributors. Overall, Holten products are found from Hardees and Houlihan's to the Indy 500 and other



► Holten Meat's CAB patties are on the menu at Pineapple Pete Restaurant and Bar in Saint Maarten, Virgin Islands.

professional sporting events, in ski resorts and on Royal Caribbean cruise ships.

Jim says even Pineapple Pete Restaurant and Bar in Saint Maarten, Virgin Islands, where he resides during part of the year, is serving Holten Meat CAB patties. The menu reads, "For your total taste satisfaction, we serve Mr. Holten's *Certified Angus Beef*[®] brand burgers. The tastiest, juiciest beef makes them the best-tasting burgers around!"

Jim was surprised to find the change to the menu this spring. "I like to eat at Pineapple Pete's, and when I went in, they showed me the new menu," he says. "People like our product, from Saint Maarten to Hawaii. We are not the cheapest beef patty out there, but we are the best. We run into a lot of imitator products trying to do what we do."

Serving up quality

And while product taste and consistent quality are priorities at Holten, Jim says producing the safest burger in the industry is perhaps their biggest goal.

"I was at the Indy 500 several years ago, watching a quarter of a million people eating our hamburgers. It struck me what could happen if something were wrong with our product. I certainly did not want to be responsible for anyone getting sick," he says.

The Holten plant uses a unique cleaning system involving cold, ozonated water that can kill all of the bad bacteria. At the end of every production day, a professional cleaning crew disassembles the entire facility, cleans and sanitizes in accordance with the company's strict guidelines, and reassembles equipment to ensure safe food production the following day. A stringent HACCP (hazard analysis critical control points) system was in place before the USDA (U.S. Department of Agriculture) mandated it, and



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the plant consistently surpasses requirements as monitored by federal inspectors.

Holten has 12 full-time staff in quality-control positions who monitor and test every step of their production and delivery process. When raw materials arrive at the plant, they are received at a temperature-controlled dock. All raw meats are immediately tested for freshness and sent to the in-house quality control lab for extensive analysis. The staff identifies all batches, continually sampling product, from production through packing.

"Our refrigeration systems monitor the entire building, 24 hours a day, seven days a

week for temperature and food safety concerns. We conduct supplemental bacterial analysis on incoming raw materials and finished products," Jim confirms. "Inferior product is rejected at the outset. Even our product formulas are engineered for food safety."

Jim believes quality products are the direct result of quality ingredients, including CAB. "Nothing earns the Holten name until it passes through strict product quality standards," he says. "That is the foundation of our business. We promise a first-rate product with first-rate service. That philosophy has allowed me to live the American dream."

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► Holten developed the company's "Thick N Juicy" beef patties in 1988. The original patties were sold to institutional distributors and retail grocers.