



Staff Photo

Neal Webber has put Kittredge Equipment Company into an expansion mode.

Cutting-edge Company

Restaurant Supplier Kittredge Has Continued Growth on the Menu

By GEORGE O'BRIEN

Kittredge Equipment Co., which has supplied area restaurants and other food service businesses for more than 80 years, is in an expansion mode. The company opened a new showroom in Worcester two years ago, and is completing the acquisition of a competitor, Holyoke Equipment Corp. Both moves are designed to give the company the size and flexibility needed to thrive in an increasingly competitive market.

Neal Webber shook his head as he talked about life in the restaurant business.

"It's very difficult ... incredibly competitive," he said. "It's a fact that about 60% of new restaurants that open fail in their first few years."

The survival rate is much better in the restaurant/food service supply and equipment business, said Webber, president of Springfield-based Kittredge Equipment Company Inc., one of the regional leaders in that sector. But this is still a very competitive market, he explained, one in which players need to be versatile and firmly focused on customer service.

This has been Kittredge's trademark since the company was founded more than 80 years ago by Kittredge's step-grandfather, and especially since the operation shifted mostly to supplying independent restaurants in the late '40s. The company now offers more than 6,500 items — from commercial stoves and freezers to oven mitts; bar stools to pizza boxes; floor mats to two-piece martini glasses — and has become a specialist in the interior design of everything from country club dining rooms to in-plant cafeterias.

And the company will become more diverse later this month when it closes on the purchase of Holyoke Equipment Co., a competitor that focuses more on other types of commercial venues, including colleges, universities, nursing homes, and jails — from both a supply and facilities-design standpoint.

That acquisition will allow the company to penetrate new markets and achieve some important economies of scale, said

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Kittredge, who bought the family business from his father and uncle seven years ago and has set an aggressive course for continued growth ever since.

The company now does about \$14 million in sales — good enough to qualify for the Super 60's total-revenue category — and will become a \$25 million operation when the acquisition of Holyoke Equipment is completed.

BusinessWest looks this month at the many ingredients that go into the company's recipe for success.

Pizza the Action

As Kittredge took *BusinessWest* on a tour of the 95,000-square-foot showroom and warehouse on Columbus Avenue in Springfield, he said the company certainly welcomes the walk-in homeowner looking for new lobster pot or a set of knives.

But the operation's main focus is restaurant owners and managers, people who buy plates by the hundreds and also need those recently mandated 'Microwave oven in use' signs that are displayed on a rack near the entrance.

Kittredge now supplies nearly 800 restaurants, country clubs, and other dining facilities in a geographic area that includes Western Mass., Connecticut, Southern Vermont, and New Hampshire. The client list includes some of the best-known restaurants in the area, including The Fort, Max's, Carmella's, and many others. The company opened a second location in Worcester two years ago to become more competitive in the central part of the state and also to make minor inroads into the lucrative Boston market.

Kittredge was founded in 1921 by Max Kittredge, an auctioneer and entrepreneur

who started a business that focused on equipment sales. The venture soon concentrated its efforts on the broad food service sector, said Kittredge, and has consistently expanded its geographic reach and client base.

Kittredge told *BusinessWest* that, professionally, he had little desire to become the third generation of his family to run the business. Instead, he went to work for Suffield, Conn.-based Sweetlife Foods, and eventually became general manager of that company.

When Sweetlife was sold in 1994, Kittredge "briefly retired," to use his words, but was soon presented with an intriguing opportunity.

"My father and uncle were looking to get out," he explained. "And I was getting bored and feeling unfulfilled. It all worked out perfectly."

Since assuming the reins, Kittredge has taken several steps to move the company forward, expand its market, and improve market share in the many regions it serves. This is a challenging assignment given the changing landscape in the market, he said, which includes about 2,000 suppliers nationwide, about 10 large, direct competitors in the New England market, and new competition in the form of Internet and catalog companies.

The Worcester facility was part of the growth equation, he said, noting that the 25,000-square-foot showroom, coupled with the Springfield display area, gives the company the largest total showroom space in New England. The Worcester facility also enables the company to better serve customers in Central and Eastern Mass.

The Holyoke Equipment Co. acquisition is another initiative designed to facili-

tate further growth. Kittredge and Holyoke have been long-time 'friendly' competitors, he explained, adding that, in recent years, both companies have been impacted by intensifying national competition.

Rather than continue to slug it out, both companies agreed that joining forces was the better answer. The Holyoke Equipment Co. (HEC) name will remain on that operation, said Kittredge, and Holyoke partners Hal M. Slotnick, and Peter and Thomas Curtis will remain with the firm, which will become the 40th largest food service supplier in the country.

In addition to greatly enhanced buying power, Kittredge gains greater flexibility with the Holyoke acquisition. Started in 1933, HEC, also a family owned business, developed a solid reputation for consultative design work, especially in the education, health care, and corrections fields. Recent projects include design work at Barnstable County Jail, Chester/Middlefield Elementary School, Curry College, Mercy Medical Center, and the Smith College Campus Center.

While pushing to expand geographically and gain product and service diversity, Kittredge has also been working to become more efficient, and thus more profitable. Technology has played a role in this effort, said Kittredge, noting that the company has used personalized software to better control stock, handle purchases, and set inventory levels more scientifically.

"Inventory is certainly a double-edged sword ... you need it, but it's expensive," he said. You want enough, but you don't want too much. What's the right amount? Just enough to fill any order and never have to say 'no' to anyone. That's what we strive for."

When asked how a company stands out

in the current competitive marketplace, Kittredge said price is not usually the answer, although it's always a factor. Instead, service and consistency are the keys, as they are in the restaurants that the firm supplies.

By providing quality, reliable service, Kittredge can not only expand its roster of clients, but provide a wider range of services to existing clients, he said, noting that this list includes everything from supplying glassware to designing a commercial kitchen.

Fork in the Road

When asked if Kittredge had a five-year plan, its president laughed and said, "yes ... to still be in business; that's our basic plan."

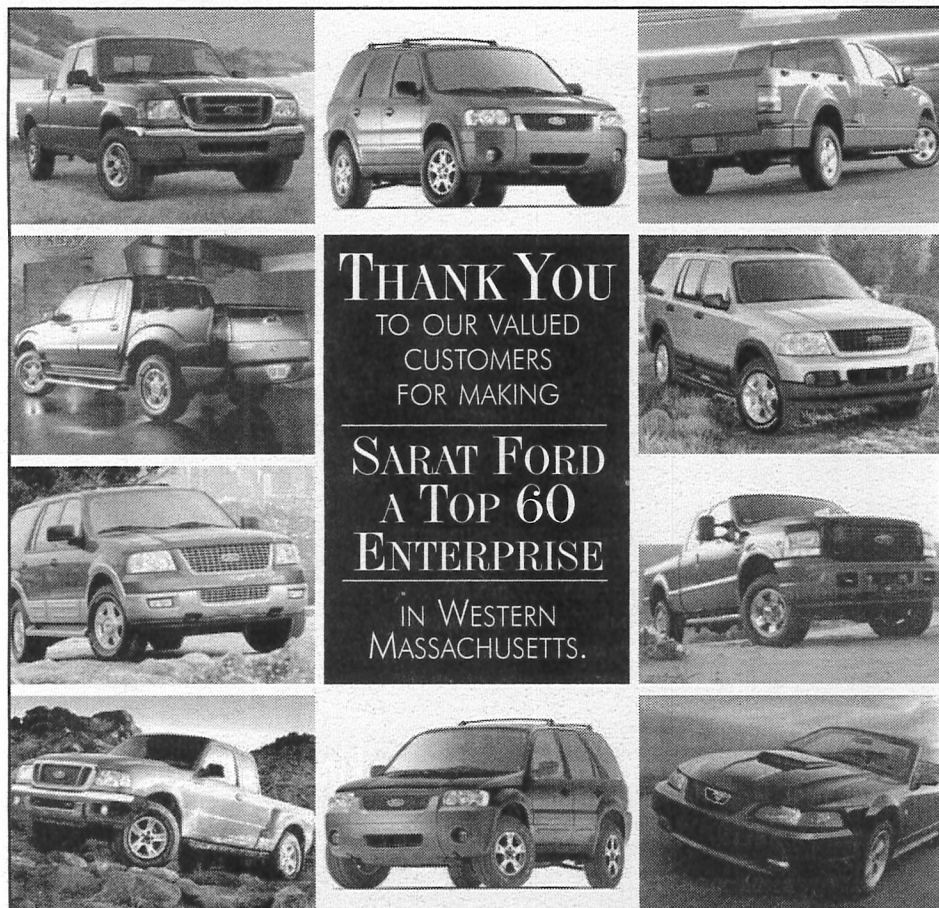
That mission is much harder to accomplish in the restaurant business itself, but life is certainly more challenging these days for those whose job it is to supply restaurants.

To thrive in such an environment, companies have to be proactive and look for new ways to provide better service to customers, said Kittredge, who is doing just that. ♦

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