

Baking & Snack[®]

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G&S Foods aims to do it all



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On the cover: G&S Foods management team includes snack food veterans who anticipate their customers' needs. Cover by Jason Minick

eying the future

G&S Foods' new state-of-the-art plant brings snack manufacturing to a higher level

by Dan Malovany

Right: An operator monitors quality control of mini pretzels on the new high-speed production line.

Today is all about what tomorrow will bring. That's the focus of G&S Foods as it enters the next chapter of its burgeoning business. The Hanover, Pa.-based co-packer and private label producer recently opened its 350,000-square-foot greenfield facility that's part snack and part confectionery with almost a dozen state-of-the-art salted snack and enrobing production lines and room for more.

The operation cranks out not only conventional salted snacks but also sweet-and-salty treats such as enrobed pretzels as well as a litany of better-for-you (BFY) snacks that are expected to drive the industry's growth for years to come.

Dan Morgan, president and chief executive officer, takes a page from the sport of hockey to describe how the company differentiates itself in the market.

"We're a well-funded business with a good strategic plan that follows upcoming or existing trends, depending on where the consumer is heading," he explained. "It's that old adage of 'Go where the puck is going to be as opposed to go where the puck is now.'"

He added that emerging snacks are often made from formulas containing multiple plant-based proteins and other newly developed ingredients that make them difficult to produce, especially in high volumes to meet the requests of major consumer packaged goods (CPG) companies. The co-manufacturer also serves well-funded emerging brands that are driving innovation in the snack industry.

"What makes us different is preparing for where the industry is going," he observed. "And where is the

industry going, you might ask? It's not only going to be in the production of straight mini pretzels but also protein snacks and more complicated BFY snacks. We are, and will remain, well-equipped to continue to manufacture a wide range of traditional snacks found in the market today."

The Hanover facility replaces G&S Foods' 110,000-square-foot plant in Abbottstown, Pa., where the business began to max out on capacity four years ago. In 2022, the company set into motion the plan to streamline its production and consolidate its warehouses and offices under one roof.

"I was surprised how fast we grew out of the Abbottstown plant, and because of that growth, we needed to address the lack of capacity much sooner than we thought," recalled Morgan, who became CEO in 2021. "We looked at trying to modify or remodel our existing plant but quickly realized that it wouldn't suit our long-term plans."

Currently, the new facility has ample room to add more snack processing and enrobing capacity as well as the latest in resealable pouches, traditional vertical form/fill/seal bags and other packaging systems.

The emphasis is not only creating cutting-edge snacks but also those products that other companies cannot do or don't want to make.

"In two-thirds of the plant, we can make the base snacks, and in the other third, we can enrobe those products with milk chocolate, dark chocolate or white fudge," Morgan said. "We have a real turnkey operation from making the base snacks and turning them into enrobed ones, which is unique."



at a glance

G&S Foods

Total area:
350,000 sq ft

60% processing,
40% warehousing

400 employees

More than a dozen
processing and
coating lines



G&S Foods' new 350,000-square-foot facility features the latest in technology for producing conventional snacks, enrobed products and much more.

Overall, he emphasized, the new plant represents a major upgrade in the company's production capabilities.

"With a tripling of overall capacity, we can significantly expand our production of salty items like pretzels and increase single-screw and valuable twin-screw extrusion capabilities," Morgan noted. "For sweet items, we benefit from greater enrobing capacity, additional bulk tank options and the ability to expand these lines in the future."

Nimble for its size

G&S Foods is a pure play when it comes to private label and co-packing. Its website states "our brand is your brand," meaning the company doesn't have a brand that competes with its customers.

Founded and named after Steve Garvick and Dale Spahr in 1996, G&S Foods broadened its capabilities by purchasing Tasty Snack Quality Foods in 1999. The business was then acquired in 2018 by MAW Acquisitions LP, run by the Warehime family

who had owned Snyder's of Hanover for decades. Today, Morgan said, Patricia Warehime, wife of the late Michael Warehime who was chairman of Snyder's of Hanover, and their daughters are building on their family's legacy in the snack industry.

With the new ownership, the question was whether to rebrand G&S Foods or keep its name.

"It's that old adage of 'Go where the puck is going to be as opposed to go where the puck is now.'"

DAN MORGAN G&S FOODS

"We found what was an innovative way of keeping the history of the company, but creating a new focus where G&S means 'great snacks, great service,'" he explained. "We planned to keep the background of the brand alive but tailor it to who we are now."

Overseeing the operation are veterans of the food industry, including Morgan; Tony Hartlaub, chief financial officer; Wade Fitzkee, vice president of operations; Travis Grim, vice president of technical services; Christina Garcia, vice president of human resources; Thomas Koppelman, vice president of sales; and Dena Sottile, executive assistant.

"Our team has a lot of background in branded businesses, so we understand what our customers are up against — the timelines and demands," Morgan said. "Because we understand our customers' needs — most of our senior team and ownership were in their shoes before — that's created a sense of urgency about building a culture around nimbleness. We can make decisions quicker, and we don't allow a lot of management layers to slow us down."

He pointed out that G&S Foods strives to attract a "healthy mix" of products and customers.

The R&D laboratory regularly tests products to ensure they meet its customers' exact specifications.





"It includes core CPG companies that create longer runs and some stability, but we also know that emerging brands are exciting and probably set us up for future growth," Morgan observed.

"As the landscape changes and consumers start to experience and purchase more private label products, we have evolved into more of that business," he continued. "Although dollar sales are still growing, the number of pounds produced is not expanding at the same rate. As a result, we find ourselves trying to be more creative in product offerings as retailers and brands seek to offer a wider range of products at competitive prices."

The rise in plant-based protein snacks provides both the biggest challenge and opportunity for the business.

"It's a challenge to get protein snacks to taste good, but there's a huge need from manufacturers — both big and small — to be able to create good-tasting, protein-based snack occasions," Morgan said.

“We found what was an innovative way of keeping the history of the company, but creating a new focus where G&S means ‘great snacks, great service.’”

DAN MORGAN G&S FOODS

Morgan added that being privately owned and backed by the Warehime family that's so familiar with the snack industry has enabled G&S Foods to invest in new capabilities. Meanwhile, from an operational standpoint, Fitzkee has worked with select vendors to adapt their equipment with technical features tailored to meet G&S Foods' focus on the future.

"We tried to plan for everything so that we can create new products without having to purchase additional equipment and wait for months for it to be delivered," he recalled. "Unlike a branded company where you are running the same product day in and day out, we switch products sometimes daily, so we need that flexibility as well."

During the initial startup last summer, Morgan noted, G&S Foods took the plant "out for a spin" to ensure its new infrastructure, processing lines and operating systems functioned as anticipated before closing the Abbottstown facility and adding more packaging capabilities.

Top: A newly delivered twin extruder will enable G&S Foods to produce the next generation of protein and other better-for-you snacks.

Bottom: Dan Morgan (left), president and CEO, and Wade Fitzkee, vice president of operations, discuss pretzel production in front of the line's new continuous mixer.

"We have left room in production and packaging for automation when we're ready," he said. "Being a co-manufacturer, we don't want to automate until we know exactly what we need. We know it's coming. That's why we built a plant that's nimble and can pivot when needed."

Snack plant for the future

Currently, about 400 people work on three shifts, five days a week, but the company has already installed 900 lockers, which Morgan described as a sign of the company's commitment to double the size of the business over the next five years.

Overall, Fitzkee said, he relied on the combined experience of the owners and management team with his 40-plus years of experience in the snack industry to guide the well-planned design

Enrobers in a temperature-controlled room crank out chocolate-coated pretzels and other snacks that other manufacturers cannot make.



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and detailed construction of the new facility.

Production flows from incoming raw materials at one end to warehousing for finished products at the other. About 60% of the facility is dedicated to production while 40% is for warehousing.

Fitzkee pointed out the facility's key features, such as its 30- to 40-foot-high ceilings that eliminate height restrictions on equipment and enable the operation to take advantage of vertical space by adding mezzanines for scaling and packaging snacks. In the middle of the plant, windowed production offices allow managers to observe the operation in real time. Multiple washing stations were built near different production lines to facilitate sanitation and minimize changeover time.

The R&D department is also located in the center of the operation to allow for confidential makeup of products, a kitchen and lab, and mockups and meetings in an adjacent conference room.

"Our customers can come in to work with us to develop and test their sample products," he said. "We also have a corridor that runs through the facility where customers can see the snacks in operation from windows lining the corridor."

In the snack area, two 70,000-lb flour silos feed the Schenck Process bulk ingredient handling system while other ingredients come bagged or in multiple tote systems. During *Baking & Snack's* visit in October, the company was installing an APEC micro ingredient handling system for BFY and other new snacks with multiple ingredients that require exact specifications.

"Many of the new protein snacks are more than just flour, salt and water," Fitzkee said. "We're setting up a system for quality control that can dispense not just more traditional snacks, but also more complex

Legendary snack family keeps its legacy growing

For decades, the Warehime family has been a fixture in the snack industry — first with the ownership of Snyder's of Hanover, led by the late Michael Warehime, the former chairman who made the brand a household name. He's also recognized by SNAC International as one of its Circle of Honor recipients for his lifetime achievements.

Now, the family's legacy lives on through his wife, Patricia Warehime, and their daughters, Kate Mininger, Susan Rupp and Elizabeth Warehime-Rizakos, who own G&S Foods in the co-packing and private label arena.

Dan Morgan, president and chief executive officer of G&S Foods, noted the family has provided the driving force and the funding to build the state-of-the-art facility in Hanover, Pa. Here, the community has supported and been rewarded by several of the nation's most prestigious snack operations that call this region home.

"The family has and always will be committed to the Hanover area," Morgan said. "The people in this area have shown great work ethic. Additionally, the commitment that the family has made to build this plant right is so commendable. We're focused on the long-term future of G&S to be able to profitably employ people in a business in Hanover; that's very important to the family."

In addition to hiring up to 900 people in the coming years, G&S Foods plans to build a solar farm that will supply 30% to 40% of the plant's electricity and reflect its good stewardship of the environment.

Today, anyone who enters the Hanover snack plant will feel the presence of the Warehime family. In the lobby's entrance is a plaque quoting Michael Warehime's signature advice to "never compromise on quality" when working in the snack industry.



ones on our high-volume lines. We don't have to worry as much about the quality, food safety and accuracy of these micro ingredients that you might if someone were manually adding them to the batch."

Currently, the snack area houses more than a half dozen production lines for conventional snacks. Fitzkee noted a recently purchased Wenger twin-screw extruder will handle more difficult-to-process heavier grains and protein ingredients under greater pressure to create more innovative snacks with healthy ingredients.

One of the new lines from Reading Bakery Systems (RBS) turns out thousands of mini pretzels a minute. After passing through the Exact Mixing continuous mixer, the pretzel dough travels to a low-pressure extruder for forming before receiving a caustic bath and baking in an RBS two-pass tunnel oven. Fitzkee said the pretzels initially bake on the oven's band at a higher temperature to remove moisture before traveling back on a kiln pass underneath at a lower temperature and a longer time to establish the product's crisp texture. The pretzels next are bulk-packed, but more packaging options will be available in the near future.

On the puffed snack line, operators manually add 50-lb bags of corn to the vertical mixer, which hydrates it before an operator checks the batter for moisture. The line also has a Ross high-shear mixer for incorporating dry ingredients from proprietary formulas. The mixture travels through an auger into an extruder and a die that applies pressure to form a string of dough that's cut into pieces. It then heads into a Lanly industrial dryer and PPM Technologies seasoning equipment that

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DAN MORGAN G&S FOODS

coats the snacks with cheese seasoning and salt.

Afterward, the orange puffcorns travel up a Layton bucket elevator and onto PPM conveyors to a mezzanine of Yamato scales and vertical form/fill/seal baggers below that can crank out hundreds of either single- or family-packs, or a combination of both, each minute.

Coating with care

Most of the operation, except for the oven rooms, is temperature-controlled not only for employee comfort but also to ensure quality control. That's especially critical in the coating department where an enclosed room that's set at more than 100°F houses five Feldmeier, 75,000-lb bulk tanks, with space to add two more.

Fitzkee said the warm temperature helps keep the coatings flowing through the jacketed piping. The tanks also agitate the coatings for several minutes on a regular basis to maintain consistency. In all, G&S Foods can offer more than a dozen varieties of flavored coatings that are stored in totes for limited-time offerings and seasonal snacks.

The adjacent, air-conditioned coating department houses five Aasted enrobers and cooling tunnels with infrastructure in place to add three more lines. After cooling, enrobed products are weighed and dropped

Left/Circle: A bank of scales and bagging systems enable the plant to place snacks in everything from single-serve to family-sized packs. Right: Several large tanks hold chocolate and other coatings for the enrobing of pretzels and other premium snacks.



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OPERATIONS G&S FOODS



G&S Foods' plant can package snacks in a variety of formats from traditional pillow packs to pouches and metalized bags.

into Pacraft (formerly Toyo Jidoki) stand-up pouches or Matrix packaging machines before case packing, palletizing and storing in a first-in, first-out warehouse.

Morgan pointed out that packaging innovations in recent years allow snack companies to merchandise their products beyond the traditional snack aisle in delis, produce sections and special displays throughout retail stores.

The facility is designed with food safety in mind with kosher certifications as well as Non-GMO Project verified, Certified Gluten Free, USDA Organic, SQF Level 2 and other accreditations. Fitzkee noted all products are tested for quality assurance so they meet customers' specifications.

Although production has ramped up, Morgan expects G&S Foods will add new equipment and process capabilities on an ongoing basis as its customer base expands. The company also has room to expand the operation by another 200,000 square feet to accommodate new business in the long run.

"It's helpful that we have such a rich history, whether it be our ownership or our senior management team, who have a vast and deep knowledge of the snack community and can help us keep growing this business," Morgan explained.

Nobody knows exactly what tomorrow will bring, but for G&S Foods, the best is yet to come. ●