

440. Jay Altizer

Will Bachman 00:01

Hello, and welcome to Unleashed the show that explores how to thrive as an independent professional. I'm your host Will Bachman. And I'm so excited to be here today with my friend Jay Altizer, who is the founder of falling branch advisors and expert in the food industry. Jay, welcome to the show.

Jay Altizer 00:21

Thank you. Well, good to be with you.

Will Bachman 00:23

So Jay, I was surprised, I guess, to learn at some point in my life that not all of the food on the shelves at the supermarket was made by that company with the, with the brand on the on the front. And there's this whole kind of world of contract manufacturers and, and various different multiple players going on. And I was hoping in this episode that you can help me learn a little bit about this whole world of mid market food manufacturers.

Jay Altizer 00:56

Of course, of course, it's certainly a large and diverse part of the world of the world of food.

Will Bachman 01:05

So let's start with some structure. So maybe one way to do it would be like walk me through almost the value chain of a typical consumer packaged goods that we might buy in the grocery store, have the different players involved up, you know, from sort of very beginning to the end, so and there might be not just a linear value chain, but there might be kind of farmers involved plus branding companies and manufacturers and transportation or, you know, a number of different players, supermarkets, wholesalers, distributors, walk me through that kind of value chain, the different types of players and obviously, some companies might have multiple roles that they play, but just what are all the different roles in this space?

Jay Altizer 01:49

Of course, and why don't we do this starting at the starting at the shelf, or starting with the point of sale and working back said okay,

Will Bachman 01:57

absolutely. That's that's a great way to do it.

Jay Altizer 01:59

Yeah, so look first, the first I guess division or split in where your food would come from, or how it will get to market is would be in the channel where you buy or it's sold, right? So there's retail, the retail channel where you bought food in grocery club, those kinds of places, markets dollar store. A lot of

food also moves through food service, whether that's either chain restaurants, you make it up McDonald's, Brinker Darden the large restaurant chains, or through independent restaurants. And there's, there's some subtlety in how food would get there because the the distribution to those those three points of consumption or there's three places you would buy, it does does vary. So they're different channels, then backing up from that your your products make it to market in a couple of different ways or sort of two or three different ways. There's the majority of food is distributed either self distributed by a retailer through what's called the warehouse system. So So retailers run a distribution network internally that for the I think the majority of things that are in the store, manufacturers ship into their warehouse, so Safeway or Walmart, or any of the retailers do that. And then for for restaurants, the there is a well developed large network of third party distributors So these would be the new the Cisco's the US foods, pf G's, players like that, that take, also have a network of warehouses have trucks that take food to independent restaurants, and can also serve as distributors for the chain restaurants. And then there's a little bit of a subtlety in there is some of the chain restaurants will run captive distribution or contract distribution. So you have distributors out there that only serve you know, maybe only serve McDonald's in a certain region or only serve, you know, a set group of chains that are called captive distributors. So there's no there's a little bit more to it than that but you've got retail or food service independent or chain restaurants and then a step back From that you've got either direct, direct a store direct restaurant, delivery or delivery through these through these systems.

Will Bachman 05:12

And then I suppose you also have on that food service side institutional, food service, school cafeterias exams, like big corporate cafeterias

Jay Altizer 05:27

cafeterias completely.

Will Bachman 05:28

Are those different distributors that would distribute to them? Or is it the same ones that would deliver to your local independently owned restaurant?

Jay Altizer 05:37

I mean, that's that's usually a channel for like, first, it's Cisco, PFC, somebody like that will distribute to it like a IRA or or, you know, a stadium, something like that. So there's, there's usually an institution or group within the big distributors that that take takes food to those locations.

Will Bachman 06:03

Okay, so we got these. So we were backing up. So there's different types of distributors, either a captive distributor, or an independent distributor, or in some cases, it's the supermarket's

Jay Altizer 06:15

own self distributing sell. Right. Exactly.

Will Bachman 06:19

And then I guess there's some categories that get delivered by the actual retailer or by the actual manufacturer, like so.

Jay Altizer 06:27

The actual manufacturer, exactly. So high turn products, with short shelf life tend to go directly to the store. So that would be things like bread, milk. Famously, for Frito, lay salty snacks go directly to the store. So that's called direct store distribution. So there are certain categories of products that go straight to the store.

Will Bachman 06:54

Okay, I think I've seen like soda, the Pepsi and Coke will. Exactly Yeah. Okay, what about

Jay Altizer 07:00

it's more mixed these days? But but yes. Okay.

Will Bachman 07:03

Is there just sort of a division between distributors that do all of the, the meat and the fresh vegetables versus the more stuff in the center of the supermarket? Are they are those different categories of distributors? Sometimes?

Jay Altizer 07:19

Oh, they certainly can be and they tend to specialize. So you'll have I get maybe if we want to solve down and just talk about the retail channel or retail grocery? Yeah, I'm to simplify this. So yes, is the answer. So you'll have just you know, walking around the store, the bread coming in direct the store, you know, maybe not all but some of its coming through the retailer's captive system, you'll have you know, milk being delivered direct to store, then you might have a specialty distributor that is bringing in New Delhi items or, you know, a specialty distributor that's, that could be bringing in, like deli meat, stuff like that, like cheese. So there are specialty distributors that deal with certain parts of the store.

Will Bachman 08:20

Okay. So now let's go back a step. So kind of the Where is all this stuff getting manufactured for the stuff that's in the center of the store? Not just fresh vegetables and meat? But is it typically Of course, yeah, if I buy like boxes, branded spaghetti isn't maybe bought, purchased made in a contract manufacturing location that's manufacturing a bunch of different brands?

Jay Altizer 08:46

It depends, but it but yeah, so I'm part of the world of food manufacturing, has manufacturing facilities. And those are typically focused on what this company is viewed as the core products. And then there's a for most categories of food in the store I'm aware of, there's a robust network or robust community of manufacturers that could be making it really anything you see on the sell the shelf, so companies that might make newer startup brands that have an innovative product product that can't yet afford manufacturing capacity, they might also be making private label items. So the items that are in that stores brand, so great value, if it's Walmart, so on and so forth, the retailer's label, and then may also be co packing for the brands themselves. So, I think you said, boxes, spaghetti or box of pasta so you

could have it could be the case that you had somebody who was making the same manufacturer is making A small brand making, you know the national brand and making the private label item. And then sometimes, sometimes it's the brand that's doing that. And sometimes it's an independent player that you do not hurt.

Will Bachman 10:15

To talk to me about some of the kind of different types of, you know, companies in that mid market food space, when you know, the range of companies that you serve. Tell me a little bit about, you know, some different examples could be sanitized examples of what might we see that how big are these companies? Or is it the they specialize? They just work regionally? Or just give me a sense of some of these companies?

Jay Altizer 10:40

Yeah, sure. So So I guess some maybe the layout categories of products that I've touched. So I've worked with a broad swath of these types of companies and everything from Frozen for foods to your powder products, drink mixes, cheese, canned goods, retort products, prepared foods, like like side dishes, or like deli salads, specialty ingredients, meat cutters. Recently, I worked with a supplement co manufacturer, so these types of companies exist across the spectrum in, in looking in some some of these types of companies could be fairly large. The ones that I have tended to work with lately have been maybe on the small end \$20 million in revenue, something like that. And then on the on the larger end of the ones that I've dealt with, I'm not consulted, where maybe 400 million, something like that in revenue.

Will Bachman 11:52

I imagine that there's a lot of companies out there in this food space that are not named brands that we would recognize but could be sizing all companies 100,000,200 million revenue companies.

Jay Altizer 12:03

Oh, in into the billion some for sure. You know, one example a friend of mine used to work with is the head of sales at Great Lakes cheese, which was looking at their website they now make, you've probably never heard of Great Lakes cheese, but 25% of the packaged cheese in the US for their, for their website comes from Great Lakes. Jeez,

Will Bachman 12:27

what 25% of the Jeez, Holy smokes.

Jay Altizer 12:31

Yeah, look, they're in there. They're good at it, family owned company that's got facilities across the US. And that does cut and wrap. So actually the packaging of finished products from boss, jeez,

Will Bachman 12:47

it's amazing. What are some of the types of issues that you see with with this kind of mid market food company anywhere from 20 million to 500 million in revenue? What are some of the issues they're facing?

Jay Altizer 13:00

Sure. So in these companies come to pass in a number of different ways. But the the ones that I'm working with are often it founder LED, or and maybe it's a family company that's been in operation for some period of time, and then recapitalizing you know, maybe it's someone that wanted to get in the business and you bought some capacity or a facility that a larger a larger food manufacturer was shedding but it's usually the movie goes something like this. So So they've had some level of success. I'm involved because they're recapitalizing and private equity investors is making an investment has made an investment or evaluating making investment they've come in, they oftentimes have a degree of customer concentration that's both a blessing and a curse. So there's a large anchor customer that may or may not be their most profitable customer, a lot of times those relationships tend to lose lose margin and lose profitability over time. And what I'm working with him on is getting a common sense growth plan in place. So if they've got a regional brand, getting a plan to invest modestly in that brand and expand it. I'm working on how they sell their, their private label offering that it's interesting to me in this day and age, but there's even even private label products, even co packing products. The customers you deal with, whether it be any of the retailers or whoever's on the other end of that has an expectation that you've got a good analytical command and a category and you're, you can really advise them on how to grow. So, um, you know, a lot of work on growth. Another issue you see is complexity and real range of margins in in product portfolio because a lot of times it's, it's difficult for these types of companies to get periodic reliable unit economics on the product. So So you see, you know, lots of skew complexity, or sometimes you see lots too complex the other time you see pricing opportunities, so that's, that's another issue, we touch a lot. And then you know, a lot, a lot of times there's room to invest in, room to invest in, in capacity or it room, there's a need to invest in the facilities and operations, these businesses either for productivity or for, for quality. So though, they're just oftentimes are operational opportunities as well. And what you try to do is, is look across all that and get a common sense, common sense plan in place to both grow the business and expand margins over time, and then, you know, ideally have have an idea of some other assets or some other businesses that would go well with it so that you can start to build some scale and build a system that serves these downstream, downstream customers, we're talking about

Will Bachman 17:06

how do you go about the type of problem where there's a lot of skew complexity and lack of visibility into the profitability of different skews, because they haven't really done close? cost accounting? And can you? Do you have any examples of that, that you can kind of walk us through some kind of sanitized example of how do you get start getting your arms around that?

Jay Altizer 17:34

Yeah, and this, this, I'm a former colleague of mine, General Counsel I worked with at the last company I was in I told him, You know, I never thought my career would be defined by managerial accounting, but yet, here we are. Um, look, it's the it's the exercise is, is not that analytically challenging, right? Usually, usually, the costing systems are in shape, where you've got a decent idea of your margin over input materials and packaging. So you know, here's, you know, here's what I charge for this. And then here are my materials and packaging. You may have difficulty in, in understanding your net realized

price. So is that, have you have you been around the food world enough to understand trade spinning and discounting and how that works?

Will Bachman 18:36

No, it'd be helpful to get a primer on it.

Jay Altizer 18:39

So so the, the short view, or sort of the short way for me to lay out that concept is your your net price, your, your net sales for any given product, or any given item should reflect the discounts you gave to the retailer or the food service distributor on that item. And there's a lot of discounting in the food space, because you as the manufacturer will fund retail promotions, or you will find, you know, spiffs to foodservice sales forces. And there's, there's a lot of discounting and trade money that goes back and forth between manufacturers and either distributors or retailers. So that's, that's kind of the first thing you've got to get right is at a unit level or an item level, what revenue Did I really get for this after discounting, and so that takes a certain level of analysis, and you have to look at that typically over a fairly long period of time, because the discounts tend to be seasonal. So that's, that's one important analytical exercise that that can be a challenge for some of these smaller companies. Then Um, but but you probably you probably have a command of your materials and your packaging. So you know what, you know what the package was, you know what the ingredients were in whatever the item is, then the next thing that gets difficult is your is is how you think about your, your labor and your fixed costs. So the bottom of your p&I. And that's where you just got to do a little digging and a little homework to think about which sales people do I have working on which channel? Which labor Do I have attached to which line, the more product lines you have, the more complex that could be, but it's, it's, it's arithmetic, it's just complicated arithmetic. And it's really important to understand that early days, because the before you go, establish a growth strategy or establish you know, complexity reduction, strategy, all that really needs to rest on a really solid foundation. foundational understanding of your economics. So you know, what's going to happen to the bottom line, either as you work on productivity, or as you work on growth initiatives.

Will Bachman 21:23

My own experience in not in food manufacturing, but serving something analogous manufacturer of cleaning products, specialty cleaning products, they had, oh, maybe four or five different production lines, but like 200 different skews, so they would, you know, do a lot of changeovers, and I, so kind of from firsthand experience there. I know how challenging it could be first, even just to figure out what your labor cost was for a given skew? Because you have to know Okay, on average, how many do we produce per hour when we're running this line? How many people are assigned to this line? And often they don't know that. Or it could be highly variable, what you know what the production rate is? And then also, what's the change overs. So if you're running short runs, maybe it's not a big deal if you're just running spaghetti every day, every week. But if you're doing lots of different lines, and you have any significant change overs, some products, they might, you know, maybe they run really fast, but then they have changeovers if you're doing short runs, so and then how much do you assign for the cost of that production line time, if it's if the machinery is already paid for, but you still have a factory. So kind of assigning the all in opportunity cost to a given skew, I imagine can be a challenging exercise.

Jay Altizer 22:43

Yeah, looking if you want a real example to, to bring it home, I had a client in the past year, that was a cannery. And in canning, you, you pretty much cook the food inside the can. So whatever you're making you put it in the can you seal it, and then you send cans, which are obviously a very different sizes through a steam tower, and they could be in there for it for several hours. And the long story short, the food service cans are large, and it takes a long time for a food service can to cook compared to a retail can, which is 1516 ounces. And because of everything that was going on with COVID, they weren't able to serve all their demand and really didn't have a command of Okay, who gets the product if we're having to make trade offs on line hours between our food service customers and our retail customers and across our skew set. What's what's the best use of time in the cooker? And without the kind of understanding you're describing there's you can't make those decisions and they were it suffice it to say not making the optimal decision said at the outset.

Will Bachman 24:18

I'm curious, you know, there's one in one firm that I mentioned that I serve, they were on the smaller side 10 or 20 million, and they didn't have very sophisticated like production planning system. So it was still a bit of pencil and paper and then moving it to excel. But it was it's a complicated problem, even if you only have three or four production lines and you have B only produce three or four at a time. And then you want to think about changing changeovers and making the changeover as easy as possible. And you have all these orders that you're trying to fill if you make two orders instead of making two stock and just sort of an O and maybe by the way, this one package is out of is out of stock. box, you can't make that particular size of box. So you have to switch it around. And so figuring that out is complicated. How have you seen food manufacturing firms do that? Is there, you know, software that larger firms are using? Or is it still just, you know, pencil and paper moving magnets around on a board? Like how do they solve that problem?

Jay Altizer 25:23

Um, it really vary. So, so even look, for smaller companies, it's completely pencil and paper, but you can have fairly large companies where it's pencil and paper or where you've got a spreadsheet doing something that should be on pencil and paper. Um, the, the best? Look, one of the best examples, I've seen that in the last couple of years is I worked with or was diligent seeing a small meat cutting operation. And I think this was spreadsheets and have software that was doing the optimization, but the way the CEO thought about it was, how much do I make per minute? How do I how much do I make per hour. So that's the way I think about taking on new business is not it's not percentage margin, its use of this facilities, it's, it's the throughput, and so that that actually was the way those guys were, were managing and running that business. And this was an F sub, I think, I can't remember exactly said 15 million in revenue, right. And so that they had a fairly sophisticated command of not just their unit economics, but the amount of resource it took in the facility to use it. And that's, that's how they thought about business development. Because a lot of times, that's another thing in these types of businesses, it's very customer focused, you're trying to take care of the restaurant or the retailer or the food service distributor. And you're, you're really setting up a system that's going to last for a while so it's not about selling this item right now. It's about having that available so that someone can sell this basket of goods or or menu these types of products and the commitments can be fairly long lasting so that was that that was a very sophisticated understanding of unit economics, but it was working in spreadsheets or

not, you know, it didn't have optimization software that did it. Um like I was through a supplements facility that had a slew of stuff supplements facility not so long ago that actually had a fantastic fantastic ERP system that did some of that so it was native in I think maybe they had is like NetSuite the lower end Oracle Now, something like that. They were using some modules modules of NetSuite. So just it's just really it really varies.

Will Bachman 28:06

Tell us any stories you have about you know, walking through actual food manufacturing facilities that things that surprised you or that you just thought was, was curious that you know, an outsider who just is in the supermarket would would not know about

Jay Altizer 28:24

Yeah, so, um, the first thing I would say is that a lot of times I get get questions. It particularly, you know, socially but you know, people sometimes will have this assumption that the, in the world of food manufacturing is out there working to put one over on them and yeah, they're they just sort of this line of thinking that if you know, if I'm not buying some nice brand, or you know, organic or item right in the sky, all these claims on it, I'm not buying the best food or save for high quality food, which is not the case, right? The most of these manufacturers are filled with people that work hard to, to make safe products. And we're very focused on cleanliness. And I think that's the first that the brand has less to do with certainly the safety of your food that you might realize that there's a I won't name it but there was a branded product, refrigerated branded product distributed widely here in Texas, I looked at in a deal once and I got a lecture from this mom at a dinner one time about how much better This product was then some of the stuff I was making in the business that I worked in. And you know, like I'd been in that plant the week before and like our ops guys wouldn't taste the product because it was so on. sanitary so it's the the manufacturer it really does have an impact on your certainly safety and certainly certainly product quality more than you would think that the brand would but you're, you're you're being fed advertising and messaging from the, from the brand and you know, there's there's that's, that's not always the case. So, um Gosh, like crazy stuff I've seen or interesting stuff I've seen you know the um so which route Do you want to get? Are you looking for like innovation are you looking for?

Will Bachman 30:55

Maybe you just give us a just give us a little oral tour here of one of these facilities? Are they like gleaming stainless steel kind of scientific laboratory type environments? Or is it like just what what would it look like if we were walking through some kind of food manufacturing facility? I have a I have a vision of what like maybe a steel mill looks like but i don't i don't have a vision of what like a pasta factory or you know, or a canned pea factory would look like I can

Jay Altizer 31:27

pee factory. Let me give you a good example. Um, so the facilities in that you know, we're in my business so when I worked at Dean Foods at Morningstar, Morningstar foods division before it was sold, we put a lot of investment in into those facilities. So the dairy industry has been around for a long time there are a lot of dairy plants that are older and you know, some of those can can need investment or can need refreshing so as one example we had a plant in friendship New York that we made significant investments in that facility for employees so it very nice break room, we were consolidating

other business business into that facility. So milk would come in at the docks, there's a lot of a lot of focus on cleanliness and keeping any anything you don't want any milk out of your milk ball, nope, is tested in the tanker, all tankers are tested, then from there, really milk would move through the plant and pipes. On the so what you would see with the exception of maybe cottage cheese has some open areas is it really from there, it's just stainless steel and pipes going through the facility, there would be blending and batching. And then at at the other end of the plant, there's a filling area where you've fillers make products. So as you're walking through the plant one investment we made as an example would be foaming at all the doors so your shoes would get foam with sterilizing agents. there be a lot of cleaning through through the day. And it's so look it's wet and it smells a little bit like like cleaning agents but very, very safe and most of most of the time the things you're Gary are moving around and in stainless pipes.

Will Bachman 34:04

Tell me a little bit more about a milk plant I I guess I mean, clearly the milk comes in its whole milk, right? But what happens to it typically, I guess it they must somehow take off the butter and then take off cream and some of its whole milk 2% skim milk, half and half is that like all those blends and so forth happening? You know in one plant typically than they're making butter in one place or do they ship that off? Like how does how does the milk plant work?

Jay Altizer 34:33

Yeah, so um, a basic milk plant that's making gallon milk is so as as in the other instance it brings milk in and then separates it into milk and cream. So you've got you've got it not comes out of the cow at 3.6 3.7% butterfat, and then you know, a lot of milk you sell or is skim 1%. So your net generating butterfat in the form of cream. So a plant that's just making gallon milk usually is a net exporter of cream. So there are trucks of cream headed off to other plants. And then those were the types of two can either go to another plant or you've got another manufacturing line, that's not your milk line, that's after the separator that is reincorporating the cream and blending the cream to 36% 40% for whipping cream or two to half and half with re blending it back to, to those product standards.

Will Bachman 35:54

Interesting. So so the first thing that they do is they take the milk in, and they separate it, so it turns it into skim milk, and then the the cream. And then yeah,

Jay Altizer 36:03

or or you right you you pull on, you might do it to batch right. So you might, if you're making skim, or you're making 1% or 2%, you're you're skinning cream off to get to your spec, and then the residual cream is being held to the side for use in other products

Will Bachman 36:24

or for sale. Oh, gotcha. All right.

Jay Altizer 36:26

So it's like oil and gas industry, right? Yeah. Crack it out crack, you know, tanker milk open, just like you do a barrel of oil.

Will Bachman 36:37

So that cream then goes off to like a butter factory or an Ice Cream Factory or something.

Jay Altizer 36:42

Sure, sour cream. Exactly. So there's a some of the milk tankers you see on the highway are actually cream going to manufacturers that are making hard fat products.

Will Bachman 36:56

You've talked about safety a couple times, I'm curious about some of the organizational pieces of a food company more broadly. What are some of the roles that that exists in there for safety? Are there some that you know, at a larger company who is responsible for dealing with regulators or dealing with just sort of monitoring internal food safety? What are some of the titles or the roles that you might see related to that?

Jay Altizer 37:24

It's usually that's your quality function typically. So you will have different authorities depending on what you're doing, who show up at the plant and in and inspect it. USDA has inspectors resident in meat plants. So that's that's not even a periodic inspection. And you should get people that were there. But the your the quality department would do that. And then you would have you you've got a lab and every facility figure testing for your test testing for pathogens, and you're also testing for product quality, and you're testing to make sure that your products meets that. But but there's a quality department or quality leader, quality manager, a plant is usually the person who's responsible for that.

Will Bachman 38:24

You do a fair amount of due diligence of food companies for private equity. What are some of the questions that you're typically asking, when you're doing due diligence, and you go as deep as you want to know more? What's the long list of questions that you that you start thinking about? As soon as you hear Oh, another due diligence? What's your list of questions?

Jay Altizer 38:47

Yeah, and so what I'm typically trying to do is to get a read on what's going to have to happen to improve the profitability of the company and to grow it. So you know, I'm not doing specialty, diligence, q the anything to do with the facility, anything like that. So I'm, most of my questions, start with the business plan. So usually, when you're in diligence, the management team has laid out a plan and said, you know, hey, here's, here's where we think we can grow. And here's your opportunities that we know we have to improve our profitability or to you know, invest back in the business and increase productivity. So that's usually the line of logic. I'm heading down and I'll have a ton of questions to see, you know, if they've got a good track record and growing the business, you know, how they got there. how sophisticated is there Their sales force if they've got market information about how their categories are growing, because it's, you know, it, your benchmark for growth, and a lot of these these companies is how's how's the category doing around them? And are they meeting that being that under that? So a lot of questions about their, their plan a lot of questions about how they gotten where there they are, and and whether whether you you think their targets or objectives are achievable. second line of

questioning would be to the extent you can and you it's typically difficult to do this in the timeframe of a diligence project, this, this issue of, are you making money? And what are your unit economics supply? You try to do some research on that, if you can, I've certainly had instances where in one instance, in a frozen food company, their core item, which was most of their sales was declining in both revenues and profitability over time, so that you know, the business and total great, but what was really going on is they were hustling as fast as they could with, you know, with new items, and with some innovation to basically fill the bathtub back up. So unit economics would be second. And then third thing is, I think you're always trying to get a sense for the team, and how scalable is the leadership team? So do they run it as just the CEO or the founder, whoever's running it? Does that person run it themselves? Are they making all the decisions? Or have they really invested in talent in key areas, so that that's a that's always another interesting area to explore, particularly if you think you're going to bolt on acquisitions. And then, really, through the whole thing, you're always looking for risk, or you're always looking for reasons that this, the story they're trying to tell may not be true, or there's risk in the business that they haven't thought about whether that be I mean, you're not going to touch anything where there's any kind of food safety risk, or where, where you're not buying into good plants, like, hopefully, you're not in diligence, if that's the situation. But you know, if margin risk, or you know, they're not moving the prices to keep up with inflation, or there, there are corners they haven't seen around in terms of things that could impact our earnings and set you back from 40 are a lot of that.

Will Bachman 43:15

Any good sources of information that you rely on for staying either either up to date on industry broadly, blogs, newsletters, websites, or just infamous or sort of more data sources that you rely on? You know, so, look,

Jay Altizer 43:35

it's good to flip through food business news, which doesn't take very long. I'll also listen in on some of the IRI and Nielsen webinars, if they're their topics I'm interested in or things I think I need to know about it. Not, there's not enough you can say about how important market information is. And if you haven't worked with IRI or Nielsen or any of the syndicated sources spins, nine times out of 10, the, the these businesses or these management teams just aren't keeping up with what's going on in their market. So what's growing, what's shrinking, how's the category doing, you know, are in in all of those sources measured retail sales, not wholesale sales, but it's very important to have a command to that and so that's all frequently contacting one of those providers to get some information to set some context around. How are you how how's the world look around this particular company?

Will Bachman 44:48

Interesting. So it's easy for people just to focus on their own business and and they're not kind of keeping track of broader industry trends.

Jay Altizer 44:56

Right and in those those services, are imperfect and they they tend, they tend to have a lot of detail only about the retail worlds that take us back to where we started. They those information sources don't really cover in food service future distribution, restaurants all that well. So those are, that's harder information to get. And if your business is blended across all those channels, you're only looking at one

but I just don't think I don't think that's an excuse for ignoring. Ignoring understanding what's going on in the retail channel is a proxy for what's going on in consumption of your types of products overall.

Will Bachman 45:45

Jay, if someone listener wants to follow up and contact you, where would they go to learn more about your firm and get in touch?

Jay Altizer 45:54

Of course, falling branch advisors, LLC, calm and my email address is first name dot last name at falling branch advisors llc.com. I would be more than happy to talk with middle market food companies or investors in these types of companies about certainly what I'm seeing.

Will Bachman 46:15

Fantastic. Jay, thank you so much for coming on the show and teach me a bit about the food industry. Thank you Well