

THE Barrett Bugle

News and information for
and about the customers
and employees of Barrett
Distribution Centers

January 2009

CUSTOMER SPOTLIGHT

From the bean to the bar

Hotel Chocolat, a Barrett customer since 2007, is passionate about premium chocolate. They set themselves apart by growing their own cocoa beans at their historic plantation in St. Lucia.

BY RUSSELL ENG, PROCESSING/ENGINEERING MANAGER
After reading an antique 1920's book about

cocoa growing in the Caribbean, Hotel Chocolat co-founder Angus Thirwell had a thought: Why not do the opposite of everyone else and grow our own cocoa?

The industry model for the global chocolate industry is to buy only the commodity crop from the developing nation and then to add all the chocolate-making value to it back in Europe or the US. In the 1920's it was common for a Chocolatier to make their own chocolate from the bean. Since hardly any Chocolatiers get involved in the "bean" any longer, Hotel Chocolat backward integrated into the cocoa bean farming business. Angus concentrated in the Caribbean since it was once an important cocoa growing region. After a long and difficult search, Angus and Hotel Chocolat co-founder Peter Harris found what looked to be an ideal historic estate in St. Lucia. Within a week they bought the entire estate.

Angus and Peter had three good reasons for buying the estate:

1. They could make it a successful West Indian business

2. It fit their *Engaged Ethics* program
3. They felt the future battleground in super premium chocolate will be about the true chocolate experience.

Their estate connects the origins of chocolate directly with their consumers. They are one of the very few chocolatiers in the world to make this connection.

With the support from the St. Lucia government, Hotel Chocolat embarked on a 3 phase plan to make a successful Caribbean business.

Phase 1: Re-establish the Rabot estate as a

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Hotel Chocolat has the unique distinction of growing their own cocoa beans to make their high-quality chocolate.



DIRECTOR'S POINT OF VIEW

Barrett relocates servers to optimize service

BY JAY SCHEINER, DIRECTOR OF ADMINISTRATION

At the end of September Barrett moved its mission-critical servers off-site to a co-location facility. Reducing risk of service interruption and planning for disaster recovery were the motivating factors at the heart of this decision. Planning and decision making of this move spanned a 9 month period. Mark Marino and Jordan McLaughlin put together a great plan that was transparent to our clients, their customers, and our users.

A co-location facility is a building suitable for housing your servers in a safe, secure environment that has temperature and humidity con-

trols, a source of clean and reliable power, and access to one or more high-bandwidth communications backbone services. Physically, this co-location site is an entire building that has been designed and built for this purpose.

Some of the benefits our clients will realize from this investment:

- ▶ We have outsourced a non-core function so that our IT staff can concentrate on improving functionality and reporting for our clients.
- ▶ An enhanced physical environment from a security and disaster recovery standpoint will reduce the risk of server downtime.
- ▶ We have redundant connections in place that

minimize network downtime.

- ▶ Each location now stands on its own, as we have eliminated the dependency on the "host" location; so if one location goes down, the other distribution centers will still be up.
- ▶ We have specified a solution that is scalable as our clients continue to grow.

Zethcon Corp. (our WMS development partner) has deployed VMware software on an ESX server, the leading virtualization product on the market today. The benefits of this technology are significant:

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A letter to our employees

BY ARTHUR BARRETT

Because of the skills, innovation, expertise, and effort that each of you brings to Barrett every day, we had a highly successful year in 2008. You should all be very proud of what you have achieved! Because of the strides we made in 2008, we enter 2009 in a position of strength despite the economic circumstances that surround us. We are all fortunate to be working for a company that provides such stability in an otherwise turbulent environment.

Because we create our own opportunities, and have built a strong foundation, I view the transition into 2009 as a crossroads for our company. We have done an admirable job of embracing change in 2008; yet we have a tremendous opportunity to build on that foundation and strive for even greater results in 2009. There are many reasons for our team to enter 2009 with great confidence.

▶ Looking back at 2008

Let's look back on our significant achievements in 2008:

- ▶ We opened a new facility exclusively for safe storage and distribution of hazardous materials. Mark Sotir and our Hazmat Consulting Group developed a plan, obtained all of the required approvals, and configured this new facility to meet or exceed the requirements of the municipalities and our customers.
- ▶ Bob Willert and Jay Scheiner worked closely with our existing clients to move their accounts into the new distribution center

without any disruption to their business. Cris Morin, Gary Therrien, Jose Araujo, and Bob Fay stepped up to fill some new positions and ensure a smooth transition.

- ▶ We made the Inc 5000 list of fastest growing companies for the second year in a row. We also made the Inc List of 50 Fastest Growing Logistics Companies.
- ▶ We absorbed the business of JJ Daly into our existing operations, which contributed significantly to an overall achievement of \$2MM in new business for 2008.
- ▶ Of even greater significance, we added Bill Daly himself to our operations team, running the Franklin distribution center.
- ▶ We landed our first customer for Baltimore, and our first contract for California. Jay Scheiner and Tom Shiels worked diligently on these opportunities in support of our strategy to offer reliable distribution services in markets beyond Boston.

Because we create and execute on opportunities such as the ones above, we enter 2009 with great confidence in the foundation we have built over the past 65 years.

▶ Looking forward to 2009

Looking forward to 2009, Mike O'Donnell has joined our team to work with Tim Barrett and Mark Sotir to continue our great track record of signing new business, and help us achieve even higher results for 2009. Mike has a terrific reputation in the industry, and has helped several good companies become great companies (Weber, Exel, Genco). We are excited about the possibility that Mike's enthusiasm and drive will mean for our existing customers and for the long-term growth of our business.

Our results for 2008 are up slightly over 2007. Because we have more full-time employees on our team now, each person's annual GGOB bonus for 2008 will be lower than 2007. So we need to adopt Warren Buffet's outlook and embrace the opportunity we have before us for 2009: "When others are greedy, be fearful; when others are fearful, be greedy." I am not suggesting that we get greedy. I am encouraging you, though, to lift your sights and go after the opportunities before us in 2009:

- ▶ Let's look for opportunities to get even leaner and attack our costs. Lower costs make us more competitive, improve the bottom line, and increase each employee's GGOB bonus.
- ▶ In an uncertain economic climate the advantages of outsourcing come into focus for potential clients. Each of us should be looking for companies that would benefit from our service offering, and turn these over to Tim, Mark, or Mike to bring into the Barrett fold. We have helped numerous startups launch their companies and become great success stories. Let's help launch more of these success stories in 2009.
- ▶ We are in a great position to leverage our assets and expand our operations with new service offerings and new locations.

The GGOB program is a gain sharing program. If you want to achieve a higher bonus for yourself in 2009, we need to surpass our 2008 results. The time to take advantage of new opportunities has never been brighter. Let's Go! 🚀

Barrett wishes all of our customers and employees best wishes for the new year!

Barrett relocates servers

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- ▶ We are able to spread processing demand across a cluster of servers automatically
- ▶ We can dynamically increase resource capacity
- ▶ We will automatically fail over to other servers in the cluster if one server fails

Mark Marino did a great job of designing our new network infrastructure to connect to the co-location facility. He and Jordan McLaughlin

demonstrated unwavering commitment to this project, as they came in on nights and weekends to perform testing and execute the cut-over with no interruption of service.

This solution protects our own business and that of our clients, and supports Barrett's plan to continue growing the business and expand beyond the 3 time zones in which we now operate. 🚀

"Ninety-percent failures come from people who have had major excu-

—George Wash

Exceedingly attentive to our customers

BY DIANE ALFRED, EXECUTIVE ASSISTANT

After jury selection and the first day of listening to testimony, the other jurors and I left the courtroom chuckling about the apparent “silliness” of the case—my peers looked as though their minds were already made up and the case was closed. After all, the case was (what most honorable citizens would consider) totally ridiculous. On day two, when the time for deliberation finally came, everyone was clearly tired, frustrated and really just wanted to go home—they firmly believed we would be “in and out”. They didn’t realize they’d be dealing with someone trained at Barrett. I managed to turn what they thought would be a 5-minute discussion into a thoughtful Perry Mason investigation.

At Barrett, *how* or *what* is not good enough—you need to ask yourself *why*. Our Customer Service team is consistently mentored to train their thoughts in this direction. When an issue or a challenge arises, this means not only being able to assess a situation and present what is occurring or what the customer needs us to do for them, but more importantly—*why* and *what am I going to do about it?* We not only recognize the challenge, but find the root cause and make sure

Barrett’s solution completely satisfies the client’s expectation. More importantly, we dive into why the situation happened and develop a solid root cause analysis to prevent a recurrence.

Our Customer Service department has a reputation for being tenacious advocates for our customers. Our passion is customer service. When clients are entrusted to us, we become their most ardent advocate, and their most vocal champion. We love to learn about their industry, their customers, and their overall goals. Most importantly, we want to know what we need to do to exceed their customers’ expectations and how Barrett can be an instrumental partner in that solution. Then we do our utmost to ensure that they are never disappointed. I’m not afraid to pursue any department head, director, (or owner for that matter) to ensure that their needs, concerns, or challenges (there are no problems, only challenges!) are acknowledged, identified, and (if necessary) resolved to their satisfaction.

Back in the jury room, we came to the conclusion that everyone had expected, but not before taking an in-depth look at all of the facts. I walked out of there that day knowing that I had done my job to the best of my ability—and that’s a great feeling. 🚀

Hotel Chocolat

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viable, thriving cocoa grower.

To do so they had to recruit and train a good local team. It required increasing the cocoa yield by utilizing better management and improving outdated farming techniques. As a result, Hotel Chocolat won a bronze medal in the World Chocolatier Awards.

Phase 2: Build a chocolate factory in St. Lucia.

By performing value-added factory work in St. Lucia, Hotel Chocolat added significantly more to the local economy than growing the cocoa alone would have added. The factory was designed to produce enough chocolate to export to the US and UK, and Hotel Chocolat developed a way to transport the chocolate while minimizing the carbon footprint. In March, Prince Charles ceremoniously broke ground for the commencement of the factory construction at the Rabot Estate.

Phase 3: Build a boutique hotel.

This phase is a few years away, and will be the culmination of the Hotel Chocolat vision

for producing premium cocoa and chocolate with their engaged ethos of sustainable agriculture and corporate social responsibility. This hotel will enable chocolate lovers to experience first-hand the company’s unique commitment and approach—hotel guests will never think about chocolate in the same way again.

Hotel Chocolat’s *Engaged Ethics* Program:

- ▶ Guarantee to buy all of the quality cocoa that farmers in the program wish to sell
- ▶ Pay farmers 40% more than they received previously
- ▶ Pay within 1 week
- ▶ Buy the cocoa “wet” i.e. not fermented, to ensure consistent quality and leave the farmers to concentrate on growing

Hotel Chocolat has been a customer at Barrett Distribution Centers since August of 2007. They are developing their US market with a website and retail storefront. To learn more about Hotel Chocolat, their story, and their chocolate, visit their site at www.hotelchocolat.com 🚀

Happy Anniversary!

Congratulations to the following employees who reach a milestone with Barrett:

January

Carol Silvia • 9 year
Mark Sotir • 8 year
Renee Moglia • 6 year
Christine Comee • 5 year
Jason Anderson • 2 year
Faith Echols • 2 year
Mark Marino • 2 year
Maureen Schlegel • 1 year
Alex Mitchell • 1 year
Hector Escudero • 1 year
Juan Gaviria • 1 year
Jean Simon • 1 year
Michael Wrzesnik • 1 year
Raul Velazquez • 1 year
Apolina Dominguez • 1 year
Alicia Young • 1 year
Try Thoun • 1 year
Kasey Phetsomphou • 1 year
Bill Davis • 1 year

February

Shannon Flynn • 11 year
Tony Lopes • 8 year
Sharon Pachak • 8 year
Jim Lambert • 7 year
Jordan McLaughlin • 5 year
Beverly Tetreault • 5 year
John Pesta • 4 year
Tina Samayoa • 2 year
Carlos Martins • 1 year
Peter Synk • 1 year

March

Gary Therrien • 9 year
Diane Alfred • 6 year
Jairo Restrepo • 5 year
Russell Eng • 4 year
Holly Butler • 3 year
Sue Wilson • 2 year
Renee Masse • 1 year

Welcome to the Team!

A big welcome to all those who have recently joined the Barrett team:

Franklin

Caitlin Laboissonniere, Alison Pappalardo
Dustin Cabral, Deborah Miller, Massa Kandakai

Bright ideas



▶ **Mansfield Employees** have saved up to 50% on basic office and warehouse supplies by finding an alternate source for certain items. —Dani McDermott, *Best Buy*

▶ **Mansfield** started to turn on half the lights in the office during daylight hours. This is saving energy as well as facility costs. This is an easy cost savings that actually enhances the work environment—with fewer fluorescent lamps flickering, the computer monitors are actually easier on the eyes! —Michelle Parisi 🚀

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inside this issue:

- Passionate about chocolate
- Looking forward to 2009
- Relocating servers for better service

kudos!

🗣️ *"You need to teach other warehouses that Barrett's way is the only way.*

Overall rating—EXCELLENT"

Driver's comment
Fedex Freight

🗣️ *"We really appreciate the extra effort and all the trouble you and the warehouse went through to get [the order] off the truck. Our customer, who happens to be a repeat customer, is very pleased with the customer service she has received from us and it goes back to you and the team effort Barrett has put forth to resolve this issue."*

Debbie Spencer
Belgium's Best Chocolates
Nirvana Chocolates

🗣️ *"I would like to take a moment to thank and congratulate everyone at Barrett. Due to your hard work over the last few weeks, specifically yesterday, we were able to get out all our orders that were promised for Christmas. Outstanding job!"*

Jim O'Donnell
Director of Customer Care
Cambridge Sound Works

congrats!



🗣️ *to Amado Santos! His son, Amado Jr. was born on November 20th. What a beautiful baby!*

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