

A photograph of two men, Henning Freybe and Sven Freybe, standing in a large industrial facility. They are both wearing white lab coats over business attire. The background is filled with metal racks holding hundreds of sausages in various stages of curing, some appearing reddish and others more brown. The lighting is bright and even.

Henning Freybe,  
president

Sven Freybe,  
vice-president

# SETTING THE GOLD STANDARD

Freybe continues to build on tradition • By Rhona McAdam

**Freybe Gourmet Foods** shouldn't even be here, according to research on family-owned businesses: a Grant Thornton study says 90 per cent of them don't last to the third generation. But in a few years, when Sven Freybe takes over what is arguably the most successful European-style sausage and specialty meat business in the world, he'll become the sixth Freybe to head their 160-year-old family enterprise. Currently vice-president of Freybe Gourmet Foods and CEO of the Gourmet Chef division, Sven has already served a thorough apprenticeship in the business. He and his father, company president Henning Freybe, take enormous pride in the business, the product and the people who've helped make their name a gold standard.

## COMPANYPROFILE

Freybe started modestly enough producing traditional sausages for a local market. It began in 1844 in the town of Stettin (then in Prussia) where Johan Carl Freybe lived with his family above the factory and shop. "They made in the back what they sold in the front," says Henning. "Basically you delivered across town, but that was it."

When Henning's father and uncle packed up their sausage making equipment and moved the business to Vancouver in 1955, the company was already over 100 years old, but arrived as a fairly small production operation on Georgia Street. It was vacuum packaging that really opened up the world. "We can now produce product in Vancouver that we sell in New York. North America has become our playing field."

Not just North America: Freybe is cultivating tastes for its extensive range (130 meat products) in Mexico and Japan, and courting other far eastern markets as well.

The Freybes are proud of the way they have adapted their products to consumer health trends: almost every item they sell is glucose- and lactose-free, their products are made without MSG, their sausages are filler-free. And, within reason, they are striving to accommodate a taste for lower sodium products, but they draw the line where food safety is jeopardized.

Salt, of course, is a preservative, and too little of it in processed meats can make them spoil faster, a risk that Henning is unwilling to take. "I had a tasting session in Tokyo where the customer said we want our prosciutto, our dry cured ham, low in salt," he recalls. "They had packages from different suppliers, and a couple were pretty good, but four out of the six or seven were bad, they had actually started to deteriorate." When he warned the customer that the meat had spoiled, the customer insisted this did not matter, but Henning declined the order: the twin demands of quality and shelf life were too important to his company.

And the Freybe name is literally worth gold these days. If ever a company had earned the epithet "award winning," it is Freybe. Over the past 25 years it has taken home over 600 international awards for its products, steadily gaining on rivals in the largest European competitions. The 22 gold medals of 24 entries it took home from the biennial International Meat & Sausage Competition in Wels, Austria, in 2002 was impressive enough, but Freybe managed to better its score there last year, crowning its 160th anniversary with an unprecedented sweep of 24 gold medals in all 24 categories entered – against about 150 competitors and more than 2,000 products.

While the products' taste and quality are proving their worth on the palates of international judges and a well-established consumer market, it is safety that – perhaps predictably – governs much of the decision making in Freybe's operations. The massive investment in a state-of-the-art factory in Langley, B.C., which opened in April 2001, was driven largely by concerns for safety and hygiene.

Henning says, "That was our number one concern: the utmost, optimum in food safety: meaning totally destroying any potential bacteria that might contaminate the food product." He explains that

it's all too easy to lose the level of quality achieved during manufacturing once you reach the packaging areas. "What we consider to be a requirement is to be almost at the hospital hygiene level, so we call those spaces clean rooms. We have positive air flows, we have very limited access – not just anyone can go into those spaces." He wants product that has been produced with meticulous care to be handled with equal care until it is packaged and sold.

When they planned the new facility, they realised they were investing in the future of the company in a very big way. "Our number two aim was also to increase efficiency



**The Freybes are proud of the way they have adapted their products to consumer health trends: almost every item they sell is glucose- and lactose-free, their products are made without MSG, their sausages are filler-free.**





### FOOD FORMING

Efficient and flexible food portioning and forming systems.

The Robomatic range of machinery will portion and form products including meat, poultry, fish and bakery goods into a variety of shapes. With output ranging from 1200-16,000 items per hour, the range caters for the needs of both low and high volume food processors.

- Accurate variable portion control
- Fully automatic
- Multiple form shapes available
- Quick product change
- Easy to clean and operate
- Auto papering attachment
- Auto stacking/traying and indexing machines
- Suitable for main production plants and development units
- Compatible battering, breading and frying lines available from 200-600mm width



**A DIVISION OF INVENTIVE MARINE PRODUCTS LTD.**  
 Nova Scotia Canada  
 Tel: 902-468-2611 • Fax: 902-468-2681 • E-mail: info@inventivemarine.com • www.inventivemarine.com

but at the same time increase volume. The higher volume was needed in order to help pay for the structure, because it's not cheap to make such an investment. We didn't have the money in the bank, we had to borrow most of it. And so efficiency was critical to improve our ability to produce a packaged product, but also to increase our production volume."

Safe and efficient, the factory is also a model environmental citizen, with a groundbreaking method for filtering rainwater, developed because of concerns over a salmon bearing stream that borders the factory. "We needed a way for the rainwater to collect naturally on the property and then be filtered to return to the stream very clean instead of running through the storm system and then straight out into the ocean," says Sven. "In partnership with the department of architecture at the University of British Columbia (UBC), we worked on a system where all rainwater collected off the roof, the parking lots and such, was filtered through a series of ponds. The plants within those ponds are chosen specifically to feed on waste chemicals, and then the very clean water is released into the stream." The idea proved so successful it has become the design standard for facilities in the area.

Another partnership with UBC began in the past year: food science students will be eligible to receive scholarships and work experience placements at the Freybe plant. This continues a commitment to education that is reflected in another of Freybe's operations, the Deli School. Dormant for a couple of years since it outgrew the old facility, Sven is putting some final touches on the redesigned and updated curriculum, ready for a re-launch later this year.

The three-day course is based on a San Francisco "deli university" Freybe staff attended in the 1980s. Freybe adapted the idea to its own market and launched the program in 1986. It was so successful that even sales supervisors from rival companies enrolled, but far from feeling threatened, Henning believed this could only help the industry. "We're trying to run this neutrally. What we're trying to teach is something that can strengthen a deli operator or a deli associate to run things more effectively and more efficiently, with more imagination. People actually learn from each other as much as from the teacher. And so having even a competitor take part was never a concern to us."

With so many successes behind him, Henning is determined not to fail his company or his son in their next big challenge, the managerial transition, coming up in about four years' time. He made the important decision to place a deadline on his retirement and stick to it. As he wryly observes, "Stepping back early enough to allow the rest of the team to learn what it takes is a difficult venture."

He chose to get help in doing this. "About three years ago we brought an outside resource into our team who visits us once every two months. He reviews with us what we've done, and how well it worked out, and what else could we do to ensure that this succession planning process is implemented as promptly as possible." He wants to avoid the mistakes he's seen in other family-owned enterprises, where the retiring

patriarch continues to intrude on the next generation's decision making.

But it doesn't stop there. Henning's view of succession planning has been broadened considerably by his advisor. "One key thing he said on his first visit was, 'Henning, this is not just you and your son, this is everyone on your core management team: what is everyone doing to ensure proper succession planning? Who are they bringing up who may one day fill their shoes and are they doing the right things for those people?'"

This makes a lot of sense in a company where employees are "associates" and both business decisions and profits are shared. They have had a profit sharing scheme for the past 25 years, which Sven feels is only fair. "We say: 'it's your company and the decisions that you make do have an impact on our success.' And one way to live up to our words is to share a profit with them in years where there's appropriate profit." Both generations of Freybes are proud of the loyalty of their 250-strong team. "We have associates who've been with us 20, 30, 35 years," says Sven. "Even when we moved out to Langley from Vancouver, a 60 kilometre move, we only lost maybe nine associates, so that was a moment of pride for us."

*Rhona McAdam is a Victoria-based freelance writer.*