



GOLDEN STATE FOODS

BUSINESS CASE



Supply Chain & Logistics Operating System

815 Elliott Avenue, Suite 100, Seattle,
Washington, 98121, United States

All rights reserved © 2022
www.grydd.com

Business Case Golden State Foods

EXECUTIVE SUMMARY

Golden State Foods is one of the largest diversified suppliers to the food service industry. Headquartered in Irvine, Calif., the \$5 billion company is valued-based with proven performance in superior quality, innovation, and customer service.

Established in 1947, GSF currently services 100+ leading brands (125,000+ restaurants/stores) from its 50+ locations on five continents. GSF was the first to provide one-stop shipping for distribution and global logistics (Distribution, Warehousing, Equipment Leasing, and Freight Management), international food quality standards, and joint venture partnerships that facilitate international operations.

As industry leaders, they know they need **to continue innovating**, this time using accurate data to optimize their processes to raise the standard for the benefit of their customers and their own business.

They currently use 3 platforms to help them plan routes, track plan compliance, and measure possible damages to the products in transit and their assets. **Grydd triangulated their 3 platforms** to ensure that they have accurate data, and total control of their assets, products, productivity, and operation.

ABOUT GOLDEN STATE FOODS

Golden State Foods is one of the largest diversified suppliers to the food service industry. Headquartered in Irvine, Calif., the \$5 billion company is valued-based with proven performance in superior quality, innovation, and customer service. Established in 1947, GSF currently services 100+ leading brands (125,000+ restaurants/stores) from its 50+ locations on five continents. Its core businesses include processing and distributing liquid products, protein, produce, dairy, and other services.

The company employs approximately 6,000 associates and is 100 percent management-owned and run. Golden State Foods also operates a national non-profit organization, the GSF Foundation. Some of their customers are Denny's, Chipotle, and Starbucks, among others.

ABOUT THEIR LOGISTICS

GSF provides one-stop shopping for distribution and global logistics (Distribution, Warehousing, Equipment Leasing, and Freight Management), international food quality standards, and joint venture partnerships that facilitate international operations.

It currently exports products to more than 40 countries on five continents and has warehouses in all its distribution centers, including Cairo (Egypt) and Toronto (Canada).

The company also manages Centralized Leasing Corporation (CLC) for centralized procurement of GSF equipment. Headquartered in St. Louis, Missouri, CLC efficiently purchases a wide variety of equipment such as tractors, trailers, forklifts, reach trucks, order pickers, man lifts, etc., leveraging its economies of scale.

Likewise, GSF formed Central Freight Management (CFM Logistics) to help customers effectively manage their transportation and shipping needs through a network of independent carriers. It is operated on an as-needed basis.

Since 2006 Golden State Foods has had one subsidiary called Quality Custom Distribution (QCD) with 28 distribution facilities, focused on delivering products to iconic customers for nearly five decades, setting the standard in the quick service restaurant industry throughout the US.

QCD delivers just the way customers want it. The company tailors them to meet customers' distinct needs. More than meeting minimum customizations, QCD allows customers to control dozens of tailored areas, such as:

- The delivery vehicle most suited to meet customer needs (ranging from a non-CDL Straight Truck up to a 53' Tri-Axle Tractor and Trailer Combination)
- Precisely when and how to deliver to stores (within a 30-minute time frame)
- Customizing operations, including dedicated facilities, if required
- Customizing technology (including Web-based ordering, computer-aided routing, and inventory tracking)
- Tailoring high-quality service levels to meet customer needs.

GOAL

Corporate Senior Vice President and Chief Strategy and Innovation Officer for GSF, Bob Wolpert affirmed “company leaders must adapt to accelerated technology, pervasive ideation, and idea-to-value cycle time reductions. GSF is on a high-speed train journey to remain a trusted and respected partner to our customers”.

Golden State Foods has been focused on improving its performance to benefit its valued and iconic customers. GSF was one of the first companies to embrace the one-stop-shopping concept – now Golden State Foods industry standard – for warehousing and distributing all items used by a quick-service restaurant. Today, GSF continues to provide customer and system solutions through QCD by pursuing innovation and customized options to meet multiple customer needs.

As industry leaders, they know they need to continue innovating, this time using accurate data to optimize their processes to raise the standard for the benefit of their customers and their own business.

BUSINESS OPPORTUNITY

GSF's logistics model is one of the most robust in the world as it includes distribution, warehousing, equipment leasing, and freight management, the last being the most complex due to its dynamism and the lack of detailed visibility of its truck operation.

To manage this, they use 3 platforms to help them plan routes, track plan compliance, in time & manner, and finally measure possible damages to the merchandise in transit and their assets.

However, 2 of these 3 platforms rely on information provided by drivers. In addition, each of them operates independently, which means **that information is missing** and not connected. As a result, managers miss opportunities and make decisions to react to a situation, instead of anticipating and seizing opportunities in time.

THE PROCESS

Grydd is specialized in this area, counting with multiple experts from different disciplines (business, logistics & supply chain, technology, data science, and design) to thoroughly understand the root problem of its customers, in this case, Golden State Foods. Grydd pursues to discover the best alternatives to solve GSF's problems, ensuring a perfect fit with their processes, protocols, and policies.

To achieve this, Grydd's dedicated team collaborated with their multifunctional team (Operations Command Center, Information Technology, and **Business Intelligence**) under a proprietary methodology, based on agile methods that allowed a fast, efficient, and assertive definition, development, implementation, and execution of the operating system.