

Slipping butter across the border

How Yarrows, of Taranaki, makes \$10 million in dough

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Issue 8 / Sunday, 1 August, 1999

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Small-town its locale may be, but there's nothing parochial about the global strategy of the Yarrows bakery. In fact, Yarrows is doing for the international frozen dough market what the Colonel's secret herbs and spices did for chicken or what the "real thing" did for cola.

Trade barriers have stopped New Zealand selling butter into the large and lucrative North American market for years. But this small-town bakery's ingenuity has earned it \$10 million in annual foreign exchange. Its breakthrough in frozen dough technology has effectively given New Zealand butter a sneaky backdoor supply chain into the United States and Canada. Just don't tell Bill Clinton.

The only large employer in Manaia, a Taranaki township with fewer than 1000 residents, Yarrows started up 76 years ago when the grandfather of the current directors, John (right) and Noel Yarrow, packed up his brick-laying business in search of a better lifestyle.

The company started exporting in 1988 in response to an enquiry from Les Boulangons Associes (LBA), a small Seattle-based bakery interested in Yarrows' technology for producing frozen bread dough that could be baked anywhere without time-consuming preparation. The technology transfer agreement that followed meant by combining LBA's methods with Yarrows' own technology, the need to send butter direct to the US could be avoided.

The company now sea-freights four or five containers of frozen baked and unbaked products to the US every month and double that amount to Australia — its largest single offshore market. It also has export orders from Japan where there is no frozen dough manufacturer capable of making similar varieties of bread rolls and butter/pastry croissant-type products. A successful market trial sent to Japan last November could lead to between \$1 million and \$2 million annual export orders, and over the longer term could boost total exports by 50%.

So why does the world want Yarrows' frozen dough? Yarrows says it's a combination of the high butter content, the ability to ease the workload for busy people and the product's nine-month shelf-life.

Global demand for its frozen dough know-how from hotels and restaurants, chefs, supermarket bakeries and other commercial users has seen Yarrows' croissants, bread rolls, Danish pastries, muffins, biscuits and other bakery products served in some of the world's finest hotels. The MGM Grand, Carlton Hotels, Las Vegas Hotels, Trump Hotels and Disney Hotels, to name-drop but a few.

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