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# MOVING BEYOND MUSTARD

**The opportunities are “almost endless” for Aliments Morehouse thanks to pandemic-driven sales demand and the leadership of Karina Massicotte**

— BY MARK CARDWELL —

**K**arina Massicotte can relate to Victor Kiam, the American entrepreneur who famously claimed to have loved the close shave of Remington electric razors so much he bought the company.

A year ago, Massicotte put together the financing she needed to become majority shareholder of Aliments Morehouse, a Montreal mustard-maker that she joined right out of business school in 2000.

Now, thanks to red-hot, pandemic-driven sales of her company’s fast-growing lineup of food condiments, the single mother of two is feeling both rewarded and vindicated by her decision to buy the business in an industry she loves.

“I couldn’t be happier,” Massicotte told *Food in Canada* from her company’s fully automated plant in the Montreal borough of Lachine, where some 60 employees make nearly 100 items — notably mustards and salad dressings — for Quebec’s retail, foodservices and industrial markets. “We’re a very dynamic company with so many possibilities for the future.”

In addition to longstanding deals with world-class food companies for private label mustards in various formats and flavours, Morehouse makes popular Montreal restaurant name-brand mustards like Joe Beef, Au Pied de Cochon and Jérôme Ferrer.

photo: Natalia Darmoroz / iStock / Getty Images Plus



Recently the company also began to make and market its own retail line of name brand mustards in glass jars with a coloured Eiffel Tower logo.

Now Morehouse's renown is moving beyond mustard. In September, the company began making mayonnaise for one of the world's largest brand names.

And in May, when much of the world was under pandemic lockdown and Quebec was one of the world's deadliest epicentres of the COVID-19 virus, Morehouse launched a new line of food dips under its Le Grec brand.

The new item was an expansion the for already-leading salad dressing brand available in food stores across La Belle Province since Morehouse acquired it in 2016. "According to Nielsen it's the best-selling salad dressing brand here, far ahead of its closest competitor," said Massicotte.

Sales of Le Grec products have skyrocketed since March, she added, when public health stay-at-home orders went into effect and governments and businesses pushed the purchase of locally-made products.

"Sales have jumped 40 per cent since the beginning of the crisis," said Massicotte. "We've had a hard time keeping product on store shelves."

She said she is both hopeful and confident that sales will continue to grow now that retail behemoths like Walmart and Sobeys are carrying Le Grec and Morehouse brands nationally.

"The Canadian market only represents about 10 per cent of our sales right now, so there's lots of room there for us to develop new markets," she said.

In many ways, Massicotte's purchase of the company has brought Morehouse full circle.

The firm was founded in the 1970s as Deli K, a small shop in Montreal's Hochelaga neighbourhood that made yellow mustards and horse radishes for restaurants and private label customers.

The company floundered financially in the late 1990s and was acquired in bankruptcy in May 2000 by Morehouse Foods, a private, century-old mustard and horseradish maker based in the Los Angeles suburb of Industry.

Massicotte joined the new American-owned company — dubbed Morehouse Foods Canada — just three months later as a 23-year-old accounting intern.

Two years later she was named comptroller of the company, which was then in dire straits after losing most of its yellow mustard contracts to competitors with more modern equipment.

According to Massicotte, she helped to convince Morehouse Foods' patriarch owner, David Latter, now 93, to invest in new machines that would enable the Canadian firm to do speciality mustards.



The new machines — including mills, a finisher (to extract the envelopes of mustard seeds) and a homogeniser — enabled Morehouse to land a private label deal with global consumer goods giant Unilever in 2005.

Overnight Morehouse became the producer of North America's best-known brand of Dijon mustard.

That account, which Morehouse still holds, also accounted for 55 per cent of company business.

Things remained that way until 2014 when Massicotte suddenly and unexpectedly replaced the company's ousted general manager.

"Right away I decided to make changes to improve operations and build team spirit," said Massicotte. "We weren't growing and things were stagnating." ➔



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One of her first actions was to promote a machine mechanic to production manager. She also began working regularly on the factory line in order to understand and identify production irritants.

One was the need to manually load pallets with four-gallon cases of mustard weighing 16 kilograms each.

“By the end of the day people were tired and it was really hard on their backs,” said Massicotte. “So we bought automatic pallet holders and that solved the problem.”

She eliminated another longstanding worker annoyance by obtaining stickers for mustard bottles that were less sticky, and organized Friday afternoon pizza parties for the company’s 15 employees.

“You could see improvement on the lines week by week,” said Massicotte.

She also hired Jean-Louis Chaussé, who worked for a European croissant distributor, as Morehouse Foods Canada’s sales manager.

Chaussé began to meet and work with major Quebec grocery chains, landing and/or developing several private label deals that helped to diversify and deepen the company’s well of clients.

Still, Massicotte said it was clear by 2016 that continued growth in the highly-competitive world of mustard would be tough.

“It’s a great condiment but everybody knows it (and) has it on hand,” she said. “So I was looking around for another product we could develop.”

She inadvertently found what she was looking for in a Metro store she stopped at en route to her family’s cottage for a weekend.

“I saw this beautiful display for Le Grec salad dressing,” recalled Massicotte. “I’d never heard of the brand but I thought it looked natural and good so I bought some.”

She said it was love at first bite.

“I couldn’t believe how good it was,” said Massicotte. “It didn’t overpower the taste of the vegetables, it enhanced them.”



**“The opportunities are almost endless for us to grow with and inspire customers with new flavours and products.”**

— Karina Massicotte

By happenstance, she shared her enthusiasm for Le Grec brand a few weeks later with a marketing expert Morehouse had brought in to help launch a new brand of Dijon mustard.

“I told about him about the brand and how I wanted to capture that same look and vitality,” said Massicotte. “His face just froze. Turns out he was a part-owner of it.”

With the blessing of the Latter family, Massicotte negotiated a deal to acquire the Le Grec brand and the equipment used to make a half-dozen SKUs in a facility in Trois-Rivières.

She then moved the equipment to Morehouse’s plant in Montreal and hired 10 employees to run the new line.

A year later a new \$500,000 line with a filler, capper, labeller and case packer was added, doubling production on two shifts that run 7 a.m. to midnight daily.

Massicotte also added an in-house research and development team of five people who have their kitchen and facilities to innovate and develop new mustard recipes, including twists on the company’s most popular flavours like traditional, whole grain and country-style Dijon, plus honey mustard and yellow prepared mustard.

In 2019 the company invested another \$3 million on a new high-speed line for mustards and dressings, and this year added two fillers.

“Our products are very similar so we can pack one and move to another on the same line,” said Massicotte.

It was during her weekly call with David Latter in November 2018 that Massicotte learned that Morehouse Foods Canada was up for sale — and that the Latter family had already found a buyer.

“Mr. Latter said to me, ‘You know the new owner very well — it’s you!’” recalled Massicotte, laughing. “I was so happy and grateful for the opportunity to continue to develop a business I love.”

After negotiating what she called “a very fair sales price,” Massicotte secured financing last fall from Farm Credit Canada, the National Bank of Canada and the FTQ, Quebec’s largest labour union.

In addition to developing new products and partnerships with grocery chains and other customers, she said she is on the lookout for a new 80,000 square foot facility — nearly double the current plant’s size — to handle projected future growth.

“There are so many people asking us now to do their products,” said Massicotte. “The opportunities are almost endless for us to grow with and inspire customers with new flavours and products.” ●