



# PEPPERONI TIMES

THE PIZZAIOLO'S PEPPERONI

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## Quality Wins: The Race to the Bottom is Over



"New and inspired" have replaced "low-priced and basic" as the catch phrases describing the upward mobility of the pizza business.

No longer are best practices equated with lowest prices. And it is no longer a fight to the bottom but a race to the top.

With increased competition from the fast casual business, the ongoing diet

and health movement, and the strong desire by customers to try new things, pizza establishments have incorporated high quality, innovation and customization into their menus and messaging.

This may be the most exciting time in the history of the pizza business as it is rewarding the most creative among pizzaiolos rather than the most penny-pinching.

Domino's, Papa John's, Pizza Hut and the other big hitters in the industry are learning from the fast casual innovators like Blaze Pizza, PizzaRev, 800 Degrees and others that offer freshly-made, ultra-fast pizzas at a reasonable price. Customized pizzas from Blaze and two-minute Neapolitan thin crust pies from 800 Degrees have taken the industry by storm.

From new types of dough to wood-fired ovens, the pizza world is undergoing some big changes. More and more pizza lovers want theirs to be healthy. In one study two in five diners say they want whole-wheat crusts, organic toppings, and all-natural components.

Here are a few of the ways the pizza market is changing for the better:

1. **Quality** – It is all about quality demonstrated by fresh and upscale ingredients. Offer a variety of cheeses, house-made sauces and locally-sourced veggies. Tap into new and different meat toppings like smoky Liguria Bravo Gusto. Organic toppings and gluten-free dough are also important menu trends. Healthy options connote quality, too.
2. **Gourmet** – This goes hand-in-hand with top quality and figures perfectly into the customer's desire to try new menu ideas and creative concoctions. It is like the Food Network gone wild. Such ingredients as Kalamata Olives, Artichokes, Pine Nuts, Caramelized Onions, Capers, Rosemary Ham and



### CUSTOMER PROFILE

#### Figaro's Pizza: Where It's All Based on Quality

The "Take and Bake and Baked" pizza specialty operation, Figaro's, which is based in Salem, OR, actually has more than 50 locations spread all over the U.S. and nine overseas. So, sourcing ingredients to retain consistency and quality is paramount.

"That is one of the reasons we chose Liguria Pepperoni for our pizzas," says Rick Glenn, Figaro's President.

"We need high quality products that have national distribution so I can get it to every store at the same price. This can be a huge pain if I have one store in Auburn, AL, for instance, but can't get the product I need. I get that with Liguria."

Figaro's actually sources a number of products from Liguria including Canadian Bacon, Salami and Pepperoni. They use the new Bravo Gusto on a specialty pizza.

"Liguria doesn't play games with its quality," adds Glenn. "I get what I am paying for every time.

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## CUSTOMER PROFILE:

### Figaro's Pizza: Where It's All Based on Quality

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We have never had a problem with consistency or quality and that is a huge plus."

Founded in 1981, Figaro's has carved out a niche in the highly competitive pizza marketplace.

#### NO. 1 PLAYER IN "TAKE AND BAKE"



"We are the No. 1 player in the "Take and Bake and You Bake" market," says Ron Berger, CEO and Chairman. "There are about 2,000 stores in the pure 'take and bake' category, which may be dominated by Papa Murphy's, but they only offer take and bake. They don't have dine in or delivery. They don't have ovens or seats."

Figaro's, on the other hand, offers its customers a variety of options and promotes a high quality pizza. "We use fresh veggies, fresh dough, proprietary 100% cheese, no fillers or extenders in our meat and no MSG in any products," notes Berger. The latter is very important, he says, because MSG has been associated with childhood obesity.

#### WIDE VARIETY OF OPTIONS

Most importantly, Figaro's offers customers a wide variety of options. "Let's say you are having a Super Bowl party," says Berger. "You may buy 10 pies up front and have them delivered but if you don't eat them right away, you have some old cold pizza lying around. Or, you can go to Figaro's and order a few baked pies and a few unbaked pies. If you begin to run out of pizza, you can throw a couple into the oven. If you are left with some uncooked pies, you can put them in the fridge and eat them with your family at a later time."

Berger is adamant about offering his customers options, so there are gluten-free pies as well as thin and thick pizza offerings on his menu.

"Ultimately, we are all about quality ... which is exactly why we use only Liguria Pepperoni products," he says.



### Quality Wins: The Race to the Bottom is Over

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Bacon Marmalade will immediately set you apart from the competition while adding a necessary gourmet dimension to your menu.

3. **Wood-fired** – No question that everyone has an opinion about what makes the best pizza, but these days the wood-fired pizza has moved up in pizza opinion polls. With the rise of the Neapolitan pizza comes the wood-fired oven to cook these thin crust pies. The open-hearth looks genuine and smells great. It is all part of the artisan pizza movement.
4. **Customization** – Look anywhere in the industry and you will find pizza joints offering a new-fangled version of "Have it your way!" This is yet another part of the drive to improve the quality of customer service and give people what they want. To show you how big the movement is Domino's went out of its way to say it would NOT allow customization of its new artisan pizza because they feel it is the best it can be. We'll see how that works.

All-in-all pizza has never been so healthy, so creative and so much fun. This bodes well for our industry which now includes 73,000 pizza locations nationally. There is something for everyone and it is just getting better all of the time.

# PRODUCT SHOWCASE

## Liguria Rosso and Rosso Spicy Pepperoni

Liguria Rosso and Rosso Spicy Pepperoni have grown in popularity as consumers tastes have migrated to more spicy fare. The “hotter the better” phenomenon is led by adventurous Millennials but surveys show that spicy foods are craved across all demographic groups. Siracha, Habanero, Chipotle, Jalapeños, and Spicy Pepperoni are adding more flair and spice to pizza recipes across the country.

Liguria Rosso and Rosso Spicy are made with a course grind of pork plus beef and all natural seasonings. It's all about fresh ingredients. The Rosso Pepperoni appears darker and redder giving that artisan look when baked off on a pizza. Rosso Spicy has more cayenne pepper and a little white pepper to give it an added kick.

As far as the taste pepperoni lovers appreciate the authentic meaty flavors with a strong but balanced spice. It's not hot, instead there's that satisfying “heat” at the finish leaving a desire for more.

We recommend pairing a Hefeweizen beer as you're looking for light and fruity styles to counteract the spicy flavors from the pepperoni. For wine lovers, we suggest Zinfandel, which shares the spicy notes of Liguria Rosso. If you prefer more elegant styles versus fruity and high alcohol versions, look for Zins from the cooler climate regions of California, such as Russian River or Mendocino. If you want to keep the Italian theme, look for Primitivo wines from the Puglia region. In the end, after each bite and swallow of your beverage of choice, you will be quickly reaching for the pizza, craving the next bite.

Contact Liguria Sales for more information on Liguria Sliced Pepperoni at: [sample@liguriafoods.com](mailto:sample@liguriafoods.com).



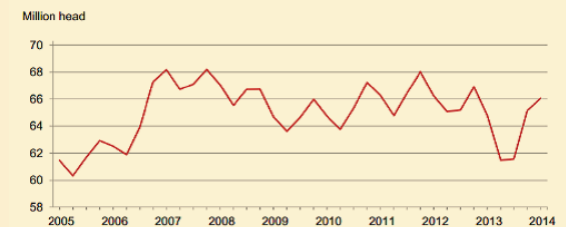
## PROTEIN MARKET OUTLOOK

### Pork Market – U.S. Hog Inventory Higher

United States inventory of all hogs and pigs on Dec. 1, 2014 was 66.1 million head, which is two percent higher than one year ago, and one percent higher than Sept. 1, 2014.

Breeding inventory at 5.97 million head was up four percent from last year and one percent higher than the previous quarter. Market hog inventory at 60.1 million head was up two percent from last year, and one percent higher than last quarter. The September-November 2014 pig crop, at 29.4 million head was up four percent from 2013. Sows farrowing during this period totaled 2.87 million head up three percent from 2013. The sows farrowed during this quarter represented 48 percent of the breeding herd. The average pigs saved per litter was a record high 10.23 for the September-November period compared to 10.16 last year.

Quarterly Hogs and Pigs Inventory – United States:  
December 1



### Beef Market – Analysts “Bullish” for 2015

There's an old cowboy saying that advises the first thing to do when you find yourself in a hole is to stop digging. Translating that to the beef industry's current situation the first thing to do when the market is screaming for more cattle is to stop liquidating.

It's taken awhile but it appears the industry has finally put down its shovel. However how quickly cattle producers begin to backfill the deep hole in cattle numbers left behind after many years of herd liquidation brought on by drought, ethanol-fueled high feed prices and other factors remains to be seen.

The outlook for 2015 from the editors of BEEF magazine is bullish — with a hint of caution. While we've clearly left the “ethanol era” and are now in the “livestock era” in U.S. agriculture don't count your calves before they're born. That's because, while cattle producers began to restock pastures in 2014 a variety of factors are at play that may mitigate any rapid growth in beef cattle numbers.

Beef prices at retail and cattle prices at the ranch and feed yard gate will remain extraordinarily strong in 2015 and 2016. Don't bet against strong prices for the rest of the decade.

*Liguria Foods uses sources that it believes to be reliable, but it cannot warrant the accuracy of any of the data or forecasts included in this report.*



## BRIEFS

### HuffPost Ranks Best Pizza Styles

Regional pizza styles have popped up across the country. Perhaps, 2014 was the year of the Detroit-style pizza with all of the media attention given to this sauce-topped rectangular pizza.

*Pizza Today, Jan. 7, 2015*

### Pizza Studio Adds 26th Store



Pizza Studio opened its newest location in Compton, CA in December 2014. The opening marks the 26th store for the rapidly growing franchise. Compton city officials attended to commemorate the grand opening with an official ribbon.

*Pizza Today, Dec. 18, 2014*

### Pie Five Unveils 'Pizza Diet'

It's that time of year again – the holiday hangover has set in and people everywhere are committing to live better in 2015. Here's an idea: Resolve to eat more pizza!



Pie Five Pizza understands the importance of making resolutions stick, which is why the nation's leading fast-casual pizza brand is introducing its new "pizza diet" for the new year. It's as simple as it is delicious: Start with thin or gluten-free crust, then customize your perfect "better for you" pizza with all the fresh, healthy toppings you love.

*Pizza Today, Jan. 5, 2015*

### The Dream of a Pepperoni Pizza Bed

According to Mashable, most drunken, 3 a.m. epiphanies will lead straight to regret: Dining at a White Castle franchise, renting a Sinbad movie from a Redbox, texting an ex.



*"Brooklyn-based artist Claire Mangeniello was able to turn hers into a small business," Mashable said. "This month, Mageniello launched a meticulously mapped out Kickstarter campaign for a pizza bed. This campaign comes on the heels of Mangeniello's widespread Internet virality last June when she*

*uploaded a mock-up image of the bed she'd envisioned from that cold night of Brooklyn bar-hopping."*

*PMQ Magazine, December 2014*



## ABOUT US

*Since our beginning in 1974, Liguria Foods has been dedicated to the foundation of recipe formulation. We painstakingly follow our old-world recipes, providing our customers (and your customers) with the same performance and flavor every day.*

*We blend our traditional recipes and production processes (such as our redwood drying room) with state-of-the-art quality control and product distribution to ensure you're never disappointed, or have to worry about whether your customers have a consistent, enjoyable dining experience that keeps them coming back.*

*For almost 40 years, we've been your partner, sharing your passion for the best tasting pepperoni and Italian meat products. If you already use our products, we thank you. If you aren't a customer yet, why aren't you? Take a minute to contact us to learn more about the Liguria difference, and what so many successful pizza storeowners already know.*

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