

BUSINESS

WINSTON-SALEM JOURNAL
Thursday, August 7, 2003



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HOT SNACK: Texas Pete adds market bite to Lance

By Fran Daniel
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Texas Pete Hot Sauce has taken on a bit more bite.

Texas Pete is the newest flavor in Lance Inc.'s Thunder line of potato chips, part of a co-branding plan that includes pork skins and possibly other products.

"Thunder is a type of potato chip that's a thin wave cut that has a lot of crunch, but the other part is intense flavors — seasonings over and above the norm potato chip," said Phil Brooks, the senior director of technical services for Lance.

T.W. Garner Food Co., a family-owned company in Winston-Salem, makes Texas Pete Hot Sauce. Lance, a snack-foods manufacturer in Charlotte, and Garner teamed up earlier this year to introduce a line of snacks incorporating the Texas

Pete Hot Sauce flavor, starting with Hot & Spicy Pork Skins.

"We began with pork skins because, quite frankly, a lot of people take a plain pork skin and just dabble the sauce on it and eat it that way," said Brooks, who is in charge of research and development at Lance.

The Thunder product with the Texas Pete flavor is called Howlin' Hot & Spicy Rumble Potato Chips.

Co-branding has been popular in the consumer-products industry, especially foods, for years.

"What companies use it for is to differentiate their products," said Bob Skotnicki, the president of Global Licensing and Trademarks, a licensing and branding agency in Myrtle Beach, S.C.

"I'm sure with Lance using Texas Pete,

everybody that's a competitor of theirs can come up with some version of hot sauce on chips, but nobody else can have Texas Pete."

Companies can differentiate their product with a new product such as the Thunder potato chip without an explanation of what the product is, he said.

And, a lot of times, companies will co-brand a product that's on the down side of its popularity cycle.

"If it's something on the back end of its life cycle, they want to rejuvenate it or refurbish it, so to speak, and redefine it," Skotnicki said.

Products with higher heat levels are definitely a trend, said Todd Phillips, the senior director of marketing for Lance.

"It's really true across the country, es-



JOURNAL PHOTO BY DAVID ROLFE

North Carolina's Garner and Lance say collaboration works for them.

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pecially with changes in ethnic foods," Phillips said.

"Ethnic foods are becoming more mainstream, and a lot of the ethnic foods that are becoming more mainstream are spicier-type products," he said.

Phillips said that Lance and Garner have been in talks for years about co-branding a product using Texas Pete.

"It was a natural tie-in for us, given where our product is sold and where our brand name is very well-developed," he said. "Texas Pete is very strong in the Southeast, and it just made perfect sense."

Texas Pete is well-known in the Southeast and on the Eastern seaboard, where Lance has its sales strength, Brooks said.

Frank Sherrill, the food-service sales manager for Garner, said that Garner and Lance officials thought that the strength of the two brands and the products incorporating the Texas Pete Hot Sauce flavor would complement one another.

"Basically our purpose in doing this was marrying these two products, using the strength of both brands to get more exposure to both brands and do something to excite the industries," he said.

Lance officials said they are pleased with sales of the pork skins and potato chips.

"Both of them have more than exceeded our expectations," Phillips said.

Brooks said that overall sales in the Thunder potato chip line are more than \$20 million a year.

That could be good news for Lance, because the company has been experiencing a decline in its branded-product sales.

Lance is considering more co-branding.

"Our plans are to do other renditions using Texas Pete," Brooks said. "We want to expand it to some of our other products."

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