

# Smart Talk

Insights from  
entrepreneurs

## MICHAEL SHERLOCK ON INNOVATION



**Smart Talk is a weekly column by successful entrepreneurs about their daily challenges. This week the founder of Brumby's Bakeries, Michael Sherlock, talks about change and innovation in one of the world's oldest industries.**

● I recently attended the IBA 2012 International Baking Trade Fair held every three years in Munich. There were 1200 exhibitors from 59 countries, from start-ups to market leaders presenting their bakery and cake products, machinery and innovative technologies. It was the 10th such trade fair I have attended and I thought initially that there wouldn't be much to see other than a rehash of familiar old offerings. My plan was to catch up with some old contacts and enjoy the event without the expectation of being the CEO of a bakery franchise.

How wrong was that thinking. I returned to Australia with a bag full of ideas and innovations previously thought impossible. Improvement is never finished just because you are vastly experienced in your field. I continually learn to never close my mind as every day brings fresh opportunities.

The most outstanding example of innovative products was a German bread company's response to consumers' desire to reduce their carbohydrate intake through low carb, low GI bread.

They claim their bread helps consumers reduce weight and improves fitness while you sleep. This product was also crusty and very tasty. It was claimed that the bread had a GI content equal to broccoli, contained five times more protein than conventional bread and six times fewer carbohydrates – steak in the form of bread.

Another manufacturer claimed to have invented bread that, if eaten over a six-month period, was scientifically proven to reduce your cholesterol. Who would have thought that bread could make these health and lifestyle claims?

There were also innovations in long-established sandwich preparation and display methods. A French company has developed a process where the sandwich fillings are displayed separately from the bread and consumers select their fillings and bread at the point of sale, where a machine puts the selected contents and bread together in front of you. Customers can see the fillings and enjoy warm, fresh, crusty bread without having to wait the usual six minutes.

An Austrian company (ex-Red Bull) has developed a range of breads called "eat the ball", in which bread rolls are baked as exact replicas of various footballs, basketballs and even hockey pucks. This was claimed to be the bread roll of the next generation.

Another idea was a bread app for mobile phone called "BreadSeeker", which displays the nearest shops and cafes in your area anywhere in the world for your favourite bread products.

In exploring new ways of baking bread, a Swedish company has developed an oven that reduces baking time by 30 per cent so that the final product is fresher, doubles its shelf life and has better taste, aroma and appearance. The bread is removed 70 per cent of the way through the baking process and finishes baking during a vacuum cooling procedure. The cooling time is cut from 40 minutes to 2 minutes, thereby substantially reducing energy costs, the floor space required and having product immediately available for distribution.

So what are the lessons to be derived for your industry? Increasingly I see strong evidence of the need for all industries to change, adapt and innovate to remain relevant by addressing social issues such as reducing energy requirements and wastage and designing products that help overcome their product's weaknesses.

The evidence also points to the need to use social media in all sorts of different and creative ways to help promote products and services to the consumers of the world.

Even in the "second-oldest industry in the world", we can see evidence of innovation in new products to meet consumer needs and to combat fashion (and dietary) trends that might have been viewed traditionally as harmful to your products' or services bottom line. So I'm looking forward to attending the IBA Trade Fair in three years' time to see what else has been developed.

What are the changes and innovations happening in your industry? Are you able to gain leverage in your market to meet your customers' current or potential preferences or needs? Get in the helicopter to anticipate your customers' needs, research innovations in your industry and align your business plan with these needs and innovations to make you strong and relevant in the years ahead. **BRW**



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