

Baker Commodities, Inc.

They've Come a Long Way, Baby

The Jerome brothers had a nose for business. About 75 years ago, Frank, Paul, and Varney Jerome, started a fertilizer business in a suburb of Los Angeles, CA, subsequently moving their venture to the Imperial Valley four years later. Five years after that move, they were a player in the rendering industry.

To service the dairies located in the Imperial Valley, the Jeromes began collecting dead stock in a 1921 Studebaker touring car. Their "modern" plant consisted of an open tank filled with water that was heated to boiling with live steam. The dead stock was skinned and then boiled to render the fat. The fat was then barreled and, along with the hides, sold in nearby Los Angeles. This being 1935, it took the brothers nearly two days to process one cow.

Jump forward to 2001. What the Jeromes started back then is now an eight plant, 12 collection station, modern rendering operation known today as Baker Commodities, Inc.

In the Beginning

Once the Jeromes began their rendering business, it didn't take long for them to expand. Within 25 years of that first cow being rendered, the Jeromes had opened rendering plants and hog farms in Arizona and New Mexico, began a solvent extraction plant in Southern California, acquired rendering, tallow, and packing operations, including one in Honolulu, HI, and sailed across the sea, shipping their tallow to the Orient.

One of those key purchases occurred in 1948. Frank and his brothers bought a defunct rendering business named Baker Rendering Company, previously owned by Phil Baker. The property where the company was located was converted to a fish reduction plant named Harbor By-Products, which became a subsidiary of Baker Rendering Company. Baker Rendering was relocated to Bandini Boulevard in Vernon, CA, just down the street from where Baker Commodities, Inc., is headquartered today.



Jim Andreoli, right front, with sons, Jim Jr., Tony, and Andy.

The Jeromes toiled in their various ventures for several years, going through the typical trials and errors. As the business grew, Frank realized the need for qualified employees. From 1950 until 1960, he hired seven key individuals who would eventually become part of the Baker family. One of these key employees was Jim Andreoli, who was hired in 1951 as chief accountant, leaving his position at a public accounting firm.

Since mechanization of existing facilities and new construction was important to the company at this time, Frank became acquainted with Jack Keith, an engineer who, together with the Jeromes, formed Keith Engineering Company, a business that was instrumental in developing new rendering processes beneficial to Baker, including the first continuous rendering system at Baker's Los Angeles, CA, plant in 1960. Keith Engineering also developed the Keith Press, which later became known as the Duke Pressor when Keith Engineering was sold to The Dupps Company.

It wasn't long before the Jerome brothers saw the need to create incentives to retain these seven key men who had been with the company for so many years. So in 1961, the



Baker Commodities is proud of their modern odor control system at their Massachusetts plant, which was totally rebuilt after a devastating fire in 1996.

Jeromes formed Baker Commodities, Inc., naming the brothers and these pivotal employees as owners.

Growth Continues

From 1961 until the mid-1980s, Baker acquired a number of small rendering companies, primarily in California. In 1974, Baker ventured into the Korean market by establishing Samyang Baker Tank Terminal in Inchon, Korea, with Sam Yang Foods as co-owner.

In 1976, Baker Commodities, Inc., was sold to Canadian Pacific Enterprises, a subsidiary of Canadian Pacific Railroad. Under this new ownership, the growth continued, including the acquisition of Corenco Corporation, which was headquartered outside Boston, MA. Corenco was originally formed as Lowell Fertilizer Company in 1898 by the Swift family, owners of Swift Meat Packing. That rendering plant was substantially destroyed in a 1996 fire, was totally rebuilt, and today is a state-of-the-art facility using computer controlled processing and possessing one of the most up-to-date odor control systems in the industry.

In 1982, Baker purchased several rendering companies in New York, including a plant in Rochester (Wm. Stappenbeck, Inc.) that began operation in 1892 as A-Peterson.

Andreoli, who was a key player when Baker first incorporated, again became a notable part of the company's history when he reacquired Baker from Canadian Pacific in 1985. It was at this same time that his three sons, Jim Jr., Tony, and Andy, became renderers alongside their father.

Under Andreoli's leadership, Baker Commodities continued to thrive, acquiring additional companies throughout the Western United States and on the Eastern coast, including Seattle Rendering Works and Johnson Manufacturing in Seattle, WA, One More Time in California, The Grease Company in Las Vegas, NV, Independent Tallow in Boston, MA, Twin Town Rendering in Maine, and Maricopa By-Products in Phoenix, AZ. Today, Baker Commodities operates facilities in Arizona, California, Hawaii, Massachusetts, New York, and Washington, with raw material



Joe Cantin monitors a new state-of-the-art process control system at Baker Commodities' Billerica, MA, facility.

collection stations in California, Nevada, Maine, Montana, New York, Oregon, Rhode Island, Vermont, and Washington. Bulk liquid terminals owned or leased in Long Beach, CA, Tacoma, WA, Newington, NH, and Inchon, Korea, service Baker's vast tallow business.

Baker is both a manufacturer and a merchandiser, not only selling its own products of tallow, feed fat, and meat and bone meal, but also buying products from other renderers for resale. As a leading exporter of U.S. rendered products, Baker sold tallow and meat and bone meal in 20 different countries in 1999. Through the activities of George Congleton, Baker's vice president of marketing, the company has participated in numerous seminars in China, which has helped to open up this vast market to U.S. rendered products.

Baker prides itself on utilizing the latest technology, not only in processing its materials, but controlling odor. With five plants located in the heart of major cities, three of which are situated in residential neighborhoods, Baker has remained vigilant in applying good rendering practices and using the best odor control technology to prevent and control odors. The company has also remained proactive with local citizen groups and governmental

agencies and takes complaints seriously by responding immediately.

Dedication is Honored

As was evident throughout Baker's growth, part of the success of the company is due to its dedicated employees. Baker believes that it has one of the most stable management teams in the industry. Ray Kelly, executive vice president, has been with the company for over 30 years. Congleton, Bill Sikes, vice president operations, and Jim Reynolds, chief financial officer, have been with Baker over 35 years. Ed Murakami, who recently retired after 40 years with the company, continues to consult for Baker and four other officers have over 20 years with the company. Baker is proud of its over 600 employees who go the extra mile to ensure the company lives up to its motto, "Quality and Pride... Worldwide."

Baker employees strive to remain active in local communities and community organizations. As a result, these dedicated individuals have received numerous civic awards, including being named an "Honorary Citizen," "Man of the Year," and "Businessman of the Year" by these organizations.

Baker Commodities has also been

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recognized for its distinguished service and outstanding contributions to the rendering industry. Andreoli and Murakami have both been awarded the Pacific Coast Renderers Association's coveted Tallowmaster award.

Baker Gives Back

Although the company relishes in its success, it is quick to give back, not only to the community and industry, but also to children in need.

In 1956, Frank, Paul, and Varney founded The Jerome Foundation, with a primary focus to promote the care and education of children. Although the Jerome brothers are no longer alive, the foundation continues today under the direction of four Baker employees and a nephew of the Jerome's.

There are two Jerome Foundations, the primary operation being in the United States and an affiliated foundation in the Philippines, where the Jeromes operated three copra crushing plants until 1973. The U.S. foundation fully funds the Philippine operations as well as provides funding to other U.S. charities for children related activities. Thanks to the generosity of the foundation, over 13,000 surgical procedures have been performed in the Philippines, mainly harelip, cleft palate, and clubfoot operations. The foundation covers the costs of these procedures, which are performed in the Philippines by Philippine doctors, some of whom were trained in the United States at Jerome Foundation expense.

Baker Commodities gives back to the rendering community by remaining involved with industry associations. As an active member of the Pacific Coast Renderers Association and the National Renderers Association practically since their inceptions, the Baker Commodities' management team has in the past and currently serves on numerous committees and boards of directors, donating effortless time and monies in support of what they feel are vital organizations to the continued success of not only Baker, but also of the rendering industry. ❖