

rND Bakery rises with gluten-free breads offering substance and science

WITH A PHD IN MICROBIOLOGY AND EPIDEMIOLOGY, WILL SPENCER WAS FAR MORE COMFORTABLE AS A RESEARCHER THAN AN ENTREPRENEUR. BUT WITH LAUNCH LAB MENTORING, RND FOODS LTD. IS A FAST-GROWING COMPANY FED BY HIS VISION FOR HEALTHY FOOD.

When he started his one-man bakery in 2013, Will Spencer had three goals. He wanted to make high-quality, high-nutrition bread for people with food allergies. He wanted to develop relationships with farmers to source grains locally. And he wanted to work with other scientists to create grains that can thrive in Eastern Ontario's unforgiving climate.

"I started out of an old bakery building in Ottawa," said Spencer. "By 2015 I needed more space to hire employees, but rents were high in the city. I heard about the Two Rivers Food Hub in Smiths Falls." The food hub is

a state-of-the-art, commercial kitchen, and a not-for-profit social enterprise with a mandate to support the local farm and food community.



FAST FACTS

Why Launch Lab

With Launch Lab's guidance, rND Bakery expanded its line of credit, received a grant for new manufacturing equipment, secured intellectual property, and found a General Manager with food industry experience.

Client testimonial

"BUSINESS IS NOT MY FORTE, SO OVERALL, LAUNCH LAB BLEW AWAY THE FOG AND MADE ME MORE ANALYTICAL ABOUT ASPECTS OF THE BUSINESS I WAS IGNORING ... I GET SOLID AND INVALUABLE FEEDBACK ANY TIME I ASK FOR IT."

— WILL SPENCER, PRESIDENT, RND FOODS LTD.

Future growth

After getting familiar with what it takes to support regional distribution in Ottawa/Gatineau, rND Bakery is now poised to take on a national distributor and see its gluten-free, yeast-free, whole grain bagels and breads enjoyed by health-conscious Canadians across the country.

rND Bakery prospered in its new home, and by 2016 Spencer had five employees and incorporated as rND Foods Ltd. in 2017. As the business grew, so did its complexity. In 2018 Spencer sought help from Valley Heartland Community Development Futures Corp., also located in Smiths Falls.

The very day he walked into her office, Valley Heartland's Business Development and Program Officer, Amber Coville, introduced Spencer to Sandy MacPherson, an Entrepreneur In Residence (EIR) with Launch Lab, a partner organization in Kingston that provides mentoring and advisory services across southeastern Ontario.

"Sandy quickly determined I had a good handle on production and R&D, but was struggling with administration and finance," said Spencer. "So he got me to produce a six-month cash flow projection. I showed the plan to my bank and they tripled my line of credit. That was a big impact."

MacPherson also helped Spencer with a proposal that netted a \$30,000 grant from FedDev Ontario's Bioenterprise Corp. The money purchased manufacturing equipment to mass produce rND's gluten-free, yeast-free oat bagels. In addition to its bagels, the rND Bakery makes gluten-free, yeast-free sourdough bread from buckwheat and millet.

And when one of Spencer's regular surveys of science innovations uncovered that a past associate had submitted a patent application for his self-rising, yeast-free bread, MacPherson called in Launch Lab's Intellectual Property (IP) Business Advisor Carol Miernicki. A fellow science PhD and Registered Patent Agent, Miernicki's advice had Spencer's IP back in his hands within four months.

The holy grail for any food producer is national distribution. An experienced food and beverage industry executive, MacPherson explained to Spencer that "nothing fails like success." He encouraged rND to start with a regional distributor in the Ottawa/Gatineau area, and learn how to profitably factor in shipping, warehousing and retail promotion costs that are largely borne by food manufacturers, not distributors or grocery stores.

His Launch Lab EIR also found Spencer a new General Manager, Bill Ranson, who has a strong background in marketing and selling consumer products through large national retailers. "Bill and I share the same vision for rND's potential," said Spencer, "and selfishly speaking, while he is taking care of operations, sales and marketing, I can go back to being a lab rat concerned with production and R&D."

Business is not my forte, so overall, Launch Lab blew away the fog and made me more analytical about aspects of the business I was ignoring. They opened doors to banks, helped me organize my business to scale it, and also introduced me to food industry peers experiencing similar challenges. I get solid and invaluable feedback any time I ask for it."

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