

Blue Bunny aims for ice cream crown

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By Dave Dreeszen



LE MARS, Iowa – The Le Mars-based maker of Blue Bunny products wants to double its revenue over the next decade as part of an ambitious goal to become America’s largest ice cream maker.

“We’re a solid No. 3 today with the vision to be No. 1,” Wells Enterprises president and chief executive Mike Wells said at a recent presentation to the Sioux City Rotary Club.

Wells currently trails the two industry leaders – international food and nutrition conglomerates Nestle SA and Unilever – by a healthy margin.

Nestle, whose brands include Edy’s, Haagen-Dazs and Nestle, has about \$2 billion in annual ice cream revenue, and Unilever, whose brands include Good Humor, Breyers and Ben & Jerry’s, has about \$1.9 billion in revenue, Wells said.

Revenues for the privately-held Wells are about half that, Mike Wells said, although he did not provide a specific number.

Wells has steadily increased its market positions since divesting its milk and yogurt holdings in 2006 to focus on its ice cream and frozen novelties business. At the time of those sales, Blue Bunny was the fourth or fifth largest U.S. ice cream maker, depending on how sales are calculated.

Wells acknowledged the challenges of achieving the lofty goals set in the privately held company’s new 2020 long-range plan, which was finalized by management earlier this year.

“We just have to do more in the next 10 years than we did in the previous 95,” said Wells, the third generation to lead the family-owned and managed dairy, which was founded in Le Mars in 1913.

Wells said the company's future growth would come through some acquisitions, adding new products and expanding its sales territory.

On a retail basis, cartons and other packages of Blue Bunny ice cream are sold in about 40 percent of the country, while novelties are available in about 56 percent.

The company continues to make inroads into new retail channels, he said. Most recently, for example, Safeway, a supermarket chain with more than 1,700 locations in the U.S. and Canada, agreed to start carrying Blue Bunny products.

The CEO emphasized that Wells' reputation for providing quality customer service and products would be key to the company outdistancing its larger competitors.

Through greater efficiencies and economies of scale, Wells said the company could meet its increased revenue goals without a significant increase in employment.

"My job as CEO is to do more with less or do more with the same," he told the Rotarians.

Most of Wells' 2,500 employees work in Le Mars, where the privately held company has its corporate headquarters, two ice cream plants and a large automated freezer. A third ice cream plant is in St. George, Utah.