

INGREDIENT INNOVATION

Your start to flavor, texture and functionality

Bluegrass Ingredients Inc. offers on-trend, agile solutions, service

By Alyssa Mitchell

BOWLING GREEN, Ky. —

Bluegrass Ingredients Inc. continues to expand its customer solutions as it remains at the forefront of emerging trends in flavor, form and function for dairy and dairy alternative ingredients for food manufacturers.

Headquartered in Bowling Green, Kentucky, with ingredient manufacturing in Glasgow and Springfield, Kentucky, the company was founded as Bluegrass Dairy and Food Inc. but changed its name to Bluegrass Ingredients in 2020 as part of a larger rebrand and leadership initiative to reflect its evolution from a leading dairy powder producer to a research-driven specialty ingredient provider. The company also has a customer innovation center in Bowling Green and an R&D Innovation Center in Springfield.

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Peter Losee BLUEGRASS INGREDIENTS

Under the leadership of CEO Hoyt Huffman, who joined in 2017, the company has brought on several additional highly experienced food industry professionals to help develop and execute an ambitious plan to expand the business using its "Agile Ingredient Innovation" approach.

"Our updated brand was a strategic effort to better align our positioning in the market with a lot of the work we've always done and our vision for the future of our company and our industry," says Peter Losee, vice president of marketing at Bluegrass Ingredients. "What began as a dairy company in the heart of Bluegrass Country has grown into a collaboration-driven solutions provider of classic and custom dairy and non-dairy flavor powders."

Bluegrass Ingredients remains focused on quality ingredients and delivering flavors and formulations that make good food taste great.

"With our rebrand, we took a close

look at our mission, vision and values and made some key updates. Today, our first value is 'Customer Mindedness,'" he says. "Those two words clearly and succinctly reflect Bluegrass Ingredients' offering and approach. They underpin the other four values — Collaborative Agility, Creative Courage, Continuous Evolution and Inspiring Integrity — that define our day-to-day work and ultimate value to customers and the market."

On-trend offerings

Losee notes throughout the company's history, Bluegrass Ingredients' product expansions have been driven by ongoing market analysis and customer collaboration.

"Since rebranding, we've expanded our portfolio to offer a larger variety of dairy and non-dairy solutions including plant-based, vegan and organic items as well as fruit powders. We've continuously expanded our dairy offerings to remain on trend with flavor, form and function requirements our customers need to meet consumer expectations," he says.

In addition to introducing new products, the company has expanded its service offerings as well.

"Innovation and development have been a defining focus of our expanded relationship with customers," he says. "In today's market, serving as a true trusted partner for both flavor innovation and manufacturing demands has become invaluable."

Bluegrass Ingredients follows a set of macro and micro trends and initiatives and monitors global and domestic consumer activities to assure the company is providing customers ingredients, insights, innovation and concepts that help them meet consumer expectations.

Losee notes one recent success is Bluegrass Ingredients' Oat Milk Powder.

"Three years ago, we began experimenting with process capability in our plant to manufacture a dry oat milk powder. We successfully launched this innovation with limited traction. As the oat milk trend grew and it became a desirable ingredient, food manufacturers began looking for lower-risk solutions to holding liquid oat milk. Bluegrass Oat Milk Powder was the perfect formulation. Through research, we started developing application concepts and sharing trend information with our customers to support their innovation using Oat Milk Powder as an ingredient. Sales



Photo courtesy of Bluegrass Ingredients Inc.

EXPANDED APPLICATIONS — Chef Shane Boling, left, Bluegrass Ingredients' culinary expert, and Chad Mitchell, business development manager, share a variety of appetizers with the Bluegrass team, showcasing the range of applications Bluegrass Ingredients' flavors can support.

continue to grow even as we see retail oat milk sales beginning to level out."

In addition to Oat Milk Powder, the company pursues and identifies emerging trends via its relationship with syndicated research and by leveraging its teams' professional specialties.

"Monthly innovation team meetings coupled with ongoing expert cohort conversations help Bluegrass Ingredients stay ahead of emerging trends. It's one of many agile traits our prospects and customers value," Losee says.

Bluegrass Ingredients' dairy roots also play a big role in its non-dairy ingredient innovation and product offerings.

"Much of our ingredient innovation has been focused on plant-based, vegan and organic solutions for customers seeking dairy alternatives," Losee says. "Our deep tenure and experience in dairy assure precise flavor, form and function of our non-dairy alternatives. That's really been a defining advantage for customers removing dairy from a legacy application or building dairylike performance into new products."

The company recently introduced nearly 20 new dairy concentrate product offerings, including a first-of-its-kind Vegan Cheez Concentrate.

"Dairy concentrates are not new to the food industry, nor are they new to Bluegrass Ingredients," notes Chad Mitchell, director of business development-concentrates. "Bluegrass Ingredients has deep experience manufacturing and using concentrates in our ingredient product manufacturing. In 2020, we decided to leverage our expertise and capabilities and market dairy concentrates.

"Our timing could not have been better," Mitchell adds. "As we released our dairy concentrates to the market, cheese prices escalated due to multiple economic and market factors."

He notes dairy concentrates offer customers lower logistics and handling costs, improved processing and enhanced flavor management.

"Additionally, we continued to

Turn to BLUEGRASS, page 9

INGREDIENT INNOVATION

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BLUEGRASS

Continued from page 7

innovate our dairy concentrate line to meet emerging and current trends such as plant-based, organic and vegan," Mitchell says. "We also expanded our flavor offerings to include regional flavors in addition to Cheddar, Parmesan and Romano, which remain most popular."

• Agile Ingredient Innovation

Mitchell notes Bluegrass Ingredients' Agile Ingredient Innovation model has been instrumental in building out its dairy concentrate portfolio.

"Our Vegan Cheez Concentrate provides a solution for cheese customers seeking non-dairy alternatives with an eye toward that innovation that will allow them to maintain the legacy application formula," he says.

Mitchell adds that Bluegrass Ingredients customizes and innovates rapidly to meet customer requests for color, flavor and texture. Bluegrass Culinary and Business Development staff work directly with prospects and customers to assure functionality and provide close collaboration to assure product application success.

Losee adds that Bluegrass Ingredients' Agile Ingredient Innovation model is a proven differentiator for the company.

"Our customers tell us so. Our Agile Ingredient Innovation approach offers prospects and customers technical support and innovative thinking from concept through product launch. What's more, our lead time and minimum order quantity are key differentiators for us. We have a seasoned operations team that is customer-focused and comfortable working against targeted performance metrics. Finally, our customer support is second to none. We assist our customers with upfront innovation research, concept development, trials, scale-up and launch. The result is end-to-end customer support to help assure a new product launch is successful. This focus is essential to our customers and to Bluegrass Ingredients," he says.

This focus on agility is key as the food industry innovation cycle continues to shrink and accelerate, Losee adds

"Our customers' and prospects' innovation cycles are rapid, and expectations for quick response and solution delivery are table stakes. We recognize that there's an art and a science to innovation and meeting those expectations," he says.

He notes Bluegrass Ingredients' culture is best defined as "entrepreneurial."

"Bureaucracy and process do not bog down our activities. Our customers' requirements are clearly defined, and our support of their expectations and needs are communicated internally and externally so we remain aligned with our customers' needs

and timelines. Our turnaround time on customization is quick, our minimum order quantities are low and our service levels are high. Our customers confirm this over and over again. These are the attributes they're seeking in a supplier. Additionally, customers expect and receive services including culinary support, concept development, innovation/ideation sessions, trend support and ingredient customization."

With supply chain challenges, inflation and global market volatility topof-mind, food manufacturers are eager for trustworthy suppliers, Losee adds.

"The culture and support from Bluegrass Ingredients promote trust, which is the direct result of being agile," he says. **CMN**



Photo courtesy of Bluegrass Ingredients Inc.

FLAVORFUL SOLUTIONS — Bluegrass Ingredients' expansive portfolio can be used in a wide variety of applications and end uses. Pictured above is the company's Buffalo Cheddar seasoning.



For more information please visit www.bluegrassingredients.com