

The Super Bakery Story

On December 23, 1972, rookie running back Franco Harris of the Pittsburgh Steelers was running an offensive pattern in a playoff game against the dominate Oakland Raiders. The score was Oakland 7-6, and there was just over a minute left in the game. The Pittsburgh quarterback, Terry Bradshaw, threw a pass. Just as the intended receiver was going to catch the ball, he was flattened by the Oakland defender. The ball bounced off the collision of those two players and landed in the hands of Franco Harris, who ran it into the end zone to win the game. The play was nicknamed "The Immaculate Reception," and Franco Harris became a Pittsburgh legend and an eventual member of the Football Hall of Fame.

After Mr. Harris retired from the NFL, he decided to put his Penn State University degree in business administration and food services to use. His hope was to produce and market a healthy "junk" food for schools and hospitals. He developed a pastry dough that was fortified with minerals, vitamins and protein. He called the dough his "M-V-P" ingredient. It was used to make doughnuts, cinnamon buns and other pastries that would be accepted by students and patients. He especially cared that elementary students be fed nutritional snacks for their school-sponsored breakfasts and lunches.

For 6 years, the football player's business, Super Bakery, Inc., sold these good-tasting, nutritional "junk foods" to institutions that cared about their clients' health. The products were not sold to the general public. Super Bakery, Inc. has recorded \$10 million in sales. To give you a comparative idea, you should know that last year alone, Krispy Kreme doughnuts had \$540 million in sales.

It is important to note that the U.S. Congress, in the last few years, has been spending a lot of time and energy making sure that schools sell nutritional food. There is also a lot of information in the news lately about obesity of Americans, especially children.

In 2006, Mr. Harris renamed his business RSuper Foods and began to sell to the public consumer. His products are now on shelves in the Pennsylvania Giant Eagle supermarkets. They are in plain red boxes and don't include his name, face or any reference to his celebrity. He hopes to expand the product line to include muffins, wraps and other bread and pastry products.

Super Bakery — Questions to Consider

1. What is being produced? Did it change? Why?
2. For whom was it being produced? Did it change? Why?
3. Is there any specialization or interdependence that you can successfully guess about regarding this industry? What other industries will affect this one?
4. Did the demand change at all since the beginning of the industry? What things caused it to change?
5. Did or will entrepreneurship cause any changes in supply or demand?
6. Did or will natural resources (land) cause any changes in supply or demand?
7. Did or will changes in labor cause any changes in supply or demand?
8. Did or will changes in capital or available resources such as machinery cause any changes in supply or demand?
9. Did or will the supply have to change? Why? What is causing that change?
10. What factors listed so far will cause a change in price? Look at questions 1-9 as you answer this.
11. What predictions or recommendations can you make regarding this industry?

The Mountain Dew Story

Mountain Dew was first created in Virginia in 1948. It was bottled and sold by the Minges family. It is known as a soft drink, but Mountain Dew differs slightly from many of the other carbonated drinks because it contains real orange juice.

Before Mountain Dew was a product, the phrase "mountain dew" was originally a nickname for homemade alcohol or "moonshine." When the citrus drink was first marketed in Tennessee, the bottles and advertisements had pictures of unsophisticated hill people using shotguns to chase government tax collectors off their lands. The advertising campaigns included drawings of barefooted and pipe-smoking country people, lazy hunting dogs and fly-infested outhouses. The slogan was "Yaaaa-hoo! Mountain Dew!" and bottles sold for 5 cents apiece. In 1964, it became available throughout the United States, but it wasn't very popular. Its image didn't appeal to many people, so there wasn't much demand.

In 1973, the Pepsi-Cola Company, which now owned Mountain Dew, decided on a change. They dropped the "hillbilly" image and targeted a younger audience. By 1993, the new slogan was "Do the Dew." The word "mountain" was almost completely forgotten. Then in 1995, Mountain Dew sponsored the first X Games, celebrating extreme sports. Commercials at that time showed young people skateboarding through traffic and grabbing unprotected bottles of Mountain Dew, or athletes running down a cheetah to retrieve a stolen can of the drink from the animal's throat. It is now one of the most popular soft drinks made and has expanded to include Code Red, Diet Mountain Dew, Diet Code Red, Live Wire, Pitch Black, Pitch Black 2, Baja Blast, DMX and AMP. Mountain Dew also continues to sponsor the annual Dew Action Extreme Sports Tour and the summer and winter X Games.

Mountain Dew — Questions to Consider

1. What is being produced? Did it change? Why?
2. For whom was it being produced? Did it change? Why?
3. Is there any specialization or interdependence that you can successfully guess about regarding this industry? What other industries will affect this one?
4. Did the demand change at all since the beginning of the industry? What things caused it to change?
5. Did or will entrepreneurship cause any changes in supply or demand?
6. Did or will natural resources (land) cause any changes in supply or demand?
7. Did or will changes in labor cause any changes in supply or demand?
8. Did or will changes in capital or available resources such as machinery cause any changes in supply or demand?
9. Did or will the supply have to change? Why? What's causing that change?
10. What factors listed so far will cause a change in price? Look at each question -9 as you answer this.
11. What predictions or recommendations can you make regarding this industry?