

Attitude at Altitude

Udi the Sandwichman

By ERIC PETERSON

FORMER ACCOUNTANT GAUGES ECONOMY BY LUNCHTIME ORDERS

Economists don't normally look to sandwich sales as a prime fiscal indicator. But Udi Baron isn't your ordinary economist. Nor is he your ordinary sandwich man.

In the 1990s, Baron's operation, Udi the Sandwichman, specialized in sandwich delivery and catering to businesses along the Front Range's tech-heavy U.S. 36 corridor. "We started when the Internet craze first started," said Baron, who jumped from corporate accounting to sandwiches in 1994. But in 1999, he said, "Our business all of a sudden dropped." The economist in Baron saw the sandwich downturn as a harbinger of the tech bubble bursting, so he focused his sales on "non-cyclical businesses." The strategy paid off.

After the tech economy began to melt down in 2000, Udi's newly diverse customer base buoyed the company to 15 percent-plus sales growth in the tough years that followed.

"It was amazing," said Baron. "When the market fell, those were my best years: 2000, 2001, 2002, 2003, I had great years."

From the start, Baron and his wife, Fern, took a different approach and began taking advance orders rather than "peddling sandwiches" door-to-door. He's nurtured the operation from a mom-and-pop business (initially it was just Baron and his wife) into a \$4 million operation that now employs more than 70 people, with your typical weekday morning's production at well over 1,000 sandwiches for delivery to offices and wholesale accounts later that day.

In March, the Barons opened a restaurant in north Denver, Udi's on Broadway, where they've consolidated their operations. Every week, the onsite bakery turns out 11,000 loaves of bread, supplying not only Udi's in-house needs but also those of some of the top eateries in Denver. That expansion is also reflected in new operations inside the company. Baron's businesses also include a burgeoning granola venture that is already producing volume at 6,000 pounds a week. The company also is exploring additional branding opportunities (possibly cookies, croutons and pickled foods) as it prepares to open a second café at the Stapleton redevelopment by summer's end.

The road from economist to sandwich man was largely a route through Baron's stomach. After coming to the U.S. from Israel in the early 1970s, he said he "was completely blown away" by American sandwiches. In Israel, bread is something of an art form, but American sandwiches are much more bountiful in terms of toppings.

At Udi's, Baron strives for a balance between great bread and fresh toppings. "Most of the restaurants that do sandwiches, the bread is a carrier," Baron said. "I've worked with many chefs, and most of them don't understand ... the relationship between bread and the ingredients." It follows that Baron's first perfect sandwiches came together after he started baking his own breads in August 1998: a roast beef on walnut bread and a turkey and avocado on a light sourdough.

So if Baron used sandwich sales as a barometer to predict the tech bust five years ago, what does he see as today's near-term economic future?

Based on 20 percent growth for the first half of 2005, the outlook is rosy, across the board, he said. "Everybody has their own angle," he added. "I just love sandwiches." ♦



Maurizio Negrini
Udi's Head Baker