

Plain wheat flour is a low-margin business that many consumers consider an undifferentiated, basic commodity.

"If you want to make money, you don't grow potatoes; you sell potato chips. You don't sell flour; you sell breakfast cereal," explained Jeffrey Hamelman, a certified master baker and retired original director of King Arthur's Norwich bakery.

But COVID-19 has affected almost everything, including the flour world.

March is the slowest time of the year for flour sales, although it leads up to Easter, which is the second busiest baking season after the winter holidays.

So Bill Tine, King Arthur's vice president of marketing, was surprised when, seemingly out of the blue, hotline call volume took its giant leap in mid-March.

Tine said he recalls a late Sunday evening phone call to check in with colleagues about the unusual numbers. But, honestly, he said, that period of time is a blur. King Arthur, like every essential business, was busy figuring out how to keep going and keep its employees safe. Then, unexpectedly, they were simultaneously faced with the sudden spike in demand for flour and baking advice.

The week of March 16 was when grocery store orders started to pick up in an unseasonal way. Over the next four weeks, they leapt 600 percent over prior year sales, Tine said. There were well-publicized shortages of toilet paper and hand sanitizer, but, he said, "It was a little bit of a shock that all of a sudden flour became, like, the third thing that started to go out of stock."

In response to empty grocery shelves, more consumers ordered direct from King Arthur than ever before, reaching six times normal sales.

On April 19, the company tallied a new one-day website traffic high of close to 1 million user sessions and 2.3 million page views. It blew past the previous record of 542,000 sessions on the day before Thanksgiving 2019.

And the orders looked different, Tine said. Direct sales were traditionally a mix of harder-to-find specialty products. But now consumers were ordering the core supermarket item they could not find: King Arthur's signature 5-pound red-and-white paper bag of flour.

While management was scrambling to get those bags back on grocery shelves nationwide, Furch, her hotline colleagues and the team that handles social media interactions were on a never-ending hamster wheel.

As call volume snowballed, it started to feel "like a continual Christmas season," Furch recalled. All told, the calls, emails, social media interactions and web traffic across April and May saw a sixfold increase.

Management did what it could to deepen the bench. The four-person digital engagement team grew to 17, thanks to bakers and baking instructors whose regular jobs were on hold or much reduced. The hotline similarly drew on six reinforcements from within the company, bringing its ranks to 21.

At no time, according to Tine, did the company technically run out of flour. What it ran out of was enough bagged flour to feed the newly voracious appetite of Americans stuck at home.

During the initial spike, Tine explained, King Arthur had enough flour to fill orders because the pipeline was full in preparation for Easter. In fact, throughout the whole flour "shortage," he said, there was never insufficient grain or even milling time to turn the grain into flour. The roadblocks were bagging capacity and speed of distribution.

Starting in mid-March, King Arthur was in constant communication with its milling and distribution partners to add shifts and speed up delivery, Tine said. The company paid the extra cost of shipping flour from

mills by truck instead of the usual railcars. And King Arthur signed a contract with a new distribution center to get grocery shelves restocked as quickly as possible; it also negotiated a partnership with an additional mill.

But no matter what company leaders did, it felt like they were just plugging holes in a leaky bathtub. There simply were not enough additional bagging lines at any of their partners to fill the orders.

"As soon as a truckload of flour came in, it was sold that next day," Tine said. Unlike toilet paper hoarding, he pointed out, people were using all the flour they bought and heading back for more: "People were actually baking."

To the surprise even of those in the flour business, it turned out that the quarantine was compelling people to bake, whether because they couldn't get out to buy their daily loaf, they craved comfort food or they simply had a lot of time on their hands. Suddenly, social media feeds were filled with photos of pies, cakes, cookies and crusty loaves of sourdough tagged #quarantinebaking.

#### SPEAKING UP

King Arthur's management team is well aware that there is always room to do better. Last November, senior leadership started on-going diversity, equity and inclusion training. The program was to be rolled out to the entire company, until the pandemic put it on pause.

"We've got to be more proactive and more forward-looking on how to make sure that we're actively getting all people to our table," said Tine.

While women are well represented in management at King Arthur, the company has very little racial diversity. "We live in a white state," said co-CEO Karen Colberg, quickly adding, "That doesn't absolve us from trying to talk about [race], to raise awareness, to make change and to be in it."

On June 1, King Arthur reacted to the protests sparked by the police killing of George Floyd with a social media post condemning "the devastating racial injustices that continue to plague our country" and announcing a \$200,000 fund to support racial justice changemaking organizations.

This was a big step for a company whose potentially controversial statements had previously been limited to "Say no to raw dough" (due to the risk of E. coli in raw flour, not salmonella in raw eggs).

Only a few hundred of the 39,000-plus Facebook reactions to the racial justice post were negative. The social media team responded with a firm but empathic reiteration of the company's position.

Social advocacy, Colberg acknowledged, "is new for King Arthur, and it's the right thing to do for us." The company had been planning to launch a Pride Month campaign instead on June 1 but decided to postpone it. Although some have accused big consumer brands of jumping on the cause bandwagon, King Arthur felt compelled to take a clear stand, she continued, "not because of some expected payoff—though I do believe people value it."

To those who say King Arthur should stick to baking, Colberg responds, "If we can't speak to what is unfair . . . then we are not being responsible leaders to our organization and our society as a whole. There are so many injustices out there and we have to do better."

#### NEW NORMAL

At about 9:30 a.m. on Friday, June 12, the bread bakers at King Arthur's Norwich headquarters were wrapping up their shift that had started at 3:30 a.m. Masked and well spaced, two bakers lifted rounds of dough, folding and shaping them deftly.

On the pastry side, the scent of cinnamon was so strong it seeped through the glass viewing windows and visitors' mandatory masks.

During Vermont's "Stay Home, Stay Safe" period, the King Arthur bakery continued to bake at reduced volume for local customers. The retail store had just reopened with strict safety guidelines. Jeanne Seymour had driven 70 miles from Guilford as soon as she heard the news. Her basket was soon full of baking tools and ingredients.

"I love that it's Vermont, that it's one of our companies," she said, "and that it's employee-owned."

In a classroom, a pair of education center employees were bagging loaves they'd baked for local community groups. The tally had just reached 10,000 loaves donated during the pandemic—15,000 including those baked at King Arthur's Washington education center. Both locations are targeting late July or early August to restart classes—albeit with fewer students to ensure social distancing.

The Norwich complex fondly known as Camelot by King Arthur employees is slowly moving back toward normal.

The question for King Arthur is what "normal" will look like, at that facility and around the country. Baking usually slows in the summertime, Tine said, but as of mid-June, sales are up more than 50 percent compared to a year ago. "I would say that they're settling in, not settling down," he said. "We're settling in to a new normal."

The company feels confident it has developed systems to respond to any future spike in demand. The challenge, Colberg explained, is to figure out how to nurture the new interest in baking hatched by the pandemic. "How do we engage people that have shown some interest in baking and keep them baking?" she pondered.

The bigger question, perhaps, is whether baking during the pandemic has taught Americans anything.

"I think people like the tactile aspect of it: the touching, the smelling, the feeling. We don't always engage all of our senses in what we do," Furch of the Baker's Hotline said. "Baking also forces you to pay attention to somebody else's rhythm, which is the rhythm of the dough. I think people are learning patience."

#### REFERRAL OF NOMINEES FOR FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

Mr. VAN HOLLEN. Mr. President, I support the referral for a committee hearing of the nominations of Frank Dunlevy, Christopher Bancroft Burnham, and John M. Barger to be Members of the Federal Retirement Thrift Investment Board.

#### ADDITIONAL STATEMENTS

##### TRIBUTE TO ROBERT J. HALSTEAD

● Ms. ROSEN. Mr. President, it is my honor today to recognize the career and service of Robert J. Halstead, a pillar of the Nevada environmental community, who retired earlier this month after serving the great State of Nevada for over three decades.

Bob has been instrumental as a leader in the fight against the failed and fiscally irresponsible proposal to dump our Nation's nuclear waste at the Yucca Mountain site in Nevada. Since