

# The Flowers Way

George Deese served as a trusted advisor whose legacy includes building a stronger and better baking industry for the future.

by Dan Malovany

Integrity is earned not only through words but also on one's actions over a lifetime. Likewise, leadership is defined not only by accomplishments but also by motivating others to succeed.

During his 50-year career, George E. Deese has led Flowers Foods to several milestones. During his tenure as



CEO of the Thomasville, GA-based business, Flowers Foods grew from a regional baked foods company with \$1.5 billion in annual sales serving 38% of the US population to more than \$3.7 billion in annual revenue with access to more than 75% of the country. Through his leadership, the company created well over \$3 billion for shareholders in increased market capitalization and dividends. But those numbers only tell part of the story that defines Mr. Deese's im-

impact on Flowers and the baking industry, according to Allen Shiver, Flowers Foods' current president and CEO.

"Through his life, George's ethical grounding and good judgment have been evident as he guides the Flowers team, industry peers and community leaders with his quiet, yet uncompromising, manner to always do what is right," he noted in his nomination of Mr. Deese to the 2015 Baking Hall of Fame.

Mr. Deese's career with Flowers began in 1964 when he joined the company's sales department. Over the years, he was promoted to district manager, sales manager, executive vice-president and eventually president of Flowers' Atlanta bakery — advancing to become regional vice-president and president with responsibility for six bakeries in the Southeast.

From 1983 to 2002, he served as president and COO

of Flowers Bakeries, the company's largest operating group. In 2002, Mr. Deese became president and COO of Flowers Foods, then president and CEO of the company and a board member in 2004. He added the title of chairman in 2006 and served in that capacity until 2013 when he became executive chairman. Since January 2015, he has served as non-executive chairman of the board and remains a member of the board of directors.

Under his watch, Flowers continued its decades-long tradition of consistent sales growth through numerous strategic acquisitions, geographic expansions and organic growth in core markets. In addition to providing strategic direction and encouraging innovation in manufacturing, distribution and product development, Mr. Deese promoted a culture that stresses the importance of team, the value of every employee and the impact of every person on the overall success of the company.

As an industry leader, Mr. Deese served as chairman of the American Bakers Association (ABA) and as a member of ABA's board and executive committee for nine years. He was actively involved with the Quality Bakers of America, the Southern Bakers Association and the Grocery Marketing Association. He played a key role in creating the Grain Foods Foundation in 2004.

His commitment and service to the baking industry is reflected by respect from his peers. "In his daily life, George Deese demonstrates wise judgment and serves as a trusted advisor to all who know him — not just on the job and with his family but also in the wider circles of church, community, state and industry," Mr. Shiver noted.

Many of the letters supporting his nomination shared private observations about how Mr. Deese provided support that went beyond his activities in the baking industry.

Robb MacKie, ABA's president and CEO, once asked Mr. Deese what motivated him to become involved in associations supporting the baking industry. Mr. Deese simply replied, "We have a duty to leave an industry that has given us so much better than we found it." That's Mr. Deese's and "The Flowers Way" leading to his induction into the Baking Hall of Fame's class of 2015. For more from Mr. Deese, see "In Pursuit of Excellence" on Page 39. •



## Q&A: MANAGEMENT

George Deese  
Flowers Foods

For George Deese, “The Flowers Way” is always about trying to do the right thing. It’s about going beyond the call of duty, beyond what’s expected and asking, “How can I help?”

“At Flowers, we’re in business to support others — not just those who rely on our products but also those who rely on our company to be successful — our shareholders, our team members and associates, and the communities in which we operate our business,” explained Mr. Deese, chairman of the Thomasville, GA-based company.

It can be argued that Mr. Deese — whose career spans a half century — has seen it all when it comes to the baking industry. While that’s not exactly true, it certainly accounts for his unique perspective about how people, companies and events over the years have influenced how the industry operates today.

In an interview with *Baking & Snack*, Mr. Deese shared his thoughts on leadership, Flowers Foods, his career and his outlook for the future. For more information on his Baking Hall of Fame induction, see “The Flowers Way” on Page 28.

# In Pursuit of Excellence

Success ultimately comes from constantly striving — and encouraging others — to be the best.

## Dan Malovany: What does being inducted into the Baking Hall of Fame mean to you, your family and your colleagues at Flowers Foods?

**George Deese:** My family is very proud of my induction to the Baking Hall of Fame. I, in turn, am grateful for their support and appreciate the many sacrifices they have made throughout my career. While I thank the American Society of Baking for this honor, I must accept it on behalf of the many men and women at Flowers Foods with whom I have had the privilege to work. The culture of teamwork, support and personal commitment that exists at Flowers is special and has allowed the accomplishments and successes that have made my career with Flowers so enjoyable.

## In your 50-year career, what are the biggest events that have impacted the industry?

Reflecting on the many changes that I have seen over the course of my career, they all have something in common: meeting the needs of the marketplace. Certainly other factors — the tremendous amount of bakery consolidation, especially in the last few years, the increased process automation and the innovative introduction of technology in production — have all made a difference, but they are all in response to the ever-changing needs of the market.

## Likewise, what were the greatest milestones for Flowers Foods? How did you participate in these?

One of the most important milestones was when Flowers Baking Co. made an initial public offering in 1968 and became Flowers Industries. I was not directly involved in this, having only been with the company four years, but this action set the course for where Flowers Foods is today. Going public provided us with the resources to grow through expansion and acquisition and to

invest in new technology that would keep us efficient.

Another milestone for Flowers occurred in 1996 with the acquisition of Keebler Foods, whose products were outside our traditional bread and snack cake business. When we sold Keebler five years later, we realized an excellent return on our investment for our shareholders. We also gained a tremendous amount of operational knowledge, and, perhaps more importantly, it gave our leadership at the time the confidence to consider other expansion possibilities. So when I was named CEO in 2002, the direction and growth strategy that we proposed in 2003 and have been pursuing since was evolutionary, not revolutionary.

## How would you assess the state of the baking industry today and going forward?

I am very positive about the future of our industry. The challenges and opportunities we face today are really not that different from those of the past. It’s all about understanding what consumers want and then finding a way to meet those needs. That sounds easy, but it’s not. People have been consuming bread for thousands of years — how do we keep it an important part of today’s meals? Additionally, how do we keep the products we make relevant to today’s consumers?

## Who has had the most influence on your career, and why?

I don’t believe I could ever single out one individual as the most influential. I have been inspired by the legacy and vision of both W.H. and Langdon Flowers and have enjoyed working with so many talented people over the years. The culture of teamwork and spirit of cooperation at Flowers has allowed me to learn much along the way.

## Q&A: MANAGEMENT

Heeth Varnedoe taught me especially valuable lessons. From Heeth, who was COO at Flowers and my supervisor for many years, I learned the fundamentals of operations. He also taught me that humility is a big part of being an effective leader. Most important, from Amos McMullian, who served as the CEO at Flowers for 24 of his 50 years with the company, I learned the finance of the business and that “growth for growth’s sake” should never be a goal of the company. The focus should always be on being the best that we can possibly be. If we got bigger as a result, that would be a wonderful thing. In addition, he taught me a great deal about leadership and how to become an effective CEO.

### What are the biggest technological or new product innovations that have affected the baking industry?

With regard to product innovation, Nature’s Own was definitely ahead of its time when it was introduced in 1977. With no artificial flavors, colors or preservatives, it was one of the first of its kind in the markets that we served in the South. Today, it is the No. 1 bread brand in the US, leading the soft variety category, which it helped create.

In regard to technological advancements, the introduction of integrated proof-and-bake manufacturing systems in the 1970s that were a lot more cost-effective was a true innovation. Another technological innovation with great impact is the company-wide integration of data from inventory and production through logistics, distribution and administrative functions. These

interconnected systems share data that allow us to be more productive, more efficient and less reactive as we continue to meet our commitments to the market.

### What’s the best piece of advice you received during your career?

Curtis Chapman, a senior executive with the company, once told me, “Every day, always do your best at the job you’re doing and you will be recognized and rewarded for your contributions,” and I firmly believe that. For me, it gets back to teamwork — if everyone does what he or she is supposed to do, the entire team will be successful.

### What do you know today that you would have told yourself as you started out in the baking industry?

I would stress to my younger self the importance of gaining knowledge, self-education and continuous improvement. Whether it’s learning about leadership, general business practices or industry-specific trends, you can never get too much education — balancing that knowledge, of course, with day-to-day practical experience.

### What’s the next chapter for you?

Well, first and foremost, I intend to spend more time with my children and grandchildren. Also, I will continue to serve as chairman of the board for Flowers Foods and be involved with the company’s strategic direction. I will also remain available, as needed, for the current and future leadership of the company — just as the previous leaders have been available for me. ●

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