

# The Great Dunedin Pie Shop

I was struck by a comment during a strategic planning day with a couple that had been in business for quite some time. "We didn't plan to get into .... (Additional product line). It just happened naturally".

The immediate question arises. Are these 'natural opportunities' distractions or actual opportunities?

I found myself discussing this issue with other clients and to protect my client's identity

created this story about a fictitious business.



## ***The Great Dunedin Pie Shop 1983.***

*This business has roots going back to the early 1980's The founder Mr*

*James W Marwick emigrated from South Carolina USA where he came from a long line of pie makers.*

*He had been in New Zealand on a fishing trip and fell in love with the country and the vast opportunities to obtain quality meat to use in making pies. Soon after opening his Dunedin business his reputation for exceptional pies quickly established.*

*Legend has it that the real secret to these addictive pies was actually in the pastry. Some say it was technique in the making and baking and others that he had a KFC type secret recipe. None the less people came from all over and one particular customer, a Mr Peter Walkinshaw visited the Dunedin Shop almost every day.*

*J Marwicks wife hated New Zealand and despite moving here initially, she returned to the US*

*within 6 months of the new Dunedin pie shop opening. James couldn't afford to leave New Zealand as his life savings were tied up in the new shop. Even if he wanted to return home no one had the confidence to buy the pie shop and especially expect to make pies as good as his.*

*His good customer Mr. Walkinshaw had become a trusted friend and convinced him to sell him the pie shop to re join his wife. Mr Walkinshaw was not rich and was the Technical Supervisor at the nearby dental school. He purchased the pie shop in 1983 at a fair price and convinced his wife Jenny to run the business. Before J Marwick left, Jenny spent 3 months learning all she could of the 'Marwick Pie Methods'.*

*Jenny did surprisingly well. She brought a certain woman's appeal to the shop and introduced coffee clubs. Soon new premises were required and a dining area included. Things got very busy and before long they were offering catering services for the many functions held nearby.*



*The pies remained extremely popular and legendary around town. One or two of the old cliental would pass comment that her pies were good but not as good as J Marwick's. Jenny was very busy and now had a staff of 7. She never let anyone 'tinker' with the recipe or methods on pie making she learned from J Marwick and she was a stickler for checking mixtures.*

*Tragically Jenny suffered 3 minor heart attacks (unrelated to the pies) which she recovered from however an undiagnosed clot resulted and she suffered a massive stroke.*

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*Her husband was devastated and took leave of absence from work to be with her. The resulting side effects from the stroke left Jenny paralysed down one side of her body and unable to speak.*

*Audrey Turner, a senior member of staff stepped up to keep the pie shop going and did her very best despite being thrust into the role. Audrey was more of a loyal employee than a manager and did not have the means to buy the business and so become the interim manager. An urgent hunt for a new pie maker began.*

*Advertising out of town was an expensive thought and there was a degree of urgency so a few hurried ads on the radio and in the local newspaper and a sign on the shop door. Only two possible candidates surfaced and the most experienced pie maker was a young man called Jimmy Barnes.*



*Some thought Jimmy was a little too big for his boots. In fact Audrey was discussing him at the dinner table when*

*her daughter remarked that he double dated one her friends. He sang in a rock band at night and made pretty good pies for a competitor but Audrey didn't like him.*

*The other candidate, Susan however was just lovely. Her parents were the Walkinshaw's Presbyterian ministers and her mother regularly won awards for Bread Making.*



*Susan would fit in with the rest of the staff very well and Audrey felt very confident. Susan had her mother's passion for Bread Making and despite commercially*

*lacking all thought she would adapt to pies fairly easily and so in 1994 Susan joined The Great Dunedin Pie Shop as the chief pie maker.*

*Things change and change they did. The shop had lost some momentum in the absence of Jenny and Audrey had begun buying in some standard commercial pie lines to take the pressure off to avoid disappointing customers by having no pies.*



*This was meant to be temporary but somehow became permanent.*

*Susan tried hard and even attempted to talk to Jenny one day in the hospital but it was hopeless. The scraps of information from various people, coupled with her lack of experience made it very difficult.*

*Susan and her mother entered a national Bread making competition and would you believe it youth beat experience. Susan's mother was so proud and at work on Monday the pie shop was buzzing.*



*The staff came in early and made her a special cake to celebrate, a reporter called and Audrey rang the Radio Station proclaiming that this exposure could only*

*help the business. During the extended morning tea to celebrate one of the staff suggested the business should sell some of Susan's bread.*

*After all, the business sold far more than 'just' pies. By now there was coffee, cakes, soft drinks and even a small ice cream freezer not to mention the dining area. It was decided that*

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*some novelty 'breads' would be sprinkled into the range of foods now sold.*

*In the background Food Nutritionists were publicly declared war on fatty unhealthy foods. Pies were most certainly in the firing line and natural home-made type foods with reduced additives were being heralded as more healthy.*



*Susan's reputation for bread gained momentum however a loaf of bread is much bigger than a pie so things got a bit cramped as bread sales grew. A couple of tables were removed from the dining area to make way for new bread stands.*

*More bread could have been made if they had a proper bread oven and didn't have to pull out the wrong pie sized oven racks. But what about the lack of space and it would cost a lot?*

*Unbelievable timing but the very old pastry rolling machine that J Marwick brought out from America died. The last time it was fixed the engineer said it would have to be replaced next time it broke down. Audrey had been pestered for some time now by a handsome young rep that sold pre formed pastry and ready-made pies with an impressive and extensive range.*

*He offered to replace the old pie warmers with new ones for free. Within a year The Great Dunedin Pie Shop turnover rose by 50% and the mix of bread sales rose to 75% of turnover! Very few pies were made on site with mainly ready-made pies sold.*



*God made Man & Woman and Susan meets a man studying to be a Presbyterian minister. They marry and a year later she is pregnant.*

*Will she will come back to work after the child is born and the 18 weeks paid parental leave runs out? Susan loves her work and her team mates and has all the intentions in the world of coming back part time and to train her replacement. Will she love being a Mum more? Where will her husband Jim be posted to if he doesn't get a parish in Otago next year?*

*Almost forgot about Jimmy Barnes. He met an ambitious young lady one night when his band was performing. She convinced him to attend Polytech part time and undertake some business studies. While the relationship with the ambitious woman didn't work out he became hooked on business, sold his band equipment and started JB's pies.*



*Jimmy has been quite savvy at reading markets bringing out the famous 99% Fat free Pie.*

*JB's are so far the only pie to be accepted by food council to be served in schools. He is currently investigating franchising scenarios and other ambitious women.*

Clearly this story didn't happen. Many NZ businesses will relate to part(s) of this story. There are obvious examples of poor planning, lack of contingency plans and badly calculated decision making under pressure.

What caused these poor decisions to be made?

What things were Opportunity / Distraction?

Which decisions made were strategically detrimental to the business owners?

What needs to happen now?