

ERL-29
Day Trip to the Far Side of Paradise

1828 Delaware Street
Berkeley 94703
28 September 1970

Mr. R. H. Nolte
Institute of Current World Affairs
535 Fifth Avenue
New York, N.Y. 10017

Dear Mr. Nolte:

Crunchy Granola.

Huh?

You're kidding. What is it, for heaven's sake, a prizefighter? Joe Garagiola's cousin? A gangster with dentures, maybe?

Un-uh. Food from Paradise.

One of the overlapping interests of the ultras -- conservative and radical -- and the surging a-political counter-culture, is organic and health foods. While the young converts may not share any of the sexual phobias and inhibitions that drove other generations to orgies of colonic irrigation, they do feel threatened by a large external conspiracy and they calculate their chances for survival improve with pure foods. Six years ago they probably thought Buck Turgison in Dr. Strangelove was pretty funny muttering about his "natural bodily fluids", but with the late dawning of the Age of Ecology, the pure, stoned Children of Aquarius have started digging oats and berries very seriously. The traditional patrons of health foods are as surprised to see the young and the hairy as their co-conspirators as the craft folk who are amazed at the resurgence of interest in weaving, carding, and hand work. Those who take both interests most seriously are heading off to the precarious rural communes. The greater number are living, and will continue to live, in the big urban sprawls, doing macramé and avoiding eating extra strange chemicals while they breathe the foul air.

An accepted fact of life the latest guidebook to the Bay Area just discovered is that the best place to find out who and what is happening in Berkeley California is, of all places, the Co-op supermarkets. The Co-ops, which operate in the righteous spirit of Rochdale, have always had a full range of consumer services, but even with discount pricing they are not the cheapest places to shop. No matter, they compensate with ambiance for whatever they lack in economy, and far more than the 45,000-member families shop, and meet, at them. The Co-op has always catered to the whims of its mostly middle-class and student customers and carries a lot of specialty items to satisfy exotic, gourmet and/or ethnic cravings, as well as an increasing number of health foods. It has stocked Crunchy Granola, which historically was available only in health food stores, for at least the last five or six years. About two years ago it just took off and now is one of the fastest-selling items in the Co-ops. When, as has happened with some frequency lately, the supply runs out it is a minor crisis because everyone complains and complains loudly. Normally cheerful clerks grow surly and defensive from repeating bad news and stick up hand-lettered signs of apology. When the social and gastronomic drought ends and the bin is full again, people are nearly euphoric.

Since there is increasing evidence that whatever happens in Berkeley eventually happens almost everywhere else, you should know the truth about Crunchy Granola before it hits your town. Like, what is it?

Crunchy Granola is very homely cereal that comes in a package so plain as to be un-American, and tastes a lot better than it looks. The plain-printed heat seal labels at the top of the plastic bags are forever coming apart and spilling the listed contents: "Oats, Soya oil, Yellow D brown sugar, wheat germ, unsweetened coconut, sesame seed, sea salt and pure vanilla flavoring." Aside from the list, the only other thing the undersized label tells you is that Crunchy Granola is "Ready to Eat. Just add milk and your favorite fruit. Sprinkle over dry or cooked cereals or puddings." and "Store in cool dry place. No preservatives added. Mfg. by Lassen Foods, Paradise, California." In other words, despite an equally memorable name, it doesn't come on like Screaming Yellow Zonkers or Corn Flakes,^{or} even worldly, sophisticated European, Familia. It's all out front to look at. There is no claim that Crunchy Granola is organic or nutritious, but since it is crunchy and has all those wholesome things in it, the popular assumption is that it must be good for you too. In fact, it is probably no better than the fancy-boxed cereals -- and, like them a cross between horse food and Mars' Bars.

Even before the report on cereals this summer, a group of us were having fantasies about distributing Crunchy Granola across the nation, in the spirit of Tom Lehrer's Old Dope Peddler, "doing well by doing good." Finally, on a September summer day we tracked it to its source.

The unholy, as well as unlikely, crew of industrial spies included the manager of an FM radio station, his parents, an interior designer, an activist law student, a member of the ICWA board (Jack Geiger, who really just wanted to call the Tufts Delta Health Project collect from Paradise) and me. On the basis of the advance party's recommendation, we changed the rendezvous point from the Post Office in Paradise to the new headquarters of Lassen Foods, a Bakery cum Sales Room Juice Bar in downtown Chico.

Downtown Chico is about 170 miles north and east of San Francisco, at the edge of the Sacramento Valley. It has two one-way commercial streets, a state college campus of some renown, a Silver Dollar Fairgrounds, and now...Lassen Foods' new store, which opened two months ago. The store is like any newish health foods store, large, clean and quiet, stocked with a full-range of health goodies, plus specialty items, like Kosher Marshmallows and Kaffir Tea that are considered "health" foods outside big cities. The juice bar advertises the usual grapefruit, tomato, papaya, boysenberry juices, plus Protein Pick-Me-Ups, salads and cookies. In the background, Tennessee Ernie Ford was singing solemn hymns. Mortuary music. Hardly a celebration of life, joy and good health.

Over foamy Protein Pick-Me-Ups, Christina Silvestrini the shop manager, told us about Lassen Foods. Her boss and old friend from farming days in Humboldt County, John Feekes, had worked for the old doctors who owned the company and bought it from them when they wanted to sell it. Feekes, she said, was a terrible farmer, but a good baker. However, the business had been growing so fast lately that with all the book work he seldom got to bake anymore. Before she went to find her boss she mentioned that Seventh Day Adventists invented Granola. While she was gone, the smokers hastily hid their cigarettes (for which no ashtrays were provided), lest they antagonize a believer unnecessarily.

Immediately after the introductions, John Feekes asked if we knew the all-women expedition to the top of Mt. McKinley had carried Crunchy Granola with them. They had sent him pictures of themselves eating it at the summit. The National Health Foods convention in Atlantic City took place just as they were moving into the new store in August, so Feekes couldn't go, but he sent a young man that works for them, and they took orders for Crunchy Granola for the first time. As a matter of fact, the initial truckload is on its way to New York right now. A few health food stores in the east had gotten it from mid-western health food distributors who divided up an occasional truckload, but this was their first order from a New York distributor specifically for the East Coast.

At first, Feekes thought the increasing demand for Crunchy Granola was just a fad, but it's gone on too long. After two years he's happily sure he and his family are into a good business. Most of the people in the store, while we sat there on a weekday morning, were older and were not stocking up on either Crunchy Granola or the new products: Vita Grains, Granola with Almonds and Honey, or Crunchy Oats. But, on a Sunday, he guesses 90% of his customers are under 25.

[We were, however, greeted by an ebullient young man who asked us how long we had been into organics. While we shuffled for an answer, he gleefully announced that he was Brazilian, from Rio, had given up meat for two years from 1966-68, which felt wonderful, but since coming to the states he'd eaten hamburgers and hot dogs, although he still felt fine. He'd gone to Fresno, he said, but it was too crowded (after Rio?) and he thought Chico was just fine, especially because he could get back to organic food.]

Yes, Feekes said, Granola was invented by the Adventists who believe in pure food, but another form was common in Germany, and there is a man in Tennessee who is also making some, but he isn't interested in distribution. They get a lot of mail about the name. Some people don't like it, but they bought it along with the recipe from the doctors and it was a nice family business. The Feekes run the store and their son-in-law runs the cereal factory. Feekes personally didn't

have a food philosophy but he thinks the kids are right to like natural foods, if only they would give up drugs and cigarettes. What about the religious music, we asked? Oh well, one of the clerks offered to bring in tapes to play in the store, this one just happened to be ol' Tennessee Ernie.

"Wayne was down here this morning, but he's gone back to the factory. If you folks want to go up and see him I'll call and tell him you're coming. Factory's on the far side of Paradise, next to the gravel pit and cement factory. There's a sign with a picture of Mt. Lassen out front."

Leaving Mr. Feekes, the health foods and juice bar, we went on up to Paradise, which, all Marx Brothers jokes aside, honestly is 13 miles east of Chico in the foothills above a splendid pine-spattered mesa. The town is familiar linear plastic America with a disproportionate number of aggressively advertised trailer camps. After sharing our picnic, which included a Crunchy Granola cake, with the yellow jackets of the Paradise municipal park we headed out of town looking for the gravel pit. Parked in front of the shed next to the dusty pit was a large truck labelled "Crunchy Granola Express."

Wayne Schlottuer came up behind us and introduced himself cheerfully. Stocky and smiling, in cinnamon Levis, he led us through the open door of the shed, into a factory, totally unlike the laboratory world of General Mills. The supply room was full of casually stacked sacks of oats, boxes of seeds and cans of honey. Through the open door we could see Conrad performing the magic ritual that produces Crunchy Granola.

In January '69, Lassen Foods was turning out between two and three thousand pounds of cereal a month using a regular bakers oven for toasting the cereal. The factory is new and custom-built. Wayne Schlottuer, who explained his background as "farming for a while, then the garbage business, but after I hurt my back, I went to work for my father-in-law in the bakery and I guess I was always interested in this product specially," figured out the specifications for the first cylindrical roasting oven and helped build it in Paradise. There are now three, and the 35 foot ovens turn out nearly 250,000 lbs. of Crunchy Granola a month. Wayne figures maximum capacity on these ovens is 350,000 and he's at work designing extentions to the factory.

Anyway, in an antechamber to the ovens, Conrad, a big bulky young man who used to be a counsellor at the boys home up the road and is decked out in white cap and apron, is opening sacks, carrying them to the rotating barrel in front of the oven and dumping them. Rolled oats spill on the floor. It's hot and the air smells sweet. After he gets all the grains into a batch he measures out the syrup -- mostly vanilla and sugar, adds it, and starts the drum spinning. When the batch is thoroughly mixed it is poured into the nearest available oven and starts warmly rolling toward the end of the shed, where it is sampled again, and transferred into wall-high storage bins. At the far end of the shed is a little room with a counter, and two spouts suspended from the far wall which really is the bin. Two girls sit quietly. One measures out the Crunchy Granola in one or three pound bags, weighs each one on an old grocery store scale on the floor next to her, and passes it to her neighbor who applies the heat seal label and stacks it. A stock boy fills the cartons and piles them near the open door for transfer to the trucks.

That's it. No inventory. All Crunchy Granola, Crunchy Granola with Honey and Almonds, and Vita Grains are made to order. The Crunchy Oats that Lassen Foods market are produced by hand by a little old man in the mountains.

The oats for the Granolas all come from Quaker Oats in Cedar Rapids. They now buy them by the railroad carload, and a truckfull comes up from Chico every eight days. When the rented truck comes back from New York it will pick up a load of oats at Cedar Rapids. The nuts are all local. The recipe is secret and a subject of some friendly dispute between Conrad and Wayne. At one point we asked Wayne if he ate Crunchy Granola. He paused, grinned and said "No", roared with laughter and hastened to explain that he didn't eat it "at the table" because he kept tasting it all day to see that Conrad didn't juggle the proportions. A lot of people, he said, sent them recipes for things to do with Crunchy Granola, and he was thinking about either putting some on a new label for the ten pound package they plan to produce, or collecting a recipe booklet. Whereupon, someone offered him a taste of our cake which was brought up, slivered and passed around to some of the 19 employees, who judged it very tasty. Conrad's wife -- one of the packers -- who had been experimenting with Crunchy Granola Chocolate Chip cookies, came out to inquire about its lightness (eggs and baking powder) and the flavor (lemon, rum, and raisins). Conrad recommended bourbon for the next time as complementing the particular pure vanilla.

Crunchy Granola is produced to sell for between 69 and 75¢ a pound (if you want to make a comparison don't go by the size of Rice Crispies. Figure against the net weight of contents, it's really about the same). The profit margin is about one-third. In the Bay Area, the price runs from 75 to 89¢ a pound. Someone wrote from Texas to say they had paid \$1.00 a pound which means the health food distributor in Tulsa must be doing well. In the event, the Berkeley Co-Ops are the largest single customers, buying about 4,000 cases a month, or about 36,000 pounds of it. Although Vita Grains were only introduced this year, they are now selling almost as well as Granola. The difference is cashew nuts, sesame seeds and no sugar.

Wayne doesn't consider Familia or Musli, similar European products, serious competition. He brought out the Honey and Almond Crunchy Granola in a hurry when he heard someone else was about to try something like it. There has been a flurry of investor and competitor interest, but the cereal report this summer actually didn't boost sales that much. They were already climbing sharply. A man from Pet Foods came snooping around and talked to all of Lassen Foods suppliers trying to figure out how they functioned, but he didn't get much help. Safeway is now interested in stocking Crunchy Granola but they are in no hurry to supply Safeway until they can do it without reducing service to existing customers.

Is Crunchy Granola good for you? Wayne grinned. They were going to get a protein test done pretty soon, but they did know that it comes out to about 100 calories an ounce. He didn't really have a philosophy of food anyway, it was just a business, a nice family business that was doing real well. Crunchy Granola appeals to city people, in San Francisco, L.A. and now New York, He said, "up here, hardly anyone eats it."

Sincerely,


Eden Ross Lipson