



South Bend Chocolate Company Sweet Taste of Success Continues

By Candace Gwaltney

Company: South Bend Chocolate Company
Address: 3300 West Sample Street, South Bend
Telephone: (574) 233-2577

Web site: www.sbchocolate.com

Management: Mark Tarner, president and CEO

Employees: about 200

What they do:

If it's chocolate, the South Bend Chocolate Company probably makes it. From chocolate-covered blueberries to milk chocolate truffles, the candy maker offers 350 different sweet treats (including variations of the same items). Popular offerings include flavored caramel corn using Indiana-grown popcorn, nuts, dipped pretzels and turtle candies. All the candy is made at the company's 65,000-square-foot factory in South Bend, including some chocolates that are hand-dipped.

With stores in Indiana, Michigan and Ohio, South Bend Chocolate has 22 locations (14 corporate and eight franchises), including the newest one at the Indianapolis International Airport. More than half of those are a Chocolate Café, offering a variety of fare from soup and sandwiches to desserts and espresso drinks.

History:

The company started with just a few Notre Dame-themed chocolates. Tarner used his father's chocolate factory to make treats such as "Nuts for ND" and "Domers" – named for the university's Golden Dome. The first retail store opened in 1994 in a shopping mall near South Bend.

Like father, like son:

"In our industry, there aren't really schools where you have to learn," Tarner shares. "So you have to learn either from your mother or your father. There are a few schools, but they aren't really for professionals. Professionals learn by doing."

Tarner first worked in his father's chocolate company (which made candies privately for companies in Chicago) as a teenager. After completing a master's degree in European history and a stint in Germany, he came back to South Bend to work for his father once again. Five years later Tarner used that hands-on experience to start his own chocolate venture.

SOUTH BEND CHOCOLATE COMPANY

Growing market:

South Bend Chocolate has about 4,000 wholesale customers across the country.

“Where we are expanding dramatically is wholesale,” Tarner notes. “We sell to Saks Fifth Avenue, which is private labeling our line. We have some big customers coast to coast.”

Largest chocolate store?

Last year, the company completed a \$1.3 million expansion at its downtown South Bend Chocolate Café, making the restaurant and shop more than 10,000 square feet. “I think this is the world’s largest chocolate store,” Tarner proclaims.

The sprawling shop offers a candy counter, restaurant, meeting rooms, children’s play areas and aisles of candies (including items other than the South Bend chocolates).

Not quite Willy Wonka:

The company adds 10 to 15 new products each year. While none of the products promise to be everlasting or make the indulgers weightless like Wonka’s creations, Tarner says he does like to experiment.

“Most of the products are dead-on. We experiment with stuff like this pumpkin pretzel we have. The problem is we are such innovators, people rip us off (by copying products).”

Other unique products include summer crunch (a caramel corn with white chocolate and a splash of lemon and orange) and cherry blossoms (Michigan cherries with caramel and

The first South Bend Chocolate Café opened in 1996. Since then, the company has opened several similar stores, including one in downtown Indianapolis.



The company’s 65,000-square-foot factory operates 24 hours a day, supplying chocolate to both its namesake stores and to wholesalers.

roasted pecans dipped in chocolate).

Tarner admits the worst experiment came in a packaging idea. “I was going to come out with a blue and gold heart for Valentine’s Day. We still have those somewhere; I don’t think we sold a single one.”

With a cherry on top:

While that peanut butter cup ice cream you bought at the Chocolate Café is divine, those milk chocolate candies aren’t South Bend’s. The ice cream sold in South Bend Chocolate locations is made by Elkhart-based Bonnie Doon Ice Cream Corporation.

But Tarner hopes to dip into the ice cream market. Ice cream production may be added to what is now a storage area at the downtown South Bend Chocolate Café location, though nothing has been finalized.

If they try it, they will buy:

The company may not have a motto per se (Tarner says he hates mission statements; instead the company’s mission is evident in what it does). Still, retail employees know they should be doing two things: selling chocolate and sampling.

“Sampling is a big thing for me,” Tarner explains. Even on the coldest days, employees at the downtown Indianapolis location may be found outside at Monument Circle passing out delicacies.

The Chocolate Museum:

South Bend Chocolate Company offers guided tours of its factory, including a look into the history of chocolate making. A small museum at the factory offers memorabilia from major candy companies, antique chocolate tins and an ancient Mayan chocolate pot, circa 650 A.D.



The Chocolate Museum features a wide collection of chocolate boxes, signs and memorabilia from around the world.

Señor Koko, a talking South American cacao bean, guides visitors through the history of chocolate in a video shown during the tour.

Sweet dreaming:

“Part of my strength is that I am a tremendous dreamer and that I do what it takes to get there,” Tarner notes. Few can argue with the results.

That’s what inspired him to write a children’s book called “Harry’s Sweet Dream.” Harry is a five-year-old boy who dreams of working at the chocolate factory near his home. Tarner wanted to write a story about dreaming the possible and making it happen.

Tarner remembers how his father always encouraged him to dream – a lesson he says shaped who he is today.

“I dreamed of building the world’s largest chocolate shop. I dreamed of becoming one of the nation’s best candy companies. And you know what, those dreams came true – but it’s practical steps. It’s not a dream like ‘I dream to be a millionaire or win the lottery.’ Hell, I’ve spent more time on the factory floor than in a board room.”

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