

WELLS
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Wells Fargo is America's #1 Small Business Lender

Wells Fargo offers Idaho customers strength and stability



By Todd Cooper

Over the last two years, Idaho businesses have operated in the most challenging economic environment that many of us have seen in our careers. What's more, troubled financial companies - including more than 240 U.S. banks that have failed since early 2008 - have cast a pall over the entire industry. So today, it's as important as ever for us to tell our community about

Wells Fargo's strength and stability.

We want people to know Wells Fargo's position and our commitment to Idaho. Let me share with you a few facts about Wells Fargo that show how we're helping our customers and our communities on the road to economic recovery.

First, to know Wells Fargo is to know our vision and values - these guide everything we do, no matter the economic conditions. Our vision is to satisfy all our customers' financial needs and help them succeed financially. When we do what's right for our customers and for our communities, we know business results will follow. By staying true to our conservative financial discipline, we can be there for our creditworthy customers at all times.

We're proud of the fact that the average number of Wells Fargo products per retail customer is at all-time high - Wells Fargo Retail Banking customers have an average of 6.02 products with us. We're also growing our business with legacy Wachovia Retail Banking customers - now 4.85 products per household. That's significant because it measures the trust customers place in us. As we build relationships with our customers, we earn more of our customers' business.

We did face many of the same challenges as other businesses in the troubled economy. Yet our vision and culture based on that vision, helped us maintain our credit discipline and keep our standing as one of the world's strongest financial institutions.

At the center of our vision and values is the fact that we're "community-based." Idaho's towns are our towns. We have almost 2,200 team members who live, work and play here. Our success depends on the success of all our communities. So we're proud of the work that Wells Fargo and its predecessors have been doing in this community for almost 160 years to help our neighbors and friends, save for future needs, secure home loans, finance businesses and much more.

As a member of this community, we invest in its future success. In 2009 alone, we contributed over \$831,000 to schools and non-profits

See "Strength and stability" on page 2.

Alpicella Bakery produces fresh, authentic sourdough and premium breads locally

When Bob Perata, CEO of Oroweat Foods of Boise, saw a growing demand from his customers for innovative variety breads, he and his son Dan started Alpicella Bakery in 1996. Since then, the wholesale bakery has become known for producing local, fresh, authentic sourdough and premium breads for restaurants and institutions, and a growing number of products for retail sale.

The bakery started small with route sales representatives dropping off samples at restaurants, institutions and major grocery stores throughout southwest and eastern Idaho, and aggressively marketing the new products.



Darrin Gardner, chief operations officer; Bob Perata, president and CEO; and Ron Potter, general manager, are pictured with some of Alpicella Bakery's fresh, premium breads.

"We were able to grow our brand presence because of our commitment to price, quality and service," said Darrin Gardner, president of Oroweat Foods of Boise. "We place a huge emphasis on quality and service. Our customers have access to us 24/7 and they know they can count on us to take care of their needs."

Part of the Alpicella success formula comes from a long Perata family tradition of authentic sourdough breads. The "mother" sourdough culture has been around for more than 30 years. The Perata family bread history can be traced through Oroweat Foods, Frisco Baking and Colombo Bakery. Bob's family continues to own and operate Frisco Baking in Los Angeles.

"All of our breads are authentic without artificial flavorings, trans fats or high fructose corn syrups," Perata said. "We pride ourselves on being local and fresh."

See "Alpicella Bakery" on back page.

Together we'll go far



Alpicella Bakery *from page 1*

Sourdough bread is very sensitive to local conditions. In 2006, when the company moved to a new 46,000-square-foot building that was a few hundred feet higher than their previous facility, they had to fine-tune the recipe.

"This is a very competitive business with lots of innovation, particularly in the Boise area," Gardner said. "We've been able to stay ahead of the curve and be the first to bring a number of niche products to market. For example, it took us just three weeks to respond to the low-carb fad and introduce Net 4, a low-carb bread."

Alpicella's largest competitors truck product in from out-of-state. Alpicella Bakery is one of a few local providers of wholesale bakery goods, and the only local company to distribute in all major grocery trades.

"All of the revenues and profits our company generates stay in Idaho," Gardner said.

Alpicella now has more than 150 SKUs (stock-keeping units), including slider buns, foccacia, calzone, ciabatta and organic breads. The bakery's five-inch Pub Bun, a handcrafted, artisan-style hamburger bun is another popular item. The company also produces white, wheat and multi-grain sandwich bread under the Idaho Harvest label with 22 slices rather than the industry-standard of 18 slices. Sourdough products, however, remain the bakery's core business. Fully finished baked products comprise 90 percent of Alpicella's line; brown-and-serve breads account for the other ten percent.

"At any given time, our route sales representatives can have over 250 different items on their truck," Gardner said.

In spite of the economy, in just four years, the company has grown to capacity at its facility and is considering an expansion.

"We've grown by adapting to changes," Perata said. "Bread ideas are different across the country. As people from other areas open restaurants in our market, we've been able to give them exactly what they want in the way of bread, and we back up our product with great customer service."

In 2008, the bakery experienced a downturn in the restaurant and institution business.

"People were not eating out as much," Gardner said. "With the economy slipping, we focused on providing more family-style breads at a price point to draw additional sales. As a result our grocery trade picked up."

Alpicella Bakery and Oroweat of Boise operate under the umbrella of P & P Distributing, owned by Bob Perata. Darrin Gardner is president of Oroweat Foods of Boise, and Ron Potter is president of Alpicella Baking. The bakery has 25 employees. Another 30 employees work for Oroweat of Boise, the distribution company.

"We're very proud of our reputation for employee retention," Perata said. "We believe our staff is our greatest asset and we do everything we can to show our appreciation for them. They take care of our customers and we take care of them."

Employees are offered a full-range of benefits, including health insurance and retirement.

The company is also committed to supporting the community with the Idaho Food Bank being their principal focus. Two to three times a week, they donate product to various community organizations.

Alpicella Bakery and Oroweat of Boise rely on Wells Fargo for equipment lines of credit and leases, commercial loans, Online

Business Banking, checking, savings, credit cards and long-term financing needs.

"We've been very impressed with the caliber of people at Wells Fargo, especially our business bankers Scott Talcott and Heide Finnegan before she retired," Perata said. "They really listen to us. We're able to sit down and talk and get answers."

For more information about Alpicella Bakery and its products, contact Ron Potter, at 208-387-0020.

Financing equipment *from page 2*

- offsetting taxable income;
- Cash is not tied up in equipment, and is available for other purposes;
- Generally off-balance sheet treatment for GAAP;
- Leasing may assist with debt covenant compliance.

Once you've determined your equipment needs, talk to a banker or equipment finance professional who can help you determine your financing options – whether it's a loan or lease. They can help you plan financing that can keep your company right where you want it – ahead of your competitors and growing. Specialists also are knowledgeable about vendors and costs and can assist with the review of competitive bids.

Before making a decision about your equipment investment, be sure to consult with your accountant and/or tax advisor.

Jim Fordham is the Territory Manager for Wells Fargo Equipment Finance in Idaho, Eastern Oregon and Eastern Washington. He can be reached at 208-393-4014 or James.I.Fordham@wellsfargo.com.

Specialty lender *from page 3*

are more expensive, with commercial appraisals running from \$2,500 to \$5,000 and environmental reports ranging from \$800 to \$1,800.

Advantages of using a specialized healthcare lender

Using a specialized healthcare lender for your acquisitions saves you time and money. Unlike most local banks, a specialized lender can combine your practice and property purchases into one loan package, and provide a streamlined process with one credit application, one set of fees and one closing. A specialized lender can also provide a broader range of loan options, from short-term fixed rate loans to low variable rate mortgages.

Consider what's best for you and know your options. The knowledge and making the right decision for you will help you on your way to reaching your financial goals.

John Campbell is the regional sales manager for Wells Fargo Practice Finance (formerly Matsco), the leading specialty lender for healthcare practices nationwide and the only practice lender recommended by ADA Business ResourcesSM, the American Animal Hospital Association, the American Medical Association and the American Optometric Association. For more information about Practice Finance's services, contact your Wells Fargo business relationship manager or John Campbell, 888-313-7912.

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