

Executive Profile

GARY GUITTARD

PRESIDENT & CEO, GUITTARD CHOCOLATE COMPANY

HQ: San Francisco.

Background: I grew up working at Guittard in the summers. When I graduated college, I started in the mailroom of an advertising agency because I wanted to do other things before working at the company. Then I did some writing and a few other things before getting laid off after the company lost a big account. After that I worked for a bakery supply company and a food broker in an attempt to learn about our businesses. Eventually, I found my way back into the company to run the retail and consumer side of the business. I took over as president in 1989 after my brother passed away.

First job: Picking peaches in Gridley,



California when I was 10 years old.

Education: B.A. in physiology from the University of Denver.

Residence: San Francisco.

Business strategy

How's business: Business is very good. I don't know if it's because we're in a sweet spot, but our position of quality as an industrial supplier — which is our main business — is doing really well. Our customers are doing well and when they're doing well, we're doing well. Our

customers are restaurants, chefs and other chocolate companies.

Biggest challenge: Sustainability in the industry as a whole. Sustainability of the raw product we have and the farmers that grow it. Their prosperity is important. And that's an area that is a challenge right now because of changing demographics in the farms, since

children of farmers don't want to take over the business.

What will change in the next year: Integrating expanded production. We'll have new production coming online and we'll have to maintain our flavor profiles and standards. We're expanding some areas in our roasting, for example, including introducing sterilization in our system.

Goal yet to be achieved: Making the best milk chocolate in the world. I think we make the best dark chocolate, but I'm not sure about the milk. We're getting up there, but we're not there yet.

How will you know you've achieved it: When I'm happy about it. I tend to be obsessive about quality. And I'm always tasting.

Management philosophy

Guiding principles: Building people through the process of building the company. Also, trying to get people to be a little more flexible and less biased in their behavior, which in turn allows for better communication and better listening.

How to keep a competitive edge: I believe companies are nothing but people. So if your people are communicating and creative, you're able to respond to your customers in a creative way, whether you're an order taker or working in the plant. I think if you're balanced and open and listen, that's what makes companies competitive.

Judgment calls

Best business decision: Not to come into the company when I first got out of school, because when you start off in a family business, you tend to not learn

about the real world. You just have to stand on your own two feet at first.

Toughest business decision: Probably coming into the company. I felt a little defeated in not doing what I wanted to do. It was a decision that came over a period of time, but in a way I felt that there was a creative aspect I wasn't sure I could fulfill in the company. I was wrong in the long run on that.

Biggest missed opportunity: Not listening to customers. The first was Mrs. Fields when we started. She wanted us to make milk chocolate for her and we didn't do it. But I learned a lot from that. I was just young and didn't realize the opportunity there.

True confessions

Like best about your job: I like dealing with people and solving problems. Also, tasting chocolate.

Like least about job: Working with people that are too focused on the particulars and don't see the bigger picture. That, to me, is frustrating and in the long run defeating for them.

Pet peeve: None that I can think of.

First choice for a new career: To write and produce short films.

Predilections

Most influential book: "The Right Mind," by Oren Stein.

Favorite movie: "The Red Violin."

Favorite restaurant: The French Laundry.

Favorite way to spend free time: Trying to hit the golf ball straight.

Music: I love keeping up with new artists, so alternative music.

Automobile: 2005 Mitsubishi Evolution. — Renée Frojo ■

Accounting Insights TAX-EXEMPT ORGANIZATIONS

100 THAT COUNTS
years 1913-2013

Q: What does my not-for-profit organization need to know as we plan for 2013-2014?

A: The IRS has issued its annual Priority Guidance Plan, and it contains 12 projects aimed at tax-exempt organizations. Here are a few of the most important ones:

- Guidance under Section 501(c)(4) relating to the measurement of an organization's primary activity and whether it's operated primarily for the promotion of social welfare, including guidance relating to political campaign intervention
- Additional guidance on Section 509(a)(3) related to supporting organizations
- Final regulations under Section 4944 on program-related investments
- Guidance regarding the new excise taxes on donor-advised funds and fund management as added by Section 1231 of the Pension Protection Act of 2006

Be sure to contact your tax advisor to determine whether these or other new or revised IRS rules will affect your organization.



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