The Washington Post

Business

Route 11 Potato Chips finds success as a cult favorite in a fiercely competitive market

Correction: *A previous version of this article incorrectly said that the company uses a mixture of peanut and sun-flower oils to make its chips. It uses only high-oleic sun-flower oil. This version has been corrected.*

By Don Harrison March 22, 2014

Being a small fry can have its advantages. Take the Route 11 brand of sweet potato chips. The snack-food giants — Frito-Lay and such — haven't taken up the challenge of this more fragile of the tubers, which tends to caramelize and burn during mass production.

But for a snack food maker that's used to taking its time, this is a sweet and profitable niche.

Welcome to the world of Route 11 Potato Chips, a small Virginia chippery in the rustic Shenandoah that has been cooking up Kettle-style cult favorites for more than 20 years.

Today, the crew at its industrial plant in Mount Jackson is busy churning out 600 pounds an hour of sweet potatoes. They are grown on the Eastern Shore, slow cooked in high-oleic sun-flower oil and lightly seasoned with unrefined salt from an ancient Utah salt bed.

The company touts the chip's other virtues: non-GMO certified, nutritious and tasty.

"Our focus, from day one, was to make a potato chip that's just better than the rest," says Sarah Cohen, Route 11's owner. "We're making the same exact potato chip that we started with 20 years ago. When we started, we were a 60-pound-per-hour producer. When we came here, we made it to 600 pounds an hour. We know we're small. Frito-Lay is like 600,000 pounds an hour."

Indeed, she's up against some salty competition — and a long history.

As legend has it, the potato chip emerged in 1853 from Saratoga Springs, N.Y., where a chef named George Crum at Moon's Lake House — having endured a patron's criticism that his french fries were cut too thick — first fried up a batch of thinly sliced potatoes. Today, Crum's retort is the nation's No. 1 snack food. Americans spend $9 billion a year on potato chips, according to the Snack Food Association.

Frito-Lay, based in Texas, dominates the market, but smaller companies — Route 11, Utz, Martin's Potato Chips and Zapp's — hold their own by catering to regional tastes.

Potato chip companies are expected to offer barbeque, salt and vinegar, and sour cream and chive flavors, Cohen says. Route 11 makes all of those and more: dill pickle, Mama Zuma's Revenge and, in a nod to local palates, Chesapeake crab. Cohen and staff collaborate with a seasoning company to develop the flavors.

Not every variety is a hit. Slow sellers garlic and herb and green chile enchilada were abandoned. A line of veggie chips also was dropped.

"It's like having to put a dog down," Cohen says. "And I have to hear about it every day from people who loved those chips."

The successful varieties can really take off — and land in some interesting places.

Chef José Andrés created "Tortilla al Estilo Route 11," an adaptation of his mentor's omelet at the famed El Bulli in Spain. In it, Andrés uses Route 11's lightly salted chips.

Ben & Jerry's partnered with the company last summer for a promotional ice cream flavor called Capitol Chill, which featured the sweet potato chips as a garnish.

"Route 11 Potato Chips was chosen because they make a hell of a product and do so in a very thoughtful way," said Sean Greenwood, a Ben & Jerry's spokesman, noting that their sustainable practices were considered a big plus. "And when we paired their sweet potato chip with our chocolate base, our flavor gurus said, 'Sweeeeet!' "

Hipster chipsters are also impressed — the magician Penn Jillette, of Penn & Teller fame, told Maxim magazine that the fiery hot Mama Zuma's Revenge was one of the greatest things to ever destroy his mouth.

Cohen, a youngish 49, is grateful for the publicity.

"We don't have a budget to sell the brand. It's mainly word of mouth," she says. Still, with more than 1,000 accounts it sells to, Route 11 satisfies "the most loyal customers in the world."

Cohen doesn't have an office, so she greets visitors at a picnic table inside her facility's open-air retail showroom, where a three-pound tub of Sour Cream N Chive chips goes for $34.

Here, walk-in customers can watch the whole process, from the potato cutting to the old-fashioned cooking in a kettle. Then the chips are hand sorted, salted and seasoned. At the end, they are sealed up in Route 11's kitschy and

colorful bags — all in about 12 minutes.

“We want people to see how their food is made,” Cohen says.

“There’s still a lot of hands-on in our operation,” says Michael Connelly, Cohen’s business partner. “A little less automation. We’re a lot more like a cook in the kitchen.”

Visitors can get samples — from the best-selling lightly salted chips to the dill pickle, an instant hit in 2011 when the hosts of NBC’s “Today” went crazy over it on the air. Oprah Winfrey’s O magazine gave Route 11’s chips a shout-out, too.

“Being picked on the ‘Today’ show saw the most volume we’ve ever had,” Cohen says. “It was a tidal wave of dill pickle. I think pickles have had a renaissance in the food world, and I’ve always loved them.”

To counter the success of regional companies, Frito-Lay has expanded, too, selling Mediterranean-inspired flavors under the Olive Coast brand and its own version of dill pickle.

“Cohen’s slant on kettle chips is truly a ‘post-modern’ approach,” Dirk Burhans writes in his book “Crunch!: A History of the Great American Potato Chip.” “Route 11’s product occupies simultaneous niches in the gourmet and health food worlds, while using packing and flavors that evoke a whacked-out twist on the mom-and-pop chip paradigm.”

An intriguing start

How did Route 11 land on the map?

“Our fate is wedded to a Washington Post classified ad and a bad cocaine deal,” Cohen says, intriguingly.

The story begins at the Tabard Inn, the venerable 91-year-old Dupont Circle restaurant and bar that Cohen’s parents, Edward and Fritzi, bought in 1975. The Cohens also ran a farm in the Shenandoah Valley — the second in Virginia to be certified organic — and it grew produce for the Tabard Inn and other D.C. restaurants. Cohen describes her father, who died in 1999, as something of a visionary when it came to organic farming. “His interest was in where the food comes from,” she says. “This is back in the early ’80s — nobody really got it.”

The family journey into chippery began when a neighboring farmer, who also grew organically, had a unusual problem. As Cohen tells the story: “He told my dad that he had been contracted by a pair of brothers to grow a crop of potatoes and that the brothers had been convicted of dealing cocaine and put in jail for ten years. The grower was like, ‘What am I going to do? I’ve just put these potatoes in the ground.’ My dad said, ‘Why don’t we make an organic

potato chip?’”

They called it Tabard Farm Potato Chips — Route 11 still sells them when Yukon Gold potatoes are in season — and a little sideline business was born.

“My dad went out and got packaging designs. He found a co-packer. And by the time the potatoes were ready to dig up, everything was set up. He and my mother, on foot, started trying to sell these potato chips around D.C. and New York, and they actually got a lot of interest.”

Edward and Fritzi had their boutique chips packed in a Mennonite factory in Pennsylvania for a few years. Then “they saw in a Washington Post classified ad that there was a small potato chip factory for sale in Southern Maryland,” Cohen says. “It was this little start-up plant, called Chesapeake Chips.” They bought it.

Cohen, then a budding filmmaker, admits to rolling her eyes at her parents’ “potato chip thing.”

But her mother had sold 6,000 tubs of chips to Williams-Sonoma, and they would need her help to fill the order. She went to Waldorf and pitched in. The order “was well-received,” she says.

And with that she was rooted in the family potato chip business. It didn’t take long for Cohen and the factory’s chipper, Chris Miller, to realize that they couldn’t make it in Southern Maryland.

They looked to the Shenandoah Valley. “I was familiar with the area because of our farm and it was right along an Interstate,” Cohen says.

In 1992, the company moved into a 3,200-square-foot feed store in Middletown, Va., and the chips were renamed Route 11.

At a time when potato chips were vilified as a leading cause of obesity, an all-natural, additive-free option became attractive. The brand soon became a fixture in specialty markets and health food shops; the Marriott chain was an early client. But the operation was too small to compete with fellow vendors at trade shows.

“We were producing 60 pounds of chips an hour, which was as low as you can go and not be producing them in your house,” she says. “We had someone with a rake stirring the chips.”

Upgrading the facilities

The game changer for Route 11, Cohen says, was meeting her current business partner, Connelly, who came aboard in 2002 after the company’s resident “chip-meister,” Chris Miller, left to start a catering company — “Chris was

integral to the growth of Route 11," she says. He died in 2007, the same year Sarah bought out her parents' stake.

Connelly, 47, is an ex-Army intelligence officer who is "maniacal about cleanliness and standard operation procedure," she says.

"Mechanics and building are my background," the Fairfax High graduate says. Connelly was solving production problems for a T-shirt company when he befriended Cohen and gave her a reality check. "Everyone else said, 'Oh, it's cute and kitschy and fun,' but the facility was teetering on falling apart."

"Sarah had a wonderful product and customer relations, but she had no technical background," he said. "So I helped her rebuild every piece of equipment in the old factory."

Looking to expand, the company moved to the hamlet of Mount Jackson in 2008.

"We were small and potato chips are really consumable," Cohen says. "There was a lot of business that we couldn't go after because our capacity was so limited. Our equipment was old, really fatigued and ready to break down. It was a big investment to go forward."

"He and I designed this building ourselves," Cohen says, calling the $4 million relocation an intense process. "Most of the equipment is custom made; some we fabricated ourselves. It's about as do-it-yourself as you can get."

Route 11 now has 34 people handling production, warehousing and sales.

Enough staff and space, that is, to branch out beyond specialty shops and its robust mail-order business and into grocery stores — like Whole Foods, Wegmans and selected Martin's and Giant branches. The company works mostly with independent distributors. Often they don't know where the chips are actually placed. Connelly says he's had Route 11 chips pictures texted from friends and family as far away as California.

The Route 11 vice president and co-owner is committed to making Route 11 a 100 percent waste-free facility, making for some happy farm animals. Valley-area bovines chow down on peelings and cooked chips that aren't quite up to snuff — yes, they call them cow chips. The factory's excess cooking oil has been used to season horse feed and sold as biodiesel fuel.

Cohen won't disclose Route 11's annual revenue but says that the privately held company made about $4 million in sales last year. You might think that potato chipping is a relatively easy proposition — just oil, salt, seasoning and spuds, right? — but a lot of factors can make or break a small snack-food enterprise.

The nearly 5 million pounds of chipping potatoes that Route 11 cooks up each year aren't your basic Russets. "They

are bred to be as dense as possible," Cohen says. "They're not the kind of potatoes you'd find in a grocery store — you'd be disappointed if you tried to bake one."

"This year has been one of the best potato crops in years, but every year is different," she says. "Floods can wipe out fields. There have been some bad years."

Cohen often wonders if making potato chips is what she wants to do with her life.

In 2002, Cohen co-directed "Oyster Guanaca," a stylish black-and-white movie filmed at the Tabard Inn that won an award at the first Slow Food Festival in Italy.

"I would like to make enough money to finance another film," she says. "Just a short film. I haven't given up on it, but I've put in on the back burner because making potato chips is such an intense endeavor."

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