
Buffalo Chips – “handmade in small batches on the plains of Sacramento”

by Christine Wilson, *Snack Food Magazine*

Buffalo Chips – an unusual name for an unusual potato chip. Some might even say the success of this newly-formed potato chip company is unusual, but Gary Beutler – founder of Buffalo Chips – is prepared to meet the ever-increasing supply demands.

Produced in Rancho Cordova, a suburb of Sacramento, Buffalo Chips first appeared in the marketplace in August 1980.

Since then, there has been an average sales increase of approximately 10% per month, although sales have jumped as high as 30-35% during some months.

Secret of their success

What is the secret? It involves a lot of factors, but it all began with an idea Beutler had in April 1979.

“I got the idea for Buffalo Chips from Maui Potato Chips, which are made in Hawaii,” Beutler says. “I know people here who like the Maui Potato Chip, but you just couldn’t buy the kitchen-cooked Maui-type potato chip here.”

Sixteen months later, Sacramento markets saw the results of this idea in the form of Buffalo Chips, and people have been buying them ever since.

“I wasn’t looking for 100% of the market,” claims Beutler. “I wanted to make a gourmet potato chip, and hoped that 5% of the people would like my chip better than any other kind of chip.”

An effective promotional and advertising campaign is, of course, essential to a venture such as this. That is why Ronald Kay, advertising, sales and marketing director of Buffalo Chips, was brought in.

A veteran of 10 years in West Coast radio and TV advertising and marketing, Kay joined forces with Beutler in July 1979.

Although he was originally contracted to write and produce the radio campaign, Kay soon became involved with other aspects of the business. Hence, his present title.

National recognition

The success of the Buffalo Chips advertising campaign was publicly acclaimed at the Sacramento Ad Club Awards, held April 3.

Out of 16 entered items, including radio campaign and point-of-purchase, 12 won awards – six first place, six second place – out-distancing many of the top established agencies in the Sacramento area.

Also invaluable to promotion have been Jeff Bradshaw, art director/creative consultant, and “Buffalo Bill” (Colin) Covey, distribution manager.

Without Bradshaw’s innovative concepts and finishing touches on such company items as business cards, bag design and outdoor signs, Buffalo Chips sales figures might not be where they are today.

Covey, wearing his fringed buckskin coat and hat on his delivery routes, brings alive the “old West” pioneer image so appropriate to Buffalo Chips.

Research pays off

Just as important as promotion is an excellent product; so the development of a superior chip was crucial. Beutler’s 19-year-old son, Mark, can be credited with 75% of the research that went into creating the “perfect chip.”

Armed with facts learned from Dewey Kobayashi of Maui Chips, studying potatoes at the University of California in Davis, and putting in a lot of library research, Mark started the task of developing the chip.

The other 25% of taste development was shared by everyone at Buffalo Chips and the general public.

The care taken to reach the goal of a quality, "gourmet" potato chip was rewarded with a Consumer Reaction Medalion of Excellence at a "blind taste test" during the August 1980 California State Fair. Out of nearly 900 tasters, 96.7% reacted favorably – two-thirds of those in the excellent category.

"In August, we went into 15 stores for our test market," says Kay. Most of those were small liquor stores and delicatessens. Within the next two months, Buffalo Chips had moved into larger local chains, including Raley's and Bel Air.

"In the first part of November," Kay remembers, "Safeway called us." The call was prompted by a local TV station's coverage of Buffalo Chips, aired October 31.

November sales figures shot up dramatically, and "December figures were up 35% higher than our November figures," says Kay enthusiastically.

"In January, February and March," he adds, "we are making an all-out effort to refine production technology and to increase distribution (major regional and national chains)."

Now, every major supermarket – including Lucky's, Albertson's and Alpha Beta – sells Buffalo Chips on a city-wide basis.

Buffalo Chips' popularity with local stores is due not only to the quality of the product, but also to the guaranteed freshness of each bag (available in 10-oz. and 1½-oz. sizes). "Our key," Kay explains, "is to sell everything we make every day.

"As long as there is a demand for a premium quality gourmet potato chip," says Kay, "we plan to fill the need."
