

CHOCOLATE PAST & PRESENT

Classifying Chocolate Industry Companies

We have found it most helpful in understanding what a company does by noting their position on the value chain and who buys their end product:

- **blossom to bean** - chocolate processor cultivates and processes cacao beans sold to chocolate manufacturers
- **bean to bar** – chocolate processor cultivates and processes cacao beans then sells them to chocolate makers
- **bean to bulk** - chocolate manufacturer takes the dried beans and produces bulk chocolate sold to chocolatiers and chocolate makers
- **bulk to bonbon or bar** - chocolatier and chocolate maker (mass market) produce chocolate products sold at wholesale or retail to the consumer

That being said, some companies might combine positions such as manufacturing bulk chocolate AND making consumer products with their own chocolate - but 95% of the chocolate industry falls into pretty much one category as each type of business requires its own financial commitment and unique skill set.

Chocolate Manufacturers

A chocolate manufacturer is someone, or a company, that buys and roasts cocoa beans and grinds them into chocolate. There are lots of chocolatiers who make confections from bulk chocolate, but there are very few chocolate manufacturers, since the process is difficult, costly, and requires very specialized equipment and knowledge. Is it always a learning experience to look back on those chocolate manufacturers who contributed to the variety and quality of the bulk chocolate that we have today. This is by no means a complete list of chocolate manufacturers. It only represents ones that made a difference in our chocolate experiences today.

Coenraad Van Houten

The Dutchman, Coenraad Jahannes Van Houten, was the first in a line of inventors and entrepreneurs who modernized the manufacture of chocolate. He sought a better

method for extracting the cacao "butter" or fats from the beans. He had started a factory in Amsterdam in 1815 and was unhappy with the traditional method of boiling the chocolate and skimming off the fats. By 1828, he had invented and patented a dry press, which left much less butter in the end product. Van Houten then treated this "cocoa" powder with various alkaline salts to make it more adaptable to a variety of mixes, and very quickly, many of the older methods of manufacturing yielded to cocoa. Some twenty years later an early form of "instant" chocolate had become widely accepted, and about midcentury, Joseph Fry and his sons seized upon this new cocoa powder and began to market the first commercial chocolate bars. The Van Houten innovation was, historically and gastronomically speaking, just in time. By 1800, chocolate drinks had fallen well behind competing alkaloid beverages. In the West, coffee dominated almost everywhere and has remained in the lead to the present day - except in England, where coffee first defeated chocolate and was then, in turn, defeated by tea. Chocolate was to survive and flourish, however, by going its separate way and leaving the field of adult drinks to its competitors. Except in a few of the Mediterranean countries and in parts of Latin America, where chocolate drinks retained popularity, commercial hot chocolate now became heavily sugared cocoa powder and drunk mostly by children and invalids. And bulk chocolate itself went on to be transformed into the chocolate bars and wrapped candy, devoured by all ages and classes.

Daniel Peter: [Peter's Chocolate](#)

Daniel Peter was a Swiss candle manufacturer until the use of kerosene made candle making a dying business. Following the example of his brother-in-law, Auguste Cailler, he started to manufacture chocolate in 1867. Daniel wanted something new to differentiate his product from his competitors. He had the idea of including milk into his chocolate, but found it almost impossible to do. Finally, after much experimentation he was successful. However, the mixture turned sour in less than a week. He described the situation to a neighbor, Henri Nestle, who was encountering a similar stability problem with his baby food manufacturing process. By pooling their efforts, the solution was found. Nearly all the water content was extracted from the milk before mixing it with cocoa to make chocolate. Hence, the world's most popular confection -- milk chocolate -- was created in 1875 by using Henri Nestle's "condensed" milk. Since 1907 Nestle

Chocolate & Confections has manufactured chocolate in the United States to the highest standard of quality. Today, Peter's Chocolate, a division of Nestle Food Company, continues the tradition, offering an extensive line of products known for their quality and consistency. It is a fitting tribute to Daniel Peter, the inventor of milk chocolate.

Rudolphe Lindt: [Lindt Chocolate Companies](#)

Rudolphe Lindt was probably the most famous chocolate-manufacturer of his day. In 1879 he developed a technique by which he could manufacture chocolate which was superior to all others of that period in aroma and melting characteristics. Using the "conche" he had invented, he produced chocolate with the wonderfully delicate flavor and melting quality which we know and love to this day. His "melting chocolate" soon achieved fame, and contributed significantly to the worldwide reputation of Swiss chocolate. In 1889 Chocolat Sprungli of Zurich took over Lindt's factory. Such was Lindt's reputation as a producer that a large sum (1,500,000 gold francs) was paid for his trademarks and recipes, and unlike most other chocolate manufacturers, Lindt-Sprungli A.G. remains family-owned to this day.

Milton Hershey: [The Hershey Company](#)

Milton Hershey became fascinated with German chocolate-making machinery exhibited at the 1893 World's Columbian Exposition. He bought the equipment for his Lancaster plant and soon began producing a variety of chocolate creations. Hershey sold the Lancaster Caramel Co. for \$1 million in 1900 in order to concentrate exclusively on his chocolate business. Three years later, he returned to Derry Church to build a new factory. There he could obtain the large supplies of fresh milk needed to perfect and produce fine milk chocolate. Excited by the potential of milk chocolate, which at that time was a Swiss luxury product, Milton Hershey determined to develop a formula for milk chocolate and market and sell it to the American public. Through trial and error he created his own formula for milk chocolate. In 1903 he began construction on what was to become the world's largest chocolate manufacturing plant. The facility, completed in 1905, was designed to manufacture chocolate using the latest mass production

techniques. Hershey's milk chocolate quickly became the first nationally marketed product of its kind.

Otto J. Scholenleber: Ambrosia Chocolate

On May 9, 1894, the Ambrosia Chocolate Company opened for business in Milwaukee. The founder, Otto J. Scholenleber agreed that "Ambrosia" would be a truly appropriate name, for the Swedish scientist, Lineaus, had identified the cocoa tree as theobroma cacao – "Food of the Gods." Throughout the early years, the little company struggled. A firm believer in axiom, "There is no such word as failure," Otto Schoenleber and his employees worked together so that at the end of the first two years, the business was established. Concentrating on consumer items: penny goods and solid chocolate confectionery in these startup years, the variety then expanded into chocolate bars for the first vending machines. The company also did a thriving business on items for the home manufacturer -- baking chocolate and breakfast cocoa.

Jean Neuhaus: [Neuhaus](#)

While not a chocolate manufacturer, Jean Neuhaus and his family contributed significant developments for chocolatiers. Jean Neuhaus arrived from Switzerland in 1857 and opened his first pharmaceutical confectionary. He made cough sweets, liquorice for stomach complaints and a bitter Belgian chocolate bar. The chocolate store grew within the family hands and in 1912, Jean Neuhaus, the grandson of the founder, created the first bite-sized filled chocolate and named it "praline". His wife, a few years later invented the "ballotin," the iconic luxury box used to package fine chocolates.

John Cadbury: [Cadbury Chocolate](#)

The one-man business opened in 1824 by a young Quaker, John Cadbury, in Bull Street Birmingham, was to be the foundation of Cadbury Limited, one of the world's largest producers of chocolate. The Cadbury family was prominent members of the Society of Friends or Quakers. Quakers held strong beliefs and ideals which they carried into 'campaigns for justice, equality and social reform, putting an end to poverty and deprivation.' As nonconformists, Quakers were not permitted to enter the universities,

which in the 19th century were closely linked with the established church. Entry into the professions was impossible and pacifist principles precluded the military as a career. The energies and talents of Quaker families were therefore directed towards business, social reform and the transformation of social and industrial society in Victorian Britain. John Cadbury's lifelong involvement with the Temperance Society had an influence on the direction of his business enterprise. By providing tea, coffee, cocoa and chocolate as an alternative to alcohol, which was believed to be one of the causes of poverty and deprivation amongst working people, he felt that he was helping to alleviate some of the misery. In 1831 a small factory, an old malt house in Crooked Lane, Birmingham, was rented and John Cadbury became a manufacturer of drinking chocolate and cocoa, the real foundation of the Cadbury manufacturing business. In 1866 the Cadbury brothers introduce a new process to produce a much more palatable cocoa essence - the forerunner of the cocoa we know today. The plentiful supply of cocoa butter remaining after the cocoa is pressed makes it possible to produce a wider variety of eating chocolate. In 1905, Cadbury introduced Cadbury's Dairy Milk with a new recipe using fresh milk. In 1969, Cadbury Group Ltd merged with Schweppes Ltd to create Cadbury Schweppes.

Bernard Callebaut: [*Barry Callebaut*](#)

In North America, most luxury chocolate consumers know the Callebaut name and equate it with top of the line Belgian chocolate. This remarkable company is almost 150 years old. In 1850, shortly after the invention of solid chocolate, the Callebaut family founded a diversified company. It consisted of a mill, a dairy, a brewery and a mineral water bottling plant. In 1911 the company started to concentrate on manufacturing chocolate bars and tablets. In 1925, Callebaut began producing its own chocolate. The company later developed specialized skills in the manufacture of chocolate coating, and sold its products to fellow chocolate producers. In 1981, the Callebaut family sold its own shares to the Swiss group Interfood, which later took over or merged with other large European chocolate companies such as Suchard, Van Houten and S&A Lesme. In 1988, Callebaut ceased production of its consumer products and concentrated exclusively on coating or couverture chocolate. Their product development department is constantly working on new recipes. The applications laboratory is actually a mini-factory where virtually all the processing possibilities of chocolate are tested by a team

of experts. Callebaut works closely with its customers to develop new types of chocolate and compound coatings. The quality image of Callebaut and the strength of its international distribution network have enabled the company to increase export volumes significantly to become the largest chocolate manufacturer in the World.

Etienne Guittard: [Guittard Chocolate Company](#)

In the mid-1800's during the California gold rush, Frenchman Etienne Guittard journeyed to the Barbary Coast in hopes of discovering gold. Although he never found it, San Francisco discovered him for the delicious chocolate he had brought from his uncle's factory in France. Already skilled as a chocolate manufacturer, Etienne established the Guittard Chocolate Factory in San Francisco in 1868. Since then, the Guittard family has continued, as the oldest family owned and operated chocolate company in the US, to manufacture a great variety of chocolate and chocolate products for chocolatiers and chefs. The facility has moved from along the San Francisco waterfront where Guittard Chocolates opened for business on prestigious Commercial Street in 1868 to Burlingame, California. Guittard produces a variety of premium chocolate coatings from the richest dark and milk chocolate to the smooth and super creamy, white couverture coating made with real cocoa butter. Their Gourmet Bittersweet Chocolate, High Sierra White Chocolate and French Vanilla were each awarded 1992 Gold medals by the Chefs in America Awards Foundation.

Domenico Ghirardelli: [Ghirardelli Chocolate](#)

In 1817, Domenico Ghirardelli was born in Rapallo, Italy. At a young age, Domenico was introduced to the chocolate and confectionary trade when he apprenticed for a local candy manufacturer. At the age of 20, set sail to Uruguay to partake in the South American chocolate trade. Here, he took a job in a "coffee and chocolate establishment." In 1849, following the death of his first wife and his remarriage, Ghirardelli learned of the gold strike at Sutter's Mill and sailed unaccompanied to California. After prospecting in the Jamestown-Sonora area, Ghirardelli once again became a merchant, first opening a general store and in 1852, his first coffee and confectionery factory in San Francisco. It was a discovery made at the Ghirardelli factory that revolutionized

chocolate making in the United States. In 1865, a worker put a batch of ground cocoa beans in a cloth bag and hung the bag from a hook overnight. By morning, a pool of cocoa butter had collected on the floor. The ground chocolate left in the bag was almost fat free, creating a dry powder that combined with liquids more smoothly. This powder became the essential ingredient in Ghirardelli's popular Sweet Ground Chocolate and Cocoa. The dripping bags were soon replaced by presses previously invented by Conraad van Houten, which accomplished the same result in a more controlled way. Today, Ghirardelli is only one of ten chocolate companies in the US to make chocolate from bean to finished product. Lindt and Sprungli Chocolate acquired Ghirardelli Chocolate Company in 1998 as a wholly owned subsidiary of its holding company.

M. Guironnet: [*Valrhona*](#)

Famous with chefs the world over, Valrhona formerly known as La Chocolaterie de Vivarais - was founded by M. Guironnet, a pastry chef from the Rhône valley in 1924. Known in the industry as a supplier of high quality raw chocolate for chocolatiers they took the name Valrhona (from 'valley' and 'Rhône') in the early 1950s. Valrhona has been producing fine chocolate couvertures since 1922. Valrhona is a small, French manufacturer who produces 10 tons of product per day as compared to 100 - 150 tons for a large, European manufacturer. Their buyer searches the cocoa-cultivating nations for special cocoa beans. If a country grows 500,000 tons of beans in a year but only 50 tons are good, it is Valrhona's mission to find those 50 tons and leave the rest behind. Valrhona pioneered the production of high quality chocolate from carefully controlled sources and started the trend of featuring the percentage of the cocoa solids in chocolate. With the introduction of their 'grand cru' chocolates in the eighties they led the way towards chocolate from known origins and quality beans. We also add these 20th century manufacturers for their unique contributions to our fine chocolate industry.

Jose Rafael Zozaya and Carmelo Tuozzo: [*Chocolates El Rey*](#)

In the early stages of the South American conquest, the Spaniards discovered a particularly fragrant strain of the cacao bean growing wild in the region south of

Venezuela's Lake Maracaibo and throughout the tropical lowlands bordering the Caribbean on Venezuela's northern coast. Delicate and aromatic, this cacao tree traveled poorly. Attempts to transplant, what became known as the Criollo varietal, to plantations in the more populated regions of the country or abroad, invariably met with failure. So, Venezuela became the only source for this special cacao. When Jose Rafael Zozaya and his father-in-law, Carmelo Tuozzo founded Tuozzo Zozaya & Cia in Caracas in 1929, it was the second chocolate company to be established in Venezuela. There they turned out perhaps the finest chocolate made in Venezuela, which they proudly named "El Rey" -- the King. Pride in their work, a solid reputation for quality and a faithful, expanding clientele helped them prosper and grow. In 1973, the principals went public and began to orient the new company toward processing cocoa and exporting its high quality derivatives (liqueur, butter and powder) to the United States, Europe and Japan. The world's best chocolates have always depended on Venezuelan cacao beans to impart that extra touch of fragrance and aroma. So, in 1989, Chocolates El Rey decided to enter the global chocolate market by producing a chocolate using 100% Venezuelan cacao beans. El Rey's premium quality chocolate couvertures are manufactured with the famed Carenero bean, a single variety cacao grown in the north central region of Venezuela and exported for use by chefs and chocolatiers around the world.

John Scharffenberger and John Steinberg: [*Scharffen Berger Chocolate Maker*](#)

Scharffen Berger Chocolate manufacturer was founded in 1996 by wine manufacturer John Scharffenberger and physician Robert Steinberg with one simple goal—to make the finest chocolates possible using traditional methods and the most flavorful, natural ingredients. The first American company founded in the past 50 years to make chocolate from “bean to bar”, Scharffen Berger primarily produces chocolate bars, using small-batch processing and focusing on dark chocolate varieties with high cocoa solid content. In 1997 they made the first batch in the South San Francisco factory using vintage European equipment and basic ingredients including Venezuelan criollo beans and whole Tahitian vanilla. Today, Scharffen Berger produces a wide selection of products and makes about a half million pounds (200 tons) of chocolate a year. Scharffen Berger moved to its permanent home, a 27,000-square-foot, 1906 vintage-brick warehouse in Berkeley, California, in 2001. The Hershey Company, the largest confectionary conglomerate in North America, announced in July of 2005, it had purchased Scharffen Berger Chocolate manufacturer, Inc.

Steve DeVries: [DeVries Chocolate](#)

Steve DeVries opened DeVries Chocolate with a tag line of “one hundred years behind the times” in 2005 after six years of studying chocolate — for three years as an intense hobby and three years fulltime after selling his glass company. DeVries’ goal is to make the best chocolate in the world. Steve is convinced that chocolate has the potential for variety and complexity of flavor equal to what we already have in wines and cheeses. He hopes that by working on a smaller artisanal scale and paying attention to the details, he can help broaden those expectations. He produces both bulk chocolate for use by chefs, candy manufacturers and chocolatiers and retail bars that can be found in specialty food shops or purchased through his website. He is intimately involved in the whole process of chocolate making, from working directly with growers to being hands-on with the manufacturing process using all antique equipment. He was the first in the United States to micro-manufacture small batches of fine chocolate - leading the way for all those that have followed.