



Kaye's Bakery has been a Southland institution since 1978 with the Penniall family at the reins. The national and international success of this iconic home-style bakery has been cooked up over 37 years with a spoonful of tradition, a pinch of ingenuity, a dash of business nous and a large dollop of family passion, combined with the zest of more than 50 dedicated staff.

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In the 1970s a small bakery in Otautau was making a big name for itself. The popularity of Kaye Kake Kitchen, owned by the Robson family at the time, was growing by the day. For Bluff born and bred distributor Evan Penniall, this provided him with all the work he could ask for as he travelled the region, filling orders for the highly-sought-after slices, biscuits and cakes.

Soon the small town business outgrew

itself, and with the Robsons nearing retirement came the opportunity for Evan and his wife Lois to take ownership. With Evan's existing knowledge of the business and his wife's interest in baking, it was instantly clear that the new venture was a perfect fit.

After a month's training and handover, the pair set up new premises in Tisbury and in 1978, under new management, Kaye Kake Kitchen opened with five staff. The

early years saw not only the beginnings of a new business for the Pennialls, but the addition of their two children, Luella and Beni.

Driven by the excitement of change, Evan continued to deliver goods in his van while Lois ran the bakery and orders. When orders started coming from Dunedin and even further afield Lois needed an extra hand and Evan decided he was the man for the job. He bought an old Bedford



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truck and hired a friend to take over his distribution runs while Lois, who was a natural in the kitchen, set to teaching him everything she knew.

Lois had grown up around cooking and baking on a farm in Canterbury before moving south with her family as a 13 year old.

With strict, old fashioned parents, she was not allowed to date as a teenager, but a young, suave Evan had spotted the blonde beauty as he worked his first job at Woolworths, and decided it was his duty to gate-crash her sweet 16th birthday party. "Evan and two other guys came into my party with beer and I thought oh my gosh, as I knew what my parents would think! He had tight pants and a crew cut, and he was trying to catch my attention," Lois recalled fondly.

After a short time, she agreed to go on a date, and her parents slowly came around to the idea. The pair, who live in Bluff, have been together ever since and are now only a couple of years shy of their golden wedding anniversary.

Evan believes the secret to such a long and happy marriage is sticking together and making conscious decisions to involve the whole family. "We make it work because we do everything together and share the same hobbies. We never left the kids behind and we never let them stop us



Clockwise from top: Kaye's Bakery owners Lois and Evan Penniall with some of their 'pounds and ounces' collection. The Strang's jar that ignited Evan's fascination with historic food brands and labels. Customer favourites – neenish tarts and big gingernuts.



From top: Production Manager Luella Penniall and her cousin and Technical Manager Jared Penniall on quality control in the factory. The business-minded pair check stock in one of their many on-site storerooms.

doing a thing.”

Some people are surprised to hear that Evan’s love for cars, hot rods and racing stock cars is shared equally by Lois, who not so many years ago “was pretty good at attacking and rolling cars out on the track.”

As it turns out the success in their early family life was paralleled by with that of the business. Evan was a quick learner in the kitchen and his new interest even extended to a huge fascination with food brands and labels – the evidence is affectionately displayed in his work meeting room-come-museum. What started with a single Strang’s jar that his grandma used to keep her tea leaves in, is now hundreds of “pounds and ounces” items. With a focus on historic Southland and Otago brands the museum shelves

are lined with household memorabilia – tins and jars from Creamoata, Kingsland, Edmonds, Lane’s Emulsion, Strang’s, Nestle and the like.

After fewer than five years at Tisbury, Kaye Kake Kitchen outgrew the premises and a larger location, suitable for a new purpose built factory, was on offer on Otepun Avenue in Invercargill.

It was now the mid-1980s and, with the new factory in full swing, the decision to run a national television commercial changed the business forever. Shot by a budding Dunedin film-maker by the name of Robert Sarkies, the advert acted like a ‘breaking news’ bulletin about giant gingernuts and became a giant hit. “After it had been running a while we were asked if we were happy with it. We said yes, but

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you’re going to have to stop running it because we can’t keep up!”

Prior to this rapid stage of growth the couple had also been running another small cake kitchen as well as a lollie shop in town, but these were sold off so they could focus more of their time and energy where it was most needed.

With the boom the business once again outgrew its premises – even after buying the property next door. This led them to their current location on the old Southland Bitter Brewery bottling plant site on Onslow Street.

Evan, who now looks after the business development side of things while Lois runs the shop, assures us this location is set up for the long run. “We have extended this building twice already and there is still plenty of room. At the moment we have four 40 foot containers in the yard with packaging and machinery as well as about \$4 million worth of machinery in the factory.”

A lot of that machinery is self-built or custom made specifically for Kaye’s Bakery’s cakes and biscuits. The mock cream-filled neenish tart is just one of the speciality items prepared by a purpose built machine. Firstly it makes the tarts’ shells, which are then fed into the machine, filled with cream, flattened, coated half in white chocolate, half in brown, and come out in a plastic tray ready for packaging. “Our engineer built it here in our workshop. It cost about \$150 thousand, but instead of eight people producing a pallet a day, we have about three people producing three or four

pallets a day,” Evan said.

Of course, no bakery would be complete without an oven and with plans under way for a new 105 foot in-line oven the factory’s baking capacity will increase dramatically, which Evan notes as a key factor in future-proofing his business.

He explains that it is the large contract work that keeps them busy, and at peak times they hire additional staff and increase production hours to keep up. At Christmas time it’s shortbread for large supermarket chains, come April it’s the Anzac biscuits collector tins campaign – which in 2015 alone saw more than 150 thousand packets of biscuits produced. “Some of the work we have done over the years has just been amazing. We can basically make or do anything a customer thinks of,” Lois said.

She notes that there are also many brands in the New Zealand and export markets that re-wrap their product. “We once made more than a million Rugby World Cup biscuits for one company and our products have ended up with the army and across large hotel chains. Sometimes people just never know when they are eating something out of our bakery.”

Many years and tonnes of baked goods later, Lois still believes their famous gingernuts are the year-round favourites, closely followed by their Belgium biscuits and sultana cake, which is made the exact same way it was by the Robsons in Otautau. They also used to do many more hot goods, such as pies, donuts and pizzas – hence the old tagline ‘We’re flaming good.’ It then became ‘Simply the best,’ which still rings true with Lois and the customers. “We still stick to simple, natural ingredients, just like you would in your own home. When shopping in our seconds shop, people sometimes feel cheeky telling us they claim our products as home baking, but that’s what we’re all about really!”

It is not only the recipes that have stood the test of time. Some staff have been with the business as long as 30 years and are like family to Evan and Lois. With such grand history come many memories and highlights but, as with any business, there have been tough times as well.

On a personal level, the family received shocking news about eight years ago when Lois was diagnosed with Parkinson’s disease. Testament to her character and supportive family, Lois keeps her brave battle with the neurodegenerative condition fairly private and takes a positive approach to the diagnosis.

As far as business challenges go, they have seen it all; competitors plagiarising or imitating recipes, undercut products, failed investments, floods and fires. Another unforeseen obstacle was when the original business name began to be abbreviated throughout the country to KKK, so about 15 years ago, to avoid controversy, they undertook a name change and Kaye’s Bakery was born.

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Evan looks to Lois as inspiration and believes the trick to getting through any hurdle is staying true to yourself, just as she does with her diagnosis. “It’s the same in business. We just keep doing what we are doing, remain as we are and ride it out. We are good at baking, so that’s what we do.”

Another ongoing challenge has been remaining competitive with rising freight prices. Their products are shipped to our Aussie neighbours as well as into the bustling Chinese market under numerous other brand names. “Our freight bill is \$600 thousand a year. It’s an incredible cost.” To keep up they simply evolve. In recent years they have made the shift to bulk order ingredients. “If staying competitive means tying up money in stock then that’s what we’ve got to do,” Evan reasons.

Where possible, their products are made

out of New Zealand ingredients, with most of the sugar refined in Auckland, flour from Christchurch and butter from either Hokitika or Fonterra in the North Island.

While Evan admits they could save large on freight costs if they were based more centrally, he confides he wouldn’t relocate for the world. “You can’t beat the Southland lifestyle. We don’t go without anything by living here. In fact, our life is enhanced because you can have so much more for so little.”

When they are not busy at work, Evan and Lois make the most of the southern landscape through their passion for cars and boats and love of Stewart Island. They are also deeply involved in the Bluff community and have been long-time active members of the Bluff Oyster and Food Festival committee.

To ensure they can enjoy more of what they love, they plan to “kick back” in 2016, semi retire and explore New Zealand while living on their 50 foot fibreglass power catamaran.

“I love the industry, and I’ve never seen so much potential in it as I see now, so it will be hard to step back, but we are surrounded by great people and that makes a difference. We are forever indebted to the Robson family from Otautau who gave us this opportunity,” Evan said. Lois chips in, “Not many people say they still love coming to work every day after nearly 38 years, but we genuinely do.”

In the years to come the pair would love to see the business continue in their family and the families of their staff; a wish that looks set to come true. Daughter Luella, who first started “playing around in the bakery” as an 11 year old after school, is current shareholder and Production Manager while Evan and Lois’ nephew Jared Penniall is the Technical Manager and a shareholder. Evan and Lois also have grandchildren they think might become involved in the business one day.

“I’m sure it’s here forever really, as far as families go,” Evan said. Lois adds, “We fully trust them. When it’s not ours they can please themselves – although I think they will always come back to us while we are still around!” ■