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Family-owned businesses: Rastelli grows meat business through new opportunities

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Ray Rastelli can't believe he's here.

Back in the mid-1970s, he was a teenager with his first child on the way, struggling to pay rent. He decided to open a little butcher's shop in his hometown, working on a hunch that it could grow into a small business.

Four decades later, he and his family have grown that little shop into a global meat processing powerhouse, with more than 800 employees processing more than 2 million pounds of meat every week. They ended 2018 with \$450 million in revenue.

Rastelli products get shipped to restaurants across North America, military bases overseas and as retail brands, like Bubba's Q, the patented boneless barbecue rib that appeared on Shark Tank.

In recent years, Rastelli himself has become the face of the brand, appearing live up to three times per week on QVC to sell Rastelli Market Fresh-branded steaks, pork chops, hamburgers and hot dogs, all processed at the company's 150,000-square-foot facility in Swedesboro, New Jersey.

His daughter-in-law Brittany appears regularly on QVC too, selling the company's line of fresh seafood. In 2018, QVC's customers voted both brands among their most recommended products of the year.

"We wake up every morning, go to work and try to do the best we can," Rastelli, 63, said. "We never, ever seem to be satisfied. We're driven by a true entrepreneurial spirit."

Through the 1980s and 1990s, Rastelli and his brother grew their business to 10 meat shops in New Jersey by intensely focusing on quality and customer service. Meanwhile, the wholesale side of the company continued to grow, with the Rastellis picking up contracts with restaurants across the region.

But the commercial contracts strained the family's chain of meat shops, and they struggled to scale their shipping capacity outside of the Northeast on their own.

In the mid-1990s, the Rastellis made a big leap into wholesale meat processing, opening their first plant and signing a shipping contract with food logistics giant US Foods, which began selling their meat to restaurants across North America. Around the same time, they landed a contract to supply meat and other food products to military bases across the Middle East during the first Gulf War.

Rastelli's son, Ray Rastelli III, urged his father to get into direct-to-consumer sales through a dedicated website, and eventually, through QVC, Costco.com and BJs.com. Today, direct-to-consumer sales make up about a third of the company's revenue — a segment that didn't exist before 2009.

"His door is always open, and he genuinely makes the business a collaborative effort," Rastelli, 36, said of his father. "I see a lot of family businesses with a much different dynamic, where folks who work under the owner are scared to speak their mind. That's not the case here, it's been great."



JEFF FUSCO

From left: Andrew Hillman, Ray Rastelli III, Ray Rastelli and Lauren Rastelli-DeMarco,

Rastelli said he's brought nearly a dozen family members into the business, making it work by giving them clear roles and responsibilities, and holding them to a higher standard than the average employee. It helps that the family has been tight-knit for years, all gathering at his mother's house every Sunday for dinner.

Someday, Rastelli plans to turn the company over to the youngest generation of Rastellis, who are largely in their 30s and early 40s and help run marketing, e-commerce, purchasing and the catering division.

"Running a family business, the entrepreneurial spirit is what we thrive on," Rastelli said. "Now, with the next generations coming up, they've been given that same ability, to come with ideas and bring different concepts to light. I think that's empowering to those members to recognize that they can do that."