

Putting food on people's tables, even during the pandemic with help from AT&T

- **Business needs** - Grupo Bimbo, a baked goods megacorporation, needed the technology to enable thousands of staff to work from the safety of home during the COVID-19 outbreak.
- **Networking solution** - AT&T networking, connectivity, and security services deliver the infrastructure that supports Grupo Bimbo's essential work.
- **Business value** - Continued ability to supply products for consumers worldwide.
- **Industry focus** - Baked goods and snacks
- **Size** - Annual sales of \$15.1 billion

About Grupo Bimbo

Grupo Bimbo is the global leader in the baking industry and an important player in snack foods. It produces and distributes fresh and frozen sliced bread, buns, cookies, snack cakes, English muffins, bagels, pre-packaged foods, tortillas, salted snacks, and confectionery products. With headquarters in Mexico City, the company operates 197 plants in 33 countries in the Americas, Europe, Asia, and Africa. Since its founding almost 75 years ago, Grupo Bimbo has worked to build a sustainable, highly productive and deeply humane company. It puts people and ethics at the center of its value system, which drives all decisions.

The situation

With operations on 4 continents, Grupo Bimbo works round the clock to produce baked goods and snack items for the world. When the COVID-19 pandemic erupted, the company needed a way to support many thousands of associates who suddenly needed to work from home. The speed of the deployment was vital because the company could not sustain any disruption in business.

Solution

AT&T helped Grupo Bimbo quickly increase the capacity of its AT&T VPN and deliver robust broadband access to tens of thousands of employees working remotely. The scalable AT&T Business solutions have enabled the company to ramp up speed and capacity very quickly, preventing costly interruptions.

Nourishing a better world

Grupo Bimbo maintains one of the world's largest distribution networks, delivering more than 100 globally recognizable brands like Entenmann's, Ball Park Buns, Brownberry, and Sara Lee to more than 2.8 million global points of sale. Its 134,000 associates are dedicated to fulfilling its purpose of nourishing a better world.

José Luis Leyva, Global VP of Communications, Diversity and Inclusion, said the company has an amazing 75-year history. Its founder started a bakery to offer higher quality products to consumers. "At that time, sliced bread in Mexico was wrapped in opaque paper so consumers wouldn't be able to see the quality of the product until they opened it for consumption and often discovered that the bread was not fresh," he said.

The fledgling bakery introduced transparent wrap so consumers could see the product. "The founders' objective was to offer freshness and packaging innovation," Leyva said. Positive customer response was immediate. The company steadily expanded from a single bakery to nearly 200 plants across the globe.

People at the center

Grupo Bimbo has grown organically and through a series of mergers and acquisitions. Despite its success, it continues to innovate. "We like to describe Grupo Bimbo as a 75-year-old startup," Leyva said.

The company operates today according to the vision defined by its founders. "We have a strong philosophy, a strong purpose, and solid ethics and values," Leyva said. "We place people at the center of everything that we do. We also have a long-term view and like to plan ahead, always thinking about and investing in the future."

Juan Pajon, Senior VP of Global Infrastructure, Operations and Cloud said he was attracted to the company by its commitment to continuous improvement. "I just joined Grupo Bimbo two years ago, and one of the things that really caught my attention was how much effort is put into innovation and transformation to continue leading the baking industry," he said.

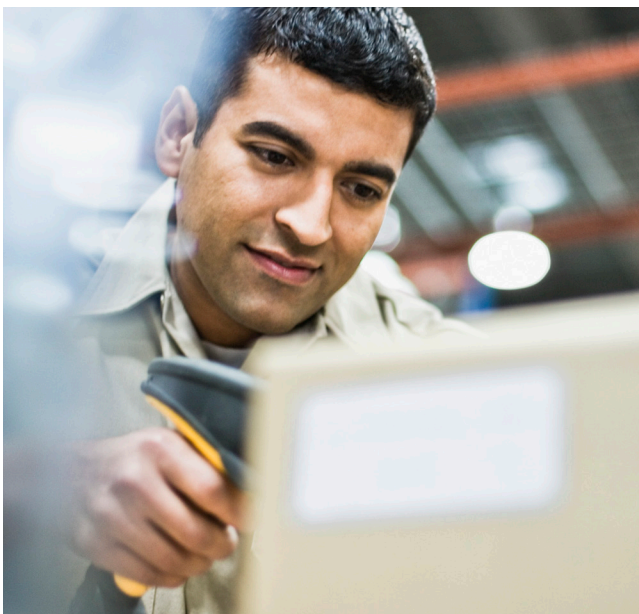
Sustainability and social responsibility

This reinvention extends beyond the company's products. As part of ongoing sustainability efforts, Grupo Bimbo has greatly reduced fuel consumption and CO2 emissions, which is especially significant as the company operates one of the world's largest distribution systems. "We're not just buying electric cars," Pajon said. "We are actually designing and producing electric vehicles in one of our own facilities."

Sustainability and social responsibility are supported throughout the company thanks to leadership from CEO and Chairman Daniel Servitje and the rest of

Grupo Bimbo's board, Leyva said. "Companies can be productive and sustainable at the same time. We have committed to the market that we are going to have 100% of our packaging biodegradable, recyclable, or compostable by 2025."

Leyva said much of the electricity Grupo Bimbo uses comes from sustainable and renewable sources. "We became the first company in our industry in the U.S. to use 100% of our electricity from renewable sources," he said. "We try to include sustainability as a component in every single business decision we make."



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Senior VP of Global Infrastructure,
Operations and Cloud,
Grupo Bimbo

In Mexico, the company receives clean electric energy from a wind farm for its operations and has installed solar panels in most of its factories and distribution centers. "In many sales and distribution centers we have the good practice of using recycled and treated water to wash our vehicles in order not to affect the environment," Pajon said. "Those are the kind of things that make you proud to be working for a company like Grupo Bimbo."

Access and capacity to support a remote workforce

Because of its operations in China, Grupo Bimbo was ahead of the curve in responding to challenges created by the COVID-19 pandemic. "Our international scope allowed us to think of the pandemic in a very resilient way. We learned a lot during those first months in China, so we were able to put in place the best practices that were working in China and other countries," Leyva said.

Company executives introduced extraordinary operational plans, increasing the frequency of cleaning and sanitizing workplaces and vehicles. "We implemented the use of face masks and shields very early on and started with temperature monitoring and admission questionnaires in all of our facilities. This is something widely done right now, but in February it was quite a breakthrough," he said.

Pajon said the company also suspended in-person meetings and trips and began looking for ways that staff could work remotely. "We needed to start incrementing broadband access and AT&T VPN capacity to make sure that we were able to accommodate increasing demand."

Grupo Bimbo executives knew they could not afford to interrupt operations. “It would be a disaster because we’re a 24/7 operation. When we’re not manufacturing in Mexico we are distributing in Europe or taking orders and preparing the dispatch in Asia,” he said. “A single two-hour downtime will disrupt an operation in some part of the world. Our products are fresh and need to be in the market every single day.”

A customer-centric approach

Strong relationships with its technology vendors enabled Grupo Bimbo to move quickly to adapt its infrastructure. “Luckily, we were already in a transformational process, so it was not that difficult to support within a day or two many thousand persons working from home,” Pajon said.

“That was a good indication that the work that we were doing paid off, and this is where our technological partners such as AT&T helped us to move and scale faster,” he said. “And in no time, we were able to provide more VPN access to our associates to be sure that we were not having any problems. That’s something that we thank AT&T for.”

AT&T provides the networks and connectivity that support Grupo Bimbo operations. “That’s the core of our infrastructure,” Pajon said. “Most of the links and connectivity supporting our main operations are with AT&T.”

Pajon said the biggest benefit Grupo Bimbo received was working with a company that understands its needs. “We appreciate the customer-centric approach and knowing that in exceptional times of need like this one, we have a company and a partner that we can trust. And they can react to the speed that we need beyond contractual clauses,” he said.

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Global VP of Communications,
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Grupo Bimbo

A strategic relationship

AT&T Business solutions support the thousands of Grupo Bimbo staff that are working remotely during the pandemic. “Thanks to Juan Pajon’s team and all the tools they were able to deploy, we could maintain—and even increase—productivity,” Leyva said.

The solutions also enabled the company to streamline its operations. “We became more agile, and somehow decision-making was faster than before,” he said.

Pajon said working closely with vendors makes a world of difference, especially in times of crisis. “Since the very beginning we have formed strategic relationships with key companies,” he said. “AT&T is a global technology titan, and we wanted to extract as much juice as possible from that relationship.”

When COVID-19 forced the company to augment its network capacity and connectivity, AT&T Business responded quickly. “It was not only speed,” Pajon said, “but that we were able to get what we needed and wanted. The commitment to oversee everything until full execution is very important for us as well. It was a completely successful delivery, and we as customers were very satisfied with the results.”



Increased agility and effectiveness

Technology advances in telecommunication are helping companies like Grupo Bimbo to increase agility, scalability, and effectiveness. “Luckily, AT&T is part of our journey,” Pajon said.

Grupo Bimbo has begun moving the company’s legacy infrastructure to a services model to improve performance and program access while optimizing costs. “The pandemic led us to accelerate our online and e-commerce initiatives,” he said. “So this is another space where I think we can start exploring how AT&T can help and support us with innovation and transformation.”

Pajon said the COVID-19 pandemic has revealed the importance of equipping the company’s associates with everything they need to do their job. “Every single tool that AT&T can provide us to strengthen our leadership in the countries that we operate in can be something of value for us,” he said.

Passion, commitment, and innovation

Leyva said most of Grupo Bimbo’s associates did not have the opportunity to work from home during the pandemic. As frontline workers, they continued to report to facilities because customers were counting on them. “Our products were something that our consumers were expecting, and we had to keep working.”

Pajon was impressed by the dedication of everyone who worked through the pandemic. “The commitment and passion I saw in our associates made sure that even in remote mode, we were able to deliver complicated projects and also keep our operation working,” he said.

“I need to thank all of our frontline workers that during this pandemic have been working and making sure that consumers can find our products on the shelves. They have been our true heroes,” he said.

The workers’ devotion and Grupo Bimbo’s decades-long commitment to innovation and sustainability have reinforced Pajon’s decision to join the company. “It’s an environment where creativity and curiosity are always rewarded, and I’m trying to be innovative,” he said. “My main goal is to be part of the next successful 75 years.”