



OSI GROUP, LLC

Q&A with David McDonald, President of OSI Group, Premier Global Food Provider



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“Adapting to change ensures our future. Quickly adapting to change gives us a competitive advantage over those who do not.”- David McDonald

CEOCFO: *Would you tell us the original vision for OSI Group and where you are today?*

David McDonald: Since I was not here at the beginning of OSI, I cannot speak to the original vision, but when I [joined the company](#) 30 years ago, OSI Group had a tremendous aspiration of growth. That appetite for growth remains today. The constant desire to grow and improve is a cornerstone to the culture itself. And the vision at that time was to be truly global and to be a valued partner to our customers. It is our partners/customers who have allowed us to grow. Our vision today formally states, “OSI aims to become the [Premier Global Food Provider](#) to Leading Branded Companies.” So, our vision has not really changed much, but our relentless push to improve and deliver more to our customers drives our growth.

CEOCFO: *According to the OSI site, ‘At the core of our company is an entrepreneurial passion and agility that brings curiosity and a can-do ethic to customer collaborations.’ How does this play out day to day?*

David McDonald: There is an overall expectation throughout our team that we will go above and beyond to meet the needs of our customers. Many times, that takes creative solutions to their challenges. It also takes an involvement with our customers that requires sharing and transparency on both sides. Ultimately, it requires flexibility, patience and trust established over time that rewards both partners mutually. Because we are private and [not publicly owned](#), we can be more nimble and flexible with our solutions. It gives us the ability to think long term, and it allows us to be more patient when building a business or relationship. Most

successful entrepreneurs have been faced with similar issues and have had to be creative and patient when building their own business. It is the same here.

CEOCFO: *How have you set and encouraged the company culture with such a large number of employees and facilities worldwide?*

David McDonald: At first we grew with many formal partnerships. Our partners knew the culture or business network in their respective geography. Together, we created a governance that had oversight and required corporate approvals for significant expenditures or [globally important strategic decisions](#), but we fundamentally believe the best management decisions are made closest to our customers in the regions or product categories in which we operate. Therefore, our partners largely made the day-to-day decisions. Today, we have become the logical and comfortable buyer for many of our partners as they exited, but we still fundamentally believe it is best for our management teams to make the day-to-day decisions closest to their customers and markets. Meanwhile, we still have the benefits of scale and being global. We provide these managers with the resources that our scale allows and the global network to truly leverage our global presence, especially as it relates to global sourcing.

CEOCFO: *How do you and OSI encourage innovation and entrepreneurial spirit?*

David McDonald: In many cases, our customers inspire us to be innovative. We believe we provide the most value when we are challenged by a customer to respond to a business need. Perhaps they need great success in a menu segment in which they are currently underperforming. That gives us creative license to use our consumer insights, our [innovative food development](#) resources and products, and our global sourcing for unique and cost effective solutions. The collaborative engagement with them leads to additional improvements and refinements that creates a custom, innovative solution unique to them. Our menu development chefs and product development teams are purposefully encouraged to try new things and innovate. Effectiveness is measured, but failures and mistakes are allowed. It is through these failures and mistakes that valuable lessons are learned. Taking risks is encouraged throughout the group. Processing improvements, innovative sourcing and a constant quest for improvement fuels innovation. It is equally important to make failures an important learning opportunity as opposed to a negative consequence.

CEOCFO: *Providing food is a big responsibility with care in processing so important. How do you foster the high standards and quality for which OSI is known?*

David McDonald: It is important to note that, within OSI, we value family. Our people and our customers are viewed as family. The products that we make should be good enough to serve to our respective families proudly. [Food safety](#), wholesomeness and

quality remain hallmarks of the products we produce for our families and our customers.

CEOCFO: *As the world changes how do you adapt? What might you do differently today from both a production and a cultural perspective?*

David McDonald: To be in denial about change is futile. Adapting to change ensures our future. Quickly adapting to change gives us a competitive advantage over those who do not. Consumers change. Their needs become different; they value different things at different times in different cultures. Today consumer trends place greater value on traceability, actual origin, how animals are raised, local sourcing, and simpler labels, ingredients and processes. We not only must adapt, but, in some cases, [create new unique solutions](#) to deliver on these consumer preferences. That is what makes our industry exciting, challenging and interesting each day.

CEOCFO: *What is the OSI plan for the next couple of years?*

David McDonald: It follows what we have done in the past. We aspire to become better, become more valuable to our customers through innovative solutions to their business challenges, and that should allow us to continue to grow and expand.

CEOCFO: *How have you personally maintained the passion over time?*

David McDonald: No day is the same. Our foundational values do not change but our solutions, our products, our challenges and our successes are constantly changing. Delivering a solution for a customer is just as exciting as ever. I take great pride in our team's ability to deliver. Additionally, watching our team grow and challenge themselves is truly rewarding. I enjoy the engagement between new people we introduce to the team and our tenured team members as they interact and inspire each other to be better. There is tremendous reward in watching a team succeed.

CEOCFO: *What might be missed about OSI. What should we know?*

David McDonald: We are not a group that brags or trumpets our success. We enjoy supporting our customers' success and maintaining a relatively low profile. Perhaps, we are overly modest and it sometimes prohibits us from being more widely recognized; however, we are, fortunately, getting more awareness due to word of mouth from our customers, and we appreciate the confidence they have put in us.