Ancient heritage drives La Azteca's future (Fabrica de Chocolates La Azteca S.A. de C.V.)

Candy Industry

| February 01, 1995 | Tiffany, Susan | Copyright

In the land of the Aztecs, change means growth for Mexico's leading chocolate company.

Chocolate lovers everywhere have the Aztecs of ancient Mexico to thank for their cultivation of cacao. The importance of this crop in their society, and to generations around the world is incalculable. So it is appropriate that the largest chocolate company in Mexico should be known by the name, "La Azteca."

Originally founded by two brothers, Francisco and Raymundo Gonzalez in 1919 in the state of Veracruz, the company moved to Mexico City in 1930, where today annual sales from the production of its three factories total more than $100 million.

Fabrica de Chocolates La Azteca, as it is formally known, began a new chapter in its history when last December it was acquired by Nestle after being sold by Quaker Oats, which had owned it since 1970.

All the changes that are possible under new ownership will not be new to a company, that throughout its long history, is used to change. It is only through change that it has grown to lead the chocolate industry, and to acquire in 1988 Mexico's second largest chocolate company, Larin.

"Before we bought Larin we were already number one in Mexico. But with the second company we really completely became the number one," remembers Ana Maria Rubio Covarrubias, director of quality control and new product development.

More dramatic changes occurred just three years later with a $12-$14 million renewal of La Azteca's Acra factory, and the installation of new cocoa bean processing equipment.

It is this factory that is at the heart of La Azteca's production. For here is where cocoa liquor, powder and butter are made, then shipped to the two other factories where chocolate paste is made for the production of chocolate bars, and specialty chocolate items.

At a meeting in early December with Rubio at the 5,300-square-meter Acra factory, just after La Azteca was put up for sale, she detailed for me the development of the site's upgrading.

Its design was developed by Buhler, from the process of cleaning, roasting, premilling, and milling with systems that are, "the latest level of technology," explains Rubio.

Plant Manager Eugenio Castillo Valdes says the resulting liquor, butter and powder are made from three different products - washed, fermented or alkalized beans.

Before they are processed, the beans are fumigated of all pests and other contaminants to prevent infestation of the facility and the final product.

The beans pass through a classifying system that removes any extraneous materials that can be found among the beans such as stones, glass and even coins.

Once cleaned, the beans pass through a maze of pipes that direct them to the roasting system. In the roasting room, Castillo explains that the two roasters operate on a continuous process that is fueled by steam.

A pneumatic transport takes the beans into a winnower where they are broken to separate them from the shells. The resulting nibs are sent through prerefiners and refining mills.

The production process nears completion in the press room where liquor is compressed within four presses, resulting in a partially defatted cocoa cake that is further processed into cocoa powder.

Tracking the liquor's flow

What happens to the chocolate liquor once it leaves the Acra factory? Rubio expertly weaves her way through the traffic-clogged streets of Mexico City, following the route of Acra's trucks to the next stop on our tour, the Vallejo factory.

As we arrive in the coolness of a late afternoon, we are greeted by Plant Manager Gerardo Sierra. Before our tour begins, he gives a brief history of the site.

As part of Quaker Oats, the Vallejo site (measuring 17,000-square-meters) contains two units, one for cereal production and one for chocolate. "We have all the enrobed chocolates and two moulding lines for other confectionery products, and the Larin products that we bought. We installed in this plant all the equipment of Latin," Sierra says of chocolate production at Vallejo.

He adds that the Latin brand is "more intensive in volume at this point." Production is done by some 290 employees of both the La Azteca and Larin brands.

Sierra begins our tour on the first floor with a brief visit to the nut roasting department, and the conches. The chocolate paste is stored in several tanks located nearby with 9-12 ton capacity.

Also on the first floor, near the loading dock, pallet after pallet of cases are held until they're released by quality control for shipment to La Azteca's distribution centers in Mexico City, Guadalajara and Monterrey.

"We have a quality assurance lab in each of our three factories where we make microbiological analysis specific of chemical, product in-process, finished product, raw materials and packaging material," says Rubio.

The tour continues to the Freskas production department. Freskas is a fruit-flavored candy center of soft caramel. After the rope of caramel is formed and cut into small pellet-shaped pieces, it is expanded into a ball as it goes through a vacuum tunnel.

The resulting multi-colored balls are covered with chocolate in manual revolving and automatic pans. Freskas are packaged in metallized film on three vertical form-fill-seal baggers.

The next process we visit is on the factory's second floor for the moulding of Latin chocolate bars with nuts (almonds, hazelnuts and wildnuts). Two moulding lines are used for this production.

The bars are wrapped with an aluminum inner wrap and printed paper overwrap on three wrapping units.

Production of Cajetoso, a nougat, milk caramel and chocolate bar, begins in a fine where a computer monitors the functions of the recipe.

Once the ingredients are mixed, explains Sierra, air is fed into the nougat so it achieves the proper texture. It's discharged into a mixing tank and pumped through the floor to a production line on the floor below.

The acquisition of this system, Sierra says, was made so "La Azteca could produce its product with the best quality possible in order to compete with the nougat products in the market."

The nougat and caramel are combined together on a roller and fed into a cooling tunnel. After cooling, the bars are cut and enrobed with chocolate.

When the bars complete a final cooling stage, they are wrapped on a flow pack packaging line.

Also produced on this floor is Galletoso[R], a wafer that is covered with caramel, crispy rice and peanuts, then enrobed with chocolate. It is wrapped in metallized film on a flow pack unit.

The last production department we visit is for Tin Larin, a wafer filled with peanut paste that is covered with chocolate. The batter for the wafers is baked in an oven, then formed into a sandwich with a peanut paste filling.

After the wafer cools, it is covered with chocolate in an enrober, then also wrapped in metallized film on a flow pack.

As rain clouds hover over the city and the glow of an orange sunset brightens the horizon, Rubio and I leave the Vallejo factory for the last stop on our tour - the Azteca factory.

This 6,034-square-meter facility is La Azteca's oldest, dating from 1926, where 363 workers are employed.

La Azteca's Carlos V brand of bars and Abuelita brand of table chocolate are its two leading products in Mexico. In fact, the Carlos V bars are the leading solid chocolate bar in the country.

While only three basic types of products are made at Azteca, there are 28 different varieties of Carlos V, 11 presentations of table chocolate and five powder products.

Cocoa liquor that arrives here from the Acra plant is mixed with a variety of ingredients and homogenized. The chocolate is then deposited in a high capacity moulding line. Says Rubio of this line, "I consider it one of the biggest in Latin America."

After demoulding, then cooling, row after row of Carlos V bars are wrapped in an aluminum inner wrap and an outerwrap.

Table chocolate, explains Rubio, is a product unique to Mexico and Colombia. This 3/4-inch thick round chocolate tablet (so hard it has to be broken into sections with a knife) is the essential ingredient in a traditional hot milk beverage.

"We drink this on special family occasions, not every day," explains Rubio.

Once the liquor is prepared, unrefined sugar and cinnamon are added. Eight moulding lines form the tablets, which are then wrapped. Workers pack the wrapped tablets into bright yellow boxes.

Chocolate milk powder is made from cocoa powder that is delivered from the Acra factory. Sugar and other ingredients are added to the powder, it is mixed, then filled into cans, pouches and bags.

La Azteca's only exports are made at the Azteca facility. The Carlos V line and Abuelita table chocolate are shipped to Hispanic markets in the United States.

Rubio says there are no exports to other countries. "That is one of the points that we can consider in the future because we have the capacity to do that."

Whatever new directions La Azteca's export program takes, or other changes that await it as part of Nestle, its customers can be confident that its rich traditions will remain unchanged.

Says Rubio, "We will continue to strengthen our role as the leading chocolate company in Mexico, and work to increase per capita consumption, by upgrading to new technologies."