CASE STUDY



 ${\sf AGRIFresh\ Wicked\ Baby\ Carrots\ trays\ ready\ for\ market.}\ \textbf{Photo\ credit:\ AGRIFresh\ }$

Fresh ideas grow WA fresh produce business

Perth-based AGRIFresh is a family-owned business exporting fruit into international markets since 2015.

Dealing with perishable produce, AGRIFresh quickly adapted when the COVID-19 pandemic hit, pivoting to a new business model that enabled them to enter new export markets and seal a deal with a national retailer, while helping local growers stay afloat.

AGRIFresh was founded in 2005 with a vision to grow, pack and export premium quality fresh produce for domestic and international markets.

After ten years of building a strong platform within the domestic market, the company began exporting fruit into international markets in 2015. They now export to sixteen countries, including Hong Kong, China, Kuwait, Qatar, Oman, Indonesia and Japan.

When COVID-19 hit in early 2020, the AGRIFresh team was faced with many uncertainties and, with perishable produce, had to adapt quickly in order to outlast the pandemic.

AGRIFresh Managing Director Joseph Ling said the first issue they faced at the beginning of the pandemic was panic buying in the local market, which steered many consumers away from fresh produce as spending on shelf-stable essential items increased. Carrots were among the first to take a hit.

"Our marketing team worked with local growers and a local processor to develop a new brand of carrots we called 'Wicked Baby Carrots'," Mr Ling said.

"We introduced a technology that we used to pre-peel them, shave them down and create small carrots, packaged in a way to enhance their shelf life.

Innovative spirit

AGRIFresh has a team of 22 permanent staff, who have been with the business long term, and usually has 120 seasonal workers but faced labour shortages for fruit picking and packing during 2020.

"We were fortunate to have a team who were willing to work so hard to get the job done.," Mr Ling said.

"More than ever, your staff will be looking to you for hope. Be clear with the recovery strategy and plan, and get the entire team involved in the roadmap," he said.

"This situation has shown us that we have had this ability to pivot and think differently the whole time.

"Within six weeks we launched our new brand and were able to secure a deal very quickly with a national retailer," he said.

New opportunities

During 2020, rising uncertainty in the Chinese market meant that many of the importers AGRIFresh usually worked with were reserved in committing to their program.

Additionally, their citrus containers were delayed at Chinese ports and the clearance process was slow. The team decided to diversify and started looking into developing new market opportunities, with different distribution strategies.

They managed to open three new markets in 2020 – the United Arab Emirates, Vietnam and the Philippines, sealing these deals online for their citrus exports.

Mr Ling said, while they felt lucky because they had already created some relationships in these markets from the year before, which they were nurturing but had not finalised the contracts at the time, finalising deals online was hard.

"The due diligence process from both AGRIFresh and the buyer and other processes still needed to happen, just not face to face," he said.

Three weeks into the COVID-19 lockdown and with increasing restrictions on retail and hospitality, the business watched the mango market collapse in Western Australia.



AGRIFresh developed a new baby mango brand, 'Lil' Cheeks' Photo credit: AGRIFresh

"I hope to keep this innovative spirit with us going forward and maintain this momentum, pushing the boundaries and making things happen."

While the mango market fell domestically, a new product opportunity arose through a natural phenomenon in the southern part of the state - mango trees were flowering out of season, producing smaller, almost seedless fruit, which had been discarded in previous years.

Seeing the opportunity to save waste and create a new offering, AGRIFresh developed a new baby mango brand, called 'Lil' Cheeks'.

Featuring locally sourced mangoes and packing material, this was a smaller one kilogram punnet size instead of the standard 7 kilograms.

"We managed to get Lil' Cheeks into a niche market in Malaysia and Singapore," Mr Ling said.

"It was air flown into these markets that still demanded the best of Australian mango without having to go through the wholesale system."

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