

Role players must unite for success

Elize Parker

WHITE RIVER - As the local macadamia industry is set to double its output due to many more trees being planted, oversupply of the market is an issue that needs to be addressed.

While welcomed and a sign of a healthy industry, the growth does call for some strategic action.

"Everyone in the industry is going to have to be more proactive," Jill Whyte, CEO of Green Farms Nut Company (GFNC) said.

She feels that role players in the industry need to help lay a foundation to ensure the industry's sustainability.

"Strong competition is a superb way to get an industry to constantly improve itself. However, there comes a point at which we must all think positively about the kind of industry we want."

For Alex Whyte, who is responsible for sales at GFNC, the situation in which the macadamia industry finds itself, demonstrates a basic supply-chain principle. "Thinking on behalf of the industry means thinking on behalf of yourself." He agrees that prospects for 2016 are good, "but, we dare not be complacent. Market crashes often happen without warning."

To him it is thus of prime importance that



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producers realise more than ever that their choice of supply-chain partners has a direct impact on their industry.

"Although South Africa is the world's largest producer of macadamia nuts, when compared to other tree nuts, the industry is very small. Each farmer's

choice of processor and marketer is important."

Alex uses GFNC as an illustration to prove a point. When the company began 25 years ago, as the only privately owned macadamia processor and marketer in South Africa, it was decided that the company would base its success on that of the farmers who supplied it.

"This meant that we had to deliver the

best possible prices coupled with the best service," said Alex.

It focused on building markets for the farmers who supplied them. By doing that, the company built markets for the entire industry.

Alex is of the opinion that the industry should continue in this vein and as a whole should do everything in its power not to become more fragmented.

Such a fragmented industry cannot act in the best interests of its stakeholders.

"We are in an ideal position to build a

secure, profitable industry that can ride market movements. We need to plan now for the long term. Knee jerk, high-risk decisions focused on short-term profits puts every farmer at risk."



When farmers choose the right processing and marketing partners, the macadamia industry could prevent fragmentation and move forward.