



VALUE-ADDED SOLUTIONS

Paving the way towards sustainable food supply

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A locally-owned family business in a niche yet vital industry strives to be an regional manufacturer of value-added solutions for food security and public health. **BY BEE JIA WEN PRISCILLA, ERICA KOH MEI EN AND ONG SI YING**

THE world population is projected to reach 8.5 billion by 2030, but food supply faces a challenge in keeping up with this projected population growth. Can food production keep pace with the population growth to minimise the likelihood of starvation?

The Singapore government has placed renewed emphasis on agriculture and food security in recent years. During the Covid-19 outbreak, food supply was of worrying concern to many as supply chains globally were disrupted.

With a mission to contribute to food security and safeguard public health, Asiatic Agricultural Industries Pte Ltd is committed to addressing the issue of shrinking agricultural supply.

Founded in 1972 as a family business, Asiatic has demonstrated remarkable growth over the decades.

Currently, it manufactures and distributes a comprehensive range of products and solutions in business segments comprising crop protection, plant nutrition, animal health and public health. Priority is placed on creating value for customers by offering customised solutions that best cater to its customers' needs by utilising its market expertise and technical support while ensuring its products are of good quality.

"Our business strategy and growth plans are driven by our mission – contribute towards food security; safeguard public health – as there is tremendous potential for growth in both the crop protection and public health products sector," said Andrew Chan, Asiatic's marketing director. "This is in line with the Singapore government's renewed emphasis on agriculture and food security in recent years and also in line with the increasing threat of vector-borne diseases like dengue fever, not only in Singapore but the region as well."

Global presence, local core

A limited domestic market has not deterred Asiatic from business

growth, as the company has established a global business network across Africa, Middle East, South Asia, South-east Asia and Australia through direct market access as well as mergers and acquisitions.

Such global networks have allowed it to directly study market trends and customer preferences in these markets.

By offering customised solutions, Asiatic has been recognised as a customer-centric and premier supplier globally.

Despite its global expansion, Asiatic chose to keep its manufacturing and production facilities in its home country of Singapore.

With the country's status as a financial hub coupled with its good governance, efficient trading port and reliable transportation system, Asiatic believes that the strategic decision of retaining its manufacturing and production facilities here allows it to reap more benefits despite the relatively higher labour costs it has to bear.

Testing labs to fine-tune products

One of Asiatic's core markets is Myanmar, where Asiatic has set up teams and research operations to assist in the testing and marketing of products.

Two research farms have been established to conduct product testing and demonstrations for customers.

These farms are managed to conduct product efficacy trials to facilitate the in-country certification and approval process for product registrations, as well as to conduct commercial trials to validate the performance and efficacy of its products.

The data generated from these trials serve as a form of added assurance to the customers regarding the effectiveness of Asiatic's products.

Customers will not only be more inclined to purchase these products, but are also empowered with knowledge on the benefits they could derive from using them.

The strong presence of Singapore products in Myanmar has allowed Asiatic

to command a premium for their products.

Selling and using responsibly

Product stewardship solutions are adopted by Asiatic as part of its corporate social responsibility.

Due to the nature of products sold by Asiatic, if the chemical products are not handled with care, it could potentially result in detrimental effects to the environment and the health of the users.

Such initiatives include a partnership with Mercy Crops in Myanmar to educate and train farmers on product knowledge and the safe use of pesticides.

For selected products sold in Singapore, Asiatic has attained a Green Label certification from the Singapore Environment Council.

This certification endorses consumer and industrial products that pose fewer undesirable effects on the environment, and reflects Asiatic's commitment to safeguard the health and well-being of all stakeholders through the development of environmentally-friendly products.

Adopting technology

Asiatic continues to seek innovative ways to serve its customers and grow its business.

It is currently embarking on new projects to support the shift towards agriculture 4.0, which advocates the use of technology in traditional farming processes, allowing for farms to be more efficient, safe, profitable and environmentally-friendly.

The first project which Asiatic is working on is the sachet packing automation line project, which aims to increase productivity and reduce manpower required by almost half.

It has been looking for alternative packaging for its products because whenever a customer purchases a huge bottle of pesticide, he or she subsequently has to manually measure the volume to be used.

Asiatic's solution is to pre-package the pesticide in specific doses based on per-hectare/acre applications.



Asiatic tests its products in its research farm in Myanmar (above), providing the company with another platform for marketing its products. It continues to house its manufacturing and production facilities in Singapore (left). PHOTOS: ASIATIC AGRICULTURAL INDUSTRIES PTE LTD

Another project which the company is undertaking involves the use of precision agriculture technology.

Rather than spraying entire fields or plantations with pesticides, precision agriculture technology allows farmers to pinpoint specific areas where crops require treatment.

This is done through the use of technological devices such as drones and radio frequencies.

The use of such technology would not only allow farmers to reduce chemical usage – thus saving cost – but also allows for the production of healthier produce.

The benefits of precision agriculture technology has encouraged Asiatic to explore the use of such technology.

Mr Chan said: "Companies, big or small, involved in the agrochemicals business will have to embrace or start

embracing precision agriculture technology in one form or another as this will be the next frontier of growth, given that the regulatory framework is changing very quickly with an emphasis on sustainability and the reduction of environmental impact."

With the vast benefits and opportunities which precision agriculture technology can bring to the industry, Asiatic hopes to pioneer the introduction of this technology to its farmers.

The adoption of new technologies and solutions will also help the firm to continue to identify opportunities and potential areas of growth, both in and out of Singapore.

The ultimate purpose of boosting food supply remains the driving force of Asiatic's business.

Its growth and development will benefit many stakeholders, including the farmers and consumers of the agricultural end-products.



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This series is part of the Enterprise 50 Educational Project between the E50 partners and the NUS Business School. Asiatic Agricultural Industries Pte Ltd was among the winners in 2019. The annual E50 ranking is co-organised by The Business Times and KPMG, sponsored by OCBC Bank, and supported by Enterprise Singapore, Singapore Exchange and Singapore Business Federation.

