

# CONVERSATION

News from Timbali Technology Incubator

July 2017

## 33% GROWTH INTO EXPORT MARKETS

**The complex business problems we face today can't be solved with the same thinking that created them. Instead, we need to start from a place outside traditional management.**

In an era of fast-moving markets and leap-frogging innovations, we can no longer "decide" the way forward. Today we have to "design" the way forward -or risk ending up in the fossil layers of history says Marty Neumeier.

Timbali has "Doing the Impossible" as one of our values. It seems impossible to think that rural youths can sell their produce in all four of the largest retailers in S.A. locally and in Africa, and internationally. Yet, that is exactly what we did. Each week we start a new conversation, to winch our way forward in an environment where business is not business as usual. We changed our thinking from: "A chain is as strong as its weakest link" to "how do we get every link fully engaged"?

Timbali's amaVeg Agri-Parks recorded 33% growth in amaVeg Exports, and a reduction of 61% in wholesales with 15% growth in Retail sales. This is due to the financial investment in infrastructure and operations from our valued funders

Sales Mix Q1 2016	Sales Mix Q1 2017	Growth
36% wholesale	14% wholesale	61% decrease in Wholesales
29% retail	34% retail	15% increase in Retailers
35% export	52% export	33% increase in Exports

Market	Price per Kg 2016	Price per Kg 2017
Wholesale	R8.67	R 16,28
Retail	R 21.75	R 26.89
Export	R 47.60	R 50.73

Timbali's franchise style approach allows clustered young female farmers in different geographic locations to sell o niche markets.

### 1. Timbali takes a systemic-approach.

The entire organisation needed to see events and patterns in a new way, and respond to them differently, to bring about lasting and large-scale change. The question asked regularly is: "What might need to change in the amaVeg market system to stop inconsistencies from happening?" We found genuine solutions that are systemic, not just reacting to the symptoms.

### 2. We use a scoreboard:

The amaVeg market system is presented at weekly Timbali Quality Management Meetings (QMM) as a multi-functional and multi-player arrangement. This approach led to the sales mix improvement.

### 3. It's all about the Market and Sales:

Market access is the key word instilled in every farmer that walks through our gates from day one. No market equals no sales. One of the services Timbali offers their clients is direct market access.

### Countries exported too



United Kingdom



Germany



Switzerland



Mauritius



Ghana



France



Italy



Russia



Namibia



Uganda

## Profitability Linked to Export Market Sales

**JOHN MADALANE KLEINBOY, a 23 years old young man , who has his grade 12 certificate from 2015, is a trainee farmer at Agri-Park Rietfontein. John said that without Timbali’s weekly Quality Management Meetings(QMM) I won’t manage to run my unit. When I arrived at Timbali I had no knowledge about what I have to do from planting until harvesting. I knew nothing about land preparation, planting, how to balance my soil PH and which chemical to spray for disease or insects.**



Before Timbali I was unemployed and it was painful because I got nothing to put on the table to feed my family. He stays with his parents and three siblings with only his mom working and his father depending on pension.

What was a growth trigger point that happened that made you grow?

I expect to work for longer than a typical 8-hour work day. This is especially true during harvest time when the crop needs to come in as soon as possible before any potential bad weather ruins any chances of sales. Kleinboy realise that being a farmer you have to do it with a love and joy. You have to make sure you satisfy your customer, meet the unit inspection standards for exports and every day maintain my block to get a high yield in production . It doesn’t matter what I want but what my customer wants to get a profit.

*“It doesn’t matter what I want but what my customer wants to get a profit.” JOHN MADALANE*

Francinah Netshisaulu

*“The best thing about Timbali is that it teaches us everything concerning our farming business from Technical aspects to Marketing and how to Maintain Markets. Production has always been the easiest thing to learn but Timbali has taught me so much in terms of marketing and the daily running of my small business.”*

