



Big tree farms: How traditional Indonesian food ingredients conquered Europe.

This Good Practice tells the success story of Big Tree Farms in Bali, Indonesia. What started off as just a farm halfway 2000 expanded quickly into a sustainable supply chain across 10 islands of the Indonesian archipelago. Big Tree Farms has become the premier producer of sustainably grown produce in Indonesia. Almost 2 years after CBI's export coaching programme Big Tree farms has consolidated its presence in European markets. Find out what you can learn from Big Tree farms.

What were Big Tree's key success factors?

1. Total export turnover more than tripled in only 2 years' time. In 2008 Big Tree sales were €407.928 and in 2010 it already accounted for € 1.739.301.
2. Exports to EU markets exploded and increased with 500% . Big Tree started with €44.904 total sales to the EU and in 2010 sales figures rose to €282.356.
3. EU markets grew from only 3 in 2008 to already 6 in 2010. After 2 years in the CBI programme Big Tree served the Czech republic, United Kingdom and Finland. 2 Years later, they added Switzerland, Germany and Italy to their export list.
4. Big Tree is an Organic marketing machine
5. Big Tree is a master in product development
6. Big Tree attracted venture capital
7. Big Tree is reporting on Sustainability

What were Big Tree's key learning points?

1. Big Tree learns to distinguish between bulk and finished products. The markets for consumer products differs enormously from the finished or bulk food ingredients market. Where Ben Ripple, was already an expert in delivering hip and happening consumer products, sold individually to supermarkets, he needed to dive into the food ingredients market. Ingredients needed to be sold to food processing industry in much larger quantities. Big Tree farms changed its focus from consumer branding to ingredient branding. This was unfortunately not so easy as it sounds. It required a scale up in production, different packaging, different buyers, different certificates.

2. Developing close and structured relations with buyers is key. Big Tree started out as a self-sufficient farm growing all kinds of crops. Due to their excellent nose for sustainable food trends, it was not really a necessity for Big Tree to develop close relations with their buyers. Once they started to supply to the food ingredients markets they experienced the lack of structure as a back fall. If you want to rely on your buyers, you need to be pro-active, develop a structured buyer policy and follow up on queries or orders.
3. Investing in a website
In general, investing in a website is always a smart move. You can show you are trustworthy, showcase your products or service and provide potential buyers with contact details. In Big Tree's case it was even a smarter move by showcasing the special story behind all their products and farmers who produced it.
4. From weakness to strength. Big Tree know extremely well on how to take advantage of opportunities laying ahead of them. What could be seen as a weakness, Big Tree turned around and used the opportunity of specialty and organic products. Big Tree farms has a nose for hip and happening finished food products. One of these glorious examples tells the story of the raw cashew nut, sold to the raw food market. In general, cashew nuts are peeled after being heated in a machine. Big Tree was not yet in that place to own such a machine and therefore needed to peel these cashews by hand. Ben added a personal touch to these cashews and was able to sell them as special cashews from the Island of Flores to the raw US food markets.

Big Tree before CBI steps in

Big Tree Farm started out as an organic vegetable farm in 2000 with under an acre of land

Big Tree farms applied in December 2006 for the CBI coaching programme of Food Ingredients. Sales back then were accounted for 25000 US dollars mainly to the USA, Canada and Australia. Big Tree only exported end products such as Organic raw cashew nuts, cacao, palm sugar, handcrafted sea salt, honey and several spices.

Journey of Development

1. Obtain food safety and organic certifications. Big Tree obtained HACCP for organic cocoa in 2009.

2. Visit European trade fairs and develop the EU market. Big Tree started to exhibit in London at the Food ingredients Europe in 2008. The following year they exhibited on the Biofach in 2009 with the helping hand of the CBI. In 2011 Big Tree was able to do it on its own.
3. Update promotion strategy and materials
4. Invest in larger scale processing and procurement systems. Big Tree built a new factory in Bali in 2009. They also developed new processes for grinding palm sugar in 2010.

Nearing the sustainable future

Big Tree Farms operates sustainable supply chains on more than 10 islands across Indonesia's archipelago of 17,000 islands and atolls. These sustainable supply chains are actually deeply involved social relationships with individual farmers and community farmer groups.

Big Tree opened a sustainable chocolate factory in November 2011.

Useful sources

<http://bigtreefarms.com/index.php/page/content/4/2>

<http://www.cnngo.com/explorations/life/flavor-journey-bali-balduccis-780500>

<http://marsham.ca/big-tree-farms/>