



*Mr. Kausar Ali
Bandoorkwala, Mr.
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and Mr. Kim.*

Pakistan has great opportunities in confectionary business

Interview of Mr. Kim Pan, Dong Yang Food Machinery Corporation.

Can you tell us about your company and the range of a product you have for Pakistani Market?

My father established DYFM in 1953 and the third generation of my family has also entered the business. Our primary aim is to manufacture the highest quality, user-friendly machinery and we are proud that our plants are in production in more than 10 countries around the world. Coming from South Korea, a nation well known for its world-class IT capability, home appliances, car production, and shipbuilding technology, we strive to reflect this image in our technology. Meeting our customers' needs is our top priority and DYFM continually invests in R & D to enhance its technological capability, thereby strengthening our partner's trust and faith in us.

What are some of your key export markets?

We have a long experience in Korea, as well as in Asian markets. Ninety percent of our turnover is from countries

such as China, Philippines, Myanmar, Vietnam, Indonesia, Malaysia and now we are starting in Pakistan. I think Pakistan is very similar to Indonesia in terms of population and also the country's background which is quite similar.

What is your impression of the grocery stores, super markets and retail business in Pakistan?

Before coming to Pakistan, I had a very different idea about Pakistan. Our agents in Pakistan, Abdoolally Moosabhoy & Sons are very well respected in their field of business. They are in touch with all the key players in the market and have been a witness of the evolution of this market. With their guidance in this visit, my perception of Pakistan has changed completely as apparently it is a very big market with tremendous opportunities. After a survey of the supermarkets and retail outlets with our agents I was quite surprised to see a wide range of products of very good quality on the shelves.

It seems to me that big supermarkets have a smaller share at the moment of less than 20 percent. However, it means there are more opportunities in the large supermarket business as the consumer is demanding better quality and wider range of products under one roof which also reflects on the customer's increased spending power. The larger supermarkets are fast and efficient and their products are therefore never out of shelves. This is a very valid reason for their viability and brighter future. The back-bone of the food industry is a good distribution system. I have seen a wide variety of biscuits and bakery goods being produced in Pakistan that can compete with any good manufacturer in the world.

Can you name a few players that you believe are in this category?

We are in contact with the leading players in the biscuits business such as LU Biscuits, Hilal, English Biscuits as well as some newcomers in this field. It seems that the manufacturers are introducing



new products from biscuits to cakes, snacks and pasta. There seems to be a growing market in both urban as well as rural areas in Pakistan

Pakistan with its large population of 220million people can face severe food shortage in the future which can be avoided through proper processing, packaging and distribution of food products. [K1]

As I have learned, most of the companies in Pakistan in the past did not have sufficient financial resources and consequently preferred second-hand machinery. Now they have the resources to buy up-to-date machinery, and everybody wants to get branded or renowned plants for production. Quality of our machines is at par with the European and Germans technology. In fact, some of our customers found that the quality of Korean plants is even better than the European and German machinery. That is primarily because the Korean machinery manufacturers follow the Japanese standards, that are considered the gold standard in this field. Today there is greater competition especially in cakes and biscuit industry. For example, companies such as Hilal Industries have both confectionary and bakery lines. Similarly, I think Pakistani companies are diversifying to widen their product range to meet the local demand as well as exports.

We can offer our Pakistani customers a biscuit and cake line with complete

solution from the mixer to oven and as well as packaging machines. However our range is not limited to these and we can offer customized solutions according to the requirements of our customers.

Do you have solutions for small and medium sized companies as well?

We do have the solutions for medium to small size manufacturers. As I mentioned to you we are able to supply a customized production line according to their needs. From what I have learned the industry of cakes and biscuits in Pakistan accounts for 35% of the total market while 65% companies that make cakes and biscuits are like open bakeries.

A cereal is another market for which we provide specialized machinery. There are many international brands of cereals in the super markets, however only one local player could be seen, that is Fauji cereals. We believe there is tremendous growth & opportunity in this segment

We are ready and open to new ideas and new solutions especially in the confectionary and the bakery. We along with our agents in Pakistan Abdoolally Moosabhoy & Sons are there to assist our valued customers in Pakistan to achieve their highest potential. ♦

Abdoolally Moosabhoy & Sons

Abdoolally Moosabhoy & Sons was established in 1880 and its main activities consist of blending and compounding a vast range of flavours and food colours. Their distribution and marketing comprise of powder flavours, coating systems for the chicken industry, essential oils, fragrances, aroma chemicals, food ingredients and other additives.

Over the years they have established strong partnerships with interna-

tional sources to provide their customers with the highest quality of products.

They provide value additions through application facility as well as technical support. They cater in following segments: Beverages,

Bakery/Biscuits, Confectionery, Pharmaceuticals, Dairy products, Snacks and Savory products, Health and personal care including soap and fine fragrances. ♦

