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Greenfields Milk aims to double Malaysian sales by 2015

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MALANG (Indonesia) Greenfields Milk, the largest integrated dairy producer in Southeast Asia, aims to double its sales in Malaysia to two million litres of dairy products by 2015.

Greenfields distributes dairy products such as fresh milk and ultra-high temperature (UHT) milk in Malaysia via its distribution arm, AustAsia Food (M) Sdn Bhd.

"We aim to double our sales in Malaysia to two million litres, equivalent to approximately RM16 million in revenue by 2015," said Felix Chan, sales manager at AustAsia Food.

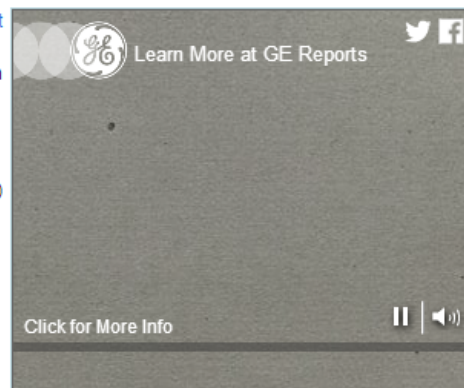
Indonesia-based Greenfields only recently entered the Malaysian market, supplying its dairy products to food and beverage outlets such as Gloria Jeans Coffee Bean and San Francisco Coffee, while also distributing its products through Giant and Cold Storage supermarkets.

While Indonesia is its biggest market in this region, the group also supplies its dairy products to Singapore, Hong Kong, the Philippines and Brunei.

Sally Lum, head of marketing at AustAsia Food Pte Ltd, the regional distribution arm for Greenfields, said sales in Indonesia account for about 50% of Greenfields' revenue, while sales in Singapore and Hong Kong contribute to 40%.

Malaysia, the Philippines and Brunei contribute to the balance 10% of Greenfields' dairy product sales.

According to Lum, Greenfields sources fresh milk and produces dairy products at its integrated farm located 1,200m above sea level at Gunung





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Kawi in Malang.

"Everything is under one roof. We get the feed from the cows from the farmers here, our cows are milked here, we process the milk here and we also package the fresh milk here to be distributed to countries in Southeast Asia," she said.

Its 60ha integrated farm in Malang houses about 6,600 Holstein milking cows, a breed of cows which originated in Europe. Each cow produces about 27 litres of milk per day.

Greenfields also has five farms in China, which produce for the Chinese market.

Lum said the weather in the area where the farm is located in Malang is perfect for milking cows, as the Holstein cows produce the optimum amount of milk when the temperature is below 21°C, with a humidity level of less than 70%.

"The average temperature here is about 20°C, and it is consistent throughout the year. This is an advantage to Greenfields, as farms in Australia, and in European and American countries are exposed to the four seasons of the year."

She said the change of seasons in such countries makes the quality of milk inconsistent throughout the year as the cows are exposed to different temperatures.

Meanwhile, Greenfields' milk processing plant practices a "no hands policy", as the cows are milked by the plant's automated milking system, which significantly reduces the amount of bacteria in the milk.

Greenfields only pasteurises its milk once, which means that more nutrients in the fresh milk are conserved without additives, as compared to most dairy companies which pasteurise their processed milk twice.

After being processed and packaged, it takes about two to three days for the fresh milk to be delivered to Malaysia.

Greenfields' current product line-up consists of pasteurised milk, UHT milk, whipping cream and a selection of cheeses including mozzarella, bocconcini and ricotta.

Going forward, the group said it will continue to expand and innovate its production processes and capabilities.

Greenfields will be increasing its number of milking cows and will have a second farm in Indonesia, to be located in another part of Gunung Kawi. The new farm is slated for completion sometime between 2015 and 2016.

The group hopes to increase its market share in Malaysia and hopes to introduce its line of soft cheeses, such as ricotta, to the country.

Greenfields currently offers fresh milk, UHT milk and mozzarella cheese in Malaysia.