

Greenfields gears up to meet Asia's fast-growing demand for dairy

Nestled among the cool hills above Malang in Eastern Java, Indonesia, is Greenfields — the largest dairy facility in the region. **Yoki Wong** visited the fully integrated dairy to find out how it operates and its plans to expand its products and markets.

Greenfields is a true Asian milk brand that prides itself on the quality of its milk. “Our fresh milk contains no preservatives, no additives, no hormones, no antibiotics, no milk powder and no permeate; it’s milk only,” the company states. It also differentiates itself in offering fresh milk from a single source and single pasteurisation instead of double pasteurisation, which it points out, is the common practice among other brands.

PT Greenfields Indonesia, located in the “dairy heart of South-east Asia where 60% of Indonesia’s milk is produced”, is a joint venture set up in 1997 by a group of Australian farmers and Indonesian entrepreneurs with agribusiness expertise. Sited 1.2km above sea level in Desa Babadan, Gunung Kawi, Malang, East Java, the dairy farm is home to over 6,000 Holstein dairy cows imported from Australia.

With average temperatures of 24°C-25°C in the day and 13°C-14°C at night,

the cool weather in Malang is said to be ideal for raising and milking dairy cows — ensuring all-year-round consistent output in quality and quantity.

Operating under the slogan, ‘Your Asian dairy next door’, Greenfields has been producing fresh milk for consumers in the region for the past 15 years. Today it is a Starbucks-approved facility producing an average of 20 million litres of fresh milk a year to meet the region’s fast-growing demand for milk and other dairy products with a distribution network that covers Indonesia, Singapore, Hong Kong, Malaysia, Myanmar, the Philippines, Brunei, Taiwan and Cambodia.

Jan Gert Vistisen, head of marketing and sales at AustAsia Food Pte Ltd, which produces and markets the Greenfields dairy label, tells *RETAIL ASIA*: “Dairy consumption in South-east Asia is growing quickly, by some estimates by 4% in volume annually, but some markets are significantly higher than

that. As examples, Singapore’s annual growth in fresh milk is 7%-8% in volume and Indonesia’s at least 10%.”

Based in Singapore, Vistisen points out that demand is spurred by a number of factors. He says: “This growth is driven by the increasing number of modern retail outlets which have chilled displays, thus making fresh milk more available to more people. In addition, Asian consumers are gradually turning from very traditional dairy sources such as sweet condensed milk and milk powder towards fresh milk, which has better taste and more nutrients.

“Finally, Asian consumers are increasingly exposed to western-style food through fast-food restaurants and other western food outlets featuring dairy products in their meals and menus, which in turn means a greater consumption of dairy products as well.”

Vistisen points out that against this growth in consumption, the supply side is struggling to catch up given that



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From AustAsia Food are, from left: Fenita Agus, head of marketing – Dairy; Victor Seng, marketing & promotion executive; and Jan Gert Vistisen, head, marketing and sales. From Greenfields are, from fourth from left: Darmanto Setyawan, head of Milk Processing; Catur Nugroho, head of Production Department; and Sungkowo Sutarjo, head of Heifer Raising Department.

every country in South-east Asia lacks self-sufficiency in dairy products. This, he says, is widening the gap between supply and demand.

Currently, most milk and dairy products are imported from dairy sources in Australia, New Zealand and the West.

This is a happy scenario for Greenfields. “We are operating in a fast-growing market, where local supply of fresh milk product is very scarce. That’s where we come into the picture as ‘your Asian dairy next door’,” declares Vistisen.

Being the largest integrated dairy in South-east Asia, Greenfields is well positioned to expand its business across the region, says the marketing chief.

“Apart from maintaining our leadership position in fresh milk in Indonesia, we are, on an ongoing basis, growing our presence and market share for fresh milk in Singapore and Hong Kong. For fresh milk, our aim within the next six to 12 months is to expand our presence in foodservice and retailing to also cover Malaysia and the Philippines. In both these markets, there is precious little local fresh milk available, and consumption increases far outstrip local production increases.”

He also believes that Greenfields’ unique integrated approach to farming and processing gives the company a strong advantage in terms of product quality, whether comparing with imported brands (primarily from Australia and New Zealand) or local products, says Vistisen.

Greenfields’ state-of-the-art farm is fully equipped with a modern milking parlour, climate-deliberate cattle barns



The cows at Greenfields are milked using Boumatic, a fully automated milking system where the milk goes directly from the cows to immediate chilling to 4°C via cooling stainless steel pipes with no human touch.

and controlled feeding equipment.

The cows are milked three times a day using Boumatic, a fully automated milking system combined with an integrated processing system for pasteurisation, sterilisation and packing which is controlled by a PLC (programmable logic controller) to ensure zero-error operation flow. This means the milk goes directly from the cows to immediate chilling to 4°C via cooling stainless steel pipes with no human touch.

Finally, being located in the ‘neighbourhood’ means Greenfields can get its fresh milk into these regional markets within a few days of production. “At the end of the day, consumers want a real fresh milk product — not a milk product which has been made up of milk powder, permeate or, indeed, various flavourings, or even [a milk product that has been] hauled in bulk over large distances, thus requiring pasteurising more than once,” Vistisen points out.

Riding on the demand for other dairy products, Greenfields has ventured into cheese production. “We realise that our 100% fresh milk is ideally suited to produce other dairy products as well. Therefore, Greenfields just late last year made our entry in the market for mozzarella cheese (made to a classic Italian recipe) and today we are building a strong presence in both foodservice and retailing with our Mozzarella Cheese blocks in Indonesia, Singapore and Hong Kong.”



Greenfields ventured into cheese production late last year.

The company has followed through with its second cheese product — the Greenfields Mozzarella Bocconcini cheese balls which were launched to the foodservice trade and consumers last month in three markets — Indonesia, Singapore and Hong Kong. The cheese balls are available in two sizes: 33g and 125g.

“These two new products are ideally suited to fit into the foodservice markets in Asia, where they are often used in such dishes as mozzarella salads,” remarks Vistisen.

Going forward, Greenfields will continue to expand its Mozzarella cheese range and by next year it expects to introduce other types of cheese products. “Some of these categories in our sight are ricotta cheese, soft cheeses (such as brie and camembert) and hard sliced cheeses,” Vistisen reveals.

This ‘Asian dairy next door’ is on its way to being a major agri-food player in dairy produce not only in Indonesia but also in the region. **ra**

‘HAPPY COWS GIVE GREAT MILK’

The real stars behind the Greenfields brand is its cows and it is not surprising that these 6,000 Friesian Holstein cows are given VIP treatment daily. As part of their health regiment, the cows are given pedicures twice a year to maintain strong and healthy hooves.

There is a 24-hour in-house veterinary with a team of five vets to ensure the cows are in the pink of health while a team of nutritionists look after the dietary needs of each calf and cow.

The cows’ meals consist of a mixture of locally sourced and grown King Grass, corn and imported high-quality grain and alfalfa hay. Newborn calves are kept in nurseries and bottle-fed. The milking



Greenfields’ cows get VIP treatment.

cows are also given plenty of rest with soft sand for their bedding to take their weight. Their beds are cleaned daily and the manure recycled to local farms.

Why does Greenfields go to such great lengths to keep their cows happy? Jan Gert Vistisen, head of marketing and sales at AustAsia Food Pte Ltd, which produces and markets the Greenfields dairy label, reiterates: “Because happy cows give great milk!”

Living in the idyllically cool green hills of Malang, a region that is known also for its fresh produce such as sweet green apples, strawberries and King Grass, the cows are truly living in bovine heaven. **ra**