



**Mitchell's Fruit Farms Ltd.**

# History

- Established in 1933; Mitchell's is the oldest food company in Pakistan. Its foundation was laid by Francis J. Mitchell under the name of Indian Mildura Fruit Farms Ltd.
- After independence in 1947 the company's name was changed to "MITCHELL'S Fruit Farms Ltd.
- Evolution of Business
  - Squashes - 1933.
  - Preserves - 1951.
  - Sauces - 1953.
  - Canned Foods - 1953.
- In 1957 F. J. Mitchell's family decided to hand over control of the company to their local partners.

# Diversification - 1979 to 1998

- Diversification into new product lines became the engine of Growth during this period.
- Evolution of Business
  - Pickles - 1979.
  - Sugar Confectionery - 1980.
  - Countlines - 1983.
  - Moulded - 1998.
- The company passed another major mile stone when it went public in 1993.
- Company became market leader in majority of its categories
  - became known as best in class.

# Rapid Diversification Leading to Difficult Times

- Loosing Focus and critical mass needed for generating economies of scale.
- Too many products (SKU's) causing complications in Supply Chain.
- Fighting on many fronts in the market.
- Frequent gaps in Supply and Demand.
- Build up of Inventories - High working capital costs.

# Other Resisting Factors

- Ageing Workforce causing Inefficiencies in Performance.
- Skilled staff but attuned to delivering Procedures not Outcomes.
- Feudal Mindset hampering Teamwork / resistant to Change.
- Inability to understand Modern methods.

# Business Review and Actions Taken For Recovery.

- Rationalizing of SKU's to identify Profitable Frontrunners.
- Pareto Analysis - 40 SKU's contributed 80% of the total revenue.
- Rolling Sales Forecast system to streamline Supply Chain - Focus on 20 items that represented 80% of total purchase value.

# Business Review and Actions Taken For Recovery - Cont...

- PDCA (Plan, Do, Check, Analyze/Act) concept introduced in the Company at functional levels to eliminate non value adding activities and promote Continuous Improvement.
- Training of Staff to improve Productivity.
- Emphasis on Quality Assurance vis-à-vis Quality Control.
- KPI's established for Performance Management.

# Result of Efforts

- Bringing down Inventories throughout the supply chain.
- Minimizing Supply - Demand gaps - Increase Sales.
- Increase in Productivity and Efficiency.
- Enhanced Energy Efficiency.
- Improved Profitability and internal generation of cash for new investments.



# Further Ongoing Efforts to Build Business Volumes

- To upgrade Sales and Distribution processes for greater visibility and fast response at retail sales level.
- Increase our penetration and coverage of retail outlets.
- Review trade terms to gain more shelf space.



**Thank You**