**PHINDA’S BUSINESS FOOD FLOWS**

Suppliers

Clients

North Riding | Place of operation

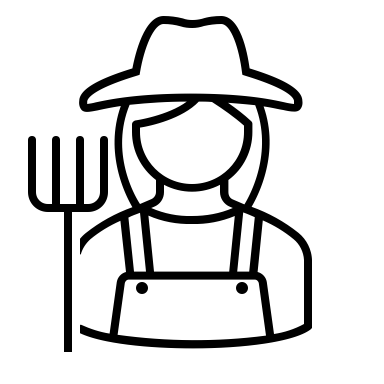
Tarlton, Krugersdorp

Home deliveries

**North West**

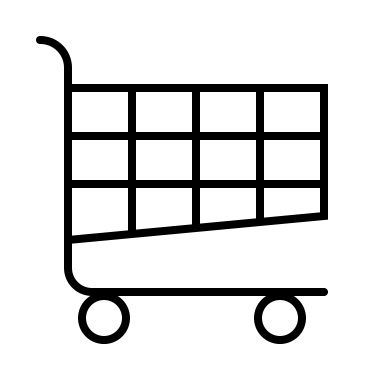
**Limpopo**

**Mpumalanga**



**-26.2, 28.083**

**Latitude: -26° 03' 21.60" S  
Longitude: 27° 37' 19.20" E**



**Phinda Interview notes**

**INTERVIEW INFORMATION**

Date: 28 October 2020 – present

Location: Online

Place of operation: North Riding, Johannesburg, Gauteng

Interviewer: Makhanana Malungane

1. **PERSONAL INFORMATIONS**

Name/pseudonym: Phinda

Age: 33

Sex: Female

Highest Level of Education: Honors degree

Role in agro-food system: Processor (D) Distributor (F)

Do you have other occupations? Business consultant

How long have you been involved in business? Less than 1 year (business became operational on 1 May 2020, just after the hand lockdown)

D. **PROCESSORS**

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| 50) | What do you process? | Fresh Produce boxes for home delivery and at a wholesale level  - Tomatoes  - Carrots  - Cauliflower  - Potatoes  - Gem squash  - Cucumber  - Lettuce  - Sweetcorn  - Pineapple, naartjies, blueberries, (when in season)  - Avocados  - Bananas |
| 51) | Is this the only thing you process? | Yes, for now but I would like to expand into pulse and pre-packaged smoothies |
| 52) | Have long have you been processing this? | Less than a year, began on 1 May 2020 |
| 53) | Have you always processed here? | Yes |
| 54) | How did you start you start this business? How did you hear and learn about the business? | I got the idea to start the business after I had visited a packing house in my previous job as business development practitioner a couple of years ago. I was just so amazed, I knew I would one day own a place like this. So, at the end of 2019 I resigned from the corporate sector and ventured into business |
| 55) | Where do you source the produce, you process? | Tarlton, Krugersdorp  Delmas Mpumalanga  Limpopo |
| 56) | What machinery and other inputs do you use? Do you own or hire inputs, such as packaging, electricity use, repair services needed such as sharing? | Most of the work is done from home here in North Ridging.  *Equipment*   * We use my both my husbands and I’s private (hatchback) car to collect the produce from Tarlton but with bigger orders my father sets in and lend us his bakkie. * My personal laptop and cell phone is used to generate sales and communicate with clients using the house wifi or mobile data.   *Packaging*   * All produce is packed in branded recycled and reusable boxes and paper bags   *Electricity usage*   * Little electricity is used due to the nature of the business. Electricity is used to charge phones and office equipment. However, the processing does not require and electricity |
| 57) | How often do you source the different produce? | Every Thursday, for home deliveries, because orders go out on Fridays. Or sometimes the morning there off  For wholesale orders between Monday and Wednesday |
| 58) | Why source from these places? | I became familiar with Tarlton during my previous job as a business development practitioner for a supply development project run by one the largest brewing houses in South Africa. Given this, I was more acquainted with their produce and quality. The area is also quite close to my home where the processing happens. The sources I scouted using social media and word-of-mouth from the farmers I was already working with |
| 59) | Do employ any people and if so how many? | No, I do not employ any people. My family helps me a lot though. They are generally paid with left over produce. My husband heads operations and is her right-hand man, my sister is a packer and does the company’s social media, my mom serves as an advisor while my dad serves as security on long trips and is her number one cheerleader |
| 60) | Who do you sell to (probe wholesale/retail ratios) | The majority of my customers are households. In terms of sales volumes wholesale account for the bulk of my income. I branched into wholesale sales in October 2020, after a couple of people approached me after their conventional supply routes died out due to Covid |
| 61) | Are you part of any association or organisations? | No |
| 62) | Do you have any other collaborations with others | No really my husband and sister and step in when I am out making deliveries |
| 63) | Since this time last year, has there been any changes, and if so what change and when and if there was a change what caused the changes, in | Yes. I was not operational this time last year. I was working corporate job. However, between the different lockdown alert levels I went through a lot of changes.  *Business growth*  I began in May 2020 and within 5 months I had scaled enough to do wholesale sales. By January 2021, I had broken-even on the wholesale side.  *Suppliers*  My common suppliers in Tarlton where unable to meet the increase in demand that I had to supplement orders with produce from Joburg Market. |
|  | 1. *What you sell?*   No   1. The prices you sell for?   No   1. In your cost of doing business?   No really. There was some bad frost earlier in the tomatoes and lettuce quite expensive. Most of the farmers I work with produce did not survive the harsh 2020 winter. Produce was generally smaller in size than usual. Also, my fuel costs went up especially for local deliveries I was going further but the fresh produce box remained the same price.   1. Frequency of purchasing inputs.   With wholesale orders I had to increase my farm visit. Instead of just going to the farms on Thursday I also I had to go in earlier in the week for wholesale orders   1. People you collaborate with   Yes. Because of wholesale order I needed more produce. Alongside Joburg market, I was able to source some of my produce from Limpopo.   1. The number of people you work with?   No   1. The organisation of the market   Due to how quickly the businesses was growing I had to source from bigger producers through Joburg market and shorten the value chain by sourcing produce from farmers from Limpopo   1. The government regulations or taxes or other government interventions?   Not applicable.  The space where you process your produce?  No. Since we began during alert level 4, we were already observing Covid-19 protocols. Nothing has changed in that regard.   1. How you travel to get your inputs and the transport used?   No   1. What has been the biggest impact of Covid-19 for your business? Do you think this is a short-term impact or long-term?   Covid-19 impacts the frequency of the orders I received. For example, the business Grew exponentially as lockdown levels eased but began to taper during the second Covid wave. But once the way had stabilized clients started looking for and the other way around. I even got customers as far as Glen Austin in the East Rand and Delmas in the Mpumalanga. In this case it was short term change. But who knows going forward?   1. What were the impacts of the lockdown on your business? Have you recovered from this?   Changes in demand and supply chain disruptions   1. Has there been any other impacts in your life from Covid-19 and lockdown?   I lost a couple of close friends and relatives. I also get worried when I am out that I may get my family infected |
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**H. COVID-19 and COVID measures**

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| --- | --- | --- |
| 103) | What do you know about government responses to Covid? | I am aware of the response of the government especially with the requirement to wear masks and sanitize. But I am not aware of what the response are to businesses like mine. I distrust anything linked to the government. Even if I knew something was available I do not think I would apply for it. There is just a lot of corruption. |
| 104) | How did you hear about Covid and government responses to it? | On the news and public announcements made during family meetings [with President Cyril Ramaphosa] |
| 105) | How have these responses affected you? | No I leverages on the Covid-19 measures to scale my businesses |
| 106) | How have Covid and Covid measures affected your household and reproductive work? Any effects on economic activities | No not really. My son is still young so there was no need to help with homework. But with him being home more often it meant that I had to rely heavily on my sister who lives with us |
| 107) | How have you responded to the changes brought by Covid? | Yes. Of course, it is one of the core values of the company. We have even ensured that consumers are made familiar with where the produce comes from through value chain visability |
| 108) | Have you benefitted from any Covid related government or non-government support? If so what support was received? | No |
| 109) | How have you responded to the changes imposed by government? | 1. What they did in response (probe any innovations, changes in equipment or technology)?   No   1. Participation in any associations? Has the role of that association changed?   No   1. Have you been part of or had any discussion with any government officials or leaders? If so with who/which level of government? Did you get any benefit or see any change from that discussion?   No |
| 110) | Has there been any change since Covid in what you and your family eat? |  |

**Additional notes**

I contacted Phinda after seeing her ad for fresh produce home deliveries online.

Phinda is a married woman with a 3-year-old son. She has an undergraduate degree in journalist from the university of Johannesburg and work in corporate for a couple of years before going into business. She credits her experience as a business development specialist for the helping to kick-start her business. The experience also made it quite easy to acquire a permit during the hard lockdown period. Aside from her produce processing business, Phinda has a business consultancy business which she co-owns with her husband.

Our first interview was online on 28 October 2020. I only meet her for the first time on 15 January 2021. By this time, we had had a couple of update interviews.

It was a Friday afternoon; she had just finished her deliveries in the East Rand. While her husband did their normal orders in North of Johannesburg. She seemed tired but upbeat. A petite lady in stature, she had no trouble picking up the box of produce she had brought for me.

During our chat outside the MacDonalds in Rosebank. She explained how she had trouble keeping up with deliveries and how it is hard working with farmers at times. Phinda said was trying to get Mr Delivery to distribute her produce. She had meeting with them the day before and was awaiting a response from the company but needed other options because the delivery fees were quite expensive.

A week later, I called Phinda to check up on her. Over the phone I could hear she was exhausted. “MK I just want to sleep right now. I am in Tarlton right now to pick up a wholesaler potato order”. Phinda explains that she had went home late yesterday because she had to help the farmer get the produce ready. She explains that heavy rain during the week made it hard to harvest the potatoes in time for the wholesale deliveries. The extra workload led Phinda to cancel some of her regular home deliveries that week.

Also her business with the aid of another local organisation helped to feed 200 families during the festive season of 2021.

**Snapshot on Phinda’s journey**

When Phinda ventured into business at the end of 2019, she had no idea that a global pandemic would be the lynchpin that would scale her business in five (5) months’ time. Phinda intended to open an agro-processing company that would showcase fresh produce grown by urban black farmers in South Africa.

The idea came to Phinda after visiting a fresh produce packing house -a mere 30kms from her home- on one of her site visits as an enterprise development consultant for a leading South African incubator a couple of years ago. As she retells the story, Phinda's voice lightens up, she expresses how given her "typical township" upbringing in Hammanskraal she had never been fazed about how food made its way to her table. She just thought food could only be bought at the supermarket! Ironically, there are numerous farms near her childhood home. A foodie and self-professed "salad queen" Phinda was enchanted by experience to the extent that resolved there and then that she too would own her own agro-processing company one day.

"Here I am. Just a mere 30 to 40kms away from my house. I find myself walking through fields and fields of things I love and enjoy eating. I was just blow away!"

The Crop Box began trading in May 2020, following the hard lockdown (alert level 5). To start, Phinda leveraged on her existing network of urban farmers that she had forged during her corporate career to source fresh produce from local farmers in Tarlton, Krugersdorp. However, with the lockdown still at play, Phinda tweaked her business model to accommodate the behavioural changes caused by lockdown regulations that restricted movements and advocated for social distancing in order to curb the virus. The business became an e-commerce company where orders could be placed via WhatsApp, Instagram, email or phone and only accepted contactless payments methods such as eWallet, geopayments and EFTs . In addition value chain visibility, which aimed to educate the consumer of their food system, simultaneously abated hygiene and safety concerns. The business used social media to introduce consumers to farms and farmers and various farming methods as far as Mpumalanga, North West and Limpopo. Phinda is a journalist by profession.

Five (5) months later (October 2020) the business was able to break-even and even branch into wholesale deliveries. Phinda remarks that this is unheard of; especially for a startup. It generally takes up to 3 years for a start-up to begin making a profit. As with any start-up, friends and family are also considered employees. According to Phinda the business has 5 employees; herself, her husband (driver & packer), sister (packer), mother (advisor), and father (security & driver) who has been crucial when making deliveries.

Despite the gains made by the businesses, Phinda cautions that challenges still exist especially with the uncertainty caused by the epidemiology of the virus. She recounts how demand grew exponentially as lockdown regulations eased leading to a loyal customer base. However, since the start of the second wave of virus (in December 2020) she has seen demand dwindle - even from loyal customers. Reasons ranged from customers having being infected, or caring for a family member, never returning from the holidays, and generalised fear about catching the virus.

Looking ahead, Phinda expects to build a agro-processing facility in her hometown of Hammanskraal and hopes the businesses will become a vessel that can showcase the story of black African farmers.