

## Now, Afgri enters snacks sector

---

Food Types - July 2004



**Afgri, SA's leading agricultural service provider, has ventured into the highly competitive snack market with a range under the Montrose brand.**

The potato, wheat and corn based snacks are manufactured by a division of Afgri Operations Ltd, Afgri Premium Snacks.

Peter Metcalfe, marketing director of Afgri Premium Snacks, says Afgri decided to invest in a snack food business to add value to the food chain. This followed the recent acquisition of a Pietermaritzburg-based snack manufacturer and supplier of an exclusive snack range to one of SA's top-end supermarket chains. "To maximise throughput of the existing plant and equipment, it was a natural progression to expand the current line to include our own brand," says Metcalfe.

The factory was re-located to an Afgri-owned site in Delmas, Mpumalanga, in September last year since most of the existing business is in Gauteng.

The SA snack market is valued at roughly R1.8bn/year at retail level. It is dominated by Frito Lay with an estimated 65% of the market, followed by Willards with around 25%.

Metcalfe says Montrose is the only three dimensional snack range currently available - it is in unique shapes and textures with its Potato Pillows and Onion Rings, and never-seen-before flavours such as Salami & Brie, and Garlic, Cucumber & Yogurt.

"We are not seeking to compete with the major mass market suppliers, but have rather chosen to develop the premium snack niche category. We are targeting higher-income consumers who are innovators, always looking for and prepared to try, something new," says Metcalfe. He also sees a great opportunity for the range in the food service sector.

"Differentiation and innovation is our chosen route. Other suppliers have innovated and chosen the movie route to promote their products (Ghost Busters, for more on which, search [www.developotechnology.com](http://www.developotechnology.com) - editor), we chose innovation in the form of 3D shapes, flavours and striking packaging."

The Montrose range does not contain added MSG, tartrazine or artificial colourants. It is manufactured from locally-produced maize

and imported snack pellets from Denmark and Holland since a local pellet manufacturer does not exist. "However, there could potentially be an opportunity to produce locally, using local raw materials," says Metcalfe.

The range will be expanded in the coming months with further innovation. "I see Montrose having legs for expansion in the snack market."

The green and purple packs feature action sports like quad biking and skateboarding on the packaging for the children's range. These sell for R5.99 per 125g pack, while the adult range sells for R8.99 per pack.

- Afagri also owns Fresh Cut, a Kempton Park-based supplier to local supermarket chains and exporter of pre-cut and packed vegetables. Afagri has also recently taken control of citrus processor Dickon Hall of Nelspruit, Mpumalanga.

**Contact Metcalfe: Tel 033-347-3438 or 082-453-8764; [plmetcalfe@afagri.co.za](mailto:plmetcalfe@afagri.co.za)**

**Click below to email supplier**  
**[plmetcalfe@afagri.co.za](mailto:plmetcalfe@afagri.co.za)**