

2017 Case Study



PARTNERS
IN FOOD
SOLUTIONS

TECHNOSERVE

USAID
FROM THE AMERICAN PEOPLE

SAFE
Solutions for African Food Enterprises



Jackma Enterprises

BACKGROUND

Lining the shelves of Jackson Anderson Massawe's office at Jackma Enterprises are vibrant colored bottles of sunflower oil and baobab oil from competing processors in Tanzania. "They serve as a reminder of where we are at and where we want to go," said Massawe, Founder and Managing Director of Jackma Enterprises.

Jackma Enterprises is a medium-sized processor located in Dodoma, Tanzania that specializes in the production of sunflower oil. Jackma also produces baobab oil, baobab fruit powder and honey on a smaller-scale. In 1999, Massawe launched Jackma Enterprises after stepping away from his long-time career as a plumber in Dodoma, "We saw market potential. Cooking oil was traditionally imported so we knew there was an opportunity for us to be in business," said Massawe.

Over a decade later, Jackma continued to operate just one small machine that limited their overall production capacity. A lack of knowledge on government regulations and the certification process prevented Jackma from expanding beyond the local market in Dodoma.

In 2012, TechnoServe first started working with Jackma through Tuboreshe Chakula (Improved Food), a USAID Feed the Future Initiative that focused on working with small and medium-sized maize, rice and sunflower oil processors in the Morogoro, Dodoma and Manyara Regions of Tanzania to increase the supply of, and demand for nutritious and fortified foods. Through this program, Jackma participated in trainings on food fortification and received assistance to gain certification for its sunflower oil from the Tanzania Bureau of Standards (TBS). In addition, Jackma received oil refinery machinery, worth around \$200,000, to refine and fortify their sunflower oil.

Despite the progress made under Tuboreshe Chakula, Jackma continued to face challenges that prevented the processor from reaching its full potential. Jackma struggled to access working capital as well as the technical know-how to install the newly acquired oil refinery machinery. A lack of business best practices, such as recordkeeping, made it difficult for Jackma to track its business operations and to make informed financial decisions.

OUR APPROACH

In 2015, Jackma joined Solutions for African Food Enterprises (SAFE), a TechnoServe program in partnership with USAID and Partners in Food Solutions (PFS), with the aims of increasing the competitiveness of the African food processing sector and expanding the availability of affordable and nutritious foods. PFS is a non-profit organization formed by General Mills to link the technical and business expertise of volunteer employees from General Mills, Cargill, Royal DSM, Bühler, The Hershey Company and Ardent Mills. This program provides knowledge and technology transfer to build the capacity of African food processors, improving availability of nutritious foods and creating market opportunities for smallholder farmers.

HOW IT WORKS

The Expertise



Recruits, equips and matches volunteers from world-class companies.

VOLUNTEERS

Share knowledge and technical expertise remotely to increase the capacity of small and growing businesses.

The Opportunity



TECHNOSERVE

Identifies businesses and scopes needs.

The Outcome

CONSUMERS

Get access to healthy, safe and affordable food.

SMALLHOLDER FARMERS

Get increased demand and more stable markets for their crops.



The interventions TechnoServe and PFS implemented with Jackma through the SAFE program include:

1 BUSINESS PLAN DEVELOPMENT The SAFE team supported Jackma in developing and reviewing a business plan and strategy which outlines the company's vision, mission and strategic goals. This plan was fundamental to acquiring government certification and capital from financial institutions.

2 RECORDKEEPING TechnoServe Business Advisors trained Jackma on basic recordkeeping practices using Microsoft Excel to track business transactions. After upgrading their system to QuickBooks, the SAFE team developed a job description and final contract for Jackma to hire a trained accountant.

3 ACCESS TO FINANCE TechnoServe worked with Jackma to prepare necessary paperwork and provided advice during the loan application process with several financial institutions in Tanzania.

4 MARKETING STRATEGIES The SAFE team worked with Jackma on the development of new branding and packaging for Jackma's fortified sunflower oil. A market strategy was also created that outlined how to introduce the new fortified sunflower oil as well as opportune distribution channels. The SAFE team provided trainings to Jackma's staff on how to increase customer awareness through advertisements and partnerships.

5 OIL REFINERY MANUAL The SAFE team worked with Jackma to develop a layout for the refinery machines that would maximize production efficiency. In addition, volunteer experts in edible oils from Cargill developed an oil refinery operating manual that specifies how to operate the machinery in the refinery as well as the specific step-by-step procedures on how to refine and fortify oils.

PFS VOLUNTEER SPOTLIGHT: MARK VERMEIJ

Mark Vermeij has over 20 years of experience at Cargill in oil refining. When he was recruited to join PFS in order to provide support to Jackma on the construction of their oil refinery, Mark was working in Cargill's Center of Excellence for refined oil. "Jackma was not familiar with the technology, neither the process of refining oil or how to manage quality control. In Tanzania, there are specifications that refined oil has to meet so I started helping them to understand how to update their practices to create quality oil that meets these standards," said Mark.

Mark played an integral role by offering technical support to Jackma, answering questions that came up as the processor began constructing their oil refinery. When the newly purchased refinery machinery did not come with a manual, Mark utilized his connections internationally at Cargill to get the necessary information on the machinery from the supplier in India. With this information, Jackma was able to expedite the construction of the oil refinery.

But Mark was also quick to admit that he also acquired key knowledge from his time working with Jackma. "For me, the most valuable piece was learning about the context that these processors are working in. These experiences open your eyes to how business is done in various parts of the world and I put all of these experiences in my backpack so when I'm talking to managers at Cargill about expected complications during construction or the timeline when we build in different countries, I have a frame of reference that informs my decisions," he said.



3 litre

5 litre

Makao Makyu
Sterilized
Sunflower Oil
5 Litre

IMPACT

“Most of the small entrepreneurs, like us, don’t even have a business plan. [The SAFE team] helped us to better manage our time, focus on what we want, and tackle some of our biggest business challenges,” said Massawe.

Since participating in the SAFE program, Jackma has experienced the following:

- **Increase in finance mobilized:** Jackma received a \$22,727 loan through Root Capital to purchase a pressing machine from India to enhance production and a \$25,000 loan from Twiga Bank Corps for working capital.
- **Increase in number of supplying farmers:** Jackma increased the number of contract farmers supplying raw materials from 3,015 to 3,450 farmers.
- **Improved financial systems:** Jackma is now utilizing QuickBooks to digitally track business finances. This information has been particularly critical when applying for loans.
- **Enhanced branding:** Jackma now has labels that will be placed on their fortified sunflower oil upon launch of the oil refinery. These labels include an attractive design as well as vital information for the consumer.
- **Reduction in costs:** Jackma purchased a seed cleaning machine based on technical advice from the SAFE team, which automated the process of seed cleaning, reducing overall labor costs. Jackma also purchased a new computer and hired an accountant who is now managing their recordkeeping via QuickBooks, which has helped them to reduce operating costs.
- **Improvements to processing facility:** With the increase in revenue, Jackma has been able to construct an office to conduct business and hold meetings. They have also branded the factory, including decorating walls with paintings of their products. Jackma has also purchased vehicles and motorcycles to transport the final product to outside markets.

BY THE NUMBERS



\$48,000

Finance mobilized



\$28,999

Private sector investment



15%

Increase in number of supplying farmers

As Geoffrey Jackson Massawe, son of Jackson, stood at the Jackma booth at one of the many exhibitions the processor attends to promote its products and knowledge sharing between competitors, Tanzania's President, John Magufuli, paused to shake Geoffrey's hand and even walked away with a bottle of Jackma's sunflower oil in hand. It's not the first time Jackma has been in the spotlight. Hanging above the shelves of competitors' products in Massawe's office are a multitude of framed awards recognizing Jackma, including an Entrepreneur of the Year award from the Tanzania Private Sector Foundation (TPSF).

As the final touches to the oil refinery are made, Massawe has his sights set on the future. "We are pressing to become the best," he said, pointing at their advertisement for Jackma's fortified sunflower oil.

FOOD SAFETY: AFLATOXIN CONTROL

In February 2017, Geoffrey Jackson Massawe represented Jackma at SAFE's two-day, sector-wide training on aflatoxin control and management in Morogoro, Tanzania. The training was designed to provide food processing companies, government officials and other relevant stakeholders with practical knowledge and skills in aflatoxin control and management to enable them to produce safe and nutritious foods for Tanzanians. "I will use this knowledge to train our farmers. When we reject farmers' raw goods, I will now make sure they understand aflatoxins so we can improve the quality of our product and keep our community safe," said Geoffrey.

Geoffrey (on left) shakes the hand of Morogoro Municipal Mayor, Paschal Kihanga, following his completion of the sector-wide training on aflatoxin control and management.





Geoffrey and Jackson Massawe show off Jackma's final products at their processing facility in Morogoro, Tanzania.

“TechnoServe’s consultation is worth so much. We did not have the education about running the sunflower processing plant but TechnoServe has helped us to come up with new ideas and their staff went far and became like family.”

**Geoffrey Jackson Massawe,
Business Manager at Jackma Enterprises**

