

AUTUMN 2017

BAKERS FORUM

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THE ARTICLE:**

WHY BREAD MATTERS

At an informative breakfast event, Anchor Yeast invited media and members of the baking industry to hear well-known dietitian Jane Badham discuss the importance of bread.

Did you know that in 2008, 2 800 million loaves of bread were sold (1 600 million white and 1 200 million brown). This equates to the consumption of approximately 62 loaves per person per year, or three slices of bread per person per day!

This was just one of the findings that Jane Badham revealed at the Anchor Yeast Bread Matters event. The findings were based on a review that Jane conducted on the local bread industry, which was commissioned by Anchor Yeast. She also found that as our bread now contains significantly less salt thanks to national legislation regarding the salt content of many foods. This, combined with bread's existing micronutrient fortification – including the addition of often deficient vitamin A, iron and zinc – means the staple provides vital vitamins and minerals. Jane

concluded that bread can serve as a vehicle to improve diversity in South Africans' diets thanks to its versatility and convenience.

“The nutritional composition of bread compared to rice, pasta and maize meal per 100g shows that from among the starchy foods group, bread is the best source of carbohydrate, protein and fibre. Although it also contains the highest level of fat per 100g (not per serving) in this group, this is a negligible amount in a healthy, balanced diet. Bread also meets two of the 11 South African Food Based Dietary Guidelines - ‘make starchy foods part of most meals’ and ‘enjoy a variety of foods,’” says Jane.

“A varied diet is also more likely to be an enjoyable eating plan. Sadly, many South Africans have a monotonous diet and so are prone to deficiencies. Bread has a positive role to play in terms of dietary diversity, as it is an ideal vehicle for a wide range of healthy, tasty toppings. There is really no end to the combinations one can put on sandwiches! It's for these reasons that bread can be incorporated into South Africans' meals, every day, without feeling guilty.”

Lorraine Bezuidenhout, Bakery Business Director Anchor Yeast, says that the local bread industry produces a wide range of different products. “Consumers now have a choice of breads to suit just about every palate and pocket, from regular store-baked bread, which retails for less than R10 per loaf, to breads for specific dietary requirements, like wheat-free, gluten-free, low GI and high-fibre varieties that sell for upwards of R14 a loaf,” Bezuidenhout explains.





BAKERY TRENDS

and innovative products from around the world

At Anchor Yeast's recent **Bread Matters** event, Marketing Manager **Shamla Moodley** discussed baking trends and innovative baked products that were making an impact around the world.

TOP 6 BAKERY TRENDS

Health: High protein

Protein is now a macro trend, and no longer niche. High protein is moving out of health stores into supermarkets, and product formulation of the high protein bread is critical.



Health: Ancient grains

Manufacturers are swiftly shifting from traditional to ancient grains as an ingredient in baked goods. Amaranth, quinoa, spelt and teff among others are increasingly featuring in products and the body of science behind them is growing too. The success of chia and quinoa has opened the door for less known ancient grains.



Keeping it simple: Clean labels



Interest in naturalness and clean labels continue to feature strongly. Demand for clean label and transparency permeating throughout the food and beverage supply chain. Consumers want to go 'back to nature', and want to be able to understand/pronounce the ingredients in their food. 75-90% of consumers read ingredient labels.

Keeping it simple: GMO free

Shift of mainstream food and beverage products toward non-genetically modified ingredients is growing. Increase in certification of non-GMO ingredients.

New styles: Snacking



The snackification of breakfast is on the increase. New formats need to target on-the-go breakfast consumers. Bakery brands are looking to gain a share of these new formats by making their products more portable and snackable.

New styles: Hybrids

Experimentation has become a key driver in the bakery market and a way to spark interest. Consumers are experimenting with textures, big bold flavours and different types of bread.

Growth in the market is being driven by more versatile and interesting bread varieties.



TRENDING BAKES FROM AROUND THE WORLD:

Finland

Company: Fazer

Vegetable bread contains more than 30% vegetables and more than 8% fibre. It also encourages children to eat vegetables.



Canada

Company: Country Harvest

Rustic bean bread: The new loaves are made with a blend of chickpeas, beans, lentils and peas. According to the company, the new Canadian Rustic Bean Bread is an example of delivering on a current health trend and providing Canadians with a new way to enjoy pulses without





compromising on taste. Each slice of the bread contains 22 grams of whole grains, 6g of protein (the equivalent of one extra-large poached egg).

Slovakia and Czech Republic

Product: Bread rolls made from spelt



Denmark

Product: Kohberg Active Protein Buns.

They are packed with nutritional protein and contain wheat seeds, chia seeds and linseed.



Spain

Product: Silueta 100% Natural.

Bread made with sourdough and with a clean label.

Portugal

Product: Hamburger bun made with sweet potato.

Gourmet burgers are a new trend and this bun works well with hamburgers.



ANCHOR YEAST CARES!

Anchor Yeast remains committed to improving the conditions of Kusakusa Primary School in Umbogintwini, a few minutes away from the Anchor Yeast Durban plant. Last year we built a new kitchen, and in February this year we upgraded the ablution block, providing new girls and boys toilets.



WHISKY EXPERIENCE IN AN ART GALLERY

Anchor Yeast customers, suppliers and service providers enjoyed a Whisky Tasting event in an art gallery in Durban. The tasting was conducted by a whisky expert who shared valuable knowledge about whisky; making for a fun and enjoyable evening.



WE'RE DOING OUR **PART TO SAVE WATER!**

AnchorYeast is a responsible corporate citizen, and as such we are constantly looking for sustainable ways to lessen our impact on the environment.

As areas in South Africa battle a crippling drought, we have focused our attention onto how we can protect this scarce resource.

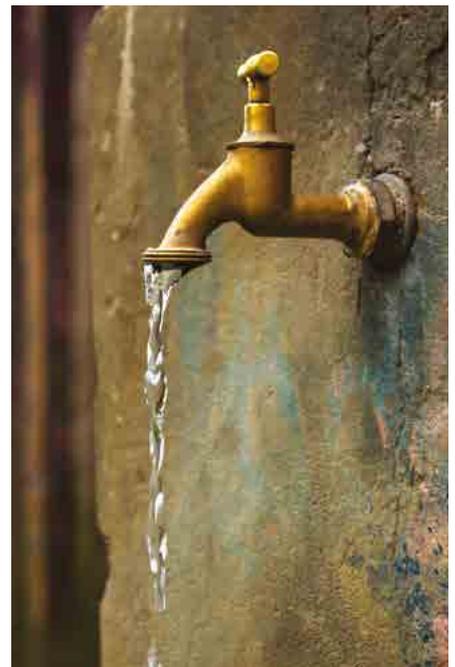
Yeast production is associated with high water usage; as much as 21 litres of water is required to produce 1kg of yeast. Given this high usage and the current water shortage, we have been working closely with European yeast plants to learn and apply their stringent water management practices.

Through the recent process optimisation and the recovery of

water systems in our Durban plant, we have saved 8% of our total water consumption. Part of this approach resulted in a change in the processing of compressed yeast, without compromising the quality of our yeast or baked product.

We see this as a start in our endeavour to conserve water. Following the implementation of other initiatives that we are working on, a saving of 16% of total water consumption will be achieved in the coming year.

We believe that our continued efforts will help to relieve the pressure on South Africa's water supply, and set a benchmark for reducing our environmental footprint in the future.



DR. LIN CARSON EMBARKS ON **90 DAY BREAD CHALLENGE**



The founder of BAKERpedia Dr. Lin Carson embarked on a 90-day challenge on the 3rd of April and she plans to consume an entire loaf of bread a day for 3 months. She hopes to dispel the myth that bread alone is responsible for weight gain and bloating, and how bread can provide numerous health benefits and prevent cravings.

“Bread has been vilified globally and I hope to change that,” said Dr. Carson. “It reflects a lack of basic nutritional knowledge on healthy bread choices that are a great source of fibre, protein, carbohydrates, vitamins and minerals, all necessary for a healthier heart, mind and body.” She continued, “There is no scientific evidence showing that bread alone makes you fat but there is a lot of ‘fake news’ out there making bread the all-round bad guy for any kind of weight gain and sugar crash. I intend to prove them wrong by not gaining a single pound through this challenge.”

To ensure she meets her daily nutrition needs, Connie Evers, MSc, a Registered and Licensed Dietician will guide and help track Dr. Carson's calorie-intake and BMI. Dr. Carson will also maintain her regular exercise regime of running, biking and swimming three times a week.

[Click here](#) to follow Dr. Carson on her journey.



NEW HORIZONS

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During the past few years, Anchor Yeast has reached many milestones. This includes its investment in its production facility which resulted in the move of fresh yeast and, more recently, the dry yeast operation from Johannesburg to Durban. This significant investment now provides increased production capability to expand the Anchor Yeast footprint in Africa and beyond.

“It has been my privilege to share in the Anchor Yeast legacy for the past 17 years. I’ve never been involved

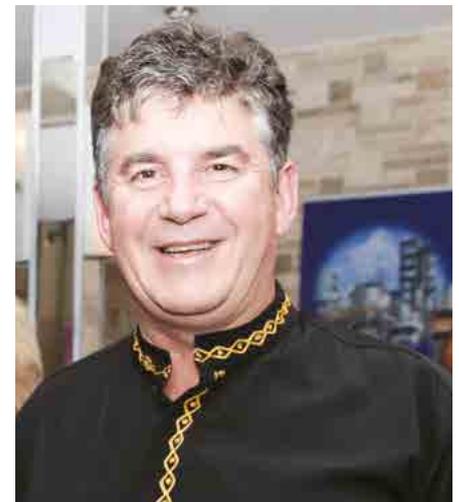
with a more talented, passionate and committed team,” commented Vic.

During this time, Anchor Yeast streamlined their internal processes and systems, launched new products and continued to tap into the innovation pipeline across Lallemand and global partners. Vic is confident that Anchor will remain on this path, evaluating ways of bringing innovation into all areas of business, from a product and service level perspective.

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It is great to welcome Franco Pereira to the seat of Managing Director of Anchor Yeast. “I am confident that Anchor, under Franco Pereira’s leadership, will continue to build on its proud 94-year heritage and remain an integral part of the global yeast industry. The road ahead will always have hurdles, but I strongly believe that Anchor will meet every challenge and continue to build a bright future for all their stakeholders.”



ANCHOR YEAST AND CHAMBER OF BAKING GO ‘OLD SKOOL’

Together with the Chamber of Baking, Anchor Yeast hosted a dinner after the Chamber of Baking’s AGM. The theme this year was ‘Old Skool’, which saw guests enjoying music from decades back. The event was held at a bakery restaurant in Fourways, and upon arrival guests tucked into a variety of breads. It was a wonderful evening of great company, delicious food and meeting old friends again!

We’re Doing Our Part to Save Water!
Dr. Lin Carson Embarks on 90 Day Bread Challenge

President’s Address at the Chamber of Baking’s AGM



President's Address

AT THE CHAMBER OF BAKING'S AGM

We feature excerpts from Chamber of Baking President Colin Hardy's address at the organisation's 79th AGM, which reflects on the state of South Africa's baking industry over the last year.

THE ECONOMY

According to Stats SA, prices of 700 gram loaves of bread have increased year-on-year to January 2017 by 11.47% for white and 13.1% for brown. During 2016 prices of retail packs of maize meal increased by between 30% and 60%. This was directly attributable to the drought. All indications are that SA will have a bumper maize crop in 2017 and the price of maize meal will drop sharply from the middle of the year, which will have an impact on bread consumption in the second half of 2017.

Corporate activity has seen one large merger and some medium sized bakeries being absorbed by larger groups. However, the wheat milling industry has seen more activity with new entrants and new capacity being created.

THE WHEAT INDUSTRY

Gradually, the wheat value chain has begun working with greater unity after issues threatened to divide the industry. Efforts are being made to revive the wheat industry which is in reality an industry in distress and will require even greater unity going forward. The SA Chamber of

Baking recently participated in the "Wheat Indaba" where all sectors were represented and certain wheat industry bottlenecks were addressed.

Over the past 5 years South Africa has consumed 15.475 million tons of wheat of which 8.72 million tons was produced locally. This means that only 56% of our wheat needs were produced at home. The objective of the wheat industry in its revival strategy is to produce 85% of South Africa's needs.

Much of what we have to deal with could be overshadowed should the Western Cape wheat crop fail either through insufficient rain or farmers not planting. Forecasters are again talking of a dry second quarter of the year. However there is some good news in that deliveries in respect of the 2016/17 wheat harvest are now at 1.9 million tons.

REGULATORY MATTERS

Sodium reduction:

The baking industry is compliant and some bakeries have even achieved the 2019 requirements.

Fortification:

Delaying the process of finalising the regulation is discolouration of maize meal containing the new mix, when cooked. The industry and DoH is being assisted in solving this problem by the University of Ghent.

Labelling:

This complex legislation has been

something of a challenge. We understand that it is now at the door of the Government Printer having passed through the legal process.

LEAF Inspection Services:

LEAF has indicated that they plan to test 2% of products and the inspection charges to the industry would amount to about R1.5 million per year based on their tariff of 3.3 cents per loaf inspected. Using SAGIS figures which are considered to be very conservative, the unsaleable product would be in the region of 43 million loaves a year or lost revenue of around R500 million per year.

South African Cultivar & Technology Agency (SACTA):

The establishment of SACTA (or the end point royalty system) to fund wheat breeding research has resulted in significantly increased statutory levies being paid by the industry. There is now uncertainty as to the cut off between research being funded by the Winter Cereal Trust and that to be undertaken by SACTA, and the future role of the Research Technical Committee of the Winter Cereal Trust.

Cultivar list:

Unfortunately, due to lack of co-ordination and communication between registrars in DAFF, the Cultivar list has not been moved to the Plant Improvement Act. It is a matter that the NCM and SACB will continue to work on and seek a satisfactory outcome for all stakeholders.