WINTER 2019 BAKERS FORUMA

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PRESIDENTIAL ADDRESS AT the 81st Chamber of Baking AGM

On the 12th of June, South African Chamber of Baking President Colin Hardy gave his address at the organisation's AGM. "In 2017 our AGM could have been themed "The Bigger Picture" in 2018 "A New Dawn, and this year it is "Our Commitment to a Better Tomorrow"," said Colin in his address, of which we share some of the highlights below.

THE WHEAT INDUSTRY IN SOUTH AFRICA

Last year the country prayed for rain to fall in the drought-ravaged Western Cape. A year later we can happily report that the rains fell, dams filled and wheat grew. So much so that South Africa's 2018 wheat crop exceeded 1.86 million tons. This was one of the bigger harvests in recent times. Based on the need of 3.6 million tons we still have to import 50% of our wheat requirements. Given the volatile rand this is an expensive exercise and it would be far better if we could buy good quality locally grown wheat.

To give a little perspective I need to mention that the global wheat crop is predicted to increase by 6% this year to 777 million tons. This makes our current crop of 1.86 million tons just 0.24% of the global crop. And even if we were to grow all the wheat we need in South Africa our local crop would comprise 0.5% of the world harvest. This certainly makes the local wheat industry vulnerable to global events.

BREAD PRICES AND FOOD INFLATION

From recently published results of retailers and food manufacturers, it is clear that business conditions have deteriorated over the past 12 months. Yet, bread prices have increased at rates greater than inflation in this period which indicates that bakers could no longer sustain the low or no margins being made in 2018 when the price of bread was less than it was in 2017.

In fact, over the 24 month period from April 2017 to April 2019 prices of 700 gram loaves only increased by 2.7% for white and 2.95% for brown bread.



VAT

It appears that the threat of removing the zero rating of wholewheat bread has abated, but we may still have to work at keeping wholewheat bread zero rated should SARS revisit the definition of "brown wholewheat bread" or "wholewheat brown bread". However, it is a fact that wholewheat bread is hardly a staple food anymore as it was in the days of unsliced, unbagged, 800 gram loaves, when its price was similar to that of brown bread.

LEGISLATION

Sodium legislation is generally being complied with and the industry has not been informed of a single baker being fined for too much salt in its bread. Chamber members have met the June 2019 target of 380 milligrams of sodium per 100 grams of bread.

We need to be cognisant of the need for food manufacturers and distributors to manage food waste ethically. It was revealed in studies that approximately one third of all food produced globally is lost or wasted. This is no different in South Africa. Yet 13 million South Africans routinely experience hunger, despite access to food being a constitutional right! South African companies are being encouraged to support the movement to reduce food wastage by half by 2030. And at the same time companies are asked to find ways to redistribute food that cannot be sold but is still perfectly good for human consumption.

TRAINING FUNCTION AND SKILLS DEVELOPMENT

One of the important offerings of the Chamber is its certificates in the Basics and Theory of Bread Making. The learning guides for these two courses are being updated with important contributions being made by members of the Chamber's Training Committee. On average 120 people employed in the industry write these examinations each year.

Management Committee has mandated the Chamber to investigate the possibility of extending its training offering. This may involve the appointment of a suitably qualified training "resource" who would ensure that the training programme gets accredited. Also to be considered would be the actual on-site training at bakeries of learners by this "resource". We would be grateful to receive feedback and input from the industry relating to need for the Chamber to expand its offering.



Anchor Yeast once again hosted its annual dinner during the Chamber of Baking's AGM – a night of great food and entertainment, provided by comedian Joe Parker. This year's event was attended by 100 guests from the baking industry, who took the opportunity to let their hair down and catch up with friends and colleagues from the industry.



ANCHOR YEAST SUPPORTS THE YES PROGRAMME

Anchor Yeast joined 265 companies in the government programme, YES (Youth Employment Services), by recruiting close to 50 unemployed South Africans this past April. YES is a business-driven initiative which is breaking new ground by pioneering a partnership with government and labour, in collectively tackling a national plan to build economic pathways for black youth.

The Anchor Yeast YES candidates have been placed across our business areas to upskill and provide them a better opportunity securing employment after the one-year programme. In our Bakery Specialties Business Unit, Anchor Yeast has 12 candidates across South Africa training as bakers.

Here's what one of Anchor Yeast's YES candidates had to say:

"Being part of the YES programme has been the greatest opportunity for me, because it came at the right time when I was giving up on applying for jobs. It became exhausting and straining so I am very happy that I got this opportunity - I know there are many who applied and are still applying.

This has also given me the chance to work with Anchor Yeast - the company is awesome and its employees are such amazing people who are all supportive and patient. I've been given a chance to learn and know myself better, because I have always been an introvert so it's helping me see my potential and the big brain I have too (smile). Whatever tasks I am given, I make sure to give it my all and am hoping to learn more in this industry.

My first four months were exciting, and as for my last eight months I can't wait to see what it has in store for me – the journey continues..." Sarah Thage Saying YES to a future that works



The candidates enjoyed a full day of training and induction at the Anchor Yeast offices in Johannesburg.

Wheat Trigger Gazette

The wheat tariff model rose from a previous level of R490,72/ton to a new level of R675,07/ton on 12 March 2019. The new duty, rounded at R675,10, came into effect on 24 May 2019. The tariff will be increased further to R958/ton of wheat.

AMARO FOODS EXPANDS TO MEET CONSUMER DEMAND

The 2nd May 2019 marked a momentous day for Amaro Foods, following the opening of their Parbake Frozen facility. The Anchor Yeast team attended this fun and informative afternoon. We were honoured to be in the Today, Amaro Foods continues to produce and supply bakery products to Woolworths and is a regular winner of the Hot Cross Bun of the Year award. Their 4 manufacturing facilities are based in Epping, Bellville

company of the Amaro family, to share in this special day, and celebrate in the growth of the business.

The business started in 1975, with the Amaro family ownership from 1991. Many of the Anchor Yeast team still recall working with Tony Amaro senior some 20 years ago. The company started producing for Woolworths in 1994 and over the years grew in size and product offering. 2007 was a significant year with Libstar investing and taking ownership.



The Amaro Family at the opening

South and Killarney Gardens in Cape Town. Amaro Foods also expanded into gluten-free products with a separate processing facility in 2013.

Following 2 years of planning and much research into similar global operations, the Parbake Frozen plant is ready for operation, adding to their list of accolades. The Amaro Foods team have every reason to be elated with this facility, built with the latest technology in all aspects of production, processing and storage.

This new plant will now provide Woolworths stores with top quality artisanal breads for bake-off in-store. With the rise in popularity of artisanal breads among consumers, Amaro Foods has developed novel products to meet this demand and interest.

Future plans include moving the Artisanal facility in Bellville South to a new facility in Montague Gardens.

Anchor Yeast is proud of our partnership with Amaro Foods. We are privileged to work with Tony Amaro, his extraordinary people and a company with a rich history and unique family values.





SOLAR POWERED BAKERY Developed in Limpopo

Rural areas in South Africa can often face insurmountable odds, with few job opportunities, poor access to affordable, fresh food as well as patchy access services such as water and electricity. The small rural village of Gwakwani in Limpopo faced many of these challenges. The village has 27 households and a population of 100 people, with most of the community relying on social grants. Making matters harder, the isolated village was also cut off from the rest of the country, with no electricity or mobile phone network, and a limited water supply.

To address part of these challenges, Professors Johan Meyer and Sune von Solms from the University of Johannesburg's School of Electrical and Electronic Engineering Sciences have launched a solar bakery in the village. The Solar Bread Box has the same equipment and baking cycle as a standard bakery, but it has no dependence on the grid. It uses a photovoltaic system that converts solar energy into electrical power to be used immediately rather than stored, as this involves costly solar energy storage solutions – this means that baking will be seasonal, with bakers taking advantage of sunny days to maximise the most amount of power.

The Solar Bread Box has already created 8 jobs, has a capacity of at least 100 loaves a day, and provides fresh, wholesome bread to neighbouring villages.



Bread Prices Rise

Since 2016, bread prices have been decreasing due to a number of reasons, including a surplus of bread making capacity, an increase in competition from smaller bakeries, and consumers moving from bread to pap as a staple. However, reports Business Insider, bread prices increased by 5.2% to the end of March according to data from research group Nielsen, while rice prices increased just 2%. The price of maize meal products, on the other hand, have decreased by 4%.

THE **ART** AND **SCIENCE** OF *Baking the Perfect Bread*

Baking is as much an art as a science. While we may debate on the ratio of art vs science, baking the perfect loaf of bread is dependent on many factors and generally judged by the parameters of volume, shape, colour, texture and flavour. The science of baking prescribes that the quality of ingredients, processing and storage all affect bread. Identifying the cause of product faults has one primary objective; to prevent these faults from occurring again in the immediate scenario or anywhere in the future.

"External bread faults include the colour, volume, shape. To identify internal faults, you need to slice the bread and look closely at its crumb structure and texture. And let's not forget another set of faults that come from tasting the bread. Bread production is a process requiring careful consideration and monitoring of raw materials, equipment settings and processing parameters. Despite this, things can go wrong," commented Jeannette Rosewall, Business Unit Manager

Here are 7 of the most common bread faults illustrated.

Collapsed Bread

During baking, bread falls flat.

Possible solutions:

- Check flour quality
- Check recipe
- Reduce water level
- Increase mixing time



Badly Shaped Bread

Possible solutions:

- Increase water level
- Check moulder settings
- Mould dough evenly
- Check dough placement in pan



No Oven Spring

Possible solutions:

- Check recipe
- Decrease dough temperature
- Reduce resting time
- Increase baking temperature



Wrinkled Crust

Possible solutions:

- Check recipe
- Extend resting time
- Reduce final proof time
- Cool bread before wrapping
- Ensure packed at correct temperature



Flying Tops

Strong crack on the side along crust length.

Possible solutions:

- Rest dough for longer period
- Extend final proof time
- Decrease initial baking temperature



Too Much Volume

Possible solutions:

- Check recipe
- Reduce mixing time
- Check dough temperature
- Check scaling weight



Lack of Volume

Possible solutions:

- Check flour quality
- Check recipe
- Increase mixing time
 - Extend final proof time
 - Reduce baking temperature

