

Catch OF THE Day

For 70 years, Safcol has been selling seafood to Australia and the world, and CEO Andrew Mitchell is ensuring this continues for years to come.

Images by David Evans

One of the most popular lunch options in the world, and the third-highest consumed seafood globally, canned tuna has been popular since its invention in 1903. However, the popularity of tuna, like many other seafood products, can sometimes be clouded by the threat of overfishing, especially as the world's population grows and the demand for canned tuna increases.

Now, in 2015, more and more brands on the shelf at the supermarket use sustainable fishing practices, but this wasn't always the case. In Australia, it was Safcol that led the charge for sustainable fishing of tuna back in 2011. As CEO Andrew Mitchell explains, other brands followed Safcol's example. "Safcol is one of the world leaders, and in the commercial sense has been a major

factor in the change to providing more responsibly fished tuna in the Australian market, where now most other companies are following our lead."

Safcol now uses only 100-per-cent responsibly fished tuna, using both pole-and-line and FAD-free (fish-aggregating device free) fishing methods, which are the most sustainable fishing methods, ranking Safcol as one of the most sustainable and ethical canned-tuna companies by both Greenpeace and Shop Ethical. Safcol uses only skipjack tuna, as this is considered the most sustainable tuna species. "We are the first major brand in Australia to go to responsibly fished tuna," Andrew says. "By the end of this year, virtually all other brands will follow. But we started in 2011 and it has taken them quite a few years to catch up. Now, by the end of this year, the majority of the

market will be responsibly fished—and Safcol drove that; we were the first to do it."

Andrew started with Safcol at the same time this move to sustainable fishing occurred, and has been able to see the rest of the industry follow its historic lead. Andrew has been working in the food industry his whole career, and this is his first CEO position after several senior management roles in other companies. "I have been in the food industry all of my professional career. I've worked at medium to large companies in a food industry, all of which are well known, all of which provided me with an excellent understanding of the food industry, how customers and consumers think, how products are manufactured, and how to manage relationships. I started at Woolworths as a trainee manager and then became a store manager. I went on to work for >

"Safcol is one of the world leaders, and in the commercial sense has been a major factor in the change to providing more responsibly fished tuna in the Australian market, where now most other companies are following our lead."

- Andrew Mitchell



As featured in
The CEO Magazine
For more info visit
theceomagazine.com





Nestlé for a number of years from junior roles up to senior roles within the organisation, and then from there I took on a general management role at Golden Circle and then Sunbeam Foods as a general manager. For the past four years, I have been the CEO of Safcol.”

The South Australian Fishermen Co-Operative Limited (abbreviated in later years to Safcol) was established just after the end of World War II by a group of local fishermen who wanted to sell their catch without a middleman. Andrew is not only proud to be part of a company with such a long history, but he is putting into place strategies to futureproof Safcol so it can live on for another 70 years. “The fact we’ve been around for 70 years as an Australian food company is quite an achievement in today’s difficult business arena.

“But we also believe that we want to be around for the next 70 years, and to do that we have got some big strategies based on innovation. One of the benefits we have versus many of our competitors is that we have created an environment where innovation and flexibility are possible and encouraged. That’s one of our key pillars. We’ll be investing in our operations and our people to ensure we remain relevant, and that’s particularly important for Australian manufacturing because Australia is

not the cheapest place in the world to manufacture. So we need to be able to make product available that is high in quality and at a fair price. We’re working hard on efficiencies, quality, and innovation, be it product or packaging innovation, for both of our own brands and our customers’ brands.”

Ensuring the company can continue to operate for several decades more isn’t an easy task given the challenges currently being experienced in the industry. As a local company, Safcol has to compete against much larger multinationals and deal with the fluctuating Australian dollar. “One of the biggest challenges Safcol has is its ability to compete against some much larger organisations, especially when it comes to imports. It is easy for retailers to deal with fewer larger organisations. Of course, Safcol has to maintain its relevance, and that’s certainly a challenge. We’re also competing against world influences such as the value of the Australian dollar. Fortunately for Safcol, we produce in Australia and bring product into Australia, so they tend to balance out.

“We have an operation where we produce products in Australia such as soups, seafood, and baby foods. That tends to be fine because both Australia and other countries like to know that those styles of



“One of the biggest challenges Safcol has is its ability to compete against some much larger organisations, especially when it comes to imports.”

- Andrew Mitchell

products are made locally, and certainly they appreciate the quality of the Australian produce that we use and the food safety aspects that are so important.

“In the case of our imported product, we compete against other companies who also import. Safcol is the only canned fish brand in Australia that has its own canned fish factory. It has an advantage in that respect over other brands when it comes to cost of goods, flexibility, and food safety. But our challenges are no different from anybody else’s—meeting retailers’ expectations and consumers’ expectations and balancing that with the costs that tend to go up, not down.”

One of the strategies employed by Safcol and Andrew was to broaden the company’s base. Rather than focusing solely on Safcol’s own brand and selling that to the big supermarkets, Andrew realised it needed to do more so it could continue to grow the business. “Safcol used to rely heavily on branded sales to supermarkets. This is still important.

“However, we have identified opportunities to broaden our

horizons. We now export, we also trade product in other countries, and we are particularly good at contract packing and private label manufacture. That allows us to have a number of different opportunities to drive a business, which has helped us to grow the business strongly over the recent years and reconsolidate ourselves as a serious player in the food manufacturing industry.

“We also run the Adelaide Fish Market, which is successful because we made it successful. We operate with the wholesalers and also with the fishermen. That allows both those parties to achieve good outcomes, and it’s allowed us to grow that part of our business by providing service that others can’t provide.”

Part of this process of branching out involved the Safcol staff. Andrew believes that by involving the staff in this process and taking on their ideas, the company can only grow stronger. Andrew has an open-door policy and welcomes staff input in decision-making processes. “Staff get the opportunity to improve their skill sets as their careers grow with training programs, be it in house or external. We also ensure they are exposed to broader thinking processes, which is often the best form of training. Operating in a flexible environment challenges people to think outside of the normal. Some of the big multinationals are very structured, but companies like ours allow people to think broadly and have input into the final decision-making processes. That’s a form of training and broadening their ideas and imagination. I like to think that everybody has a say, providing it’s for the right reason; they have got the right to question how we can do things better. We don’t run an overtly hierarchical structure at Safcol; we’ve got a flat structure, and that allows accessibility for staff to the final decision-makers to have input. I think that is a good way of bringing out the best of staff and, you know, also showing a level of interest in staff as well.”

Andrew has also been hard at work ensuring that he builds strong relationships with Safcol’s suppliers and customers as well as its staff. He admits that the company wasn’t always the best in this area, but that’s changing. Andrew wants to ensure its relationships with all of its stakeholders are fair, open, and honest, and has strived to achieve this. “I think historically we weren’t always great at relationships, but we have really worked hard on the relationships with our stakeholders over the past few years.

“Customer service is a big issue, ensuring that we talk to the right people at the right level and concentrate hard on our key customer service measures. That incorporates discussions at all levels with our customers, and that is something we have done better over the past few years.

“In the case of suppliers, it’s the same thing: having open relationships with the supplier, be they financiers, factories, or raw-material suppliers; to say that we are aware of issues that may eventuate or trends that are coming up and dealing with them in a way that’s fair and reasonable. The same applies to our customers—

creating a fair and reasonable situation where all parties have success out of the relationship.”

All of the work Andrew has done ensures that Safcol continues to grow and can be just as strong a company 70 years from now. For the next couple of years, Safcol is focusing internationally, continuing its trend of diversification and growth, focusing on Safcol’s own brands as well as helping its customers grow their brands.

“We were founded in 1945 and we’re still going strong. We have some bold plans for the future. We’re expanding as a business both here and overseas. We have a strong focus on our international businesses. We’ve diversified substantially. We were originally a cooperative of fishermen, and now we are a multifaceted organisation that services many segments in the Australian food industry. As well as trading in a number of countries throughout the world, we’re in a number of segments such as retail, food service, private-label contract packing, fresh fish, and industrial supply.

“We have had challenges, but we have met those challenges. We’re moving forward with a progressive plan for the future.”

