

## Our mission **To bring the best from bush to cup**

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#### **Environmental** impact statement

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# **Extracts & Ingredients**

Farewells and new starts



#### **Tea Estates**

News from Kenya, Sri Lanka and Argentina



#### **Beverages**

The London Coffee Company comes to town







#### A day in the life

An insight into life in Mombasa and Lincoln



Births, marriages and news of former colleagues



**First impressions** Rachel Jones shares her first few







**Guy Chambers** 

n this issue of the magazine, we scan the present and look to the future. In addition to the regular sections that provide business updates from around the Finlays world, we also look in more detail at Damin. in which Finlays now holds a 40% stake. In addition, we look to the future: sharing an insight on the road ahead for Finlays.

Since September last year, when I took up this role, I have had the opportunity 'to bring the to have many discussions with staff, customers and business partners about our company, our markets and our future. Together with the Board, we have also set aside time to discuss our future strategy. I share some of our thinking on page 5 'Our Road Ahead'.

A key part of our strategy is to work in a more integrated way across business units, so that we are able 'to bring the best from bush to cup' for our customers around the globe. To help us do this, we held a 'Global Customer Strategy Day' in London on 4 May. We gathered all key Business Unit heads together around one table. with leaders from our tea estates in Kenya, Sri Lanka and Argentina, from trading in Mombasa and London, extracts in China, US and London and packing from the UK and Colombo.

## Letter from the **Group Managing** Director

Guy Chambers reports on his first few months with the Group.

It was a packed and productive day during which we identified key issues on which we agreed to focus going forward.

This meeting was cunningly timed to coincide with two other major events in the Finlays calendar: the annual 'softball in the park' evening and the Tea Trade Dinner, allowing Finlays to be very

We are able

best from

well represented at the latter (as it should be!). These events are covered in more detail on pages 8 and 9.

bush to cup Turning to business, results for the first part of the year have been broadly encouraging. Whilst we continue to face pressure on tea prices in our producing markets. we are also seeing strong growth in our extracts business, most notably in the US. This growth has largely offset the challenging tea prices, allowing us to remain close to our plan for the year. How the rest of the year will pan out remains to be seen, but we remain extremely focussed on driving growth in our extracts business, whilst seeking

ways to increase our direct supply of leaf to customers in order to help mitigate some of the volatility and vagaries of auctions.

In the previous issue of the magazine. we introduced some changes in formatting to help refresh the look. We have received very encouraging feedback and readers will note that we continue to make improvements in this edition. But even more important than formatting is content. This magazine is the sum of contributions from around our company. It shows the diversity and passion of our staff. Contributions are much encouraged, so do take the opportunity to provide content for future issues.

Finally, I would like to share with readers the news that Duncan Gilmour will be retiring from the Company at the end of June. A small article is included in this issue. However, I would like to take the opportunity here to thank him for his lifetime of dedication to our Company. I am pleased to say that Duncan has agreed to take on the role of 'Editor in Chief' of this magazine. In his retirement. he will continue to have an active relationship with the company and help us guide this magazine as we grow in the years to come.

Richarte

**Guy Chambers** Group Managing Director

GROUP



The Company

investments in

the US and the

UK, as well as

representative

locations around

offices in 12

the world."

is truly global in

nature, with major

Kenya, Sri Lanka,

Argentina, China,

# **Our road** ahead

of Finlays.

nince the disposal of Finlays Horticulture at the end of last Vear, I have often been asked about where Finlays is heading. This has been the focus of many discussions over the last six months: discussions with staff. customers and business partners, as well as with the Board. Whereas it is impossible (and foolhardy) to predict the future, I would like to take the opportunity here to share a perspective on the potential road ahead for Finlays.

#### Where are we now?

Since its founding in 1750, Finlays has evolved in many ways. During the 19th and early 20th centuries, Finlays played a major part in the global development of the tea industry. In the early 1800s, the Company was a major player in the tradeflows that supported the export of tea from China. From the late 19th century, Finlays started investing in the embryonic Indian tea industry with a first foray in 1872 leading to a series of substantial investments in the 1890s in India and also in what is now Bangladesh and Sri Lanka. From 1925 the Company was a pioneer in developing the tea industry in Kenya.

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#### Guy Chambers, Group Managing Director outlines his thoughts on the future direction

Although Finlays estates in Sri Lanka had been sold ahead of that country's nationalisation of the tea industry in 1972, following privatisation in 1992 the Company reinvested by first managing and then taking control of a group of 30 estates which it continues to develop. Tea packing has been undertaken since the early 1900s whilst trading tea has been a part of Finlavs business since the days of Kirkman Finlay. From 1964 the Company has been at the forefront of tea extraction technology initially in India in partnership with Tatas. Since then capability has been built up across the globe including the Group's facility in Kenya.

As a result of the endeavours of previous generations, Finlays today has a unique global footprint which spans the entire supply chain from tea estates, tea trading and sourcing, packing, extraction and product development. The Company is truly global in nature, with major investments in Kenya, Sri Lanka, Argentina, China, the US and the UK, as well as representative offices in 12 locations around the world. In addition to tea, coffee is also an important part of our portfolio, especially in the US, the UK and increasingly in China. Our footprint is unique. No other company has this depth and breadth in tea.  $\succ$ 



This footprint is described as 'bush to cup'. This is not a new term. In fact, it was first coined by former Chairman, Richard Muir in the mid-1990s to describe Finlays. However, the importance and value of 'bush to cup' is something that has taken time to develop. In fact, consumers and customers today are placing increasing importance on the origins of products and tea is no different.

#### What is the opportunity?

Tea is at the centre of global beverage consumption. It is the second most widely consumed beverage, after water. Unlike many global consumer brands, the product is actually multi-local. perceived as being local by consumers in different parts of the world. Different kinds of tea form an integral part of daily lives for consumers in China. UK. North Africa and the Middle-East.

#### It is a healthy and sustainable beverage, whose sustainability impact is much less than most alternative beverage choices.

As a global business, tea is worth around US\$100 billion per vear. with roughly 60% of this in the fast-growing ready-to-drink tea category. Naturally, different markets are at different levels of development. In terms of spending per capita, Japan leads world tea consumption by far, with extremely developed and diverse markets for both non ready-to-drink tea as well as ready-to-drink. To some extent. the Japan market sheds some light on the potential growth opportunity for other markets. The tea world is more diverse, colourful and varied than the average UK drinker's black tea bag. Hopefully, this is good news for the UK tea industry which currently appears stuck in the rut of low price/low quality black tea bags.

#### **Strategy into action:** Values





Innovative





Sustainable







#### So, where is the tea world heading? Health. trust and variety

Today's consumers appear to be placing increasing importance in three major areas: health, trust and variety. Firstly, with the increase in obesity in developed and developing markets, governments, customers and consumers are placing increasing emphasis on calories in food and beverages. Furthermore. there is a growing emphasis on natural over artificial. These macro trends provide an encouraging context for the growth potential of tea, as a natural, lower calorie beverage choice. Secondly, partly as a result of recent food scares amplified by the growing use of social media, consumers are placing increasing emphasis on products they can trust. The provenance or origin – of products is becoming increasingly important, with today's consumers wishing to know more about where products come from and what goes into them. Thirdly. today's consumers seek variety. Again amplified by the rise of social media and the ubiquity of information, consumers are seeking new experiences, new packaging and new tastes at a greater rate than previous generations. The internet has enabled consumption to be personalised to a higher extent than ever before (think music plavlists and internet shopping). Some pundits even question whether the age of the 'mega consumer brand' is dead. Who knows?

#### Tea consumption in US\$ per capita Retail Sale Price $\hat{U}S$ per annum (2015)



#### So, where is Finlays heading? To bring the best from bush to cup

Simply put, we seek to position ourselves at the intersection of global tea supply chains and consumer demand. Customers and consumers are increasingly looking for suppliers of tea that can meet their requirements for trust and variety. We believe that there is a growing demand for a company that can be the trusted source of global teas. This is the opportunity to connect our 'bush to cup' capability with consumer demand. In essence, our aim is to be the preferred partner and source of tea (in all its wonderful varieties, formats and applications) for the world's beverage and food service brands, by managing transparent supply chains to bring the best from bush to cup.

What about coffee and botanicals? Coffee plays a very important role in our beverage portfolio in several parts of the world, most notably in the US and UK. Coffee is a complimentary product in our portfolio, alongside tea. However, we also need to be realistic enough to accept that our ability to influence the coffee supply chain is more limited than in the case of tea. Consequently, whereas coffee plays an important part in the portfolio, it is because of tea that customers look to Finlavs as a supplier primus inter pares.

What about Finlays' other non-beverage businesses? Finlays has a diverse portfolio of businesses in Sri Lanka, with cold stores, insurance and environmental services in Finlays Colombo, as well as rubber and timber managed by Tea Estates Sri Lanka. Furthermore, in Kenya, we maintain Finlays Flowers in Kericho, in addition to a timber business that is complimentary to the tea estates. Over the years, these businesses have produced broadly satisfactory results, often providing a muchappreciated cash cushion during downturns in tea. However, unlike our beverage businesses, they are predominantly local, stand-alone concerns. As a result, the winning strategy for these businesses is often local, rather the global one that is now coming to the forefront for our beverage businesses. Simply put, beverage and nonbeverage business are seen as two different categories of business within today's Finlays.

Trusted

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#### So, how do we win in beverages? Customer focus, integrated operation

Our winning strategy will evolve over time, but three aspects are clear today. First, externally, customers are at the centre of everything we do. Regardless of whether we are looking from tea estates, packing, trading or extraction, the 'end customer', namely the customer who faces consumers rather than other industrial traders/buvers, is our common focus. This 'end customer' determines whether our products are of the right variety, quality and price. Intermediary customers often play an important role, but it is the voice of the 'end customer' that we should seek out to drive our actions and behaviours. Second, internally, we need to be integrated. Finlays has a global portfolio of businesses, but we need to work as one in order to unlock the latent value of our global presence. In essence, this means bringing together our capabilities to win business across territories. It means looking at maximising total value. rather than just the value in a single business unit. This will require us to work together in new ways.

> Third, our people are at the core of this strategy. The quality, commitment and culture of Finlays staff sets us apart from our competitors. We are a team of outstanding individuals, but it will be

our ability to work together that will makes us an outstanding team. Finlays was one of the first global businesses and this way of working remains strongly in our DNA today. Our values are at the core of what we do. In the early 1800s Kirkman Finlay defined his and his Company's values as Trust. Honour, Industry and Independence. This year, we update these values by replacing them with four new ones: Trusted. Sustainable. Innovative and Entrepreneurial.

Established in 1750, Finlays has played a major role in the development of the global tea industry. Now is the time for us to write the next chapter in this story.

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Our people

are at the

core of this

#### **Group news**



#### Head Office news

#### **Pensioners' Reunion**

Around 50 pensioners gathered at a new venue for the 36th Annual Pensioners' Reunion on 2 June.



Bill and Carol Atkins enjoying the Pensioners' Reunior

#### Head office

#### **Duncan Gilmour**



Duncan Gilmour with Guy Chambers.

#### Tea Trade Dinner



Sathesh Bremakumar, Ian Bryson and Mark Peters.

inlays was out in force at the 87th Annual Tea Trade Dinner held on 5 May at The Savoy Hotel in London, with representatives present from all our tea estates and many of the trading offices. The Finlays tables hosted a number of customers with toasts to the tea trade carrying on well into the early hours.

#### After nearly 20 years as Company Secretary and 43 years with Finlays, Duncan Gilmour will be retiring on 30 June 2016.

Duncan began his career with the Company as a Secretarial Assistant in 1973 and over the intervening years has filled a large number of diverse roles in addition to his core secretarial responsibilities. He was appointed Company Secretary in 1996 and was a main board Director from 2005 until 2014 when he stood down in order to relocate back to Scotland.

During his time as an Executive Director. Duncan successfully managed the relocation of the Head Office from Glasgow to Swire House, spearheaded significant rationalisations of the Group's insurance and UK pension arrangements, oversaw the introduction of updated corporate governance policies and new Group health and safety management systems and reporting practices.

At a dinner following his final board meeting in April Duncan was presented with a painting of the

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Catrine mill wheels which had previously hung in the Board Room together with a Memories Book containing contributions from colleagues past and present. A reception for colleagues will be held later in the year.

Duncan will not be completely severing his ties with the Company as he has agreed to take on the role of Editor of the Finlays Magazine. As a keen student of the Company's history. Duncan will still be on hand to deal with enquiries from members of the public carrying out research on Finlays or looking for information about family members who may have worked for the Group in the past.

The Group Company Secretary of John Swire & Sons has been appointed Company Secretary of Finlays with Duncan's other executive responsibilities being re-allocated amongst other members of the Head Office team.

#### Corporate Communications

**C**ollowing the sale of Finlays Horticulture and a strategic review of Group central functions. it was reluctantly decided that the role of Group Head of Corporate Communications was no longer required. As a result. Ash Kahrl regrettably left Finlays in February. In her six years in the role, Ash established the Group Communications function, provided prudent guidance on media handling and managed all aspects of our communications with ability and diligence. She was also a key member of the Finlays Magazine editorial and production team. We would like to thank Ash for her hard work and commitment and wish her well in her future career.

As part of the same strategic review, the function of Compliance and Risk was expanded to include Corporate Communications and re-titled Corporate Affairs. Consequently, Julian Davies took up responsibility for Corporate Communication and was re-titled Director Corporate Affairs. We congratulate him and wish him well in this new role.



The Red Sox with the much coveted Chai Cup.

The Chai Cup has traditionally taken the form of an inter-company cricket match but this year it had the added twist of being played out as a softball tournament.

The games took place on Wednesday 4 May at Battersea Park on an unseasonably warm and sunny evening. About 100 staff, their partners and children came along.

The winning team was the Red Sox who beat the Blue Jays by a small margin in a tense final match.

#### Human resources



Anthony Perkins with Guy Chambers.

#### **Anthony Perkins**

After nearly nine years with the Company, Anthony Perkins, Group Human Resources Director has decided to move on and pursue his career outside Finlays. Before he left on 11 March, a reception was held at the Conrad Hotel near Swire House. Group Managing Director Guy Chambers thanked Anthony for his contribution to Finlays during a

period of considerable change noting that under his leadership, Group Human Resources had greatly improved the way in which Finlays approached a wide range of people management practices including management development and succession, reward, performance management and senior recruitment.

#### **HR** reorganisation

Anthony's decision to leave the Group has prompted a re-organisation of the Group HR function resulting in Tamie Hutchins the HR Director for Finlay Extracts & Ingredients taking on additional responsibility as the leader of a team now looking after a range of HR functions for both Group and FEI. The team has been strengthened by the appointment of Olga Jemec as HR Advisor.



#### Chai Cup – Battersea Park

The victorious winners now proudly display the much coveted Chai Cup for a year.

To accompany the games a fabulous hog roast was once again provided by the Jolly Hog & Sausage, whilst a Mariachi band entertained us with Mexican music. A great night was had by all and plans are already underway for next year's event.



#### **Olga Jemec**

Olga Jemec joined the HR team as an HR Advisor at Finlays on 11 April reporting into Tamie Hutchins.

She brings with her over 10 years of HR generalist experience. Olga's HR knowledge has grown from working in various sized organisations. Her most recent role was based in London with The Coca-Cola Company.

In her spare time she enjoys meeting new people, travelling and experiencing new cultures, cooking and experimenting with new recipes.

#### **Extracts & Ingredients news**

June 2016



Neil Willsher Managing Director

## **Business update**

We hear in the news story after story outlining the global slowdown. Against this backdrop I am very pleased to report that so far this year all our businesses are trading well ahead of budget.

ea. the most consumed beverage after water, is faring rather well around the world in spite of a turndown in overall drinks consumption. What is noticeable is that wherever we look in the world there is a move to, and a resultant growth in, products presented as being more healthy or premium. This health focus has driven an upsurge of lower sugar options in the face of increased negative press coverage on obesity and diabetes. Premiumisation can be seen in a number of formats, from Fresh Brewed RTD (Ready to Drink) products with a focus on naturalness and taste, through niche uniquely flavoured products to single origin loose leaf tea offerings. There is a very noticeable and real trend in this direction as consumers demand products which are more relevant to their requirements and also follow the fast fashion trends of the world in which we live. In the world of tea this is not a new concept as it has existed for some time in Japan, the most innovative environment in the world. The change is that we are now seeing this in more traditional markets like the USA who are waking up to the opportunities these trends offer both in and out of the home.

Coffee continues its global growth in all formats, from instant, roast and ground through to pods and RTD Iced Coffees. RTD offerings define and drive FEI's business and I am delighted to report that we have shown substantial year on year growth. The commercial teams have been working very hard with customers to bring to market new

exciting concepts such as cold brew and nitrogenated sparkling coffees. In China we are focusing on both traditional and new concepts in order to tap into the fastest growing and potentially largest market in the world.

The decaffeinated market, albeit small, remains stable. I am delighted to report that our Hull operation has delivered its best results for over a year. This is a testament not only to our customers' performance but also to the team in Hull for driving through productivity improvements and exciting new product development opportunities.

The focus on improving our operational capabilities continues unabated elsewhere, with the team in Kenya having successfully undertaken some large transformational projects this year in Saosa, all of which will help us better serve our customers (see page 42).

The results to date are very encouraging but they would not have been possible without the right people in place to support this performance. As part of our development plan and as detailed over the next few pages, I am delighted to report that this year we have brought on board many new faces across all our global businesses.

We will continue to focus on improved performance, but will ensure this is only achieved against a non-negotiable requirement to do so in a continually improving and safer work environment.

#### **FEI UK London**

#### Movers and shakers

#### Rob Petlev



Rob Petley joined as Head of Commercial Finance – Extracts at the beginning of January following 15 years with Associated British Foods where

he held a number of senior finance roles most recently with Allied Milling and Baking (Kingsmill Bread) based in Maidenhead.

Almost his whole career has been spent in the food industry starting out with United Biscuits at a factory in Luton that used to make over a third of all Marks & Spencers sandwiches, before moving to their McVities business heading up finance for Retailer Brands.

Whilst with United Biscuits he also spent a couple of years living and working in Asia, based in Hong Kong but working across the region predominately in mainland China and Japan.

Together with his wife of 25 years, Marina, he has two teenage daughters Hannah and Jessica, who keep him fully occupied as a taxi driver at weekends and in the evenings!

#### **Brett Summer – leaving**



Michael Pennant-Jones, Brett Summer, Darren Edwards, Chris Walker and Dominic Sheard.



Following the conclusion of the successful sale of the Horticulture business, which Rodney was helping to project manage, he has moved to Finlav Extracts & Ingredients as the Head of Commercial Finance – Leaf. In his new role he will be responsible for providing finance support to the Commercial Director of Leaf and also the trading offices across the globe.



#### Rachel Jones

Rachel joined the Company in March as Head of Commercial Business Development, having previously worked in a similar role for an agricultural and food supply company.

Rachel's new role will see her driving development and sales opportunities by working with teams across the Group. In her spare time Rachel enjoys socialising with her friends and family and going to the gym.



#### Sathesh Bremakumar

Sathesh Bremakumar ioined Mark Lawson's Leaf team as a trainee Tea Sourcing and Supply Manager in March.

Sathesh is a law graduate who has spent the last three years working as a physical and futures sugar trader. His commercial experience will be invaluable to his new role and we hope he'll be able to give us some useful insights for a trade-wide project looking at the possibilities for a tea futures market.

Although he is based in London, Sathesh will spend a significant amount of the next 18 months in our overseas trading offices and at the estates to learn about the world of tea

In his spare time, Sathesh enjoys playing cricket, football and golf, and collects (and occasionally DJs) jazz and rare soul records. He also founded a tuk tuk driving adventure travel company in Sri Lanka.

fter seven years as FEI Finance Director, Brett Sumner left the business for pastures new in January. A reception was held in the Conrad Hotel near Swire House on 6 January to thank Brett for his valuable contribution to the business and to wish him well in his new role as Finance Director for Fresca Group. Brett's departure signalled a reorganisation of the FEI Finance function including a splitting of the Finance Director's role with the creation of two new positions Head of Commercial Finance-Extracts and Head of Commercial Finance – Leaf.

#### **Extracts & Ingredients news**

June 2016

#### **FEI UK London**

#### Ionathan Dixon – retirement



John Whittaker, Michael Pennant-Jones, Jonathan Dixon, Mark Peters, Nick Cottrell and Neil Willsher.

onathan joined the Company in 2004 as Finance Manager, having worked as a finance consultant since 2001. In addition to his roles in finance, most recently as Systems Controller, supporting the roll-out of Navision within FEI, Jonathan was also the welcoming face of Finlays to many new recruits as they battled with logging in and making sense

of the IT system for the first time. He also continued to support more than a few of us who can no longer be called 'new starters', and we will miss him very much.

We wish him and his wife Annabel and their entire family all the very best for the future in this new chapter of their lives together.

#### FEI UK Hull

#### Farewells

Over the past year Finlay Hull has said farewell to a number of long serving members of the team including three managers who had each served the Company for over 25 years.



Malcolm Eade

Malcolm Eade left at the end of 2015 after many years as Plant Manager. He joined the Company in 1989 as a maintenance fitter and amongst

many roles had served as shift supervisor and Health and Safety Manager. Malcolm was heavily involved in the designing and building of both the current decaffeination plant and the successful caffeine recovery plant.

#### **Steve Robinson**



Steve Robinson stood down as Factory Manager in 2013 but continued with the business as a technical consultant.

After almost 30 years at Finlays, Steve has now fully retired and is spending more time with his beloved classic car Lizzie (and of course his wife).

#### **FEI Malawi**

#### Moves



A fter 18 months as the General Manager of James Finlay (Blantyre), Ross McDonald is leaving Malawi to take up the position of Key Account Manager -Leaf Tea North America.



John, Daniel Morland, Ross McDonald, Anthony Letala, Lukas Kambani, Chisomo Majamanda, Nice Nkhoma, oseph Kapasule, (seated) Afiya Madala. Right: Chip Bakali new Trading and Shipping

His trading duties will be taken over by Chipulumutso Bakali with management oversight by Gideon Mugo from James Finlay Mombasa.



Alan Carvell bidding farewell to his shift (Rick Keane in white shaking hands with Alan).

#### Alan Carvell

Shift supervisor Alan Carvell retired from the business in 2015. Alan was the Company's longest serving employee having served as a supervisor for almost 30 years. ■

#### **FEI USA**

#### Appointments

To support our fast growing US and Latin American businesses, a number of executive appointments have been made to round out the senior management team and provide long term leadership and succession planning across the business.



Rick Skalla Rick Skalla has been appointed Vice President of Sales and Marketing. In this newly created senior management post, he will be responsible

emphasis on the critical role of the R&D function and the importance of driving innovation for our customer base. She immediately assumed responsibility for our R&D function and has already begun building a future state innovation model for the company.

Cathy enjoys spending time with family and friends, traveling. volunteering in her community, and driving through the countryside with her husband Charley in their sports cars.

for leading, planning, organizing, staffing, training, and measuring all sales and marketing functions to achieve the Company's objectives of sales growth, profitability, and visibility while ensuring consistent marketing positioning and messaging.

He holds a Bachelor of Science degree in Business Administration from University of Kansas and has over 25 years of professional experience across a range of global food companies.

Rick is married with two children and enjoys spending time with his family, watching his sons' sporting events and relaxing on Lake Minnetonka with friends.

#### **Innovation & sales in the States**

An Innovation & Sales seminar was held recently to review customer/market requirements and opportunities for the business.

This allowed the team to get together with others from outside the US. notably Rachel Jones and Michael Pennant-Jones from London, to hear from those on the ground selling the business. The opportunity was taken to review a range of products currently on the market with tea extract as an ingredient, as well as potential markets and products which could be developed

in the future by the Company's technical teams. The event highlighted the diversity of our products are and the number of routes there are to an end product.

Michael Pennant-Jones spoke on sustainability and the fantastic work the business is doing championing and acting on some of the issues facing the industry.



#### **FEI Vietnam**

#### Hanoi office

The Finlays Hanoi office has I relocated to a more central area in the Dong Da district of Hanoi.

FEI Hanoi GM. Mrs Hai Nguven reports that "the location has significantly reduced the commuting time for all staff and is more convenient for visiting financial and governmental offices. This has freed up more time for us all making for a more productive working environment".

#### **FEI Damin**

Directors' visit



Stuart Strathdee, David Johnston, Christiane Kuehne and Guy Chambers.

The importance of China to L the Group's extracts strategy was demonstrated by a visit from a number of the main board non-executive directors in May. David Johnston, Christiane Kuehne, Stuart Strathdee and James Hughes-Hallett accompanied Guy Chambers on tours of Damin, an anxi-organic wiling tea farm and various Swire Beverages sites in Xaimen and Hong Kong.

### **Extracts & Ingredients news**

June 2016

#### **FEI Mombasa**

#### Appointments



Jessie Kezengwa Jessie Kezengwa has recently been appointed James Finlay Mombasa's **Business Development** Manager. She began her tea career with

Unilever in 2002. Jessie is excited about joining the Group, and is looking forward to using her experience to help grow the business. She is single and loves adventure.

#### **Caroline Syovutha**

Caroline Svovutha

has been appointed Assistant Manager, Information & Communications Technology, She brings extensive

experience and knowledge of different software applications with an emphasis on software development, analysis, architecting, implementing and training end users. Caroline will co-ordinate the implementation of Navision Enterprise Resource Planning in Mombasa.

Caroline enjoys spending time with her husband and two children. She also loves a good game of chess.

#### **FEI Saosa**

#### Long Service Awards

Long Service Awards have been made to the undernoted employees of Saosa Factory who have been with Finlays for 25 years

**Okwomi Reynolds Oloo** Mourice Kijana Orua Chepkoech Vivian Serem

#### Visit to the Mombasa auction by The President of the Republic of Kenva



Nick Munyi, MD James Finlay (Mombasa) and President Uhuru Kenyatta

On 19 January, the East African Tea Trade Association (EATTA) welcomed His Excellency President Uhuru Kenvatta CGH. Commander in Chief, Defense Forces of the Republic of Kenya to the Mombasa Tea Auction Centre.

This was the first time that the Mombasa Tea Auction Centre had hosted a Head of State. The President watched the auction taking place before the Chairman of EATTA, Nick Munyi, gave a short presentation.

The visit while brief, was symbolic for many reasons and demonstrated the significance that the Kenyan Government places on the tea industry.

#### Visit to James Finlay Mombasa by Guy Chambers - Group Managing Director

On 9 and 10 March this year, James Finlay Mombasa had the honour of hosting the new Finlays Group Managing Director, Guy Chambers.

Guy was accompanied by Neil Willsher, MD Finlay Extracts & Ingredients UK, Simeon Hutchinson, MD James Finlay (Kenya) and Julian Rutherford, Group Finance Director.

Guv visited the Finlay offices in Shimanzi and had a tour of the warehouse as well as the blending and value addition facility. Afterwards, the Mombasa leadership team made a business presentation which included the history of the operations, business performance over the last five years, tea buying, sales, growth opportunities and challenges, and their projected budget for the next three years.

#### Tea Estates Kenya news



The widely predicted El Nino weather phenomenon did not cause as much disruption as had been feared, and in Kericho the only noticeable effects were higher than average rainfall from November to January, and towards the end of March (the hottest time of year) day time temperatures 3 degrees Celsius higher than normal. Current weather forecasts are predicting normal 'long' rains.

verall results for 2015 were disappointing. Own estate production was 14% below budget with the average selling price just below whilst cost of production recovered from the position reported earlier in the year to end up on budget. 2016 started in a more positive vein, with higher than budgeted production and prices. However, the Mombasa auction has been quick to respond to the increase in volumes with prices recently easing significantly.

The Central Services division never recovered from the disruption associated with the drought during the first quarter of 2015 (resulting in lower consumption of fuel wood and lower generation of power by the hydros) and posted a result which was almost 50% below budget. The favourable weather conditions during the first quarter of 2016 have translated into higher demand for fuel wood as well as higher output from the hydros – all in all a better start to the year than in 2015, but challenges remain.

Management of third parties (contractors) is one of our core Health and Safety issues on which we are focusing in 2016. In February, all of our pre-qualified transport contractors were advised that they were required to attend a Health & Safety briefing in order to retain their pre-qualified status. An encouraging turnout of 50% was recorded on the first date that was offered, with the remainder attending on subsequent days. Four of our senior managers were enrolled on the online NEBOSH safety at work course, and sat their first exams in February.

On 6 March we held a function at Kaproret stadium to celebrate World Health & Safety day. International Women's day and our annual JFK merit awards. Various groups from around the business performed entertaining skits, poems and songs, and a total of 43 employees took home their recognition for 25 years of service to the company. The star performers of 2015 were also recognised.



## **Business update**

Following the sale of Finlays Horticulture, Catherine Kivai was appointed Finance Director with effect from 1 December 2015. Congratulations to Catherine on this significant appointment!

The Initiative for Sustainable Landscapes (ISLA) project continues to gain momentum, with the first surveillance flight over South West Mau which took place on 10 November 2015. A diverse group of stakeholders were on board to record any illegal activity inside the forest. Such flights will be repeated quarterly.

Our pilot village solar lighting project in Victoria and Mwamba villages on Marinyn estate won the Swire Best Sustainability Project Award for 2015 (see page 43 for more details) Congratulations to all involved in this exciting project!

#### **Tea Estates Kenya news**

June 2016

#### **Celebrating International Women's Day 2016**



tional dancers celebrating International Woman's Day.

In March, JFK marked international Women's day 2016 with a colourful event at Kaproret Stadium, Kericho. The theme was 'Promoting an inclusive workplace'.

The Company used the opportunity to call for a continued change in attitude whilst reflecting on the progress already made in fostering gender equality in Kericho. The day also recognised acts of courage and determination by ordinary women and men who had played an extraordinary role in championing the rights of women and girls and men and boys within the organisation.

Simeon Hutchinson, Managing Director, reiterated Finlays commitment to running an ethical business which promoted gender equality and the empowerment of women.

including the appointment of Mrs Catherine Kivai as Finance Director and the increase in the number of female employees from 29% of the workforce in 2014 to the current 31%. Simeon highlighted skills training and development as a strategic focus for 2016 to ensure that women have the necessary skills and experience to enable them to compete equally with men throughout the Company. He commended the welfare team for their tireless efforts to ensure the protection of employees and their dependents from any form of violation.

He noted some key achievements

#### Merit Awards

**K**aproret Stadium was the venue for the annual awards ceremony which recognised the achievements of estates, factories and departments throughout 2015, in addition to individual employee performance.

#### Those winning awards were:

#### Individual performance:

**Overall Male Mechanical** Tea Harvester Plucker Jones Kipngetich Mitei, Kaproret Estate with 134.718.11Kgs plucked

**Overall Female Mechanical Tea Harvester Plucker** Helda Omukonyi Otang, Chemasingi Estate with 76,630.17Kgs plucked

**Overall Male Shear Plucker** Geoffrey Koech Kipkemoi, Kaproret Estate with 39,966.80Kgs plucked

**Overall Female Shear Plucker** Mary Kemunto Matunda, Kaproret Estate with 42,730.60Kgs plucked

#### **Departmental performance:**

**Best Performing Estate** Simotwet Estate

Most Improved Estate Marinyn Estate

**Best Performing Factory** Chomogonday Factory

Special recognition for effort and achievement **Engineering Department** 

Special recognition for effort and achievement Outgrowers

#### Highlights from Africa Fairtrade Convention 2016



ames Finlay (Kenya), through its affiliated Fairtrade bodies. Finteaflo and Fintea Growers Union, participated in the fifth Africa Fairtrade Convention held at the School of Monetary Studies in Nairobi.

Sitting from Left (John Chumo - Chairman Kokchaik Co-operative Society Limited, Oluoch Masikah - Social Responsibility Liaison Assistant) standing is Daisy Rotich -Admin Assistant Fintea Growers Co-operative

The convention offered a unique opportunity for stakeholders from across the globe to network and build effective relationships to support global and regional trade across Africa, one of the world's key emerging markets. Convention activities included knowledge sharing, business to business forums, and exhibitions.

#### Long Service Awards

Awards have been made to the undernoted for 25 years service with Finlays.

#### **Senior Managers**

**Charles Sieley** Chomogonday Group

John Chebochok Kaproret Estate

Geoffrey Steve Chepkwony Marinyn Estate

#### **Junior Managers**

**Richard Kipvegon Maritim Engineering Department** 

Paul Kiprono Mutai Medical Department

#### **Employees**

**Chomogonday Factory** Stephen Mogambi, Protas Achila Makutere, Thomas Luvizu Karanja

#### Kapsongoi Estate

Kusimba Soita Kimaswa. Patrick Kiprotic Langat. Eunice Atieno Othuon

Tiluet Estate Timothy Agesa, John Abong, Moses Kalya, Mary Ojwang

Kaproret Estate Simeon Masaa Lumit, John Ngali Ndiema, Willy Kipkirui Rotich, David Langat

**Chemase Estate** Wesely Kiprono Ngeno

Marinvn Estate Aston Alusiola Lugohe, Peter Kiprono Rotich

**Kitumbe Factory** Joseph Okeyo Odongo, Rodgers Alubala Ambundo, Hellen Chepkemoi

Applied Research Dept. Sammy Koskei

#### Bromic Ouma thank you Finlays!



Promic is 18 years old and has **D**iust finished his secondary school education at Kabianga High School. He scored an A-grade of 75 points out of a possible 84.

A Finlays scholarship enabled him to study and complete the four year course and he is now going on to study mechatronic engineering at university later this year.



Tn March, JFK was awarded the Kenva Red Cross Society Kericho County Annual Humanitarian Gold Award and a certificate for providing



**Tenduet Estate** Joseph Malakwen Koskei. David Kipsang Chepwony

**Cheptabes Estate** David A. Ogega, James O. Mogi, Moses K. Tonui

**Simotwet Estate** Zaituni Eshimoli

**Changana Factory** Rosebella Nekesa Nalyanya

**Finance Department** Richanrd Cheruiyot Langat

**Engineering Department** Koech Reuben Kipkemoi William Otieno Ogwel, Haman Ingosi Khaimbira, Johana Jumba Oguya

**Medical Department** David Kipngetich Kimeto

**Forestry Department** Martin Etot Echapan. Jackson Obonyo Onkundi

Chemasingi Estate Peter Lihavi Leba

#### JFK recognized by Kenva Red Cross Society

Abdul Aziz, Kenya Red Cross Society Board Member - Kericho County, Erastus Orina Kenya Red Cross Society Regional Board Member, Daniel Kirui Human Resource Director, Margaret Boiywa Kenya Red Cross Coordinator - Kericho County, John Cheruiyot Human Resource Manager -Staff Development and Forestry, Sammy Kirui General Manager - Corporate Affairs,

assistance to the Kenya Red Cross Society on a range of issues over many years.

#### Tea Estates Sri Lanka news

June 2016



Dushanth Ratwatte Chief Executive Officer

combination of civil unrest in the countries to which we export, adverse climatic conditions, the downward trend in the price of crude oil and the prevalence of artificial rubber over natural rubber which have affected some of our traditional markets, unfortunately translated into unfavourable trading results in 2015.

Evidence from our recent market research indicates that there is a growing demand for "Ceylon" green tea from the health conscious consumer. We do not consider this to be a false dawn and believe that this emerging market will finally come good. With this in mind we have recently converted our previously unused tea factory at Waldemar to produce the finest green and oolong teas. This is also expected to strengthen the revenue earning potential of the Ragala group of estates which we took back from third party managers in 2014. Our investment in timber and ancillary crops such as cinnamon, pepper and cocoa continued during 2015. Our aim is to strengthen this income stream to the extent that in future it becomes a substantial contributor to the trading results and is no longer termed as ancillary!

## **Business update**

What is there not to like about being more efficient and driving down costs in the supply chain? The economic turmoil affecting our markets for tea and rubber has resulted in the need to ensure that costs across all our operations are strictly controlled and reduced wherever possible.

As reported in the last issue our bees have been busy producing honey on our Dammaria B Estate. I am pleased to say that this wonderful natural product is now available to buy and hopefully will be paying dividends in due course.

As part of our commitment to sustainability we are trialing the use of bio mass energy by burning briquettes made out of sawdust. This should pave the way for the generation of bio mass heat energy in a safe and sustainable way.

We have been able to maintain our Sustainable Agricultural Network (SAN) accreditation despite the imposition in 2015 of new more rigorous standards particularly as they relate to worker housing. We hope to have our Ragala group of estates SAN compliant by the end of 2016.

Having joined the Finlays family in 2014 I am delighted to be writing this, my first report on the business since taking over as CEO.

Naresh Ratwatte retired from his executive role with Finlays in December 2015 having completed 45 years of unblemished and yeoman service in the tea and rubber industries of which the last 24 years have been with Finlays. His contribution to the Company has been as General Manager, Chief Executive Officer and Executive Director of both Hapugastenne and Udapussellawa before becoming Chairman/Managing Director of both Companies. He has been a tower of strength to Finlays bringing much needed leadership and incomparable expertise to all that he has done. We are grateful that Naresh has agreed to continue as the Non-Executive Chairman of both Hapugastenne and Udapussellawa.

**Employee awareness** programme



n awareness programme Awas held on 12 February at Springwood Estate to educate estate employees on the possible safety and social consequences for the children and families of mothers who are employed in the Middle East and other foreign countries. Migration of young mothers from estate worker communities to work overseas is common and involves entering into a minimum two year contract. Working abroad for this length of time has been shown to seriously impact the safety and social wellbeing of younger children left at home.

An eye sight screening clinic was also made available as a result of which 35 workers were provided with spectacles.

The programme was coordinated by Pitchiah Thambirajah, the Estate Medical Assistant and Neela Somasiri. the welfare officer of Springwood Estate.

#### Chai Cup 2016

The seventh annual Chai Cup cricket match between Finlays Colombo and Finlays Tea Estates Sri Lanka, one of the largest sporting events in the Finlays calendar, was held on 20 February at the Galle International Cricket Stadium.

The stadium is consider one of the most pictur the world, situated near th Galle fort and fringed on t by the Indian Ocean.

The Tea Estates cricketers proved too strong for Finla Colombo, winning for the consecutive year.

There was a great turnout 200 spectators, some of th travelled over 200 kilomet support their respective te

#### Courtlodge & Demodara selected for a pilot project in cadastral survey



he ministry of Plantation Industries and the Surveyor General's Department of Sri Lanka have selected Demodara & Courtlodge estates for a pilot project in cadastral surveying of tea estates belonging to regional plantation companies. Cadastral surveying is a sub-field of surveying which specialises in the establishment and re-establishment of the legal boundaries of a property. A cadastral surveyor must apply both the spatial measurement principles of general surveying and the legal principles arising from the examination of title deeds including neighboring titles.





The two teams, Finlays Colombo in Yellow and Finlays Tea Estates in Gray. 6th from left in front row Guy Chambers, the Group Managing Director and 7th Merlin Swire, the Group Chairman of Finlays.

red to be resque in he historic two sides	Everyone was delighted to welcome Merlin Swire, Group Chairman of Finlays, Guy Chambers, Managing Director of James Finlay Limited (JFL), and Ron Mathison former Managing
again ays e sixth	Director of JFL and his wife and children. Winning Score 192 runs – 20 Overs
with over hem having ters to eams.	Winning Captain Himal Kanishka
	<b>Best Batsman</b> Chathura Bandara – Tea Estates
	<b>Best Bowler</b> Neluka de Silva – Finlays Colombo. ■

The estates belonging to the regional plantation companies were planted a century ago and most of the available survey plans have not been updated since the mid-20th century. Ground surveys for the pilot project were conducted at Demodara & Courtlodge Estates by the Surveyor General's Department in February.

#### Tea Estates Sri Lanka news

Hapugastenne Plantations win the 14th Inter-Plantation Six-a-Side Cricket Tournament 2016



Front Row: Denis Sri Chandrasekera, Dananjaya Manathunga Back Row: Shannon Rodrigoe, Miranga Bandara Tennakoon, Isuru Amila, Nelantha Silva, Chathura Bandara, Mahen Madugalla CEO-Kotagla/Agrapathana Plantations PLC, Dinusha Bandara, Gimhan Jayathilake-President, DACC, Jerad Stephan, Richard Ohlmus.

The annual inter-plantation six-a-side cricket tournament took place on 4 & 5 March at the Dimbula Athletic & Cricket Club in Radella, Nuwara Eliya. Twelve plantation companies took part including a team from Hapugastenne who were captained by Dinusha Bandara. For the second consecutive year, Hapugastenne won the six a side champion trophy, with Chathura Bandara being awarded Man of the Match. ■

#### **Retirees' reunion**



Naresh Ratwatte (far right) remembers old times with retired former collegues.

A reunion dinner for retired former employees of Tea Estates Sri Lanka was held on 21 December 2015 at Raja Bojun, Colombo. The occasion was an opportunity for attendees to reminisce about old times.

#### Inter plantation rugby tournament



Front Row from left: Nelantha Silva, Richard Ohlmus, Shannon Rodrigo (Captain), Jerrad Stephen, Denis Chandraseakara, Bharatha Hegoda (Coach) Back Row from left: Haren Mediwaka, Milinda Gunarathna, Milindu Keerthirathna, Migara De Silva, Prasanna Dabare, Demantha, Nevanka Herath, Hasintha Kumarasinghe.

Hapugastenne Plantations' rugby team emerged as winners of the 2016 Annual Inter Plantation Rugby Tournament.

Hapugastenne, and nine other plantation companies, took part in the tournament which was held at Dickoya Maskeliya Cricket Club on 9 April, In the final Hapugastenne beat Horana Plantations by 32 points to emerge as worthy winners.

Tree planting campaign

With a view to protecting the environment, a tree planting

campaign was held at Springwood

The inaugural tree was planted by

Ginesh Daluwatte, the Superintendent

Tamil school on 19 January.

of Springwood Estate.

Planting for the future.

#### **Casa Fuentes news**



Managing Director

where the conditions finally improved in January and February 2016 with excellent growing conditions in March. Unfortunately this improvement came too late to enable us to catch up on earlier lost production. With the season near to a close, crop is expected to be around 15% lower than last year.

Sales were affected by generally lower prices for Argentinean teas and the threat of currency devaluation which finally happened in late December. Buyers were reluctant to enter the market and when they finally did, it was at lower levels and in some cases for reduced volumes.

In order to meet the requirements of some of our customers, we are now UTZ certified, in addition to other certifications including ISO 9001 and Rainforest Alliance.

## **Business update**

The start of the cropping season, which is just about to finish, was delayed by nearly a month due to a late frost in September last year. On top of this El Nino brought very heavy rains during November and December 2015 with both months seeing rainfall in excess of 500 mm. This seriously affected the harvest and caused damage to the internal roads in the tea fields.

New equipment has been installed in our Tabay Tea Factory resulting in our discontinuing the use of firewood in favour of a fully automatic wood chip installation. This change will reduce the cost of production and avoid the risk of accidents. A storage warehouse has also been built to protect the chips from any adverse weather. Within our Sorting Plant at Obera the dust collection system has been totally replaced and a new filter installed. This has made the operation much cleaner and has improved the working conditions for employees. At the same time the internal road in the Green Leaf Tea Factory was rebuilt to enable better transit of heavy trucks. The new Administration Offices referred to in the last issue have now been completed in Obera. This will improve the efficiency of our current operations whilst at the same time we now have sufficient extra space to enable us to take on additional staff to improve the speed and accuracy of our reporting.

Elimination of the export tax of 5% on FOB prices will be very positive for the industry in general and in future will allow us to compete better with other producing countries not penalised by this kind of taxation.

Mention has been made of how we were adversely affected by devaluation of the currency. Whilst buyers sought to benefit from what they perceived as a reduction in our cost of production, experience showed that this benefit was promptly diluted by inflation. The new Government which came to power in December has pledged to do everything possible to tackle inflation which has been a chronic problem in Argentina although it is likely to be some time before this is remedied. Following an agreement recently concluded with the country's creditors, it is good news that Argentina is no longer in default; the future looks more promising as do the prospects for business in the country.

#### **Casa Fuentes news**

June 2016

Below is a selection of images from around Casa Fuentes















- New harvesting machine, Acaragua 2 Dust collector sorting plant, Obera.
- 3 Chips system, Acaragua.
- Administration office, Obera.
- 5 New warehouse, Campo Grande.
- 6 Warehouse for chips, Acaragua.
- 7 Discharging chips, Tabay.

#### **Beverages news**



-commerce continues to go many major brands are now keen to sell directly to consumers across all grocery categories. We are also seeing a resurgence of doorstep deliveries in categories such as ambient, dairy, fish and main meals. The continuing switch to e-commerce appears to show a change to who is actually doing the weekly shop with more men than women now shopping on-line. This also highlights a change in what drives the decision to purchase!

In our core market, private label tea and coffee is still extremely competitive with too many manufacturers fighting for the same business which drives down price and quality.

The roast and ground coffee market continues to be driven by pods and in line with this we have launched private label pods for both Sainsbury and Co-op with initial sales being well ahead of the current poor brand offering.

But how can this benefit us? With the above in mind we continue to devote time to researching and developing our branded offering and investigating those sectors where we can add value. We have carried out consumer research to understand what opportunities are available to us across both the standard roast and ground and pod sectors. Overwhelmingly the feedback we received suggested that the consumer is focused on the strength and quality of coffee together with eve catching packaging. If we get this right interestingly price is then less of a concern. This has led us to develop The London Coffee Company where we have launched a range of four Nespresso compatible coffee pods (Americano, Ristretto, Brazilian and Colombian). To reinvigorate a stale category we have also launched a range of four roast and ground coffees also under The London Coffee name (Brazilian, Monsooned Malabar, Colombian and a Colombia Decaff) in innovative and eye catching packaging with images which focus

on the countries of origin. The retail value of the grocery coffee market for standard roast and ground is worth £142million whereas foodservice is now worth a staggering £7.9billion. To target this growing category we have relaunched our Café Express brand with new eye-catching craft packaging and will



## **Business update**

Shopping habits in the UK grocery market continue to evolve with 30% of consumers now saving they would be happy to buy direct from manufacturers and cut out the traditional supermarket altogether.

focus on selling both to foodservice outlets across the UK and also directly to consumers via e-commerce.

We have teamed up with 'Single Source', one of the UK's largest single portion manufacturers, to ensure that, jointly, we can offer a one stop shop to this market. Together we will provide a range of roast and ground coffee, instant coffee, hot chocolate, sugar sticks and of course London Tea.

Turning to tea we have more work to do to understand how, as a global business, we can add value in this sector. We will investigate how we can drive a resurgence of loose leaf tea, potentially tea pods and, working with our colleagues in Extracts, we will look into liquid tea, iced tea and a natural high caffeine equivalent to energy products like Monster and Red Bull.

To drive this strategy we have recruited Sarah McLelland who will focus solely on the foodservice market and Richard Rockett who, as Brand Marketing Development Manager, will develop the branded offering and help us launch an e-commerce solution for both trade and consumers.

If you would like to try any of the new pods or roast and ground coffees please contact the Beverages team in South Elmsall.

#### **Beverages news**

June 2016

#### **Beverages**

#### The London Coffee Company



fter a review of the coffee market Aand extensive customer research The London Coffee Company has recently been launched as a way of bringing a range of exciting new coffee products to the attention of UK retailers. To capitalise on the growth of the pod sector we have introduced four Nespresso compatible pods.



Americano, Ristretto, Brazilian and Colombiana and to reinvigorate the standard roast and ground category we have launched a range of four premium roast and ground coffee products, Brazilian, Monsooned Malabar, Colombian and a Colombia Decaffative all in innovative new packaging.

## **New Starters**



Justin Dobson Iustin joined the Executive Team as Head of Sales in July 2015. He previously worked at McCains.

Volume 53/No.1



Hannah Jeffrey Hannah started as Assistant Tea and

#### Coffee Buyer on 15 February.

development programme covering both departments and induction into the wider group.

#### Café Express

Retirement

**Dennis Hall** 



With the coffee foodservice market worth £7.9 billion (retail value) we have re-branded and re-launched our Café Express coffee range to capitalise on the opportunities which this provides.

Over the past few months a number of employees who first

joined Finlay Beverages around the time the business relocated to South

Elmsall, have completed 25 years'

Sue Ellis - Production Operative Tea

service with the Company.

Department Head Coffee

## Sally McCarthy

Sallv joined in February as Business Manager for Lidl and Aldi.

### **Richard Rockett**



**Richard Rockett** joined us as Brand Marketing Development Manager on 18 April. Richard will develop, lead and implement

our branded growth strategy in both B2B and B2C sectors.



Sarah McLelland



Sarah joined in March as Business Manager

#### June 2016

#### London Tea

#### Appointments



Sophie Johnson has been appointed LTC General Manager with effect from 1 May. Sophie joined LTC as Marketing Manager

We wish her well in her new expanded role where she will focus on driving the brand.



Mark Holland recently joined LTC as Business Development Executive from Carlsberg. Mark will be splitting his time

between developing new business from our existing accounts and seeking out new customers for the London Tea brand.

#### **Festival Features**



ondon Tea's latest appearance was at the London Coffee Festival, held at The Old Truman Brewery, Brick Lane in April, where we gave trade and consumers alike the opportunity to sample all of our fantastic teas as well as our four new London Coffee Company pods. Having had more positive feedback on our blends and high praise for the 'stand-out' gifting lines, keep your eves peeled for more interactive fun at our next events.

Taste of London - 15 to 19 June **Regents** Park

Lunch! - 21 & 22 September Business Design Centre, Islington

These shows pull in a total audience of over 60.000 including around 6,000 trade buyers, and gives London Tea a great opportunity to sell our fantastic range to enthusiastic foodies from all over the world.



Dennis Hall with Alex Hogg, Operations Director

Dennis Hall, Support Operative, retired on Thursday 24 March after 13 years at Finlay Beverages. Although most of his time was spent in the coffee factory Dennis was also well known in the tea factory and administration offices through his work in the staff shop. His cheery manner will be missed around the site and we all wish Dennis a long and happy retirement.

Long Service

November 2015

Gloria Jobling -

January 2016

February 2016

Keith Peacock – Engineering Storesman Nick Horner - Coffee Roaster

March 2016 Martin Cliff - Warehouse Operative Mark Thompson – Senior QA Operative

- 24 -



and The Co-operative.



for Out of Home Food Service.

Be aware eep an eye on our London Tea

Nebsite and social media over the next 12 months! We're starting an awareness campaign. We started in April with Tea School

on our blog page which will run for a few months to give consumers and customers alike a little more "exper-teas". Have a look at our blog and see for yourself.









In May we launched a three month advertising campaign in Tatler Magazine. The three clips - starting with the Brew Crew tin - will offer a snapshot of London Tea products and feature as part of 'Tatler's Tea Party' products recommended by them.

In July we launch a double page spread in "At Home" magazine. We'll also be participating in a monthly blog on their website, mail shots to their readers and reader competitions throughout the year. Their magazine readership is c1.2 million with many more reading online content.

www.londontea.co.uk/blog/

#### The Brew Crew



istings of our brand new London L Tea gifting lines are gathering steam! We're now listed in Klondyke Garden Centre Groups. The British Library, and independent Budgens and Nisa stores.

#### Sri Lanka news

June 2016



Hunter Crawford **Chief Executive Officer** 

s a result the Company is now private and has changed its name from "Finlays Colombo PLC" to "Finlays Colombo Limited". Some would argue that a small change in our name doesn't amount to much and, in truth, our working lives continue much as before.

It is fashionable nowadays to talk about a company's "USP" and so I will succumb and claim that our "Unique Selling Proposition" in Sri Lanka is our integrity. When customers decide whether to buy our insurance or tea or courier products they tell us it is because they trust us to be an honest partner. When they store millions of dollars of fish or high value pharmaceutical products in our cold store our customers tell us it is because they trust us more than anyone else.

I recall one day last October three of us in our pest control outfits were knocking on the door of a large house in the suburbs of Kandy to offer our services. As soon as we shouted out our company name to the lady of the house, who was at an upstairs window, she told us to let ourselves in and get to work fumigating. She continued to read the newspaper upstairs while we had free rein of her house; such was her trust in our integrity. None of this trust in Finlays Colombo is affected by our change of company name.

## **Business update**

Following a decision by the Board at the end of last year Finlays Colombo successfully applied to have the Company's shares delisted from the Colombo Stock Exchange on 28 March 2016.

Meanwhile, astute tea buying by our purchasing team combined with efficient packing has helped our tea business get off to a strong start in 2016. This includes our green tea factory in Haldummulla which exports its high grade product to Japan, possibly the fussiest consumer market in the world. I find this an amazing achievement but our Haldummulla team calmly performs this feat on a regular basis and seeks ways to further improve.

Our insurance brokering business, one of the largest of its kind in Sri Lanka, has to fight for every dollar of revenue while also closely monitoring developments in the turbulent global insurance industry for any impacts these may have on the local market. There will be threats as well as some excellent opportunities in the years ahead. The introduction of online services will be a key aspect of future competitiveness.

2016 will see the installation of a dramatically large solar panel array on the roof of our cold store in Welisara. Work on this is scheduled to commence later this year and we look forward in due course to much lower electricity bills. Meanwhile the cold store itself is still recording high levels of use.

Our Pest Control and Hygiene businesses continue to pursue their high growth goals, generally with success. As the local economy develops there will be an increasing demand for the services we provide. The challenge is how to maintain reasonable and stable margins in such labour intensive businesses.

So, as we now begin to trade as "Finlays Colombo Limited" we look forward confidently to a future of sustainable growth under our new name, much as has been achieved by our predecessors for a century or more under all our former names.

#### **Finlay Cold Storage becomes** a corporate partner of the **Chartered Institute of** Logistics and Transport Sri Lanka

The Chartered Institute of Logistics **I** and Transport is the leading international professional body for individuals and organisations in the supply chain, logistics and transport sector. Finlay Cold Storage became a corporate partner of the Institute when the programme was relaunched on 22 September 2015. This was recognised in a certificate received by Saveen Gunaratne on behalf of Finlay Cold Storage from the Honorable Deputy Minister, Dr Harsha Se Silva.

#### **Finlay Insurance Brokers** attend Chinese conference



rul Arulanandan Director of AFinlay Insurance Brokers (FIB) recently attended a conference entitled China Enterprises "Going Global" - "One Belt One Road". The event was organised by FIB's business partners Jiang Tai Insurance Brokers Co. Ltd and took place in Beijing on 21 and 22 March. Jiang Tai are leading insurance brokers in China and appointed FIB to represent their interests in Sri Lanka and the Maldives. Arul made a presentation on the "Insurance Industry and Related Opportunities in Sri Lanka and Maldives" which was well received by the large audience of Chinese and international delegates. The Chairman of Jiang Tai also made a formal presentation of a certificate recording the partnership between FIB and Jiang Tai.

at Finlays Colombo



rinlays Colombo celebrated International Women's Day on 11 March. The theme for the day was "Maga Ekai Piya Manina" meaning "we walk the same journey" and focused on the importance of the valuable contribution made by both men and women equally. The half-day session was held for all female employees and 126 women participated.

#### Health & Safety



**F**inlays Colombo have recently undertaken a number of initiatives designed to increase health and safety awareness amoungst employees.



#### **International Women's Day celebration**

The women were greeted with a rose at the entrance and the programme kicked off with a translation of a special message sent by the Managing Director, Hunter Crawford, followed by the singing of a selection of motivational songs.

The day included talks about gender equality in the workplace, domestic violence, physical well-being and suggested changes in lifestyle.

The day was considered a success and similar events are being planned for the future.



Forklift truck operators have been trained and certified, and motor cycle riders have undertaken an advanced defensive riding course.

A new initiative rewards employees for reporting hazards and near misses, with a range of gifts available for everyone who submits a report.

#### **Finlay Flowers news**

June 2016



## **Business update**

As we started 2016 there was a degree of anticipation amongst the team at Finlay Flowers. Because of the secretive nature of 'Project Zara' (see page 38), the number of people involved in the renegotiation of the prices of our products last year was minimal.

s part of the sale, Finlay Flowers negotiated a three year supply contract with the new 'Flamingo Group' which in the end came down to some one to one haggling over fractions of a pence per stem. But we got there in the end and I am pleased to say that we appear to have got it right.

Our Valentine's season passed without incident which was a big relief. We shipped 1.75 million red roses to UK supermarkets in just ten days and all went according to plan.

UK Mother's Day on 6 March was not quite as smooth. We had targeted to supply 1,000,000 stems to the UK, coming out of our new six hectare expansion at Lemotit Farm. Unfortunately a system error in our Mathiola Planning Programme, didn't take into account a notional 53 weeks in the year in 2015 rather than 52, which meant the crop came a week early. As a result we under supplied which was a big lesson to all of us.

Regardless of these 'teething' problems, and all things considered, we have started the year well and are still in a stronger position year to date than in recent years.

Finlay Flowers has been in court with the Kenya Agricultural Workers Union for over two years as we have been unable to sustain the year on year percentage increments in salaries that the Union has been demanding.

The increase in our labour costs has been exponential and now rests at a level exactly double our biggest competitor. Accordingly if we had not done something now the business might not be around in the years to come. Our case was finally heard on 9 March when some strong arguments were made. Unexpectedly. what also came out during the hearings was a greater understanding from our employees. The court was packed with many of our workers, eagerly listening to the case and afterwards a couple of them came up to me and said, "Sasa, tumeelewana," (Now we understand.) Things have been peaceful ever since and as I write we are hopeful of a positive ruling before the end of May.

Other news is that we are nearing the completion of a six hectare expansion on our Lemotit Farm. A larger cold store has still to be completed but all fifteen greenhouses are finished with crop planted.

We are currently recruiting a new Commercial Manager to help us with our sales and marketing and to build our presence in the global market and I am hopeful that he or she will be in place by the next update.

So far, the weather has been on our side and we have achieved the 'launch' in the first three months of the year that is always so vital to our business.

#### <u> World Wetland Day – 2 February</u>









#### Long Service Awards

**T** ong Service Awards have L been made to the undernoted employees of Finlay Flowers who have been with Finlays for 25 years

#### **Junior Managers**

Kepha Segaka

#### **Employees**

Josephine Bosibori Weldon Rotich Kiprono Jane Chepchirchir Eunice Agutu Peter Ngeno Kipkirui Flossy Chepngeno Francis Kiprotich Langat Jane Wanjiku Muchiri Richard Cheruiyot Nelson Maritim Kipngetich Grace Koech Cherotich Jane Ingasia Kidiga Charles Kiprono Stephen Mutai

The environmentally conscious Finlay Flowers' constructed wetland at Chemirei Farm was chosen as the site to mark World Wetland Day. This is globally celebrated on 2 February to raise awareness of the need to conserve natural wetland and create a cleaner and greener environment.

accredited Kericho county with having some of the largest natural wetland ecosystems in Kenya. Efforts by Finlay Flowers to manage the waste water from our operations were commended with Chemirei Farm being awarded a Certificate of

The constructed wetlands were visited by Cabinet Secretary for the Environment, Mrs Judy Wakhungu, and the Kericho County Governor. Professor Sammy Chepkwony.



#### Volume 53/No

This year, the Government Recognition for the good work being done to conserve the environment.

- 1 The Kericho County Governor and his entourage carrying a banner celebrating the World Wetland Day
- 2 A recently completed six hectare expansion on Lemotit Farm.
- **3** Both the Cabinet Secretary and Kericho County Governor and their entourage visiting Chemirei Farm constructed wetlands.
- 4 Mary Opisa, R&D Manager receiving a Certificate of Recognition on behalf of Finlay Flowers.
- 5 Aerial view of Tarakwet Farm.

#### EXTRACTS & INGREDIENTS



**Christian Johansen** 

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As the World becomes more focused on health and well-being, Damin is there to supply it with a wide-range of healthy, natural products. After all, "Dreams Are Made In Nature."

1 Research & Development is an integral part of Damin's operations.

# The Damin story

Christian Johansen, Chief Operating Officer, traces the history of Damin International and explains how it has grown to become the world's leading manufacturer of tea and plant extract.

n the Lantian (Blue Skies) Economic Development Zone in Zhangzhou a pioneering factory stands alone. The six hectare site is still churned up from building works as the factory hisses and steams its way through the first production run. The recently assembled production line turns out its very first order of tea powder; workers celebrate and the sounds of fireworks from this ground breaking moment reverberate around the 16km2 development zone. It is 1995 and Damin has just opened for business.

Fast-forward twenty years and the development zone is fully occupied. Damin Zhangzhou #1 plant's 52.000m<sup>2</sup> facility has expanded across the site. A recently refurbished production centre, boasting spray and freeze-dried powder production, bag-in-box concentrate and aroma capabilities, stands next to a recently expanded R&D centre. A waste-leaf compression system works to reduce water content in extracted leaf to combustible levels. This. combined with waste-wood pellets from neighbouring furniture factories, can fuel 100% of the boilers' needs. Across one side of the site, the landscaped waste water treatment plant hums away as it processes up to 2,000m<sup>3</sup> of waste water per day.

The receiving bay at the warehouse receives a shipment of semi-finished tea extracts from Damin's sister plant in Nanjing, which await their turn for blending into finished products for Finlays. At the same time, the shipping bay sends two batches of extracted Health Products and Pumpkin Latte to Zhangzhou #2 plant for packing into 0.5g and 25g powder sticks respectively.

World's third largest producer of herbal extracts

All three sites work seamlessly: the Zhangzhou #1 plant on R&D, procurement, semi-finished and finished goods production (across multiple categories); the 120,000m<sup>2</sup> Nanjing production facility on large runs of semi-finished extracts; and the 180,000m<sup>2</sup>

Zhangzhou #2 plant (planned size) on liquid concentrates, coffee roasting and grinding together with Health Product and Solid Beverage packaging.

The complexities of today's business would have been unimaginable 20 years ago had it not been for the owner and Chairman, Mr Jiang Aiqing, whose vision was to see the Company become the world's leading tea and natural plant extracts manufacturer. Under his leadership and through his passion and determination, Damin has become the world's largest tea extracts manufacturer by volume, and the third largest producer of herbal extracts.



#### **Finlays and Damin**

Building on an existing suppliercustomer relationship, Finlays and Damin signed a Memorandum of Co-operation in 2005, which initially resulted in a 50:50 Joint Venture to build and operate the Nanjing plant. Finlays exited the Nanjing JV in 2008 and in 2011 acquired 3% of Damin. In 2012 a further 17% stake was taken and in 2015 Finlays again increased its equity holding to 40%. In addition to its shareholding, Finlays has the right to fill the COO and CFO positions within the company.

Several factors were behind the wish for closer cooperation between the two businesses. Firstly, Damin's central location in one of the biggest tea consuming markets in the world, Asia, makes it ideally situated to sell not only its own range of products, but also those of Finlays. Thus Damin is the sole distributor for Finlays products in China which also helps to spread awareness of the Group's products across Asia.

Secondly, Damin's scale gives it significant advantages. Damin supplies close to 70% of the Chinese domestic tea powder business and has a total annual tea extract capacity (powder and concentrate) of 25,000MT. It is also one of the largest suppliers of liquid concentrate in China. Thirdly, Damin has diversified significantly, gaining exposure to a wide range of growing categories. In addition to tea and botanical extracts, Damin is a major supplier of herbal tea concentrates and solid beverage powders, bag-in-box (BIB) concentrates for major fast-food customers, and is the exclusive supplier to a major domestic herbal tea company, as well as several direct-sales health product companies. Despite a relatively small internal coffee market, Damin has invested in coffee roasting, grinding and extraction equipment to serve the needs of both domestic and international customers.

Damin's commitment to diversification is highlighted by its investment in monk fruit. With increasing awareness of health and well-being, Damin has set up in-house monk fruit seedling nurseries and a network of managed farms in Fujian. The extracted active ingredient, which has no calories and is five times sweeter than sugar, is sold to customers in China, Japan and South East Asia. This managed farm network helps control crop provenance and the in-house nurseries significantly improve crop yields from what is a yearly crop. Unsurprisingly, Damin's vision is to become the leading manufacturer of monk fruit worldwide.

Finally, Damin's commitment to quality and consistency makes it a trusted supplier to food and beverage manufacturers. This recognition stems from a focus on quality R&D and production. Both the R&D and main plant production centres have undergone major upgrades in the last two years. The R&D centre has long been a certified National Post-Doctoral Research Station as well as a Provincial Technical and Engineering Centre. The Zhangzhou #1 production facility boasts fully automated Clean in Place processes as well as top-of-the-range equipment from the USA, EU and Switzerland. All of these upgrades are part of a continuous process to stay ahead of the competition and ensure that Damin delivers best-inclass products.

Following two decades of focus on tea extracts in China, Damin has become a multi-dimensional company. Its expansion into herbal teas and other traditional Asian drinks is capturing value from the growing health and well-being segments, as is its range of traditional Chinese health products and monk fruit extracts. Investment in a dedicated Food Service channel team and production capability lets it win in an ever-growing segment of the market. Finally. partnership with Finlays gives it access to a wide range of sources for tea and coffee as well as a worldwide sales network.

#### **EXTRACTS & INGREDIENTS**

# Finlays – suppliers and packers of tea to the world!

Mohamad Faizal, General Manager Sales and Business Development, Finlays Colombo and Mark Lawson, Sourcing and Supply Director, Finlay Extracts & Ingredients UK give a brief insight into the well-known brands their businesses manage and/or supply in some of the largest tea drinking countries in the world.





1 El Arosa tea packaging.

2 Alwazah Tea stall at the Gulfood 2016 -U.A.E. (l-r): Mohamed Faizal – Finlays Colombo, Ahamed Abdul Karim - Jeddah, Abdul Karim S Al Abdul Karim - Kuwait and Chrishanth Ajitkumar – Finlays Colombo PLC.

3 The Alwazah Range

#### From the Fountains of Paradise to the sands of Arabia

The lush green tea estates of Sri Lanka are a far cry from the drv sands of the Middle East. Both locales are even further away from China, the legendary origin of tea drinking. Connectivity is as old as the earth. Take tea, for instance. Actually, let's have a pot!

The quintessential Ceylon (Sri Lanka) Tea and the habit of tea drinking in Arabia are inextricably linked with the influence of the British. The Alwazah (swan in Arabic) tea brand was launched originally in the Hashemite Kingdom of Jordan with the brand owned by the highly respected Sulaiman Al Abdul Karim brothers. Sales were local and concentrated in the West Bank area until the 1967 war saw this occupied resulting in a virtual cessation of the business. However, George Payne & Co. (now Finlay Beverages) were looking to develop Finlays interest in the region and representatives struck up a relationship with the Karim brothers to help market the brand. It was agreed that teas would be sourced from Sri Lanka where the mark was registered by what is now known as Finlays Colombo.

Elsewhere in the world the Karim brothers continue to own the brand although markets are developed in conjunction with Finlays Colombo. The partnership has proved successful over the decades which

Especially chosen to suit the Arab

followed and, phoenix-like, Alwazah Tea established itself across the Arab world and also in other countries with ethnic Arabic communities. As a result Alwazah Tea is now sold from East to

West - from Australia to the United States of America, and is enjoyed by millions of people throughout the world.

Alwazah Tea's popularity is mainly based on the fact that it is a blend of Ceylon Teas especially chosen to suit the Arab palate. These teas are selected from those grown on the gentle lower slopes (typically below 600 metres) of the mountains in the South and South-Western regions of Sri Lanka where rainfall is plentiful and the climate lends itself to the production of these teas. The leaves are carefully chosen and subjected to the most stringent quality tests before being packed and exported under the Alwazah brand.



"The brand currently covers a range of products from tea packed in cartons, tea bags, caddies and cvlinder metal cans."

The brand currently covers a range of products from tea packed in cartons, tea bags, caddies and cylinder metal cans. It also offers a range of tea bags including a fully bio de gradable tea bag without an aluminum staple. The latter design makes it possible for a consumer to brew his/her cuppa in a microwave oven! Alwazah also includes a range of new products including green tea, green tea with mint, saffron flavoured tea, teas flavoured with apple, peach, lemon, and herbal teas flavoured with chamomile. thyme. cardamom and hibiscus as well as Earl Grey.

More information can be found by going to Alwazah's website at www.alwazahtea.com.

Under the cool shade of a Bedouin tent your host offers you a tall glass of golden brown liquid. You sip and it tastes like an elixir of life. Thousands of miles away, on the edge of a rainforest, a woman in brightly colored garments plucks two leaves and a bud. It's connected. Another cuppa anyone?

#### **Pyramids**, Cairo and Tea!

In December Mark Lawson, who is based in London, visited Cairo to meet with one of our major Egyptian clients together with Nick Munyi, and Ken Ingonga, Managing Director and Finance Director respectively of James Finlay Mombasa. Egypt, with a population of 82 million, is one of the world's biggest importing and consuming countries for tea and a lot of that tea comes from Kenya. Tea arrived in Egypt towards the end of the 16th century. Traditionally, tea has been the Egyptian national beverage and drinking tea has played a vital role in the daily lives of Egyptians for generations. A visit to the home of any Egyptian entails a compulsory cup of tea. One nickname for tea in Egypt is 'duty', as serving tea to visitors is considered to be the duty of all Egyptian homeowners, with anything beyond tea considered to be a nicety.



Our office in Mombasa has been trading with Egypt for more than 20 years, forging a very strong relationship with El Arosa the major brand in Egypt. Founded in the early 1990s by the Badaway family when the Government of Egypt liberalized the tea market, it originally traded as Cleopatra before the El Arosa name was adopted.

El Arosa have created a tea which stands out and is much sought after by consumers in Egypt. The Company is now seeking to capitalise on El Arosa's success by expanding into markets in the Middle East, Europe and the US. For more details please take a look at their website www.elarosatea.com

At El Arosa offices we tasted numerous teas to gauge our quality against others. Luckily in blind tastings we came out on top! The hospitality of everyone we met in Cairo was fantastic culminating in a wonderful night time visit to the pyramids. Visits like these are crucial in helping us to understand more about our clients and what they want.

Finlays name may not be on the label of any of the world's best known teas but in some cases that does not mean to say that the Company has not had a role to play in their success!

#### TEA ESTATES SRI LANKA



Naresh Ratwatte

#### I will always look back on my 43 years with the industry, with loads of fond memories."

- 1&2 Naresh Ratwatte an expert in both rubber and tea.
- Richard Muir introduces some new tea to the executive team!
- Facing the camera from left -Mr. Ratwatte, Mr. Mohan Wanigatunge & Mr. Godfrey Dias Wanigasekere.

## Naresh narrates...

Naresh Ratwatte, who recently retired as the MD of Tea Estates Sri Lanka. looks back on his life in tea and rubber and considers what the future might hold for both the Company and the plantation industry in general.



fter 43 years in the plantation industry, the past 24 with Finlays, having survived two attacks on my life by a southern terrorist group in 1989, spending up to seven hours at a time driving on bumpy, hilly winding roads to reach our head office and the 30 estates located across seven districts at altitudes from 0 - 2,200 meters, one might expect me to be tired and exhausted!

My time with Finlays has been challenging in many ways, but most importantly it has been rewarding - such is the world of Finlays. It has been a privilege to have had the opportunity to manage a business founded on integrity and one so culturally diverse. I take pride in what I have achieved and the business I leave behind at my retirement.





Since taking over as CEO in 1995 I can't recall a single dull moment. I have enjoyed each day supported by a fabulous team of loyal, committed and more importantly, results oriented employees. They were always fun to be with and we had a very close professional relationship as I had the pleasure of hiring or promoting most of them!



So what have we done over the years since we took back control of what are now Hapugastenne and Udapussellawa Plantations? Our key achievements can be summarised as:

- Transforming a predominantly tea company into a diversified agri-business and enhancing the asset value of our limited land base. We have ventured into rubber, coconut, eucalyptus and teak, intercropped with cocoa, cinnamon, pepper and agro forestry.
- From being mainly an orthodox tea producer, we have added CTC, Green, Oolong specialty Rainforest Alliance and Fairtrade teas to our portfolio.
- Using a third of the land and half the labour force, we have maintained annual tea production at the same levels they were when we began managing the business in 1992.
- Investing in three new state of the art factories to produce Green, CTC, and Oolong teas.
- Introducing two mini hydro power plants generating useful returns.

- Planting new forest which now covers over 5,600 hectares or 27% of our land area.
- Creating a new canopy and simultaneously converting unproductive land to allow us to grow different crops with higher returns. This has changed the climate, will improve the soil structure in the medium to long term and support the Group's commitment to sustainability.
- Based on the latest research on the potential for carbon sequestration on eucalyptus and rubber plantations, we are hoping to contribute 2.18 metric tonnes (MT) and 2.08 MT per hectare per annum respectively. In total our forest cover will sequestrate over 10,000 MT of carbon per annum or over 200,000 MT of carbon over its economic lifespan. This will greatly help to mitigate the fast growing impact of global warming which is threatening our industry and society at large.
- Paving the way to double rubber production by 2020.
- As part of our commitment to sustainability, we have gained Rainforest Alliance certification for all our estates, except the Ragala group. Until recently these estates were managed by separate managers but we plan to have them certified by the end of 2016.

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Placing the health and safety of our employees at the top of our agenda by investing in programmes designed to create a better health and safety culture amongst our workforce.

#### To achieve all of the above the team has faced many challenges which have included:

- Changing the mindset of 20,000 employees and their dependents all of whom were used to a state sector oriented culture.
- Managing change whilst maintaining a healthy relationship with key stakeholders.
- Overcoming the perceived threat which certain stakeholders saw in the changes we introduced to what had previously been seen as conventional practices.
- Developing a strategic business plan to consolidate and improve the agricultural condition of our estates by way of improving land productivity.
- Rehabilitating and upgrading tea factories and machinery which had been in a deplorable condition to ensure that they embodied the latest technology, hygiene and health & safety standards. >

## 

#### Naresh narrates... (Continued)

"Thanks to all my colleagues and friends without whose cooperation and support none of this would have been possible."

The gradual transformation which has taken place since 1992 is best seen by those who have been to or have worked on our estates or by the people who live in the vicinity.

The Sri Lankan tea industry currently faces some profound challenges, with the worldwide decline in commodity prices, climate change and serious economic and political volatility in most of our main export markets. As a result the prices for both tea and rubber have plummeted to levels below the cost of production

In my opinion none of these problems are new. The industry in Cevlon/Sri Lanka has been resilient to similar challenges for over 150 years and has weathered many storms in the past. We must not forget that this business, which has always been exposed to the adversities of weather, global and local political and economic turbulence and the commodity markets, continues to be the bread and butter for over 15% of the Sri Lankan population who are directly or indirectly employed by the industry.

In future we need to be aggressive and proactive in seeking out and creating new opportunities. We must dispense with outmoded and traditional ways of doing things by moving with the times and taking on board new innovations and technology. Importantly we must continually strive to link wages to productivity. I believe we have made a good start by identifying the challenges, and dealing with many such that it should not be too long before we are able to reap the benefits.

I cannot complete this trip down memory lane without referring to and thanking some of the people who have mattered most during my time with Finlays. Firstly Dickie Juriansz for rightly or wrongly hiring me! Secondly to Richard Muir. who as Chairman of Finlays took the bold decision to re-invest in the Sri Lankan plantations and without whom I would not be penning this memoir: and thirdly Paddy Lappin, the pioneering CEO of the Finlay plantations whose passion for our country and the tea industry was an inspiration to me. Dickie and Paddy. together with Richard Muir gave me the strength, encouragement, knowledge and the exposure to take over the reins from Paddy and in He had a addition the opportunity to become a visiting habit of going consultant to Finlays missing as he estates outside Sri Lanka. crept around These three stalwarts with their vast experience were examples of "genuine lovers of trees, the environment and importantly the tea industry"

Memories are many but foremost are Richard Muir's two visits a year which could be something of a nightmare. Managing Richard was more stressful than running 30 estates and 15,000 employees! His visits were however a great learning curve as he made us all go back to some of the basics which we had taken for granted. Richard hated wasting time and after a long 12 hour flight, we would drive directly to the estates to start what could turn into a very long 18 hour inspection. On arrival at an estate his enthusiasm would overtake my painstakingly drawn up itinerary.

He had a habit of going missing as he crept around in the tea fields scraping the soil with his bare hands to check how deep the roots of the bushes had spread since his last visit. Heaven help us if any root had been stubborn and failed to find its way down beyond the depth of the planting hole. Much amusement was caused by Richard's method for drving his wet field shoes. Travelling back to Colombo from an estate visit he would make me stop the car whilst he removed his shoes, tied them together with the laces and hung them on the car's side mirrors. I would then have to drive back through busy streets with a pair of shoes dangling from my wing mirrors!

I also recall Richard during a field inspection with one of our Estate Managers turning to me and in an angry mood saying "Naresh I want this man fired". I approached both very anxiously and asked Mr Muir what was the problem? He

replied, "I asked him what he thought my qualifications were and he said Accountant" He felt insulted such was Richard's opinion of the accountancy profession!

Thanks to all my colleagues and friends without whose cooperation and support none of the above would have been possible. A special thanks to my loval lieutenants Dhavan Madawala and Ratna Ramanayake who shared all the stresses and rewards of the last 24 years. We may have had our good and bad days in the office but we never failed to catch up over a drink and it was said that a few pubs closed down in Ratnapura when we moved our office to Ingiriya!

I will always look back on my 43 years with the industry with loads of fond memories and I would like to wish Merlin Swire as Chairman of Finlays and his team together with Dushanth Ratwatte, the new CEO, and his team all the very best for the future.

# World day for safety & health

Michaela Halse. Group Health & Safety Committee Secretary summarises the various events held across the Group to celebrate the World Dav for Safety & Health.

ulian Davies. Director Corporate Affairs and Chairman of the Group Health & Safety Committee, challenged all the businesses to come up with some ideas to reflect this year's theme of Workplace Stress -A Collective Challenge. Below is a snapshot of some of the activities undertaken.







#### Head Office & FEI (Swire House)

- Ran a Mindball event Mindball is a fun and popular game in which a ball is controlled with the power of your mind, and it shows your body reacting to stress in real time. The more relaxed you are, the more control you have!
- Provided shoulder massages given by two professional therapists. This was a popular intiative and most staff took advantage of the opportunity to come and be pampered.
- Displayed a series of educational posters on stress and how to deal with the symptoms.

#### **Finlay Beverages**

- Promoted awareness alongside the Depression Awareness Week campaign run by the HR department.
- A presentation giving advice and guidance on managing workplace challenges was screened on televisions in the canteens with extra promotion of the Employee Support Helpline.
- Staff were encouraged to take lunchtime walks rather than sit at their desks.

1 Head Office & FEI (Swire House).

2 Tea Estates Kenva.

- 3 Finlays Colombo
- 4 Tea Estates Sri Lanka.



#### **Tea Estates Kenya**

- Employees took part in various activities, dramas, skits and songs to mark the day.
- Took part in the National Occupational Safety and Health Awards competition organised by Kenya's Directorate of Occupational Safety and Health Services with Marinyn Estate being awarded for best occupational safety and health practice in the Agricultural Sector.
- Saosa factory was awarded first runners up prize for occupational safety and health practice in the Manufacturing Sector.

#### **Finlays Colombo**

- Held two workshops which all staff attended. The workshops were run by a specialist doctor in counselling and human psychology from the Colombo National Hospital.
- Ran a powerpoint presentation on handling stress in the workplace with tips on time management and how to recognise symptoms of stress.
- Distributed handouts on workplace stress.

#### Tea Estates Sri Lanka

- Conducted seminars on work place stress in each of their regions.
- Held a sports event to emphasise the importance of exercise as a stress reliever.
- Gave out leaflets on stress awareness.

#### **FINLAY FLOWERS**



**Steve Scott** 



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*How fast things* have changed. and in terms of exciting, Finlays has not failed to deliver.

# **Finlay Flowers still blooming**

Steve Scott, General Manager, Finlay Flowers takes a look at the business pre and post the sale of the Group's Horticulture Division at the end of 2015.



joined the Group in 2013 when over a coffee, the former managing director of Finlays Horticulture Kenya (FHK), Richard Hechle, shook my hand and said, "Welcome to the team, Steve. I am sure you will find Finlays an exciting and rewarding company to work for." Now, as I sit in my office in Kericho reflecting on those words, they seem so much in the dim and distant past. How fast things have changed, and in terms of exciting, Finlays has not failed to deliver.

Back in April last year, I was first made aware of Project Zara, the intended sale of Finlays Horticulture. "What, all of it?" I think was my initial reaction, and with grave nods, Ron Mathison and Julian Rutherford said, "Yes - except Finlay Flowers."

Finlay Flowers first came into existence in 1989 and was the brain child of Richard Muir. Tim Barton. and the then Superintendent of African Highlands Produce, now James Finlay (Kenya), Nick Paterson. The funny thing about the birth of Finlav Flowers is that if you were to look at the concept on paper, you would never dream of developing a flower farm in Kericho. There is just far too much rain. The humidity is surely way too high? However, at the time the horticultural industry in Kenya was reaching new heights and business was booming. Companies like Homegrown and Oserian had managed to tap into the UK supermarkets with enormous success and Finlays decided they wanted a piece of the action.

The first farm to be built in Kericho was simply called Flowers 1, now fondly referred to as Tarakwet Farm. Initially alstroemerias and standard carnations were grown with, much later. sweet heart (small headed) roses. These were sold through a third party called World Flowers which was the marketing arm of the Oserian Development Company.

ODC had links to the UK supermarkets and demand considerably out weighed supply so they were glad to have Finlays on board as an out-grower. The initial years were a great success and this led to the development of Flowers II (now Chemirei Farm) in 1996/1997. initially as a standard carnation farm, but later in 1998/1999 with roses. It is now a 38 hectare rose project and is where our head office is located.

As time went by and the business expanded it was felt that Finlays needed to be 'closer to the market and the customer". Unfortunately news of the Group's thinking leaked resulting in World Flowers terminating their contract. Luckily Swire were quick to agree that Finlays could make an offer for Flamingo Holdings, a small empire built up by the fabled Kenvan entrepreneur Still one of Dicky Evans. The business the biggest consisted of, not only two single flower large production bases in companies Kenya, totalling around 400 hectares, but crucially flower distribution depots in UK, at Spalding and Sandy, which already had important supply contracts with many of the high end UK Supermarkets. Also included in the purchase were businesses in Holland and South Africa all of which were augmented by Omniflora, a German flower distribution company already

When it was decided to sell everything bar Finlay Flowers, you can now see why my initial reaction was one of some alarm. Nevertheless it was understood by all that Finlays could not compete at a global level effectively in both beverages and horticulture.

owned by Finlays.

Better to be great at one thing than just good at two.

So where does this leave Finlay Flowers? In the grand scheme of Swire and Finlays, our business is just a blip on the radar. However we are still one of the biggest single flower companies in Kenva, with in excess of 100 hectares of crop planted. Despite the changes and various upheavals, Finlay Flowers has had a track record of success year in, year out. That, coupled with the simple fact that the farms are so integrated with the IFK tea estates, meant that it would have been very difficult to include Finlay Flowers in any sale, so it wasn't!

As the sale of Finlays Horticulture was reaching its conclusion at the end of last year, there was a lot of uncertainty, and customers and employees alike were asking questions about the future of Finlay Flowers. At the same time we had identified an opportunity for growth in one of our crops, mathiola which required a six hectares expansion of our Lemotit Farm. This was an unscheduled, unbudgeted expansion but nevertheless we were supported with the necessary investment

> which successfully allayed any fears that the Finlays board had deserted us! On the contrary, they intended to actively

Finlays Horticulture has

been renamed the Flamingo Group and we have now become an out grower to our former colleagues under contract for the next three years, after which open book will prevail. Our main focus for now will be to build our commercial department and with this in mind we are currently in the process of recruiting a commercial manager with experience of Sales and Marketing in UK to help us drive this forward. I am pleased to report that despite the uncertainty around Project Zara and how this would impact on the business, Finlay Flowers has had a successful start to 2016, a year in which we aim to produce 130.000.000 stems.



support us and continue to invest in our business. Our business remains dominated by selling intermediate roses to UK supermarkets but we also have highly successful crops of mathiola, carnations, and alstroemeria together some exciting new crops to add to our portfolio in 2016 in the form of campanula, spray veronica and dianthus.

When I am asked about the future of Finlay Flowers, like all rapidly evolving businesses, it is difficult to say. My approach has been to build the business through the innovation of new products and the development of new global markets. Rather than reduce the number of people we currently employ we hope to grow the business as much as possible to absorb the ever increasing cost of labour.



In addition, without losing focus on our core business, we would like to develop in other areas which could support the wider Finlays group, whether this is in the form of growing monk fruit as an artificial sweetener, herbs for the tea extracts business or rose oil in support of the JFK out grower business. All of these ideas are currently being investigated.

I had mixed feelings when the sale of Finlays Horticulture took place, mainly because those on the other side of the fence were my friends and I knew I would miss the comradery that comes with being part of a larger team. That said, since the sale, Finlay Flowers is far lighter on its feet as a result of not being part of a much bigger organisation. The feeling is one of autonomy. We are now free to make the decisions we want to make and have more control over our own destiny with the vital support of the Finlays board. For this reason I see a bright future for the business and I look forward to building it to being even greater than it is today.

#### **EXTRACTS & INGREDIENTS**



#### GROUP



#### **Rachel Jones**

s I write I am in my fifth week at Finlays having spent the first three at Swire House, speaking to and learning from colleagues about our supply chain and the markets in which we currently operate. Spending time, slurping (albeit there wasn't much of a 'slurp' from me!) has been fascinating. As someone new to this I must admit that as an average tea consumer I had taken for granted the different factors influencing taste and appearance.

## **First** impressions

Rachel Jones, Head of Commercial Business Development at Finlav Extracts & Ingredients gives her initial thoughts on the business having joined the Group with a wide ranging remit earlier in the year.

This then takes me to my fifth week which I have just spent at Finlay Beverages in South Elmsall. Margin pressures and saturation of the UK retail market is something I had experienced with my previous company. Although the tea business and the market in which it operates is challenging, I was surprised by the opportunities that exist. I say this for a couple of reasons; we are the only tea packaging business that owns the supply chain and can truly claim integration, and we have an

As I have been spending time with people across the business, a common question I have been asked is "Why did you want to work for Finlays" my answer, every time, is consistent; "because I see huge potential for the business to truly excel" If anything this view has now been heightened. There are common themes coming out of my first few weeks all of which are important in delivering great business results 1. Passion – people have a true and genuine desire for the business to achieve great things. 2. An acknowledgement that the business has opportunities to improve its way of working by making better use of its scale and global reach. If this can be achieved the rewards will be profound.

To sum up my first impressions ... it is an exciting time to be joining Finlays and I am delighted to be a part of such a great team. The knowledge and experience that exists within the business is an asset. I am looking forward to working across the Group to deliver value in both current and new markets, ensuring that the customer stays at the heart of what we do and that development is led by our ability to align our operations to the needs of the market and customer.

I am now looking forward to spending time 'on the ground' and vising our tea plantations of which I have heard so much already.



his year's report reflects a changing business not just with the sale of the Horticulture Division but also our approach to, and the scale of our various projects.

From 2015 businesses have set their own medium term targets on environmental issues. Performance was generally good across water, waste, energy, and carbon. In 2015 86% of our energy came from renewable sources such as biogas, hydro, waste biomass (cocoa husk, sawdust, paddy husk), sustainably grown timber and solar. At the same time we have reduced direct non-renewable energy which is 31% lower than in 2013.

Water usage met our target of 1.96 million m<sup>3</sup>.

Although our waste figures have gone up, this is due to better recording of organic waste from Saosa. Notably Finlay Beverages continued to achieve zero to landfill. Finlays Flowers reduced landfill by 32% due to the use of integrated pest management solutions leading to a reduction in the application of chemicals with less associated waste.

Greater awareness of sustainability issues amongst Finlays Colombo employees has resulted in a range of new actions and innovative ideas. An example is the successful trialling of solar lighting tubes to replace ceiling lights.

In Kenya the Integrated Sustainable Landscapes (ISLA) project was launched to protect and restore the South West Mau Forest. The forest is crucial to mitigating climate change in the region and for ensuring favourable growing conditions for tea and other agriculture. The ISLA initiative looks to address the key issue of deforestation and is made up of local stakeholders facilitated by the Dutch development organisation IDH.

Turning to social issues, Developing the Kericho Athena gender empowerment programme has made great strides in 2015 by promoting an inclusive workplace for all employees. The programme covers a wide range of issues including, employee awareness, school mentorship programmes, female apprenticeships and the launch of a female management training programme.

Throughout 2015 the businesses were developing ambitious plans for 2016.

Finlays Colombo will be commissioning a 954Kwp solar power installation at their cold storage facility while Finlay Extracts & Ingredients at Saosa are constructing and installing an effluent treatment plant, which has been pioneered by their in-house team. Also in Kenya we are rolling out an energy strategy which will take into account the future needs of all three of our businesses operating in Kericho.

#### "It is an exciting time to be joining *Finlays and I am delighted to be* a part of such a areat team."

I then headed over to the US where I spent a week at several sales & innovation sessions to understand the state of the US market and how Finlays can position itself to ensure maximum exposure and commercial gain. This included the team reviewing those markets and customers which Finlays currently serve and the opportunities to capitalise on these, as well as scoping out potential new markets where we can add value. The week was not only hugely informative on the 'here and now position' but it was also great listening to the ideas that the team had for the future of the business.

The commercial value of being able to change consumer purchasing habits from one of brand loyalty to a desire to connect with producers is vast. Watch this space for the work the team are also doing on coffee and brand creation! I am genuinely enthused by the opportunity the business has to create a niche for itself which is fully in line with what, not only UK but also global customers want.

ability to differentiate with our

UK retail customers through our

diverse product range to which

with a potential extract offering.

we can add value and leverage

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#### Michael Pennant-Jones, Group Head of Sustainability picks out some of the highlights from the Group's 2015 Sustainability Report and looks to the future.

ambitious

plans for

2016

In Argentina we are going to explore potential conservation projects for the Atlantic rainforest which covers much of Misiones where our estates are located. Much like the Mau in Kenva, this forest regulates the climate ensuring that we can grow sustainable tea; it is the last forest of its kind in the world.

Looking to our social projects, we will be moving to the next stage of our village empowerment programme in Sri Lanka.

Residents will be renaming the estate housing labour lines with village names as we seek to increase their ownership of the properties in which they live. This will strengthen

the community and the company's relationship with employees and their families.

Finally in 2016 the Athena programme heralds the start of the rollout of a comprehensive ethical plan for all the Group's employees which we hope ultimately to introduce into our supply chain.

Overall 2015 saw a marked improvement in performance and the increased development and implementation of a wide range of sustainability related projects.

The full report will be available from July online at www.finlavs.net or by contacting Swire House.

#### **EXTRACTS & INGREDIENTS**

# Getting to grips with Saosa

In recent years the Company's Kenyan extracts plant has faced a number of challenges. Andy Bulman has recently taken over as Soasa General Manager and explains how these are now being addressed.

oing into 2016 four priorities were identified for Saosa; **J** to further improve the safe operation of the business: the successful delivery of a major project to improve effluent treatment: to increase the plant's throughput to its theoretical capacity and to improve the efficiency of the plant by focusing on quality and yield. After many challenges in 2015 the team have worked hard to create plans to deliver these objectives.

As well as occupational safety (what we see every day with slips. trips and falls) we have been developing improved process safety (preventing the energy in the process from causing harm). A 'Courage for Safety' programme supporting this is about establishing good behaviours right across the team where everyone looks out for each other. Progress is pleasing and safety is becoming a much more common topic of conversation. Our vision is 'zero harm' and it is pleasing to see the whole team working to achieve this objective.

We have a substantial capital investment plan for this year, and have been working closely with the London Programme Management Office team to implement new project management processes to help ensure success.

Equipment for treating the plant's liquid effluent is currently being manufactured in Europe, the area required for its installation has been cleared and work has started to create the foundations ready for when the equipment arrives. This is a really important development for Saosa which will make the business more sustainable in the future.

The good news for Saosa is that our products are in demand across the world. The challenge for us is to increase the throughput of the plant to take advantage of this demand. The slogan of our World Class Operations programme is 'Pamoja Twaweza' - Swahili for 'Together We Can'. Great morale and teamwork are making a difference with everyone behind the effort to achieve our throughput targets and give customers what they want. In March the factory took a much needed 11 day outage to carry out some essential remedial work. This opportunity to get the key plant areas back to baseline condition could not be missed. Central to this were improvements in the 'extraction' part of the factory. After many years struggling with the performance of the centrifuges that separate the spent leaf (the decanters), maintenance and operation are now back in control with both yield and throughput benefits being realised.

The capability of the team is also critical to delivering the performance expected. Accordingly training and development have become a core activity including the use of City & Guilds engineering courses. The results for those attending the first courses were exceptional with attendees very

Great morale and teamwork are making a difference

much enjoying the experience and becoming better at their jobs. Not to be left out, the Production teams took the outage opportunity to visit the tea factories in Kericho to learn more about green

leaf preparation in order to maximise production. This is a great example of working together with our close neighbours so that Finlays as a whole becomes a stronger business.

So what does the future hold for Saosa? The order books are full, and tea extracts are fast becoming a real point of advantage for beverage companies who wish to add value. With this comes the opportunity to develop new products and bring more value to the Finlays business. These are very exciting times indeed – Pamoja Twaweza!

#### TEA ESTATES KENYA

# **Solar solutions** to Kenya's power problems

Jo Millar, Sustainability Manager, reports on an innovative initiative designed to improve the lives of employees and their families in Kericho

**7** ericho is at the centre of Kenva's large tea industry and home to James Finlay (Kenya). Over the years the Company has made it possible for staff and their families to live near to their work by establishing residential hubs within the tea estates. As a result JFK is home to approximately 11,000 employees working and residing on the estates of which only about 7%, mostly senior staff, are connected to the main grid. The majority of employees live in scattered different sized villages which, currently, do not have access to electricity. Presently off-grid households use kerosene and firewood to meet their domestic energy needs. The Company's long term goal is to give these employees access to modern forms of energy.

To address this, the Company in 2015 trialled a 3kW photovoltaic system coupled with 31kWh of battery storage at Victoria village on Marinyn Estate, and are currently studying the feasibility of expanding the system throughout all the estates. Rather than having individual panels for each house, the system, which is unique to Kericho, uses a solar hub which is linked to homes as well powering security lighting throughout the village.

1 Io Millar hands over the Swire Group Best Sustainable Project award.



The project was launched to study the feasibility and viability of supplying solar powered energy to all off grid residential villages within JFK, and thereby allowing employees to power electronic devices and reduce their dependency on increasingly expensive paraffin whilst improving their access to efficient lighting, communication and information.

The system works by employees buying units of power in the form of pre-paid bundles which are available for purchase at anytime using mobile phones. Users are also able to exchange or forward credit to their colleagues and can undertake electrical safety courses.

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The success of the project was recognised at the 2015 Annual Swire Sustainable Forum held in Hong Kong at the end of last year. Michael Pennant-Jones, Group Head of Sustainability and Io Millar. Sustainability Manager gave a presentation on the project and were on hand to pick up the Best Sustainable Project Award.

The award included a trophy and vouchers which the team decided to spend on educational tools for the local school of the participating villages. Kitumbe primary school. These included atlases, oxford dictionaries, human anatomy books, maps and geometry sets.

#### EXTRACTS & INGREDIENTS

# A day in the life



#### **Yvette Tafari**

#### What is your job title?

Sustainability, Health and Safety Manager

#### Where do you work?

James Finlay Mombasa Limited, Kenva.

#### How long have you worked for Finlays and have you always done this lob?

I have worked with Finlays for almost five and half years. Initially I joined the company as a management trainee from University and briefly had a role in Human Resources. I have been four years in my current role Sustainability, Health and Safety.

#### Please describe what a typical day is like for you.

My job doesn't really have a 'typical day' since I am on 24 hour call for general emergencies and have to be prepared to respond to any safety problem. Also, depending on the scheduled activities, some days could be spent away attending safety training courses, or facilitating in-house training.

However, generally my day starts at 7am. with a briefing from the security and operations personnel on any H&S issues that need to be addressed and updates on the day's plan. If we are using contractors I ensure that they have been properly briefed and updated on our H&S procedures and that they are complying. This is followed by a random/scheduled site inspection to check that policies and procedures are being properly implemented and adhered to.

I normally dedicate the rest of the day for office related duties such as documentation, reports, meetings and the like. I leave work usually around 4:15pm crossing my fingers and hoping not to encounter the crazy Kenvan traffic while looking forward to spending time with my family.

#### What are your three best attributes?

I believe I have unwavering professional ethics, keen attention to details and am passionate about my job.

#### Did you think you'd end up where vou are?

Not exactly!! I knew I would end up in a career that involved a lot of interaction with people, having majored in sociology/psychology as an undergraduate. The corporate aspect was a twist as I always believed I would end up working in a refugee camp possibly in Daadab but I definitely prefer my current role.

#### What do vou like most about your job?

The thing I enjoy most is the diversity of my job, I love that I work with people in different settings to achieve the necessary legal standards and accepted good practices and that my job has a perfect balance of office and field work.

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#### What has been your proudest achievement at work?

This has to be our last health and safety audit score. This went up to 67 from 45 when we were initially audited and is because of the enhancements we have made to our health and safety system both in terms of effectiveness and awareness.

#### What is your motto in life?

The standards you walk past are the standards you accept this quote challenges and motivates me on my day to day life not to conform blindly or just accept the status quo.

#### What would you have done if you didn't have this job?

I would love to have worked in a refugee camp or a child in need-based project.

#### What is the most treasured possession in your office?

Other than my dedicated team, as weird as this may sound my safety shoes. If I came to work and realised I didn't have my safety shoes I think I would have a mini panic attack!!!

#### If there was one thing you would change about your job - what would it be?

I would ensure Health and Safety awareness is at a global level within and without the company. Currently it's more challenging to deal with non-employees in terms of complying with health and safety standards. I would want to change the mind-set to a "Positive Safety Culture" where everyone wherever they are, take ownership and responsibility for their own safety and those around them.



#### Paula Labree

#### What is your job title?

Senior Production Manager

#### Where do vou work?

Finlay Extracts & Ingredients USA, Inc.

#### How long have you worked for Finlays and have you always done this job?

I have worked for the company for nine years of which seven were with Autocrat before they were acquired by Finlays. Prior to this I worked in the automotive industry.

#### Please describe what a typical day is like for you.

Production runs 24 hours, 5 days a week. Three out of five days, I start at 05.00 a.m. I begin the day by doing a pre-operation inspection of the production room. Next. I meet with the 3rd shift team. which consists of four employees that roast and extract coffee. Around 6.00a.m. I go back to the office where I meet the 1st shift production team. of around 15 employees to go over the packaging schedule for the day. After this every day is different depending on the production challenges that may arise.

Most days consist of checking e-mails, processing new product introduction forms, as well as, Product Change Notices, and other various duties required by production. At the end of the day I meet the 2nd shift team of four employees and the sanitation team, before leaving to go home. Every day is different in the production world as we are always changing gears to adjust to production demands. Our main goal is always to provide our customers with a high-quality product.

I enjoy ending the work week by going hiking, cycling and especially motorcycling.

I have been in love with motorcycles from the time I was a little girl growing up in the Azores, Portugal. I obtained my motorcycle license six years ago, when I learned how to ride. I started with a small 250cc Hyosung motorcycle; once I mastered this I wanted something bigger. Next I got a Kawasaki 900cc Vulcan ... nice bike, but guess what? I wanted something even bigger!! I always wanted a Harley Davidson and in 2013 I finally got one. It's a 2013 Street Glide 1690cc. I absolutely love it. I think I'm stuck with this one because they don't make too many bikes bigger than this. When I'm riding along country roads listening to my tunes, I feel so relaxed. It's a great way to relieve all of the day's stresses.

Riding season is almost here. I can't wait!

#### What are you three best attributes?

- Adaptability - Commitment
- Dedication

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#### Did vou think vou'd end up where vou are?

I do know that if a person has a certain drive and dedication inside of them, many things are possible. I have worked very hard all my life to get to where I am today.

#### What do you like most about your ioh?

I'm very proud to be part of a great team with a lot of experience in roasting, extraction, batch making and packaging. There's nothing we can't do when we put our minds together.

#### What has been your proudest achievement at work?

Building bridges between the production group and the various different departments in the organization and working together as a team to achieve the same goals.

#### What is your motto in life?

Life is good. Enjoy the ride.

#### What would you have done if vou didn't do this job?

I have a vast knowledge of manufacturing. I have had many friends in manufacturing who have guided me along in my career. I guess manufacturing is in my blood.

#### What is the most treasured possession in your office?

The most treasured possession in my office is a picture of my rescue dog Maggie.

#### If there was one thing you would change about your job - what would it be?

To accommodate growing demand and new customers. I would increase our capacity by adding more square footage and equipment to our production room.

#### Announcements

### June 2016

#### GROUP

## **Rirths**

#### **Head Office**

Ung On 19 March, to Sabine Ung, Financial Controller, James Finlay and Csaba Pato, a son, Scott.

#### **Finlay Beverages**

#### Blackwall

On 17 March. to Anna Blackwall and Thomas Blackwall, Coffee Development Manager, a son, Isaac Owen.

#### **Finlay Hull**

#### Copeman

On 29 March, to Lynsay Johnson and Adrian Copeman, Supervisor, a son, Dylan Thomas.

#### **Casa Fuentes**

#### De Lima

On 18 March, to Graciela Teresa Antunez and Waldemar De Lima, Operator, Campo Grande, a daughter, Aylen Valentina.

#### Gauna

On 18 February, to Nancy Elisabeth Ortiz and Alexis Gauna, Operator, Tabay, a daughter, Brenda Jazmin.

#### Saproski

On 1 March, to Perla Adriana Garcia and Carlos Ariel Saproski, Operator, Acaragua, a daughter, Lutmilla Yoselin.

#### **Tea Estates Kenva**

#### Chepkwony

On 19 February, to Winny Chepkoech and Daniel Chepkwony, Quality Assurance Assistant, Kymulot Factory, a son, Godwin Kibet.

#### Kibet

On 27 December 2015, to Hilda Kiplagat and Ezekiel Kibet, Estate Assistant, Cheptabes Estate, twin daughters, Prudence Chepchumba and Ivyne Chepngetich.

#### Kirui

On 25 December 2015, to Mercy Kirui and Robert Kirui, Nursing Officer, Marinyn, a daughter, Noela Chepkorir.

#### Ronoh

On 5 January, to Monicah Ronoh and Weldon Ronoh, Clinical Officer, Kaproret, a son, Morfat Kiprob.

#### Terer

On 24 November 2015, to Fridah Terer and Kenneth Terer, Quality Assurance Assistant, Changana Factory, a daughter, Dorcas Chelangat.

## Marriages

#### **Casa Fuentes**

Galeano – Da Silva On 19 February, Facundo Nicolas Galeano, Operator, Obera-Libertad, to Damaris Belen Da Silva.

Estigarribia – Aguirre On 12 February, Claudio Ariel Estigarribia, Operator, Tabay, to Caroline Hilda Aguirre.

#### **Finlay Pensioner** Celebrates 60 Years of Marriage



Jimmie and Muriel Bain celebrated their 60th wedding anniversary on 4 February. They were proud to receive a congratulatory card from Her Majesty the Queen.

## Lives remembered

#### We are sad to report the deaths of the following former members of the Finlays family.

#### **James Finlay**

#### Hutchison On 20 April Mary Christine, aged 92 widow of Robert Hutchison, Group Accountant

Encarnacion, aged 77.

#### Leslie On 7 January, Gideon, aged 77 Commissionaire, Head Office

Mascarenhas On 3 April, Olivio Angelo, aged 89.

#### Sprott On 28 March, Francis, aged 80. widow of Daniel, Commissionaire, Head Office

Taggart On 11 March, Joyce, aged 91 widow of Norman

#### over six years and left the Company in February 2012. She leaves a husband Cliff.

#### **Tea Companies**

Wetherell On 25 November 2015, Alan aged 89, Former planter South India. Alan was the last South Indian planter to regularly attend the London Pensioners Reunion. He leaves a wife Pamela.

## **Finlav Beverages**

#### Ortega On 15 September 2015,

Sturgeon

Tween

Patel

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On 4 February 2016 Yashavantkumar, aged 62. He leaves a wife Ranjan

On 11 March, John Hurrell, aged 88, tea buyer and taster based at Croydon. He leaves a wife, Audrey

On 11 October 2015, Lorraine, aged 58 Tea Factory Production Operative and also Trade Union Representative. Lorraine was an employee for just







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