

“IF YOU don’t study hard, you can go and fry peanuts” was the “threat” that hung over Esther Loo and her generation when they were growing up, she recalls with a laugh. Ms Loo joined the family business in 2010 not, it should be clarified, to fry peanuts – the family snack business had automated most of the processes – but to help spearhead a series of rebranding exercises to keep the brand relevant.

Tai Sun (Lim Kee) Food Industries – synonymous with its namesake Tai Sun nuts – was started by Ms Loo’s grandparents. Her grandmother, mother and two uncles are still in the business; members from the third generation (including Ms Loo) have since joined the ranks.

BUILDING AN EMPIRE FROM PEANUTS

Tai Sun’s beginnings started in the kitchen of Ms Loo’s grandparents, Han Yew Lang and her late husband, Lim Jit Syong. Mdm Han would produce salted nuts that were sold to bars and restaurants in 10 kg tins. She also expanded her repertoire to include *ikan bilis*, *keropok*, and other fried snacks – while raising three children.

“You couldn’t find packed peanuts in those days. The bars would buy loose peanuts, peel them, and then sell them at a very high price. One plate of peanuts in those days would cost S\$1. So that captured my dad’s attention, and he started producing peanuts and supplying the drinking places. That’s how the business started,” says Winston Lim, Ms Loo’s uncle, and a director at Tai Sun. “In those days, everything was peeled by hand, so there’s limited supply. Whatever you produce for the day is sold.”

The company turned to automation in the 1980s for a familiar reason – manpower shortage – but the cause of the shortage was most unusual. The public Chinese television channel had in the 80s started airing popular Hong Kong drama serials, and everyone wanted to make sure that they caught the latest episodes that were screened on Thursday and Sunday evenings. Staff would refuse to work the evening shift on those days, and the manpower situation became dire.

But automation turned out to be a fortuitous move, as business “really kicked off” says Mr Lim. The company had by then expanded its product range beyond peanuts. In 2008, it launched Nature’s Wonders brand of premium



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– Esther Loo (left), marketing manager, Tai Sun (Lim Kee) Food Industries



PHOTOS: YEN MENG JIN

NO NUTTY BUSINESS

BY MINDY TAN

With three generations on board, family business Tai Sun took to automation very early on and is constantly improving so as to stay ahead of the pack

nuts – these nuts are baked and are targeted at health-conscious customers – and it also had under its belt a range of potato chips.

“In terms of product quality, we came up tops in blind tests. But in terms of brand recall, we realised we need to work on it more,” says Ms Loo. “I think (younger people) know Tai Sun . . . I know that when I go to my auntie’s house, I eat Tai Sun chips; but when I buy, I pick Lay’s for example. Because that’s the brand to buy, it is top of recall. With the rebranding, we are trying to change that a bit.”

Ms Loo worked for other firms for seven years after she obtained a degree in media and communications from the University of Melbourne. This marriage of practical experience and personal affinity for nuts made her well suited for the new phase that the business was entering.

One of the things that Tai Sun did was to segment its products. In 2011, it launched the UCA brand of gluten-free, trans fat-free cassava chips; and in 2013 launched the Treatz brand of potato chips. In line with the branding, the packaging was updated to reflect pop colours and gourmet flavours including lime and black pepper, *wasabi* and cheese.

Nature’s Wonders – already a main value driver for Tai Sun – was also revitalised. The existing range was

expanded from four to five types to about seven. “When we launched this, apart from the fruits and nuts mixture and royal mix, all of the nuts were singular variants. In recent years we’ve started to mix them, and have seasonal mixes and festive mixes. They have done pretty well,” says Ms Loo.

According to Mr Lim, the volume of Nature’s Wonders nuts sold has increased by about 48 per cent over the last two years. The fact that these are premium nuts, thus commanding a higher price, makes it one of the main value drivers for Tai Sun.

“With that increase, we’ve also looked into how to give our nuts a longer shelf life. So we’ve also changed our packaging,” says Mr Lim. “Previously, our packaging had a plastic window but late last year, we changed the packaging to full foil. With the foil pack, it has additional freshness because no UV (ultraviolet) light goes in. Plastic has no moisture and gas barrier whereas foil has a higher barrier which is why you can keep the freshness longer, from three months’ shelf life to a year.”

It is such constant improvements that allow Tai Sun to stay ahead of the pack. Says Mr Lim: “We bought our first potato chip line 32 years ago. But 32 years ago, the line did not cater for what we want today. About five years ago, we made an investment to upgrade the machine. This machine caters for many things –

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TOUGH NUTS TO CRACK

Ms Loo (left) and Mr Lim are thinking out of the box to increase the reach of the company's products

crispness of the chips, even to the extent of the waste. “Also, for example, when handling our chips from one point to another point. Now, we have a better conveying system which also caters for less breakage of the chips. In the past, during packing, our chips had at least 30-40 per cent breakage. But now when you open a pack of chips, all the slices are perfect. So these are the minor things we look into when we upgrade.”

CRUNCH TIME

The next stretch for the company, which celebrates its 50th anniversary this year, is to increase the reach of its products. The team is now working on creating smaller packaging for the nuts. According to Mr Lim and Ms Loo, they are thinking out of the box and looking to supply gyms and schools with smaller pack sizes. The company already does a lot of sampling and awareness raising with this demographic, from tying up with events such as *Shape* magazine’s annual Shape Run and sponsoring exam packs at universities. “It’s more about increasing the reach than increasing the range. We don’t want to put something in our bags and our brands just to have 10 more items. We are focusing on how to make our products better and expand into new areas,” says Ms Loo.

The company is also looking to participate in the Food and Hotel Asia trade show for the first time to further raise its profile. The event, which is held on a biennial basis, is widely regarded as Asia’s most established trade exhibition of its kind. Internationally, Tai Sun’s products are sold in Hong Kong, Taiwan, China, Australia, the South Pacific, the Middle East, and the US. According to Mr Lim, the Middle East is currently its biggest overseas client. “In one year, we can have close to 100 containers going there. In one month, during their peak period, we can have over three million packs of our nuts going there. So it’s a very big market for us.”

But with its factory operating at only 70 per cent capacity, Tai Sun is still hungry for expansion. Says Mr Lim: “We are now starting to look at the India market which is amazing . . . it’s quite big! But then, to establish a market is not easy. You need time and you need patience. “We’ve been talking to some companies that have established for example, a market in Russia or the Philippines. We want to tap them, maybe on a joint venture basis. And then, maybe we can tap them to go on and explore bigger markets and expand. We’ve been looking at this for the past two years.”

KEEPING IT IN THE FAMILY

Ms Loo says that she is thankful for the guidance of the second generation. “My mum and uncles were thrown into the business. They didn’t have a choice to wait for another two years or so. For us, we had the luxury of time to grow into the business. They also had the time to ready themselves for us. When we came in, I think they themselves were also prepared that things are going to change.” It of course helps that the second generation are quite modern in their leadership style. Says Mr Lim: “We do give them room to explore. To me, if you don’t try, there is no gain. So the more you try, the more experience you gain. (When it was) the three of us, the company was small, so it was easy for three of us to manage. My sister handles administration and purchasing, my brother does production, and I do sales and marketing. But from the 70s till now, more than 30 years, the company has grown seven times. “It has become so big, and the sector is so different. Now you have things like ISO, quality assurance, new marketing trends, brand awareness. This is why the next generation needs to come in to look into all these matters. And then there’s IT (information technology), automation, this and that. We need people.” ■