SINGAPORE’S EVER-MOVING FEAST

The food manufacturing sector here is going through a revolution, with forward-looking firms investing in R&D to meet needs and keep up with the latest food trends.

BY VIVIEN SHIAO

ALK about food manufacturing in Singapore, and it is quite likely that one would conjure up an image of a traditional factory still stuck in the past, run by silver-haired workers toiling over primitive machines or steaming vats of chow. But step into food manufacturing plants operating here and be prepared to be blown away by how modern and cutting-edge the industry has become.

Instead of relying on manual processes and cheap labour, the sector is rapidly shaking its reputation as a sunset industry to emerge as one of the hottest areas to watch as innovation and technology shake things up.

Beyond just using machines to boost productivity gains, the entire food manufacturing sector is going through a revolution, with forward-looking firms investing in research and development (R&D) to meet needs and keep up with the latest food trends, such as health food and nutrition for the elderly.

Food manufacturing is not just about food per se—it spans an entire spectrum ranging from food waste to food packaging. Innovative firms in Singapore are making great strides on these fronts by coming up with eco-friendly solutions that reflect the shift in the mindset of consumers today.

This issue, we examine what the future of food manufacturing holds for Singapore and take a look at what small and medium-sized enterprises (SMEs) here are doing to push boundaries.

A TASTE OF THE PAST

As a nation of food lovers that takes gastronomy very seriously, it seems almost inevitable that food manufacturing has a significant role to play in Singapore.

In 2017, the sector contributed 1.1 per cent to the economy, or S$4.3 billion to Singapore’s gross domestic product (GDP), and employed over 48,000 workers. This is a S$0.5 billion increase in value-add from 2016. Exports make up about 60 per cent of the industry’s manufacturing sales.

Kee Ai Nah, executive director, Lifestyle & Consumer Cluster, Enterprise Singapore, says: “With the push towards a higher degree of automation, the jobs in food manufacturing have changed, many from manual and laborious tasks to less strenuous human complements to technology.”

Not only are firms reaping the benefits of efficiency, they are also looking to stay ahead of the curve through innovation. A recent study commissioned by Enterprise Singapore found that at least one-third of food manufacturers are already doing so.

According to David Tan, president of the Singapore Food Manufacturers’ Association (SFMA), there has been an “increased emphasis on innovative” efforts. This can be seen in the creation of healthier or new products, as well as the development of food products in niche areas such as ready-to-eat meals, premium food gifts, and nutrition for the elderly.

Technology has also revolutionised manufacturing processes that allow food products to stay fresh for longer, giving consumers more convenience while opening the door for firms to export abroad at the same time.

Many consumers often associate the use of preservatives to extend shelf life, but this is no longer true,” says Mr Tan. For instance, the introduction of the non-thermal sterilisation process such as the High Pressure Processing (HPP) resource-sharing facility—a collaboration between the Warehouse Logistics Net Asia, the Food Innovation Resource Centre and Enterprise Singapore—enables food manufacturers to extend the shelf life of food products and preserve their nutritional values.

The pay-per-use model allows SMEs to benefit from using state-of-the-art technology without needing to invest in the machinery upfront. Mr Tan points out that many local juice companies, including Juix Up, HIC Juice and Daily Juice, now preserve their cold-pressed juices using HPP technology.

HPP is part of a wider network of shared facilities that provide food manufacturers with ready infrastructure to test-bed new ideas and boost commercialisation efforts.

A small batch production facility within the JTC Food Hub @ Senoko will be ready by the end of 2019 where companies are able to rent advanced equipment on a pay-per-use basis to experiment and produce small batches of new products. According to Enterprise Singapore, more than 15 companies have expressed interest to use the facility.

Richard Khoo, deputy director, School of Chemical & Life Sciences, Nanyang Polytechnic (NYP), says: “It is no secret that SMART EATS
TAKING A BITE OF THE WORLD
Two local food manufacturers that are proudly flying the Singapore flag are The Soup Spoon and Sing Hua Hng Foodstuff. Both firms say that the Singapore brand plays a key role in their operations.

The Soup Spoon, well-known for its food and beverage restaurant chain, manufactures ready-to-eat soups in Singapore and exports them around the world. Ms Lim, its executive director, says, “There is absolutely an advantage for food manufacturers to manufacture in Singapore, to leverage on the ‘made in Singapore’ branding.”

Ms Lim adds: “Developing a range of Singapore and Asian-based products, including a self-servings and pack product format that has been very successful, has allowed the company to grow. As a result, The Soup Spoon can offer products that are more suitable for Singaporean tastes and preferences.”

Aside from Singapore’s smaller reputation for quality and safety, it also has access to “good quality” imported ingredients to use in its soups, she adds. And with Singapore’s free port status and the many free trade agreements signed, it is easier and cheaper to export products overseas, she explains. “Being here in Singapore, we can ensure our supply chain is secure properly and hence, better control our product quality too.”

A scam market of technology which allows it to extend the shelf-life of soups from two weeks to six months in a chilled format has opened many doors for its export products, notes Ms Lim. And with the confidence that overseas consumers have in the Singapore brand, more are keen to purchase food products from Singapore.

Ms Lim says: “Both firms say that they bank on the Singapore brand to pave their way overseas. As a food manufacturer, being aware of the latest food trends and the eating-on-the-go trend, due to increasingly hectic consumer lifestyles, and healthier products.

Foodstuff, the company exports to more than 20 countries in Asia and the Middle East. “We have plans to be in all countries in the Asian continent as our products and line are currently more suited to the Asian palate,” she says. She notes that with the advent of social media, it is a “much easier” task to reach out to consumers all around the world to create awareness of the brand.

As a food manufacturer, being aware of the latest food trends is key, she adds. In the nuts industry, some new developments that Sing Hua Hng Foodstuff are looking to include in the nuts line are the go-trend, due to its immensely hectic consumer lifestyles, and healthier products.

Such a traditional brand that has been around for decades, it is also important to make sure that it stays relevant to younger demographics. “We like to pick the brains of the Millennials through collaboration with people with technical and university,” she says, “Through project work with students, we get fresh ideas for new product development.”

Institute of higher learning (IHL) are a “good knowledge resource” for the company, she pointed out. “We definitely cannot afford PhDs and scientists in-house, so collaboration with IHLs provides us the technical expertise that we cannot access otherwise,” she says. “Through project work by students, we get fresh ideas for new product development.”

Another trend is food waste valorisation. UglyGood is a startup using recycled fiber to develop food packaging, targeting food and beverage (F&B) players with a sustainability mindset, Ng Po Kang, founder of UglyGood, says. “The food industry is in a transition towards a circular economy around food byproduct waste in the F&B industry. We believe that fostering a culture of innovation and change will encourage like-minded individuals to join the company.”

The company continues to maintain, it will use more skilled technicians and professional managers, which is what the Singapore talent pool is made of, she adds. “Smaller companies like us have agility and speed that larger corporations do not have. This is another attraction for young talents who like the start-up culture and freedom for creativity.”

MORE THAN FOOD
Food manufacturing is more than just about producing what mainstream consumers eat. Some trends gaining traction include food waste and recycling, food packaging and elderly nutrition.

Foodstuff and The Soup Spoon concur that manpower solutions used elsewhere, she says. “We have to be sensitive to the value proposition of the F&B products, such as on-the-go packs or re-sealable packs,” she explained.

As for process innovation, this is usually conducted by partners to find out more about the latest technology or solutions used elsewhere, she explains. Both Sing Hua Hng Foodstuff and The Soup Spoon concur that manpower solutions used elsewhere, she explains. “With all these factors in place, it is not a stretch for Singapore to become Asia’s leading food and nutrition hub, she notes.

On how we can build an innovative culture that is vibrant and helps companies to be scalable, he says. “We have to be sensitive to the value proposition of the F&B products, such as on-the-go packs or re-sealable packs,” she explained.

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