

# South Australia Potato Company

## Direct Piloting Case Study

by empauer | 11 Mar 2021

Family-owned and internationally known potato grower, packer, and marketer uses Direct to measure and compare the true cost of waste.

### Customer Profile:

Based in Mount Barker, Australia, the South Australian Potato Company processes more than 60,000 tons of fresh potatoes each year.

The company employs roughly 100 staff who work around the clock to provide quality products to Australians and international consumers.



## Situation

### Capturing the amount of waste created during production.

Harvesting potatoes brings a substantial amount of sedimentary byproduct with it, including soil, rocks, and weeds. This waste represents a significant amount of wasted energy and effort, both in the transport and processing of the potato product.

### Tracking use and wastage.

Limited tracking of the product's use and wastage once it left the company. This meant that South Australia Potato Company was without a comprehensive understanding of the whole food supply chain, including mapping material flows, destinations, and costs – such as rejects from the supermarket.

### Difficulty communicating data across divisions.

With several areas and departments generating data on different systems, no standardized or centralized process exists. This barrier to communication makes it difficult for the South Australian Potato Company to share intelligence or perform analysis on product lifecycle.

**“One person handles all the accounts payable, so I have to go through them to get all the invoices. Then someone else does all the accounts receivable, so to get our income and everything else I had to go to a different one. I had to go through quite a few different people.”**

## Solution

With the UN's Sustainable Development Goals in mind, Empauer, RMIT University and the Fight Food Waste Cooperative Research Centre have created a business-ready tool that quantifies the 'true cost of waste' by identifying where food and non-food material losses flow across the food supply chain.

Called Direct, the solution is aligned to two international standards: The Food Loss and Waste Accounting and Reporting Standard (FLW Standard), developed by the global and multi-stakeholder FLW Protocol (convened by the World Resources Institute); and ISO-14051, a general framework for material flow cost accounting (MFCA).

This level of granular attribution enables both consistency in output and flexibility in the analysis of material flows and costs, with regard to product and non-product/waste destinations, in the food supply chain.

The South Australian Potato Company participated in a pilot study, in 2020, and were able to leverage Direct to model and compare the process of packing potatoes into different sized bags, across multiple production runs.

Due to the system's ease of use, the company was able to highlight significant business expenditures going towards waste.

When considered as a long-term tool, Direct could play a key role in determining business decisions.

**“Direct is so self-explanatory. It will work with how we do things; we won't have to alter anything.”**



**SAPotatoCo**  
Growers, Packers, Washers



## Outcomes

Thanks to data captured by Direct, the South Australia Potato Company was able to evaluate processes and identify patterns, opportunities, and new approaches.

### Visibility into the true cost of waste.

With a deeper understanding of their processes, including in-depth understanding of material waste destinations and the associated true cost of waste, the South Australia Potato Company identified reducible costs associated with processing weeds, rocks, and soil entering the processing stage.

**"If we are getting a lot of rocks and weeds, that's probably something that needs to be looked at on the farms, because that's a waste of time, effort, and freight."**

Additionally, Direct was able to capture critical data on packaging lost during processing. As this intelligence is better understood, the South Australia Potato Company will be able to make business decisions that improve cost and sustainability.

### Tools to identify efficiency

Contrasting processes means the South Australia Potato Company can determine which product or combination of end products results in the most efficient process with the highest value. The easy-to-read analysis from DIRECT gives the company a tool for making these business decisions.

**"The assessment dashboard actually compares two assessments, in more detail than what we used to do."**

### New insights on the food supply chain

Starting with its processing and packing facility, the South Australia Potato Company used DIRECT to get a better understanding of waste. Carried out across the entire food supply chain, including the final product that arrives to consumers, could only improve the company's understanding of cost and income.



### An opportunity to centralize data

Previously, gathering data across the South Australia Potato Company took longer than needed due to disparate systems. Direct helps to break down some of the silos, aiding communication across divisions.



Access to Direct and its insights are available by either subscription or as a service.

The above case study was created in partnership with The Fight Food Waste Cooperative Research Centre (CRC) as part of the piloting of Direct. Empauer, RMIT University and The Fight Food Waste CRC gratefully acknowledge the Australian Government's financial contribution and support through the Cooperative Research Centres program.

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