

# AUSTRALIAN SEEDS HELP IMPROVE FORAGE PASTURES IN PAKISTAN

EXPORT CASE STUDY | JULY 2016

One of Australia's leading seed companies, Heritage Seeds, had exported forage seeds to Pakistan for some years, but exports increased substantially after the appointment of an exclusive agent in 2015.

Today, many thousands of acres of Heritage Seeds' varieties are under cultivation across the country.

Improved seeds capable of producing increased yields are critical for Pakistan, where available land and irrigation are limiting factors for agricultural production.

Heritage Seeds is well positioned to provide the most advanced new seed varieties. For the past twenty years, this Australian company has been part of the Royal Barenbrug Group, the second largest grass seed supplier in the world.

'Being part of the Barenbrug group gives us definite advantages,' says Roger Dennis, from Heritage Seeds International Sales & Marketing Team. 'As a research-based business, Barenbrug develops its own proprietary varieties, as well as having other germplasm sources. This means we have access to new technology, not only in Australia but from around the globe.'

Heritage Seeds also invests over A\$1.8 million a year in Australian research activities. A new variety can take about 12 years to develop and only a small number of seeds – about 1 per cent – make it through the rigorous research process.

## An excellent fodder grass for Pakistan

Drought-tolerant Katambora Rhodes Grass, an excellent fodder grass for Pakistan, is one of the main varieties Heritage Seeds is currently exporting to Pakistan. Proprietary winter active alfalfa varieties, developed in conjunction with the South



Rhodes Grass farm in Dera Ismail Khan, Pakistan

**'We offer our partner the best range of seeds, the best advice, and the best service.'**

Roger Dennis, International Sales & Marketing, Heritage Seeds

Australian Research and Development Institute (SARDI), will be trialled there shortly.

Heritage Seeds varieties are given a special coating – an exclusive technology developed by the company called AgriCOTE.

'This coating not only helps satisfy quarantine requirements, it also has many nutritional attributes and allows seeds to be handled through conventional machinery,' says Dennis. 'This is important in Pakistan because many farmers use traditional machinery which can't efficiently handle seeds without a coating.'



Australian Government

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## Pakistan – a huge, ready-made market

‘Pakistan had been on our radar for a while,’ says Dennis. ‘The country is already a major milk producer, and with a population of over 192 million people there’s a huge ready-made market.’

He says it was ‘a good fit’ for Heritage Seeds to do business in Pakistan. ‘The government provides good support to the development of the dairy industry, and our portfolio aligns with the environment in Pakistan in terms of agronomic and end-use requirements.’

‘We had contacts in the country so we were aware of the varieties of seeds they were using. We knew we could help improve production yields with better seed varieties and that this would benefit farmers, both in terms of forage requirements and their bottom lines. We also knew we had to get smarter about how we did business in this region.’

## Austrade can help Australian exporters

Once Heritage Seeds’ management started exploring the possibilities of doing business in Pakistan, they got in touch with Austrade Pakistan.

‘Austrade can really help Australian exporters,’ says Dennis. ‘They suggested that we take part in the 2015 Dawn Pakistan Food & Agri Expo, which is held each year in Lahore.’

The expo – a major event on the agribusiness calendar in Pakistan – has been a critical success for Australian agribusinesses looking to export to this part of the world.

‘Austrade represented us at the expo booth, handling the interest from agents and distributors, and among the names of potential partners was Matra Asia, who we selected as our exclusive agent,’ he explains.

## Transparency and clarity in expectations

Dennis says that managing a relationship with a local partner is all about transparency and clarity in expectations.

‘We wanted a partner who respected our values, with whom we could have an open relationship and two-way feedback, and who we could offer agronomic and technical assistance,’ he says.

‘In return, we offer our partner the best range of seeds, the best advice and the best service.’

For Heritage Seeds, it was also important to find an exclusive agent and distributor for its products.

‘If a buyer wants a particular seed of ours they can only get it from our agent, and that agent supports that variety in the market,’ says Dennis.

‘Logistically, it’s a lot easier, as well. It streamlines the operation. Having an exclusive agent means that they handle everything from their side and we handle everything from ours.’

Matra Asia is working closely with farmers, providing advice and training on how to achieve the best results with the improved pasture varieties.

Dennis says that pricing perceptions were never an issue with their agent because Matra Asia has been in the industry for a long time and already understood the features, advantages and benefits of marketing new technology.

His advice to Australian companies thinking of exporting to Pakistan? ‘Contact Austrade for help and advice. They know the market and have the people on the ground.’

## About Austrade

The Australian Trade and Investment Commission – Austrade – contributes to Australia’s economic prosperity by helping Australian businesses, education institutions, tourism operators, governments and citizens as they:

- › develop international markets
- › win productive foreign direct investment
- › promote international education
- › strengthen Australia’s tourism industry
- › seek consular and passport services.

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