

NORTH ASIA GOES BANANAS FOR AUSTRALIAN HEALTH PRODUCTS

EXPORT CASE STUDY | DECEMBER 2017

Natural Evolution is the first Australian business to produce and export banana flour overseas. The company's success has been a journey of innovation, hard work and perseverance.

Founders and joint Managing Directors of Natural Evolution, Rob and Krista Watkins are among Australia's largest banana growers.

Natural Evolution was born in 2015 as a result of Rob Watkins' desire to solve the large green banana wastage issue in Queensland. The banana farmer had spent years thinking of better ways to use all of their products when he accidentally discovered that the flesh of dehydrated green bananas could be used to make a nutritious flour – a gluten-free alternative to wheat flour.

The scientific discoveries didn't stop there. The Watkins were keen to find out more about their new-found product and sent samples to a lab for testing. The results were astonishing – they had uncovered the world's richest source of resistant starch.

Armed with this knowledge, Natural Evolution's business goals shifted from solving waste and making cooking ingredients, to producing one of the highest-quality medicinal food sources in the world.

'Initially we produced around six kilograms of flour per week,' Krista Watkins recounted.

Realising the need to produce larger volumes, Rob designed a fully in-line processing system called NutroLock, which Krista says has been proven to lock in nutrients up to 20 to 50 times higher than conventional food processing techniques as tested by Department of Agriculture and Fisheries, Queensland.



'JAEPA has not only allowed Natural Evolution to grow, but it has also helped build positive relationships and connections within the international market.'

Krista Watkins, Co-Founder and Managing Director, Natural Evolution

'Within a couple of months we built our first pilot plant which had an output of 350 kilos per week, and that was alright, but it wasn't a consistent supply and it also wasn't a consistent product yet.

'So we kept doing that until we built our world-first pharmaceutical production plant for green bananas,' says Krista.

Natural Evolution's export journey began in July 2017 when it launched its pharmaceutical business in Japan. Since then, increased demand for banana flour from Asian markets has seen the company experience significant growth across all aspects of the business.

With a firm hold on the Japanese market, Natural Evolution is now looking to establish a presence in



Australian Government

Australian Trade and Investment Commission



South Korea and China. The company also plans to open a 'mega factory' in Asia in 2018, which will process five metric tonnes of banana flour a day.

Exporting proves to be both challenging and rewarding

Natural Evolution's entrance into new international markets has been both a challenging and rewarding experience. Over the past six months, the Watkins' dealings with Japan have taught them a lot about the ins and outs of exporting.

'It's obviously a new country, a new culture, and a new way of doing business. There's definitely been a lot to learn and I know that there's still much more to come,' says Krista.

FTA helps business growth

Although exporting initially proved challenging for the company, Krista says the Japan-Australia Economic Partnership Agreement (JAEPA) has been a real plus for the company's growth.

'JAEPA has not only allowed Natural Evolution to grow, but it has also helped to build positive relationships and connections within the international market.'

Without JAEPA, Krista says exporting would not be financially viable for the company.

'If we didn't have JAEPA in place, exporting wouldn't be a viable option for us. The free trade agreement between the two countries prompted us to think globally and expand our business, but also encouraged companies overseas to engage in business with us.'

'We have been really fortunate in the sense that we haven't actively gone out to find companies to do business with; they've been coming to us, knocking on our door, so the free trade agreement has been a great thing for us.'

Austrade assistance key to success

Krista says Austrade has been an integral part of their dealings in Asia.

'It was important to have Austrade on-side and guiding us through that process. If they hear of someone who is looking for something that might be in our ball park, they do all the introductions,' she says.

'They always get back to us, and if they're unable to help us, which may I add is very rare, they always recommend someone who can.'

When exporting to the Japanese market, Krista says patience, perseverance and not being afraid to secure the deal you want are the keys to success.

'From initial discussions, to the first orders that took place, it all happened within 12 months and we've been told that's extremely fast.'

'Just persevere and do it. It's worth it.'

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.

Disclaimer

Whereas every effort has been made to ensure the information given in this document is accurate, the Australian Trade and Investment Commission does not provide warranty or accept liability for any loss arising from reliance on such information.

©Commonwealth of Australia 2017