

An Interview With Mr. Benjamin Ripple, CEO of Big Tree Farms, and Sweet Tree Sustainable Sweeteners, Bali, Indonesia by Muhartoyo

Mr. Ben Ripple is Chief Executive Officer (CEO), Big Tree Farms and Sweet Tree Sustainable Sweeteners, Bali, Indonesia. His educational background on Sustainable Agriculture and Environmental Economics has led him to get involved with sustainable organic farming projects in Bali. His commitment and devotion in this sector has paid off as his Company now becomes the largest organic coconut sugar producer/exporter in the international market. The Managing Editor of COCOINFO INTERNATIONAL has had an opportunity to interview Mr. Ben Ripple. Below is the excerpt of the interview.

Cocoinfo International (CI): Mr. Ripple, could you elaborate how you became engrossed with the business of organic produce in Bali?

Small farms were my first great inspiration as a youth and ultimately led me to a university degree in Sustainable Agriculture and Environmental Economics. With experience in temperate small scale farming under my belt I was blessed to visit Indonesia in 1997 at a time when the country was going through political and financial upheaval. The country was opening to the world in ways it had never opened before and I found that in the midst of this change was an opportunity to support change at the bottom of the pyramid through the introduction (or as was usually the case reintroduction) of sustainable farming practices. My focus was mainly on education and development through training young farmers in organic production practices, but as the trainings became more formal and large in scope, it was clear that we needed to find markets that would be willing to pay real prices for real food. In Indonesia this meant further education and development on the side of the

market; educating consumers about the power of investing in their own health through informed food purchases. We were working with farmers on the land, and were connecting with consumers in the market... And the rest is a book still being written.

(CI): When did you initiate this business venture?

The adventure started as early as 1997 though in the early days the “business” was informal and the primary focus was on educating farmers and consumers about the

importance of sustainable farming and healthy eating. In 2005 the business entity we now know as Big Tree Farms was born and while the company has changed in many aspects (moving from field production to supply chain operations to food manufacturing), our core focus and the mission of the company has remained the same.

(CI): Why did you choose Bali for your organic produce business?

Bali chose me just as much as I chose Bali...not sure which came



Nicely Packaged Organic Coconut Sugar



Packaged Coconut Water Produced by Big Tree Farms

first. I believe strongly that we shape our own opportunities although sometimes it is hard to see the road signs on the day to day journey. People often miss nature's gentle nudge or decide to go against their gut instinct and life can get awfully confused.

(CI): You are currently producing organic coconut sugar and packaged coconut water, why do you focus on these two products?

We produce a lot of different products. Coconut Sugar and Coconut Water are just two of a multitude. We own and operate a full bean to bar chocolate factory as well and work in cashews, sea salt and numerous other tropical ingredients. But Coconut Sugar has always been my special project and so I think that we have invested an inordinate amount of time and energy into this one area; the result of which is that Big Tree Farms is now the premier organic manufacturer of coconut sugar globally. Coconut Sugar is a tremendous product with an opportunity to change the face of global sweeteners in the

near term. It is a perfect synergy of basic commodities (e.g. sugar) blended with social, environmental and health benefits. There is no other sweetener that can claim the same trifecta of positive byproducts. And at a time when consumers world-wide are looking for a solution to the problems inherent in commercial sweeteners (diabetes, fructose mal-absorption and others) Coconut sugar's future looks even sweeter.

As for Coconut Water, this is another new ingredient space where there is lots of opportunity. Coconut Water is an incredible natural isotonic and consumers in the LOHAS (Lifestyle of Health and Sustainability) demographic have responded strongly to the opportunity to replace the synthetic or sugar-packed hydration/energy drink mainstays with pure coconut water. And this trend is still in its adolescence. One only needs to be innovative to find new ways to deliver the hydrating power of coconut water to consumers. And this is what we have focused on

in all of our product offerings, innovation in health and wellness.

(CI) How many coconut farmers are involved in the production process? Does their involvement improve their welfare?

Big Tree Farms works with many thousands of farmers in direct transparent relationships that support real bottom-up community development and increased revenues for partner farmers. These farmers are certified organic by an international auditor and in many cases are now certified fair trade.

(CI): What is the aggregate production capacity of your company?

We have a production capacity at our plant of well over 100 tons/month.

(CI): Could you share with us how you became the largest organic coconut sugar producer/exporter in the international market?

Our experience is that innovation is the key to success. In the business of leading you need innovation in order to bring a new concept, product or service to the market. But innovation is more than just "something new". It is also timing. Our goal at Big Tree Farms is to ensure that any innovation we create is genuine in itself and offers a genuine value proposition that makes sense to consumers. And this is the timing aspect; what makes sense to consumers today can be (and usually is) different than what made sense in the past or what will make sense in the future. Coconut Sugar is a perfect example of this balance between innovation and well timed value proposition. When we started

with coconut sugar over 8 years ago, the product was the same innovative sweetener as it is today, but consumers in our primary market of the US were not yet ready to embrace a new alternative to cane. At that time, Agave Syrup was gaining ground fiercely and seemed to be poised to make a mass market run at cane sugar and corn syrup as the “healthy sweetener”. Unfortunately for the Agave market the premise of the growth was not genuine and in 2010 the health risks inherent in Agave became known and started a rapid slowdown in demand and consequently a well-timed opportunity for a genuine innovation in sweeteners to enter the market. And Coconut Sugar stepped into the sweetener market.

(CI): Do you market your products in the local market as well? What is your market segment?

While we do sell locally in Indonesia we have found more rapid growth for organic certified coconut sugar in the markets of the US, EU, Japan and Australia. The market is expanding for coconut sugar but the primary core is still the organic/natural marketplace. Coconut Sugar is a premium product with very real health benefits and organic/health-minded consumers don't mind paying more for the “real deal” in products. The same cannot yet be said of the mass market where GMOs, synthetic flavors, colorings and other health-defeating ingredients are still the norm in the race to produce cheaper, faster and more convenient foods.

(CI) Can you explain the production process of your organic coconut sugar and packaged coconut water?

Our production processes are



proprietary.

(CI): Your products are nicely packaged, what is the packaging technology that you are using? What is the shelf-life of the products without using any preservative?

Packaging is a critical part of the development of any new product both for the obvious reasons of appearance/acceptance at the customer level and for the less obvious reasons of food safety, product stability and ultimate shelf-life. At Big Tree Farms, probably not unlike other SMEs (small – medium enterprises) we often find ourselves in a disadvantaged position when trying to learn about and access technology. As a result we do most of our learning by trial and error, and when talking about technologies that can be very expensive (especially when a wrong technology is chosen or a mistake is made with the technology). For our products the most critical aspect of our packaging is vapor barrier, or the integrity of the packaging system to disallow the passage of gases between inside the package and outside the package. Vapor barrier goes hand in hand with moisture barrier, another critical

packaging characteristic. We have learned from our mistakes over the years and are continuously honing our packaging towards an ideal of sustainability. Not there yet.

(CI): In terms of production yield and quality, how do you rate the organic coconut sugar processing method that you are using?

Without getting into technical production details lets suffice to say that there is always room for vast improvement. While this is just my opinion, I feel that anytime one feels their product or process is perfect, its likely time for a new pair of eyes on the matter. We have come light years from where we started. The process today looks nothing like it did 10 years ago when I first had the honor of meeting a man named Sugiyo in his kitchen to see the production of this incredible sweetener.

(CI): How do you compete with competing products?

Competition is a natural and healthy part of market growth. Without our competitors Big Tree Farms would be less inclined to continue pushing the envelope on product innovation, production efficiencies and market differentiation. It's the fire under our feet that keeps us jumping and moving and forever focused on improving the product and improving our service.

(CI): Quality standard is an issue in the production process involving many farmer groups, how do you maintain the product quality standards?

Quality is always the greatest risk inherent in working direct with farmer groups to create products for an end-use market. For many years this was a stumbling block

for the growth and acceptance of coconut sugar in particular (less so for coconut water which has always required in-house manufacturing that ensures total food safety). We realized about 3 years ago that while we are focused on supporting our farmer partners in realizing economic viability, we could not do so if it meant damaging our reputation at end-markets due to food safety issues. So we began to invest heavily in manufacturing capacity and we continue on this path today. We are committed to providing real opportunities for the farmers we work with, but this does not need to mean that all farmers produce finished goods. We have now reached a sustainable balance where producers make great returns on their production and Big Tree Farms is able to access raw materials at a point in the value chain that allows us to manufacture to finished goods and guarantee food safety to our customers.

(CI): Do you find it difficult to maintain organic farming in Bali and what do you suggest for others who intend to go for organic coconut farming?

There is a difference of course between Organic Farming and Certified Organic Farming. At Big Tree Farms we focus on certified organic farming because we need (ultimately) to be able to market the fact that we grow organically). And getting certified in any area where land holdings are small, land use is focused on annual cropping systems (rice, vegetables etc versus cacao, coconut) and water sources are communal is a real trick. Very difficult if not impossible due to the perceived risks and inability to control your surrounding neighbors. So choosing the right area for an organic program is also part of

the ultimate success or failure of moment it looks as though



Mr. Ben Ripple (left) and APCC Executive Director, Mr. Romulo N. Arancon, Jr. at the National Organic Products Expo, Anaheim International Convention Center, California, USA, 7-10 March 2013

a program whether it is Bali or elsewhere. The alternative is producing products according to best practices for organic but choosing not to be certified. Not certifying means that in many final markets you are severely limited in what you can say regarding organic, but at the same time, if your market is more local in focus then often the price of certification is not necessary. Organic certification is after all just a verification system; a method of allowing end users to trust that indeed you have produced as you said you would. In direct marketing for local sales, communication and trust are often possible to achieve without the extra cost.

(CI): What are the prospects of these two products in the future?

As with any new-to-market ingredient, the determining factor in the success of failure of that product will be consumer acceptance. For Coconut Sugar and Coconut Water, at the current

consumers have whole-heartedly said "yes!" to the inclusion of these goods in their daily lives. Coconut Sugar has grown from the margins of the sweetener segment to becoming viewed as the next big organic sweetener due to its **high nutritional profile, low glycemic attribute, environmental and social benefits and overall delicious flavor**. As for Coconut Water, while perhaps not a segment in its own right, the product (and many of its innovative derivatives) have struck a major chord with consumers (mostly at retail) across the globe. It seems that consumers are willing to pay more for a **"healthy" hydration beverage** and coconut water seems to be the go-to replacement for both individuals looking to replace sweetened fruit juice beverages (such as drink boxes for children) as well as individuals looking to source a **healthier isotonic/electrolyte replacement beverage** instead of opting for the traditional brands such as Gatorade, Powerade, Pocari Sweat etc.

(CI): Thank you very much Mr. Benjamin Ripple for sharing your

valuable insights about your
coconut sugar and coconut water
business with our valued readers.