

Bakhresa Grain Milling Malawi Ltd.



“ BGM improves the lives of people living at the base of the pyramid by helping them build businesses selling baked goods. ”

WHO THEY ARE

Bakhresa Grain Milling (BGM) Malawi is a flour producer that sells packaged wheat flour to commercial bakeries, small bakeries, retailers, and supermarkets in sealed packages of 5 to 50 kg. BGM Malawi is part of The Bakhresa Group, a corporation that operates food, transportation, and logistics businesses in Tanzania, Malawi, Uganda, Kenya, Zambia, Rwanda, and Mozambique.

HOW THEY REACH THE BOP

Much of the population of Malawi consists of people living at the base of the pyramid in small towns and rural areas where basic amenities like electricity are scarce. They live off the land and have no access to transportation because they lack the money to travel. As a result, flour and other goods are not very available in these areas—and when they are, they are often prohibitively expensive.

BAKHRESA'S IMPACT

BGM seeks to improve the livelihoods of these people by supplying them with affordable flour and by helping them to launch small bakery businesses. BGM targets people at the base of the pyramid in several ways. First, it offers its flour in small packages of 5 to 10 kg, which makes it easy for small BOP retailers to buy. Flour is sold in sealed packages, rather than in bulk, giving customers confidence in its quality. BGM uses vans to reach remote rural areas and distribute its products to bakeries, women selling home-baked goods in remote areas, and branch sales offices.

Most important, BGM helps individuals, many of whom are women, launch their own microbusinesses, offering training programs and workshops on the business of how to sell doughnuts, scones, and mandasis, small balls of fried dough. It trains them in bookkeeping and sales and offers workshops on how to use, store, and market flour and bread products. By teaching them how to run a business selling home-cooked baked and fried bread products, BGM empowers these women to make their own living in a dignified way.

COMPANY INFORMATION

★ Headquarters

Malawi

Countries of operation

Malawi

Year founded

2003

Annual revenue

~US\$52.1 million

Employees

101-1,000

Sector

Agriculture

COMPANY HISTORY

The Bakhresa Group started humbly, as a small family restaurant near the port city of Dar Es Salaam, Tanzania, in the 1970s. Since then, its operations have spread to Zanzibar, Uganda, Kenya, Malawi, Zambia, and Mozambique. Today, the company brings in US\$300 million in revenue and employs more than 2,000 people. BGM Malawi was launched in 2003.

LINKS AND RESOURCES

Official page <http://www.bakhresa.com/bakhresa-group/group-companies-list.php>

Bakhresa Group news <http://www.bakhresa.com/bakhresa-group/news.php>

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GEOGRAPHY



“ As Mary Chibweya learned, running a bakery business like those that Bakhresa supplies can bring pride to women whose former professions put them at risk of abuse. ”

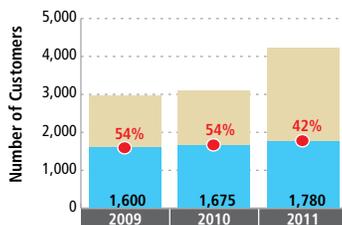
—Adapted from “Fish for Sex in Nkhotakota” by Joseph Scott

Mary Chibweya lives in Lozi Village, a community on the shores of Lake Malawi that exists at the very base of the pyramid. When her husband abandoned her, leaving behind five children, she wasn't left with many options. She had no income and no way to clothe or feed her children. At first she tried collecting firewood in the nearby forest to sell to local fishermen. But she didn't earn enough from selling firewood to survive. To get by, she began having sex with fishermen in exchange for fish—which put her at risk of contracting HIV and sometimes resulted in her being beaten.

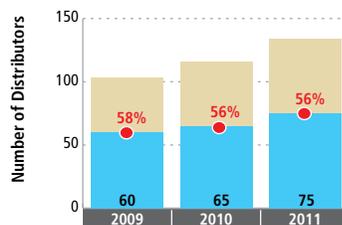
After hearing about Mary and other women in the same plight, aid organizations decided to help them launch a business selling bread and scones. They provided them with seed money and trained them in business skills. Today, Mary earns enough money selling baked and fried bread products to take care of herself, feed her family, and send her children to school.

KEY DEVELOPMENT RESULTS

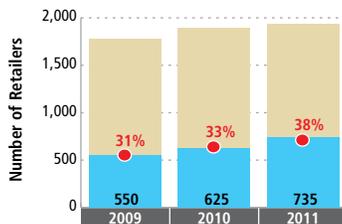
Development results figures are estimated based on the number of small-size packages of flour bought and sold. Small-size packages of flour are those preferred by BOP shop keepers and customers because they are within BOP customers' price range. The number of BOP customers includes microenterprise bakeries as well as indirect end customers who purchase flour from BOP retailers. Approximately 10 to 15 percent of small retailers and artisan bakeries are covered through direct distribution, with the remainder purchasing from intermediaries.



■ Total Number of Customers
■ Number of BOP Customers
● BOP as % of Total Customers



■ Total Number of Distributors
■ Number of BOP Distributors
● BOP as % of Total Distributors



■ Total Number of Retailers
■ Number of BOP Retailers
● BOP as % of Total Retailers

“ BGM's revenues grew at a compound annual growth rate of 15 percent from 2008 to 2010. ”

