



Creating a Welsh Brand: Rachel Rowlands' speech to IWA north Wales branch members at the Bodysgallen Hall Hotel, Llandudno, Friday May 21 2004

A chance encounter with a leading member of the Soil Association, which convinced her parents that traditional farming methods were best, and the need to respond to milk quotas in the 1980s were two key turning points in the creation and development of Rachel's Organic Dairy, one of Wales's most successful consumer brands of recent years.

Like all successful enterprises, brands start with commitment to an idea for a product or service. It is this personal commitment that drives a brand and this, plus the integrity of the offering, is what ultimately determines public perception of the brand and its ultimate success. Indeed, many of today's most successful brands have grown out of the personal vision and passion of individuals – for example Anita Roddick's Body Shop and Richard Branson's Virgin brand.

Brynlllys, our family farm has always been farmed organically, a way of producing food which works with nature instead of trying to control and exploit it with artificial fertilisers and chemicals. As a family we always practised organic farming methods, based on the traditional practices of crop rotation and building soil fertility using composted farm waste. We were never tempted by chemical short cuts, believing that soil nutrition was part of a natural cycle and rhythm, which, with respectful management, would yield of its best but never more than its best at any one time.

Farming is about replenishment and nurturing, not extraction or crude exploitation of the land. It is also about diversity and harmony within nature. As part of our brand offering at Rachel's we have always tried to stress these important message and instil faith in organic food among our customers. A commitment and passion for organics permeates through everything.

We sold our milk to the Milk Marketing Board in the normal way until the early 1980s but with the advent of milk quotas we had already begun to think about the implications for our family. During the winter of 1982, West Wales experienced unusually severe and prolonged snow storms and the weather prevented milk tankers from collecting milk from Brynlllys. As this went on, instead of allowing all the milk to be wasted, I dug out my grandmother's old

separating equipment and began experimenting, initially making cream which I was also able to freeze for butter making.

After the snows had cleared, we found we had created a local market for cream and it was this initial success that gave us the spur to think about farm diversification and other dairy products. In terms of developing a local brand, early local sales are important, not least because it gives the entrepreneur the confidence to carry on to the next stage. It also taught us the need to stay in touch with the consumer and value their views. Brands can only exist if real people believe in them and they meet the needs and aspirations of customers. These aspirations can and do vary with the Zeitgeist – timing is, therefore, also a critical factor. In the early 1980s we were seeing a growing awareness of food production and indeed organics, and we were also aware that our organic farming income alone was insufficient to be able to offer our children a viable future. This led us to think about adding value to our primary produce. In 1984 our first yogurt was made in the farmhouse kitchen, using the skimmed milk left over from making cream, which had previously been used to feed the pigs.

Having decided to diversify, the challenge was to develop a product on organic principles, using fresh ingredients without additives or enhancers. We had good quality milk from our Guernsey breed but we needed to create a premium for an organic product in competition with cheap and aggressively marketed food produced to a price with inferior ingredients.

Our decision to produce a wholly fresh organic yogurt boiled down to our passionate belief in the consumer. We based our entire business – we risked the farm you might say – on the premise that customers do in fact appreciate natural goodness, that taste counts and that given choice, consumers would be willing to pay extra for a quality produce. It was a leap of faith. Little did we know that we were actually pioneering one of the first organic brands.

In those early days we were more focused on developing our product and sales than on any concept of brand. Our early packaging illustrates how, like many people even today, we simply focused on the farm name, Brynllys.

At this stage we sought help from ADAS and the Development Board for Rural Wales and began to develop a more sophisticated approach, including addressing our branding. What brought it home to us was the prospect of growth and the potential for a purpose-built off farm production unit. We, therefore, had to develop an identity that was not necessarily tied to the farm. The obvious choice of a name seemed to be Rachel's Dairy - it was as simple as that with none of the professional focus group and market research that we now employ to protect our brand integrity.

We also had to address our first real major step in branding once we had started to think about our ambition to bring organic yogurt to consumers via supermarkets. We realised we would need to look as professional as possible and our pots would have to compete with a wide range of well presented products in the brightly lit dairy chiller cabinet. By the late 1980s we had a consistent blue and white brand image across the range and although it looks rather dated now at the time it was quite striking. We even had a logo.

Soon after we had upgraded the visual presentation of our products we decided that we also needed to promote and publicise ourselves more widely. We had a good story to tell and it was important that we reached a wider audience and persuaded people to champion our radical approach. So we engaged a PR company to help us get featured in magazines, to help us create a presence at key consumer shows and generally put us on the map. All the time we were trying to punch above our weight, to be taken seriously as a small producer with an organic mission and attitude.

The combination of professional design and PR have been important tools in establishing the brand and its marketing and were important elements in our being taken seriously by the supermarkets.

We have always been proud of our Welsh roots and the provenance of our products has always featured strongly in descriptions on the packaging as well as in publicity about the company. It also has a tactical advantage in that there was mounting pressure on the supermarkets to source more regional produce and, of course this is still just as relevant an issue today. Both Sainsbury's and Safeway were quick to see the advantages of using us as examples of their regional sourcing policies as well as their commitment to stocking organic products.

In summer 1992 we moved off farm to a purpose-built production unit on an industrial estate in Aberystwyth and also began supplying Sainsbury's stores with their own-label organic yogurts. We had to tread a fine line between volume sales of supermarket-own brand and building up our own brand and market position. With the supermarkets in such a dominant position we could not really do one without the other.

We extended the dairy substantially in 1996 and the following two years saw spectacular growth, restrained only by a shortage of organic milk and the ability to expand fast enough.

By this time our son, John, who was general manager, felt we needed to revamp our image. We undertook a radical review, not only of our packaging but also our identity, developing the concept of the new name Rachel's Organic Dairy to underline our point of difference. In 1997 we also adopted the striking, radical black packaging which has subsequently become our distinctive hallmark. This change in design proved to be a real turning point in terms of brand recognition. In 1998 the Prince of Wales opened our second phase extension but by the following year we were facing the need for yet more investment. Perhaps the hardest lesson in business is how to manage growth.

Fortunately, at absolutely the right time, we were approached by Horizon Organic Dairy, the leading US organic dairy company, with many parallels to our own story. They were very taken by our operation and saw the value in the brand and how it could fit into their European expansion strategy.

As a well-resourced parent company, Horizon could allow our operations in Aberystwyth to expand at a far greater pace than otherwise. As a result of their investment and marketing expertise we were able to implement brand developments much more rapidly, including

brand extension to other dairy products, and creating a new market for UK branded organic milk.

One of the first things we did with Horizon's investment was to create a distinct Welsh butter, including bilingual packaging. It reflects the changes in attitudes to the Welsh language, and the way in which we were able to use it to underline our Welsh heritage. We felt more confident about using Welsh in this way than we would have at an earlier stage. All our products from our Aberystwyth dairy now carry the bilingual slogan, Bwyd Da of Gymru – Good Food from Wales.

As Wales's first True Taste Ambassador in 2002 I have been able to consider how far we have come as a nation in terms of food branding in the last few years. There is a new found pride and confidence among smaller producers and much greater interest in speciality foods in general.

The National Assembly via the WDA has helped producers to develop their products by means of their processing and marketing grants. While we may still be short of major Welsh brands to rival national flagships like Ireland's Guinness, we are in far better shape and more focused on adding value and identity here at home instead of simply exporting primary produce, certainly in the dairy sector.

We do have some recognisable brands such as Ty Nant and Halen Mon and we have high hopes for the new whisky, Penderyn, and the recently launched Cadog dairy range.

As Welsh food becomes more readily identifiable and recognised primarily for its quality so will confidence in our brands. The challenge for producers in Wales is to ensure that everything, including brand identities and style, reflect the consistent quality and food that consumers can trust. Then we have to promote it.

Welsh brands do have a role to play in developing a higher profile for Wales and a clearer identity. The true taste in food is directly linked to the care and attention given throughout the food chain. The green grass of Wales is not only in our food but in our hearts.

Brands are about confidence and belief in our products and services. We have a lot to be proud of and perhaps as we develop as a more confident nation our brands will serve as important flagships of Welsh quality.

Articles on three other Welsh brands – Ty Nant water, Penderyn whisky and Halen Mon sea salt appeared in the Winter 2003-4 edition of "agenda".