

MALAYSIAN BAKERIES SWEET ON U.S. DEHYDRATED POTATO BUNS

“Sweet Buns” are the latest success of Potatoes USA’s multi-year campaign to introduce new uses for U.S. dehydrated potatoes. Two bakery chains that attended a Potatoes USA “Sweet Bun” workshop in June 2016 have begun utilizing U.S. dehydrated potatoes after months of product development tests, creating a brand new sales avenue by which to increase exports of U.S. dehydrated potatoes. The chains, Berry’s and The Loaf, launched their new sweet bun products in February 2017, resulting in a 15% increase in sales of U.S. dehy, as reported by the importer supplying the product. Between them, the chains have 24 outlets where consumers can enjoy the new products.

The new product launches had their origin in research conducted by Potatoes USA during MY 15/16. The research investigated the potential for U.S. dehydrated potatoes in sweet buns, which are the most popular items in Malaysian bakeries. It found that the addition of U.S. dehydrated potatoes improved overall bun softness, volume and resilience. To communicate this to potential bakeries, Potatoes USA then utilized MAP funds to carry out a sweet bun bakery workshop. It also carried out trade servicing and merchandising to targeted bakeries to provide ongoing education and assistance. Besides Berry’s and The Loaf, six additional bakeries that attended the workshop are currently conducting their own product development for sweet buns. It should be noted that new product development can be a lengthy process, taking up to a year or more depending on the company and product.

The sweet bun successes add one more use to a growing list of new applications that have been the result of Potatoes USA’s ongoing quest to develop and promote new uses for U.S. potato products in Malaysia. This quest has focused on promoting the versatility of U.S. potato products that have been underutilized or limited in their applications in the past. This is particularly important, given that sales of U.S. dehydrated potatoes to Malaysia’s snack manufacturing industry, which was the primary user in the past, are down, a victim of both a decline in snack sales and exchange rates that favor the European Union’s cheaper product. By focusing on niches where the U.S.’ consistency and high quality represent an advantage – such as bakeries -- Potatoes USA is helping to blunt the impact of declining sales to snack manufacturers.

Besides the new sweet bun application, other new applications introduced by Potatoes USA continue to gain strength in this market. Last fiscal year, a manufacturer of premium pastry puff products brought out a curry puff product that utilized U.S. dehydrated and dehydro-frozen potatoes in its pastry and filling. The curry puff application was the result of a similar strategic sequence by Potatoes USA – product research, followed by trade education to publicize the results and one-on-one work to promote usage. In the current year, an additional company – a manufacturer of frozen foods – is carrying out product development to use U.S. dehy in their curry puffs. In another example, four years after Potatoes USA first introduced U.S. dehydrated potatoes as an ingredient for bergedil (fried potato cakes or croquettes), U.S.-dehy-based bergedil products are offered at multiple establishments.

New product applications are helping exports of U.S. dehydrated potatoes to Malaysia to increase. During the first three quarters of the fiscal year (July 2016-March 2017) the U.S. exported 1,535 metric tons, valued at \$2.3 million, of U.S. dehydrated potatoes, a 15% rise by volume and value compared with the same period last year.