

Guangzhou

Charles Baughan, owner of Devon food company Westaway Sausages, talks about exporting to China and setting up a new factory in the Far East



When I consider how quickly the Chinese pork market is growing – about 19 per cent a year – I feel quite dizzy with excitement,” says Charles Baughan, whose award-winning firm, Westaway Sausages, in Devon supplies 300 of China’s supermarkets via distributors in Hong Kong. “By remaining true to our heritage, I have no doubt that Westaways will come to be seen as the Gucci of sausages across the entire People’s Republic.”

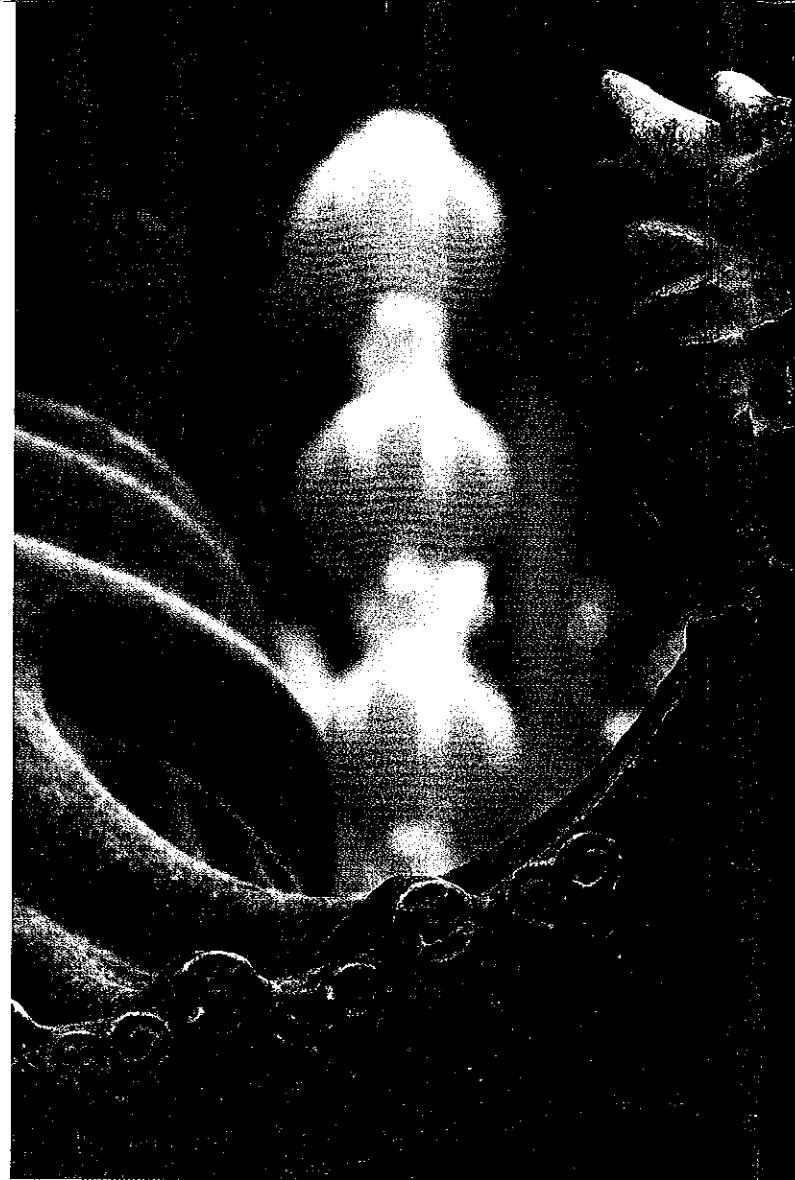
Opening his first factory last summer on the mainland – in Guangzhou, China’s third-largest city – Baughan’s habit of donning a traditional butcher’s hat to drum up business for his Honey Roast, Apple and Blackthorn Cider and Cracked Black Pepper sausages has already been the subject of much curiosity in more far-flung areas.

Yet while the former Royal Marine agrees that conquering

the “dragon economy” is an ambitious target for this £3.5m family business based in Newton Abbot, successful export deals in Portugal, Spain, France, Germany, Cyprus, Corfu and Barbados among others have boosted the firm’s commercial confidence. Direct investment in China has also been minimal. “Our deal with the Chinese authorities and Hong Kong distributors means that they foot the bill while we provide the meat, technical expertise and the management,” says Baughan.

The Chinese have great respect for traditional western brands and, as the biggest pork eaters in the world, they need to maintain supply and customer choice in order to keep up with demand, he adds. “They may prefer to cook their

Behind the bamboo curtain: Charles Baughan, top, dons a butcher’s hat to promote Westaway Sausages



sausages on barbecues strung from the railings of their flats, rather than putting them in a frying pan or under the grill, but as long as the product has a story to tell and a sweet taste, the Chinese will flock to buy it.”

WESTAWAYS LOOKS EAST

The company’s adventure behind the Bamboo Curtain began in 2006, when the UK pig marketing organisation BPEX invited producers to meet a delegation of buyers from Hong Kong. A fact-finding trip to the firm’s headquarters followed and when samples were requested for a trial both in Hong Kong and mainland China, Baughan took them over personally. “I spent 10 very long days demonstrating in supermarkets

such as Park’n’Shop and City’super and learning what made Hong Kong tick. Five years on, we are preparing to open our first Chinese factory and switch to direct supply.”

While the plant, which has been built in collaboration with the Chinese authorities, will initially produce only sausages, Baughan hopes in time to branch out into other categories, to extend the company’s reach in China and to build brand awareness among the world’s largest body of consumers.

“I have no plans to try and beat the Chinese at their own game with a sweet-and-sour sausage or something using Hoisin [sauce] – that isn’t where my expertise lies. But I have no doubt that as long as we get our marketing messages right, we can persuade the Chinese to try our West Country Hog’s Puddings, meatballs and stuffings too.”

BEWARE FALSE MODESTY

Baughan argues that the sheer might of the Chinese economy has produced an





"unnecessary fear of failure" among many would-be exporters. "The Chinese may be all powerful financially, but they do recognise that there are many things they need to buy in from abroad. We shouldn't be afraid to pitch in with our long experience of successful marketing.

"My family has been making sausages for more than 100 years and when it comes to the technical side of making the perfect pork sausage, our firm has an awful lot to teach a nation that has become accustomed to serious food scares." Adding that exports account for up to 10 per cent of his business, Baughan says: "Our operation in China will see that figure rise to between 20 and 30 per cent within a year of the factory opening".

TECHNOPHOBES GO HOME

Regular visits to China have convinced Baughan that in order to do business in the country, it is essential to skill-up. "In the UK, you may email a key suggestion to a buyer and expect a response by the end of the



week," he says. "In China, they invariably respond to your proposal within the hour and add eight or nine things that you haven't even considered.

"The business culture there is very fast, responsive and demanding, and you need to be able to make quick decisions in order to keep up. The Chinese are in a very big hurry to get things done and it goes without saying that if you aren't rocket-fast when it comes to deploying the latest technology, you will be utterly lost."

ATTENTION TO DETAIL

Business standards may at times be sloppy in the West, but for the Chinese, religiously making sure all the details are correct is a way of life. "Ruthless efficiency is the norm in China and if you consider the incorrect substitution of a square bracket for a round one, or a comma where a semi-colon should go, to be fairly unimportant, you may not survive," says Baughan.

"To offend the protocols and procedures in some way, or to stray even minutely from the schedule you have agreed with your Chinese partners, is to be considered unfit for purpose. Upsetting the established rules doesn't just make your contacts shirty; it also amounts to committing commercial suicide."

FORGET THE DIET

Six or seven-course banqueting, invariably on pork and chicken, may be a fact of business life in the Far East, but it can take some getting used to if you are more accustomed to the nine-to-five routine, says Baughan. "In China, it's normal to have a leisurely evening meal with contacts and then to return to the office until the small hours; a habit that can play havoc with your digestion. If you're living in one room with your parents though – a common state of affairs over there – work is often seen as far more fun than home."

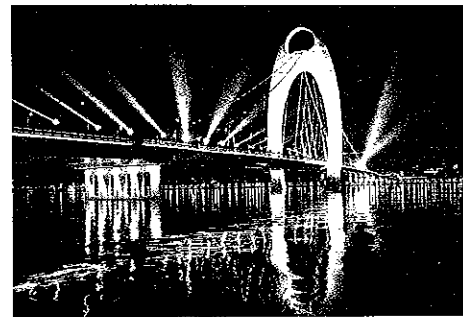
THINK BUSINESS CARD

In his efforts to boost China's taste for traditional British bangers, Baughan admits he invariably "wanders into areas I shouldn't". While early sorties were regularly peppered with problems from the police, he is now armed with a sleek-looking business card.

"Mine is black and glossy with four-colour printing and being imprinted with Facebook and Twitter symbols, it looks official in a country where officialdom is highly respected," he explains. "My snazzy card has opened doors for me in all sorts of places where Europeans tend not to be welcomed."

Virginia Matthews

GUANGZHOU FACT FILE



Population

Around 12.78 million.

Currency

The yuan. With the pig price in China £2.50 per kilo compared to £1.50 in the UK, and with transport costs of just 10p per kilo, Baughan sees "a great price advantage in trading with the world's most populous country".

Language

Cantonese, but "the language of sausage-lovers is universal," he says. "I get by with a lot of lip-smacking and hardly any Chinese."

Sightseeing

The city's Orchid Garden (www.guangzhoutravelguide.com) is filled with tropical trees, bamboo and 10,000 potted orchids. "Visit a teahouse in the grounds for a fantastic afternoon," Baughan advises.

Food

"I recommend the roast suckling pig, but stewed snake and wild cat comes a close second. Try the Jiao Mei or Mei Garden restaurants."

Where to stay

For pampering yourself, stay at the Shangri-La hotel, which has beautiful views of the Pearl River (www.shangri-la.com).



Getting there

Air China and Cathay Pacific offer either direct or one- or two-stop flights. Pick a 15hr 30mins overnight flight from London to Guangzhou. Or book through WEXAS at www.iod.com/travel (020 7838 5989).

Useful numbers

The British Chamber of Commerce in Guangzhou can be reached at the Guangdong International Hotel. Tel: +86 (0)20 8331 5013.