POWERCLUB

A MERALCO PUBLICATION | DECEMBER 2013

INDUSTRY TRENDS:
PACKAGING WALKS THE GREEN PATH

ANALYSIS:
Food Security for the Philippines

INTO AFRICA:
Meralco makes its move in Nigeria

THE FUTURE OF OUR FOOD

IRRI'S DR. ROBERT ZEIGLER
AND THE ROLE OF RICE IN A HUNGRY WORLD

THE POWER TO RECOVER

Images of enormous destruction wrought by supertyphoon Yolanda continue to dominate the domestic scene as the year draws to a close. Over 6,000 lives and some P35 billion worth of property have been lost, to say nothing of the lasting emotional and psychological scars among the survivors.

The Manila Electric Co. (Meralco) dispatched men and equipment to affected areas in Leyte, Samar, and Panay to provide assistance and infrastructure repair. Our teams traveled for days by sea and land to reach these areas (see "*Light of Recovery*" on page 34). Our One Meralco Foundation (OMF) complemented our technical fleet by holding relief operations in affected places (see "*Thanks For Helping Us Raise P5M!*", page 21). Meralco management and employees initiated fund-raising initiatives and donated their Christmas party budgets to rebuild severely-affected communities and help school reconstructions.

These forays demonstrate our determination to provide service, even to people who are technically not our customers. They also reflect our broader mission of helping people and communities in need, embodied by our corporate value of *Makabayan*.

Operating outside our franchise area has given us the confidence to go further than we've dreamed of before. Recently, Meralco sealed a Technical Services Agreement with a Nigeria-based corporate partner, Integrated Energy Distribution and Marketing, marking our first overseas venture in power distribution (see "*Long Lines of Power*", page 30). We are sending our best people there, hoping that our vast experience can help spur development and create a better life for that country's citizens. Ultimately, we hope that the Nigeria experience will demonstrate that Meralco can be a strong, reliable partner in the global electric distribution arena.

This resolve to grow beyond borders is shared by two of our local partners – CDO Foodsphere Inc. and Marigold Manufacturing Corp. – featured in this issue. Their businesses began as small backyard enterprises but have grown by leaps and bounds to serve a vast clientele here and abroad. Like us, they have trained their sights on frontiers - we hope their stories inspire others to reach for the same success.

From your electric service and solutions provider, we wish you a blessed Christmas and a brighter, better year ahead this 2014. *Maraming salamat po sa inyong patuloy na pagtitiwala at pagtangkilik.*

We are pleased to announce that the Meralco Power Club recently received an Award for Excellence in Publication Design during the 2013 Philippine Quill Awards. The Quill Awards are given by the The International Association of Business Communicators - Philippines, part of a global network of communication professionals committed to improving organizational effectiveness through strategic communication.

Alfredo S. Panlilio
Senior Vice President and Head
of Customer Retail Services and
Corporate Communications

FOLLOWING THE FEAST

Food remains at the center of each and every celebration in the Philippines, most especially during Christmas. Food strengthens friendships and brings us closer together. Over meals, we exchange stories of the past and look optimistically towards the future, both for our families and for our country. The expanding economy brings new challenges: a growing population, need for new infrastructure, and more critically, a more secure food supply.

Science and technology can answer some, but not all, of our food issues. The International Rice Research Institute in Los Baños, Laguna is testing a genetically-modified "Golden Rice" variety which delivers more nutrients like vitamin A per serving. Its creation is already sparking much controversy; yet if we are to avoid a "Hunger Games" scenario, we need to explore every means to feed the world.

Our changing consumption patterns are creating other strains on our food supply as well as our environment. An increasing demand for quick-fix foods - canned food, instant meals, and fast food restaurants - results in more packaging being thrown into landfills, streams, and rivers. This has spurred consumers and businesses alike to shift to green packaging, where materials must not only preserve our food but our planet as well. Old packaging hands like Zest-O Corp. and Styrotech Corp., which we are featuring in this issue, show they too can adapt to demands for environmental packaging.

Christmas is supposed to be the most joyous time of year. This Christmas, unfortunately, will not be a happy one for millions of our countrymen who were affected by supertyphoon Yolanda. The news stories on TV cannot adequately convey the devastation and heartbreak our teams on the ground have witnessed. Despite the tragedy, the struggle, strength, and determination of the survivors have inspired millions around the world, and the tons of relief that poured from the world remind us all of the true meaning of Christmas.

We pray that our brothers and sisters in the Visayas find the courage, optimism, and the grace to forge ahead and rebuild their lives. Indeed, though this Christmas may be the bleakest in their lives, we at Meralco wish them and all of you - love, hope, and renewal - this Christmas and always.

Victor S. Genuino
Vice President and Head,
Corporate Business Group

Photography by **Doc Marlon Pecjo** Grooming by **Fennie Tan** Styling by **Xam Malaca**

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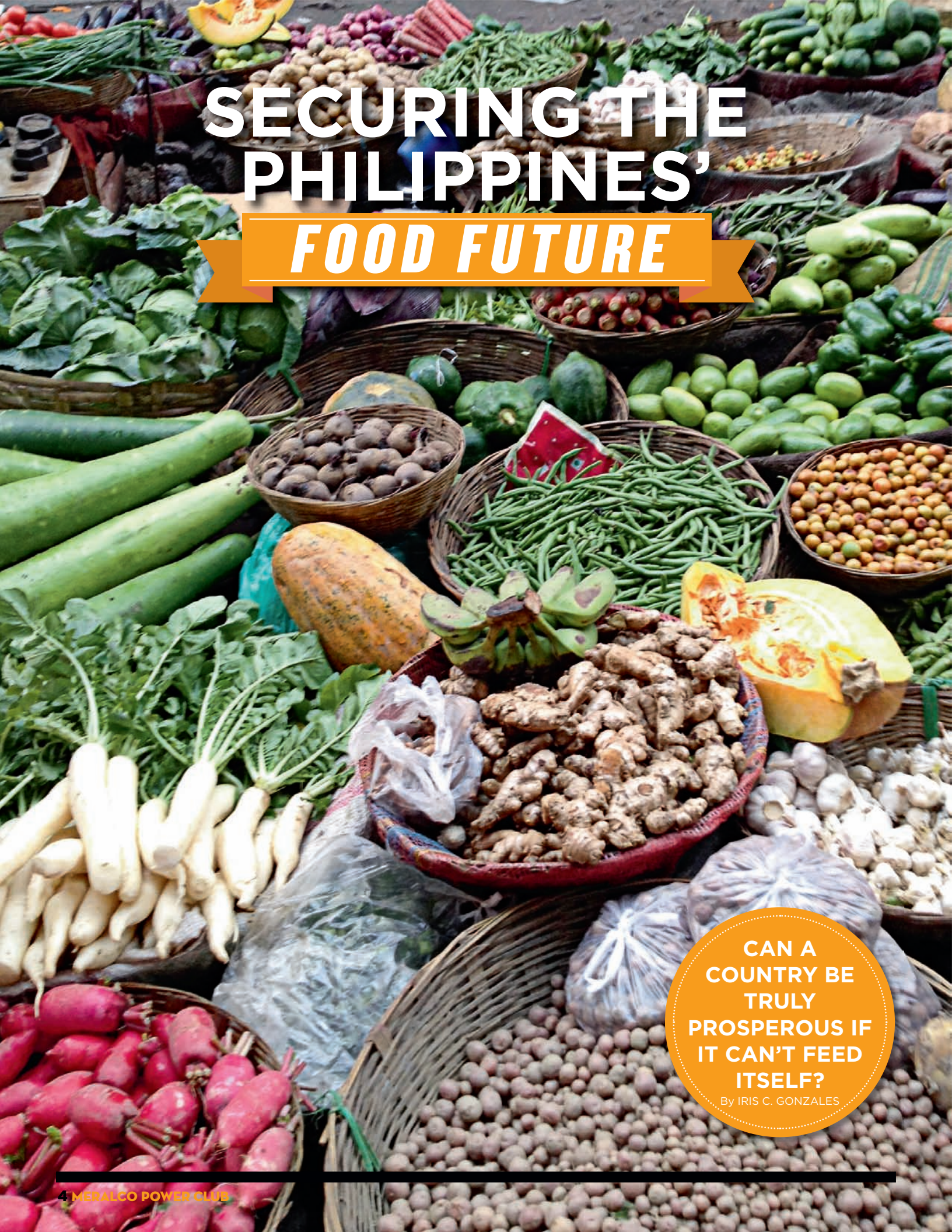
SECURING THE PHILIPPINES' FOOD FUTURE



CAN A COUNTRY BE TRULY PROSPEROUS IF IT CAN'T FEED ITSELF?

By IRIS C. GONZALES

Many have sounded the alarm bells on the issue of food security in the Philippines — from rebels waging a revolution, to farmers toiling borrowed lands. They say it in different ways, in different voices, but the demand is the same — for everyone to have food on their tables.

With a growing population of 94 million and an increasingly unpredictable environment brought about by climate change, the Philippines faces a tough road ahead in ensuring its food security.

The Food and Agriculture Organization (FAO) defines food security as "a condition that exists when all people, at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life."

On the other hand, food insecurity, according to the United States Department of Agriculture, is a situation of "limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways."

With a complex sociopolitical and economic landscape, the Philippines faces daunting challenges in ensuring food security for all of its citizens. It isn't just population growth that's causing problems; ironically, so is economic growth, which is fueling more demand for food.

This year, the Aquino administration is eyeing an economic growth target of 6 percent to 7 percent from the actual 6.1 percent recorded in 2012.

However, the Department of Agriculture (DA) says, while ensuring food security in the country seems insurmountable, it is not impossible.

"We can do it," DA Secretary Proceso Alcala asserts in an interview as he passionately talked about food security in the Philippines.

Alcala, a Lucena City-born former lawmaker and known advocate for agriculture development, believes that ensuring food security in the country is doable with the proper intervention.

"We should put up the proper infrastructure and teach people the right technology; and the government must provide the proper interventions," Alcala says in a mix of English and Filipino.

IRRIGATION BOOSTS OUTPUT

He cites, as an example, the case of the rice-producing province of Nueva Ecija, which has been benefitting from having proper infrastructure like adequate post-harvest facilities.

"We conducted a survey in Nueva Ecija and we saw that they have the right infrastructure and so they can produce more," he says.

Often dubbed as the "Rice Granary of the Philippines," Nueva Ecija today is one of the country's top producers of agricultural products.

Aside from rice, Nueva Ecija is also known as a major producer of corn and onions, as well as mangoes, calamansi (calamondin orange), bananas, garlic, and vegetables.

Alcala attributes Nueva Ecija's success in agriculture production to its irrigation system, bequeathed to the province by the Americans in the 1900s.

He says the success of agricultural production depends largely on access to plentiful irrigation.

"Without irrigation facilities you can only plant once a year, but if you have the proper irrigation system you can plant five times a year. Irrigation will provide proper water management. And this proper water management is what will give you better harvest," Alcala explains.

In the Philippines, irrigation and power are often intimately connected. Projects like the Casecnan Irrigation and Hydroelectric Plant in Nueva Ecija for example, provides both irrigation to local farmers and power for the Luzon grid. This power, incidentally, also helps drive irrigation systems in other provinces of Luzon.

The DA is also pushing for a food staple efficiency program, promoting other staples so that Filipino consumers are not solely dependent on rice. To achieve this, Alcala initiated studies to determine the kind of interventions needed in developing alternatives to rice as staples, like corn and sweet potato.

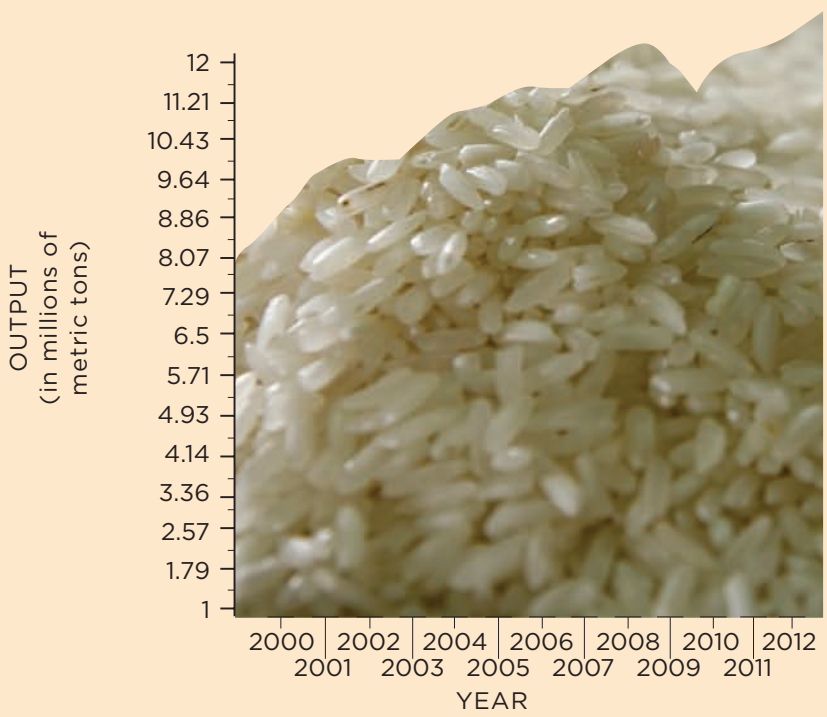
"There are 14 million Filipinos eating corn, but in the past, we did not have a corn program to take advantage of this. This time we are looking

"We should put up the proper infrastructure and teach people the right technology; and the government must provide the proper interventions".

- DA Secretary Proceso Alcala

Profile Photography by **Jun Pinzon,** Grooming by **Yen Uy,** Produce from **www.sxc.hu**

PHILS. ANNUAL MILLED RICE PRODUCTION



Source: Index Mundi

at other staples, so that the level of food insufficiency will go down," Alcala stresses.

He adds that the government will be providing assistance or incentives to farmers who would be planting other non-rice staples.

RETHINKING FOOD STAPLES

This is a view, surprisingly, shared by Dr. Bruce J. Tolentino, former DA Undersecretary for Policy and Planning, and currently deputy director general of the International Rice Research Institute (IRRI).

"The farmers can plant other things or they can shift to other forms of occupation. They do have choices and we ought to facilitate those choices for them. One of the things that we need to do is to enable farmers to plant other crops or do other things," he says.

For Tolentino, what is important to understand is that the issue of food security is not merely a matter of volume but also a matter of nutrition. This is the thinking behind IRRI's much-publicized and somewhat controversial Golden Rice project. *(See "Going With The Grain" on page 14).*

Alcala says he is keeping an open mind on Golden Rice because it is simply accepting the advancement of technology. "Let's wait until the studies are finished. Let's keep an open mind on the advancement of technology."

POST-HARVEST LOSSES STILL AN ISSUE

Technology certainly has a role to play in another core food industry, hog-raising. Large-scale hog-raisers often keep their pigs in power-hungry air-conditioned facilities, to prevent heat-stress. More advanced piggeries also employ ultra-violet light and other air filtering systems to prevent foot-and-mouth disease.

Such technologies, however, are often unavailable to backyard hog raisers, which make up 67 to 70 percent of the country's pork producers. That is why the hog-raising industry also needs the support of the government, according to Edwin Chen, president of the Pork Producers Association of the Philippines, an association of 48 small pork producers.

Chen notes, for instance, that the local hog-raising industry can benefit from post-harvest facilities, because local pork producers are reliant on the production of corn.

Up to 65 percent of the country's animal feeds is made up of yellow feed-grade corn, making it the second most important crop planted in the country after rice, according to Butch Umengan, executive Director of the National Corn Competitiveness Board, in an article posted on the organization's web site.

"We are dependent on the grains for feeds," Chen points out, adding that the shortage of post-harvest facilities causes losses of up to 10 percent of all corn in post-harvest operations. This, Chen believes, is where government can step in with the help of the private sector.

"It can be a PPP project," he says, referring to the Aquino administration's much-touted public-private partnership program, which can involve the local government unit and the private sector.

Also, Chen says the industry needs more "Triple A slaughterhouses" to support the growth of the industry.

Under the National Meat Inspection Service (NMIS), a special regulatory agency under the DA, "Triple A" (AAA) is the highest rating a slaughterhouse can receive.

AAA slaughterhouses are top-grade abattoirs with modern facilities

With a steady stream of available livestock and the kind of stable, reliable power supply that the Meralco provides, these abattoirs are capable of processing 250 hogs per hour, practically 24/7.

and operational procedures. Livestock slaughtered in these facilities are certified for sale in local and international markets, the NMIS says.

With a steady stream of available livestock and the kind of stable, reliable power supply that the Manila Electric Co. (Meralco) provides, such facilities are capable of processing 250 hogs per hour, practically 24/7.

Chen notes the vital role of electricity in his industry, particularly in the areas of sanitation, food processing and food storage.

NEW CROP TECHNOLOGIES

The University of the Philippines Los Baños (UPLB) has been doing its part in addressing food security, by researching and developing new crop technologies.

Chancellor Rex Cruz points out that UPLB has been known in advancing knowledge and educating students in science, agriculture, forestry, veterinary science and technology.

"We've been involved in developing new crop technologies - rice, corn, vegetables, fruits. We are going to increase our investment in research and development. We have a newly-established interdisciplinary center for food and nutrition safety and security. It will conduct comprehensive investigations on how to produce more, how to consume less and how to produce more crops that are necessary and how to reduce losses due to natural calamities," Cruz says.

The shifting climate is also creating a sense of urgency in many of the research.

"We need to develop crop varieties that are resistant to drought, floods and strong winds; we're also looking at how to adapt the cropping calendars of the farmers. They plant, they have rains, they harvest during seasons. How do you shift your calendar so you plant and harvest when there are no natural disasters?" Cruz asks.

PRIMED FOR THE AEC

The government, however, must race to implement its programs for the agriculture sector because of the soon-to-be-in place Asean Economic Community (AEC), with the vision of creating a fully-integrated region by 2015.

"I take it as a challenge and I look at it as an opportunity. Nothing will happen to us if we become scared of it," Alcala says.

Many independent studies, however, have pointed to the Philippine agriculture sector as among the losers once AEC comes into being. With our Asean neighbors producing crops and livestock at much lower costs, the expectation is that cheaper-priced agricultural commodities would eventually flood the market, killing off our local producers.

But Alcala is adamant that the sector can ride it out, and even triumph with the AEC integration. He says his department is looking at lowering the production cost of rice so that farmers can compete with their peers in the region under the AEC regime.

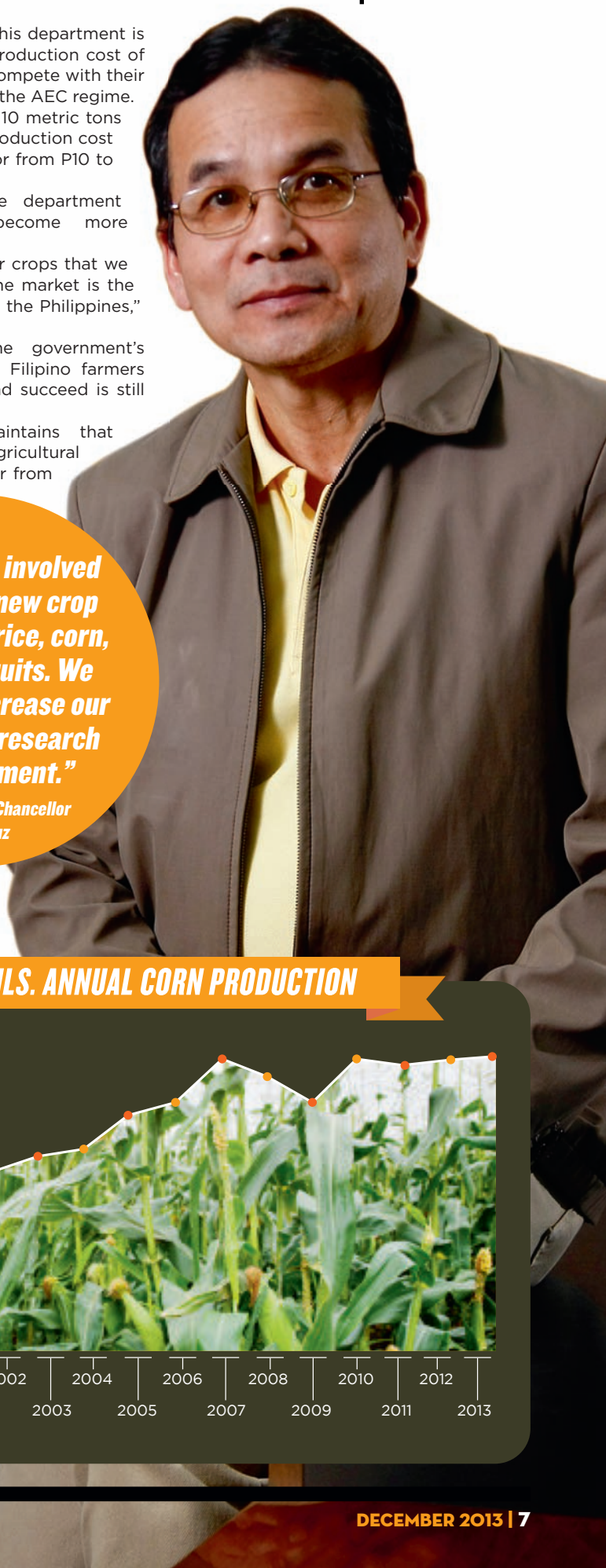
The idea is to harvest 10 metric tons of rice per hectare at a production cost of P5 per kilogram (kg), or from P10 to P11 per kg. at present.

Alcala also says the department is helping farmers become more competitive.

"I am looking for other crops that we can champion because the market is the whole Asean and not just the Philippines," he adds.

Whether or not the government's interventions would help Filipino farmers survive the challenges and succeed is still anybody's guess.

Alcala, however, maintains that with the country's rich agricultural resources, the future is far from glum.



"We've been involved in developing new crop technologies - rice, corn, vegetables, fruits. We are going to increase our investment in research and development."

- UP Los Baños Chancellor Rex Cruz

PHILS. ANNUAL CORN PRODUCTION

Source: Index Mundi

FORUM

THE FUTURE OF ORGANIC AGRICULTURE

By Bubbles Salvador

A key concern in food security is the sustainability of farming practices – an area where organic agriculture has proven its capabilities despite many challenges. A group called Spread Organic Agriculture in the Philippines (SOAP), together with other stakeholders, sat down for a Meralco Power Club dialogue at Cordillera Coffee in Quezon City to share growth opportunities in organic agriculture. They also discussed the importance of government's role in the success of the rapidly emerging sector.

THE STAKEHOLDERS

- **Ruby Cruz**, Daily Apple Distribution Inc. - a Bacolod-based company that produces health food products and herbal supplements
- **Rico Omoyon**, Milea Bath and Body Wellness - makes natural beauty products with honey sourced from their farm in Batangas
- **Reden Mark Costales**, Costales Nature Farms - a farm and agri-tourism destination in Laguna that grows herbs and vegetables
- **Marco Dumlao**, Tapao Agri-Ventures - an integrated farm in Tarlac that includes organic livestock and hogs
- **Amihan Ruizo Tombocon**, Don Bosco Multi-Purpose Cooperative - a pioneer in advocating biodynamic agriculture
- **Iona Santos-Fresnoza**, Coffee Assistance for Indigenous Development (Coffee AID) – a nongovernment organization advocating fair trade for Benguet farmers
- **Fr. Ed Dela Torre**, Technical Assistance Group, Department of Agriculture's Office of the Secretary

MERALCO POWER CLUB *(MPC):* First of all, who came first into the organic fold and how difficult was it to start?

TOMBOCON: I think it's Don Bosco. We actually started to find something to do for out of school youth in the '80s, when [we] realized it's difficult to teach teens how to live more productive lives even if they're not studying. It's difficult to instill philosophies that will actually help them in the future, when they're hungry. *'Pag gutom sila, ipagpapalit nila ang prinsipyo nila para sa pagkain.* Since most of the families are into agriculture, *'dun na nag*-start. It started to be organic agriculture, then in early '90s, our director, Betsy Gamela, came to know of biodynamic agriculture through Jake and Bella Tan and Nick Perlas, and books.

COSTALES: The purchasing manager of a restaurant in Manila suggested that we produce herbs and vegetables commercially *na ginagamit nila sa* restaurant. *Pinag-aralan namin* how to mass-produce *'yung gulay na 'yun hanggang ma*-perfect *'yung* technique.

Dati, five branches *lang dine-deliveran namin*, *ngayon*, all branches nationwide. *(Editor's Note: Costales Farms also supplies the organic produce at Healthy Options.)*

MPC: What are the difficulties in marketing organic products? Is it pricing, shortage of supply or a lack of demand?

DUMLAO: No protocol for natural farming yet but *inuumpisahan namin*. *Manok talaga ang may* demand, pork, a few vegetables. *'Yung* market for the longest time, *ang hirap*, *pero* after the Organic Congress last October, I was caught off guard. *Ang laki ng* demand *ngayon na* we are expecting almost double *'yung* [sales for] December from about three months ago.... There's a booming market, we hope that we can sustain it.... Support from government is needed.

MPC: What kind of government support do you need?

DUMLAO: It's capital intensive. It's either we increase production based on our cash flow, sales or *meron kang* soft loan. *Pero wala nang* loan *na ma*-tap, *e*. More of capital *ang mabigat ngayon.* If you want to have quality in your products, *magaganda ang* facility *na dapat gagamitin.* We've tapped the [Department of Science and Technology], *pero di pa naman nag*-move.

DELA TORRE: *Meron tayong* Agri-Agra Law (where banks are required to lend 25 percent of their loan portfolio for agriculture and agrarian reform projects/ beneficiaries), *pero maraming bangko,* they'd rather pay the penalty *kasi tingin nila, 'di kikita* [*'yung* project]. What I find interesting here is *iba-iba ang simula pero* the social part comes in, *paano i*-put together *'yung maliliit na* producers and consumers – *kayo 'yung nagli*-link *ng dalawa*.

Photography by **Mems Gamad**

MPC: What is the value of certification? What do you think about the fact that there are different certification standards?

OMOYON: This [certification] is important - this will distinguish us from others *na 'di tama ang pamamaraan o 'di akma ang kanilang produkto*. *Mas madali kang makapag-posisyon kung meron kang* label, *o pumasa ka sa* standards. *Sa maliliit, medyo mahirap. Ano 'yung dapat mong unahin*, [organic produce] certification or [Food and Drug Administration] registration? *Paano kung binayaran mo na, tapos hindi nag*-click?

DELA TORRE: By law, government is supposed to give support to small farms *na gusto magpa*-certify. *'Di ko alam* how many have already availed. Up to P50,000 *ang* subsidy. *Problema sa atin sa Pilipinas, dalawa pa lang ang* certifying bodies [at the national level] - OCCP (Organic Certification Center of the Philippines) and NICERT (NISARD–Negros Island Sustainable Agriculture and Rural Development Foundation–Certification Services/ Negros Island Certification Services). *'Pag* international *naman, medyo mahal*....Ecocert, [US Department of Agriculture], etc. *(Editor's note: Ecocert is an inspection and certification body established in France in 1991 and specializes in the certification of organic agricultural products.)*

CRUZ: It was easier when Ecocert came, ready *na kami*. *Sugal po 'yun, napakamahal.* I also had to be more aggressive sa marketing; certification covers three areas - US, Europe, and Japan. *Mabuti nalang, nalaman ko po 'yung* DA-AMAS (Department of Agriculture Agribusiness and Marketing Assistance Service) subsidy, *na 'di masyadong mabigat sa bulsa.... Babalik ko lang po na* what we need is shared services – organize farmers into communities, *kasi* we need to put up the drying stations. Our laboratory cannot handle all, we have to look at this on a bigger scale. Much as we are okay with investments *sa sarili namin*, supply chain *ng* farmers, *kailangan tulungan din ng* government.

FRESNOZA: The [Department of Trade and Industry] is very supportive, always inviting, giving free booths for international exhibition. My aunt is exploring possibilities of exporting organic coffee, but we have to work on certification. We recently joined an international exhibit in Japan, and there was interest in Philippine organic coffee. It would be better if all the agencies involved would come together and make it smoother, no segmentation, so it's all approached holistically. In terms of marketing – DTI; in terms of increasing production opportunities – DOST can come in. That's one thing we can do also, volting in of all the different departments and sectors.

MPC: Has Meralco been helpful in your needs as organic farmers?

COSTALES: We use the power sprayer for crops. This is more cost-effective than a gas-powered sprayer. For livestock, we use lighting for the chicks. For agri-tourism, we use equipment for video presentations. The supply is okay; we recently had problems with one of the transformers but the problem was resolved within four hours. *Mabilis rumesponde ang* Meralco.

The Manila Electric Co. (Meralco) is also doing its part to help small farmers in remote communities go green. The One Meralco Foundation – Meralco's social development arm – recently installed an 800-watt peak solar photovoltaic system in Brgy. Sibul, San Miguel, Bulacan. The hilltop community is using the green energy system to power the drip irrigation of its 10,000-tree pilot moringa plantation. With the support of the Green Earth Heritage Foundation, the farm produces crops like moringa tea. (*with Mari-An Santos*)

A chat with organic farmers: (from left) Marco Dumlao, Mark Costales, Rico Omoyon, Fr. Ed Dela Torre, Amihan Tombocon, Ruby Cruz, and Iona Fresnoza.

A GRAND, GREEN YULETIDE FEAST

Indulge in a Christmas-y cornucopia of organic delights with Chef Robby Goco

BY JING LEJANO

Chef Goco Grooming by **Yen Uy;** Food Styling by **Rachelle Santos;** Photography by **Jun Pinzon;** Christmas dinnerware courtesy **Vincie's Collection (T# 426-0285)**

A fat capon, roasted to golden perfection. Potatoes and squash simmered in a tasty chowder. Carrots baked into a wonderfully moist sponge. These are but some of the deliciously healthy dishes included in a Christmas Feast menu prepared by Chef Robby Goco.

Chef Robby, the genius behind Tequila Joe's, Charlie's Grind and Grill, Cyma Greek Taverna, and the new all-organic resturant, Green Pastures, assembled this Yuletide banquet as a special feature for the Meralco Power Club – and to demonstrate that eating well and eating healthy can go hand-in-hand.

This same philosophy goes into the dishes served at Green Pastures. A culinary project which took Chef Robby all of three years to put together, Green Pastures offers farm-to-table dining, serving up nourishing, nurturing food that contribute to the diner's overall health and well-being.

"Everything here is organic. I know who planted it, who harvested it, who raised it... This is about me guaranteeing to my guests that I know what exactly we put on their plates," he says.

The 2.7-kilogram poultry he used for the Roasted Capon featured in this feast, for instance, is sourced from Pamora Farm Inc. in Abra. Run by French-Filipino couple Gerard and Tina Papillon, Pamora Farm raises free-range chickens, free of antibiotics and other chemicals, under the strict Label Rouge standards of France. Most of Chef's mushrooms come from the Lipa City-based Ministry of Mushrooms, founded by young entrepreneurs Marco Lobregat, Jose Javier Ortoll, and Victor Sala, who are passionate about sustainable mushroom farming techniques. The broccoli comes from Mindanao, and the pineapples, from Ormoc.

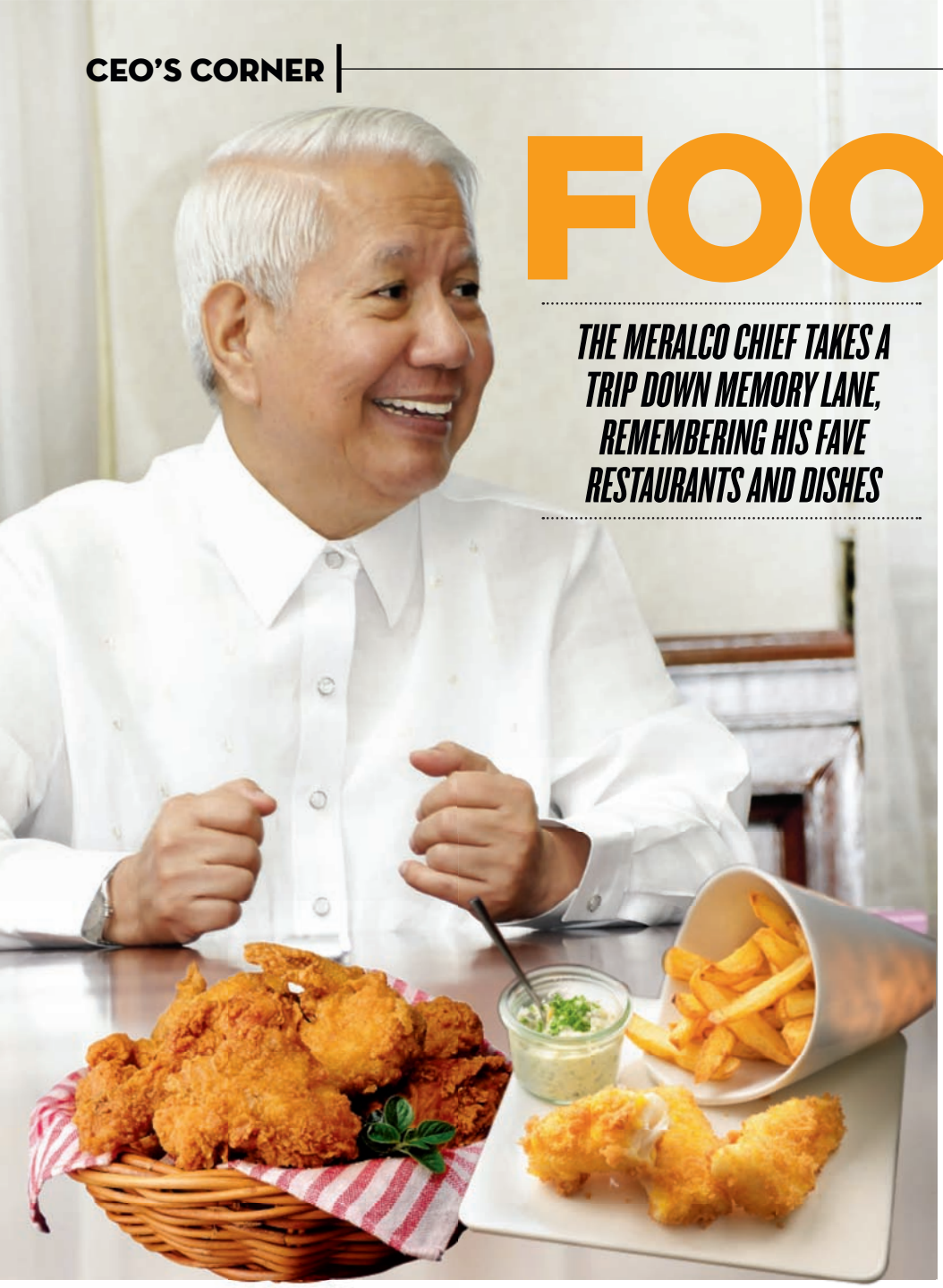
There's no room for compromise at Green Pastures; when he can't find a reliable supplier for a particular ingredient, Chef Robby just keeps it off the menu. He stresses: "I don't have strawberries because there are no organic strawberries in Baguio."

Chef Robby also uses cooking processes that preserve flavor and nutrition. His steaks and ribs are slow-roasted for 24 hours and 48 hours, respectively, in a water oven. He explains, "I use a lot of science. It's all about the ingredients and adding some science to it... There are a lot of creative ways to cook organically."

And because his meals are insanely healthy, diners can make merry all they want this holiday season!

CONTINUED ON PAGE 32

▼ **CHEF ROBBY GOCO'S ORGANIC CHRISTMAS FEAST** (clockwise from the top-left): **THE HARVEST CHOWDER,** a thick, hearty soup with shrimps, squash, potatoes, home-smoked bacon, and sweet corn; **THE 24-CARROT CAKE,** baked with bits of pineapples from Ormoc; **MUSHROOMS AND ASPARAGUS FIDEUA,** made with spaghetti, sofrito, mushrooms, and asparagus; **ROASTED CAPON**, filled with Apple Pecan Sausage Stuffing, served with glazed carrots, broccoli, and cheese; **AUTUMN SUNRISE,** a salad of fresh greens with squash, sweet potatoes, roast chicken, and caramelized onions



FOOD TRIP

THE MERALCO CHIEF TAKES A TRIP DOWN MEMORY LANE, REMEMBERING HIS FAVE RESTAURANTS AND DISHES

by Oscar S. Reyes, President and CEO, MERALCO

I am a foodie. I simply enjoy good food. And "good food," along with favorite restaurants, have evolved as I have grown older.

As a young boy, until my teens, I enjoyed great hamburgers and chocolate milk shakes at soda fountains such as the *Botica Boie* along Escolta, which was then the shopping district of Manila. I also regularly went to *Acme Supermart* along Padre Faura and *Stop & Shop* in Sta. Mesa. There were delicious foot-long hotdogs at the *Brown Derby* along Quezon Blvd., refreshing mais con hielo and halo-halo at *Little Quiapo*, as well as the steaming bowl of chicken mami and siopao at *Ma Mon Luk* in Quiapo.

I started working when I turned 18. I would go to our office building's canteen for lunch, but at times, I'd be dining at *The Plaza* at the old Makati Commercial Center. My big bosses at PDCP (Private Development Corp. of the Philippines) such as former Finance Secretary, the late Vicente "Ting" Jayme, and former Public Works Secretary Jose "Ping" de Jesus couldn't understand how I and my colleague Buddy Zamora could afford to eat at *The Plaza* on a monthly salary of P195. But then, we always worked overtime up to 2 a.m., so that's where we got extra lunch money. I also enjoyed snacking on root beer shakes and the plain hotdog of *A & W* along EDSA.

When I went for further studies, taking up management courses intermittently in the late 1960s to the late '80s, this meant new food experiences over and above the usual cafeteria meals. My six-month Business Management Consultancy program under the Asian Productivity Organization in Tokyo also introduced me to Japanese delights such as sushi, tempura, and beef teppanyaki. At *Waterloo* in Ontario, Canada, it was regular orders of Ceasar's Pizza and chocolate milkshake delivered to our men's dorm. Harvard meant occasional sumptuous meals of clam chowder and huge servings of prime roast beef with baked potatoes at *Faneuil Hall*.

During the early to mid-'70's, I had the pleasure of holding office at Philippine Petroleum Corp. on the 12th Floor of the Lopez Bldg. We enjoyed "fine dining" at the specialty restaurants at the Meralco *Lighthouse*, served by outstanding Japanese and Chinese chefs. We had the best seafood, beef and chicken teppanyaki at the Japanese rooms, as well as steamed lapu-lapu in white sauce, steamed prawn balls with broccoli, Chinese style beef and sweet sour pork at the Chinese rooms.

From the '70s to the '90s, as fast food dining became a fad, I became enamored with the tasty Southern-Style fried chicken smothered in gravy of Colonel Sanders at *Kentucky Fried Chicken*, as well as the burgers, fries, and sundaes at *McDonald's*.

During my three-year stint at Shell International in London in the early '90s, it was "fish and chips" at Lisson Grove or the many Chinese restaurants around Trafalgar Square or Mayfair. Then it was grilled beef, pork, or lamb at the *churrascarias* (barbecue joints) in the various countries in South America, which I visited because of my job.

With all these delectable feasts I treated myself to, ever wonder why I had to undergo a triple heart bypass in 2003?

But I have since banished these high cholesterol-inducing dishes from my diet! Now, I enjoy dobin mushi (traditional Japanese seafood soup served in small clay teapot), sashimi, and gindara teriyaki at Japanese restos, such as *Inagiku* and *Senju* at the Shangri-La hotels, Cantonese fare at *Choi Garden*, *Peking Garden*, *Shang Palace* and *Summer Palace* also at the Shangri-La hotels, and fine dining at *Masseto, Elbert's Steak House*, and *Cru* at the Marriott in Newport City.

Okay, okay...on occasion, I admit to having *Jollibee* Champs, Angus Steakhouse Burgers at *Burger King*, McSpicy Chicken burgers, and all the great offerings at *Chowking,* where my youngest son, Donny works.

But my true love are the home-cooked dishes the ladies in my family whip up - my wife's lengua, my daughter's callos and my late mom's pochero.

What makes all of them the best for me is the way they are cooked – with a passion for culinary excellence and the use of authentic ingredients, and a sincere desire to please their loved ones. For those reasons alone, their dishes will beat those served in even my favorite restaurants, hands down.

Photo courtesy **Meralco**

IMPROVING INDUSTRIES IN LAGUNA PROVINCE

CONSTRUCTION OF CPIP 115 KV LINE

Both Air Liquide and Samsung stand to benefit from the installation of the Manila Electric Co.'s (Meralco) new Calamba Premier Industrial Park (CPIP) 115-kilovolt (kV) line. Air Liquide Philippines Inc. in particular can expect higher reliability of service once its defective transformer is repaired. The company operates one of 80 plants worldwide that provide gases for industry, healthcare, and environment. The impact will also be felt at the Samsung Electro-Mechanics Philippines plant once the construction of the proposed CPIP substation is completed in 2014. The company manufactures multi-layer ceramic capacitors.

EXPANSION OF CARMELRAY SUBSTATION

Companies operating at Carmelray Industrial Park, including Toshiba Information Equipment (Philippines) Inc., San Miguel Corp., Bayer Philippines Inc., Coca-Cola Bottlers Philippines Inc., Epson Precision (Philippines) Inc., and Uniden Electronics Philippines Inc., can expect more efficient and reliable power distribution soon. A second 830-megavolt ampere (MVA) power transformer bank system is being installed by Meralco to relieve the critical loading of the existing power transformer bank at Carmelray substation in Biñan. It will also provide surplus capacity for load growth.

DEVELOPMENT OF LAGUNA BEL-AIR SUBSTATION

Residents of Laguna Bel-Air Subdivision, Nuvali, and Sta. Elena Village, as well as companies at the Laguna International Industrial Park (LIIP) like Toyota Motors Philippines and Nidec Precision Corp., can look forward to greater power supply in the coming months. Meralco is completing a new 83-MVA-capacity substation in Laguna, which will alleviate the critical loading of the LIIP and the Sta. Rosa substations. The new substation will also provide for surplus capacity for the projected load growth in the towns of Biñan and Sta. Rosa.

IRRI Director General Dr. Robert Zeigler stands inside the Institute's rice genome bank, a repository of over 117,000 varieties, subspecies, and wild relatives of rice.

GOING with the GRAIN

Can IRRI's new rice strain nourish the hungry?

BY IRIS C. GONZALES

Dr. Zeigler Grooming by **Christine Laviña;** Dr. Tolentino Grooming by **Yen Uy;** Photography by **Jun Pinzon**

This is a story of the endless search for answers, and it begins at the foot of a mountain.

Here, legends tell of a forest nymph named Maria Makiling, an ageless vision of flowing hair and sparkling eyes, said to be the guardian of the mountain and its bounty.

There is also another guardian here, a ceaseless sentinel watching over a priceless treasure. A custodian less romantic or mysterious than the forest nymph perhaps, but all the more important to the Philippines —and to billions of people around the world.

This guardian is the International Rice Research Institute (IRRI).

An IRRI technician packs seeds for storage.

BOOSTING RICE YIELD

The story begins in 1960, when IRRI was established with the support of the Ford Foundation, Rockefeller Foundation, and the Philippine government, in a sprawling 252-hectare farm leased out by the University of the Philippines Los Baños. IRRI quickly gained fame for its crucial scientific and technological contributions to the Green Revolution in Asia during the late '60s and '70s, breeding a "semi-dwarf," high-yield rice variety that was more robust and less likely to fall over.

By 2005, around 60 percent of the world's rice area was estimated to be planted to IRRI-bred rice varieties (known as IR varieties). As a non-profit, autonomous, international organization, IRRI's aim is "to reduce poverty and hunger, improve the health of rice farmers and consumers and ensure environmental sustainability through collaborative research, partnerships and the strengthening of national agricultural and extension systems."

"Our mission is global. IRRI continuously strives to make a positive impact in all rice-producing and -consuming countries in the world," says Robert Zeigler, director general of IRRI. "Ninety percent of the world's rice is grown in Asia, so it's just right that the headquarters is located in Asia."

Though based in the Philippines, IRRI also has 16 offices strategically-located in rice-growing countries. "There's very little rice grown in Africa, but demand is rapidly increasing, so we are preparing for major work in the region," he says. "We also have breeding hubs in Africa and India."

"IRRI is the world's foremost center for rice research. There's nowhere else that you get this kind of capability and capacity. We have over 1,300 staff, a little over 450 of which are full-time scientists working on rice. Scientists from 36 countries create an international community solely focused on rice; this is the only place on Earth you'll find that kind of concentration," he adds.

The challenge, Zeigler continues, is to constantly improve the technology to produce rice suited for changing environments, and that is necessary because, "the rice technology that you need for the Philippines is different from the technology needed for African countries, or other countries in Asia."

In 2012, a report published by the Australian Centre for International Agricultural Research assessed that, between 1985 and 2009, IRRI's breeding work had delivered an annual benefit of US$1.46 billion per year and boosted rice yields up to 13 percent in three countries in Southeast Asia. IRRI's annual impact in these three countries alone – the Philippines, Vietnam, and Indonesia — exceeds the Institute's total budget since it was founded 53 years ago.

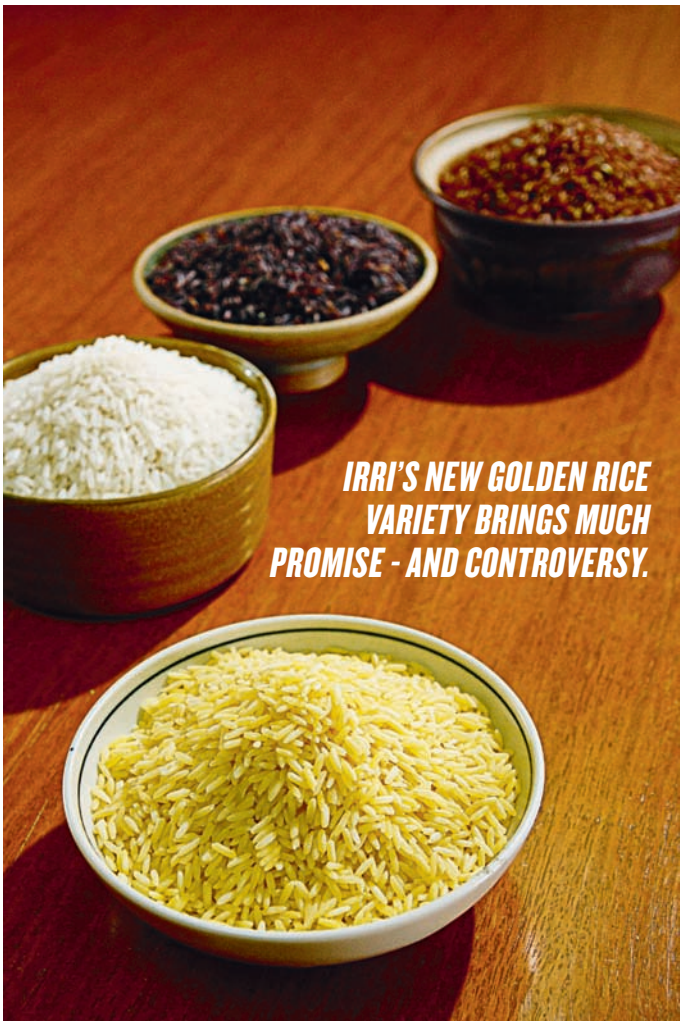
SEARCHING FOR THE PERFECT GRAIN

IRRI's role as a rice research institute is crucial in meeting the ever-growing global demand for the commodity.

"We have to meet the increasing demand for rice. At the same time, we are facing climate change and major population growth. We are also facing the impact of greater flooding, disasters, heat, and shortages in essential resources," Zeigler points out.

This is where IRRI's search for that perfect grain begins.

"The idea is to apply science to develop rice breeds that can withstand all major challenges. For example, in the Philippines, land dedicated to growing rice has been decreasing over the years. In fact, the country has less rice land than either Vietnam or Thailand. Our role at IRRI is to support each country, like the Philippines, toward meeting its own food security goals. We work with national and international partners to increase productivity and adapt to climate change



through the best rice science and advances in rice crop management techniques," Zeigler says.

Though an international organization, IRRI constantly works with national research centers such as the Philippine Rice Research Institute (PhilRice).

"We produce the genetic foundation, which we then transfer to PhilRice. PhilRice works with the DA (Department of Agriculture) and the regions to do the testing and dissemination to farmers. We don't have direct relationships with farmers. It is the national system that has a direct relationship with farmers. We work with national research and extension systems of the country concerned," explains Dr. Bruce J. Tolentino, IRRI deputy director general for communication and partnerships.

Aside from developing new rice varieties, the Institute also develops rice crop management techniques that help rice farmers improve the yield and quality of their rice in an environmentally sustainable way.

GOLDEN RICE

One of IRRI's most visible — and some would say, controversial — projects is Golden Rice. The name isn't mere poetic license; Golden Rice truly has a golden, yellow color, an indication of its high beta carotene content. According to research published in the American Journal of Clinical Nutrition in 2009, daily consumption of a cup of Golden Rice can supply 50 percent of an adult's Recommended Daily Allowance of vitamin A.

This, Tolentino says, reflects a new approach of developing food not just to prevent hunger but improve nutrition.

"Food security is not only a matter of availability; it's also a matter of nutrition and access to nutrition at the lowest prices. We have a major public health problem of vitamin A deficiency in many countries, including the Philippines, so if we have our people eating a lot of rice, why don't we improve the nutritional value of rice?" he continues.

Vitamin A is an essential nutrient for the visual system, growth development, and a healthy immune system. According to a primer on Vitamin A from Helen Keller International, many people in the developing world do not get enough vitamin A or beta carotene from the food they eat, contributing to vulnerability to disease.

Golden Rice was developed using genetic modification, with genes from maize and a common soil microorganism that together produce beta carotene in the rice grain.

Genetic modification is what sparks opposition to Golden Rice. The environmental group Greenpeace insists that there are cheaper ways of tackling vitamin A deficiency without resorting to genetic modification.

Greenpeace claims that Golden Rice is an environmental risk that threatens to contaminate non-genetically engineered rice once commercially planted.

Tolentino refutes the claims, saying one needs to understand the science behind it. "There are a lot of arguments put forward that don't necessarily accept the science. The problem is those who do not accept the science don't seem to offer any evidence to back up their claims."

Based on nearly two decades of study, the genetic trait that produces beta carotene in the rice grain does not make Golden Rice plants more persistent than other rice varieties—meaning this variety is unlikely to become a weed or harm biodiversity. Furthermore, Golden Rice

IRRI Deputy Director General Dr. Bruce Tolentino at the Institute's live experimental rice farm

IRRI technicians sort rice seeds

will only be certified for cultivation once national regulators have determined it safe for consumers and the environment through a series of stringent tests.

At present, Golden Rice is being field-tested in three countries—Indonesia, Philippines, and Bangladesh. This is a third in a series of steps that need to be completed to determine the variety's suitability for mass farming. An independent nutrition study will help confirm whether the variety can contribute to addressing vitamin A deficiency.

"We are now working with PhilRice so that they can submit the application to the Bureau of Plant Industry for food and feed trials. That's down the line. Assuming that food and feed trials are completed, it's only at that point when Golden Rice will be available to farmers for planting, and that will take about 2 to 3 years," Tolentino projects.

Tolentino is optimistic that Golden Rice will gain acceptance in the Philippines. "I believe in this technology," he says. As for it being more expensive, he points out that Golden Rice will be available at the same price as common varieties. "It is hard to imagine a more affordable source of vitamin A for the very poor."

The Golden Rice project is just one of the many ongoing projects of IRRI, dedicated to improving farmers' productivity and livelihood.

"We have roughly 200 projects going on and Golden Rice is just one of them. Others are just as important. These projects promise higher yield and less use of fertilizers and pesticides, benefiting farmers, consumers, whole nations, and even the environment," Tolentino enthuses, his eyes bright with passion and excitement.

THE POWER TO PRESERVE

IRRI has one other crucial role, one not as visible or well-known as its breeding projects, but equally vital to ensuring the survival of humanity itself. It maintains the International Rice Genebank, a repository of over 117,000 varieties, subspecies, and wild relatives of rice.

This is the world's largest collection of rice genetic diversity, with seed samples from all over the world sent here for research, safekeeping and as a hedge against future calamities. To secure this public trust, the power demands are massive.

IRRI's special storage vaults require stable and reliable power to minimize humidity and keep temperature at the optimal -18˚C required to keep rice seeds viable for decades. IRRI's monthly power consumption runs from 3.5 to 4 megawatts (compared to 1.5 MW consumed by a large mall like SM Megamall).

Hiram Gomes, Jr., IRRI senior manager for supply chain services, underscores the Institute's need for a stable, dependable power source. As supplier of this power, the Manila Electric Co. (Meralco), thus, plays an important role in the long-term preservation of rice diversity and conservation for Filipinos and all mankind."

The quest for the perfect rice grain goes on. And as long as hunger and poverty stalk the world and climate change threatens to upset food security, IRRI will continue on its mission to build a better world through rice science.

GOING GREEN: ECO-FRIENDLY FOOD PACKAGING

LARGE CORPORATIONS ARE NOW WALKING THE ENVIRONMENTAL PATH

by Leslie G. Lee

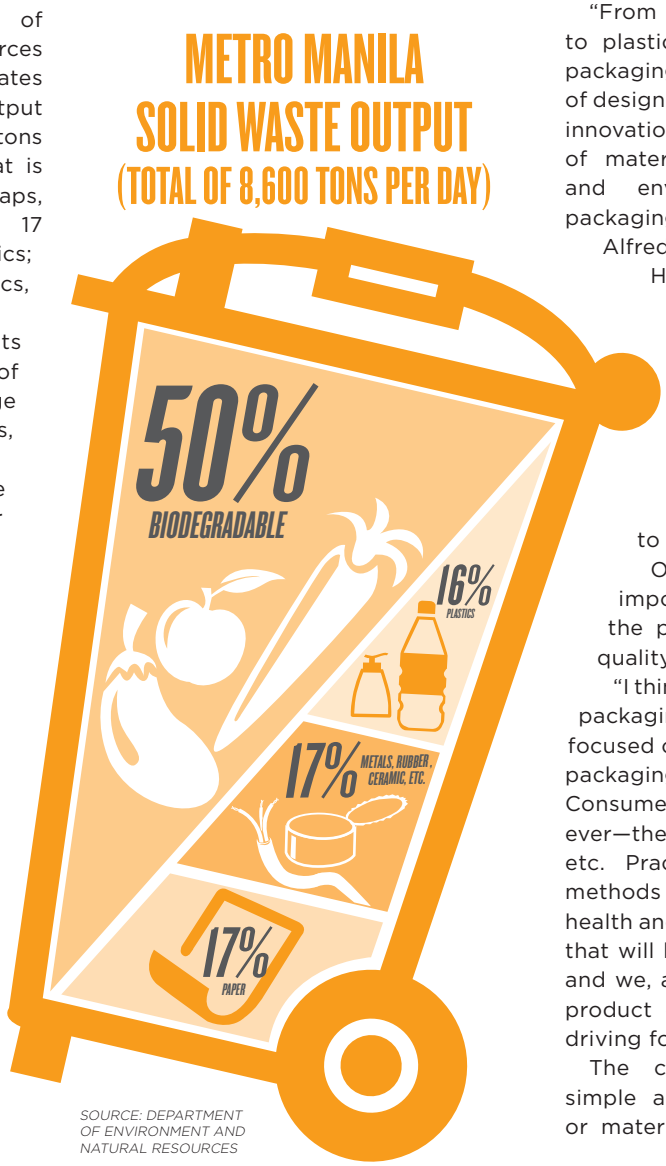
No fuss. Open and use. Eat and go. Most modern packaging is designed to be cheap and disposable, reflecting a society that often prizes convenience over conservation, without giving thought to the consequences. Like, where our garbage goes.

According to the Department of Environment and Natural Resources (DENR), Metro Manila alone generates one-fourth of the country's daily output of solid waste – as much as 8,600 tons of trash per day. About half of that is biodegradable waste (e.g. food scraps, leftovers, and animal carcasses); 17 percent is paper; 16 percent is plastics; and the rest is made of metals, ceramics, rubber, and leather.

And while local government units struggle to bury the massive outflow of trash in landfills, far too much garbage end up in landfills, or worse, in rivers, creeks and streams.

But a growing awareness of the problem – regularly raised whenever floods hit Metro Manila - is quickly changing public behavior. Many cities and towns under the Metro Manila Development Authority already ban plastic shopping bags, while efforts are being made by local governments, private citizens, and corporations to reduce, reuse and recycle waste.

Food and beverage companies—from fast-moving consumer goods to fast food restaurants—have begun to play a role changing the way the food is being packaged. By investing in new technologies, innovative designs or even old-fashioned materials like paper, these companies are making packaging ever more recyclable, compostable, and eco-friendly. Companies like Styrotech Corp., which specializes in producing and supplying disposable plates, cups, utensils, and food packaging for fast food restaurants, and Zest-O Corp., one of the country's biggest beverage companies and a pioneer in "doy-pouch" packaging, are leading the way.



SOURCE: DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

ZEST-O KEEPS UP WITH THE TIMES

Established in 1960, Zest-O first used paper as its main packaging material. It later turned to plastic, but has since moved on to using other materials in order to keep up with packaging trends and consumer demand.

"From cardboard to paper, glass to plastics and the like, we have seen packaging evolve from the simplest form of design to applied ergonomics, aesthetic innovation, as well as combination of materials that result in more rigid and environmentally-friendly product packaging," says company chairman Alfredo M. Yao.

He adds: "Even complementary components such as bottle caps, screw-on caps, zip locks have constantly been changing—this is a trend which we will continue to see as we grow more knowledgeable about what we purchase on a day to day basis."

One insight Yao shares is the importance of packaging in shaping the perception of consumers to the quality of the contents.

"I think we will continue to see product packaging that will more likely be focused on the 'health-conscious market'; packaging has a lot to do with perception. Consumers now are more educated than ever—they read the nutrifacts, ingredients, etc. Practicing environmentally-friendly methods are also somewhat related to health and well-being, so this is something that will be a trend in the years to come; and we, as manufacturers, must maintain product quality and freshness as a key driving force of our selling point."

The challenge to Zest-O isn't as simple as changing packaging designs or materials. The juice drink market is

Mr. Yao Grooming by **Yen Uy**; Mr. Ting Grooming by **Fennie Tan;** Photography by **Jun Pinzon**

fiercely competitive, with global brands crowding shelves in supermarkets and groceries. Thus, pricing is often a key factor in determining how a product is packaged.

"Our brands are well-known to consumers for decades, so we are doing quite well. We have been in the process of studying and implementing steps in order to make our products more environmentally-friendly and beneficial to our customers' health for years now. It is not a quick undertaking, given the fact the consumers rely on us to provide low-cost products," he stresses.

But with more than 40 years' experience overseeing Zest-O, Yao is confident that the company can quickly adapt to the shifting trends in packaging.

"Recycling is one of our key projects, our foil packaging are made into reusable bags which can be used daily, replacing plastic. Long term, our goal is to be able to lessen the imprint that we are leaving on the environment and go for more sustainable sources."

Yao is quick to credit Zest-O's fruitful partnership with Meralco in helping them evolve into the juggernaut brand that they are today.

"We are grateful that Meralco maintains a high level of service, innovation, and reliability so our operations are not disturbed. Fast and efficient service is key to the success of the manufacturing sector and we are glad that Meralco is here to support us."

"Recycling is one of our key projects, our foil packaging are made into reusable bags which can be used daily, replacing plastic."

STYROTECH CATERS TO CONSUMER DEMANDS

Established in 1994, Styrotech Corp. (STC) started out producing and supplying disposable cups, containers, drinking straws and stirrers to fast food chains, supermarkets, convenience stores, and traditional outlets in wet markets. Of course, its main material is polystyrene, commonly known as Styrofoam.

With the recent ordinances implemented by the government and changes in consumer practices, chief operations officer Jimmy Ting sees Styrofoam slowly being replaced by paper products.

"The demand for Styro products has been on the downtrend by more than 10 percent over the past three years," he explains. "Even though the cost is higher, STC has started to develop biodegradable containers as an alternative, to comply

with the environmental concerns from the government and LGUs (local government units)."

However, Ting dispels the notion that all Styrofoam products are environmental hazards. He says that from the very beginning, STC never used chlorofluorocarbons (CFCs) in their operations. CFCs are a chemical compound consisting of cholorine, fluorine, and carbon. When released into the atmosphere and broken down by ultraviolet (UV) light, it depletes the ozone layer, the protective layer of atmosphere that absorbs the harmful UV rays of the sun.

"There's a lot of misconception," he says, pointing out that in reality, "Styrofoam is 100-percent recyclable."

Used polystyrene plates, bowls, take-out boxes and cups can be ground down into pellets, melted and re-formed into new Styrofoam products.

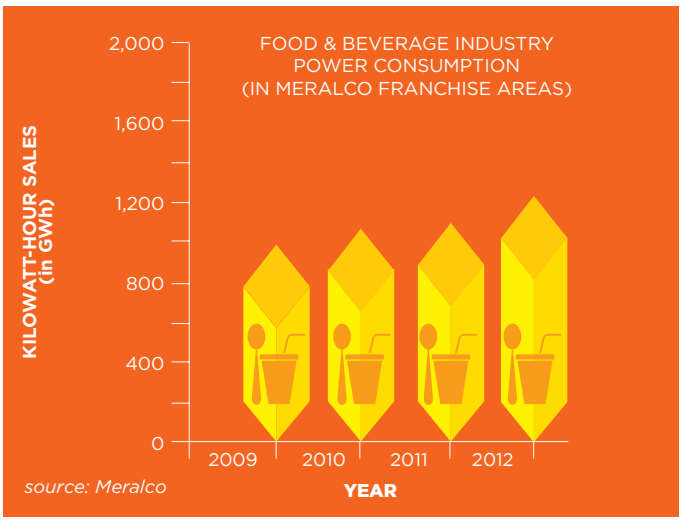
STC has aligned with the Polystyrene Packaging Council of the Philippines to teach the proper practices of segregating and recycling Styrofoam products at various schools.

Still, given the trends in packaging, Ting and his team are fully prepared to make the jump from styro and plastic, to paper. "Most of our major clients, like the fast food chains, have already advised us that they will be phasing out styro and plastic and will replace them with paper."

At present however, there continues to be a strong market for Styrofoam products. "It's the most economical, the cheapest, it's very hygienic, and it's still convenient and keeps the freshness of the food compared to other packaging materials," Ting maintains.

In fact, making paper products use up more energy compared to similar Styrofoam and plastic products. This makes paper products more expensive, and also means paper generates a larger carbon footprint, he emphasizes.

Whichever way the market goes, Ting is thankful for Meralco's help with the maximization of their operations. "STC has updated and aligned its production operations to get the maximum benefits from Meralco's POP (Peak-Off Peak hours). It gave us the option to run flat out during the off-peak hours when we enjoy lower rates and minimize our production operations during the peak hours. Hence, we do our repairs and maintenance and other activities during the peak hours, when the power rates are higher. This has resulted in STC being more competitive and cost-efficient."



Plastic cup line at Styrotech Corp.

Meralco employees volunteer to help repack relief goods for distribution to Yolanda-stricken areas. (Above, right) A fisherman's house in Capiz crumples due to the strong winds of Yolanda. (Relief photos courtesy OMF)

THANK YOU FOR HELPING US RAISE ₱5M!

OMF DELIVERS AID TO YOLANDA SURVIVORS

A store along the main boulevard of Roxas City, Capiz collapses, but an image of the Virgin Mary still stands. (Below) Relief goods are hauled into trucks for distribution to disaster areas. (Capiz photos courtesy Jong Arcenas)

Working feverishly to reach survivors in need, the One Meralco Foundation (OMF) conducted relief operations in Tacloban and Javier in Leyte; Northern Iloilo, Malinao and Numancia in Aklan; Mapanas in Northern Samar, Pinamalayan in Oriental Mindoro: and Culion in Palawan. To date, OMF has already distributed 9,000 bags of relief goods to survivors of Yolanda. About 600 Meralco employees volunteered to help in repacking these goods. Meralco also provided nine trucks to help transport relief goods from various Department of Social Welfare and Development relief centers to different ports.

Among OMF's fund-raising activities to benefit the supertyphoon's survivors was the "1-day-2-give program," where employees were encouraged to donate at least a day's salary to help survivors get back on their feet. Also, the budget for the power company's Christmas party has been allotted for the construction of school buildings in the typhoon-hit towns. In addition, OMF donated ₱5 million to TV5's Live Telethon for Typhoon Yolanda survivors conducted last November 10. (The telethon raised over ₱30 million in total pledges.)

OMF also recently launched the *Mahayagon nga Pasko* Christmas Outreach project (*Mahayagon* means "full of light" in the Visayan dialect). At a time when sudden and massive losses in lives and property have overwhelmed many Yolanda survivors, the OMF realized that, aside from food, water and shelter, there is also need for a ray of hope and a moment of good cheer this Christmas, to give people something to look forward to as well as the encouragement to rebuild their lives.

The outreach project aligns relief efforts with power restoration, tapping into employee volunteerism to assist in long-term rebuilding. The project's activities include donations of ₱30,000 in seed money for the rehabilitation of mixed-use school buildings, as well as sponsorship of nine Simbang Gabi (dawn) Masses in affected towns, where Meralco staff directly participate as readers and offerors. The Simbang Gabi sponsorship also includes Christmas breakfasts for 1,000 persons per community.

Meralco continues to provide other assistance in power-restoration efforts and in the distribution of relief goods to Yolanda-stricken areas. The power firm's aid and resources will be extended to the typhoon's survivors in the Visayas as long as these are needed.

HUNGRY FOR MORE

CDO goes for the top spot in the food chain.

BY JUN EBIAS

CDO President Jerome Ong

Skinless longganisa and tocino - hardly the makings of a business empire. Yet in an industry dominated by giant food conglomerates, a company that began with these two simple products is now aiming to be number one. Proudly Pinoy upstart CDO Foodsphere, Inc. is on its way to the top, with the objective of capturing the hearts of more and more Filipino consumers in coming years. Heady prospects for a company that had started in the kitchen of a modest bungalow house, 38 years ago.

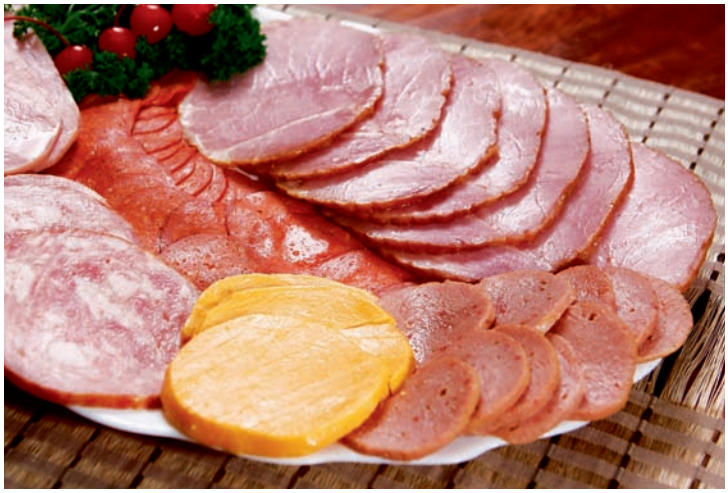
The year was 1975. Corazon Dayro-Ong, a nutrionist-dietician by profession, was looking for ways to augment the income of her growing family. Just like any couple, she and her husband, Jose Ong, a professor of biology at the Ateneo de Manila University, wanted a comfortable life for their two young children, Jerome and Charmaine. (The third one, Jason, was born a year later.)

"It was a typical Filipino home business," is how current CDO President Jerome Ong describes the early days of the company. (His mother remains the company's vice chairman.)

"Armed with her passion for home-cooked recipes and fresh from a series of home business courses that she earned from a now-defunct government skills-training agency, my mother started making tocino and longganisa that she initially offered to her friends and colleagues at work."

Eventually, the little home business she founded became the mega-corporation which bore her initials.

Grooming by **Yen Uy**; Photography by **Jun Pinzon**



FROM KITCHEN TO KINGDOM

Talking with Ong at the fifth floor of the new corporate headquarters, it's hard to imagine the company's humble origins. Yet CDO's impressive track record is a result of the strong leadership that keeps on steering it forward, as well as the ingenuity, creativity, and passion that Jerome's parents have demonstrated through the years, inspiring employees and customers alike.

"My parents started with a small capital. They started in our little kitchen with just a couple of helpers," recalls Ong. "There was no business plan to speak of. They were only armed with a sheer determination to succeed."

Word soon spread that the longganisa and tocino "have that home-cooked goodness" that Filipinos love. From the kitchen, the operation expanded into the living room, then rapidly spread out to the entire house. Eventually, the couple added a second story to their family home for the bedrooms, leaving the ground floor solely for their growing enterprise.

The expansion never really stopped. From small manual grinders and improvised ovens during the early days of its operations, CDO now uses state-of-the-art equipment that have been imported from the US, Germany, France, Switzerland, Japan, and other countries. The equipment at its two manufacturing plants in Valenzuela and Batangas enable the company to produce around 12,000 cases of canned meats such as corned beef and luncheon meat a day, or 600,000 cans.

These plants can also manufacture 5,000 cases (or 240,000 cans) of canned tuna, and more than 200,000 kilos of processed meats such as hotdogs, ham, bacon, tocino, and longganiza daily, including over 2.4 million pieces of hotdogs of various sizes under several different brands.

The company also has 10 distribution centers throughout the country servicing the needs of about 50 distributors reaching over 60,000 stores nationwide. From the two helpers that the Ong couple initially had, the company has over 2,000 employees managed by a team of dedicated executives. The company now has more than 700 food products - fresh processed meats, canned meats and tuna, sweet preserves, and processed cheese - available all over the country and even overseas.

CHANNELS OF GROWTH

Ong, who took over the helm of the company from his parents in 2000, credits the explosion in the demand for their products to two key factors. One is the country's booming business process outsourcing (BPO) sector, which fuels an appetite both for easy-to-cook meals at home, and fastfood meals during work hours. The other is the growing number of overseas Filipino workers (OFWs), hungry for a taste of home.

The food service industry alone gives Ong plenty to be bullish about, as it already accounts for more than 30 percent of the company's business.

"Food service is one of the fastest growing channels in the country," he says. "We foresee this growth trend being sustained because of the rapid urbanization in the country, increasing number of BPOs that employ a lot of young professionals. As the times become more fast-paced, we see Filipinos eating out more often."

To better cater to the food service sector, CDO created the Food Service Group to handle institutional clients like restaurants, small eateries, and carinderias. CDO is already providing pizza toppings, hamburger patties, hotdogs, and bottled water to fast food chains. *(Editor's note: Due to confidentiality agreements, CDO cannot reveal the identities of these fast food chains.)*

While CDO currently exports to countries with large concentrations of OFWs (e.g. Hong Kong, Singapore, Japan, Saudi Arabia, Kuwait, Qatar, Bahrain, and Oman), the company is keen on selling to non-Filipinos abroad. Already, its San Marino-brand tuna is being exported to Australia and North America, with the company working to penetrate the European market.

With the Philippine economy's consistent strong growth rates, steady rise in consumption, and continued deployment of OFWs, CDO is forecasting its full-year revenue and income to grow by 10 to 12 percent this year versus 2012, and further by another 12 to 14 percent in 2014. Although slightly short of its full-year growth forecasts as of the third quarter, Ong is upbeat that strong demand across this holiday season will allow the company to achieve its financial targets for 2013.

Given the expected rise in demand this Christmas, the company is all the more dependent on a steady supply of electricity. The company needs reliable power to keep its operations – particularly its cold storage facilities - seamlessly working 24/7.

Thanks to close and responsive collaboration with Meralco, reliable power is one thing CDO can count on, even with a surge in its electric consumption.

BEST PRICES AT OFF-PEAK HOURS

Throughout its expansion, CDO has never encountered any problems as far as power quality is concerned, says Ong.

"Meralco has always been a trusted partner from the time that our power needs were small up to the present. The company offered cost-efficient solutions not just in terms of rates, but also on transformers. They also guided us well on how to conserve energy. We rarely experience disruptions in our operations because Meralco is always able to supply us with reliable power by advising us on our regular maintenance procedures, as well as the upgrading of our facilities.

The food company recently signed an agreement with Meralco to take advantage of the Peak/Off-Peak (POP) program, a scheme that allows customers to avail of lower rates during pre-defined off-peak hours. This in turn offers heavy users significant savings, which can be used to fund further expansion or result in more competitively-priced products. Through POP, both Meralco and its customers are able to actively work together to ease pressure on power supplies, and boost operational efficiency.

The savings from this program allows CDO to meet its commitment to provide the best products at affordable prices to its consumers, a commitment which CDO believes will soon help it become the food industry leader.

"We would like to be known by consumers as the leading company when it comes to giving them the best value for their money, with brands that they can always trust for their daily food needs," says Ong. "But then again, there is certainly nothing wrong with dreaming to be No. 1, right?"

We certainly agree.

A HERITAGE of TASTE

For Filipinos around the world, the mixes of Mama Sita bring them the taste of home.

BY JEFFREY O. VALISNO

Marigold Manufacturing Corporate Liaison Officer Ramon R. Reyes

With temperatures in New York dropping to 3°C these days, there's nothing quite like a steaming pot of *sinigang na baboy* (pork in tamarind soup) to warm bellies and hearts. Accountant Uly Santos, who's been working in Manhattan for close to 10 years, agrees: "I just need my *sinigang* to keep me from freezing. And besides it reminds me of home."

Santos is not ashamed to admit that he uses *Mama Sita's* powdered mix bought from the Filipino store down the corner, or brought by friends and relatives visiting from Manila. "I tell them to bring me a box full of *Mama Sita's* mixes. It's really convenient, especially for me, I work from 8 am to 5 pm. I don't have time to cook my favorite Filipino dishes from scratch."

Like many Filipinos toiling in far-away countries, Santos sees *Mama Sita's* mixes as a quick and tasty way of easing homesickness.

SUCCESS BEGINS ABROAD

"Mama Sita," of course, is none other than Teresita R. Reyes, daughter of Doña Engracia Reyes, also called "Aling Asiang" and known as the "Mother of Filipino Cooking". The Reyes family founded and continues to run the famous Aristocrat chain of restaurants.

Mama Sita started creating convenient sauces and mixes at the family's ancestral home in San Juan beginning in 1980. Her lifelong passion for food began when she took on the chores of cooking to help her mother, where she learned the basics and mastered classic Filipino dishes.

By the time she married Fidel Reyes (no relation) of Bulacan, Mama Sita had filled up several diaries and journals with food discoveries, cooking tips, and secret ingredients.

Mama Sita's real journey to success, though, began with her travels to the U.S., according to her son Ramon R. Reyes. Mama Sita often visited her relatives there, and listened to them describe difficulty of cooking authentic Filipino food abroad. She eventually talked to her son-in-law, Bart Lapus (husband of daughter Clara), about coming up with a pre-mix that will allow Filipinos anywhere to cook their favorite *sinigang* soup. The result was a tamarind paste initially called, "*Biglang Sinigang*", and became the basis for a pioneering business of Filipino instant mixes and sauces.

Banking on the overseas Pinoys' craving for a taste of home, the Reyeses set up Marigold Manufacturing Corp. and launched the instant *sinigang* paste in the

Grooming by **Fennie Tan**; Photography by **Jun Pinzon**

US in 1983. Following the success of the *sinigang* paste, Mama Sita developed more products, including barbecue marinade, as well as ready-to-use mixes for *kare-kare* (Filipino stew with peanut sauce) and *caldereta* (a tomato-based meat stew).

GOING BEYOND FILIPINO TASTES

In 2005, the company further expanded its product line to include Oriental mixes and sauces. Marigold's sister company, Sandpiper Spices and Condiments Corp., produces the brand Kim's, whose mixes and sauces include Thai Tom Yum, Japanese Teriyaki, and Chinese Kung Pao, among others.

Reyes admits he sometimes loses track of how many *Mama Sita* products are currently available. By his count, *Mama Sita* has at least 17 varieties of instant mixes, 20 different sauces, and a line of specialty vinegars and soy sauces, available not only in the Philippines but in at least 40 countries in the Middle East, Europe, East Asia, Australia, and New Zealand.

Today, Marigold operates a world-class manufacturing plant in Pasig City with more than 200 employees, a production capacity of about 80,000 cases, and an ever-growing product line. The plant is equipped with world-class automated machines, including a custom-made food processor, which processes ingredients like tamarind, tomatoes, onions, and *siling labuyo* (native bird's eye chili) as soon as they arrive from partner farmers all over the country.

.This rapid processing is necessary, says Reyes, because the products must be packaged while still fresh, since *Mama Sita* does not use artificial preservatives.

A second manufacturing plant will be opened in La Union by next year to double the company's current output to 160,000 cases per month, enabling Marigold to penetrate new markets in India and other Middle Eastern countries like the United Arab Emirates. The location also puts it close to tamarind and *labuyo* farmers in Northern Luzon, reducing transportation costs and ensuring ingredients arrive as fresh as possible.

The new plant will have computerized vacuum machines imported from China that will speed up the transformation of fresh vegetables into powdered granules.

A NATURAL ADVANTAGE

Reyes, who is the ninth of Mama Sita's 11 children and Marigold's corporate liaison officer, is proud of the fact that *Mama Sita* has held its own against bigger and better-funded multinational competitors. "We are proud to say that *Mama Sita* products are all natural. We do not use chemicals. When we say it is a tamarind paste for *sinigang*, we use real tamarind sourced from the best farms around the Philippines. We do not use citric acid just to make it sour," he says.

Mama Sita's daughter, Clara Reyes-Lapus, president of the Mama Sita Foundation, also points out that the company's all-natural mixes and sauces are enjoying a renewed interest from customers who are into organic food. "Our products are healthier to use because there are no toxic additives and all the ingredients are homegrown by our farmers," she says.

Lapus believes this global movement towards organic food will help propel *Mama Sita's* sales beyond Filipinos abroad in the coming years. "More and more people, including many non-Filipinos, are willing to pay more for a natural product rather than use cheap products with less health benefits," she adds.

A BUSINESS RUN ON RICE

Although Marigold is a family-owned corporation, Reyes stresses that a professional team makes the decisions for the business. "[Marigold] is a family business, but we allow professionals to run it. I do not make the decisions all by myself. We have managers and supervisors who make sure that a decision is made not because the family wants that decision, but because the company will benefit from it," he says.

He explains that the company is guided by the principles summed up by the acronym R.I.C.E. - Resourcefulness, Integrity, Creativity, and Enthusiasm. "I believe this is our recipe for success. I think even if a businessman has money or capital, he will not succeed without resourcefulness, integrity, creativity, and enthusiasm," he opines. These principles are applied in all aspects of the business - from hiring employees, to even running the day-to-day operations.

For example, Reyes says that instead of fretting over energy costs, Marigold trains its employees to save electricity by switching off computer monitors instead of putting them on sleep mode. The production area uses natural light as much as possible, and the rest of the building is illuminated using compact fluorescent bulbs. "I am happy that Meralco (Manila Electric Co.) has made sure that companies like ours do not worry about stable electricity supply. You know we can have all the best, natural ingredients to produce our products, but if we do not have electricity to power our machines, we cannot process those efficiently," he says.

To millions of Pinoys here and abroad hungry for a taste of authentic Filipino cuisine, *Mama Sita* is a constant source of convenience, comfort, and home.

Polytrade President & CEO Joy Tamayo

THE ICE QUEEN

BY BUBBLES SALVADOR

YOU'LL NEVER SEE THE ICE IN YOUR DRINKING GLASS THE SAME WAY AGAIN.

Grooming by **Fennie Tan**; Photography by **Jun Pinzon**

There are some who would argue that drinking cold beverages is unhealthy. But is there anyone who truly enjoys a fizzy softdrink served warm or iced tea without ice? The sound alone of ice, tinkling against the sides of a glass, can trigger thirst cravings and completes the enjoyment of any drink—even plain water.

Still, health advocates may have a point: how safe can commercially-produced ice be?

But not all ice is created equal, especially not to the president and chief executive officer of one of the country's most modern ice manufacturing companies.

STARTING A COOL BUSINESS

As a seven-year-old exposed to her father's ice trading business, Joy Tamayo had no inkling that she would be at the helm of the country's only manufacturer of purified ice.

Polytrade Sales & Services Inc. (PSSI) began in 1986, when Tamayo started her own venture, trading plastic bags and T-shirts under the Polytrade brand. A few years later, her father tapped her to help fill a client's requirement of 1,000 blocks of ice. After realizing the high cost of logistics in supplying this client, Tamayo decided in 2004 to set up her own ice plant to provide a steady supply of competitively-priced ice.

Today, PSSI provides tube, crushed, and block ice to both retail and industrial customers across the country. Daily production of tube ice and block ice runs up to 600 tons and 140 tons, respectively. With three ice plants strategically located in Cavite, Bulacan, and Pampanga, and another one being completed in Camarines Sur, PSSI has sealed its spot in the ice manufacturing industry.

ICE IS FOOD

For Tamayo, it seemed odd that people tend to obsess about the purity of their drinking water, but not about the ice being put into their restaurant drinks or used to pack fresh food and produce for storage and shipment. So she decided to become the first purified ice maker in the country.

"My advocacy is to educate Filipinos regarding ice. Consumers think ice is just ice. Our battlecry is, ice is food. *Akala ng iba, ang yelo pag hinugasan, puwede nang gamitin* (Others think you can just wash ice, and it's good to go). But washing ice doesn't eliminate contamination; the entire process itself should be purified. That's what we are doing."

PSSI uses reverse osmosis to purify water, prior to freezing. According to *How Stuff Works*: Reverse osmosis is a system which allows pressure to be applied to a highly-concentrated solute solution causing a solvent to pass through a membrane to the lower concentrated solution, leaving a higher concentration of solute on one side, and only solvent on the other. Throughout the entire process - from filtration to automated production, bagging, handling and trucking - the ice remains untouched by human hands, making it free from contamination.

The company retails its food-grade ice under the brand *Pure Ice*. The ice is packed in bags made of durable food-grade plastic resistant to punctures or tears and sealed with wire clips. *Pure Ice* is displayed in exclusive branded freezers, located in selected convenience stores and supermarket chains.

Retail ice, however, only makes up 30 percent of PSSI's sales. The bulk of sales come from purified ice used on an industrial scale.

ICE IN FOOD

Ice plays a key role in many food production processes. For example, hotdog- and sausage-makers add crushed ice to meat being chopped in bowl cutters; without ice, the friction causes heat to build up and promote the growth of bacteria.

Ice is especially crucial to food storage and shipping, particularly in the dressed chicken industry.

You have to make sure that the end product has a temperature of 4˚C, so bacteria will not contaminate the product, explains Tamayo. The same concept applies for meat and fish products.

PSSI is certified by the ISO (International Organization for Standardization) and declared compliant with Good Manufacturing Practice and Hazard Analysis and Critical Control Points. *Pure Ice* is also the only ice product certified by the Food and Drug Administration. The company is the only member of the International Packaged Ice Association in the Philippines and across Asia Pacific.

FORGING PARTNERSHIPS

Tamayo is quick to acknowledge that PSSI's success is, in part, a result of some fruitful partnerships.

"We have gone into poultry dressing, doing tolling activities for San Miguel Corp. They bring chicken from their contract grower to our dressing plant and we help prepare them for delivery. The requirement is specifically 1.25 kilos of ice for every chicken dressed."

There's another partnership, which Tamayo sees as vital to her company's success.

"We are very happy with Manila Electric Co. (Meralco) since it is offering us an arrangement called Peak-Off Peak (POP), which is indeed very helpful to our operations, because it lowers the cost of production," she says. By availing of the POP program at their Sta. Maria and Carmona plants, Polytrade was able to save an average of ₱200,000 a month per plant since 2012.

Additional energy efficiency programs were provided by Meralco's subsidiary, MServ, by installing new capacitors, offering regular consultation and providing continuous rapid response and resolution to power concerns.

"Meralco is the only provider that you can count on any time of the day, 24/7, to help out and make sure power can be sustained if there's a problem," adds Tamayo.

Aside from the day-to-day operations, Meralco also plays a key role in Polytrade's expansion plans, particularly at the Sta. Maria plant, which increased its contracted capacity. This project was completed ahead of schedule last January 2013, thanks to close coordination with Meralco's relationship managers and technical support.

INNOVATION AND EDUCATION ARE KEY

Ice manufacturing is also technology-driven. For instance, PSSI is the only ice company in the Philippines that uses all-stainless steel equipment to crush block ice at a rate of 600 kilos per minute.

"You can't come up with a quality product if you don't invest in technology.

For us, technology means innovation, and innovation means being able to offer something better, safer, and more efficient," Tamayo shares. But perhaps PSSI's biggest challenge is convincing industrial clients to use purified ice.

"Our ice is not even expensive, a liter of purified water is ₱30, but we only sell our ice at ₱45 to ₱50 for three kilos. We need to make sure the public can afford our product without sacrificing its quality."

This is why consumer education is crucial. "Once consumers are educated about the importance of good quality ice, they themselves will look for it."

Tamayo remains hopeful that purified ice will follow the path of the purified water industry. "We used to just drink from the tap, but suddenly everybody became conscious of the water we drink, giving rise to water purifying stations left and right. It became a phenomenal business. What triggered it? Media, advertising and an intensive advocacy campaign. I'm not losing hope that our advocacy for good quality ice will someday be heard."

"Consumers think ice is just ice. Our battlecry is, 'ice is food.' "

POWER SWINGS

Industry leaders take to the green to fire up the 2013 Power Club Golf Tournament.

BY JONATHAN PEREZ

Captains of industry and corporate movers and shakers from various companies traded a day's worth of scheduled board meetings and business dealings for a day of fun and camaraderie at the 2013 Meralco Power Club Golf Invitational.

In all, 142 executives - spread across 38 teams composed of presidents, chief executive officers, general managers (GM), senior vice presidents, vice presidents, assistant VPs, chief operating officers (COO), and chief information officers - made the par 72 Banahaw course of the Sta. Elena Golf & Country Club their playground last November 4.

After 18 holes of intense golf action, the four-man group that came out on top that included Best Chemicals Inc.'s Lee Yun Yong, JG Summit's Cesar Camaongay, Asiawide Refreshments's Antonio Panajon and GMV Coldkeepers Inc.'s Markus Knoll managed to tame the Robert Trent Jones-designed layout when they fired 7-under par Gross 65.

The triumvirate of Premium Feeds Corp. President Jerry Uy, BusinessWorld COO Anthony Cuaycong, and Philippine Auto Components Manager Manny Santos, who tallied a score of Gross 67 to finish second.

The third spot went to the foursome made up of Sta. Lucia Land's Vincent Santos, Linde Philippines Inc.'s Tristan Dumlao, Royal Cargo Combined Logistics Inc.'s Elmer Francisco, and Cargill Philippines' Sonny Catacutan, who scored Gross 69.

The tournament is the Manila Electric Co.'s (Meralco) way of thanking its business partners for their continued support. It also gives Meralco an opportunity to interact with its top customers in a more relaxed and casual atmosphere, build stronger bonds of friendship, and understand the unique needs of each client better.

Though the one-day golf tournament happened four days before super typhoon Yolanda slammed into Eastern Visayas, the organizers later decided to donate all the proceeds collected from selling the ₱500 mulligan tickets amounting to ₱60,000 to the One Meralco Foundation, to help the hardest-hit communities in the region.

Photo Courtesy **Vincent Coscolluela-Meralco**

Above (L-R): *Victor S. Genuino, Vice President and Head, Corporate Business Group Meralco; Ilyong Park, President and CEO, Air Liquide Phils., Inc.; DonatoAlmeda, Board Director, Solaire; Steven Dekrey, GM, Asian Institute of Management*
Right: *Oscar S. Reyes, Meralco President and CEO*

LONG LINES OF POWER

Expanding the reach of Meralco's franchise into the heart of Africa

BY DONNABELLE L. GATDULA

At first glance, Ibadan and Yola don't seem to have all that much in common.

Ibadan, the capital city of Oyo State, lies on the eastern side of Nigeria. A bustling commercial center, it hums with trade in agricultural products like cocoa, rubber and palm oil, and industries like cattle-raising, leather-working, and tobacco manufacturing. Its 1.4 million residents make Ibadan Nigeria's third largest city, population-wise.

Nearly a thousand kilometers to the east, Yola, by contrast, is a quiet academic town with a population of just over 89,000. The capital and administrative center of Adamawa State, Yola is also home to several prominent universities and colleges, including the American University of Nigeria. Consequently, one can find representatives from many of Nigeria's ethnic and language groups here.

Despite their differences, Ibadan and Yola now have one thing in common: the presence of the Manila Electric Co. (Meralco).

This unlikely story has its roots in a vision that Rafael Andrada, first vice president and treasurer of Meralco, has been nurturing for many years.

At a time when the country's largest power distribution company was losing many of its best engineers to foreign firms, he wondered: "Instead of losing our people, why don't we go overseas and perform the business ourselves?"

Two and a half years ago, that vision became a reality, when Meralco received an unexpected opportunity from an extremely unlikely location.

"I remember sending an SMS to MVP (Meralco Chairman Manuel V. Pangilinan) that there was this opportunity - but it's in Nigeria. I told him of my vision for Meralco to go international. He said: 'Then go' - as simple as that. That's how it all began."

BEATING THE GIANTS

In 2011, Lagos-based Integrated Energy Distribution and Marketing Ltd. (IEDM) invited Meralco to be its technical partner, in a bid for four (4) government-run distribution utilities being privatized by the Federal Republic of Nigeria. IEDM is owned by well-known business groups in Nigeria, with exposure in banking and real estate.

IEDM Vice Chairman Olatunde Ayeni enumerated a few of the many reasons his company chose Meralco as their partner.

"We have engaged the services of one of the world's most reputable electricity distribution companies—the Manila Electric Co. from the Republic of the Philippines—to provide technical and management services to the IEDM. With over 110 years' experience, Meralco is the largest electricity distribution utility in the Republic of the Philippines." says Ayeni.

He further explained: "Meralco has the experience, competence and appropriately qualified and skilled personnel to act as IEDM's technical adviser. The company's extensive electricity supply and distribution experience in a privatized and competitive power sector will help give the IEDM franchise area vital impetus to jump-start its burgeoning economy."

Although the IEDM/Meralco consortium won all four bids against well-known power giants from South Korea, Europe, the United States, China, Thailand and India, the group was only allowed to own two distribution utilities (DUs).

Meralco will operate and maintain these DUs in Yola and Ibadan beginning November 2013, under a technical service agreement with IEDM. Within the duration of the contract, Meralco is expected to help reduce the system losses of the two newly-acquired DUs.

"All operators of the newly-privatized Electricity Distribution Companies have a five-year window to improve the Aggregate Technical, Commercial, and Collection losses. The five-year cumulative loss reduction targets for Yola and Ibadan are 18.58 percent and 17.46 percent, respectively," says Andrada.

As a technical partner, Meralco will control five percent of the joint venture company, but has an option to increase its equity to 20 percent in the future. Given that this is Meralco's first overseas venture, Andrada says they opted to take a less risky approach.

"The opposite end of the spectrum is actually owning the facility, but you can only do that when you are quite comfortable with the business environment and the dynamics of that country. We chose not to dive into the water just yet, but to dip our toes in; if and when we are comfortable, that's probably when we will take the plunge."

Meralco is now drawing up a comprehensive work plan for the operations in Nigeria. If approved by IEDM, the investment program may require about US$50 million to US$60 million capital budget per year.

"Meralco will initially be an O&M (operations and maintenance) contractor/consultant. This way, we just perform a service, then get paid. It's a nice income stream for the period of the contract. But with such a model, you don't create value for yourself, you are creating value for your client."

SETTING DOWN ROOTS IN AFRICA

Although Meralco's technical expertise and know-how have been honed by over a century of service to Filipino consumers, Andrada says operating outside their comfort zone presents major challenges.

"There are cultural issues, there are logistical issues. You worry about the food, you worry about the health, safety, all of these things. We could not have done all of this without the help and support of the various organizations within Meralco."

As part of its strategy, Meralco formed and incorporated a subsidiary in Nigeria, Meridian Atlantic Light Co. Ltd., to serve as its local arm and handle the business venture. Meridian Atlantic will also hire and manage the workforce that will be sent by Meralco from its head office.

The subsidiary's name specially coined so that locals will also refer to their power utility as 'Meralco'.

"MERidian Atlantic Light CO., Ltd. may well be known as Meralco in Africa, and the name is quickly becoming a familiar word among Nigerians," Andrada added.

The company has already sent a 14-man team, composed of network, safety

and security engineers, marketing, human resources, finance, and legal personnel specially selected from the ranks of Meralco's well-trained work force.

"If you can make it in Nigeria, you can make it anywhere in Africa. In fact, a lot of multinational companies consider an African post, the Nigerian post, key and critical to their executive development program. It's a proven testing ground," he says.

AN EYE ON THE REST OF THE WORLD

Setting Nigeria as its platform for overseas operations, Meralco will continue to be on the lookout for more opportunities, especially in nearby Asian countries.

"There are developments in Myanmar. There are developments in other Southeast Asian countries that we are watching," Andrada adds. A Meralco subsidiary, PowerGen Corp., recently purchased a 70-percent stake in an 800-megawatt liquefied natural gas (LNG) project in Singapore for US$488 million. It expects to fire up Singapore's first LNG power plant by December 2013.

"If the Nigerian experience of privatization takes off, if it becomes successful, it may well become a model for the rest of Africa. And if you were part of that privatization exercise, your name will be remembered."

What started as a vision – a way to hold on to the company's best and brightest – has now become a real venture that opens up so many other possibilities.

"We want to send our best people there. We want the Nigeria venture to become our platform for Meralco to be recognized overseas as one of the best distribution utility companies," Andrada concludes.

When all that newly-gained experience comes back, Meralco and the Philippines can look forward to even better power performance.

Meralco First VP & Treasurer Rafael Andrada

CONTINUED FROM PAGE 11

HOT TECH IN THE KITCHEN

EVEN AN ALL-ORGANIC RESTAURANT HAS ROOM FOR MODERN TECHNOLOGY

For Chef Robby Goco, starting an all-organic restaurant like Green Pastures is not a forward-looking trend as much as an harking back to his childhood years, when all the food at home was made from scratch and instant mixes and soups were unheard of.

"I would see bones hanging in the kitchen. These were boiled for three hours to make the broth. It always tasted better," he says. "Now we don't know anymore where we get our ingredients. Food is produced with so much chemicals."

Knowing food's provenance – where it comes from, how it was grown, and the name of the person who grew it – is one of the key criteria Chef Robby has laid down at Green Pastures. If an ingredient isn't 100 percent organic, it doesn't go into the pot.

FROM FAST FOOD TO GRASS ROOTS.

It wasn't an easy road to take; having grown up on junk food and fast food, Chef Robby actually thought his path as a chef lay in quick and processed meals.

"I practically lived on junk. I loved it because I didn't use to have it—everything was handmade at home. It took me a while to realize that I was wrong. I gained so much weight and realized how bad it was," he shares.

While he spoke, as if on cue, one of his suppliers arrives, bringing his daily ration of vegetables. This highlights Green Pasture's concept of being, literally, a farm-to-table restaurant.

"He's one of the farmers I work with. I'm trying to get that connection to my customer, to me, and to my farmers. I can face my customer and say what you're eating is organic and never genetically modified. I hope everyone starts believing in what we can produce locally instead of what can be shipped from abroad."

The restaurant already has a growing number of patrons who find it worthwhile to wait in line for offerings like the Farmhouse Salad, Pinoy Egg, Homemade Cheese, Duck You! (duck fat fries, duck skin chicharon, and duck confit), and Crabmeat and Urchin Pasta.

SPEEDY, SAFE, AND INEXPENSIVE

While looking back to traditionally-grown foods, Chef Robby is still quick to embrace the latest kitchen tools like the induction heat (IH) cooking system.

"It's cheaper than using LPG (liquefied petroleum gas). It's safer. It's easier to clean. It's faster than electric coils because there's no heat transfer loss. It turns your cooking vessel into the heating element using electromagnetic induction."

The IH cooker at Green Pastures is quite visible to all the patrons, as it is the main heat source used at the restaurant's coffee bar located outside. The IH cooker rapidly heats the water used for the coffee, which is made with the Japanese pour-over method, a filtered slow-drip system. The process involves small batches prepared under 2.5 minutes; using an IH cooker is the fastest way to do it.

"You won't need a fancy espresso machine anymore. Induction is the cheapest way of heating."

The advantages of an IH cooker aren't just for restaurants. Chef Robby likes having one at home, not only because of the ease of use, but also – and most importantly – for the safety aspect.

"I don't have to worry about the helpers accidentally leaving the cooker open especially when my kids are around. It's very safe and not prone to leaks or other accidents. That's the best part," he says.

BRIGHT IDEAS FROM A SEASONED CHEF

As a parting gift, Chef Robby shares some of his kitchen secrets in using the IH cooker:

"There will be a month of getting used to its settings. If you cook everyday, at least a two-week learning curve. It's different, but once you get to know it, it will give you the power that you want."

His recommended recipes for newbies?

"Induction cookers can keep temperatures consistent. If you're frying frozen chicken, raise it up two notches from the regular temperature you use. Then bring it back down when it's settled. The best part is when you make scrambled eggs. It's about cooking it low and slow. Keep setting at one, throw in your cream and butter, and that's it—the best scrambled eggs you can make."

BRIGHT IDEAS MERALCO

Main Photo by **Jun Pinzon;** Inset Photo by **Toto Labrador**

SHORT-TERM PAIN, LONG-TERM GAIN

No one likes it when the cost of electricity goes up; not household consumers, and certainly not corporations, whose competitiveness often rests in keeping prices down. Yet there are occasions, that make price increases inevitable. And while these matters are beyond its control, the Manila Electric Company (Meralco) constantly strives to find alternative solutions for all of its customers.

Last November, Meralco announced that generation charge for December will mark an upward movement due to a confluence of events. One of these is the scheduled maintenance shutdown of the Malampaya facility, the country's only source of natural gas. Three of Luzon's largest electricity producers - Ilijan, Sta. Rita and San Lorenzo power plants - all run on natural gas sourced from Malampaya. These plants supply at least 40 percent of Meralco's energy requirements.

Alfredo S. Panlilio, Meralco senior vice president and head, Customer Retail Services and Corporate Communications explained that due to the maintenance shutdown of the facility, two of the three plants continue to operate, but utilize condensate and bio-diesel-fuels that are over two times more expensive than natural gas. This incident coincided with the scheduled and unscheduled maintenance shutdown of several big power plants.

The shortfall in power supply is pushing up prices in the Wholesale Electricity Spot Market (WESM) - an open market influenced by supply-demand conditions - by as much as ₱19.48 per kilowatt hour (kWh), leading to an effective average WESM cost of ₱33.22 per kWh.

This means that the upward adjustment in power rates will be carried over to the early part of 2014.

Recognizing the impact on its customers of the higher electricity costs this month, Meralco proposed to the Energy Regulatory Commission (ERC) to allow it to stagger collection of the increase, to which the ERC agreed. With this, the increase that will be reflected in the customers' bills this December will be reduced to ₱2.00 per kWh from the original ₱3.44 per kWh. The deferred portions of ₱1.00 and ₱0.44 per kWh of the increase will be collected over the billing months of February and March 2014, respectively, when generation costs are expected to have normalized.

UNCHANGED DISTRIBUTION CHARGE

Finding the best way to supply quality power at the least possible cost is a commitment that the Manila Electric Co. (Meralco) is always striving to meet. Last October 2013, Meralco achieved a milestone when it registered the lowest level of generation charge in the past three years. This is largely because of its optimal dispatch of the power plants under its various Power Supply Agreements (PSAs).

To soften the impact of these developments, Panlilio says Meralco will make full use of its PSAs with suppliers like the Sem-Calaca Power Corp., South Premiere Power Corp., San Miguel Energy Corp., and Masinloc Power Partners Corp. Meralco has also secured a new PSA with Therma Mobile, Inc., to take effect upon the approval by the Energy Regulatory Commission. Though a peaking plant (one that comes online only during peak demand), Therma Mobile's inclusion will lessen Meralco's dependence on the WESM.

SCHEDULED OUTAGES

THERMA LUZON INC.
Pagbilao 2

GN POWER LTD.
GN Power 2

FIRST GAS POWER CORP.
Sta. Rita Module 20
Sta. Rita Module 30

FGP CORP.
San Lorenzo Module 50

SOUTH PREMIERE POWER CORP.
Ilijan 2

UNSCHEDULED OUTAGES

FGP CORP.
San Lorenzo Module 50

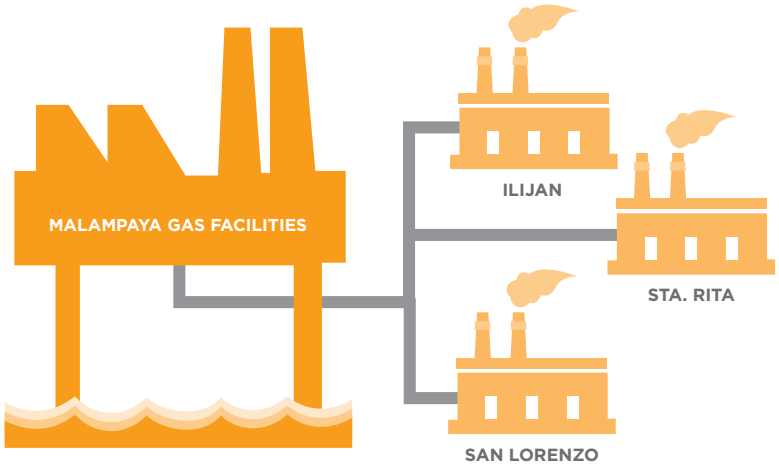
SAN MIGUEL ENERGY CORP.
Sual 1

SEM-CALACA POWER CORP.
Calaca 1

MASINLOC POWER PARTNERS CO. LTD.
Masinloc 1

GN POWER LTD.
GN Power 2

HOW THE MALAMPAYA MAINTENANCE SHUTDOWN AFFECTS POWER SUPPLY

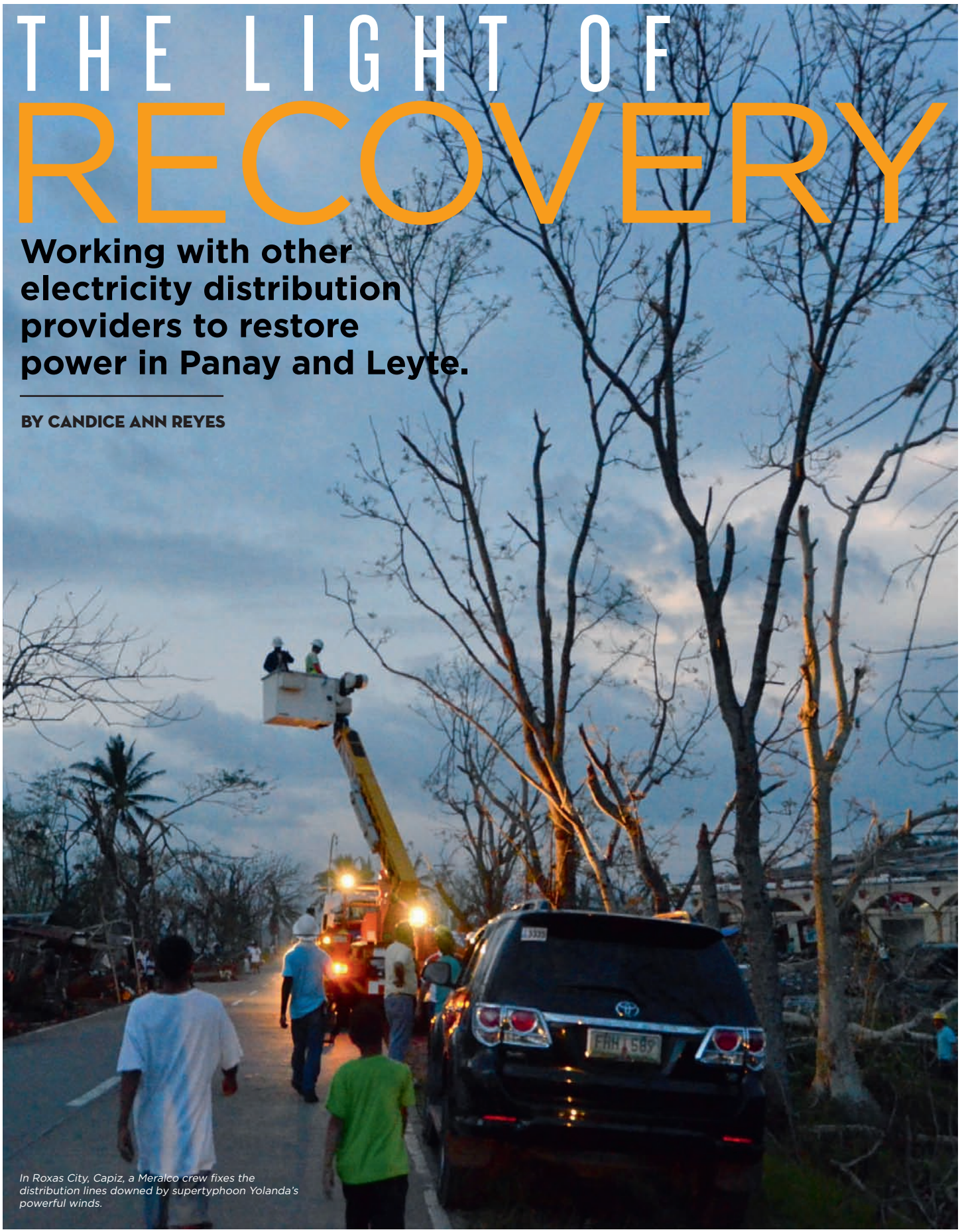


MALAMPAYA PROVIDES CHEAP NATURAL GAS TO THREE OF LUZON'S LARGEST ELECTRICITY PRODUCERS, WHICH IN TURN PROVIDE AT LEAST 40% OF MERALCO'S ELECTRICITY SUPPLY

THE LIGHT OF RECOVERY

Working with other electricity distribution providers to restore power in Panay and Leyte.

BY CANDICE ANN REYES



In Roxas City, Capiz, a Meralco crew fixes the distribution lines downed by supertyphoon Yolanda's powerful winds.

Photography by **Jong Arcenas (Capiz)**

It's been called the strongest typhoon to ever hit the Philippines, or any country for that matter. Supertyphoon Yolanda (international code name: Haiyan) was so powerful, it literally went off the charts of any existing weather instruments used by meteorologists.

Close to 10 million people in 44 provinces were impacted by the howler, which brought 10-15 feet of storm surges, and displaced 3.54 million individuals. Yolanda also rendered many of these provinces without electricity. To aid its fellow electricity distribution providers, Meralco traveled to Panay Island in Western Visayas to help restore power in Capiz, Iloilo, and Aklan.

Meralco Networks Head Ricardo Buencamino led the Panay contingent, composed of 61 linemen and engineers, bringing with them 16 vehicles.

Meralco also sent 78 linemen and engineers and 19 vehicles to Leyte.

Miguel Varela, a Meralco Customer Solutions Associate who was present at the Leyte relief efforts (he's also a native of Isabel, Leyte), describes how Meralco literally became a beacon of hope at every town it worked in: "The crew would keep working until past sunset, up to 9:30 or 10 pm. The work areas would be the only lighted areas in the entire town. So, many people would gather there. Some would watch [us work], some would text, children would play...they socialize there because it is the only source of light. You can see that the people are really happy."

As of November 25, Meralco had already replaced 296 broken or downed poles, corrected 71 leaning poles, and fixed 198 spans of primary lines.

The team also reconnected 96 detached primary wires, installed 10 distribution transformers, and reconnected 40 detached secondary wires.

In a spirit of gratitude and renewed hope, the residents of Isabel, Leyte invited the Meralco team to join them in a small feast.

(Above) Meralco's South Distribution Services personnel clear a fallen electric post on a roof of a damaged house in Roxas City, Capiz. About 90 percent of electric facilities in the province were damaged after Yolanda hit the province. (Middle) Meralco's "Panay Contingent" line up along Aklan West Road on their way to their respective assignments in Aklan, Capiz, and Iloilo. The contingent is composed of 16 vehicles/equipment with 61 personnel assigned to assist the electric cooperatives in these provinces. (Below) Meralco Central Distribution Services personnel erect power poles in Kalibo, Aklan. (Photos courtesy OMF)

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