

New ways with waste

WHEN YOU THINK ABOUT PRODUCT PROLIFERATION AND INNOVATION IN THE WINE INDUSTRY, YOU CAN BE FORGIVEN FOR THINKING GRAPES AND WINE ONLY. ONE INSPIRING STORY ABOUT CREATING VALUE FROM SOMETHING AS SIMPLE AS THE HUMBLE GRAPE SEED.

BY JANA LOOTS



True Vine Grape Seed Products CEO Howard Jacobs.

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TRUE VINE GRAPESEED PRODUCTS CEO Howard Jacobs is a marine engineer by trade who came up with his own specialised machinery to extract grape seeds from pomace. In 2013 he launched his company and the following year bought Tweefontein, a six-hectare farm near Worcester, to be closer to his existing wine cellar partners. The black-owned business was a runner-up in

the Western Cape department of agriculture's Entrepreneurship Recognition Awards in the category Emerging Agri-Processing Business in 2016.

"We saw the opportunity to create shared value in rural communities by taking winery waste and turning it into a value-added product that creates employment," Howard says.

THE PROCESS

"After the grapes have been pressed in the wine cellar and the juice extracted, you're left with the skins, stalks and seeds," Howard says. "We come in and process the waste using our customised machinery to extract the seeds. The seeds are sun-dried in a field, sifted and sold in bulk, and we provide the cellar with a clean, nutrient-rich compost without seeds that could germinate in the vineyard."

Grape seeds have a variety of uses in the industrial sector. Grape seed oil is used as a carrier oil in the cosmetics industry and even as a health supplement when infused with cannabis oil. "Thanks to the chemical properties of the premium-quality oil that we produce from our sun-dried grape seeds it's in high demand particularly in the health and cosmetics industries," Howard says.

The sun-dried method ensures the highest quality, pure grape seeds, Howard says. "We're fortunate to have the ideal hot, dry conditions that allow us to produce this level of quality, which is

often compromised when grape seeds are dried in tunnels and artificial heaters as is the norm across the globe.”

THE DREAM

Although they dream of expanding the business into cold-pressing the seeds to produce their own grape seed oil, for now True Vine focuses primarily on selling the seeds in the local market as export costs for the raw product are high. The by-product of cold-pressing the seeds for oil would be a seed cake that is used as a biomass pellet for renewable energy and animal feed.

Howard employs two permanent staff members, but is investigating other business opportunities to optimise the farm and create employment beyond the seasonal four months during harvest time.

THE PARTNERS

True Vine has for the past eight years worked closely with Merwida Winery. “We’re really grateful for the partnership we had with Merwida Winery,” Howard says. “They helped us grow from a start-up to a fully-fledged enterprise. Our time with Merwida has ended, but we’ve had many learnings along the way and we’re ready to embark on the next chapter with potential new partners.”

While still with Merwida Winery, Howard and his 10-strong team would go out to the cellar with a processing pod and process the waste on the cellar’s premises.

Thanks to support received from wine industry body Vinpro, the Western Cape department of agriculture’s Comprehensive Agricultural Support Programme (CASP), the Cape Agency for Sustainable Integrated Development in Rural Areas (CASIDRA) and the department of trade, industry and competition (DTIC), True Vine was able to build a warehouse on Tweefontein where their products, implements and machinery can be safely stored.

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The raw sun-dried grape seeds before filtering.

“Grape seeds have a shelf-life of up to 10 years, depending on storage conditions,” Howard says. “The warehouse is such a blessing as it gives us the breathing space to build relationships and sell to the right buyers at the right price instead of selling off the products before they’re tarnished by weather conditions.”

True Vine also received funding for a vehicle, digger loader and tractor to expand the business. “It’s important to put skin in the game to demonstrate personal commitment,” Howard says. “I contributed to the financing, which gives me a greater sense of ownership and pride.”

He encourages cellars to partner with enterprises such as True Vine. “It’s a win-win situation,” he says. “We get good-quality grape seeds and you receive compost high in nutrients that you can use to enrich your soils, with the added bonus of improving your BEE score.” ♦

THE BEE BOX: WHY PARTNERING MAKES SENSE

True Vine is a Level 1 black economic empowerment (BEE) enterprise, which means commercial entities such as cellars that do business with them can receive certain benefits under the Enterprise and Supplier Development (ESD) element of South Africa’s Agri-BEE Scorecard.

We asked Vinpro enterprise development manager Phil Bowes for more info about partnering with a BEE business such as True Vine.

HOW WILL IT HELP MY BUSINESS?

ESD is one of the big-ticket items on the Agri-BEE scorecard. It carries a lofty 40 points for large enterprises (turnover greater than R50 million) and 25 points for qualifying small enterprises (turnover of R10 million-R50 million). Both large and small enterprises that want to embark on the long road to obtaining a liquor licence need at a minimum to aim for Level-8 compliance, and would therefore want to earn as many of these points as they can.

Few suppliers in the wine industry have black ownership or have the two-point bonus of being more than 51% black-owned. However if you partner with a strong ESD supplier, it can expand its goods and services to accommodate other needs in your business. The revised Agri-BEE codes provide for commercial businesses partnering with each other to augment their support for a single ESD supplier.

WHICH LEVEL SHOULD I AIM FOR IF I’M NON-COMPLIANT?

Aim one or more levels higher than you hope to reach. The revised Agri-BEE codes penalise, or discount, businesses by one level for not complying with the priority elements of ownership, skills development and ESD, even though they might score high in the other elements such as socioeconomic development and management control.

If you hope to end up with a Level 8 scorecard (requiring a maximum total of 54 points) and you manage to achieve 20 points for ESD, you could easily make up another 35 points with a few tweaks to the skills development and socioeconomic development contributions to get 55 points, which is the minimum for a Level 7 contributor. In this example, a Level 7 contributor would be discounted as there is no contribution to ownership, but would still be at Level 8.

Businesses are only discounted once if they don’t meet one of the three priority elements, not for all three in one scorecard.