

## All in the Name of Sustainability

Tito Mike's Food Company

*A former Filipino expatriate ventured into sardine production and hurdled all the challenges to become a high-volume exporter. But after attaining economies of scale and the capability to expand the business even further to cope with an ever-growing market, he reins in production.*



"The way I see it, our fish stock here is plentiful if we're able to conserve. Teach people how to conserve so everybody can have food for a lifetime." While the world market offers opportunities for further increase in production, Mike refuses to do so. He is content with what his company has achieved over the past 17 years and is concerned about the adverse impact on nature that any capacity expansion may entail.

**M**ike Cases of Tito Mike's Food Company in Dipolog City grew up seeing his mother and almost everybody making sardines.

Bottling sardines in Zamboanga del Norte has flourished so much that the Department of Trade and Industry (DTI) has designated it as the region's One Town, One Product model.

With DTI's involvement, "coopetition" as coined by Tito Mike himself, made producers cooperate with each other in the production aspect while competing in marketing.

It was not that way, though, when Mike started the business in 1999 with wife Aliw after a four-year job in Brunei. Start-up entrepreneurs with limited capital and still without established clients were disadvantaged because they could not buy raw materials in large quantities to entitle them to wholesale prices, volume discounts, and credit privileges.

"Everything that we bought [was] retail [priced], and therefore too expensive for small producers to make a profit," Mike points out.

In addressing that issue, the local DTI office urged Mike to help organize the In-Glass Sardines of Dipolog Association (ISDA). "We did and even used the DTI office as our own. The DTI gave us a desk," recounts Mike, elected as ISDA president then and continues to hold that position up to now.



## Making “Dipolog Style” Bottled Sardines

1. The most important step is procuring the sardines from the fresh catch of fishermen.
2. Dry the sardines under direct sunlight.
3. Quickly deep fry sardines in hot oil.
4. Pack the spices.
5. Carefully pack the fish in jars and fill up each bottle with hot corn oil.



### DID YOU KNOW?

Sardine run is an unexplained phenomenon that happens during November to April in the Philippines, when millions of sardines swim together around Moalboal, Cebu.

The association brought together both small and big players, making them benefit from low input cost through the pooling of resources for high-volume raw material purchases, but increasing outputs and marketing them are two different stories. “So, DTI included us in the regional trade fair in Zamboanga.”

Called the ZAMBA 2000, the fair opened doors to Tito Mike’s Food Company and the rest of the association. The company first joined National Trade Fair in 2001 and again in 2002.

The first international trade fair the company joined was CITEM’s Asian Ethnic Food Festival—precursor of the International Food Exhibition in Manila—in 2002.

“It was a big year for the company. We got the Outstanding Entrepreneur Award... and we’re really selling at high volumes... because we were exporting already to the US.”

Tito Mike’s Food Company Inc. blazed the trail and became the first food processor in Dipolog to claim to produce a full line of MSG-free products long before there was a trend towards health and wellness.

Mike was one of the ten recipients of the DTI’s 2003 Outstanding SME Award, and the only one from Mindanao. The company also drew Canadian buyers, which together with his American clients, have been importing bottled sardines from Mike’s firm.

Daily, the company’s staff at the food facility in Dipolog City can work on more than 500 kilograms of fish—processing and packing them on the same day. The facility can produce 5,000 boxes or 120,000 bottles of Spanish style sardines in glass jars, Dipolog City’s signature product during the sardines season.

Yet, Mike refuses to increase production any further, concerned about depleting this natural marine resource. Sardines are vulnerable to overfishing and climate change. “Only conservation measures can ensure adequate supply of sardines from our place for a lifetime,” he says.

To boost conservation, Mike buys sardines from “artisanal fishermen.” “Those with just small boats, or a one-person crew... with only his family members helping out in disentangling the fish from the net,” explains Mike.

He has even provided fishing equipment to some of those families.

It is also in the corporate culture of Tito Mike’s Food Company to give back when called upon by the DTI. Mike is a Level 3 Business Mentor for the Kapatid Mentor ME program (KMME), while his wife, Aliw, is a Level 2 Technical Expert Mentor. The KMME is a joint undertaking of DTI and the Philippine Center for Entrepreneurship-Go Negosyo Foundation.



**MAKING IT BIG**  
Before Mike’s bottled sardines reached the global market, he had to face obstacles. Mike showed strong determination and got through the hardships.

## HOW DTI HELPED

Mike was urged by DTI into organizing the In-Glass Sardines of Dipolog Association (ISDA) that gathered both big and small companies that help them have low input cost by pooling of resources, through the **One Town, One Product (OTOP)** program.

Tito Mike’s Food Company participated in DTI-sponsored trade fairs such as **Sikat Pinoy, ZAMBA**, and the **Asian Food Festival**.