



Chief Executive Officer, MDS Foods (Pvt) Ltd., Sohail Yousuf

ICMAP: Please tell us about your company, brands and contribution towards economy?

SU: MD Foods (Pvt.) Ltd. is an associate company of "Super Asia" group and a franchisee of multinational fast food chain "Hardees" in Pakistan. "Super Asia", a well renowned and respected brand, is a conglomerate of companies with diversified range of businesses mainly Home Appliances, Automobiles, Insulation and Packing Materials. We entered the food industry in 2002 and by the grace of Allah today we have touched the highest standards in this industry. We continuously contribute our part in the Pakistan economy and are 100% taxpayer company.

ICMAP: What do you say about the growth trend of food business industry in Pakistan?

SU: Food business is growing in Pakistan. When we started operation, we had only four employees and today we have more than 700 employees. All our ingredients are imported from foreign countries. If beef is available locally as per the required standards, then this business would grow more due to cost efficiency. Anyhow, we have to purchase beef from overseas in bulk and we maintain its quality / serving standards.

ICMAP: Can you briefly explain your supply chain from purchase to sale outlets?

SU: As already mentioned, almost 60 percent of our products are imported from Dubai, Egypt and Malaysia. Our beef items are total imported; only buns are baked fresh locally. We maintain its life/ freshness in the cold storages. We have also software that helps us keep track of all the items and their life. We strongly focus on maintaining the standards.

ICMAP: Do you import your machineries or buy it from local sources?

SU: There are several vendors who provide machineries or components and Marshall is one of them. The processing unit is totally imported. Hardees has a Division which coordinates with global vendors/ suppliers. We maintaining international (MF-5) standards and also standard delivery time i.e. 3 Minutes only. Our Quality Control staff makes surprise visits as well.

ICMAP: What are your operational challenges and how you overcome them?

SU: There are so many challenges while operating this system. We serve demand for 6,000/7,000 Visitors per day. Every day you face a new challenge. Sometime it's some

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operational challenge and some time it's from customer side. Some time it surprises you and sometimes you laugh on it. We accept challenges and resolve accordingly.

ICMAP: Who is your target market and how you attract them through advertising?

SU: We target young generation. We hire the young / smart employees too. Our advertising campaign is catchy having dual meanings. Our last campaign "Big Buns" got viral.

ICMAP: What is your company's market share and who are your competitors in Pakistan?

SU: There is no competitor of Hardees in Pakistan as our products are beef focused. However there are some other international food chains like KFC, FAT Burger & Johnny Rocket which are operating in the fast food market in Pakistan. Our market share is growing every year.

ICMAP: Which food items you import and how you ensure 'Halal' authenticity?

SU: Alhamdulillah, we import 100% Halal meat i.e. Beef / Chicken from Egypt, Malaysia & KSA.

ICMAP: Are you complying with any local or international standards / benchmarks?

SU: We manage the yearly calendar and we maintain the

international standards of Hardees by weight and size and use the ERP system (EZEPTA).

ICMAP: Do you have financial reporting mechanism such as annual report, etc?

SU: We have excellent staff in Finance department and maintain the standards as well. Internal Auditors and External Auditors and ERP check our costing, sales, unit-wise are on a regular basis.

ICMAP: How Management Accounting can help make food business supply chain and resource utilization efficient?

SU: Sure, Management accounting practices adds value to the system.

ICMAP: Which management accounting techniques viz. (1) Variable (Direct) Costing (2) Full Absorption Costing (3) Activity-based Costing is/ are mostly applicable in the food industry?

SU: Observing fixed costing, variable / direct cost, etc.

ICMAP: How do you comments on profitability in the food business?

SU: Sure, this is profitable business in Pakistan. If beef is available locally as per required standards it will improve our profitability. Being an International brand, we have to rely on imports to maintain the standards.

ICMAP: Do you favour need for effective regulations to ensure food quality and pricing?

SU: Yes, this is non-regulated sector. Anyhow, I am happy that now-a-days the food department is very active and the Government has initiated certain checks/measures and now this is going to become a regular sector.

The interview ended with a vote of thanks to Mr. Sohail Yousuf CEO MDS Foods (Pvt) Ltd., who spared his valuable time and gave his candid views exclusively for this journal. – Editor