

There's No Business Like...

It is rare indeed that a partnership prospers with little glitches but FV Foods is one success story worth sharing with our readers for the classic ingredients of a workable relationship amongst partners can be possible.

Flor Vendiola and Melchor Galleon – destined to be in business together after Melchor who hails from Sariaya, Quezon joined the CNE in 1998. Flor also hails from Sariaya, Quezon and their paths cross after Melchor decided that Toronto, Canada is the ideal place to be.

Flor Vendiola is a Licensed Medical Technologist and dabbles in business once in a while but quite unsuccessfully. She still practices her profession on a part time basis. She and I have been friends since 1996. I am so happy that she has found a good business and a good business partner.

Melchor was always keen in business – from a young 10 year old kid , Melchor started a small business of renting out komiks, selling yemas and turrone cooked by his aunt in school. When Melchor was in his 3rd year in college as a nursing student, he opened a store in his mother's house selling pasalubong sweets, longanisang Lukban, puto seko, yema, etc. The store prospered and despite Melchor graduating and becoming a licensed R.N., he never practiced his profession because his calling was doing business.

His business was so prosperous that he opened a second store along the Highway as a stop-over store/restaurant for commuters from Manila to Bicol and back. Melchor plowed back all profits into the business and never looked back. In a span of 8 years, the business expanded to one store at his home, two stores/restaurants on the Highway, a Galeon Bakery and a Galeon Pasalubong in Lucena City.

The business expansion was mainly because Melchor plowed back into the business most of the profits and a younger sister helped him run the business. During that time in 1996, he had a staff of over 60 people manning his business empire!

Business was not always smooth – a disaster, typhoon “Si-sang” destroyed the roads that brought him business- the commuters from Manila and Bicol. He was forced to close the restaurants, and simply maintained three pasalubong stores.

Being President of the Sariaya Tourism Council, Melchor was invited to participate in the CNE in 1998. He brought with him pasalubong sweets from Quezon Province to the Trade Show in Toronto. He and Flor met at the Mabuhay Festival. Melchor was living with friends and he asked Flor if she could help him find an apartment where he could live. Flor with her kind heart helped him get an apartment and brought him around as a Dancing partner as Melchor was a very good Dance Instructor.

Melchor started cooking at his kitchen yemas, ube and espasol and with Flor's help started to sell this to different stores like Remely's, Barrio Fiesta and Asian Market. At the beginning, Melchor asked for Flor's help in delivery and so they agreed to do this together as Melchor did not have the resources to continue the growing business. From a start up capital of \$500.00, Melchor and Flor slowly established a growing business on Filipino kakanin. Through hard knocks, Melchor and Flor learned to do inventory control, budgeting, etc. They were in business! Using the small home baking equipment, Melchor and Flor slowly acquired some assets to expand the capacity of their business. Profits were plowed back into the business and each year, Melchor would intro-duce new products to their cus-tomers. He added custard cake, bibingka, pianono, polvoron, pastilyas, tikoy etc.

In 2000, Melchor and Flor knew that they had to register the business as FV Foods which is a partnership where they each own 50 per cent of the business. With this, they established a label and with their design, FV Foods started to have a name among the Filipino and Asian stores. The expansion was not funded by any loans – it was financed by profits plowed back into the business.

In 2000, monthly sales were \$10,000 a month. Today, the business has grown tenfold from its modest beginnings. They started the business with Melchor as a one-man operation; today they hire a full time staff of 8, 4 part time staff and family volunteers.

December 2000 marked their bold move to rent a small production space of 1,050 sq. m in Scarborough to house their equipment and production supplies. Today, FV Foods is moving to bigger production facility before the end of 2003.

In 2002, FV Foods expanded their product lines to ensaimada, puto, leche flan, cassava cake, kalamay, buko pie and macapuno pie, turrone. All this time, FV Foods was using Flor's small compact car to deliver the products to stores. In 2000, they acquired a van as delivery vehicle and Flor and Melchor personally deliver the products. Last week, they hired a full time driver to handle deliveries.

Their products reach St. Catherines, Windsor, London and Ajax. Sales volume has reached \$50,000 a month! They currently have about 30 outlets all over Ontario. FV Foods joined the Bakers Association of Canada and continues to upgrade the quality of their products.

How did this partnership prosper? Flor and Melchor have agreed to clearly delineate the functions of each partner – Flor handles all office/paper work, billings, invoices, follow up of client calls and also as driver while Melchor handles the kitchen, development of new clients, supervision of the staff and ordering of stocks.

The partners agree that all monies of the business are theirs and every cent is accounted for. The books are open to each other at all times. Each partner receives a salary and each one works in the business "hands on" full time.

They have kept their staff happy because they pay the staff well and the staff enjoys free meals and drinks during the working hours.

What is the secret to their success?

- Determination
- Quality of Products
- Continuously upgrading their product lines, Melchor asks his sister to attend all seminars on baking and he tests the recipes in Toronto before introducing them to the market.

I am very happy that this is one partnership that has done very well. But like I mentioned to them during the interview, they should consider incorporating the business soon as the business has grown enormously through the years. Flor and Melchor, keep on going! Way to go!

Marissa Corpus

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Filipino Entrepreneurs: Success Story