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## Fortune to be made from fish heads; A storm destroyed Mapco's processing factory but the tenacious owner has resurrected the business

By James Hurley

Describing the devastation of your business as 'another day in the office' might sound like the reaction of a man in denial. But Nasar Rashid, founder of fish processing business Mapco, insists stoicism was all that kept him going when a storm destroyed his small company's factory in December last year.

'What could I do about it? It was a case of it has [happened], don't dwell on it, don't look back. I thrive on a challenge -and I really have been challenged by this.'

His company, which exports dried fish to Africa, had been trading for less than two years when waves wiped out its premises in Peterhead, a fishing port in north-east Scotland.

Mr Rashid hopes Mapco will be back on its feet within a few months but he admits reviving the business is 'much harder' than starting it up.

Considering he had to overcome disbelieving banks, sceptical manufacturers and his own lack of engineering knowledge to launch Mapco, bringing it back from the brink is a forbidding task.

Mr Rashid had the idea for the company while working as an accountant for an investment firm in Africa .

Shocked by the hunger he saw while in Aba, Nigeria, he investigated what people were eating to survive.

It turned out to be 'the things that we throw away', he says, including (by Western standards) unappetising sounding fare such as fish heads.

'In the West, we only want the fillets. I saw that we could also use the stuff that doesn't look great -it is still food, it still has all the nutrients.'

Mr Rashid suspected he could secure plenty of low cost supplies from fish processors by purchasing the byproducts they were either throwing away or selling for next to nothing for fishmeal, which is used for animal feed and fertiliser. African customers would be keen, he thought, on a

low cost source of protein with a long shelf life if he could dry fish heads and frames and export them.

'These are parts of the fish that the western world no longer consider appealing but are life-saving in countries where there is chronic malnutrition.'

While he quickly found equity backing from friends and family, he couldn't activate a conditional grant offer he received unless he could match it with a sizeable bank loan -which proved a tall order.

'Imagine walking in to a bank in 2008 and saying you want to dry fish heads,' he says. 'I was laughed out of every bank on the high street.'

Just days before the grant offer was due to expire, in desperation, he emailed then HSBC chief executive Michael Geoghegan.

'He must have rattled a few cages as my phone didn't stop [after that] and within days my funding in principle had been approved. He is one person who I can say made this venture happen.'

Proof, he says, that persistence pays.

'You try every single angle when you believe in something. Eventually someone will help make it happen. Most won't but you will find one ally -often the last person you think of.' That approach came in useful when trying to clear the next hurdle: finding a manufacturer willing to build the dehydration machine he'd envisaged, since there was nothing already on the market that fitted the bill.

'Put simply, it's a wind tunnel. We put fish in at one end, bag them up at the other and send them out.'

He was dismayed that he couldn't find a British manufacturer willing to take the work on and ended up turning to a Canadian engineering firm to build the kit.

'In this country, we're too focused on selling rather than developing. That's a big mistake, as the ones who are innovating will end up taking the market,' he says.

'If India and China are putting the focus on engineers, the brain power will move to them. We need to spend on innovation and machinery if we want to be part of creating the new world.'

In early 2011 – three years after he drew up his business plan – Mapco began trading and made a promising start. In its first full year, it had sales of £1.6m and even turned a small profit.

Via an Icelandic distributor, the business sent fish to African consumers, who wanted a cheap source of protein and nutrients with a long shelf life. A fish head can cost as little as 19p and can feed a family of four, Mr Rashid says. 'They make an exceptionally economic foodstuff.'

The products are often used as a base for soup and stew, he says, although he admits its 'very strong' flavour is 'a bit too fishy' for his own tastes. The company was processing 90 tonnes of raw material a week and struggling to cope with demand by the time the storm hit.

While the company's insurance firm paid out, he says he has endured a battle with the Peterhead Port Authority, who initially blocked the redevelopment of the site on the grounds it would hinder its own wind turbine project.

He's now confident that the dispute is resolved and hopes to be trading again within four months. He's even projecting sales of £2.5m for his renaissance year. There have been some valuable lessons from the nine months he's spent reviving his venture, not least coming to see the risks posed by doing everything yourself when running a growing business.

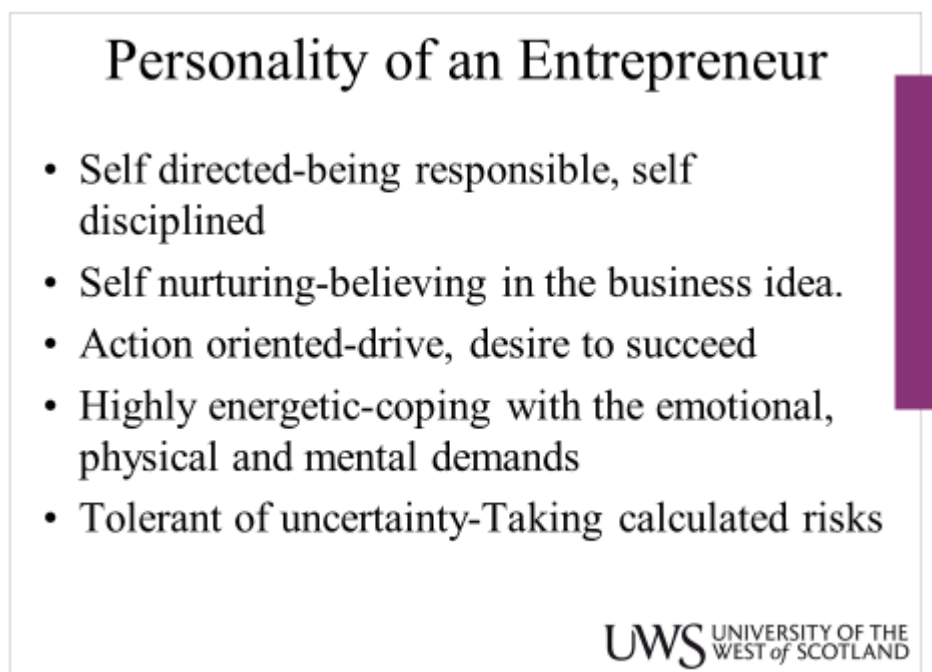
'I had 22 staff but I was really a one man band, with no one to sound ideas off. I've just been going on gut feelings and sleeping about two hours a day. I wish I'd had a better structure -we grew so fast I didn't have time to think.'

He'll hire a small management team to help him make Mapco's return a success, he says, but his goal for the business is the same. 'There is still a huge amount of waste in our processing industries. [This food] may not be appealing in the western world but [is] in other parts of the world. These are the markets we need to explore.'

(Source: Hurley, 2013)

## Questions

- (a) What Entrepreneurial characteristics does Nasar show? See topic 6 slide below.



**Personality of an Entrepreneur**

- Self directed-being responsible, self disciplined
- Self nurturing-believing in the business idea.
- Action oriented-drive, desire to succeed
- Highly energetic-coping with the emotional, physical and mental demands
- Tolerant of uncertainty-Taking calculated risks

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- (b) Imagine that you are Nasar Rashid of Mapco, and you are considering how to grow your business. You decide to complete a SWOT analysis so you can fully understand where the strengths and weaknesses of the business lie. You should evaluate the strengths, weaknesses, opportunities and threats for its human resource management, accounting and finance, and marketing functions. You should then summarise, in a short paragraph, which parts of the business you need to strengthen.

For an update see <http://mapcogroup.co.uk/> (accessed 25<sup>th</sup> September 2023)

**The web link above might help with your SWOT**