

R2m investment helps Yebo Fresh expand township food distribution

Cape Town-based Yebo Fresh has attracted international interest from the Scheinberg Relief Fund, which has contributed R2m to the online grocery delivery startup to help it expand its distribution capacity and food relief efforts in disadvantaged communities.



Yebo Fresh founder and CEO Jessica Boonstra

The Scheinberg Relief Fund is a \$50m philanthropic fund established by Israeli-Canadian businessman Mark Scheinberg and his family to support organisations and initiatives that are tackling the direct impact of the Covid-19 virus on vulnerable people and the communities they reside in.

Yebo Fresh was formed in 2018 as an online grocery retailer with a mission to bring affordable quality food to South African townships.

For millions of South Africans residing in townships, the monthly grocery shopping endeavour can be a strenuous and costly undertaking. Yebo Fresh addresses this by delivering groceries directly to the customer in areas underserved by formal food retailers.

Due to the startup's experience in this regard, the company has a unique understanding of how to distribute food to these sorts of areas, which is what proved to be attractive to the Scheinberg Fund.

Food security has been a great concern during the national lockdown. During this time, the Yebo Fresh shopping platform has partnered with charities, community action networks and other organisations looking for a safe and reliable way to distribute large quantities of food parcels into the townships.



E-commerce startup Yebo Fresh easing access to food supplies in townships

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Service expansion

The Scheinberg Relief Fund contribution has enabled the online retailer to expand its services to more townships with the acquisition of a larger warehousing facility with more than five times the combined space of the previous two. The donation also assisted the startup to source the equipment required to scale up fast, including adding recyclable food crates, roller cages, pallets, desks, laptops and other items.

This was stretched even further, allowing Yebo Fresh to implement a number of structural improvements that have enhanced operational efficiency and safety such as a 12-metre refrigeration unit, a barcode scanning system and a more efficient sanitising process.

The retailer also increased its capacity from 400 to 1,000 food parcels (the equivalent of 120,000 meals per day) with plans to further increase this to 2,000 packs a day and to recruit an additional 20 packing staff. All newly created jobs arising from the investment will be prioritised for people who had no direct income before the pandemic.



The unique agreement between Yebo Fresh and the Scheinberg Relief Fund has another special angle: as soon as Yebo Fresh hits agreed financial performance indicators, the donation shall be ‘paid forward’ to local communities through additional distribution of food parcels.

“When we started talking to the Scheinberg Relief Fund, we were operating from two small warehouses and were struggling to prepare 400 parcels a day. We are now at four to five times that volume and still growing week on week,” explains Yebo Fresh founder, Jessica Boonstra.



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“We are privileged to receive this donation and we are honoured to be able to use it towards helping our communities during this incredibly difficult time. Our purpose has always been to create access to affordable quality food to underserved communities, and we are pleased to be able to do this at a much greater scale, especially at the moment when access to food has become a very real problem for many people,” she adds.

Mark Scheinberg, on behalf of the Scheinberg Relief Fund, said: “We’re extremely proud to have made this innovative ‘pay-it-forward’ contribution to Yebo Fresh, to enable them to scale their operations and empower them to deliver significantly more affordable, quality food to South African townships during this pandemic.”

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