

30 Years and still growing: Vietnam Airlines Caterers shares all

This is a special feature from *PAX International's* [June 2023 WTCE issue](#) on [page 26](#).



Newly appointed General Manager Mr. Hoang Xuan Hiep at the helm of Vietnam Airlines Caterers

[VACS](#) was established in July 1993 as a joint venture between [Vietnam Airlines](#) and [Cathay Pacific Catering Services](#) and officially launched in November of the same year. The task was clear: renovate the original catering unit, which served as a field hospital during the Vietnam War and where Vietnam Airlines was running its own catering unit, bring it up to operational standards and establish a customer base for the airlines operating out of Tan Son Nhat International Airport in Ho Chi Minh City. At this time in Vietnam, the country's Do Muoi policy opened the country to foreign investors, ensuring the homegrown catering industry would not last long. Per contractual agreements with the joint venture partners, a new catering facility was needed within three years in order to keep up with forecasted growth.



Bert Dinkel, now Deputy General Manager at VACS, hard at work back in 1994

Cathay Pacific Catering Services' corporate office appointed Bert Dinkel to the title of General Manager in October 1993, moving him from its Hong Kong kitchen to Vietnam. Swiss-born Dinkel's past experience as a seasoned, qualified chef (in Switzerland at various hotels and restaurants; in Canada at hotels, catering operations and restaurants serving the 1988 Calgary Winter Olympics; in Australia at a new hotel opening for Hyatt Hotels; and in Hong Kong at Cathay Pacific Catering, formerly known as Swire Air Catering) made him a suitable candidate. Dinkel formed a strong sense of teamwork with the company's employees and the community, working together with his local Deputy Manager and two other Hong Kong-appointed Support Members.

This was a challenge for Dinkel — in fact, he says it was the biggest challenge he has experienced in his life. The grueling project schedule had him working in a new country every day for three years with no holidays.

"At the same time, it was also very rewarding," Dinkel says. "I saw first-hand the country's transformation from having hardly any cars, motorbikes or high-rise buildings to today's Ho Chi Minh City: a fast-paced metropolitan that seems to never sleep."

When Dinkel started working in Vietnam, he says there were hardly any American products in the country, due to a trade embargo. "It was a challenge to haul a 40-foot container from the port — there were no container trucks in the country and every day we faced new problems," he says.

Luckily, with a big dose of effort and the determination to not give in, the 12,000-square-metre catering facility opened in 1996 as planned. Their dedicated kitchen team currently produces a whopping 25,000 meals daily for 26 international airlines, including Vietnam Airlines, the country's flag carrier and biggest carrier, volume-wise.



A cold plate created for Tết, one of Vietnam's most important holidays

Fast forward to 2013, when Vietnam Airlines took ownership of the catering unit, as the contract with Cathay Pacific Catering Services had come to an end. At this point, the unit was renamed from VN/CX Catering Services to Vietnam Airlines Caterers. Fortunately, Vietnam Airlines saw Dinkel's potential and offered that he stay on beyond the end of the contract and continue to contribute to the development of the kitchen unit. Dinkel happily accepted the offer.

Today, serving Vietnam's most famous and beloved dishes is the primary focus of Vietnam Airlines Caterers, with pho, bo kho, com tam, cha ca la vong and beef lalot being some of the favourites that it features. The dishes of other cultures, such as Japanese and Chinese, also make appearances on the company's menus. In addition, halal options are available through its exclusive halal kitchen, certified by Malaysian Airlines.

"At each of our kitchens, the focus is on culinary and operational excellence and consistently providing the highest quality products and services tailored to our customers," says Mr. Hoang Xuan Hiep, VACS' newly appointed General Manager. "Our comprehensive catering services are standardized for consistency and quality, from Asian cuisines to Western food, which cover cockpit to tail, on the ground and inflight."



A look inside VACS' new state-of-the-art hot kitchen

Technological advancements that have recently been added to VACS kitchens, controlled equipment storage areas for each airline customer. VACS staff can tackle inventory management with surgical precision through its Inflight Catering Management software and other, locally developed software which ensures the optimal amount of any service item is available, controlling waste in the process.

“Our software can predict the next month’s consumption based on our big history data with 97 percent confidence,” says Hiep. “This provides a secure and sustainable platform to offer airlines comprehensive and holistic food solutions from strategic sourcing and procurement to warehousing and logistics.”



The old field hospital that eventually became the original VACS kitchen unit

VACS, under the leadership of Hiep, has many developments underway to continue the growth of its operations, such as a planned kitchen in Ho Chi Minh City's new state-of-the-art airport in Long Thanh, which is currently under construction, as well as tender for a small kitchen at the Phu Quoc Airport, where in the past the company had served some charters to Phu Quoc, an island destination popular with European tourists, out of a fridge container! (In the future, an official catering unit may be set up to accommodate these flights, says Dinkel, but at the moment the demand is not high enough.)

The evolution from a kitchen with 80 staff members to one that employs more than 800 has been an adventure 30 years in the making. Hiep notes that AI-powered automation will be the next big step in the industry, to improve kitchen operations and give customers confidence in the company's safety measures.



An exterior shot of VACS' catering facility

New partnerships and new menus are also consistently at the forefront of VACS' strategy, and they are expanding their market by offering boba tea, bakery items and pastries to their school, hospital and event customers. Though it has not and will not overtake the organization's inflight business, non-air business currently contributes a small fraction of its revenue, effectively boosting its presence in the highly competitive food and beverage industry.

Of course, there are still plenty of opportunities ahead. As Dinkel says, "No doubt there will be more to come as the development of VACS continues to be recognized and valued as a great supply base for its service partners for quality airline meals."