

Submission No 25

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**KOSMOS FOODS WHOLESALERS**

RECEIVED  
20 FEB 2009

BY: ATSLA

To Mr. Richard Marles

Re; **New inquiry - Remote community stores in Aboriginal and Torres Strait communities.**

Please find below my submission on behalf of Kosmos Foods N.T (see attached for details of Kosmos Foods N.T).

I would like to start by saying I believe that the management of indigenous funds has had a positive impact in the remote communities as well as major town centre. This is evident by the increase sales of health food in remote communities and reduction of public drunkenness in major town centre's.

The effectiveness of the Outback Stores model, and other private, public and community store models

I believe the Outback Store and ALPA model do work in the communities, but both models depend on the quality of Head Office and store managers. If Head Office management loss control of the store managers then model becomes no different to what we are working to get away from. I also believe that if a Head Office manager or managers decide they are going to follow their own agenda then again we have a poetically destructive forces working in this market. The question is who will be overseeing these models?

Food supply, quality, cost and competition issues

It is very important that competition is maintained between suppliers to ensure the best possible pricing in communities. Sadly, the competition is being removed by Outback Stores pushing most of there business through Metcash (IG Darwin and IG Alice). ALPA will tell you that when there was only one supplier (IG Darwin) to ALPA stores communities were paying a premium, once a second player came into the market prices dropped and have stayed down.

Local Wholesalers will be gradually pushed out of the remote market, which will in turn push prices up due to no competition. The cause of this will be Outback Stores decision to mainly use one supplier. This in turn will affect local jobs and possibly the closure of local business resulting in a near monopoly.

Kosmos Foods has been competing against Metcash (IG Darwin and IG Alice) successfully for 23 year in an open market supplying remote community stores. Given the chance I am sure we could maintain our competitive pricing and service.

The impact of these factors on the health and economic outcomes of communities.

A partnership between the above models, suppliers and manufactures and a commitment to developing healthy food that meets the consumers profile will ensure a successful health and economical outcome.

In my experience without all three working together you have limited success.

Regards

*Peter Tonkin*

Sales & Merchandise Manager

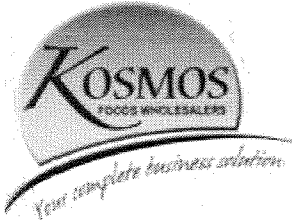
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**KOSMOS**  
 FOODS WHOLESALERS

*Your complete business solution*

# 'About Us'

## Who We Are

Kosmos Foods Wholesalers is a locally owned and independent family business, grown here in the Territory. We have been supplying supermarkets, convenience stores, hotels, restaurants and remote communities in and around the Northern Territory with quality produce since 1984.

Distributing from both Darwin and Alice Springs, we aim to be the leaders in our market; specialising in *foodservice, retail, confectionary, beverage, packaging, chemicals and ice-cream*. We are the sole distributor for Schweppes drinks, Coffee Mio and Nestle Peters Ice Cream for the Northern part of the Territory.

Whilst competitively priced, Kosmos place service and quality at the heart of our business and listen closely to our customers' needs. We endeavour to provide our customers with the *Complete Business Solution* and aspire to grow mutual business.

## Mission Statement

*'Kosmos Foods to be the first choice supplier in the NT!*

*To provide the highest level of quality:*

- *With our customer care*
- *Our products*
- *Our service delivery*

*- And the successful relationships we build with our suppliers*

*To create a company that can attract, recruit & retain smart & talented employees.*

*We will embrace innovation & creativity, seek different perspectives & risk pursuing new opportunities."*

## Trading Hours

Monday – Friday 8.00am – 5.00pm

Saturday 8.00am – 12.00pm

*Shop Local With Kosmos Foods*