

Rugby Farm



AT A GLANCE

1 BABY BONUS

In a market flooded with cheap imports, Coles supports Rugby Farms to produce Australian-grown baby corn.

2 FARM OVERVIEW

Matt Hood explains there is so much more to life on the land to simply be defined as a 'farmer'.

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"Rugby is very focussed on quality products through both nutrition and variety. Coles provides us with the best access to provide well-balanced, nutritionally-rich food for consumers."

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Rugby Farm is home to a diverse workforce... and a proud history.

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Bite-sized look at some key Rugby Farm stats.

Rugby Farm's baby bonus

Coles supports home-grown baby corn over cheap imports

IN EARLY 2008, Coles first approached Matt Hood at Rugby Farm about their interest in growing baby corn.

"We immediately began researching the product," says Matt.

"This involved determining varieties, growing conditions, harvesting methods and packing operations."

Late in the summer of 2008, Rugby Farm started trialling varieties of baby corn and did their first harvest in early 2009.

"In conjunction with Coles we developed a conversion strategy to change over to Australian grown baby corn from the imported baby corn," says Matt.

Coles' commitment to the home-grown product has allowed Rugby Farm to slowly increase their plantings to commercial levels.

"We started in Queensland and then over a three month period we were also supplying New South Wales, Victoria, South Australia and Tasmania."

Exclusive to Coles

Rugby Farm's home-grown baby corn is only available at Coles Supermarkets.

"The fruit and vegetable markets continue to stock the

imported baby corn," says Matt.

"But Coles long-term commitment to Australian produce – and specifically our locally-grown product – allows us to slowly increase the level of production to make it viable."

Rugby Farm grows approximately 73 hectares of baby corn a year in the Lockyer Valley to the west of Brisbane and in Bowen in northern Queensland.



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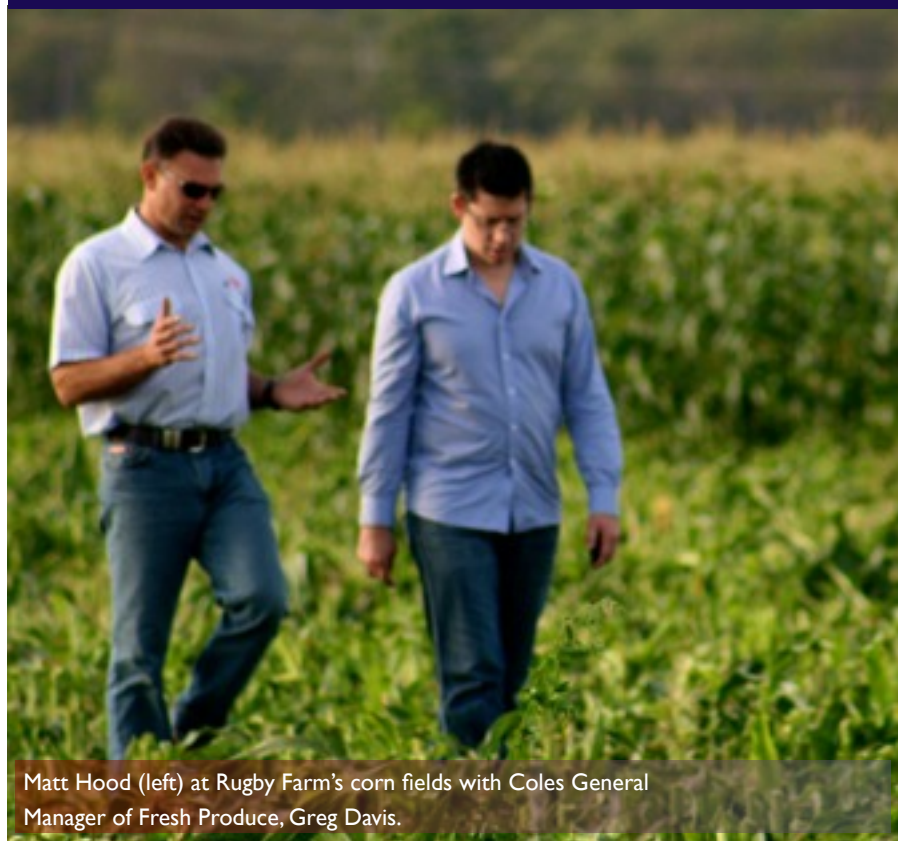
The dual locations allows Rugby Farm to supply Coles all year round.

The crop is harvested by hand in the field and then transported to the packing shed where it is hydro cooled then graded and packaged.

Coles General Manager of Fresh Produce, Greg Davis, says quality is the key to winning their customers' trust.

"Through closer relationships with farmers and initiatives such as our product technologists, we're spending more and more time in developing new products and extend growing seasons.

"And it reduces the need to import."



Matt Hood (left) at Rugby Farm's corn fields with Coles General Manager of Fresh Produce, Greg Davis.

MATT HOOD

"THIS JOB IS ABOUT PEOPLE"

"What some people don't understand is that I'm not just a farmer," says Matt Hood.

"I'm a HR manager; a finance manager; a soil scientist; a nutritionalist; a post-harvest manager; a logistics manager; a marketer..."

Despite maintaining approximately 3,660 hectares of vegetable production, Matt says 70 per cent of his job is about people.

"We put a lot of time and effort into finding the right people - the key to our success is the right people and the right processes."

An overview

Rugby Farm

Rugby Farm is "Committed to Growing a Healthy Australia".

With a focus on providing a quality product and service that exceeds the needs and expectations of its customers, Rugby Farm will achieve its goal of remaining a market leader in primary production.

Boasting a family history of nearly 100 years, Rugby Farm has operations based in several rural areas including Gatton, Lowood and Fernvale in South East Queensland, Clifton on the Darling Downs, Bowen and Ayr in North Queensland, and Stanthorpe and Mingoola in Southern Queensland and Northern New South Wales.

Many of these operations have been part of Rugby Farm's expansion over the past ten years. The expansion into regions which have the best seasonal growing conditions for each type of crop allows Rugby Farm to meet its primary objective of supplying product every day of the year.

Rugby Farm's goal is to continue this expansion. Essential to this is to remain highly competitive by providing good

quality products at the lowest possible cost.

The closer relationship forged with Coles, seed companies and fertiliser companies is also critical. By working together, they can determine the industry needs for research and development to enable Rugby Farm to be at the forefront with new product varieties.

Its people are also a crucial element of Rugby Farm's success.

The farm is well supported by a loyal team and during the main winter season employs more than 300 people.

Since supplying Coles over the past 14 years, Rugby Farms has grown to become one of Australia's largest growers of both corn and beans (it is the only supplier of innovative bagged green beans in Australia). With their expansion into Stanthorpe, they have also become arguably the largest grower in many other lines - broccoli, lettuce, cauliflower and wombok.

Extending operations in Queensland Growing in Stanthorpe

Stanthorpe is located in South East Queensland's Granite Belt – approximately a two-and-a-half-hour drive south-west of Brisbane.

The region's vibrant economy is primarily due to the production of fruit and vegetables as well as a growing tourism industry. This has attracted people to the area who wish to stay in the region and pursue long-term careers in horticulture.

The Granite belt is a unique high altitude region with much of the area ranging between 800 and 900 metres above sea level. The high altitude, cooler summer temperatures and excellent summer vegetable production conditions are found nowhere else in Northern Australia.

Rugby Farm's irrigation water is captured overland and stored on the farm in large dams. They have also undertaken structural improvements including modern cold store facilities to enhance the benefit of the region's strong support from refrigerated transport companies, allowing Rugby Farms to get the freshest possible products to the Coles Distribution Centres.

Rugby's Stanthorpe farms boast 244 hectares of cultivation, with a total area of around 813 hectares to assist in overland flow catchment – an important aspect of Rugby Farm's commitment to sustainable farming.

Q&A

How is Coles commitment benefiting your farm?

Does your relationship with Coles help provide further insights into the needs of consumers?

Over the years – and especially in recent times – yes we do have more information on consumer needs. This isn't to say there's a lot of work we've still to do.

Our lines are more commodity-type lines which people tend to buy as part of a basic vegetable purchase.

Our current focus is the relationship with other products – whether grocery or fresh – which may link sales together with our products. This is an area where Coles can be of great benefit.

How is Coles helping Rugby Farm in its commitment to “growing a healthy Australia”?

Rugby is very focussed on quality products through both nutrition and variety. Coles provides us with the best access to provide well-balanced, nutritionally-rich food for consumers.

How important is Coles commitment in running and co-ordinating a number of properties in different locations?

The commitment from, and the relationship we have with Coles, is the foundation of our business. It is extremely important to our overall operation – investment, security and optimism about the future.

Coles is quite demanding with their expectations and we see that as a challenge as a key supplier to do our job the best we can.

Does Coles commitment also help Rugby Farm continue to be at the forefront of new product varieties?

Absolutely.

New variety trial and development is continuous. This is mainly driven by commercial reasons to have an advantage over other producers.

However, we believe there will be opportunities to benefit both Coles and our business with exclusive offers if seed companies are willing.

On varieties and innovation, is there any area besides Australian-grown baby corn where you've provided Coles with a point of difference?

Our innovative bagged beans are a good example.

No-one else in the country offers this type of packaging.

Our system is fully automated and is in a pillow-pack form, whereas other companies perform a manual type with punnet/ tray-type packaging.

The development of this innovation took more than a year and equipment was sourced from all over Europe to put the line together.

And this is after the majority of the 'big end of town' packaging suppliers said it could not be done.





A WELCOMING PLACE TO WORK

RUGBY FARM'S DIVERSE WORKFORCE

The paddocks of many Queensland farms come harvest time are noticeable for their use of 'backpacking' labour.

For years it has been difficult to find the requisite local labour, and travelling Europeans have filled the void.

Rugby Farm is notable not only for its strong Asian workforce, but also for the lengths it goes to to make them feel welcome and an integral part of the team.

Much effort is placed in effective communication, with translators and signs around the packing facility made available in various languages.

"Our people are very diligent and dedicated," says Matt. "And if there's anything that we can do to make their job that little bit easier than enjoyable, than it's of benefit for everyone."

A proud past

A Rugby Farm History

Rugby Farm is a family business.

The business began in 1912 when the Matt Hood's grandfather purchased the original "Rugby Farm" at the age of 19 years.

He named it out of deference to his parents who left a district near the town of Rugby and near to the famous "Rugby School" in England to migrate in the late 1800's and finally settled in Gatton, Queensland. It could also be said that it reflected his love of the football codes, both of which he played at a level well above the mean.

"Rugby Farm" has a long record of innovation and pioneered the use of irrigation in the Lockyer Valley being the first to use spray irrigation in 1924.

The present family management team of Rugby Farm is a combination of youth and experience, built upon the wealth of knowledge and endeavour of three generations as they developed their vegetable industry.

This team now responds to any big picture opportunities under its business expansion policy, which encompasses flexibility, supply chain communication

and the constant upgrade of infrastructure.

From the farm's humble beginnings nearly 100 years ago, the operation has grown significantly – particularly in recent years.

Rugby Farm has expanded into other areas to meet seasonal demand in order to obtain a 12 month supply base.

Farms are located in the following areas:

1. Head Office and packing shed at Hood's Road, Gatton
2. Gatton surrounds
3. Lowood

4. Clifton

5. North Queensland Office and packing shed at Bowen

6. Ayr

7. Stanthorpe

8. Mingoola

Rugby Farm also has two packing sheds. One is located near Gatton and the other is Bowen in North Queensland.

Along with its investment in property, Rugby Farm is investing in new technology – both in its packing sheds and on the ground – to maintain its position as one of Australia's premium growers.





The challenges

Less land, less water, less fertiliser... more yield

"For years farmers have tried to fight mother nature," says Rugby Farm's Matt Hood. "But the reality is you can't beat her – instead you have to learn to work with her."

The trickle to sustainable water use

Rugby Farm has made an enormous effort to save water.

Nowhere is this more evident than at their Bowen farm.

"Our operation in Bowen is 100 per cent drip," says Matt.

"Not one drop of water is wasted."

Rugby Farm trialled their 'trickle tape' at their Bowen property – an area where all farms will be 100 per cent drip irrigated within ten years, according to Matt – and its success there made it viable for Gatton.

The effort Rugby Farm puts into maximising its use of this limited resource is extensive.

"Water and fertigation is absolutely vital in ensuring the quality and quantity of produce we produce," says Matt.

Rugby Farm employs a team whose sole job is to ensure the most efficient use of water possible so that "not one drop of water is wasted".

"We had to make this work," says Matt. "There was no other choice."

With all the talk of smart metres for water, Matt can tell you exactly how much water each crop uses.

"We have to be able to do that," says Matt. "We only have a limited amount of water we use, and we have to use it in the most efficient way possible – if we use our allocation before the crop matures, it is throwing money out the window."

The challenge of getting more from less water has been an incubator for innovation.

As the largest user of trickle tape (the thin, punctured hoses laid between crop rows that drip water), Rugby Farm has developed specialised machinery to pick it up between rows to save time and improve efficiency.

Eight locations, one quality Striving for consistency

One of the greatest challenges Rugby Farm has faced during its expansion over the past ten years is to provide a consistency of product over a variety of locations.

"Consistency of product and paddock is something we continue to work tirelessly on," says Matt.

"Rugby Farm has a way of doing things, but when you're working at different locations, in different climates and with different soil types, you clearly have to do amend your processes."

Another challenge identified by Matt was working with those employees they had taken on as part of their expansion.

"These people have worked these farms before we arrived and therefore have some important knowledge we need to tap into," says Matt.

"The challenge for us is to work this knowledge in with the Rugby Farm processes we've proven to provide the highest quality produce.

"That way, whether it's a bean from Gatton or one from Bowen, it is of the same high quality associated with the Rugby name.

Investing in quality

Rugby Farm's investment in quality isn't limited to the paddock.

Their packing facility in Bowen was built nearly seven years ago and has already been extended twice during that time.

"It now includes a \$1.2 million bean line," says Matt, acknowledging it as one of the biggest in Australia.

NUMBER CRUNCH

3,660

The approximate number of hectares of vegetable production for Rugby Farm each year.

8

The number of regional communities in which Rugby Farm operates – Gatton, Lowood and Fernvale in South East Queensland; Clifton on the Darling Downs; Bowen and Ayr in North Queensland; and Stanthorpe and Mingoola in Southern Queensland and Northern New South Wales.

300+

The number of people employed by Rugby Farm during the main winter season.

98

The number of years Rugby Farm has operated.

50,000

The number of iceberg lettuce Rugby Farm can produce up to a day.