



Q&A

with Sybrand Visagie, General Manager, Vizzarri Farms

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

Yes.

Working so closely together with Coles and helping Coles to manage the category we are getting access to information that help us to understand what the needs of the consumers are.

How is Coles helping Vizzarri Farms in its commitment to be the very best asparagus producer?

By working together we are making the most of every opportunity for both Coles and Vizzarri Farms and the consumer.

When supply is plentiful and Coles react quickly by organising specials, the extra stock goes to Coles and as a result Coles are gaining market share every time this happens.

Does Coles commitment also help Vizzarri Farms continue to be at the forefront of new products?

Yes.

Knowing that we have got a market for our product it enable us to look ahead and to invest in latest technology and to be market leaders.

On product types and innovation, how are you trying to provide Coles with a point-of-difference?

Three things:

1. By supplying premium product and enable Coles to run specials when the rest of the market place does not have stock.
2. By offering new ways of packaging.
3. Providing the state buyers with up to date information on a daily basis so they can do the right thing on retail level.

SHOOTS, SPEARS AND STATS

95

The percentage of Australia's asparagus crop grown in Victoria.

2,000

The number of acres operated by Vizzarri Farms, a quarter of which was purchased in early 2010.

350

The number of people Vizzarri Farms employs during peak season.

416

The amount (in grams) of Asparagus Australians consume per capita each year.

22,000

The number of six-kilogram boxes Vizzarri Farms can package and deliver in one week.

1

The number of supermarket chains that carry Vizzarri Farms' asparagus.



Jindi Cheese



AT A GLANCE

2.1 THE BEST CHEESE REQUIRES THE BEST MILK

Jindi Cheese's European knowhow is backed by using the best quality, locally-sourced milk from Gippsland dairy farms.

2.2 BORN IN FRANCE, MADE IN AUSTRALIA

The French background of Jindi's head cheese maker Franck Beaurain is complemented by a strong team of passionate Gippsland locals.

2.3 Q&A WITH FRANCK BEURAIN

The success of the new Jindi Reserve range, developed with Coles, will lead to a big incremental shift in volume - starting with an expected initial supply of 2,100kg of cheese.



Gippsland milk, European knowhow

Based in the rolling hills of Australia's dairy farming heartland in Gippsland, Jindi Cheese celebrates the time-honoured traditional method of cheese making – one that values the benefits of patience, allowing for natural ageing to occur.

Proudly Australian made and owned Jindi Cheese is the largest, private, locally-owned specialty cheese manufacturer in Victoria. It uses only the highest quality cows' milk produced by local cows that feed on the lush, rich pasture of West Gippsland – so the milk doesn't travel far before it is transformed into authentic, hand-made cheese.

Jindi's Head Cheesemaker, Franck Beaurain and his cheese making team of passionate locals are currently creating a special Jindi Reserve range which on release will be exclusive to Coles. The range – which includes a Cremeux, Washed Rind and Estate Blue – is a response to the shortage of ripe and ready to eat local cheeses on supermarket shelves.

"Most cheese you see in stores today is released before it is mature and in optimum condition," says Franck.

"In Australia our cheese culture is still very young. Few people understand the benefit of maturing cheese for optimum flavour and often eat cheese before it has reached its full potential."

Franck says that while there are many elements to producing top quality cheese, the traditional method of ripening that is so often the missing

link. To add complexity to cheese and to make it something special cheese has to be allowed to age.

"Hopefully the introduction of the Reserve range in Coles supermarkets will help to further develop Australian palettes and increase the demand for artisan cheese."

Thirty years ago, Australians' appetite for cheese barely extended beyond cheddar. Over time cheeses such as brie and camembert became popular (despite most consumers not being able to differentiate between the two), and Franck hopes this will soon be expanded further

High quality

At the top of their craft

There is little doubt that Jindi Cheese and the Reserve range is at the top of their craft.

In August, the Jindi Reserve 1kg Brie was awarded the best Brie/ Camembert of the Royal Melbourne Show Fine Food Award 2011 and was the only gold medal received in these two categories.

The high quality of Jindi's cheese in a large part borne from its passionate employees. During peak times this represents about seventy locals (including eight cheese makers), all of whom appreciate local regional produce made from cows who feed on the rich pasture of the West Gippsland valley.

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From left: Shane Adamiak, Coles' Cheese Specialist Fiona Goniak and Franck Beaurain



MEET JINDI'S CHEESE MAKERS

Franck “with a ‘c’” Beaurain was born in Normandy, France, but Australia has adopted him to make a cheese that can stand alongside the very best in the world.

Franck's native France really knows how to make good cheese and his team have the advantage of using the very best Gippsland milk to make the highest quality cheese.

He has been described as a ‘cheese freak’. He lives for cheese and meticulously practices the art of fine-tuning his craft.

Franck's right-hand man, **Shane Adamiak** is a local with a dozen years of cheese making experience and controls the quality of the Jindi Reserve range.

JINDI CHEESE BY THE NUMBERS

70

The number of local Gippslanders employed by Jindi Cheese during peak production.

8

The number of expert cheese makers employed by Jindi

2,000

The number tonnes of cheese Jindi aims to produce in a year.

5

The number of different cheeses available in Coles' Jindi Reserve range - Cremeux, Camembert, 1kg Brie, Washed Rind and Estate Blue.

As head cheese maker, Franck makes sure that every decision made during the process does not compromise the quality of the Reserve range and enforces two non-negotiable rules:

Rule 1 : Only the best quality cheese will be selected for the Reserve range – it cannot be too salty, too dry, too strong or too mild.

Rule 2 : The cheese will not be released when it is too young – it has to be just right.

The Jindi Reserve range will be found in specialty cheese shops being developed as an extension to Coles' delis.

While the locally sourced and made Jindi Reserve range will be a step up from the gourmet cheese range found in the dairy aisle, but will be more reasonable priced compared to the imported cheese of a similar or lesser standard found in specialty foodstores.

In short, it is a local addition to a high-end cheese range, until now dominated by expensive imports.

Investment and innovation

Investing in excellence

A recent addition to the company's property on Old Telegraph Road in Jindivick is a brand new factory, which according to Franck, has already impressed a host of cheese manufacturing experts from France.

The new factory will help Jindi meet its aim of supplying 2,000 tonnes of cheese per year. However, Franck maintains that it is ‘quality’ and not ‘quantity’ that will continue to drive the focus of Jindi Cheese.

“As well as physical investment in the factory, we've also invested a lot in our processes and moulds so we can expand our range even further.”

While they plan for growth, Franck says Jindi will remain a size that allows for a smaller, more flexible management than some of their big name counterparts.

“The size of Jindi is perfect,” says Franck. “It is functional and allows us to make cheese the way we want to make it – we don't simplify things for the sake of efficiencies.”

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A perfect example of this is their use of the same cultures that are used in the cheese making process in France.

“A lot of companies that are producing cheaper camemberts will only use one culture,” says Franck.

“Here at Jindi, for the high-end quality of the Reserve range camembert, we are using eight cultures.”

“It is another demonstration of how we can make the same quality of cheese here in Gippsland, as they do in France.

“It is no longer true that European cheeses are better than what we can make here in Australia.”

Coles Cheese Specialist, Fiona Goniak, agrees.

“Franck and Shane have worked in collaboration with Coles to produce a beautiful and delectable gourmet range of recognised, quality cheeses for Coles Deli Cheese Shop customers.

“From the discussions and conception of the new range and working with Franck at Jindi through to seeing the packaged products and finally tasting this fine range of cheeses brings immense professional and personal satisfaction.



Q&A

with Jindi Cheese's Franck Beaurain

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

Definitely.

Coles has identified a need for top-quality cheeses in their supermarkets.

The requirement from their customers is that these cheeses are more flavoursome and comparable to the top-quality cheese product coming out of Europe.

How is Coles helping Jindi Cheese in its commitment to produce cheese of the highest quality?

The establishment of new concept cheese sales at Coles place a priority on high-quality, specialty cheeses based on traditional recipes.

The new Jindi reserve range has been perfectly developed to meet this trend.

How important is Coles' commitment in growing and developing the Jindi Cheese business?

It is very important.

To supply the new Reserve range in more than 170 of Coles' high-profile stores is a big motivation for us. Should the

Reserve range be a success (which we are sure it will be) it will mean a big incremental shift in volume.

Does Coles' commitment also help Jindi Cheese continue to be at the forefront of new products?

Absolutely.

Along with Fiona Goniak from Coles, we are currently working on a range of products to develop and extended variety of cheeses over the coming years.

On product types and innovation, how are you trying to provide Coles with a point of difference?

No problems there.

The Jindi Reserve range is different from other Jindi products. With the Reserve range, we've given the utmost priority to texture and flavour.

The results are almost undistinguishable from imported European products, other than that they are made right here in Australia using high-quality, local Gippsland milk.



Harvey Fresh



AT A GLANCE

2.1 THE CONFIDENCE TO GROW

The Coles' private label contract provides Harvey Fresh and its suppliers with volume and certainty.

2.2 A MORE SUSTAINABLE INDUSTRY

Coles' contract with Harvey Fresh will help build long-term sustainable relationships with dairy processors and farmers in Western Australia.

2.3 Q&A WITH KEVIN SORGIOVANNI

The relationship with Coles is an endorsement of the quality of Harvey Fresh milk and the 72 Western Australian farming families who supply it.



A better deal for Western Australian dairy farming families

In July, Harvey Fresh announced it had secured a contract from Coles to supply the private label milk to all its supermarkets and Coles Express stores throughout Western Australia.

Harvey Fresh Marketing and Sales Director, Kevin Sorgiovanni says the contract elevated Harvey Fresh to become the largest supplier of milk to Western Australian customers.

“The contract is an endorsement of the quality of our milk and the 72 Western Australian farming families who supply milk to Harvey Fresh,” says Kevin.

Coles' decision to award Harvey Fresh its private label supply contract is also recognition of the company's track record of innovation and provides the company with the confidence to grow even further.

“The Coles' contract provides us with volume and certainty,” says Kevin.

“Not only for Harvey Fresh, but also for our dairy farmers who supply us.”

Such certainty provides Harvey Fresh with the confidence to invest and provides a platform to pursue new market opportunities.

“We've recently invested in the expansion of our processing facility and have adopted new technology at our Harvey site,” says Kevin.

“This guarantees quality and consistency of product... and reduces our processing costs.

A better deal

A boon at the farm-gate for local dairy farmers

The three-year supply contract for Coles private label milk started in October and utilises a good portion of the nearly 125 million litres of milk supplied by Harvey Fresh's South West farmers each year.

However, the benefits of the contract extend well beyond milk supply.

The recent receipt of Coles' private label supply contract has enabled Harvey Fresh to implement a single milk pricing structure for its dairy farmer suppliers.

This arrangement provides farm-gate price increases to farmers who had previously supplied the failed Challenge Dairy Co-operative.

“The Coles' private label contract is a very important one as it gives our business stability and provides a constant flow of milk to the customer,” says Kevin.

“From the dairy farmer's perspective, it gives them the opportunity to grow their business by increasing milk volumes.

“They have the assurance of an end user, rather than just hope.

“It is an excellent opportunity to grow milk volume in Western Australia.”

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A MORE SUSTAINABLE INDUSTRY

Coles' merchandise director, John Durkan says he believes the Coles' Western Australian private label milk contract would build a more sustainable dairy industry.

"This re-distribution of our dairy business in Western Australia means that more local processors and dairy farmers will benefit from partnerships with Coles."

MILKING THE NUMBERS

72

The number of local dairy farming families supplying milk to Harvey Fresh.

125,000,000

The approximate number of litres of milk supplied to Harvey Fresh by these suppliers each year.

25

The number years the family-owned business has been running.

100

The percentage of Harvey Fresh that is Australian-owned and operated.

Kevin says Harvey Fresh has always enjoyed a good relationship with their dairy farmer suppliers.

"We're dairy farmers ourselves and we work very closely with our suppliers," says Kevin.

"Like them, we care about the sustainability of the dairy farming industry in Western Australia."

Kevin says this relationship, along with the company's history of working closely with their suppliers, ensures that everyone's interests are well represented.

"We want to ensure that the sustainability of their business coincides with the sustainability of the Harvey Fresh business," says Kevin.

"We always try and provide our farmers with the highest farm-gate price possible, but they understand we both have to co-exist.

"They understand that if we pay too much, the product becomes too expensive and we lose customers. Alternatively, if we don't pay them enough, they go out of business and we lose supply."

A background

A household name in Western Australia

Harvey Fresh is located between Pinjarra and Bunbury, 140 kilometres south of Perth, in the farming town of Harvey

In 1986, the family-owned business "Harvey Fresh" was first established, located on 100 hectares of land in the farming community.

"Today it is Western Australia's leading fruit and dairy producer... and a household name in Western Australia.

Harvey Fresh is proudly Western Australian and is pleased to be the only major fruit juice and dairy facility in the state that has no foreign investment.

It is 100 per cent Australian owned and operated.

Along with the private label milk contract, Harvey Fresh has also just picked up the national contract to supply Coles with custard.

Kevin says that Harvey Fresh continues to work closely with Coles and is hopeful that they can further broaden their offer.

Q&A

with Marketing & Sales Director, Kevin Sorgiovanni

What does the Coles' private label contract mean for Western Australian dairy farmers?

It is a very important contract in that it gives our business stability in providing a constant flow of milk to a customer.

From a farmer's perspective, this gives them the opportunity to grow their business by increasing milk volumes.

They now have the assurance of an end-user, rather than simply relying on hope.

We're farmers ourselves and we understand the industry's concern about sustainability.

This arrangement has allowed us to provide farm-gate price increases to farmers who had previously supplied the failed Challenge Dairy Co-operative.

We work very closely with our dairy farmer suppliers and have not heard one adverse comment from them about the Coles' private label contract.

How is Coles helping Harvey Fresh in its commitment to produce milk of the highest quality?

A good part of that comes automatically as Coles set a high quality standard.

We are fortunate that we are already AQIS accredited which gives us a good head start in that we have a facility that fits such a demand for high quality.

The Coles' private label milk contract takes this commitment to quality one step further.

How important is Coles' commitment in growing and developing the Harvey Fresh business?

It is very important.

The stability and assurance of the contract gives us the confidence to plan for growth and further develop the business.

We have plans to further invest in the business, namely in looking at other sizes, formats and packaging to broaden our range.

We are also looking to invest further to attract a bigger export market. This in turn will flow back to our domestic market.

While we don't have the numbers the eastern states do (165 dairy farmers compared to more than 2,000), our geographical advantages, being in close proximity to South-East Asia, does provide some opportunities in the fresh milk sector.

Where do you see Harvey Fresh going in the next five years, and what role will Coles play??

We want to broaden our offer to Coles, and the private label milk contract was a very significant first step.

In fact we've already achieved another important step, having just secured the contract to provide custard to Coles' stores throughout Australia.

We're certainly looking to invest in opportunities to supply Coles locally with fruit juice (Harvey Fresh is Western Australia's only fruit crushing facility), as well as opportunities to provide extended shelf-life milk.

