plentyfoodgroup

Growing Businesses Together!

Plenty Food Group
Business & Marketing Plan
2009 to 2011

Winner

EDA 2008 National Awards for

Economic Development Excellence - Strategic Category

www.plentyfoodgroup.com.au

Plenty Food Group Business & Marketing Plan 2009 to 2011

Executive Summary

The Plenty Food Group (PFG), through this business plan will continue to build upon its member's success.
Our success is based on new members continuing to join and benefit through the connections and joint initiatives here and overseas.
We will continue to provide a productive, valuable network for food manufacturers in the Plenty Region.

Our successes to date:

1. Key export contracts to the Middle East and Asia.
2. Hosting international delegations, which has resulted in manufacturers now exporting to new regions.
3. Introducing existing and new food manufacturers to export markets and sales opportunities.
4. Skills development for food companies to deal with major food buyers in the Australian market.
5. Increasing trust through relationship building between members.
6. PFG developing a profile as the first contact for the industry and buyers.
7. Successfully receiving Government grants for research into supply chain and water saving initiatives.
8. Marketing assistance and reductions achieved in overhead costs.
9. Strategic relationships built with key industry bodies, State and Federal Governments, education and employment groups.
10. Development of www.plentyfoodgroup.com.au
11. Development of the online product directory for national and international buyers

Our key objectives going forward

A strong Local Food Manufacturing Sector will have:

- An integrated supply chain
- A supply of trained people
- Confidence in local, national and international markets
- Position our region as a preferred location for food manufacturing

The PFG will:

- Provide advocacy to Government bodies on behalf of PFG members
- Deal with major buyers in the local, national and international markets
- Profile the PFG as Victoria's leading regional food processing sector
- Deliver information sessions and seminars
- Assist members with employment - skills development/recruiting
- Assist with business relocation support and advice
- Facilitate industry networking using web based marketing/information sessions and seminars

Our business plan's objectives and tactics should provide new and additional opportunities for the PFG. The experience, knowledge and networks that are established will be strengthened going forward. By achieving the above objectives the PFG will continue to grow in a sustainable manner.

Accordingly, the PFG business plan is based on Project Plan A, which assumes funding of $50k annually from State Government, with $32k annually supplied by the Cities of Whittlesea and Hume and other resources.

Table of Contents

List of Figures

List of Charts

PFG Aims

To provide a productive, valuable network for food manufacturers in the Plenty Region.

We will achieve this by:

Sharing Experiences and Learning
Developing Synergies and Networking
Identifying and reducing costs
Utilising our regions resources
Representing PFG Locally, Nationally & Internationally

Background

The PFG was initiated in 2003 as the 'Hume Whittlesea Food Manufacturers Cluster', with the involvement of Hume City Council, City of Whittlesea, Victorian State Government, local food manufacturers and industry. Most members are located approximately 21kms north of Melbourne and in an area of approximately 1,800 km^2. This area was an early industrial precinct in Melbourne outskirts, now under major redevelopment with a mass influx of residential and industrial development. With Northlink, Amaroo, Metrolink business parks and the relocation of the Melbourne Wholesale Fruit and Vegetable markets, this region is one of Victoria's fastest growing.

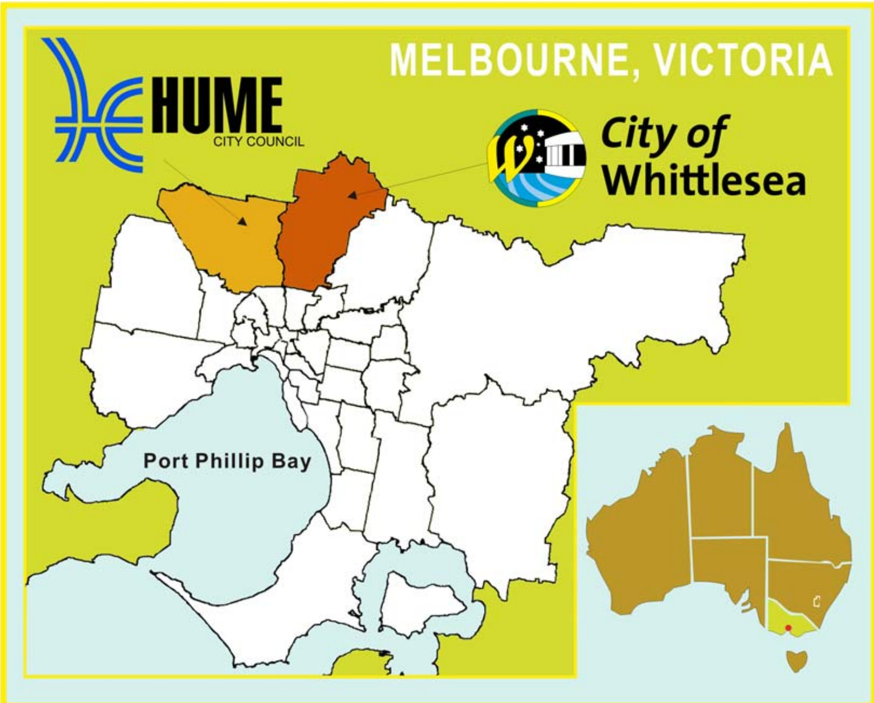

Figure 1 - Cities of Hume and Whittlesea municipalities / PFG boundaries

Since PFG's inception, strong relationships have been built within the industry, including food manufacturers, Government bodies, national and international buyers and goods and services providers. The resources made available by stake holders, both cash and in-kind, have established the PFG as a recognised and strong industry body, with a future that will only continue to grow and benefit our food industry.

The PFG region is currently a vibrant and strong food sector, comprising over 120 food manufacturers who employ in excess of 5,500 people directly. The size of each manufacturer greatly differs and so do their target markets. The smallest commercial manufacturer employs two people, with the largest employing in excess of 700, an average across the PFG sector is 45. Products manufactured in the region are targeted at retail (major supermarkets and independents), food service (hospital and government catering) and hospitality (event and function catering) sectors, for local, national and international markets.

There is a strong diversity of food manufacturers within the PFG region, unlike other clusters that concentrate on a single “product type” eg. wine, fruit, poultry etc. As a result the PFG has to consider many forms of strategy and tactics to achieve growth.

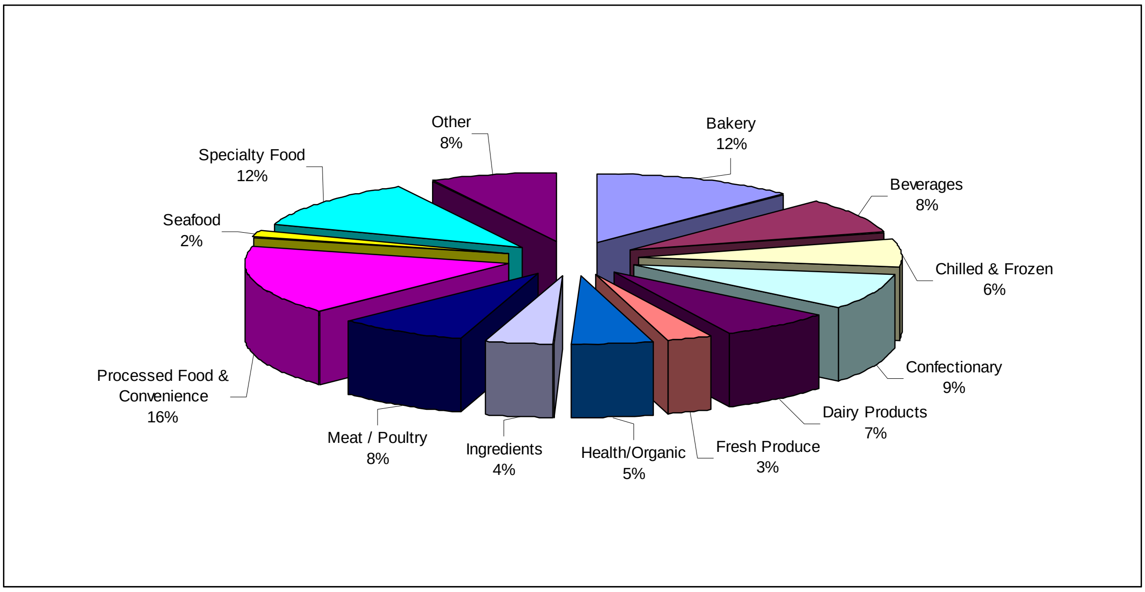

Figure 2- PFG Industry by category

In 2007, a study was conducted by RMIT University, which established that the food manufacturing industry within the PFG region was worth an estimated $2.2billion p.a. to the local economy, through direct and indirect sources.

The Plenty Food Group project was recognised by Economic Development Australia (EDA www.edaustralia.com.au), receiving the 2008 national award for “Strategic Economic Development - Regional”. This award recognises organisations that contribute to their local economy, through areas such as employment, investment, industrial and commercial development.

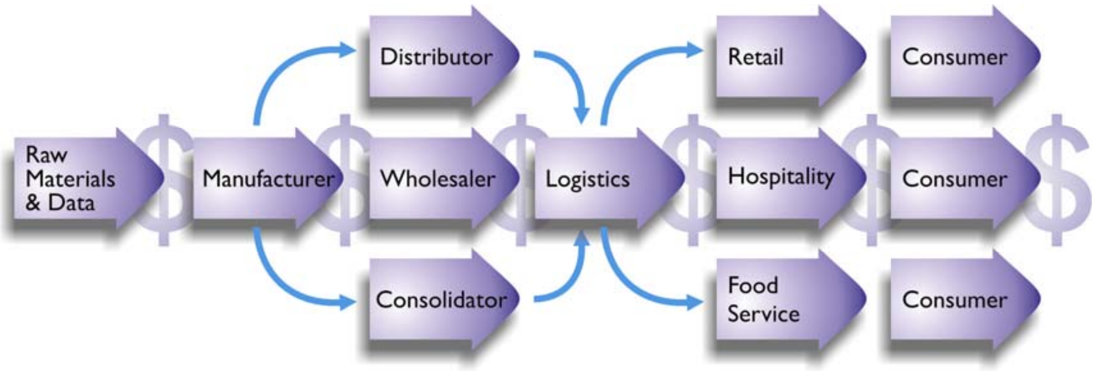

Figure 3 – Food Industry Value Chain

PFG Industry Relationships

The PFG has many roles, firstly being a conduit between Government and local manufacturers, as well as being a conduit for information and services between food manufacturers and food related industry bodies and groups.

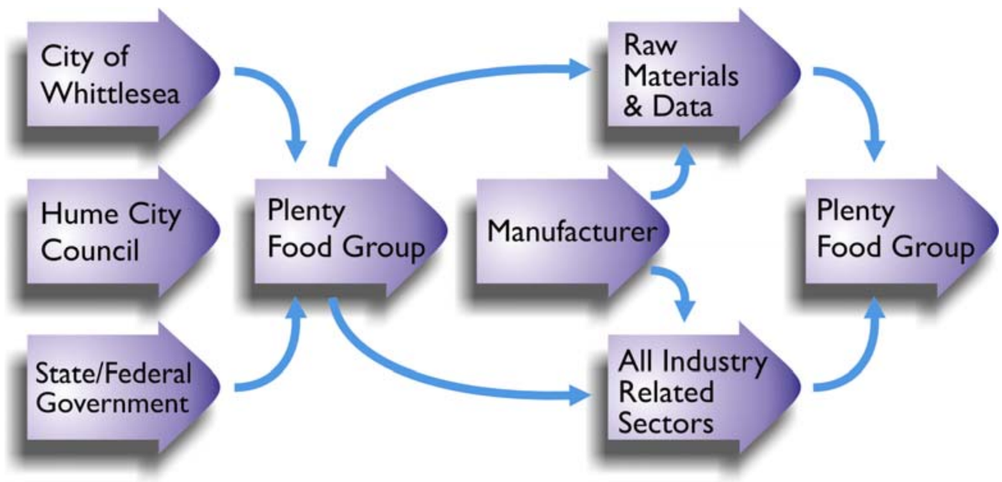

Figure 4 - PFG Industry Relationships

Steering Committee

The Steering Committee is made up of local food manufacturers, industry and government representatives who provide regular input into the operations of the PFG.

Food Manufacturers

Leaders in our manufacturing sector are represented on the Steering Committee. This enables the committee to gain first hand and timely information, benefitting the entire sector. In the wider community of food manufacturers, these representatives also communicate effectively to both members and non-members (their needs and ideas) and the value of PFG membership.

Local Government Representation

The Cities of Hume and Whittlesea are major partners in the PFG, providing financial, in-kind and physical resources to support the project's ongoing success and future development. Senior staff from each Council are represented on the Steering Committee.

State Government Representation

The State Government of Victoria, Regional Development Victoria has provided valuable financial and physical support to the PFG from it's inception.

Manufacturers

A feature of the PFG is the diversity of manufacturers, unlike many clusters food clusters who normally concentrate on a single "product type" eg. wine, fruit, poultry etc. The PFG has to consider many forms of strategy and tactics to achieve growth.
There are over 120 local food manufacturers within and bordering the PFG's municipal boundaries of Hume and Whittlesea.

Suppliers – Product and Service

The following list is not exhaustive, however it demonstrates the diversity (and opportunity) to add value at many levels of the PFG value chain.

- Chemical
- Consolidator
- Distributer
- Education
- Employment/Training
- Events/exhibitions
- Financial
- Information Technology
- Machinery
- Media
- Packaging
- Research and Development
- Utility
- Work wear

Cluster Manager

The Cluster Manager's main role is to provide a communication conduit between food manufacturers, Government and food industry related businesses and groups. As well as to provide marketing, time and financial opportunities to the manufacturers that they may otherwise have not been able to take advantage of. This is accomplished via the PFG website, email newsletters, organising local events as well as attending and showcasing at local, national and international events for the food industry.

The PFG communicates effectively with many stakeholders and has the reputation of being proactive with members and non members to achieve growth nationally and internationally.

Over the last five years the PFG has achieved:

- Key export contracts to the Middle East and Asia
- Hosting international delegations, resulting in manufacturers now exporting to new regions
- Introducing manufacturers to export
- Skill development for the food companies to deal with major food buyers in the Australian market
- Reductions achieved in overhead costs
- Trust and relationship building between members
- PFG developing a profile as the first contact for the industry and buyers
- Successfully receiving Government grants for research into supply chain and water saving
- initiatives
- Marketing assistance
- Strategic relationships built with key industry bodies, State and Federal Governments, education and employment groups
- Development of www.plentyfoodgroup.com.au

The last five years' growth of the PFG have been based on successfully achieving a series of objectives. These objectives have remained focused on high levels of service, strategic information and effective networking. In the following section, the objectives for 2009/11 will assist PFG to remain sustainable by being focused locally, nationally and internationally.

PFG Key Objectives 2009/11

(a) Strengthen the Local Food Manufacturing Sector

- Increasing domestic market growth
- Increasing export growth
- Web based marketing/information
- Supply chain integration
- Information sessions and seminars
- Industry networking
- Employment - skills development/recruiting
- Dealing with major buyers in the local, national and international markets
- Business relocation support and advice

(b) Provide Valuable Services to the Food Manufacturing Industry

- Providing new and additional opportunities, experience, knowledge and networks for PFG members
- Advocating to Government bodies on behalf of PFG members
- Dealing with major buyers in the local, national and international markets

- Profiling the PFG as Victoria's leading regional food processing sector
- Information sessions and seminars
- Employment - skills development/recruiting
- Business relocation support and advice
- Industry networking
- Cost reduction
- Web based marketing/information

Market Place Dynamics

The PFG uses a tool to assist in developing strategy for growth. This model is commonly called a five force model, the results of this directly impact our plans for growth 2009/11 and beyond. Using this model has also assisted the PFG to remain proactive in turbulent times.

The five forces investigated are:

(1) **Power of buyers** - the industry supply chain locally and nationally is quite strong. One of PFG's strategies is to look at how to maximise the number of buyers nationally and internationally and reduce the influence of buyer and thus price pressure.
(2) **Power of Suppliers**- there are many different suppliers to the PFG. In some instances the supplier (due to limited numbers) can effectively charge what they like. PFG membership can in some cases counter this by buying as a "group".
(3) **Levels of competition** – The industry is highly competitive. PFG members can obtain a competitive advantage through access to online buyer guides, direct links to government and international markets.
(4) **Other Industry Groups** – The PFG is a local manufacturing based group that effectively represents a community, industry and Government. There are groups at a State and National level with similar aims but do not compete for members or resources. This means the PFG competitive advantage is local knowledge with a national and international perspective.
(5) **Substitutes** – Currently there are no other alternatives identified for the activities and the focus of the PFG. There are industry associations (VECCI, AI Group) who do represent parts of the food industry, but not as whole as the PFG. Manufacturers in the region without the PFG, would immediately lose direct communication lines to many Government, education and industry contacts.

The above industry analysis reinforces the strategies that the PFG used to achieve its growth over the last five years and still appear to be appropriate and going forward in 2009/11.

SWOT Analysis

Another tool the PFG users effectively is the SWOT analysis. In particular to minimise our weaknesses and either avoid or use our strengths to combat threats in the market place.

Strengths

- **Location** – The PFG is located in Melbourne's north, amongst a large and expanding commercial manufacturing precinct with a high volume of quality food manufacturers, service providers and related food industry businesses. One high profile addition to the region is the Melbourne Wholesale Fruit, Vegetable and Flower Market due to be operating in Epping in 2011. PFG is located close to world class infrastructure for local, national and international distribution which include the Melbourne International Airport, Western Ring Road, the Tullamarine and Calder Freeways, and with easy access to Melbourne's CBD and port.

- **Relationships** – Since it's inception the PFG has developed strong relationships and a high level of trust with local food manufacturers, service providers, government groups and industry bodies.

- **Experience and Knowledge** – The PFG has accumulated a great volume of experience and knowledge that benefits the local food manufacturing industry, including in the areas of employment, export, marketing (locally, nationally and internationally), private label, cost reduction, Workcover, finance and more. In situations where the PFG does not have direct knowledge, it has the resources and relationships with industry, business groups, individuals and more to assist almost any enquiry, be it local, national or international.

- **Technology** – The PFG utilises technology on a daily basis, with one of its greatest resources being the PFG website, www.plentyfoodgroup.com.au . This is the central point for communication, promotion and contact information between food manufacturers, Government agencies, industry bodies and food related people. Contained within the website is a comprehensive business directory, promotional materials, events calendar regular newsletter, members section and more.

- **Track Record –** From the PFG's inception it has proved itself in obtaining positive results and benefits for the local food manufacturing industry and the local community. Through trade shows (national and international), in bound trade missions and online promotion via it's website, the PFG has assisted with local and international market growth worth in excess of $8M. PFG has also assisted with employment, one example was assisting to place 30 people back into the food industry after the Kraft Broadmeadows plant closure. PFG has also assisted manufacturers with cost reduction initiatives in chemicals, electricity and marketing saving business thousands of dollars. Other successful initiatives include regularly holding information sessions and providing valuable networking opportunities.

Weakness

- **Resources –** Time and human. As the PFG has continued to grow, member demands and opportunities for members have also grown.
  Solution – Ongoing streamlining of processes and procedures, self help (self service through increasing sophistication of the website)

- **Financial –** Recurrent expenditure required to provide increasing demand for services of members.
  Solution – To achieve sustainable PFG funding levels that are dependant on the outcomes required by all stakeholders. As seen in our recommendations plans will have different funding requirements.

Opportunities

- **Membership growth** – There is great opportunity to gain additional financial membership with local food manufacturers and to further expand membership by offering services to food manufacturers outside the current municipal boundaries. Alliance membership is for businesses that provide goods and services to food manufacturers that offers great potential for growth, with these businesses wanting a more direct approach to marketing themselves within the food industry.

- **Sponsorship –** Opportunities exist for businesses to sponsor PFG activities, events and initiatives, creating an additional source of income.

- **Business alliances -** In developing business alliances the PFG will be able to offer additional products and services to the food industry. An example could be an alliance with a freight company that may result in achieving cost savings to manufacturers and an additional source of income for the PFG. Alliances could also be developed with Government departments, training organisations, employment groups, financial institutions and other product and service providers.

Threats

- **Membership decline –** If members do not understand the value of their membership, they may be likely not to renew.
  Solution – Encourage members and potential members to utilise the services and the benefits of participation through networking, face to face meetings, the PFG website and to reinforce the value of membership through many promotional means.

- **Economy –** Continued turbulence and uncertainty in the economy may discourage businesses from participating in initiatives or becoming financial members of PFG.
  Solution – Promote and the benefits of PFG to businesses with examples of participation assisting manufacturers with market growth, cost cutting and other proven benefits.

- **Change of Government policy focus/priorities –** If Government support were to be reduced or removed, the services on offer by the PFG will be affected and the resulting provision of services may be impacted.
  Solution – Source additional funding through other Government resources, fees for membership and services, sponsorship, business alliance initiatives or combinations of all the above.

The above analysis suggests that our strengths of reputation and growth, combined with strong relationships at the Local, State and Federal Government levels, should enable the PFG to continue to grow for the periods 2009/11 and beyond.

Industry Data and Research

The following data and analysis was drawn from quantitative surveys (December 2008) of food manufactures on the PFG database. (Please see page 20 for full results).

This business plan is based on the results of this survey.

Highlights of the data are:

- 85% have experienced business growth in the past two years
- 85% forecast local market growth in the next two years
- 58% forecast export growth in the next two years
- 46% have not been affected by the current economic environment with 15% experiencing positive results
- 62% envisage employing additional staff
- 73% wish to gain additional promotion through PFG events
- 81% are concerned about their "Green Footprint"
- 85% see the PFG providing benefits to the local food manufacturing industry

Results from the data collected show that the food manufacturing industry in Melbourne's north is continuing to grow and strengthen with a positive out look for the industry's immediate future.

Note: This survey was conducted and completed at the beginning of the economic downturn in December 2008.

Funding and Sources of Income

The first three charts indicate the sources of income and expenditure of the PFG over the period 2005 – 2008.

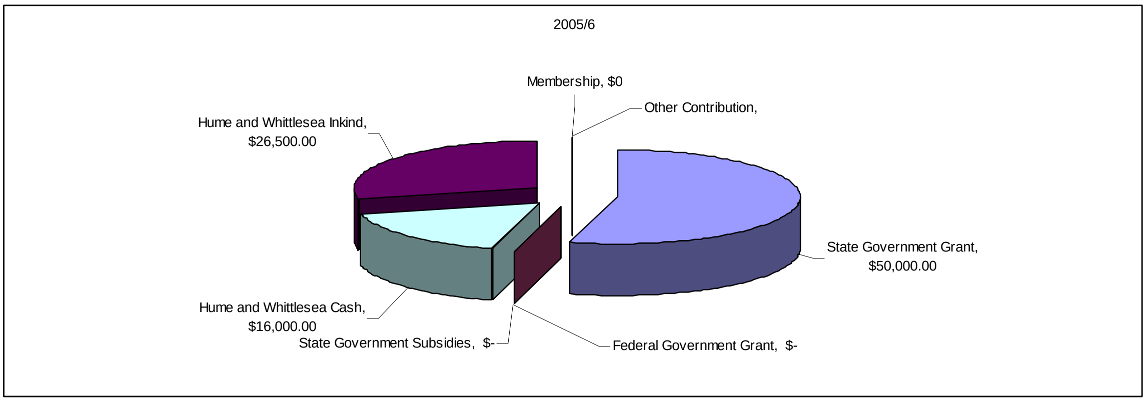

Chart 1 - Income sources 2005/6

The above chart highlights the importance of State Government funding, which resulted in an immediate impact on the growth, reputation and the results of the PFG.

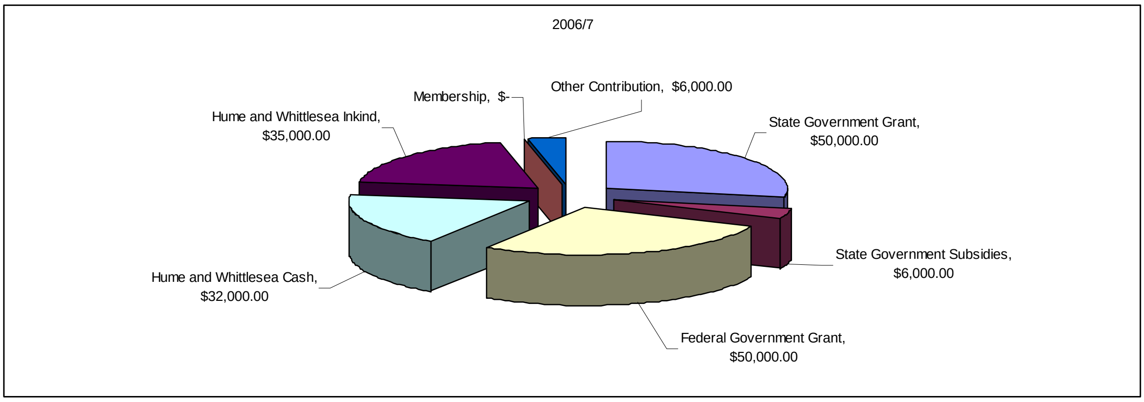

Chart 2 - Income sources 2006/7

The above chart highlights after a successful year in 2005/6, with new funding from Federal Government and two local Governments increased their funding levels.

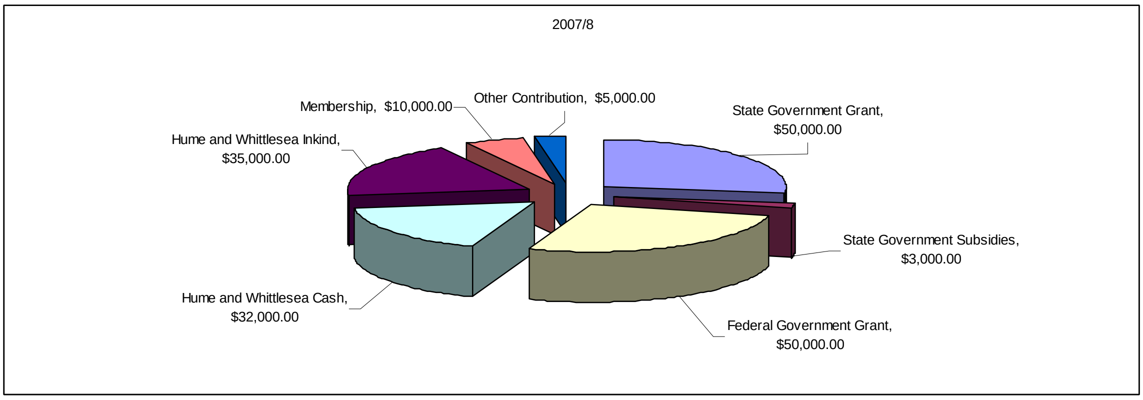

Chart 3 - Income sources 2007/8

A highlight of the above chart is a considerable increase in membership revenues.

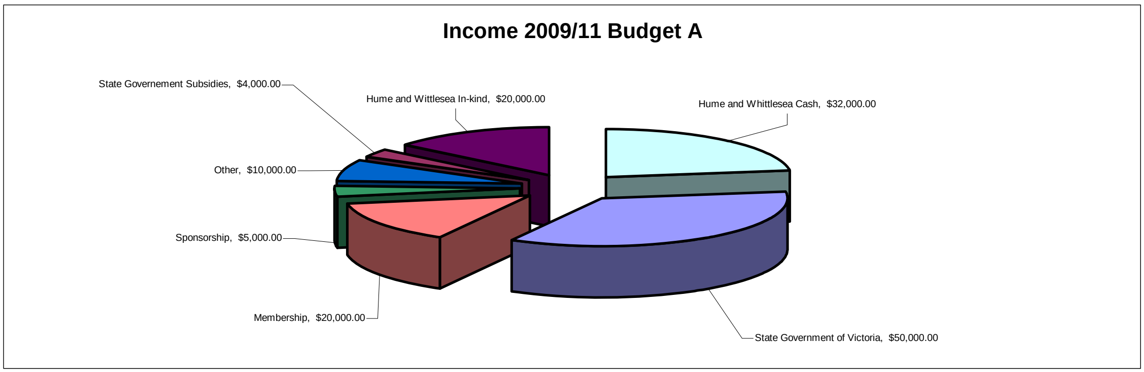

Chart 4 - Assumed Income 2009/11 Budget A

The above chart highlights a further increase in membership revenue, sponsorship revenues and continued State Government support.

Chart 4 is also based on the following assumptions:

1 Support from local government continues without increase
2. Support from State Government continues
3. Membership continues to grow at 20% (based on 2008 figures)

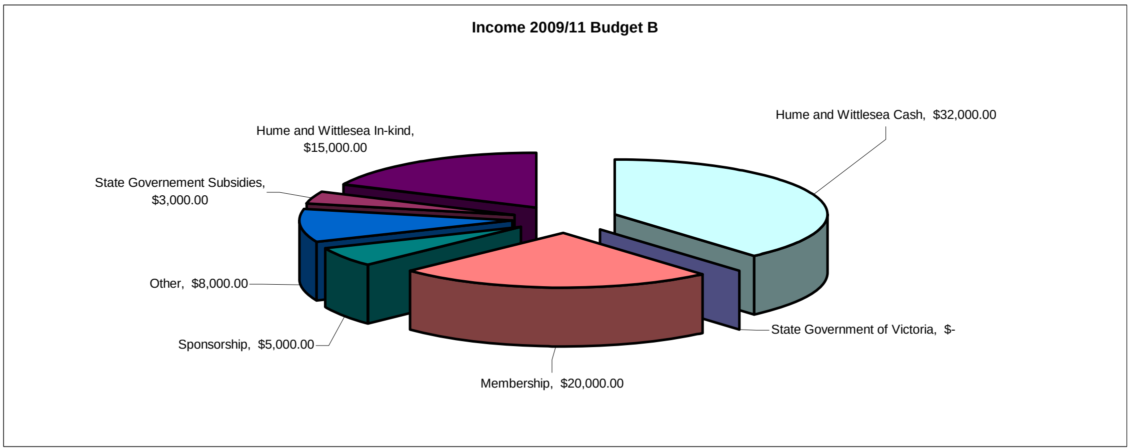

Chart 5 - Assumed Income 2009/11 Budget B

The above chart highlights a reduced State Government contribution for the budgeted period.

PFG Annual Budget for the periods 2009/10 and 2010/11

The previous section displayed high level sources of income. This business plan now discusses two options that highlight different strategies for growth. The major difference between the two strategies (**A** and **B**) is whether the role of cluster manager continues to be fully funded. Please refer to the PFG Action Plan where both options (**A** and **B**) are clearly identified in terms of impact and effective outcomes.

A - Full time Co-ordinator role with State Government Support

This budget includes anticipated support from the Victorian State Government.

B - Part Time Co-ordinator role without State Government Support

This budget does not include a contribution from the Victorian State Government's Cluster Program, which will result in diminished services provided.

	A		B	
Expenditure				
Cluster Manager	$ 72,000.00		$ 50,000.00	
Office Expense	$ 15,000.00		$ 10,000.00	
		$ 87,000.00		**$ 60,000.00**
Activities & special events				
Seminars / Info Sessions	$ 5,000.00		$ 2,000.00	
International Trade Shows*	$ 15,000.00		$ 8,000.00	
Australian Trade Shows*	$ 15,000.00		$ 8,000.00	
Supplier Expo	$ 4,000.00		$ -	
Annual Function	$ 4,000.00		$ 2,000.00	
Multimedia	$ 8,000.00		$ 3,000.00	
Advertising	$ 3,000.00		$ -	
		$ 54,000.00		**$ 23,000.00**
Total Expenditure		$ 141,000.00		$ 83,000.00
Income				
Hume City Council	$ 16,000.00		$ 16,000.00	
City of Whittlesea	$ 16,000.00		$ 16,000.00	
State Government of Victoria	$ 50,000.00			
		$ 82,000.00		$ 32,000.00
Integral Membership	$ 10,000.00		$ 10,000.00	
Alliance Membership	$ 10,000.00		$ 10,000.00	
Sponsorship	$ 5,000.00		$ 5,000.00	
		$ 25,000.00		$ 25,000.00
Event Participation*	$ 10,000.00		$ 8,000.00	
Possible Subsidies*	$ 4,000.00		$ 3,000.00	
		$ 14,000.00		$ 11,000.00
Total Cash Income		$ 121,000.00		$ 68,000.00
In-kind Contributions				
Hume City Council	$ 8,000.00		$ 6,000.00	
City of Whittlesea	$ 12,000.00		$ 9,000.00	
Total In-kind Income		$ 20,000.00		$ 15,000.00
Total Income		$ 141,000.00		$ 83,000.00

*These costings are dependant on event participation and can be of a greater or lesser value depending on participation, expenditure and income increase/decrease in relevant proportions.

Recommendation

From the above analysis this business plan recommends:

1. To support the project Plan A as attached which assumes funding of $50k annually from State Government, with $32k annually and other resources supplied by the Cities of Whittlesea and Hume.

PFG Action Plan 2009/11

*A = fully funded full time Cluster Manager
*B = partially funded Cluster Manager

CM = Cluster Manager
StC = Steering Committee
Mem = PFG members
MM = Multimedia team at City of Whittlesea
CoW = City of Whittlesea

Objective	Applicable to Budget	Benefits: PFG	Members	Non - Members	Hume & Whittlesea	Victorian Government	Food Industry	Task	Who	Time Frame
Website										
Regularly update and add new information	A/B	✓	✓	✓	✓	✓	✓	Create and find up to date and relevant information to be added to the PFG website.	CM / StC	Ongoing
Redesign Header	A	✓						Revitalise the look and feel of the PFG website header.	CM / MM	April 2009
Business Profile Pages	A	✓	✓				✓	Regularly (at least monthly) create business profiles of financial members of the PFG to be uploaded to the PFG website.	CM	Ongoing
Product Profile Pages	A	✓	✓				✓	Regularly (at least monthly) create product profiles of financial members products of the PFG to be uploaded to the PFG website.	CM	August 2009
Product Directory	A/B	✓	✓				✓	Create an online product directory that showcases individual products of financial members to local, national and international buyers.	CM / MM	April 2009

Image Gallery	A	✓						Create an image gallery showcasing PFG events and initiatives.	CM / MM	May 2009
Directory Page	A/B	✓	✓				✓	Keep up to date information on all local food manufacturers and Alliance members.	CM	Ongoing
Training Services Information	A/B	✓	✓	✓	✓	✓	✓	Communicate with local service providers and collect up to date information for publication and promotion to the food manufacturing industry.	CM	May 2009
Online Training	A	✓	✓	✓	✓	✓	✓	Initiate an Online Training program to assist food manufactures with basic induction training. The program can include food safety and OH&S aspects.	CM	August 2009
Employment										
Apprenticeships	A/B	✓	✓	✓	✓	✓	✓	Encourage apprenticeships and associated programs to food manufactures working with local providers and schools.	CM / StC	Ongoing
Tertiary Placements	A/B		✓	✓				Work with food manufacturers and Educational facilities to assist in finding tertiary placements	CM	Ongoing
Engage Local Education Facilities	A/B	✓	✓	✓	✓	✓	✓	Communicate with local service providers and collect up to date information for publication and promotion to the food manufacturing industry.	CM / StC	Ongoing
Research & Development										
RMIT Bundoora Programs	A/B	✓	✓	✓	✓			Communicate with RMIT and collect up to date information for publication and promotion to the food manufacturing industry.	CM / RMIT	Ongoing
Encourage manufacturers to use the resources available through RMIT Bundoora	A/B	✓	✓	✓	✓			Communicate with RMIT and collect up to date information for publication and promotion to the food manufacturing industry.	CM / StC	Ongoing

Objective	Applicable to Budget	Benefits: PFG	Members	Non - Members	Hume & Whittlesea	Victorian Government	Food Industry	Task	Who	Time Frame
Local Market Growth										
Regional Stand at Fine Food Australia 2009, Sydney	A/B	✓	✓	✓	✓	✓	✓	Promote the services of the PFG and the products of the local food manufacturing industry to local, national and international buyers.	CM	September 2009
Regional Stand at Fine Food Australia 2010, Melbourne	A/B	✓	✓	✓	✓	✓	✓	Promote the services of the PFG and the products of the local food manufacturing industry to local, national and international buyers.	CM	September 2010
Work closely with industry contacts: RDV, VECCI Austrade etc.	A/B	✓	✓	✓	✓			Maintain relationships with industry contacts and take advantage of their services and initiatives on offer.	CM / StC	Ongoing
Maintain & create relationships with local and national distributors	A	✓	✓	✓	✓			Work with local and national distributor to promote to their clients our local food manufacturers services and products.	CM / StC	Ongoing
Build relationships with major retailers	A	✓	✓	✓				Work with major retailers such as Coles and Woolworths to assist them source locally manufactured products and assist food manufacturers with the major retailers requirements.	CM / StC	Ongoing
Work with a local retailer to sell and promote PFG product	A	✓	✓		✓	✓	✓	Source a local retailer to trial a “buy local” program utilising locally made food products under the PFG banner.	CM / StC	Ongoing
Promote food trail through local Tourism	A	✓	✓		✓	✓	✓	Utilise the Cities of Whittlesea and Hume tourism programs to promote a food trail with manufacturers who have direct to public factory outlets.	CM / StC / CoW	Ongoing
Functions / Events										

Supplier Expo	A	✓	✓	✓	✓	✓	✓	Provide an opportunity for Alliance members and other suppliers to showcase their services and products to local food manufacturers directly in a local location. Food manufactures should have the opportunity to gain possible cost savings and/or better quality or alternate products and services.	CM	May 2009 April 2010
Annual Event	A	✓	✓	✓	✓	✓	✓	A major event showcasing locally manufactured food products with key guests that could include representative from Government, industry groups, buyers, service provider etc.	CM	August 2009 August 2010
Information Sessions	A/B	✓	✓	✓	✓	✓	✓	Provide regular information sessions (four or more annually) on current issues or relevant information for food manufacturers. Networking is to be encouraged at these sessions.	CM	Ongoing
Cost Reduction Initiatives										
Insurance	A/B	✓	✓					Continue the investigation cost reduction possibilities in business insurance.	CM / StC / Mem	Ongoing
Logistics	A/B	✓	✓					Investigate cost reduction possibilities with local transport providers, distributors and consolidators.	CM / StC / Mem	Ongoing
Common consumables: gloves, hairnets, pallet wrap	A	✓	✓					Investigate cost reduction possibilities of common consumables, with possible bulk or direct purchasing.	CM / StC / Mem	Ongoing
Chemicals	A	✓	✓					Investigate cost reduction possibilities with chemical providers with the goal of reinitiating past success.	CM / StC / Mem	Ongoing
Trade show participation	A/B	✓	✓		✓	✓	✓	Participate in local, national and international trade shows with the opportunity for members to co-exhibit and promote themselves at reduced costs with additional services and assistance provided by PFG.	CM / StC / Mem	Ongoing
Investigate other opportunities	A/B	✓	✓					Investigate viable cost reduction opportunities for members. PFG members will need to be refered to for advice on areas they wish to have investigated.	CM / StC / Mem	Ongoing
Alliance member promotions	A/B	✓	✓					Encourage Alliance members to provide discounted, value added and/or specialised services and products to PFG members and promote them.	CM / StC / Mem	Ongoing

Objective	Applicable to Budget	Benefits						Task	Who	Time Frame
		PFG	Members	Non - Members	Hume & Whittlesea	Victorian Government	Food Industry			
Marketing										
Promote PFG as a leading national/international contact for the food industry	A/B	✓	✓	✓	✓	✓		In most publications and media always promote the PFG as a leading national/international contact and service provider for the food industry.	CM / StC	Ongoing
Promote PFG as a value service and time saver for the food industry	A/B	✓						Promote the services of the PFG to food manufactures, buyers, service and product providers, industry groups and Government as a valued resource.	CM / StC	Ongoing
Attend and promote PFG at national trade shows	A/B	✓	✓	✓	✓	✓	✓	Promote the services of the PFG and the products of the local food manufacturing industry to local, national and international buyers.	CM	Ongoing
Attend and promote PFG at international trade shows	A/B	✓	✓					Promote the services of the PFG and the products of the local food manufacturing industry to international buyers.	CM	Ongoing
Continual development of the PFG website	A/B	✓	✓	✓	✓	✓	✓	Maintain the PFG website with up to date information and technology (coding that assists internet search engines).	CM / StC	Ongoing
Advertise in national/international publications	A	✓	✓	✓	✓	✓	✓	Purchase advertising to promote the PFG to new markets.	CM	Ongoing
Develop and maintain up to date promotional material: general PFG brochures, event specific materials	A/B	✓	✓	✓	✓	✓		Create promotional material to suit individual events or initiative needs that best promotes the PFG, members, services and/or products.	CM	Ongoing
Provide relevant information to manufacturers	A/B		✓	✓			✓	Regularly provide relevant information on current issues and initiatives to all members and industry contacts of the PFG via email news, website, events and other media.	CM / StC	Ongoing

Export										
Regional Stand at HOFEX 2009, Hong Kong	A/B	✓	✓		✓	✓	✓	Promote the services of the PFG and the products of the local food manufacturing industry to international buyers.	CM	May 2009
Regional Stand at Food & Hotel Asia 2010, Singapore	A/B	✓	✓		✓	✓	✓	Promote the services of the PFG and the products of the local food manufacturing industry to international buyers.	CM	May 2010
Work closely with industry contacts: RDV, VECCI Austrade etc.	A/B	✓						Maintain relationships with industry contacts and take advantage of their services and initiatives on offer.	CM / StC	Ongoing
Maintain & create relationships with international distributors / consolidators / buyers	A/B	✓	✓	✓	✓	✓	✓	Work with local and national distributors to promote our local food manufacturers services and products to their clients.	CM / StC	Ongoing
Membership										
Increase food manufacturer awareness and membership	A/B	✓	✓		✓		✓	Promote PFG membership benefits to all food manufacturers through various media and visitations.	CM / StC	Ongoing
Increase industry awareness and Alliance membership	A/B	✓			✓		✓	Promote PFG membership benefits to all food industry businesses and groups through various media and visitations.	CM / StC	Ongoing
Logistics										
Maintain & create relationships with local and national distributors	A/B	✓	✓	✓	✓			Work with local, national and international distributors to promote to their clients our local food manufacturers services and products.	CM / StC	Ongoing
Cost reduction	A/B	✓	✓					Investigate cost reduction possibilities with local transport providers, distributors and consolidators.	CM / StC / Mem	Ongoing

Objective	Applicable to Budget	PFG	Members	Non - Members	Hume & Whittlesea	Victorian Government	Food Industry	Task	Who	Time Frame
		Benefits								
Funding										
Membership	A/B	✓	✓		✓	✓		Source new membership from local and regional food manufacturers, as well as Alliance membership from industry related businesses and groups.	CM / StC	Ongoing
Sponsorship	A/B	✓	✓		✓			Source sponsorship from local and regional food manufacturers, as well as from industry related businesses and groups for specific events, initiatives and media.	CM / StC	Ongoing
Fee for service	A/B	✓						Charge a fee for additional or specialised services provided by the PFG that are in addition to or in place of membership fees.	CM / StC	Ongoing
Government grants/subsidies	A/B	✓	✓	✓				Investigate and source grants and subsidies that will be beneficial to the PFG from Local, State and Federal Government departments.	CM / StC	Ongoing
In-kind contributions	A/B	✓	✓	✓	✓	✓	✓	Utilise all possible in-kind contributions from all sources including Government, business and members.	CM / StC	Ongoing

plentyfood group

Manufacturer Survey 2008

Your Industry, Your Business, Your Future!

Survey conducted from 24 November 2008 to 12 December 2008

26 participants completed the survey

General

Question 10) Industry Type

Processed/Convenience	15%
Beverages	12%
Bakery	15%
Chilled and Frozen	23%
Specialty Food	31%
Asian Finger Foods	4%
Confectionary	15%
Health/Organic Food	19%
Ingredients	15%
Dairy Product	23%
Seafood	8%
Breakfast cereal manufacture	4%
Poultry/Meat	8%
Fresh Produce	8%
Poultry Egg	4%
No. of Business that have more than one category	46%

Question 11) Types of Product

Shelf Stable	69%
Refrigerated	58%
Frozen	15%
Fresh	35%
No. of Business that have more than one product type	54%

Question 12) Targeted Markets:

Retail	85%
Export	58%
Food Service	85%
Restaurant	62%
Private Label	35%
Direct to Public	23%
Boutique	35%
No. of Business that have more than one target market	96%

Question 13) Accreditations

HACCP	81%
Halal	23%
Kosher	8%
WVQMS	4%
ISO	15%
GMP International codex standard	4%
APVMA	4%
No. of Business that have mulitple accreditations	38%

Question 14) Which other industry organisations are you a member of:

AMIC
Australaian Specialist Cheesemakers Assoc
Australian Egg Corporation
Australian Fruit Juice Association
Australian Institute of Management
B.I.A.V.
Confectionery Manufacturers Assoc.
Exporter Industry
Food Industry Of Australia
Food Industy Association
FoodTech
Special Cheese makers
VECCI

Question 15) Do you have a factory outlet for direct to public sales?

Yes	35%
No	65%
Did not answer	0%

Question 16) What is your estimated annual turnover?

Average	$11.3M
Did not answer	46%

Question 17) Has your business grown (in turnover) in the last two years?

Yes	85%
No	15%
Did not answer	0%

Question 18) Do you forecast local market growth for your business in the next 12 months?

Yes	85%
No	15%
Did not answer	0%

Question 19) Do you forecast export market growth for your business in the next 12 months?

Yes	58%
No	38%
Did not answer	4%

Question 20) How is the current economic environment impacting on your business?

Positively	15%
Neither	46%
Negatively	38%

Employment

Question 21) How many people do you employ?

Employing 20 or less	61%
Employing 20 -99	23%
Employing 100+	12%
Average	33.6

Question 22) Do you use Contract Labour?

Yes	35%
No	65%
Did not answer	0%

Question 23) How many shifts do you run per day?

One shift	62%
Two shifts	27%
Three shifts	4%
Did not answer	8%

Question 24) Do you train people on site?

Yes	85%
No	12%
Did not answer	4%

Question 25) Do you utilise local Universities/TAFEs?

Yes	31%
No	65%
Did not answer	4%

Question 26) If not is there a reason for not utilising local Universities and TAFEs?

Being a family business we are well trained and have not turned over any staff.
Have in past but not at present
Have not done it before.
Mainly process work
No
no
No real need
No requirement
NOT REQUIRED
TASA Trainer
There unreliable
training here suitable
we have an onsite trainer/QA officer

Question 27) Would you utilise online training for employees if made easily accessible? (eg. Food Safety OH&S etc)

Yes	73%
No	23%
Did not answer	4%

Question 28) Do you believe training will assist your business grow?

Yes	85%
No	8%
Did not answer	8%

Question 29a) Would you be interested in engaging: Early school leavers:

Yes	23%
No	54%
Did not answer	23%

Question 29b) Would you be interested in engaging: Apprenticeships:

Yes	35%
No	38%
Did not answer	27%

Question 29c) Would you be interested in engaging: Tertiary placements:

Yes	23%
No	42%
Did not answer	35%

Question 30) Have you increased your employment base over the last two years?

Yes	46%
No	54%
Did not answer	0%

Question 31) If yes approximately how many:

12 Respondants have increased their employment base by:	50%

Question 32) If no how many positions become redundant:

2 Respondants have made 6 positions redundant

Question 33) In the next two years do you envisage: Employing additional people:

Yes	62%
No	35%
Did not answer	4%

Question 33) In the next two years do you envisage: Reducing your employment base:

Yes	12%
No	81%
Did not answer	8%

Question 34) Are you effected by industry skill shortages?

Yes	19%
No	81%
Did not answer	0%

Question 35) If yes what skill shortages are they?

4 Respondants stated -
Cheese makers
Fish filleters/slicers
Just simply to get good people is difficult
Specialised cheesemakers

Marketing/Promotion

Question 36) How is your business promoted?

Word of mouth	81%
Your website	77%
Via Distributor/Consolidator	65%
Via Retailers	50%
Industry Associations	38%
Yellow/White Pages	31%
Publications	23%
Promotions company	12%
FOOD EXPOS	8%
Sales People	4%
Mailing List	4%

Question 37a) Would you consider an internet/web presence important for your businesses: Sales

Yes	88%
No	12%
Did not answer	0%

Question 37b) Would you consider an internet/web presence important for your businesses: Marketing/reputation

Yes	88%
No	4%
Did not answer	8%

Question 38a) Is promoting “Green” to your buyers and consumers important for your: Sales

Yes	62%
No	35%
Did not answer	4%

Question 38b) Is promoting “Green” to your buyers and consumers important for your: Marketing/reputation

Yes	62%
No	31%
Did not answer	8%

Question 39a) Does you business exhibit independently at: National Trade Shows

Yes	27%
No	69%
Did not answer	4%

Question 39b) Does you business exhibit independently at: International Trade Shows

Yes	19%
No	73%
Did not answer	8%

Question 40) If yes which National/International shows have you participated at:

Anuga-Germany
Fine Foods USA
Dubai
HOFEX, Hong Kong
Fine Foods Melbourne
Fine Foods Sydney
Gluten Free
Fine Foods Perth
Food and Hotel Asia, singapore
GOOD FOOD AND WINE SHOW MELB
GOOD FOOD AND WINE SHOW SYDNEY
GOOD FOOD AND WINE SHOW BRISBANE.
ISM Cologne
All Candy Chicago
We are represented at all Beverage & Food shows
We will be exhibiting for the first time at the 2009 Fine Food Show.

Question 41a) Does you business exhibit through distributors/consolidators at: National Trade Shows

Yes	35%
No	62%
Did not answer	4%

Question 41b) Does you business exhibit through distributors/consolidators at: International Trade Shows

Yes	23%
No	62%
Did not answer	15%

Question 42) Which National and/or International shows have your products been promoted at with distributors/consolidators:

Anuga-Germany Fine Foods USA
Dubai & Melbourne & Sydney
Fine Foods
Fine Foods
Food & Hotel Asia
Food show here in Melbourne and National
GOOD FOOD AND WINE SHOW MELB SYDNEY BRISBANE. HANGING ROCK FOOD FESTIVAL
WHITTLESEA COUNTRY FESTIVAL
Nil
Singapore
South Korea Singapore

Question 43a) The Plenty Food Group exhibits at both national and international trade shows offering the opportunity for manufacturers to co-exhibit and/or gain additional promotion. Would you consider: Co-exhibiting at a National Expo

Yes	65%
No	31%
Did not answer	4%

Question 43b) The Plenty Food Group exhibits at both national and international trade shows offering the opportunity for manufacturers to co-exhibit and/or gain additional promotion. Would you consider: Gaining additional exposure at a National Expo

Yes	73%
No	23%
Did not answer	4%

Question 43c) The Plenty Food Group exhibits at both national and international trade shows offering the opportunity for manufacturers to co-exhibit and/or gain additional promotion. Would you consider: Co-exhibiting at an International Expo

Yes	38%
No	54%
Did not answer	8%

Question 43d) The Plenty Food Group exhibits at both national and international trade shows offering the opportunity for manufacturers to co-exhibit and/or gain additional promotion. Would you consider: Gaining additional exposure at a International Expo

Yes	50%
No	42%
Did not answer	8%

Logistics

Question 44) Do you transport your product:

Locally (50km)	100%
Nationally	69%
Internationally	46%
All	46%

Question 45) What type of food is transported:

Frozen	23%
Chilled	58%
Shelf Stable	65%
All of the above	12%

Question 46) Do you use your own transport vehicles:

Yes	58%
No	42%
Did not answer	0%

Question 47) What size consignments do you commonly send out?

Single Carton	27%
Multiple Boxes	73%
Pallet	73%
Multiple Pallets	62%
Containers	12%

Question 48) Do you send consignments:

Daily	58%
3 times a week	12%
Weekly	27%
Did not answer	4%

Question 49) What is your estimated monthly cost of Local/National freight?

Average cost of national freight	$46K

Question 50) What is your estimated monthly cost of International freight?

One manufactuer reports international freight to be $10,000
Other report nil cost as the buyer is responsible for freight.

Question 51) Would you consider a common carrier for local manufacturers to reduce your costs?

Yes	69%
No	31%
Did not answer	0%

Question 52) Do you use offsite warehousing?

Yes	31%
No	69%
Did not answer	0%

Question 53) Would you benefit from a regional logistics facility?

Yes	35%
No	65%
Did not answer	0%

Question 54) Do you supply to any of the following retail outlets?

Coles	42%
Woolworths	38%
IGA	54%
Independents	58%
Did not answer	38%

Export

Question 55) Do you export?

Yes	46%
No	54%
Did not answer	0%

Question 56) If not are you interested in exporting? (if no go to question 61)

Yes	23%
No	38%
Did not answer	38%

Question 57) What is your estimated annual turnover for export?

Average annual turnover for export from 5 repondants	$4.6M

Question 58) Which regions do you export to? (mark all relevant regions)

Asia Pacific	46%
Middle East	15%
Europe	12%
North America	8%
South America	0%
Did not answer	50%

Question 59a) Which regions should the Plenty Food Group focus on to assist with growing/establishing your export markets? Asia Pacific

Essential	31%
Viable	15%
Don't Know	0%
Unlikely	4%
Not Viable	0%
Did not answer	50%

Question 59b) Which regions should the Plenty Food Group focus on to assist with growing/establishing your export markets? Middle East

Essential	19%
Viable	19%
Don't Know	0%
Unlikely	0%
Not Viable	4%
Did not answer	54%

Question 59c) Which regions should the Plenty Food Group focus on to assist with growing/establishing your export markets? Europe

Essential	0%
Viable	15%
Don't Know	0%
Unlikely	4%
Not Viable	8%
Did not answer	62%

Question 59d) Which regions should the Plenty Food Group focus on to assist with growing/establishing your export markets? North America

Essential	0%
Viable	12%
Don't Know	0%
Unlikely	4%
Not Viable	8%
Did not answer	65%

Question 59e) Which regions should the Plenty Food Group focus on to assist with growing/establishing your export markets? South America

Essential	0%
Viable	8%
Don't Know	0%
Unlikely	4%
Not Viable	8%
Did not answer	65%

Question 60) How are your products exported? (mark relevant sections)

Yourself	31%
Distributor	27%
Consolidator	23%
Did not answer	46%

Question 61) Would you consider consolidating orders with other Plenty Food Group manufacturers?

Yes	73%
No	23%
Did not answer	4%

Private Label

Question 62) Do you manufacturer for Private Label?

Yes	50%
No	50%
Did not answer	0%

Question 63) If not would you want to manufacturer for Private Label?

Yes	50%
No	0%
Did not answer	0%

Question 64) Does the private label push from the major retailers:

Benefit your business	31%
Neither	42%
Adversely effect your business	19%
Did not answer	8%

Enviromental

Question 65) Are you concerned about your ‘Green Footprint’ (Carbon emissions waste etc.)?

Yes	81%
No	15%
Did not answer	4%

Question 66) Are you concerned about the Federal Government’s planned emissions trading scheme?

Yes	58%
No	35%
Did not answer	8%

Question 67) Do you have an understanding of how the Federal Government’s planned emissions trading scheme will effect your business?

Yes	19%
No	77%
Did not answer	4%

Plenty Food Group

Question 68a) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: Trade delegations

Yes	65%
No	19%
Did not answer	15%

Question 68b) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: Plenty Food Group website

Yes	85%
No	8%
Did not answer	8%

Question 68c) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: Local Trade Shows

Yes	77%
No	12%
Did not answer	12%

Question 68d) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: National Trade Shows

Yes	77%
No	12%
Did not answer	12%

Question 68e) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: International Trade Shows

Yes	65%
No	23%
Did not answer	12%

Question 68f) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: State Government of Victoria

Yes	50%
No	35%
Did not answer	15%

Question 68g) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: Federal Government

Yes	38%
No	46%
Did not answer	15%

Question 68h) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: Industry associations and networks

Yes	65%
No	19%
Did not answer	15%

Question 68i) Are you aware that the Plenty Food Group promotes our local food manufacturing industry through: Industry publications

Yes	54%
No	31%
Did not answer	15%

Question 69) Have you visited the Plenty Food Group website?

Yes	77%
No	23%
Did not answer	0%

Question 70) Have you seen your business promoted on the Plenty Food Group website?

Yes	50%
No	50%
Did not answer	0%

Question 71) Have you participated in any of the Plenty Food Group's initiatives/programs/events?

Brunei Halal	27%
Fine Food Australia 2006	19%
Fine Food Australia 2008	19%
Food and Hotel Asia 2008 (Singapore)	4%
Supply Chain Integration Project	12%
Water Toolkit	8%
Supplier Expo 2007	12%
Received leads	19%
functions/events	38%
Did not answer	50%

Question 72a) Which areas of industry development would you like to see the Plenty Food Group focus on? (Rank your top five in order of importance) Rank 1

Domestic Market Growth	50%
Cost Reduction	12%
Export Growth	12%
Employment	8%
Major Buyers	4%
Marketing Initiatives	4%
Did not answer	12%

Question 72b) Which areas of industry development would you like to see the Plenty Food Group focus on? (Rank your top five in order of importance) Rank 2

Export Growth	15%
Major Buyers	15%
Cost Reduction	12%
Domestic Market Growth	12%
Lean manufacturing	8%
eCommerce	4%
Marketing Initiatives	4%
Research & Development	4%
Skills Development	4%
Valuable Employees	4%
Did not answer	19%

Question 72c) Which areas of industry development would you like to see the Plenty Food Group focus on? (Rank your top five in order of importance) Rank 3

Cost Reduction	15%
Major Buyers	15%
Private Labels	12%
Lean manufacturing	8%
Valuable Employees	8%
Apprenticeships	4%
eCommerce	4%
Employment	4%
Export Growth	4%
Export Training	4%
Outbound Trade missions	4%
Did not answer	19%

Question 72d) Which areas of industry development would you like to see the Plenty Food Group focus on? (Rank your top five in order of importance) Rank 4

Cost Reduction	15%
Marketing Initiatives	15%
Skills Development	12%
Providing information sessions	8%
eCommerce	4%
Environment	4%
Export Growth	4%
Inbound Trade Missions	4%
Lean manufacturing	4%
Major Buyers	4%
Private Labels	4%
Apprenticeships	0%
Did not answer	23%

Question 72e) Which areas of industry development would you like to see the Plenty Food Group focus on? (Rank your top five in order of importance) Rank 5

Environment	12%
Providing information sessions	12%
Skills Development	12%
Marketing Initiatives	8%
Research & Development	8%
Apprenticeships	4%
Cost Reduction	4%
Export Growth	4%
Lean manufacturing	4%
Major Buyers	4%
Private Labels	4%
Did not answer	27%

Question 73) Do you see the Plenty Food Group project providing benefits to the local food manufacturing industry?

Yes	85%
No	8%
Did not answer	8%

Question 74) Has your business benefited from the Plenty Food Group project?

Yes	42%
No	46%
Did not answer	12%

Question 75) Can you provide an estimated a dollar value of these benefits? (eg: generated sales time saved promotional value to your business etc):

Written responses -
$1m
$2 million : kuduos: waste reduction: environment understanding
?
Hard to state exactly
n/a
nil
NOT SURE AT THIS EARLY STAGE

Question 76) At what level do you think the Plenty Food Group represents food manufacturers: (mark one)

Local	81%
National	62%
International	0%
All	46%
Did not answer	4%

Other

Question 77) Are there any comments you would like to make in relation to this survey your business and/or the food industry sector?

Can the Plenty Food Group work inconjunction with other CounciL Run Food Groups throughout Victoria?

Due to our business concentrating on bulk manufacturing and supply I am not sure how the Plenty Food Group can offer assistance to our continued growth.

Even though the Plenty Valley Food Group has not really benefited Simply Fresh I do believe it is a worthwile initative for many other businesses within the group. I do hope the future of the group can offer bigger and better opportunities for all concerned.

Group buying power

Keep on doing what your doing

More opportunities for steering committee to meet and discuss initiatives

Omniblend has enjoyed a positive response from all its meetings associated with the group not only monetary but in knowledge and networking

Our business is more focussed toward retail sale and tourism as more time goes on less importance will be given to manufacturing and more effort placed toward increasing our value adding side of the business. That is why I feel the PFG objectives don't necessarily apply to my food business. Although I have always found the group progressive and courteous.

Thank you for the opportunities provided

We are a very small company with a large export component. We fight well above our weight in competition and are quite successful.. From your point of view we are a 'one-off' and hard to catergorize and so hard to help. But keep trying as all manufacturing in this country is in trouble--we know because we sell to them

Well done Marshall. Well structured and thought through format. Easy to complete. Gav.

An initiative of the Hume City Council, City of Whittlesea and Victorian Government