

Strength and support from a cluster

In mid-2002, the Economic Development Units of the Hume City Council and the City of Whittlesea, brought together a group of food manufacturers based in Melbourne's north to talk about issues of interest to them all.

They discovered they had a lot in common – the need to attract skilled staff, assistance with export development and opportunities in the domestic market, as well as a need to work together as a group to expand the food manufacturing sector in the northern suburbs.

Two years on, the cluster is achieving remarkable results. The cluster, now officially known as the Plenty Food Group, will be looking at ways of collectively negotiating cost reductions in areas common to members.

"The focus on cost reduction has been hugely beneficial to the whole group," says Gavin Clifford, Supply Chain and Operations Manager at Golden Circle's Mill Park facility.

"By acting together when choosing a food chemical supplier, for example, we've been able to realise savings of 10-40%."

Export has been another key focus and while Golden Circle's Victorian operation already has a strong export record for its one-litre Original Juice premium product, a lead from the group has resulted in potential exports to the Middle East worth a further \$2 million a year. Other members are pursuing tenders in the Middle East and China.

"The cluster has opened a lot of doors, particularly for smaller companies that may not have experience with export or marketing," Clifford says. "But working together has been advantageous for us all – I've learned a lot from companies employing only 10 people.

"To get the most out of the cluster experience, you need to keep an open mind, stay focused on the benefits and be willing to seize opportunities when they arise."

Other firms now involved in the 20-strong group include Chiquita Mushrooms, Jalna Yoghurts, Anadis Ltd, Don Emilios, Hellenic Cheese Farm, Naturally Good and Heather Brae Shortbreads.

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Members of the Plenty Food Group include Golden Circle, Original Juice, Chiquita Mushrooms, Jalna Yoghurts, Anadis Ltd, Don Emilios and Hellenic Cheese.