

SE NEWS
HD **Plea for more milk**
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UDP SALE

UNITED **Dairy** Power founder Tony Esposito can't see why any supplier would leave now his **business** is foreign owned.

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"I don't see any negative in it other than the opportunity for farmers to receive more not less," he said.

"I don't see why a supplier would leave because of overseas interests. If that is the case Fonterra, Parmalat, National Foods (Lion), they all shouldn't have any **milk**."

Mr Esposito confirmed he had **sold** UDP to **Hong Kong** private investor William Hui on Monday.

He said a letter would go out to UDP suppliers later this week informing them of the promised farmgate **milk** price increase linked to the sale.

UDP suppliers will receive a bonus of 80c/kg butterfat and \$1.20/kg protein on **milk** supplied during October and November last year.

It is believed Mr Esposito **sold** the **business** for about \$70 **million**, but he would not be drawn on price.

In a supplier letter sent on Monday, new UDP chief executive Mark Smith and Mr Esposito described new owner Mr Hui as "a highly successful entrepreneur and businessman in Asia and the current chairman of Singapore-listed Sing Media Technology **Group** Limited".

Mr Esposito also said he would be "stepping back" from the **business** in the next few months "but will remain involved with UDP and committed to ensuring the **business** continues to flourish".

On Monday Mr Smith told The Weekly Times the **business** wanted more **milk**, especially in South Australia.

Mr Smith has worked with UDP as a consultant for the past three years, assisting with the acquisition of its Jervois and Murray Bridge plants in South Australia and the recent sale.

He has previously held operational and finance roles with Fonterra and Bonlac.

Mr Smith said the new owner, Mr Hui, had no experience in the **dairy** industry and would not have a hands-on role with UDP. He would be "involved in the **business** as required".

The UDP name and corporate identity will be unchanged, and no changes are expected to the **company's** day-to-day operations, the **company's** statement said.

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HAVE YOUR SAY

Is the UDP sale good for the **dairy** industry?

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