

SE **Business**  
HD **Harvey Fresh's WA capacity the prize**  
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WC 380 words  
PD 2 April 2014  
SN The West Australian  
SC TWAU  
ED Second  
PG 1  
LA English  
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Italian **dairy** giant Parmalat has revealed Harvey Fresh's untapped processing capacity was a major factor in its acquisition of the prized WA agribusiness.

Parmalat chief executive Craig Garvin said the **company** wanted to grow the supply of **milk** in WA as part of its plan to boost domestic sales and exports.

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Mr Garvin also suggested Parmalat might extend its flavoured **milk** distribution agreement with Mrs Mac's to include juice products in growing its footprint in WA.

The \$120 **million** sale of Harvey Fresh continues a run on WA **dairy** assets that has seen Mundella and the Margaret River **Dairy Company sold** to a **company** controlled by **China**'s Bright Foods.

Mr Garvin joined Harvey Fresh director Kevin Sorgiovanni in addressing workers at the Harvey processing plant about the change in ownership.

"Our intentions are about growth, we want to grow the domestic market but we also want to grow exports," Mr Garvin said.

"Our goal is to grow **milk** supply in WA and to do that we'll work closely with farmers, which we have a strong track record of."

Figures from **Dairy** Australia show **milk** production in WA continues to fall despite the interest in processing assets.

Production fell to 176.7 **million** litres in the first six months of this financial year, down from 182.8 **million** litres in the same period in 2012-13.

Mr Sorgiovanni said the Harvey Fresh **brand** was well known in South-East Asia through its extended shelf life **milk** exports.

He said Harvey Fresh had fielded numerous enquires from investors in the region before sealing the deal with Parmalat.

Mr Sorgiovanni said the plant at Harvey could virtually double production overnight if **milk** supply and demand increased.

Harvey Fresh processes about 130 **million** litres of **milk** a year and has the contract to supply Coles supermarkets in WA.

It also produces about 100 **million** litres of fruit juice at its operations in Griffith, NSW.

Mr Garvin said Australian **dairy** products were highly sought after in Asia.

"Over time it is important to be able to convert that into value-added production," he said.

Parmalat struck a deal with Mrs Mac's last year to distribute flavoured **milk** products produced interstate.

**CO** cenord : Parmalat SpA | slb : Groupe Lactalis

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**AN** Document TWAU000020140401ea4200042