

# The Advertiser

SE Lifestyle

HD **Dairy** is milked for all it's worth

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LP THE Murray Bridge and Jervois **dairy** factories have been **sold** in a deal in which major private **milk company** United **Dairy** Power has been bought for about \$70 **million** by **Hong Kong** businessman William Hui.

The **sale** was viewed with mixed blessings by the South Australian **dairy** sector yesterday after a lengthy **sale** process.

TD South Australian Dairyfarmers' Association president David Basham said that it was a positive the industry finally knew what was going to happen after months of uncertainty.

"The other good thing is that being a HK buyer they are likely to have connections into Asia and **China** specifically, which may strengthen sales," Mr Basham said. "The possible downer is we don't know much about the buyer and how they will handle the **company**, although they have said nothing changes, but time will tell." Mr Basham said UDP had invested in the **business** and improved it and he expected the new owners will do likewise.

"The two factories are very important to the SA **dairy** industry in helping to balance fresh **milk** needs with processing needs," he said.

"They **buy** a reasonable amount of **milk** on the Fleurieu Peninsula, along the River Murray further north and down to Bordertown," he said.

The **business** will continue to be managed by the senior management team led by Mark Smith, who will assume the position of chief executive.

Mr Smith said UDP was pleased to have found a strategic partner who valued its heritage and the ongoing contribution of UDP to the **dairy** industry.

"I want to assure our staff, suppliers and customers that it is **business** as usual and they should expect the same high service level they have come to expect from UDP," Mr Smith said.

UDP was established in Victoria in 1999 and bought the two businesses at Murray Bridge and Jervois when Lion divested them in 2011 following a long **sale** process.

It processes more than 500 **million** litres of **milk** annually for annual sales of \$200 **million** from the two plants and its Victorian **dairy** factory at Poowong, UDP's main **milk** production site.

Mr Hui said he wanted to reiterate that UDP's **business** and investment strategy will remain unchanged.

UDP founder Tony Esposito will step back from the **business** during the next three months, but remain involved and committed to ensuring it continues to flourish.

The Jervois plant manufactures Australia's leading pizza **cheese brand** Caboolture, while Murray Bridge supplies a diverse range of products from cheddar **cheese** through to hard grating **cheese** in bulk rounds, mozzarella and various value-added **dairy** products including **butter** and whey powder. It produces the

Caboolture **brand** of mozzarella **cheese** , a favourite with leading pizza franchises and independent restaurants. The **sale** is unconditional and not subject to regulatory approvals.

NS gcat : Political/General News

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