

SE News
HD The future is in lots of cheese
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The birthplace of Australia's largest dairy co-operative will become a key player in Murray Goulburn's shift from bulk commodities to finished dairy products.

The processor is building a \$74 million world-class cheese cut-and-wrap facility at Cobram over the next 12 to 18 months.

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Managing director Gary Helou said it was part of the company's five-year plan to rejuvenate its manufacturing and supply chain infrastructure in the key product areas of nutritional powders, cheese and liquid milk.

The company is spending a total of \$91 million on its Cobram facility.

"Customers and consumers value Australia's food safety standards, regulations and our natural production environment — they want to buy finished goods from Australia, in addition to bulk commodities," Mr Helou said.

"The products that are driving demand are nutritional milk powders (baby/toddler formula), dairy beverages and consumer cheese."

He said investment in world-class equipment and automation would increase capacity across cheese portions and slices, as well as shredded cheese.

Murray Goulburn was established in 1949 after a public meeting held by the Murray Valley Soldier Settlers League at Katunga.

Mr Helou said Cobram was one of the largest milk receival sites in Australia, handling about 700 million litres annually and producing cheddar and mozzarella cheese, most of which goes overseas.

"About 65 000 to 70 000 tonnes of cheese is produced annually and most is exported."

They also make about 20 000 tonnes of high-value infant nutrition powder.

"In cheese this site is world renowned for making some of the best cheddars," Mr Helou said.

"We tend to sell it in bulk form, ie 25 kg bulk produce to Japan and then more and more into China.

"The investment that we are making today is basically built around giving us flexibility to produce some of the best consumer cheese products.

"We take the bulk cheese we make and we will cut it, wrap it, shred it, cube it, or snap freeze it, in a consumer format."

Mr Helou said the Asian consumer was the target.

"They love cheese but want it in their own format and flavours and packaging."

He said the combined investment in terms of value exported would be worth something like \$700 million annually.

New products are expected to roll off the lines in July next year, with a fully commissioned plant ready in December.

Chairman of directors and Gippsland farmer Philip Tracy said Cobram was the foundation site for Murray Goulburn.

"It's going to play an even more significant role in the future," Mr Tracy said.

"We know that when we make decisions on this scale, the economic benefits flow through to the whole region."

CO	mryglb : Murray Goulburn Co-operative Company Limited
IN	i41 : Food/Beverages/Tobacco i413 : Dairy Products icnp : Consumer Goods ifood : Food Products
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