

Up by
20%

Sales spike continues as more consumers love their local butcher

Delighted butchers say strong trading is being sustained after SA's initial COVID-19 panic buying explosion, with shop sales up by an average of 20% over this time last year.

MBL merchandise sales figures and an AMIC survey of butchers confirm an overall 20% increase although a straw poll by *MBL News* indicates varying rises from 10% up to 40% at individual shops.

The bottom line is that industry hopes of sustaining an above-average sales increase of 10% after the unprecedented buying of March and April have easily been surpassed, rejuvenating butcher trade after years of marginal growth.

Butchers are retaining new customers who turned to them when supermarket supplies dwindled, staying to enjoy friendly service and expert advice on top of quality meat and exclusive products.

"People have found a new love for independent retail butchers and it's great for the industry," says AMIC's SA representative, Chris Kelly.

To keep the ball rolling, AMIC will have an August rollout of Love Your Local Butcher, a program with instructions for setting up and maintaining social media platforms such as Facebook and Instagram.

"I'm finding that butchers in SA are enjoying sales of anywhere between 10% and 30% higher than this time last year, so I put the average at around 20%," Chris says.

This dovetails with MBL merchandise sales figures which are 20% higher over recent months, says Merchandise General Manager Bexley Carman.

"It has been incredible, as busy as Christmas. Our June sales were 20% up on June last year. Our March and May sales were similarly strong but April was down," Bexley says.

However, MBL is battling overseas supply delays caused by COVID-19 and is asking Members and customers to be patient for merchandise deliveries.

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STRATHALBYN'S SAVVY SIBLINGS



FAMILY TRADITION Melissa "Liss" Maidment and brother Mark are continuing the proud tradition of butchering in historic Strathalbyn, becoming the third generation to run Maidment's Meat Service.

The enterprising butchers break premium beef and lamb from local farms like their grandfather and father but have added their own touches to meet modern demands. **See their story on pages 8 and 9.**

MBL hit by supply lag

MBL is being stretched by the late arrival of some imported merchandise supplies, resulting in delayed deliveries to butchers and other customers.

Our orders to overseas suppliers, mainly from Asia, were “frozen” for several months when COVID-19 first struck, and they have finally begun arriving in Adelaide - in a testing rush.

“A large number were stuck on the same ship in Singapore. With things moving again now, we’ve suddenly been hit with 10 or 12 containers arriving here weekly. It’s a huge task unpacking and processing them,” Bexley says.

“There’s still a shortage of some imported general merchandise, including ingredients. We can’t sell what we don’t have.

“We are doing our best to catch up and return to our normal level of service but it will take time. We ask Members and customers to be understanding and patient.”

MBL NEWS

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Sales spike continues

From page 1

Chairman of AMIC SA’s Retail Council, Trevor Hill, says: “Butchers are reporting sales are up by 10% to 20% depending on their locality.

“Some areas are more affected by unemployment than others. In our (Bruce’s Meat) group, unemployment isn’t making a real impact at Mitcham, but it definitely is at St Agnes.”

Trevor says while some butchers are reporting 30% sales rises over this time last year, figures could sometimes be distorted by factors such as growth coming off a small base and changes of shop ownership.

“In any case, the challenge remains for butchers to work hard to retain new customers as the uncertainty of COVID-19 continues,” he says.

Chris Kelly says, “Some butchers are apprehensive about the possible impact of JobKeeper winding back. It’s at the back of their minds, but things are good at the moment.”

In the last MBL News covering COVID-19 panic buying, Chris told how he hoped butchers could retain 10% of new business going forward.

He now says he’s delighted the notional 10% figure has easily been topped, but butchers need to continue being resourceful, with offerings such as click and collect, to maintain strong sales.

Trevor Hill says he has kept customers at Mitcham by offering free “extras” by chef Troy Kaderes while retaining meat prices.

“We’ve had good response to giving away a pot of gravy with roasts, jus with steaks, and potato

bake with barbecue packs,” Trevor says.

The silver-lining fallout from COVID-19 has been a “really good gift” for meat retailing, says the owner of Goodwood Quality Meats, Dave Armstrong.

“We haven’t really quietened down. We’re 20% up on this time last year and our customer count is still up by 25% to 30%,” Dave says.

“A lot of former supermarket customers now shop with us. People are seeing that there are alternatives, such as butcher shops and green-grocers, to supermarkets.”

It’s a similar story in the regions. At Strathalbyn, Liss Maidment says her trade remains significantly up on this time last year, thanks largely to new customers.

“People who became disgruntled with supermarkets at the height of COVID turned to us and a solid 15% or more of them are sticking with us,” she says.

“There’s now a real consciousness to keep the local economy going, of buying local farmers’ meat at the local butcher shop.”

At Naracoorte, Shaun Watson of Tender Cuts, says, “People are now more conscious of where their food is coming from.”

Chris says many people remain wary of eating out due to COVID-19, preferring to eat at home and enjoy their own nutritious meals.

“The clock’s been turned back to when I was young and people cooked decent meals at home without having to go out.”



Veteran butcher Wilson Lowe, *above*, says sales at his Mt Barker shop are about 40% higher than this time last year.

“We were taking \$28,000 a week and we’re now pushing \$50,000. Last week, it was more than \$48,000 and the week before it was \$45,000,” he said in mid-June.

“Just as important as those figures is that we have nearly 500 more customers each week.

Wilson up 40%

“We’re retaining customers who came during the panic buying and we’ve grown to have eight staff, including four fulltimers.

“We’re in a fast-growing town and a lot of our success is down to marketing. We work in volume – we don’t have meat just to sit there, we work hard to sell it.”



Riding the COVID-19 wave

Cool heads and fast planning pay off at Seaford

As with butchers across South Australia, the fallout from COVID-19 has delivered a “manna from heaven” sales boost to Seaford butcher David DiCicco, who went on the front foot right from the start.

David, *pictured*, had no real idea how the pandemic would play out or even if his popular Seaford Gourmet Meats shop would be allowed to stay open, so he called a meeting of senior staff.

“In January, when we were hearing news reports of COVID-19 taking off overseas, I got our senior people together over a few beers on a Friday night,” he says.

“We agreed it was only a matter of time before COVID-19 hit Australia but it was unclear when and what might happen. The situation was unprecedented.

“I was concerned the shop might have to be closed but several of our experienced people thought we’d stay open because food would be an essential service. So we started planning, and we stockpiled beef and lamb.”

As it turned out, the Seaford crew were right on the money. The shop stayed open,

and the early stockpiling of red meat avoided supply headaches later encountered elsewhere.

But not even Nostradamus could have foreseen how unprecedented panic buying of meat would play out across the nation, with the frantic sales likened to Christmas and Easter trade rolled into one.

David says, “While it was fantastic on one hand, it was also a nightmare. It was brutally bad, with all hands to the pump. I even got my three kids in to help.

“It seemed like there were 100 people here along the counter, going right back across the mall to the Post Office.

“It was relentless, it went on for hours on end. We were telling people not to panic, that we had plenty of meat.

“We were starting at 2am and getting home at 8.30 at night. We didn’t know when it would end. Through it all, our 16 staff were great. I’m really happy that we didn’t have to put any staff off, as I feared right at the start.

“The crazy period pretty much lasted for 10

days, with our sales 25% to 30% up.

“Then it settled down to 15% up. We’re still really busy. We’re now conservatively up by at least 10% over the same time last year.

“We’ve been battling to keep up. We’re taking on an apprentice but we need more staff. It’s a good problem to have.”

David says he is finding that people are spending more at each shop visit and suspects more now have home freezers.

“A lot of people are still worried about eating out and are spending up with meals at home. Some are more conscious of healthy eating so they like to cook more,” he says.

“There is also a shift from supermarkets. People remember that we helped them by supplying meat when panic buying started.

“There will only be benefits for small businesses, like butcher shops and green-grocers, as long as COVID-19 continues.

“We’re still keeping stock at a high level because of the chance of another (COVID-19) wave.”

Cooking's in the mix at TAFE

Cookery subjects are part of a pre-apprenticeship training course established in collaboration between TAFE SA and AMIC.

The Certificate II Meat Processing (Meat Retailing) course includes four units from the Certificate II in Kitchen Operations course to provide students with an extensive set of skills.

The fulltime course, over 18 weeks, was scheduled to begin for 16 students on July 29 at Regency campus after enrolments were initially slow due to COVID-19 social distancing issues.

At MBL News's deadline, TAFE was considering a State Government option to postpone the course for up to six months but hopes were held it would begin as planned.

The course is free to students under the Skilling SA program, funded by the federal and State governments.

Meat Studies lecturer Shayne O'Dea says the course has been designed to mix strong foundation skills with good product and cooking knowledge.

It reflects today's butchers doing much preparation work for customers and providing cooking advice.

AMIC's Chris Kelly says, "The course will make participants extremely employable, giving them a springboard into the retail meat industry."

*COVID-19 issues have paused the first Skilling SA butchery program by AMIC Master Butcher Wilson Lowe at Career Employment Group's Adelaide Institute of Hospitality.



FUNDING SPARKS AN 'EXPLOSION OF INTEREST' IN UPGRADING SKILLS

Current government incentives have led to a surge in butchers across South Australia undertaking training to upgrade their skills and those of staff, says regional workplace training specialist Trevor Eden (pictured).

"There's been an explosion of interest in training," says Trevor, a former Kadina butcher who heads the meat training program, working mainly in regional areas, for the William Angliss Institute (WAI).

Trevor, 53, and fellow trainer Mark Wadsworth, 41, are currently training over 100 people, mainly in regional SA and the Northern Territory with some in NSW and Queensland.

While about 60% of their trainees are apprentices, there has been increased interest in upgrading the skills of experienced people already working in butcher shops.

A number of butchers are learning new skills such as making smallgoods as a selling point over supermarkets, while some

are honing their abattoir skills.

Women who were initially employed as servers are being formally taught skills covering customer service, food safety, value adding, and Work, Health and Safety practices.

"There has been huge interest in training – it's gone through the roof due to available government incentives," Trevor says.

"The money is there but many employers are unaware just what is available, and for what use, until we explain a training solution for their business.

"For example, there are incentives for new staff if you put them into training but not for existing staff.

"How many butchers know that

smallgoods training, to ensure workplace currency is met for their business, for either young or old workers comes with significant incentives provided that eligibility requirements are met."

It can be difficult to find out what government incentives are available for training and then employers need to find a suitable apprenticeship centre consultant to discuss individuals and then engage a meat training organisation.

Similarly, the Meat Hygiene Unit sets out regulations for smallgoods making for new operators but doesn't provide information on where to find training.

"Butchers are told what they need to do but not who can train them to do it, leaving them to find out for themselves," says Trevor, who is busy delivering smallgoods training around regional SA. ➤

'The money is there but many employers are unaware just what is available, and for what use,' – Trevor Eden

➤ “Some butchers I work with need to brush up on their credentials. Currency lapses after seven years; things change regularly. Some have needed currency so they can sell ham and bacon.”

Trevor has headed the meat training program for WAI since the Melbourne-based TAFE branched into SA in 2009.

He has trained the vast majority of over 1,000 South Australians who have engaged WAI. Most training has been in the regions, from Port Lincoln to Mt Gambier, up to Coober Pedy and “just about everywhere in between.”

“We originally saw a gap in the market when country people were put off butchery because they had to travel to Adelaide to complete their training,” Trevor says.

“I’m proud that many of the regional people I have trained over the years only became butchers because we travelled to them. They wouldn’t have travelled to Adelaide.”

Trevor aims to visit each client seven times a year, although four visits are required under regulations.

“I drive about 60,000km a year so that adds up to over half a million kilometres in the past 10 years. I’ve worn out five cars, I’m onto my sixth now,” he says.

“William Angliss would have the biggest regional footprint (of SA’s five meat training organisations).



Proud moment... young Trevor’s boss at Moonta Foodland, Ivan Coates, presents him with the trophy, donated by MBL, for “best practical” third year apprentice at Regency TAFE in 1985.

“We’re also doing more work in Adelaide or close to Adelaide. We have an office at Wayville.”

Trevor, who was raised on a cereal and livestock farm near Kadina, has lived and worked on Yorke Peninsula all his life. He remains based in Kadina.

“I started my apprenticeship in Moonta in 1982 and I’ve been paid by the meat industry for every working day of my life,” he says.

“I completed Year 11, leaving school on a Friday wondering what I’d do for a job but my holiday didn’t last long. I got a phone call at 1pm on the Saturday, telling me to start at Moonta Foodland as an apprentice butcher on Monday.”

In 1985, Trevor won a trophy from MBL as “best practical”

third year apprentice at Regency TAFE. The trophy still sits proudly on his desk.

“For years, I’ve kept the trophy and a photo of the presentation in a prominent position to remind me of where my meat journey started,” he says.

He spent 11 years at Moonta Foodland before buying his own butcher shop in Kadina, running it successfully for 12 years before selling it 16 years ago to current operator Chris May.

Trevor then spent five years as a Meat Studies lecturer at Regency TAFE before encouraging WAI to cross the border in 2009.

“I’ve gone from selling meat to upskilling the next generation to make sure they can continue the tradition of butchering,” he says.



Trevor and fellow William Angliss trainer Mark Wadsworth are currently training over 100 people.

Zane wins smoker in MBL draw

Wudinna’s award-winning butcher Zane Petty is the winner of a \$900 Hark Chubby Offset Smoker in an MBL lucky draw competition.

Butchers were automatically placed in the draw with every merchandise order placed with a value of over \$600 and including a carton of Ikon Pack 77-litre garbage bags.

Zane was naturally over the moon when his MBL rep Shane Reynolds presented him with the smoker.

The owner of Wudinna Meat Store has won a host of AMIC regional competitions and won the statewide finals of the Best Butchers Burger contest in 2018 and 2019.

Five other MBL Members each won Premium Cut Giesser knife sets, valued at \$257, in the second chance draw.

The winnings were from Mildura Finest Quality Meat, Chestwood Meats at Kimba, Meat Barn at Murray Bridge, Seaford Gourmet Meats and Trafford Meat at Campbelltown.



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‘Light-year improvement’

New factory sets up Angelakis for future

In a move to secure its future, seafood business Angelakis Bros has quit its traditional city CBD factory to move into more modern, spacious premises at Edinburgh North.

The new processing facility, behind the Barossa Fine Foods factory, is far superior to the tired old factory which was spread over both sides of Field St near Adelaide Central Market.

“The move has been a light-year improve-

ment – better facilities, better refrigeration, better everything,” says owner Franz Knoll, who guided Barossa’s purchase of Angelakis in May, 2018.

“While our facilities meet the latest food safety standards, we have the flexibility here to bring the factory up to higher requirements in the future.”

Franz, *pictured above*, was referring to speculation that health authorities are looking to raise food safety regulations for



the seafood industry, just as new regulations were framed for meat processing after the Garibaldi food poisoning case.

He says the new premises give Angelakis the necessary infrastructure for future growth.

A move from Field St was inevitable as Barossa purchased the Angelakis business, not the associated real estate. The vendors retained several factory sites around Field St for a future development.

Franz initially considered retaining seafood processing somewhere in the city for logistical reasons before opting to shift the whole operation to the rear of the Barossa factory, 40km north of the city at Edinburgh North.

But any lingering doubts about moving to the outskirts, further away from the bulk of food service customers, were quickly quelled.

“The relocation has gone well, despite the COVID-19 situation



Filleters at work at the new Angelakis factory at Edinburgh North.

➤ significantly impacting on the food service side of the business,” he says.

Seafood wholesalers have traditionally been based in the city or on the fringes to allow speedy response to urgent orders which are common because restaurants and hotels prefer smaller daily orders to ensure freshness.

“The seafood industry is an industry of immediacy. Freshness is the thing with fish. It’s all about eating it fresh. People tend not to freeze fish, unlike meat,” Franz says.

“Fish doesn’t have the shelf life of meat so customers want to get it in daily and sell it while it’s as fresh as possible.

“We have to respond to orders quickly. I was concerned that (at Edinburgh North) there’d be an extra 30 minutes in delivery time both ways but we manage it by being more organised and more in control.”

Angelakis, as a seller of poultry and game, was an MBL Member for many years before the Co-op admitted seafood Members in 2010.

Australia’s most awarded smallgoods maker and an AMIC Master Butcher, Franz oversees the development of the new Angelakis, leaving the everyday running of Barossa and Standom to sons Andreas, Alex and Dieter.

Franz has enjoyed several years of learning about seafood after always working with meat. “I like knowing things. It’s a buzz,” he says.

While he adjusts old skills for developing smoked seafood products and making seafood sausages, he describes the seafood business as “completely different.”

He says seafood’s wholesale and retail sectors “run very chaotically” compared



Manager Sam Wood with a barramundi.

with the meat industry, due to variations caused by environmental factors.

“The seafood supply chain is intense and not as predictable because of water temperature and other environmental factors. You have to monitor the environment,” he says.

On the day when *MBL News* visited the factory, rough winter weather had torpedoed supply. “No fish arrived today, just a few pipis. It has been too rough, the fishermen are waiting for the waters to calm,” Franz says.

The type of seafood available depends on the season. Prawns, for example, are caught under full moons in warmer months either side of Christmas.

“You can’t always get what you want. Suppliers will say, ‘We’ve got these fish’ and you take it from there. You might want garfish but it may not be available.

“Suppliers will sometimes let us know what’s coming up. ‘We’re starting to catch so-and-so, tell us what you’d like.’ But there are no guarantees so it’s a wish list.

“At other times, fishermen don’t go fishing if they think the price is too low.

“Then there are transport times to deal with. It takes a day for seafood to get from Eyre Peninsula to Adelaide.

“It’s a chaotic industry – meat and smallgoods are far more predictable.

“Supermarkets like more predictable supply and size so they like farmed fish such as Atlantic salmon, barramundi and trout.

“Aside from freshness and quality, the seafood business is all about customer focus and service, just like the meat industry.”

Meanwhile, Angelakis is preparing to open a stylish new shop at Adelaide Central Market after operating in the adjoining Central Market Arcade for over half a century.

The new shop, at Stalls 5 and 6, is being built to impress with a “Mediterranean inspired” fitout.

SAME DISH, NEW FISH

Seafood consumers are being encouraged to consider buying less-known local fish species to help prevent over-fishing of prized catches such as King George whiting and southern garfish.

A prime example is yellowfin whiting which is underutilised but makes for great eating at about half the price as King George whiting.

The SA Government’s Same Dish, New Fish campaign, which was launched in July, highlights the abundance of choices available and how different local fish can be used in traditional dishes.

Mulloway, octopus, sardine, sand crab, salmon trout and snook are among SA species being promoted in the campaign, with tips on preparation and cooking.

“We love our seafood in South Australia, but we tend to stick to our favourites,” says a spokesman for Primary Industries and Regions SA.

“Traditionally, seafood consumers have gravitated to familiar species like King George whiting, southern garfish, snapper and blue swimmer crab but these species are not always available or may be more expensive.

“Other local species such as mulloway, octopus, sardine, sand crab, salmon trout and snook are becoming increasingly available in shops and restaurants.”





A FAMILY TRADITION

Mark and Liss now the third generation in the same shop

Siblings Mark and Melissa “Liss” Maidment kept their career options open but, in the end, it was hardly surprising that they decided to become butchers.

Mark, 38, and Liss, 34, *pictured above*, are continuing a proud family tradition as the third generation of butchers to own and run the same shop at Strathalbyn since 1977.

They share a keen sense of history, maintaining traditions such as breaking premium beef and lamb from local farms and engaging customers with lively, old-fashioned banter.

Like their grandfather and father before them, they enjoy a strong regional reputation and a loyal customer base, including some regulars who have been solid since 1977.

However, Mark and Liss have also put their own modern stamp on Maidment’s Meat Service as they respond to food trends and meet the shifting demands of today’s busy consumers, such as extending trading from 5pm to 6pm so that workers can purchase meat on their way home.

“While we’re both qualified butchers, we have different strengths and we complement each other,” Liss says.

“I’ve always looked up to Mark as a big brother. He continually challenges me, which I need, and we enjoy working together.”

Mark says, “When Dad had to retire, I said I wouldn’t take over unless Liss bought the business with me. I needed Liss as a



Liss: “Mark and I complement each other.”

business partner I could completely trust.

“We grew up together, we did our apprenticeships together and now we’re taking a good business and improving it.”

The siblings took the reins on July 1, 2017, from their father Craig who retired earlier than planned at age 61 due to a stress-related heart condition which has since improved.

He now enjoys good health and is a Strathalbyn councillor on Alexandrina Council, polling strongly at the elections as a well-known butcher and stalwart of the local Rotary and harness racing clubs.

Craig, who spent 40 years in the high street shop, says, “I’m proud of Mark and Melissa and I admire what they’re doing now. I’m also pleased the shop has stayed in family hands.

“They took over as experienced butchers who knew all the trade secrets.

“There’s no need for me to have anything to do with the shop now



▶ but I'm here if needed."

A few months ago, Liss posted on the shop's Facebook page a photo of Mark and herself with Craig from 2010. She wrote, "We may miss working with our Daddy, but we love that he is enjoying his retired life!"

The shop has long been prominent in the historic town, which dates to 1839. For over a century, it has been run by just two families – the Blackwells and the Maidments.

Craig's father Geoff, a butcher from Whyalla, bought the shop from the Blackwells in 1977 and his three sons – Craig, Steven and Peter – trained there as butchers.

In 1991, Craig and Steven took over the business. Then in 1998, Craig bought out Steven who ran a nearby turkey farm for many years before switching to chickens, producing free-range eggs.

Peter has made his mark as a butcher on Eyre Peninsula. After a time with Terry Giles in Port Lincoln, he bought Streaky Bay Meat Service last year and has 11 people working for him in the shop and abattoir.

Mark and Liss grew up around the Strathalbyn shop and did mainly clean-up work after school and in school holidays. They enjoyed the work but, as teenagers, they didn't necessarily see themselves becoming butchers.

"Mark went overseas for a few years while I studied youth work at university but we kept coming back and we ended up doing our apprenticeships together with Dad and continuing the family tradition," Liss says.

Craig says, "They could have gone into other things but they came back and did apprenticeships. They love Strathalbyn. They were born here and they want to stay here."

Liss says, "As a young girl, I remember



Produced by a local artist, this sign has been prominent in the shop for over 20 years.



A butchering family... Mark, Liss and their father Craig pictured in 2010.

watching Pop making mettwurst. Pop and Dad used to make the hams at Christmas and I loved the smell.

"When I was 13, I asked dad for some money to go to the Royal Show. He said I'd have to do some cleaning in the shop, so I did – and I'm still here 20 years later!"

"I fell in love with butchering and the challenges of being a female in a male-dominated industry."

Like their forebears, Mark and Liss are strong supporters of MBL and the Co-op model. As well as assorted merchandise, they purchase machinery from MBL and recently took delivery of a new tenderiser.

They employ two butchers in Jim Delderfield and Nathan Griggs, apprentice Patrick Ball and three casual juniors. It's a busy shop with a good atmosphere.

"We try to give more young people a taste of being a butcher in the hope that some may want to become butchers," Liss says.

The shop's customer numbers have increased since the COVID-19 scare as more people appreciate Mark and Liss's artisan skills in producing quality products from premium regional meat.

"We've got food mileage covered – our free-range, grass-fed beef comes from just 5km away. All our meat comes from within a radius of 100km," Mark says.

Another point of difference with supermarkets is Mark's making of organic, chemical-free smallgoods and other preservative-free products for people with allergies.



This photo, from 1918, shows Strathalbyn butcher Bill Blackwell and his son Jack with a model-T Ford. The Blackwell family sold the shop to Geoff Maidment in 1977.

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Hold your horses

Buying a business for the first time is exciting. Apart from house ownership, it is well recognised as being high on the wish list for many Australians.

Most people who find the right business want to sign the contract and settle as soon as possible. They can't wait to get on with it. Understandably so.

Likewise, selling a business is also an exciting time.

Most business owners spend years dealing with a multitude of problems, including issues with government regulators, landlords, employees, financiers, suppliers and customers.

It is therefore unsurprising that when business owners finally decide to sell, they have often had enough and can't sign fast enough.

But this approach can often lead to costly mistakes and lost opportunities that could easily be avoided by going through a checklist and obtaining relevant advice.

Only occasionally is it necessary to act quickly to avoid losing a business opportunity. Generally speaking, there will be no downside to slowing down negotiations and taking advice.

More importantly, whilst you may miss out on the odd deal by taking too long, generally it will pay significant dividends to carefully research the deal and negotiate a better outcome.



Business sale and purchase checklist

Before signing a contract to purchase a business (and even before negotiating a deal), consideration should be given to:

- using a trusted (or paid) mentor
- undertaking an appropriate due diligence exercise - who will do what, at what cost and in what time frame
- does the purchase price include stock, adjustments for employee entitlements and work-in-progress
- **engaging an accountant to:**
 - review the financials of the business
 - advise on the business profitability and its comparison to the industry sector
 - advise on the purchase price
 - obtain TFN (Tax File Number) and ABN (Australian Business Number) for the new business ownership entity
- **engaging a lawyer to:**
 - undertake relevant PPSR and other searches on the vendor, the business, its assets and associated property

- review any contracts that come with the business including a lease of premises
- review the contract to purchase the business
- advise whether vendor restraints of trade are appropriate
- advise on ownership structure pros and cons (sole trader, company, partnership, trust)

- **engaging an insurance broker to:**
 - advise on appropriate insurances for the business
 - review existing insurances

Other considerations are:

- a strategy for dealing with employees that will stay with the business
- obtaining consent to transfer from franchisors, landlords or industry bodies where relevant
- are licences or certifications transferable or will an application process be involved
- is a shareholder, unit holder or partnership agreement desirable and has an exit strategy been considered
- financing the purchase of the business and any related amounts
- transaction costs and amounts needed to finance the first months of the business.

Whether you are buying or selling a business, use a checklist, take advice from mentors and advisors, and take your time to avoid costly mistakes.

Having analysed many hundreds of business sales, it is amazing how much better you can structure outcomes by putting together people with knowhow and giving them some time to think things through.

An advertisement for the law firm BEGER & CO. It features a photograph of two men in business suits sitting at a restaurant table with a white tablecloth, eating a meal. The man on the left is cutting into a piece of meat. The man on the right is smiling. In the background, other diners and restaurant tables are visible. The text "WE LOVE MEAT!" is overlaid in large, white, bold letters at the top of the image. At the bottom of the image, the text "What's your beef?" is written in a red, serif font. To the right of the photograph, there is a black box with white text that reads: "We already act for lots of people in the meat industry. We can help you too. Call Peter Jakobsen or Danny Beger on 8362 6400 for a free, no obligation consultation." Below this text is the BEGER & CO LAWYERS logo, which consists of a stylized 'B' in green and blue followed by the firm's name in white. At the bottom right of the advertisement, the firm's contact information is listed: "213 Payneham Road St Peters SA 5069 Phone: (08) 8362 6400 www.beger.com.au".



Thomas Foods acquires 50% stake in Frew

In a significant development for the meat industry, two huge family companies with strong links to MBL have joined forces to further grow national and global markets.

Thomas Foods International (TFI), Australia's largest 100% family-owned red meat processor, has acquired a 50% stake in Victoria's Frew Group, which has been renamed Frew International.

The new corporate structure took effect from July 1.

TFI has long been an MBL Member while Frew, based at Stawell in western Victoria, has been a key supplier of raw ovine (sheep) material to MBL's Keith proteins plant since 2011.

Frew's business is divided between domestic and export lamb processing, including contract killing for Woolworths and supplying Aldi.

It operates a modern processing facility with daily capacity to process more than 6,000 lambs, sheep and goats, and enjoys expanding exports, mainly to the Middle East.

The merging of TFI and Frew allows two second generation livestock and meat processing sons - Darren Thomas and Robert Frew - to further build on the platforms created by their respective fathers, Chris Thomas and Arch Frew.

TFI's evolution into a global player with annual turnover of more than \$2 billion and exports to 80 countries is well known.

Frew Group was established by the late Arch Frew in 1984, with Robert managing the company since 1999.

Both companies will continue to operate



Robert Frew

independently. Robert has remained as Managing Director of Frew International and Darren, *pictured top*, has joined Frew's Board as Executive Chairman to help guide global growth and future strategy.

Robert says, "It's an exciting partnership that strengthens our companies' high quality 'farmgate to plate' offering for consumers right across the globe."

Darren says the partnership with Frew provides great benefits to both companies over the long term.

"Both companies have had a mutual respect for each other over many years. We are both family owned and family grown which means a lot in our industry, particularly to our customers and livestock suppliers," Darren says.

"For us, it's important to partner with a company that has a similar focus on quality and running a business based on strong family values.

"This investment is not only aimed at

helping facilitate Frew's exciting growth prospects but also enhancing TFI's offering across the meat industry, including some of Frew's existing key markets that TFI has not served in recent years."

Robert says, "The partnership will benefit our company's customer relationships and commitment to service, quality, team and community.

"Our well-established and focused national retail customer relationships and export markets will benefit substantially through combining our increased procurement, supply chain, access to markets and processing volumes.

"Our two companies had already established a great working partnership, with Holco (now owned by TFI) purchasing products from our company over many years."

In an interview with Beef Central, Robert Frew said the partnership with TFI would lift sheep and lamb numbers through the Stawell plant, but would not mean any repurposing for beef processing.

"I'm pretty sure this will remain as a lamb plant. It's a good area for lambs, more so than cattle. They (TFI) buy lambs in this area. It makes sense not to transport them too far, so they will come here," Robert said.

The Stawell plant is currently killing about 4,500 lambs a day four days a week but has

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'It's an exciting partnership that strengthens our high-quality 'farmgate to plate' offering for consumers right across the globe' - Robert Frew

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\$150,000 tax break extended

MBL customers have been given until the end of 2020 to take advantage of the Federal Government's \$150,000 tax break for machinery and other equipment.

Any number of purchases of up to \$150,000 each can be made, and each can be instantly written off this financial year rather than depreciating over a number of years.

The record write-off was intended to end on June 30 but the government announced an extension to December 31, adding the offer would dwindle to just \$1,000 from January 1, 2021.

MBL Machinery Manager Chris Mountford says there was strong demand for machinery in May and June as butchers eyed what was then expected to be a cut-off date of June 30.

"With sales up due to COVID-19, butchers had more cash and were spending money before the end of the financial year," Chris says.

"We struggled with the high demand. We sold out of just about everything and I was placing extra orders with suppliers who were stretched, too.

"Now that the offer has extended to the end of the year, everyone has breathing space but I expect it will get very busy again."

Chris says Members and customers should consult their accountants for specific tax advice.

MBL always delivers competitive prices thanks to our buying power and we have generous 12-month interest free payment terms available for approved applicants.

Members also receive the Co-op's annual rebate.

A FAMILY TRADITION

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"We're very passionate about catering for allergies. Mark and I can't tolerate gluten and there are a lot of people like us," Liss says.

Mark says, "I make a lot of custom-made products for people with autoimmune issues and allergies. These people weren't understood or looked after years ago.

"Rather than ask what they can't tolerate, I usually ask what they can tolerate and go from there with the right herbs and spices.

"I've had people crying in the shop, so happy to be able to eat sausages after not being able to eat them for years."

Liss wants to join Mark as a smallgoods maker and is undergoing formal training, partly in a nod to her family's history.

"We see ourselves as artisan butchers. Artisan products separate us from supermarkets. Smallgoods are important, just like in our Pop's day," she says.

Liss continues a tradition,



Craig Maidment, before his retirement, with Chicken Chippys.

started by Craig 25 years ago, of making Chicken Chippys, or big chicken nuggets, which are available only on Fridays. They always sell out.

"They're something for 'party time' at the end of the week, to munch on with drinks or to have watching the Friday night footy on TV. We cook them and people just heat them," Liss says.

Craig, always inventive, began making them to make use of "pesky" tenderloins left over from making chicken schnitzels of uniform size for pubs. They

quickly became popular.

Liss says, "I inherited the job of making them. It's a big processing operation making 40kg of them weekly, taking the best part of half a morning. People love them and they are our trademark.

"The recipe is the same as always but we now also do a gluten-free version.

"We sell them for \$22kg. It should be a lot more but we do them as something of a community service at the end of the working week."

Thomas buys 50% of Frew

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the capacity to process more than 6,000 lambs, sheep and goats a day, employing about 420 people now, or about 500 at full production, Frew says.

In June, Murray Bridge Council granted TFI approval to build its new processing facility on a greenfield site 10km outside Murray Bridge, after the former abattoir burnt down in January, 2018.

Work has already begun on access roads to the site.

The build will start later this year and will be undertaken in stages, with the first stage being the beef-processing facilities.

The state-of-the-art plant will initially be able to process 11,000 sheep and lambs a day, increasing to up to 14,000 daily. It will include robotic precision cutting equipment, dual energy x-ray and an industry-leading 3D scanner.