

PROCESSED FOOD



Australian Government
Australian Trade Commission





DISCLAIMER

Austrade does not endorse or guarantee the performance or suitability of any introduced party or accept liability for the accuracy or usefulness of any information contained in this Report. Please use commercial discretion to assess the suitability of any business introduction or goods and services offered when assessing your business needs. Austrade does not accept liability for any loss associated with the use of any information and any reliance is entirely at the user's discretion.

©Commonwealth of Australia 2013

This work is copyright. Apart from any use as permitted under the Copyright Act 1968, no part may be reproduced by any process without prior written permission from the Commonwealth, available through the Australian Trade Commission. Requests and inquiries concerning reproduction and rights should be addressed to the Marketing Manager, Austrade, GPO Box 5301, Sydney NSW 2001 or by email to Marketing-Comms-Helpline@austrade.gov.au

Publication date: October 2013



LEADERS IN QUALITY, SAFE AND SUSTAINABLE FOOD

› INTRODUCTION

INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

› BAKERY, CEREALS AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

Australia is a world-leading source of high-quality, safe and innovative processed food, with demonstrable expertise in the supply of quality products to domestic and export markets.

As a major global producer of key commodities such as wheat, barley, sugar, dairy products, beef and sheep meat, Australia provides its food and beverage processors with exceptional security of supply and access to raw materials.

Internationally recognised for producing high-quality processed foods, the Australian industry is export-focused and has considerable experience tailoring products to meet consumer preferences.

Food processors can source quality produce at competitive prices from a large and diverse local agricultural sector and transform it into innovative retail, food service and ingredient items for sale in Australia and across the world.

Australia is well positioned to meet Asia's rapidly growing demand for protein-based processed food products and the capacity to increase production to meet market demand. Australian products have high safety and quality standards, driven by the country's robust regulatory, governance and compliance frameworks.

This industry capability statement provides an overview of Australian capability in processed food manufacturing, including examples of some of the many Australian companies with specialist expertise.

This document focuses on three segments within Australia's processed food manufacturing industry:

- 1. Bakery, cereals and confectionery**
- 2. Dairy**
- 3. Specialty products**

These categories represent many of Australia's elaborately and substantially transformed products within Australia's food and beverage manufacturing industry.

This document does not include Australia's minimally transformed agri-food items, such as grain crops, livestock and fresh seafood.

Talk to your local Austrade representative for more tailored advice and information about connecting and partnering with the Australian processed food manufacturing industry.



INTRODUCTION

› INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

FURTHER INFORMATION

Australia has a significant global presence in the meat, dairy, beverages and cereal markets.

Food is a core business for Australia. It is a major global exporter of food products such as wheat, sugar, barley, beef and sheep meat, dairy and wine.^{1,2}

Australia's processed food and beverage industry is located primarily along the eastern seaboard, where producers and investors can take advantage of a range of soil and climate types.

Over 80 per cent of production and exports come out of the eastern states of Victoria, New South Wales and Queensland.^{1,3}

Most food manufacturing occurs in the urban centres of Sydney (New South Wales), Melbourne (Victoria), and Brisbane (Queensland).^{1,3}

Food manufacturers and processors also maintain a strong presence in Australia's many regional centres. These are often located close to agricultural food inputs.

Farm and food production is sustained by over 100 000 growers, capable of ensuring a constant and reliable supply of raw materials.⁴

Australian food producers and processors are recognised globally for the innovative and reliable production of high-quality 'clean and green' processed food and agricultural products, services and technology.



INTRODUCTION

> INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

FURTHER INFORMATION

Governments and suppliers in Australia understand the importance of food security to the social and political stability of the region. All sections of the Australian food and agriculture industry play a role in safeguarding the food supply: government agencies, farmers, transporters, processors and manufacturers, storage personnel and retailers.

Australian food processors excel in applying the latest food technologies and manufacturing processes to create innovative products tailored to regional markets, functional requirements and emerging consumer preferences.

PACKAGING

The Australian processed food and beverage industry is supported by a world-class packaging and logistics network.

From two-gram sachets to shelf-stable sterilised retort pouch packaging, the local packaging industry is well-developed and highly innovative.

LOGISTICS

Integrated air and sea freight services operate regularly out of several major Australian ports. These incorporate the latest technology, such as radio-frequency data loggers and automated materials handling equipment, ensuring timely shipments and cold-chain integrity.

RETAIL ITEMS

From nutritional infant formulas to organic breakfast cereals and fresh extended shelf-life milk, Australian processed food and beverages are in demand all around the world.

Japan continues to be Australia's biggest export market, followed by the United States, New Zealand, the Republic of Korea, China and the United Kingdom.^{1,2}

Australian food and beverage manufacturers produce global branded products, including many organic, gluten-free, functional and other niche product items.

Global brands include Devondale dairy products, Penfolds wines, Sunrice rice, Capilano honey, Gloria Jeans coffee, Safcol canned tuna and Foster's beer. Speciality products include gourmet and organic foods.

FOOD INGREDIENT ITEMS

Food ingredients make up a large portion of Australia's processed food and beverage exports.

Australian ingredients are used in many food and beverage manufacturing industries around the world. As well as offering private label manufacturing services, Australia is also a major provider of portion-controlled meals, desserts and other tailored catering solutions for the international hotel, restaurant and catering (HORECA) industry.

Global competition ensures Australian processed food manufacturers focus on customer needs and consumer solutions when tailoring their product offerings. This focus extends to exported products.

INTRODUCTION

› INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

FURTHER INFORMATION

Examples of food ingredient items created specifically for export markets include:

- frozen doughs and speciality bakery mixes for 'window bakeries' and coffee houses in Taiwan
- high 'free fat' content blended milk powders for Japanese chocolate manufacturers
- milk proteins for US nutritional snack foods and supplements
- extra-stretchy cheese toppings for use in Korean pizza franchises.

KEY FACTS – FOOD AND BEVERAGE MANUFACTURING

Industry turnover – A\$92b (approx.)^{5*}

Second only to the mining industry in size

Exports – A\$18b (approx.)^{2**}

A\$30.5bn incl. agricultural food exports

Employees – 240,000 (approx.)^{5*}

Australia's largest manufacturing employer

Manufacturers – 5,111 registered facilities

26% of total manufacturing^{1**}

Top five export markets^{1**}



* 2011-12

** 2010-11

INTRODUCTION

> INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

- > BAKERY, CEREALS AND CONFECTIONERY
- > DAIRY
- > SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

- > BAKERY, CEREALS AND CONFECTIONERY
- > DAIRY
- > SPECIALTY PRODUCTS

FURTHER INFORMATION

AUSTRALIAN PROCESSED FOOD SEGMENTS - TURNOVER AND EXPORT 2010 - 2011¹

Industry sub-sector	Revenue A\$bn	Exports A\$bn	Exports - % of revenue
Meat processing	13.0	6.83	53
Other processed foods (tea, coffee, soup, sauces, prepared meals etc.)	8.4	0.51	6
Wine manufacturing	7.0	1.92	28
Poultry processing	6.6	0.11	2
Fruit and vegetable processing	5.2	0.63	12
Beer and malt manufacturing	5.1	0.46	9
Cheese manufacturing	4.2	1.34	32
Prepared animal and bird feed manufacturing	3.8	0.80	21
Soft drink manufacturing	3.4	0.03	1
Bacon, ham and smallgoods manufacturing	3.4	0.02	1
Cereal food and bakery mix manufacturing	3.1	0.42	14
Chocolate and confectionery manufacturing	3.1	0.36	12
Milk powder manufacturing	3.0	0.96	31
Snack food manufacturing	2.9	0.22	8
Bread manufacturing	2.8	0.01	1
Butter, whey, condensed milk, yoghurt processing	2.7	0.66	24
Flour and starch manufacturing	2.6	0.37	14
Cooking oil and margarine manufacturing	2.4	0.32	13
Fruit juice manufacturing	1.9	0.03	1
Sugar manufacturing	1.7	1.53	92
Milk and cream processing	7.4	0.13	8
Cake and pastry manufacturing	1.6	0	0
Seafood processing	1.4	0.34	25
Biscuit manufacturing	1.34	0.14	10
Ice cream manufacturing	0.50	0.05	9
TOTAL	92.8	18.19	

INTRODUCTION

INDUSTRY OVERVIEW

› INDUSTRY STRENGTHS

› BAKERY, CEREALS AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

BAKERY, CEREALS AND CONFECTIONERY

Australia is a major producer and exporter of high-quality, safe and cost-effective products, including bakery, cereals, flours and confectionery items.

Goods in this segment represent approximately 20 per cent of Australia's total processed food production by value.²

Manufacturing occurs around Australia and is conducted by foreign-owned subsidiaries, small to medium sized enterprises (SMEs), contract blenders, franchise operations and niche operators.

Manufacturers produce high-quality products for use in the hotel, restaurant and catering (HORECA), food manufacturing and retail industries.

The Australian bakery, cereals and confectionary industry is responsive to trends such as gluten-free, organic, salt-reduced and fat-reduced functional and convenience foods and has considerable expertise in the production and export of these products.

Australian food processing facilities provide a range of private-label manufacturing services for companies wishing to create their own brands and specifications.

Hotel, restaurant and catering food (HORECA) ingredients

- Australian manufacturers supply bakery, cereal, confectionery manufacturers, restaurant chains and in-store bakery franchises with the following products:
- specialty flours and bread mixes (such as organic, high protein, low GI, gluten-free, spelt)
- cereal and rice flour blends
- cake mixes (including cheesecake mix for in-store and franchise bakeries)
- bakery mixes (such as doughnut blends, sweet and savoury bun mix, tempura batters, mooncake mix, pizza blends, focaccia mix, waffle mix)
- bulk chocolate (for panned, polished, deposited chocolate items, chocolate toppings)
- yoghurt powders

- cream powders
- cereal mixes (for snackbars, breakfast cereals, mueslis and trailmix)
- cookie dough
- laminated frozen pastry
- frozen dough
- bakery improvers and yeasts.

These items can be supplied chilled, frozen and in dry shelf-stable format.

Australian manufacturers use a range of innovative packaging methods to ensure product quality, food safety and convenience.

INTRODUCTION

INDUSTRY OVERVIEW

› **INDUSTRY STRENGTHS**

› **BAKERY, CEREALS
AND CONFECTIONERY**

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND
CAPABILITIES

› **BAKERY, CEREALS
AND CONFECTIONERY**

› DAIRY

› SPECIALTY PRODUCTS

FURTHER
INFORMATION

Retail items

Australia has a mature retail market for branded cakes, pastries, bread, bakery mixes, cereals, biscuits and confectionery.

Two to three major multinational manufacturers dominate retail sales across most categories, with smaller players gaining market share in niche segments that cater to growing consumer demand for nutritious, organic, convenient, functional and locally produced items.

The global growth in private-label store branding continues to drive exports and manufacturing in this sector. Most manufacturers offer contract private-label manufacturing services in addition to producing their own branded items.

Retail store and generic-branded bakery, cereal and confectionery items in Asia and the Middle East are increasingly being produced in Australian food processing facilities.

As well as the more traditional supermarket range of packaged cereals, frozen cakes and pastry, cake mixes, sweet and savoury biscuits, chocolate and sugar confectionery, Australian manufacturers offer a range of new and innovative items such as:

- gluten-free cakes, pastas and cereals
- baked savoury rice snacks
- organic bakery mixes and cereals
- nutritional portion-controlled baked and cereal snacks for children
- sugar and dairy-free confectionery
- new confectionery lines for in-store pick 'n' mix bars
- nutritional meal-replacement bars
- designer cupcake-baking mixes
- sports nutrition bars.



Laucke continues its rise

Case study: bakery

In an industry now dominated by corporate giants, Laucke Flour Mills is the last of the original family-owned flour millers of Australia. The third and fourth generations of the Laucke family continue to work in the business.

Laucke Flour Mills provides specialty flours and mixes for the food industry and home bakers through the milling of wheat, rye, spelt and triticale. It has a special focus

on certified organic and artisan flours and the unique properties of individual grain varieties.

In response to the re-emergence of home cooking, Laucke has introduced a range of bake-at-home mixes including ciabatta, scone, flatbread, pizza and focaccia.

Increasing gluten intolerance is also catered for by Laucke's market leading gluten-free mixes.

Certified for organic production by The National Association for Sustainable Agriculture, Australia (NASAA) and the International Federation of Organic Agriculture Movements (IFOAM), Laucke products meets Australian and EU standards.

Laucke artisan products are available in markets including Great Britain, New Zealand, Korea, China, Hong Kong and Singapore.



Go Natural finds its sweet spot

Case study: confectionery and snack foods

Go Natural is an Australian-owned family business, with a manufacturing base in Melbourne, Victoria.

The company sells into the healthy snack food and confectionery sector, both in Australia and in countries around the world.

Products contain whole natural ingredients that are minimally processed so that taste and nutritional value is maintained. Ingredients such as almonds, macadamias, peanuts and honey are sourced from Australian producers.

The Go Natural range includes natural indulgence, savoury and shared consumption products. The recently released Hi Protein performance snack range is designed for use by participants in endurance sports.

Go Natural is the leading grocery and convenience brand by market share for healthy snack bars in Australia. Their products are distributed through major and independent supermarkets, as well as convenience stores, health food stores, pharmacies, airlines and vending machines.

Go Natural now exports to various countries throughout Asia, the Middle East as well as the United States.



Borgcraft moves from family business to household name

Case study: pastry

Australian company Borgcraft was established in 1960 as a family business manufacturing specialised, gourmet, Mediterranean-style, filled pasties known as 'pastizzis.'

Today the company operates from a custom-built factory with state-of-the-art facilities and skilled master bakers and craftspeople producing 200 million high-end appetisers, desserts and pastries each year.

In recent years Borgcraft has diversified and launched a new range of Borg's Country Style Pastry Sheets, plus a savoury finger foods range. The range focuses on home-made appearance and appeal, healthy eating and value for money.

Borgcraft products have been developed for retail supermarkets and food service divisions of catering companies. Borgcraft is the brand owner of the Borg's and

Bonavita product range as well as house-branded products for major Australian supermarket chains and specialised contract-manufactured products. Continued expansion now sees Borgcraft products sold throughout Asia and the Middle East, in sites including retail chains, bakery franchises and airline catering kitchens

Carman's products earn a place on the top shelf

Case study: cereals and snackfoods

The 20-year 'overnight success' story of Carman's Fine Foods began in 1992 when 18-year-old university student Carolyn Creswell and workmate Manya van Aken, both working part-time in a tiny Melbourne muesli-making business, bought the company from its owners for \$2000. They renamed it Carman's – an amalgam of their first names. Creswell bought out van Aken in 1994 and has built Carman's Fine Foods into a nationally known brand, with revenue of A\$50 million and exports to 32 countries in 2012.



In addition to 20 people at the head office and warehouse in Melbourne's south-east, Carman's indirectly employs 110 people through six contract manufacturers to produce its 30 product lines. All products and packaging are designed in-house and Carman's specifies the raw ingredient suppliers, monitors the quality of the ingredients as they arrive and oversees production processes.

Airlines have been a key part of Carman's marketing strategy – both Qantas and Virgin provide Carman's products as on-board snacks. Company research shows

that 7 per cent of Carman's customers buy the products because they've tried them on airlines.

In the supermarket setting, 'private label is one of the best things that's ever happened to our business,' says Creswell. By positioning Carman's as a premium product, the brand has obtained top-shelf space as supermarket chains reduce product variety to make way for their own private labels. With Australia's two supermarket giants Coles and Woolworths accounting for 75 per cent of Carman's sales, Carman's success as a preferred premium brand looks set to continue.

INTRODUCTION

INDUSTRY OVERVIEW

› INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

DAIRY

Australia has a diverse dairy manufacturing sector and is the world's fourth largest exporter of processed dairy products.

The dairy industry is Australia's third largest agricultural food industry, with farmgate value of production valued at A\$4 billion, and exports valued at A\$2.76 billion in 2012.⁶

Australian dairy cows currently produce just under 10 billion litres of fresh milk each year, of which 75 per cent is processed into approximately one million tonnes of manufactured dairy products. Over 60 per cent of these products are exported.⁶

Dairying is well-established across a number of regions in Australia. Manufacturing of value-added longer shelf-life products, such as cheese and specialised milk powders, is concentrated in the south-east region of the country.

In recent years Australia's raw milk production at the farm level has plateaued. As a result, investment has shifted from production capacity to research and development and product development.

Twenty years of investment in larger state-of-the-art spray driers, cheese making facilities, protein-extraction equipment and blending plants has placed Australia at the forefront of tailor-made manufactured dairy products.

Exports by region (tonnes) 2011-2012	Liquid milk	Whole milk powder	Skim milk	Whey powder/ WPC	Butter/ AMF	Cheese	Other dairy	Total
Asia	75,212	68,067	111,486	33,897	25,258	140,276	22,349	476,545
Middle East		31,619	23,529		7,259	10,442		72,849
Africa	732	4,629	2,083		2,860	3,422		13,726
Pacific	10,732	1,617	2,612		892	2,590		18,443
Americas		9,782	889		3,172	2,072	7,152	23,067
Europe		429	810	1,793	6,510	2,221	1,132	12,895
Not specified	1,238			6,181			6,908	14,327
Total exports	87,914	116,143	141,409	41,871	45,951	161,023	37,541	631,852

INTRODUCTION

INDUSTRY OVERVIEW

› INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

The Australian dairy manufacturing sector is diverse and includes farmer-owned cooperatives, public, private and multinational companies.

Farmer-owned cooperatives account for 33 per cent of Australia's milk production. The largest cooperative is Murray Goulburn, which accounts for over 30 per cent of national milk output.⁵

Publicly listed companies include Warrnambool Cheese and Butter and Bega Cheese Limited, while Regal Cream (Bulla Dairy Foods), Burra Foods and Longwarry Food Park are privately owned.

Large multinational dairy companies have operated in the Australia for many years and include Fonterra (New Zealand), Kirin (Japan) and Lactalis (France).

Hotel, restaurant and catering (HORECA) food ingredients

Australia is an established supplier of milk powder and cheese to markets such as Japan and Korea.

To remain competitive in the global dairy trade, Australia has spent 20 years investing in the development of a wide range of 'functional' dairy ingredients and innovative new products.

From the early days of blending sugar with skim milk powder to reduce skim milk powder tariffs, to blending whey powder with skim milk powder to reduce production costs for confectionery manufacturers, Australian dairy processors have become world leaders in the manufacture of dairy protein isolates for nutraceutical and pharmaceutical applications.

Australian dairy proteins are providing benefits to consumers around the globe. Users of Australian products and services range from bodybuilders seeking specialised protein products, to aged care patients requiring assistance with ensuring adequate protein intake.

Food manufacturers look to their dairy suppliers to assist with ingredients that not only lower manufacturing costs, but

also provide optimal texture, mouth-feel, flavour, consistency, shelf-stability and production machinability.

Australian dairy technology expertise and investment in state-of-the-art processing equipment helps drive innovation in Australian dairy ingredients. Some examples of Australian innovation are:

- milk powders designed to provide a 'caramelised' flavour for chocolate
- 'high-temperature' milk powders for stable application in heated products such as Japanese canned coffee
- 'plasticised' butter for consistent machinability and handling in the production of cakes and pastries
- low-oil and extra-stretch pizza cheese with a whiter colour for American-style pizza applications
- non-hygroscopic skim/whey powder blends for consistent application in drinking yoghurts.

Retail items

Twenty years ago, Australian processed dairy exports were confined to a small range of butter, instant skim and whole milk powders, canned condensed milk, and some camembert and brie cheeses.

Today, the Australian product range extends to cream cheese, pizza cheese and cheddar cheese for home consumption, nutritional infant formulas and a wide range of Australian yoghurts (including drinking yoghurt, probiotic

yoghurts and children's dairy-based snacks), premium ice cream, and increasingly, fresh and long-life liquid milk.

Australian dairy exports at the retail level have been relatively consistent in recent years. However, there has been considerable change in the type of products exported. These reflect changes in consumption trends, including increasing demand for convenient, nutritious snacks.

New products include:

- infant formulas fortified with whey proteins that replicate breast-milk
- calcium-enriched dairy snacks
- shelf-stable yoghurt drinks for children's snacks
- flavoured milks
- organic milk
- butter blends
- wide range of soft/cream cheeses available in ion-controlled packaging.

Most processors offer manufacturing services for private-label brands.

Australia's distribution chain is enhanced by its efficient seaports and airports, world-class capability in refrigerated transport, and ready supply of a range of blast frozen, chilled, UHT and other shelf-stable packaging.



Tatura Milk Industries

Case study: dairy

Tatura Milk Industries (TMI) has been producing quality dairy products for the global market for more than 100 years.

Approximately 80 000 tonnes is produced per annum, of which 70 per cent is exported to Asian and European markets.

TMI has invested in technology, expertise and partnerships to transition from dairy commodities into value-added dairy products. New products include

cream cheese, life-stage dairy nutritional products, bioactive milk isolates and fresh dairy ingredients.

TMI Life Stage Nutritional Powder formulations are one of the company's successful innovative retail products. TMI is now the largest Australian-owned infant formula manufacturer and offers private label manufacturing services to premium brand owners in Australia and across Asia.

TMI has the scale and ability to deliver to unique and diverse customer requirements, and products can also be certified organic, halal, or kosher.



INTRODUCTION

INDUSTRY OVERVIEW

› INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› **SPECIALTY PRODUCTS**

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

SPECIALTY PRODUCTS

Australia has expertise in the production of specialty food products for the retail, bulk catering and ingredient channels.

This segment falls outside the broader commodity classifications of meat, dairy, seafood, grains, sugar, horticulture and wine. It includes processed food items referred to as the 'Other Not Elsewhere Classified (NEC)' combined segment in food industry manufacturing and export (HS) classification codes.

With an industry value of over A\$8 billion and exports of A\$500 million, products in this category represent the majority of Australia's truly 'processed' food products with a high value-add. This is also reflected in the fact that it is second only to the huge meat processing segment in providing manufacturing employment to 20 000 Australians.

The majority of products within this segment include prepared (ready) meals, frozen/chilled meals and desserts, corn/grain/potato based snack foods, powdered and liquid soups, seasonings, sauces (including coatings, batters, spices and yeast), non-dairy based protein supplements (largely soy protein), coffee and tea.

Speciality foods are produced in Australia by a range of manufacturers, from large multinationals through to family-owned niche operators.

Manufacturing facilities can be found in most Australian states including organisations that produce some of Australia's best known branded food items.

Food items are manufactured on world-class equipment to meet strict international quality standards.

Australian food manufacturers can provide a range of cost-competitive, high-quality processed specialty food items to meet customer requirements from around the globe.

INTRODUCTION

INDUSTRY OVERVIEW

› INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

Australia has particular expertise in specialty processed foods that meet the following requirements:

- flavour (foods designed to meet European, Mediterranean and Asian tastes)
- convenience (heat/thaw portion designs, ready-to-eat serves, safe/innovative packaging designs)

- nutritional benefits (salt/fat/sugar reduced, fortified foods, organic, gluten-free, natural ingredients)

- functionality (including processing functionality and probiotics/prebiotics).



INTRODUCTION

INDUSTRY OVERVIEW

› INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

Hotel, restaurant, catering (HORECA) and food ingredient items

Australian ready meals provide convenience, variety and outstanding flavour to HORECA customers.

With strong ethnic European and Asian influences in Australian recipes, our ready meals range from Asian yum cha style delicacies to English style pub fare and Italian desserts.

These influences are also reflected in the range of sauces, seasonings, spices and coatings available. Speciality processed food ingredients include Japanese tempura batters for restaurants and teriyaki and Moroccan meat seasonings for in-store butchers.

Nutritional and functional benefits can be found in a range of Australian processed foods for HORECA customers.

Consumers are increasingly health and weight conscious and looking for food products to support their choices. Australia's processed food industry provides a range of products and ingredients suitable for cardiovascular health, oral care or weight management.

Examples include Australian ready meals and desserts with boosted calcium recipes for bone health, high protein soups, meals and desserts to cater for health issues in the elderly such as dysphagia (difficulty in swallowing).

Soy protein isolate, an extract of soya beans is often used in many of the functional meals mentioned above. It is also available as a bulk ingredient, used largely as a low-cost alternative to egg, milk and whey proteins when used in nutritional and sports performance food and beverages.

Australia uses the latest extraction technology to provide quality soy protein powders to many global end users including manufacturers of body building supplements, protein bars and weight loss meal replacers.

Ingredients such as soy protein isolate, flavoured seasonings, coatings and other powders manufactured in Australian food processing facilities offer further processing benefits.

These ingredients have been spray dried using the latest technology and are non-hygroscopic, hi-mesh powders, therefore providing easy 'wettability' and no clumping when reconstituted.

Packaging

Portion-controlled packaging caters to HORECA organisations from nursing homes to hotel kitchens.

Australian manufacturers have expertise in the latest 'cook/chill' and 'sous-vide' food preparation technology, which preserves flavours, textures and functionality.

Snap-frozen meals and microwave-ready pouches are two of the many packaging options available to the HORECA customer. Australian manufacturers can also provide portion sizes to match end-user dietary requirements or cost-per-serve calculations.

Innovative shelf-stable retort pouch packaging also provides the added convenience of shelf-stability for ready-to-serve meals such as lamb shanks and other meat-based meals for use in hotels, clubs and restaurants.



Retail items

Most international customers would recognise the many big name brands manufactured and exported from Australian facilities.

Neighbouring markets in Asia and the Middle East enjoy Lipton teas, Nestle coffees, McCain's frozen pizzas, Heinz soups and sauces, Cerebos' gravies and Smith's snack foods.

However, many new innovative Australian offerings, particularly in the range of ready-to-eat soups, snack foods, meals and desserts, are changing the product offerings in supermarket and convenience stores in Australia and overseas.

From the traditional frozen Italian-style pasta meals to new 'add-meat' sauces in shelf-stable retort pouches, options now include pad thai curries and Vietnamese lemongrass chicken varieties.

Halal certified, Kosher certified, gluten free, vegetarian, certified organic, protein enriched and dairy free items have been on the menu of Australian processed foods for many years and therefore are offered across a number of product categories as standard.

The growing demand for nutritious snack foods for children is supported by a range of healthy corn, rice, wheat and potato-based snacks that are low in salt and high on flavour. Organic chips and innovative flavours such as beetroot and sweet potato complement traditional lines such as cheese-flavoured extruded snacks.



Beerenberg

Case study: sweet condiments

Beerenberg is a jam, sauce and condiment manufacturer from Hahndorf, South Australia.

Beerenberg jams, sauces, chutneys, pickles, jellies, mustards and dressings have been manufactured on the farm since 1970 and have been exported to 24 different countries.

Popular markets are Singapore, Malaysia, Indonesia, China, Japan, Fiji and Thailand. Beerenberg also exports to India, the Philippines, Papua New Guinea, Vietnam and Cambodia.

Fruit for products is selected from Beerenberg's family-owned Australian strawberry farm to ensure the best freshness, flavour and colour.

Over 60 different recipes are manufactured into seven packaging formats, ranging from 14g to 1000kg. Products are sold to national supermarkets chains, independent supermarket chains, hotels, airlines, industrial customers internationally.

All Beerenberg hand-crafted products are cooked on the farm in open steam kettles, with no artificial ingredients. Nothing artificial is added to Beerenberg products.

The brand is respected internationally. The family have been farming the property since 1839 and continue to produce an artisan product while adhering to the internationally recognised HACCP food safety system to control processes, materials, staff and training



Cerebos

Case study: sauces, gravies, desserts

Cerebos is a successful and innovative sauce, spice and coffee manufacturing organisation supplying the retail and food service and hospitality market segments.

The company produces brands that have been part of people's lives in Australia for more than 50 years.

In Australia, Cerebos' market-leading retail brands include Saxa salt and Gravox gravies and finishing sauces. Fountain is also a dominant retail brand with table sauces, variety sauces and marinades.

Tandaco is a leading cooking aids brand, whilst Foster Clarke custards are very well represented across Australian households.

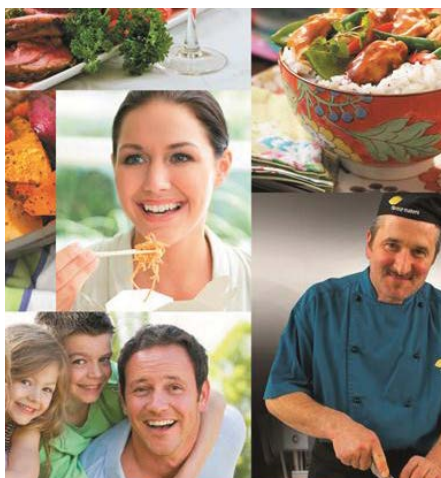
Cerebos is also a leading supplier across the food service and hospitality sectors. Its Mocopan and Bruno Rossi fresh coffee brands are well-known and Cerebos is the exclusive supplier to Australia's and New Zealand's largest QSR (quick service retail) chain.

Cerebos Australia has been a signatory to the National Packaging Covenant since 2000 and has minimised its environmental impact arising through a range of initiatives such as the reduction in the

disposal of used packaging, conservation of resources through improved production processes and the re-use and recycling of packaging materials.

High-quality ingredients and an innovative approach to bringing new products to market are keeping the company strong.

Cerebos Australia is actively engaged in export, with long term supply arrangements to many of the Pacific Islands, Papua New Guinea, Singapore, Malaysia, Brunei, Japan, South Korea, China and Middle East.



Flavour Makers

Case study: ready meals

Flavour Makers is a young and innovative processed food manufacturer.

With humble beginnings providing authentic Italian seasonings to in-store butchers, this company has grown rapidly to be a market leader in simmer sauces, spices, gravies, coatings, glazes, pre-mixes and a range of blends for retail, foodservice and food processing applications.

Flavour Makers set its sights on providing consumers with authentic, home-made, natural flavours and recipes, delivered with a high level of convenience to both retail and industrial customers alike.

The company is now Australia's leading Indian simmer sauce manufacturer and was recently crowned Woolworth's supplier of the year 2008 in the Private Label category.

Having made inroads into Asia, the US and the UK in recent years, flavours and recipes produced by Flavour Makers' Melbourne and Brisbane facilities are now enjoyed in homes and restaurants across the globe.

INTRODUCTION

INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

› COMPANIES AND CAPABILITIES

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

FURTHER INFORMATION

The following tables provide some examples of companies and their capabilities.

Contact your local Austrade representative for assistance with connecting with the Australian businesses that best suit your requirements.

austrade.gov.au

Bakery, cereals and confectionery – Company name

	Breads, flours and bread mixes		Cereal mixes and rice flours		Bread crumbs		Cake mixes		Bakery mixes	
	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS
AB Mauri (Cereform) (formerly George Weston Ingredients)		●		●				●		●
Allied Mills		●				●		●		●
Australian Bakels		●				●		●		●
Ballantyne Foods										
Bellis Fruit Bars										
Borgcraft Bakeries										
Carman's Kitchen										
Chocolate Grove										
Custom Choc										
Freedom Foods										
Go Natural										
Goodman Fielder (Bunge/Defiance)	●	●					●	●	●	●
Greens Foods			●				●		●	
Kerry Pinnacle Aust.		●		●			●			●
Laucke Flour Mills	●	●		●			●	●	●	●
Lewis Confectionery										
Mid-West Milling	●	●	●	●			●	●	●	●
Naturally Good Products							●		●	
Nestle Australia										
Popina Foods			●	●					●	●
Sanitarium Health Food Co.										
San Remo Macaroni										
Sun Health Foods										

R = Retail I/FS = Ingredient/Food Service

**Bakery, cereals and confectionery –
Company name**

	<i>Bulk chocolate couverture</i>		<i>Cream powder</i>		<i>Frozen dough</i>		<i>Frozen laminated pastry</i>		<i>Bakery improvers/yeasts</i>		<i>Sweet biscuits</i>		<i>Savoury biscuits incl. crackers and baked snacks</i>		<i>Chocolate items</i>		<i>Sugar confectionery</i>		<i>Breakfast cereals</i>		<i>Frozen cakes incl. cheesecake</i>		<i>Pasta</i>		<i>Contract manufacturing</i>	
	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS
AB Mauri (Cereform) (formerly George Weston Ingredients)																										
Allied Mills																										
Australian Bakels																										
Ballantyne Foods																										
Bellis Fruit Bars																										
Borgcraft Bakeries																										
Carman's Kitchen																										
Chocolate Grove																										
Custom Choc																										
Freedom Foods																										
Go Natural																										
Goodman Fielder (Bunge/Defiance)																										
Greens Foods																										
Kerry Pinnacle Aust.																										
Laucke Flour Mills																										
Lewis Confectionery																										
Mid-West Milling																										
Naturally Good Products																										
Nestle Australia																										
Popina Foods																										
Sanitarium Health Food Co.																										
San Remo Macaroni																										
Sun Health Foods																										

R = Retail **I/FS** = Ingredient/Food Service

INTRODUCTION

INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› OTHER PROCESSED
FOOD NOT ELSEWHERE
CLASSIFIED (NEC)

› COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

Dairy – Company name

	Full cream milk powder		Skim milk powder		Buttermilk powder		Whey powder		Whey protein concentrate (WPC 80%)		Whey protein isolate (WPI 90%)		Skim/whey powder blends		Yoghurt powder		Tailored milk powders and blends		Milk protein concentrates and caseinates		Butter incl. canned	
	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS
Alba Cheese																						
Ballantynes																						
Burra Foods																						
Chobani Dairy Foods																						
Fonterra Australia																						
Harvey Fresh																						
Intermix																						
Lemnos Foods																						
Lion Dairy & Drinks																						
Longwarry Food park																						
Marsh's Dairy																						
Moondarra																						
Murray Goulburn Co-Op																						
Nestle Australia																						
Norco Dairy																						
Organic Dairy Farmers																						
Parmalat Australia																						
Regal Cream																						
Tamar Valley Dairy																						
Tatura Milk/Bega																						
Warrnambool Cheese & Butter Co.																						

R = Retail I/FS = Ingredient/Food Service

**Dairy –
Company name**

Dairy – Company name	Butter blends		Lactose		Cheddar cheese incl. slices		Mozzarella cheese incl. slices		Pizza cheese blends		Camembert, Brie and Blue cheeses		Cream cheese	Other cheese	Cheese powder	Cream incl. frozen cream	Cream powder	Condensed milk	UHT milk/ESL	Fresh milk incl. flavoured	Yoghurt	Icecream	Dairy desserts incl. fromage frais	Infant formula	Contract manufacturing		
	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	
Alba Cheese					●	●	●	●	●	●																	
Ballantynes															●		●								●	●	
Burra Foods													●			●	●					●					
Chobani Dairy Foods																					●						
Fonterra Australia	●			●	●	●	●	●	●	●		●	●			●	●	●	●		●	●			●		
Harvey Fresh																●		●	●								
Intermix																								●		●	
Lemnos Foods					●			●			●	●	●	●					●	●		●	●				
Lion Dairy & Drinks	●				●	●					●	●				●			●		●	●			●		
Longwarry Food park												●						●	●	●	●				●	●	
Marsh's Dairy					●	●																					
Moondarra											●	●	●	●											●		
Murray Goulburn Co-Op	●			●	●	●	●	●	●	●		●	●			●		●	●						●		
Nestle Australia																		●	●					●			
Norco Dairy					●	●														●	●	●	●		●	●	
Organic Dairy Farmers					●		●												●								
Parmalat Australia																●			●	●	●	●		●	●		
Regal Cream																					●	●	●	●		●	●
Tamar Valley Dairy																					●	●					
Tatura Milk/Bega					●	●	●	●	●	●		●	●			●		●						●	●	●	●
Warrnambool Cheese & Butter Co.	●				●	●											●		●							●	

R = Retail **I/FS** = Ingredient/Food Service

INTRODUCTION

INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

› COMPANIES AND CAPABILITIES

› BAKERY, CEREALS
AND CONFECTIONERY

› DAIRY

› SPECIALTY PRODUCTS

FURTHER INFORMATION

Specialty products – Company name

	Soups		Savoury snack foods		Ready meals incl. frozen, canned, retort		Prepared desserts		Sauces, seasonings		Functional food ingredients		Extruded snackfoods		Tea and coffee		Nutritional supplements		Milk replacers		Contract manufacturing	
	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS	R	I/FS
Beak & Johnston																						
Cerebos Foods																						
Chef's Pantry																						
Colonial Farm																						
Exquisite																						
Flavour Makers																						
Kerry Ingredients																						
HJ Heinz Australia																						
Kooka Bros																						
Musashi (Nestle)																						
Nestle Australia																						
Passage Foods																						
Prepared Foods Australia																						
Steric																						
Snack Brands Australia																						
Vesco																						
Ward McKenzie																						
Yarra Valley Snackfoods																						

R = Retail I/FS = Ingredient/Food Service



Nutrition Facts

Serving Size 1/2

INTRODUCTION

INDUSTRY OVERVIEW

INDUSTRY STRENGTHS

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › SPECIALTY PRODUCTS

COMPANIES AND CAPABILITIES

- › BAKERY, CEREALS AND CONFECTIONERY
- › DAIRY
- › OTHER PROCESSED FOOD NOT ELSEWHERE CLASSIFIED (NEC)

› FURTHER INFORMATION

The following organisations are some of the government and industry bodies involved in the Australian processed food manufacturing industry.

Contact your local Austrade representative about connecting and partnering with the Australian processed food manufacturing industry.

GOVERNMENT AND INDUSTRY ASSOCIATIONS

Department of Agriculture develops and implements policies and programs that ensure Australia's agricultural, fisheries, food and forestry industries remain competitive, profitable and sustainable. Online resources include detailed publications and statistics on Australia's major food segments. daff.gov.au

Dairy Australia is the national services body for the dairy industry. Dairy Australia helps farmers adapt to a changing operating environment, and works to achieve a profitable, sustainable dairy industry.

Online resources include detailed annual production and export statistics for all manufactured dairy product categories including milk powders, butter, cheese and UHT milk. dairyaustralia.com.au

Australian Food and Grocery Council is the leading national organisation representing Australia's food, drink and grocery manufacturing industry. AFGC policies span areas including health and nutrition, industry affairs, sustainability and regulation and government. Online resources include information on Australian definitions and food issues such as functional foods, organic foods, Australian food standards and classification codes, labelling and food safety. afgc.org.au

Australian Industry delivers confectionery advocacy, news and information and help with technical matters, in addition to core services in training, legal services, workplace relations, sustainability, trade and export, OHS, and business development. The AI Group maintains the Australian Confectionery Industry Directory, available free on request and a good resource for information on new products and detailed manufacturer information. aigroup.com.au/industrysectors/confectionery

REFERENCES

1. Department of Industry, Innovation, Science, Research and Tertiary Education 2012. Food Processing Industry Strategy Group Final Report.
2. DAFF 2013. Australian food statistics 2011–12, Department of Agriculture, Fisheries and Forestry, Canberra. daff.gov.au
3. Australian Food and Grocery Council State of the Industry 2012. afgc.org.au
4. Australian Bureau of Statistics. 7106.0 - Australian Farming in Brief, 2013. abs.gov.au
5. Australian Bureau of Statistics. 8155.0 Australian Industry, 2011-12 abs.gov.au
6. Dairy Australia. Australian Dairy Industry in Focus 2012. dairyaustralia.com.au



The Australian Trade Commission – Austrade – is the Australian Government’s trade, investment and education promotion agency.

Through a global network of offices, Austrade assists Australian companies to grow their international business, attracts productive foreign direct investment into Australia and promotes Australia’s education sector internationally.

Austrade helps companies around the world to source Australian goods and services. We can help you reduce the time, risk and cost involved in sourcing suppliers by:

- helping you identify and contact Australian suppliers
- providing insight on Australian capabilities
- alerting you to the latest products and services out of Australia to help you grow your business.

Austrade partners the strengths of Australian businesses with the needs of international markets. We can open the door to a world of opportunities for your business.

austrade.gov.au



austrade.gov.au



Australian Government
Australian Trade Commission

