

Focus.

Supporting
business success in
South Australia

December 2022

Premium Brand

Why SA's food
sector is a
success





Welcome.

Welcome to the December 2022 edition of BankSA's *Focus* magazine.

South Australia's food sector doesn't sleep.

If you're up early and walking through the fruit and veg aisle of your local supermarket anytime from 6am, chances are the people who have grown and delivered that produce have been up as early as midnight ensuring the freshest stock reaches your fridge, pantry and dining room table.

Meanwhile, many of our most recognisable local food brands are operating around the clock to ensure their production facilities can keep up with ever-increasing demand for our state's finest products.

Most of these companies are small to medium, multi-generational family businesses that have worked incredibly hard for many years to become a success.

It's easy to suggest we're biased when we claim South Australia's food sector produces the finest produce in Australia, but it's hard to argue.

Our state has so many natural advantages – from our pristine waters that provide for our world-renowned aquaculture, through to our prime agricultural land, and our wonderful food bowl that surrounds the greater Adelaide metropolitan region.

Just as importantly, the people behind our food sector are incredibly hard working with decades of experience.

Like all industries, our food businesses have been grappling with issues including supply chains and a very tight labour market. But as Food SA points out in its recent Census data, the relatively smaller size and often privately-owned nature of these companies has made them more agile and responsive to the challenges that have eventuated.

In this edition of BankSA's *Focus* magazine, I'm delighted to share with you some of the success stories from our food producers and retailers.

Some will be instantly recognisable, like La Casa Del Formaggio whose cheeses can be found throughout Australia, Nippy's with its mouth-watering range of juices and flavoured milks, and Romeo's Retail Group that now operates close to 40 stores here and in NSW.

Others, like Glenellen Poultry, will be unknown to most but whose products you have more than likely consumed during a recent visit to your local pub for a chicken schnitzel.

It points to something that makes South Australia's food sector so strong – we're good at both creating and inspiring brands, but also building exceptionally strong businesses to be enjoyed by future generations. It's equally important we all keep our home-grown and manufactured products front of mind and 'buy local' as we prepare for the upcoming festive season.

I hope you enjoy these wonderful insights into the companies and people who continue to grow their business while putting food on our tables.

David Firth
BankSA State General Manager
Business

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Why SA's food sector is a premium brand.

South Australia is very much 'on brand' when it comes to the nation's food sector. What the state lacks in size, it more than makes up for in quality and brand awareness.

The roll call of nationally recognised food brands produced in South Australia is extensive. Names like Nippy's, Beerenberg, La Casa Del Formaggio, Bickford's and Golden North can be found in supermarkets and speciality food stores around Australia.

For the most part, South Australia's food sector is made up of thousands of small to medium enterprises, usually family owned, which have worked incredibly hard over many years to create instantly recognisable food and beverage products.

According to the State Government, South Australia's food industry generated more than \$9.6 billion in revenue in 2020–21.

A South Australian Food and Beverage Industry Census conducted by Food South Australia in 2021 found that about 54 per cent reported turnover of less than \$2 million a year, while 26 per cent reported turnover above \$10 million.

Food South Australia, an independent membership-based organisation supported by both industry and government, also found that 80 per cent of South Australian food and beverage businesses are planning active growth over the next 10 years.

The census does point to some interesting market shifts. About 68 per cent of manufacturers are targeting the premium market but that is predicted to fall to 57 per cent in the next two years. SA's 'free from' (eg gluten free, dairy free) speciality market segment sits at 40 per cent but is also predicted to decline. The areas of predicted growth are in the plant-based, immune health and protein enriched market segments.

Food South Australia CEO, Catherine Sayer, strongly believes the state is very fortunate because its food and beverage and agriculture sectors offer such a diverse offering. She shares the view that the state's strong brands are a significant point of difference.



Catherine Sayer

"We definitely are known for our premium food and beverages across Australia and internationally. We have some very big multinational businesses like Thomas Foods International and San Remo, but typically we are made up of small to medium sized enterprises," Ms Sayer said.

"That in itself presents a picture that is unique probably to the rest of Australia and the world.

"I think one of the things we do extremely well is our industry really values brands. There's a whole list of companies that are iconic and have worked really strongly on their brands.

"One of the biggest trends we're seeing - and I think SA's really well placed around this, is around storytelling, provenance and authenticity. If you're a publicly owned multinational, it's really hard to tell that story. But we're naturally an SME market and those businesses all have great stories to tell."

Ms Sayer said Food South Australia was a unique proposition that didn't exist in a similar form in other states or territories.

"We are almost like the 'translator' between government and industry. We work with our members and with government day in and day out to create a level of understanding from both sides. We really pride ourselves on being super connected and if we don't know the answer, we know where and how to find it," she said.



"I think one of the things we do extremely well is our industry really values brands."

Catherine Sayer
Food South Australia



The industry is also a major source of export revenue. In 2021, \$2.6 billion export revenue was generated by food and beverage products, with the goal to grow this number to \$3 billion by 2027.

Food South Australia this year released its SA Food and Beverage Five Year Export Strategy aimed at providing a simple roadmap for businesses to determine where to export, why and how, while recommending priorities for resourcing and support.

"We've already established a steering committee working with the Department for Trade and Investment and looking at opportunities for each of the recommendations," Ms Sayer said.

"We're not going to do everything all at once. We've staggered it over the next few years so that we can achieve each recommendation and objective in a really meaningful way."

Ms Sayer said training played a significant role in the industry's recovery and during a tight labour market.

"One of the things we've done this year is to run a pilot traineeship Certificate III in Food Processing with 20 people across multiple businesses. It's apparently one of the most

successful traineeship programs supported by the State Government, so we're aiming for 30 students next year," she said.

"I really think what's happening now is the employer and the employee are valuing training and that is actually assisting in keeping people in their in their businesses and upskilling in a tight labour market."

South Australia's food sector wouldn't be where it was without the high quality of raw materials that make up the ingredients.

According to the Primary Industries Scorecard 2020/21 produced by the State Government, primary industries and agribusiness revenue totalled \$15.4 billion, up nine per cent on the previous year. The biggest contributors to this revenue were field crops (29 per cent) and livestock (21 per cent).

Total employment in primary industries and associated processing was estimated to be 74,000.

Primary Producers SA (PPSA) CEO, Caroline Rhodes, said the industry had proven its resilience and remained an essential sector to the South Australian economy.

"We're constrained as a state in terms of expansion of broadacre agriculture because of our unique geography and limitations

in relation to soil and rainfall patterns. But where we increasingly see the importance of agricultural research in South Australia is by increasing on-farm productivity. In other words, we're producing more with less," Ms Rhodes said.



Caroline Rhodes

"Our primary producers have been early adopters of new technology and sustainable farming systems, and that's translated into an uplift in on-farm productivity. This includes water use efficiency in both dryland and irrigated agriculture, helping producers to adapt to a changing climate and weather risk.

"Sustainable management of land and water resources is critical to primary production, and there is increasing interest in how to recognise the value of natural capital. Agriculture accounts for more than half of South Australia's land use, so we play an important role in environmental outcomes.

"I believe we have strong sustainability credentials to promote to world markets, including our widespread adoption of



Top 10 Priority Export markets



Food South Australia's five year export strategy has identified the top 10 priority markets over the next five years:

- 1 USA
- 2 New Zealand
- 3 Singapore
- 4 Hong Kong
- 5 United Arab Emirates
- 6 Japan
- 7 Saudi Arabia
- 8 South Korea
- 9 Malaysia
- 10 China

conservation tillage and high standards of animal welfare, and increasing role in improving biodiversity. We have much to leverage to gain market access and attract investment based on ESG metrics.

"SA has already forged a very good reputation internationally for producing safe and clean produce and our key commodity groups do a lot in working with producers right through the supply chain to make sure that reputation is fiercely protected."

Ms Rhodes said PPSA's vision was for a strong and viable primary production sector in South Australia, which is valued by government and the community.

"PPSA works closely with all tiers of government in prosecuting our policy platform, in particular at a state level, to ensure agriculture remains a priority. We believe that continued investment in sustainable primary industries production and food processing is key to securing economic growth, and this requires strong partnerships between the public and private sector," she said.



Early start for fresh produce.

Adelaide's biggest produce market attracts 10,000 people a week and sells 250,000 tonnes of food a year valued at more than half a billion dollars.

The SA Produce Market at Pooraka is where growers, wholesalers and retailers meet very early in the morning to buy and sell fresh fruit, vegetables and other perishables well before most of us have climbed out of bed.

It's an extraordinary hive of activity on a grand scale. Shopping trolleys are replaced with forklifts and pallets as produce sold by more than 100 growers and wholesalers is delivered directly to retailers and restaurants the same day.

The market opens at 4am, which means many of the growers are preparing their produce from as early as midnight and on the road to sell the produce picked only a few hours earlier.

SA Produce Market CEO, Angelo Demasi, explains the market's major clients are independent retailers as well as providers supplying through to restaurants, event managers and caterers.

"We're the key link in the supply chain between growers, wholesalers and retailers," Mr Demasi said.

"We trade six days a week from 4am until finish of trade, around 7 or 8am, and it's a hive of activity that many people don't know about.

"We see a lot of the independents such as Drakes, Foodlands and IGAs, but then it's also your local fruit and veg shop. It's Schinellas at Prospect, it's your local Metro Fresh, Carusos down at Glenelg, or Tony and Marks.

"The advantage we have in South Australia is that we have a produce bowl right on our doorstep – from the northern Adelaide plains to the Adelaide Hills and out to the Riverland.

"That means the advantage you have when you're shopping at an independent fruit and vegetable store is that the time from paddock to your plate can be very, very minimal.

"As an example, SA Mushrooms out at Waterloo Corner could be picking today, go to the market tonight, sold in the morning and be on shelves by breakfast time.

"There are lots of family businesses and we cater for the whole of the supply chain where we have a dedicated growers shed where it is 'smaller growers only' so they literally pick their produce, load it on the back of their truck and bring it here to sell.

"We also have growers and wholesalers who have multiple farms across Australia that trade in larger facilities within the market."

Mr Demasi said there were plenty of rare and unusual items that passed through the market, depending on the season.

"There's things like jack fruit and Buddha hands, which is a citrus that looks like a claw. We get cauliflowers from the Adelaide Hills that are brightly coloured like bright orange or purple that are grown specifically for the restaurant trade," he said.

One of SA Produce Market's key roles is to educate the community through associated businesses and programs about the health benefits of fresh fruit and vegetables, with the objective to increase consumption, which ultimately benefits the entire industry.

Its 'Pick a Local, Pick SA!' campaign, run by Market Fresh SA, highlights the important role the independent retail sector plays in the local horticulture industry.

The SA Produce Market has moved into the technological age, but the market community still has an old-school value about it.

"The retailers still like to walk the market floor and it's all about seeing what's new in season, checking the quality and checking the prices, so that kind of old-school personal relationship really hasn't been lost," he said.

In keeping with its fresh, clean and green feel, the SA Produce Market places a high priority on sustainability. The market is fully self-sufficient in terms of power with its own solar panels and batteries, and has built Australia's first fully autonomous microgrid which manages power on site.

The market partners with Foodbank SA, which now has its own warehouse set up on site. More than 10 million kilograms of fresh fruit and vegetables has been donated by South Australian growers to Foodbank since 2012.

Fully charged

The market is self-sufficient with its own solar panels and batteries, and fully autonomous microgrid.

“The advantage we have in South Australia is that we have a produce bowl right on our doorstep – from the northern Adelaide plains to the Adelaide Hills and out to the Riverland.”

Angelo Demasi
SA Produce Market





A proven growth industry.

Australia produces a staggering 700 million chickens per year for consumption. Since 2007 it has been Australia's favourite source of meat protein, and on current trends will soon outstrip the supply per kilogram of beef, sheep, veal and pigs combined.

In terms of production, South Australia produces well above its per capita share, supplying more than 15 per cent of the national market.

Capitalising on this increased consumption is Glenellen Poultry, whose two main facilities are located at Jervois and Monarto. The company may only produce 0.7 per cent of the nation's total output but that still represents five million chickens annually.

The business is a partnership between Greg Samuel and his brother-in-law Stuart Cummings, along with Greg's parents and sister.

Mr Samuel's father is a chicken farmer and his mum came from dairy farming, so he's been happy to follow the line of family history.

"My father had been farming chickens since 1995 on a smaller farm, and I'd been working with Dad since I was 15 years old and while I was at uni as well," Mr Samuel said.

"In 2009 we decided to form a partnership and build a bigger farm together. So that farm had approximately a capacity of 200,000 chickens at Jervois. In 2012 we doubled the size of the farm and built another block of sheds on that property.

"Then we expanded the business again in 2018 when we bought another farm at Monarto,

which is quite a bit bigger with a capacity of 460,000 birds."

Glenellen provides chickens to South Australian owned Gourmet Poultry as well as Inghams. It also has a growing cattle operation with Murray Greys, Wagyu cattle and plans to introduce Angus stock.

"Chicken has become a mainstay of Australian weekly grocery purchases," Mr Samuel said.

"In terms of the demand for and in a high inflation environment, chicken is by far and away the cheapest protein and nearly everyone likes eating chicken. So it's very popular.

"Our Monarto property supplies Inghams and Jervois supplies Gourmet Poultry. Gourmet tends to supply more of the hospitality industry, so if you've eaten a schnitzel in a pub there's a good chance it was one of ours.

"We're pretty comfortable with where we are at the moment. It's one of those industries where opportunities will just come up at some point in time and if you get offered the chance to expand you weigh up the pros and cons. Our immediate plans are probably to expand our cattle operations - cattle prices have been doing particularly well.

"We're installing irrigation to increase our feed production. We've just bought a lateral irrigator and our farm actually sits on The Creeks Pipeline, which pumps water from the Murray at Jervois through to Langhorne and Currency creeks."

Mr Samuel said South Australia had a clear advantage over other states for chicken production because farms are able to be located close to Adelaide.

"It's generally considered better that farms are no more than 140km from the processing plant. That's definitely an advantage in Adelaide compared to somewhere like the east coast," he said.

"I think South Australia as a whole has a reputation for being a more remote part of the globe and we tend to have pristine environments, so the branding of SA's food sector is quite good. In terms of other advantages, we probably have lower cost of land within close proximity to cities, which helps with developing farms."

Even with the rapidly growing market for what has become a staple of Australian diets, there are still a number of myths on production that the industry is trying to correct.

Mr Samuel said a common misconception was that chickens were fed growth hormones, but no hormones have been used in the industry for 40-50 years, while the majority of the industry meets RSPCA approved conditions for animal welfare.

"Another thing to say in support of the industry is that it has the lowest impact in terms of climate change and CO2 impacts on the land. It would be the most efficient animal protein production."

Poultry amount

Glenellen farms five million chickens per year.



**“Chicken has become a
mainstay of Australian weekly
grocery purchases.”**

Greg Samuel
Glenellen Poultry



Italian institution ready to grow.

Fine produce purveyor, Mercato has been devoted to sharing the best of Italy with Adelaide for the past 50 years.

Now the company is planning to bring a whole lot more from their home country to Adelaide, signing on as the flagship tenant of Eighty-Eight O'Connell at the old Le Cornu site in North Adelaide.

The second store, expected to open in mid-2025, will replicate Mercato's existing Campbelltown store with everything retail while emphasising its hospitality offering. Its Italian bar and dining setting will play a key role in the new location with extended trading hours to cater to North Adelaide's thriving hospitality scene.

As is often the case, this 'overnight growth' has been a long time in the making requiring a wealth of perseverance.

Mercato initially started as a small continental delicatessen in Rostrevor with an offering of Italian smallgoods, cheeses, coffee, oils, vinegars, antipasto, pasta and many other general goods. Now spanning two generations, Mercato has become a lifestyle institution of Italian food, wine and entertainment.

John Caporaso, Mercato's Managing Director and son of original owners, Imma and Mario Caporaso, grew up working in the store after school and on weekends with his sister Angela.

After completing high school, he decided he "didn't want to work for mum and dad" and found employment with prominent local

construction supplies company, Bianco. He still took advice from his father to invest his money, and soon started growing a property portfolio, so he is effectively the landlord to his own businesses.

"About two years after I started working at Bianco's, I had saved a bit of money and my father said invest your money, so I purchased a house and then a couple years later, I bought another house and I sort of understood how the property market worked," Mr Caporaso said.

"Mum and Dad never owned their business premises so when I decided to take over the family business, I used that as motivation to own the premises."

Mr Caporaso sees a visit to Mercato as an experience in food, wine, flavours and discovery.

"Our purpose remains as simple and important as far back as 50 years ago. We are devoted to sharing a true Italian experience through tradition, togetherness, provenance, education and love," he said.

"Our aim is to bring joy to the community, embodying Italian centric living through food, wine and entertainment."

Mr Caporaso also co-founded two other separate operating businesses called Vinify Wine Co and Secco Fine Foods, which serve as wholesale, importing, distribution and marketing arms.

While Mercato is lauded for its fine Italian

produce, John estimates up to 30 percent of the products they stock are locally produced.

"When we moved to Campbelltown in the current premises, it gave us the opportunity to begin importing with the view to find alternative products - preferably family orientated like us with a focus on integrity, quality, provenance and social sustainability," he said.

"We will always look to buy product of provenance first and foremost, but there are some instances, where that doesn't happen. We're not going to buy the Italian version when we've got an equivalent that's made here in Australia. So, we're after wherever the best example of the product can be sourced."

Mercato has plans for continued retail growth, including the new store in North Adelaide.

"It will be amazing to see the old Le Cornu site activated into a culinary and retail precinct that is invigorated by connected living. Our plan is to replicate the Campbelltown store including additional Mercato ready-made meals and to welcome other staple food groups such as fresh seafood, seasonal produce, and butchery to make it a real market," Mr Caporaso said.

Molto bene

Mercato will employ a further 100 staff when the North Adelaide store opens in 2025.



“Our aim is to bring joy to the community, embodying Italian centric living through food, wine and entertainment.”

John Caporaso
Mercato



Squeezing new life out of citrus.

Nippy's is an iconic South Australian brand known for its premium, fresh orange juice. But as the overall demand for orange juice has waned in recent years, the Riverland company has continued to reinvent and expand its product lines while attracting new export opportunities.

There have been notable step-changes in the Nippy's business since it first started production more than 50 years ago – notably the slightly sideways move to producing flavoured milk in the 1980s, and more recently the production of cold-pressed, cold-filled premium chilled juice, which has helped open up new export markets.

It has also joined the growing list of companies offering alternative dairy products, including flavoured oat milk and lactose-free products. Other products include immunity juice blends, frozen juice, sparkling mineral water, ginger beer and spring water.

The company is split up into three distinct businesses and locations: Nippy's Fruit Juices Pty Ltd at Regency Park where the entire range of Nippy's Fresh Juice products are squeezed and bottled; Moorook in the Riverland, which is home to the production of Nippy's long-life products; and Nippy's Waikerie Producers Pty Ltd, a citrus packing and processing complex.

Joint Managing Director, Ben Knispel, is proud of his long family heritage, starting in the early 1930s when Alic Knispel was growing and packing citrus in the Riverland.

"Our business started with Grandpa, just as an orange farmer, and over the years we've

managed to become fully vertically integrated in citrus in terms of growing and then packing oranges, and later integrating into making orange juice," he said.

Mr Knispel explained the recent growth in the citrus industry had likely peaked, but Nippy's had still been investing in new manufacturing facilities and growing new product lines.

"Like all things agriculture, it's a cycle. Returns have been really high, so everyone has invested in the industry because there's good money to be made. Now, I think we're past the top and we're going to go back to a few years of lower profits for citrus farmers and packing sheds," he said.

"We have new machinery to produce what we're branding as a cold-pressed, cold-filled, extended shelf life orange juice, which is growing well, particularly in overseas markets where we're exporting more orange juice now than we ever have."

Japan has emerged as a key export market, largely due to new technologies and new packaging.

"In my early childhood, Dad would be off on an aeroplane to Japan to try and sell what was then a long life, one-litre orange juice in liquid paperboard," Mr Knispel said.

"Now we're selling more than we ever did back then purely because of the investment in new technology and new packaging, such as the cold-pressed, cold-filled super premium juice in a bottle."

Nippy's is also keen to take the lead on environmental issues. Just last year it

announced it would become the first food and beverage company in Australia to replace plastic straws on its packaged drinks with recyclable paper straws.

Despite the company's success, Mr Knispel still describes Nippy's as taking a conservative approach to business.

"From 2008 to 2020, we probably grew from \$30 million to \$80 or \$90 million, but we're still running with an executive and board structure like a \$20 or \$30 million company.

"We probably put ourselves under a bit more pressure than what your average human would, but I love the challenge of what we do. I don't know what else I'd do if I wasn't doing this to be quite honest with you."

Mr Knispel agreed that South Australia's reputation for clean and green was certainly an advantage in the global food sector.

"We've had Japanese visitors come here and they are blown away by the wide open spaces and the clean air. They stand in the orchard and just smell the air or pick up the sand," he said.

"The challenge is how you get that feeling back to the 127 million people in Japan - you can't bring all of them to your orchard!"

All natural

Nippy's is the first food and beverage company in Australia to switch to recyclable paper straws on its packaged drinks.

“We probably put ourselves under a bit more pressure than what your average human would, but I love the challenge of what we do.”

Ben Knispel
Nippy's





Growth built around customers.

There's an unshakeable rule in retail – know your customers. It's something Romeo's Retail Group has taken to heart and has helped turn it into a South Australian success story.

If you were to walk into Romeo's Foodland at Kilkenny, you would find a wide selection of well-priced, popular brands targeted towards the budget-conscious shopper.

Conversely, if you visited the new Locali by Romeo's store in Sydney's George Street, you would be greeted by an up-market food hall complete with florist, a walk-in cheese room and an Italian café with its own high-profile chef-restaureteur.

This intimate understanding of customers at each store location is a key reason why Romeo's has grown to 26 stores in SA and 13 stores in NSW, with more to come.

As Romeo's Retail Group Director, Anthony Romeo, explains, the company focuses heavily on demographics when building or refurbishing their stores.

"We don't have a cookie cutter approach to our stores, so we design our stores around the demographics of an area and the clientele. We try to focus on the needs of the area," Mr Romeo said.

"In Mitcham, it's very much a premium, top end selection, whereas at Port Adelaide we concentrate on budget, and then if you go across to Fairview Park it's somewhere in between.

"Our Rundle Mall store is another classic example – it's office workers, uni students and a lot of residential from the East End.

The office worker demographic is a big one, so people who work in the city want the sushi rolls or visit our café, and all the 'grab and go' is huge in that store. That format only suits that demographic. You're not going to see that at Port Adelaide or Glenelg.

"It's very much personalised for the area. They all vary according to the area, and we specialise based on the demographics and demand."

Romeo's Retail Group started as a family business in 1987 and continues to be owned and operated by parents Elisabeth and Tony and their three sons Paul, Joseph and Anthony. It was oldest son Paul who convinced his father to turn from the building trade to retailing.

Mr Romeo said the company prided itself on creating a point of difference.

"With all the refurbishments we are doing currently, it's about the ambience and the offer to customers. At Erindale we've just put in an Emperor Sushi Bar, which is our own brand and its own franchise, so we have Korean and Japanese specialists that run the sushi and the quality is really good," he said.

"In Sydney there's some more opportunities – it's a very big market and the independents only make up a very small portion when compared with South Australia. Sydney's now our biggest opportunity for growth."

Romeo's is very aware that South Australia's reputation for excellent produce and great brands plays well on the eastern seaboard, so SA products make up a significant percentage of products sold in their Sydney stores.

"They love South Australian produce and products. There's a perception that we all live on farms here and that South Australian produce is the best, and rightfully so. We push and promote a lot of SA products there and we're very proud of it," Mr Romeo said.

"Our new brand we've opened in Sydney – Locali by Romeo's – is very much like the old David Jones food hall, that real top-end offering and very boutique. George St in Sydney has a full-blown Italian restaurant. It's definitely a destination shop for people who work in the city."

Mr Romeo said the company loves supporting local producers by offering gourmet and very niche products.

"We often become the springboard for a lot of these producers to grow and move into other chains. We've always been very proud to support local producers and encourage new products in our own market," he said.

The success of Romeo's has allowed it to give back to the community, in particular through its own 'Dream Ride' charity.

"Dream Ride is all about working with Down Syndrome and disadvantaged kids. We put on events and try to give them something they would not normally experience," Mr Romeo said.

Small luxuries

Locali by Romeo's in Sydney's George St has a walk-in cheese room and an Italian café with its own high-profile chef-restaureteur.

“We’ve always been very proud to support local producers and encourage new products in our own market.”

Anthony Romeo
Romeo’s Retail Group





Loved cheesemaker moving house.

La Casa Del Formaggio literally translates as 'the house of cheese'.

The challenge for prominent Adelaide-based cheesemakers of the same name is they've outgrown their own house of cheese in Glynde and are preparing for a significant expansion into new manufacturing premises.

The good news for lovers of Italian-style cheese is it means there will soon be even more La Casa Del Formaggio products in supermarkets and specialty food stores, both in Adelaide and around Australia.

Italian immigrants Gerardo and Rosa Cicchiello initially converted a humble continental deli in suburban Adelaide into a cheesemaking business in 1988 and La Casa Del Formaggio was created.

A generation on and the business, managed by their son Claude Cicchiello, has expanded and thrived. Today, the company employs more than 150 people and is preparing for its next big venture.

Managing Director, Claude Cicchiello, explains the company is nearing completion of a new \$35 million manufacturing facility at Edinburgh Parks.

"We're about to get handover of the new site, and then we've got plant and equipment installation and commissioning so it's an exciting time," Mr Cicchiello said.

"We've been quite constrained here (in Glynde) in the past two or three years, so we've had to be really careful with managing the capacity.

"Our current site operates virtually 24 hours a day, seven days a week and we just can't squeeze anymore out of this spot."

La Casa Del Formaggio is a leader in Australia for Italian-style cheeses, introducing these once little-known products to a wider consumer market.

"We introduced bocconcini to Australian supermarkets in the late 1990s, and the cheese is now commonplace in the fridges of Australian families. Our range now includes bocconcini, mozzarella, ricotta, parmesan, haloumi, burrata, mascarpone and double cream," he said.

"We've stuck to our core of fresh Italian cheese, focusing on high quality products."

As for the company's best sellers, Mr Cicchiello said bocconcini remained number one, closely followed by ricotta. His personal favourite is treccie, a hand-plaited pasta filata cheese, which has a delicate, milky flavour similar to bocconcini but with a stringy texture once cut or torn apart.

He rates the source of their raw ingredients very highly to ensure the finest quality cheese.

"We source from almost 20 local family-run dairy farms, which we've selected based on their quality of milk and that hold similar values to our family business. We take pride that we have created a sense of community with our milk supplying families," Mr Cicchiello said.

"I think one of the key differences with us is very early on we focused on the national retail market and supermarkets, because SA only

represents eight per cent of the Australian market.

"In order to grow, we needed to be able to reach a wider audience. We could see already back then that continental delis were limited, so we focused on independent supermarkets and the local Coles and Woolies, and since then we've evolved into the national stores.

"We've also got a strong presence in foodservice channels, which supply to cafes and restaurants in South Australia and an expanding footprint of foodservice customers outside of South Australia."

Mr Cicchiello is very happy to call South Australia home and has a strong belief in the state's food sector.

"I think the South Australian food industry is a great industry to be in," he said.

"Being in a smaller state we do bat above our average as a whole industry because anybody in the food industry here who wants to grow needs to be able to also supply outside SA. In order to do that, you've got to be really good at what you do and manufacture high quality products. Otherwise, you just can't get a showing on the eastern seaboard."

On the move

La Casa Del Formaggio is moving to a bigger premises to meet growing demand.



“We’ve stuck to our core of fresh Italian cheese, focusing on high quality products.”

Claude Cicchiello
La Casa Del Formaggio



Frank Canale and Max Masiello

The investment behind SA's food sector.

Maintaining South Australia's prominent position in the national food sector requires a strong vision and a secure pipeline of investment, and BankSA continues to support both.

With a deep knowledge of the local market spanning almost 175 years, the bank's highly experienced and collaborative team has played a critical role in building a service platform to support manufacturers, investing in people to help its clients grow.

It certainly helps that the Industry Banking team is supporting some of the best in the business – from local stalwarts like Romeo's Foodland and Mercato through to nationally recognised brands like Nippy's and La Casa Del Formaggio.

The bank's locally-based team delivers bespoke solutions to food manufacturing clients by understanding their needs and, most importantly, through efficient execution.

BankSA's industry bankers, Frank Canale and Max Masiello, explain what they love about supporting iconic SA food brands.

Frank Canale

BankSA Relationship Director

Talk to your contact: **0404 067 861**



Max Masiello

BankSA Relationship Director

Talk to your contact: **0434 602 907**



"Food manufacturing, wholesale and retail provides an exciting opportunity for our state. We have such a natural advantage, and it's being rightly exploited on a national and international stage.

We've seen first-hand the resilience and superior technical aptitude of our clients in delivering best of class solutions to continue their growth momentum in the face of industry-wide challenges, such as labour availability, material shortages, and logistics issues. Our finance solutions are built to flex with our clients' changing requirements as they continue to adapt.

When we're shopping, my family will always choose an SA manufactured product over anything else. Why would you buy anything but a Nippy's Orange Juice, or a La Casa cheese? The icing on the cake is that you can do it at a Romeos Foodland! Each and every one of these SA businesses add so much value to our state, providing opportunity for us all to grow. We look forward to continuing our mutually rewarding partnership."

"SA's food industry has a bright future in South Australia thanks to the competitive advantage we have with other states in terms of access of high quality fresh produce.

Industry operators have been investing in state-of-the-art plant and equipment over many years to meet domestic and international demand and they continue to evolve and refine products to cater for new food trends. Our ability to accommodate new trends in the food industry is also well reflected in the hospitality sector where we've got an amazing selection of restaurants representing different food cultures.

We have very strong and defined brands in South Australia and you can go almost anywhere in Australia and see them for sale. They have a strong legacy and a strong link to our State.

My favourite experience is to visit the Mercato store where local and international brands blend together or visit La Casa Del Formaggio at Glynde where we can buy fresh cheeses."

We back SA
businesses.

They back
the State's
economy.

Simple back-onomics.





adidas

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