

# Business Owner

INDUSTRY, IDEAS AND INNOVATIONS

## Shortbread exports go a very long way

Louise Hattam

TURBO ovens were fired up at a Melbourne bakery 18 months ago to put Australian-made goods on the shelves of more supermarkets overseas.

The Old Colonial Cookie Company, a small family owned business in Lilydale, was looking to boost volume to meet a growing export market for its Butterfingers brand and Lander's Australian shortbread.

Having secured export markets in Japan, Hong Kong, Singapore, New Zealand and Canada, the company planned to take on the United States.

Austrade has helped the company to gain a foothold in the US market and is now looking to assist with other overseas markets.

Howard Dray, managing director of the Old Colonial Cookie Company, discusses his company's export success.

**Have the turbo ovens increased productivity?**

Yes. We have had a 98 per cent reduction in waste.

**Has the export market grown for your products?**

Yes. We are now exporting to Shanghai, China, with an average 70 per cent increase per order. Interest and preliminary shipments have been made to South America, Denmark and Dubai.

**How have you been able to increase your exports?**

This has been primarily achieved by offering new line extensions for existing products that are target-market driven. Export increases have mainly been via market-specific requests.

Japan, our long-term export market, has increased its business due to specific product line packaging processes which suit that market.

The Canadian and US markets have also increased by having everyday product lines on the shelf. This has resulted from market acceptance of seasonal programs, where consumers are now looking for the products year round.

**Have you extended your product line?**

Product line extensions have been somewhat maintained in the sense of creating new product pack formats. The real extensions have come about



Meeting market needs: Howard Dray at the company's Lilydale bakery. Picture: STUART MILLIGAN

from simple modifications of existing lines to suit specific market needs.

This process has been the introduction of language, nutritional and ingredient specific requirements for country orientated programs; pack specific for that market.

**You anticipated that exports would account for about 30 per cent of your business by the end 2004. Has this happened?**

Yes.

**Have you sought outside assistance with exports?**

Assistance has been sought through Austrade, VECCI and the Australian Industry Group.

However, the main support has come from listening to our existing overseas distributors and working

with them to develop products for their markets.

**Do you exhibit at overseas trade shows? Does this generate orders?**

TOCCC exhibits overseas, more as a support function to the existing distributors. This has been conducted at the Chicago Food Fair, Japan and Singapore at their annual shows, and in Hong Kong at Foodex.

We find it more beneficial to showcase our product lines at shows with our distributors or representative outlets, which confirms a local support process.

The exhibition in Chicago did generate repeat orders for seasonal programs and also allowed the product line to become a more acceptable process for everyday listings.

**What are the major problems for small manufacturers in Australia? How do you overcome them?**

There are a lot of problems for SMEs in Australia and the best way to overcome them is to do your homework and treat each issue as a separate process for evaluation and action to rectify.

**What is rewarding about being a business owner?**

There are a lot of things that can be rewarding for business owners. However, one that comes to mind is, after spending long hours travelling to an overseas destination, finding my products on a supermarket shelf when I was not expecting to see them in that location or store.

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