



At last! All the information you need for that assignment on Bega Cheese Limited. The Bega Group includes the Bega cheese business, Tatura Milk Industries and Bega Foods. Details regarding Tatura Milk can be found on their website [www.tatura.com.au](http://www.tatura.com.au) and we will have a new website for Bega Foods coming soon.

This summary only covers the Bega cheese business.

If you cannot find the information you require below and you have a specific question please [send us an email](#) and you will be answered as soon as possible.

Bega produces natural cheddar cheese, mozzarella and processed cheddar cheese products. There are many different products, but our core retail products include:

- Bega Strong & Bitey Sticks
- Bega Tasty Sticks
- Bega Tasty Cheddar Cheese
- Bega Mild Cheddar Cheese
- Bega Strong & Bitey Cheddar Cheese
- Bega Extra Tasty Cheddar Cheese
- Bega Super Slices, IWS (individually wrapped slices) processed cheese
- Bega Super Slims IWS processed cheese
- Bega Stringers

Bega is involved in the dairy industry, we supply cheddar cheese and processed cheddar cheese into the retail and food service markets both in Australia and overseas.

Our organisation is a public listed company, and we are owned by our shareholders. At Bega we manufacture natural cheddar cheese, then we either cut and pack the cheese into retail packs for the supermarket, or we use the cheese as an ingredient in the manufacture of processed cheese slices. Bega Cheese also produces milk powders and bi-products of cheese manufacture such as whey.

We have an extremely high level of automation and mechanization within our factory, at the moment we push out 107 tonnes of retail-ready cheese products annually. We have automatic case-palletisers, un-manned laser-guided forklifts, and automatic de-boxers in use at our factory at Bega. We also have one entire line that is fully automated from de-boxing the raw material at one end, to supply of the pallets to the truck at the other end.

Bega has a positive impact on the Australian economy, with approximately \$113 million of



exports sold during FY2017. As the number one selling cheese brand in Australia, we also provide a healthy, Australian-made product for the domestic market.

**Research and Development** for the Australian market is driven by market research from our advertising agency, and carried out in-house. We respond to the domestic Australian market for new products, usually in certain segments (such as the kid's snacking segment, which is growing strongly in the dairy section). We also respond to the demands from export customers who may want products with low salt levels, added ingredients such as Omega-3 fatty acids for good health, depending on the tastes of the region they are being exported to.

Our **quality assurance** levels are extremely high. The food safety standard of our factory goes beyond normal food safety standards, we are graded as 'pharmaceutical' grade. This means our factory workers wear special clothing that is provided to them in shrink-wrapped packaging every day and never sees the outside world. In some parts of the plant our employees wear lint-free theatre gowns such as the ones used in hospital operating theatres.

We operate under the HACCP quality assurance program, all our farms have to be HACCP accredited before we are permitted to use their milk and all our facilities are HACCP accredited.

All of our product are 100% traceable, from input of raw ingredients to the supermarket they end up in. Product contamination claims are investigated thoroughly once the initial complaint is received, the traceability of our products means that we are able to assess where the contamination occurred. Most product contamination claims are the result of mishandling of goods after leaving our factory; in transit, at the supermarket, or within the home. We investigate all complaints, identifying the production line from the information on the pack, which shows the production line, date of manufacture, and the time it was made. We are then able to test products from our 'retention' or 'shelf' samples which are taken several times an hour from each production run. All shelf samples are kept for the duration of the life of the cheese.

Any contamination or quality issue that results in a product recall is handled via our distributors, whether they are in Australia or overseas. In Australia, Fonterra Brands (Australia) operate under a licence agreement with Bega and they are responsible for the distribution of the Bega brand in Australia.

Fonterra Brands (Australia) handle the marketing, advertising and promotion of our products within Australia. They undertake consumer research on our behalf of Bega to decide on advertising campaigns etc.



There are many **career opportunities** at Bega, most jobs are advertised internally before being advertised externally, unless specific skill-sets are required. We are aware of gender issues within the company, and work in consultation with the Equal Opportunities for Women in the Workforce organisation.

**Working conditions** are very good, we operate under a Consultative Agreement in conjunction with members of staff, management and union officials. Safety is a number one priority at Bega and we have adopted a 'behavioural safety' program in the company that allows all employees to have a say in the safe running of our operations.

### **Environmental Management**

Bega operates under close scrutiny from the DECC (Department of Environment, Conservation & Climate Change). The manufacture of cheese has very little waste and the by-products of cheese are whey, butter and whey powder, which we manufacture on site and the only effluent is water. We irrigate surrounding farms with the nutrient-loaded water from the cheese manufacturing process, providing nutrients and irrigation for these farms. Constant soil monitoring ensures that the paddocks are 'rested' so that the nutrient levels are not saturated.

As a result of market research, we have responded to consumer influences by investigating new products to put into the marketplace. In Australia, we have responded to the increased demand from the kids' dairy snacking segment and we have responded to consumer influences from overseas by installing equipment and machinery specifically to put cheese into cans, as the result of an enquiry received from the Middle East. This particular investment has been very good for Bega, with 4,700 tonnes of cheese being sold into the Middle East, almost 1,300 mt of it in cans, each year.

We have a huge impact in the communities that we operate in with over 750 employees we are the largest employer in Bega, a small rural town on the far south coast of New South Wales. We attract people to the area in highly skilled jobs and we employ a vast number of our factory workers from the local population base. Bega has undergone rapid growth since 1998, in fact we grew from employing 80 people to employing over 500 people in about 3 years and now approximately 2,000. The result in our community is an increase in the value of land and real estate in the local area and increased profitability for local businesses as a result of additional incomes in the area.