



Bonlac to the future

By SIMONE SMITH

DAIRY farmers are jumping at the chance to supply milk to the old Bonlac factory at Camperdown.

Home delivery company Aussie Farmers Direct last week officially launched a plan to transform the disused factory into a fresh milk processing and bottling plant.

Aussie Farmers Dairy is the milk-supply arm of retail company Aussie Farmers Direct.

Chief executive Peter Skene said the first production machines would arrive for installation next month.

"We are looking forward to milk flowing late this calendar year," Mr Skene said.

AFD hopes to process 20 million litres of milk next year.

It is yet to finalise a milk price model, but that has not stopped farmers inquiring about supplying milk for its liquid milk brand.

Mr Skene said a "flatter supply" curve would be better for

the company, but he was open to all inquires.

While he would not be drawn on a milk price, Mr Skene confirmed AFD would pay a premium.

"We understand flat production of milk requires a premium over the manufactured milk price," he said. "We expect to pay a premium over prices of milk produced in that area."

A strong advocate for developing the unused site, Mr Skene was born and raised in Camperdown and once managed the factory.

He said AFD viewed the region as "some of the best dairy country in Australia" and said community had really got behind the company since it took over the lease on April 1.

AFD supplies fresh Australian produce to 77,000 households — 80 per cent of which are in NSW and Victoria.

Currently AFD uses Warrnambool Cheese and Butter

milk, butter and cheese to supply the Victorian market.

There has been a lot of speculation about a possible takeover of Allansford-based WCB, which is listed on the ASX.

However, Mr Skene denied AFD's move to process its own milk was in because of the fear WCB would fall into foreign hands, but to ensure consumers would have access to Australian milk in the long term.

"We can have control of your own destiny in terms of ownership of the factory," he said.

He hoped that AFD would be able to continue its relationship with WCB with it supplying other dairy products.

AFD would initially create 30 local jobs, increasing to 100 over the next five years.

At full capacity, the plant would process 100,000 litres of milk daily.



Peter Skene



Flow-on effect: Aussie Farmers Direct plans to reopen the old Bonlac factory at Camperdown in Victoria's Western District.