Food and Beverage
Supply Chain Project:
MORETON BAY REGION

EXECUTIVE SUMMARY

A Collaborative Project Involving:
Australian Catholic University-Brisbane Campus
Moreton Bay Regional Council
Regional Development Australia – Moreton Bay
Queensland Government

Prepared by:
Associate Professor Nasir Butrous
EXECUTIVE SUMMARY

The Food and Beverage Supply Chain Moreton Bay research project aimed to enhance the region’s awareness and understanding of the sector. Using the Australian Business Register, around 2000 businesses were identified as part of the industry and mailed a hard copy of a confidential survey on 30th January 2012. Ninety-nine complete responses, representing 5% response rate, were deemed valid and formed the basis of the analysis. Outcomes of the project are summarised as follows:

1. Food service businesses represented the largest sector (37%) of the industry followed by Production (29%). The vast majority (85%) of the sample had their headquarters within the Moreton Bay Region. More than half of the sample businesses (56%) have been operating for seven years or more mainly as Private Companies (44%). The vast majority of business surveyed (91%) were small businesses employing less than 19 employees.

2. Local distributors sourcing a mix of local & non-local foods were the main source of supplies for the sample businesses. On the other hand, Moreton Bay Region was the main source of supplies for the vast majority of sample businesses regardless of their business sector.

3. More than half of the sample businesses (58%) were satisfied with the number of customers/clients of their businesses. The satisfaction level increased with the increase in the number of operating years and the number of employees of the sample businesses.
4. Around three-quarters (72%) of the sample surveyed indicated that business performance over the last six months was the same or stronger compared to the previous six months. The vast majority (79%) of the industry surveyed sighted that business performance will remain the same or stronger over the next six months compared to the last six months.

5. Around two-thirds of the sample surveyed (62%) had no purchasing commitment to buy local produce. More than three-quarters of the sample (85%) indicated that they were satisfied with local suppliers of local produce.

6. More than three-quarters of the sample have a strong confidence in the general health of the Food and Beverage industry and stated that their performance will be the same or improve in the next six months or in the next two year (79% and 80% respectively).

7. Customer Orders, Finance, Skilled Labour and Capacity were stated as single factors limiting the ability of businesses in the sample to increase their production.

Based on the above outcomes, the following recommendations were made that are perceived critical in advancing the regions’ Food and Beverage Supply Chain industry:

1. Create mechanisms to disseminate information about the Food and Beverage Supply Chain in the Moreton Bay Region amongst the industry in order to create a more integrated Supply Chain and improve local purchasing. These mechanisms would facilitate greater usage of local suppliers, enhance local business to business interactions, and increase purchasing commitment to buy local produce and ensure increased awareness of local suppliers. This would strengthen self-reliance in times of disaster or isolation of the region as part of the overall food security for the region.
2. Capitalise on the very high proportion of the sample indicating that they were satisfied with local suppliers of local produce to improve the promotion of the region as a location for food and beverage manufacturing and related industries. This could be used as the basis to attract food and beverage businesses to invest in the Moreton Bay Region.

3. Collaborate with the Food and Beverage Supply Chain industry with the region to overcome low customer orders, finance, and skilled labour that limit their ability to increase their production capacity. In addition, conduct continuous research updates into the health and wellbeing of the industry in the Moreton Bay Region as a way of providing continuous support.

4. Utilise the sample’s expected strong performance over the next six months and the overwhelming confidence about the general health of the Food and Beverage Supply Chain in two years time to attract food and beverage businesses to invest in the Region.

5. Identify various government agencies at a Federal, State and Local government levels to work collaboratively with the Moreton Bay Regional Council and the Regional Development Australia- Moreton Bay in providing better support for the industry in the region.

6. Facilitate stronger engagement between the Food and Beverage industry in the Moreton Bay Region and universities, research and innovation centres to create reciprocal relationships that would result in focussed applied research addressing the industry challenges and enhancing its innovation, improving its capacity, productivity and competitiveness.