

10 December 2018

MURRAY RIVER ORGANICS LAUNCHES REVOLUTIONARY GROWER PROGRAM

CASH PAYMENTS BEFORE CHRISTMAS

Murray River Organics has launched a revolutionary grower program which puts cash into the hands of its suppliers up to nine months earlier.

Its Grower Program for 2019 has significant, never before available, benefits for third party growers with early payments for signing on before Christmas, 80% payment within 14 days of delivering fruit and bonuses of up to an extra \$200 per tonne.

Historically fruit growers have had to wait for up to nine months to be paid and have had to rely on their bank to fund their business.

MRO Chief Executive Valentina Tripp said that growers had been severely disadvantaged by the industry payment terms and MRO had decided it needed to pay growers more, to pay early and reward them with bonuses that aligned to customer demand and volume.

“What we are offering is unprecedented in our industry as growers are getting 80% of their payment within 14 days of delivering fruit and the balance by the end of the following month.”

This year to mark the launch of the new program there is a one time only offer of cash before Christmas, as an example if a grower signed a five-year contract to supply 100t of currants by December 18th, MRO will guarantee a cash payment of \$38,000 paid on 21st December.

Ms Tripp said “this had never been done in the industry before”.

“We believe that growers should be paid when they deliver their product and not be at the mercy of their bank while they wait for payment. Third party growers are key to our expansion strategy, so we wanted to acknowledge their role in our growth by providing some cash for Christmas which will help the industry with major costs such as harvesting and water. Without a financially strong growers’ community we don’t have a foundation to build from.”

Certifications



There is also potential for growers to be paid a bonus of an extra \$200 per tonne for target varieties and grades that meet customer demand and where growers pool to deliver scale and efficiency for MRO's processing plants.

MRO is guaranteeing that the prices paid in 2019 will not be less than those paid under the 2018 grower supply contract.

The T3000 Program is aimed at increasing the amount of fruit supplied by third party growers to meet a 2019 target of 3000 tonnes of fruit and supply increased demand from Asia for MRO's products.

MRO is also paying a community bonus for banding together to achieve T3000. Once the company reaches 3,000 tonnes, \$20 per tonne will be donated to a charity to be selected by the MRO Community Advisory Committee.

MRO is the largest dried vine fruit grower in Sunraysia with over 1000 hectares planted and while the company has had many challenges it is undergoing a major transformation journey and has identified significant sales opportunities in Asia.

"Australia has the best dried vine fruit in the world and our focus for 2019 is to extend our range of branded Dried Vine Fruit products, both natural and organic, suited to the Asian consumer. With concerns about food safety in Asia and the trusted Australian clean and green image we believe the strong interest we are seeing from the region will result in significant new contracts", Ms Tripp said.

"Our customers can't get enough of our amazing Sunraysia fruit and as we continue telling our story far and wide with our customers across 26 countries, we are confident that Murray River Organics brand profile will gain recognition".

Ms Tripp is visiting China and Vietnam this week meeting customers.

For further information, contact:

Helen McCombie
Citadel Magnus
p: +61 411 756 248
E: hmcombie@citadelmagnus.com

Murray River Organics Group Limited (ASX: MRG) is a leading Australian producer, manufacturer, marketer and seller of certified organic, natural and better-for-you food products. We service the organic, natural and healthy food and snack market globally.

For further information please visit www.murrayriverorganics.com.au

Certifications

