

IN THE AUSTRALIAN COMPETITION TRIBUNAL

**MURRAY GOULBURN CO-OPERATIVE CO LIMITED**

**RE: PROPOSED ACQUISITION OF WARRNAMBOOL CHEESE AND BUTTER FACTORY  
COMPANY HOLDINGS LIMITED**

### **Certificate identifying annexure**

This is the annexure marked **KM7** now produced and shown to Keith Mentiplay at the time of signing his statement on 29 November 2013.

Annexure KM7

National Foods Limited media release dated 29 June 2010

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Filed on behalf of Murray Goulburn Co-Operative Co Limited

Prepared by:

**Herbert Smith Freehills**

Tel: +61 3 9288 1234

Email: [chris.jose@hsf.com](mailto:chris.jose@hsf.com)

**Address for service**

Level 43, 101 Collins Street

MELBOURNE VIC 3000

Fax: +61 3 9288 1567

Ref: CJ:ALM:82230139



29 June 2010

## **MEDIA RELEASE**

### **Embargoed until 2pm, Tuesday 29 June 2010**

#### **National Foods to consolidate and upgrade Dairy Foods manufacturing operations**

National Foods today announced its plan to consolidate the manufacturing operations of its Wetherill Park, Baulkham Hills (NSW) Cobden and Morwell (Vic) sites.

The plan involves a \$65.5 million investment in upgrading the Morwell and Baulkham Hills sites, and a phasing out of production and closure of the sites at Wetherill Park and Cobden. There will be 280 redundancies associated with the changes, which will take effect progressively until March 2012.

The decision follows an extensive review of the dairy operations following National Foods' acquisition of the Dairy Farmers business in November 2008. The review identified that it was not sustainable to have four sites producing fresh and longer-life dairy foods varieties.

Production at the Cobden site, where long-life flavoured milk is manufactured, will be phased out and is scheduled to close in December this year.

National foods will phase out production at its Wetherill Park site, which specialises in yogurt manufacture, and the facility is expected to close in March 2012.

To accommodate the additional volume, National Foods will spend \$55 million on upgrading the Morwell yogurt and dairy foods facility in Victoria, and \$10.5 million on improvements to the New South Wales Baulkham Hills milk processing site. This will include upgrading existing equipment, installation of new equipment and training.

National Foods Operations Director, Arthur Murphy said: "Any decision that results in job losses is taken extremely seriously. Today's announcement is about ensuring we remain a sustainable and viable operator in the dairy foods market today and in the future.

"The contribution that our people across all four sites have made to manufacturing quality products for many years has been outstanding. This decision is not in any way a reflection on the people or the senior management teams at either Cobden or Wetherill Park.

“When we take into consideration the duplication in our manufacturing operations, Fonterra taking back production of its own Ski yogurt currently being made in Wetherill Park, the environmental impacts and costs of running four sites and the reduced demand for products manufactured at Cobden, the review identified that four sites were not viable in the long-term.

“Our people are our primary concern right now and we are focussed on supporting them and their families through this process,” Mr Murphy said.

All National Foods people whose job has been impacted will receive their full entitlements and will be offered outplacement support. Free independent counselling is also being offered to all employees and their families.

National Foods will consider redeployment opportunities along with relocation assistance where appropriate.

**For more information:**

Geoff Lynch  
 Director, Corporate Affairs  
 0405 319 819  
[geoff.lynch@natfoods.com.au](mailto:geoff.lynch@natfoods.com.au)

Elise Sullivan  
 Corporate Affairs Manager  
 0438 308 643  
[elise.sullivan@natfoods.com.au](mailto:elise.sullivan@natfoods.com.au)

Notes to Editor:

There will be 21 roles made redundant at the National Foods manufacturing site in Cobden, located in South West Victoria, which is scheduled to close in December this year.

The Wetherill Park, 40 kilometres South West of Sydney employs 232 people and will begin migrating production to the Morwell site in January 2011. Production will be phased down at Wetherill Park and the site is expected to close in mid 2012.

There will be 27 Engineering Services Team roles at the Morwell site, in Victoria, to be outsourced.