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Emerald expands distribution footprint with Philp Brodie Grains purchase

Toowoomba based Philp Brodie Grains announced today the sale of its long established grain trading business to leading Australian agribusiness company Emerald Group Australia (Emerald). The sale will take effect on 1st October 2010 and expand the Emerald grain accumulation footprint to all grain producing states of Australia.

Philp Brodie Grains Managing Director, Peter Brodie, said "It is a great day for Queensland growers as this acquisition provides a local Queensland business the opportunity to link up with a strong grain company with global reach. Importantly it is a company which remains Australian owned and managed. What attracted us to Emerald was their national presence, as well as its strategic links to the world market via one of its shareholders Sumitomo Corporation, who have offices in 66 countries.

The Philp Brodie name, office location and key personnel will remain as they are today. We look forward to working with the Emerald team to build on our existing relationships with growers and consumers, and providing these grower customers with a wider range of grain marketing and risk management services," said Mr. Brodie.

Emerald Chairman, Alan Winney, said "Emerald is thrilled to be able to join forces with such an established, highly regarded Queensland business. Peter Brodie and John Philp have been leaders in the Queensland grains industry for over four decades. They have built a great business that is very focused on its long term relationships with grain growers. Having Peter continuing to run the business was important to us and we look forward to working with him and his team of people to further grow the business.

The announcement of the Philp Brodie deal is a key plank in the further expansion of Emerald's national presence. Whilst many of our competitors are being acquired by international companies, and reducing staff and services to growers, we have great faith in the future of rural and regional Australia. The expansion in Queensland and other states announced today will move our footprint to 13 regional focused offices around the grain belt. These offices are all manned by specialist staff and our expansion is part of our ongoing commitments to regional Australia." Mr. Winney said. Emerald last week were named 2010 BRW Private Business of the Year for Regional Australia.

Following the acquisition, Philp Brodie Grains will represent Emerald in southern Queensland and Central Queensland. Also announced today was the establishment of new offices in Swan Hill servicing the Mallee region of Victoria, an Adelaide office to cover the eastern parts of SA, and new two offices in WA located in Merredin and Albany.

Emerald's head office is based in Melbourne, it is a licensed wheat exporter and holder of Wholesale, Retail and Make a Market AFSL Licenses. Emerald acquired 2.6 million tonnes of grain across five states last harvest. Over the last two years Emerald has been looking for opportunities to expand its presence in Queensland. The acquisition of Philp Brodie Grains provides an opportunity to link with a well established company with a strong local identity.

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