

Menora set to go crackers in Britain



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Menora Foods managing director Sam Schachna with some of its Peckish rice snacks at an IGA store in Melbourne's east

EXCLUSIVE

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ONE of the nation's biggest privately owned food marketing and distribution businesses, Menora Foods, has struck a landmark deal with the largest food manufacturer in Britain to dis-

tribute one of its leading brands throughout the country.

Menora has secured a marketing and distribution deal with the London Stock Exchange-listed Premier Foods for its Peckish range of rice snacks as the next step in its international expansion plans.

"It is an absolute game-changer for our business. To have a business such as Premier

recognise the value in a brand such as Peckish and to take it into a market which is three times the size of Australia is a great achievement," Menora chief executive Sam Schachna told *The Australian*.

"We are in discussions in the USA and South Africa to launch our brands as well."

Menora, which also distributes brands such as Cobram

Estate olive oil, Wattle Valley cheeses and dips, and Maille mustard, took its Peckish and Wattle Valley brands into New Zealand three years ago as the first step in its international expansion strategy.

Mr Schachna said the New Zealand business now had turnover of more than \$20 million and more than 40 per cent market share.

He also said Menora would this year announce a "step change" for the Wattle Valley brand, but declined to give more details. Menora, which markets more than 1500 products and generates 50 per cent of its revenues from supplying the independent grocery sector, has also been diversifying into general merchandise.

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Menora to go crackers as Britain gets Peckish

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Two years ago, the group struck a deal with global lighting giant Philips to represent its brands exclusively in across independent grocery chains such as Ritchies and Drakes, which are operated as IGA or Foodland outlets.

It has also moved into chilled meals and the beverage market through a deal with Saxby's softdrinks.

The group, which now has 300 staff, has been investing heavily in its supply chain to remain efficient and allow it to be saleable.

Three years ago it made a multi-million-dollar investment in a state-of-the-art head office facility in the Melbourne suburb of Noble Park, which contains warehousing for dry, chilled, frozen and confectionery products throughout a series of multi-temperature-zoned rooms.

"2013 for us was another record year for the business. We achieved double-digit revenue growth and a significant uplift in the bottom line as well, and increased the size of our workforce by 10 per cent," Mr Schachna said.

Menora was established in Melbourne in 1967 as Menora Gourmet Products and the business was bought by Mr Schachna's father, Ely, 10 years later.

One of the founders, Daniel Gluck, remains a 25 per cent shareholder.

Sam Schachna was asked to join the business in 2008 by his

father after a seven-year stint at KPMG, where he provided strategic, regulatory, and financial advice to many blue-chip clients across the retail, mining, government and IT sectors.

For four years Mr Schachna, who has a brother and sister who are not in the business, worked alongside his father as part of a succession plan before the latter retired.

"I am really passionate about family business. For me, family business is and will continue to be the heart and soul of the Australian economy," he says.

"Menora Foods was always around the kitchen table. Interestingly, I now have the same discussions I had growing up around my own kitchen table."

He said his focus since taking over had been on "really taking the business to the next level".

"It was difficult — to take that family-run distributorship to a new level. It was about steering the business through a number of important initiatives such as automation," he says.

"The average age of tenure in the sales team in the business is 18 years. Many of those executives knew me as a child. So it was really about engaging that team and taking them on that journey. Once they were involved and had a clear understanding of the strategy, they became advocates for that vision."

In December last year Menora became naming rights sponsorship of The Women's National Basketball League.