

# OzGroup – looking back over the last 20 years

Melinda Simpson, Berry Industry Development Officer, NSW DPI

In 1985, Live Aid raised over \$50 million for famine relief in Ethiopia, the Rainbow Warrior was sunk by the French, Gorbachev became Soviet leader and Jaspal Singh Lehl ventured to Australia with his wife and two young children from the Indian state of Punjab. The differences between the two countries must have played on Jaspal's mind as he journeyed to Australia with hopes and dreams of the future. The story of deep family ties and trans-generational support runs strongly through the entire story of OzGroup, right from the very first blueberry farm planted by Jaspal and his family in 1996 at Corindi Beach..

When Jaspal arrived from India, he and his family came to the Woolgoolga area and worked for Johnson's blueberry operation (now Costa's) during the season. In the off-season, he would travel to Griffith for the grape-picking season. This was clearly a family who understood hard work and was not afraid to tackle a challenge. In 1988, Jaspal's parents, Joginder Singh Lehl and Beant Kaur Lehl travelled to Australia to visit, and with support from within the wider family, were able to move permanently to Woolgoolga in 1989.

With extremely generous assistance and support from other family members, 118 acres of bushland were purchased in 1989 for \$125,000. This is a small sum in today's terms but 30 years ago, it was a fortune. Through old-fashioned hard work and dedication, this bushland was developed into a banana farm. Later, peach trees were added, and the farm provided a relatively stable existence for the family, which by now had grown to include three children.

Having spent time getting to know blueberries while working on the Johnson's farm and watching the blueberry industry blossom, Jaspal wanted to add blueberries to the home farm. Initially, Jaspal worked to propagate his own plants as getting nursery stock was challenging in the early 1990s for many reasons. Eventually he was able to source plant stocks from Ridley Bell and started with two hectares of blueberries – mainly 'Misty' and 'Sharp Blue' varieties. Those early years were tough with such a labour-intensive crop and what was a relatively small farming operation.

As the banana industry started to decline in Coffs Harbour in the late 1990s, experiences learnt from the banana industry such as the need for better marketing of the fruit and being a cohesive industry, brought four Woolgoolga blueberry growers, including Jaspal, together in a partnership to work for mutual benefit. OzBerries was born.

**Those founding partners were Jaspal; Gary, Harvinder and George Atwal; Satpal and Harjinder Gill; and Gurmukh and Kulbir Sidhu.**

Word spread and the group quickly grew, adding more partners, until in 2006, the twenty-six partners of Oz Berries purchased a block of land and built a pack-house facility with the help of a Federal Government grant in Woolgoolga. This purpose-built packing facility employed over 100 staff during peak season and ensured the sustainability of the brand. By 2009 the company had continued to grow and was now producing over 600 tonnes of blueberries each year and hiring more and more permanent local staff.

By 2013, the company partnership arrangement had become too unwieldy to manage efficiently as a corporate structure and the organisation made the bold step to close the existing company and establish a brand-new full cooperative; OzGroup Co-op Limited was born.



**First OzBerries packhouse facility.** Photo credit: Phil Wilk, NSW DPI.



**New OzGroup packhouse facility.** Photo credit: OzGroup.



**Automated packing machine in OzGroup's new packing facility.** Photo credit: Melinda Simpson, NSW DPI.





**OzGroup Frozen Blueberries are available in Coles Supermarkets.** Photo credit: GS1.

In 2015, OzGroup partnered with long standing berry business Driscoll's ensuring a steady supply of berries for Australian supermarkets. They also opened a new packhouse in Coffs Harbour, allowing for greater production and more efficiencies with automated technologies.

In 2017, OzGroup became the largest volume blueberry supplier in Australia, producing 37 million punnets of blueberries, 1.1 million punnets of raspberries and 202,000 punnets of blackberries in the 2017-18 financial year.

OzGroup are continually looking for ways to improve their business and in 2020 decided to diversify to Australian grown frozen blueberries, installing a 5m Linde CRYOLINE CW freezer tunnel featuring CRYOWAVE, a controllable vibration technology used to individually quick-freeze the berries. These frozen blueberries are sold into Coles supermarkets across Australia.

The expansion of the Coffs Harbour packhouse included two more automated packing machines, bringing the total to 7. Packhouse staff are still regarded as being crucial to the success of the business as the Co-Op seeks to identify further improvements to efficiencies.

The organisation operates under the true cooperative spirit; mutual benefit with mutually observed rules. All members must market all of their fruit through the cooperative. The business is managed by a board and there is full-time staff in all of the operational positions that you would expect to see in a sophisticated multi-million-dollar business.

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The Co-Op has evolved to meet the needs of its' members; agronomists and field officers are now included to provide agronomy services such as nutrition and spray programs. Working as a co-operative allows the growers to have more say with the larger supermarkets such as Woolworths and Coles about how the product is sold and marketed. This bargaining power underlies the true value of the Co-Op being strength in grower numbers and volume of product.

Today the OzGroup Co-Op has 140 members growing predominately blueberries, as well as raspberries and blackberries on the NSW North Coast and has an annual turnover of more than AU\$200 million. By sharing control of some aspects of their businesses, individual farmers can gain control in other areas, enabling them to focus on getting the most they can from their farms, helping to strengthen the farming community. Much of the operation is simplified and complexity has been transferred onto other professionals, including operations, marketing and accountants. As with other co-operatives, the model helps farmers to realise the power of working together. As the NSW berry development officer and on behalf of all within the industry, I say, congratulations OzGroup.



**Department of Primary Industries**

