



# Elders' 175 Anniversary Launch

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Wednesday, 19 March 2014  
Chairman's Address

## **175 YEAR ANNIVERSARY**

Good afternoon everyone. For those of who don't know me, my name is Mark Allison, and as Elders Chairman I am proud to stand here today and welcome you to what is a significant milestone celebration for Elders, for South Australia, and for Australia's agricultural industry.

When Alexander Elder first stepped on to the shores of South Australia back in 1839, I question whether he would have ever imagined the legacy he and his family would leave, or that their business would continue to shape this nation's agricultural industry 175 years on.

A business which has outlived two world wars, the great depression, a global economic crisis, stock market crashes, major bushfires, droughts and floods. A business which has trained more professionals located across rural Australia than any other organisation. A business that pushes boundaries, and invests in new science and technologies. And, a business that is proud of its commitment to rural and regional Australia and the communities in which it has operated for 175 years.

Over the years, this Elders family legacy has touched the lives of thousands of people including generations of employees and clients. So today, as we stand here overlooking Elder Park, I pose the question: what could we achieve in the next 175 years? How will Australia's agricultural industry develop and what opportunities lay ahead for Elders?

## **VISION FOR AUSTRALIA'S AGRICULTURAL INDUSTRY**

With world food production needing to double in the next 40 to 50 years, there is no doubt that the opportunities for Australian agriculture are immense. Our proximity to Asia means we have a unique opportunity to fulfill demands of growing populations.

Indonesia's middle class is growing by 20-25 million every 3-5 years, and imports more than \$1.2 billion worth of fruit and vegetables. 50 percent of China's population is living in cities, and spends 270 percent more than their rural counterparts.

Australia currently supplies only a portion of these markets with fruit, vegetables and protein, leaving significant opportunities for our agriculture industry to meet their demands.

Like these rapid changes in Asia, our farmers are no longer operating the way they did 175 years ago, and they will continue to change over the next 175 years. Generational changes in farming are driving agricultural evolution around technology and I believe technology will undoubtedly shape the future of agriculture in Australia and across the world.

At an industry level we need to let go of the past and focus on being competitive at a global level.

For Australia to take advantage of these opportunities there is an increasing need for industry and government to work together to overcome high labour costs, to facilitate foreign investment and free trade agreements, and to reduce both green and red tape.

## **VISION FOR ELDERS**

At the same time, there is also a strong need for Elders to move forward.

While Elders has been through a challenging period in recent times, as a business it is important that we now recognize our knowledge and experience gained in the past, and focus on what we need to do to remain profitable and competitive on a global scale.

In 2014, Elders is an organisation which continues to deliver through the strength of its people, including:

- More than 2,200 employees across 209 branches serving over 50,000 primary producers across Australia and international markets
- 104 real estate and insurance stores and 139 real estate franchises
- Some 32,000 security holders
- And a brand name which is regarded as synonymous with Australian agricultural enterprise around the world

For the first time in many years, Elders is now operating as a pure agribusiness, and has sharpened its focus on “getting the right core business, and getting the core business right.”

The industry needs a strong Elders, but we must earn our right to the funds which will fuel our growth. We will do this on the basis of our operational

performance, not because we have a 175 year history, an extensive network, or a great brand.

What will set Elders apart from our competitors going forward is our ability to utilize our people and expertise across Australia and overseas, to be innovative and efficient in both good and bad seasons.

In January we assembled 40 leaders from across our business to develop our strategy for the future. It was clear from this meeting that we have the right people within the business to implement innovative ideas, improve performance, and to take Elders forward.

This has reinforced our vision for Elders to be Australia's leading agribusiness and clarified our mission to be an agribusiness creating real value for all stakeholders in both Australian and international markets.

## **CLOSING**

The business of Elders has been synonymous with Rural Australia and the agricultural industry for the past 175 years, and I believe our recent focus on returning to a pure agribusiness, and getting our core business right, will position Elders well for many more strong and prosperous years.

As we stand here today and recognise Elders' 175th anniversary, I'd like to take this opportunity to thank the many who have contributed to our success along the way. Our loyal clients, our shareholders and most of all our dedicated employees, both past and present.

I look forward to sharing our anniversary with you over the next few months, and celebrating the many successes and milestones to come.

Although Elders has a strong and proud tradition, we are confident that the greatest achievements of Elders are yet to come.

ENDS.