

## Hindsight is genius

Hindsight often makes success look easy, but it's never that simple. When Ashgrove Cheese opened its shop front nearly 30 years ago, it welcomed just one visitor in the first two days. Today, the business has won multiple awards in several competitions across Australia. Not bad for a couple of brothers who had a dream in 1983, as the current generation tells *Australian Dairy Foods*.

In 1994, Ashgrove Cheese opened its shop front. Just a single visitor entered the premises. It hardly seemed an auspicious start for one of the early family-owned operations to jump fearlessly into processing milk and cheesemaking when to do so wasn't popular culture.

Ashgrove's Marketing Brand & Communications Manager, **Anne Bennett**, says at the time, people laughed. Today, no-one is laughing. She says because Ashgrove Cheese is an iconic Tasmanian destination specialising in premium quality, traditionally styled cheeses made with milk from its own Ashgrove Farms, the two businesses remain firmly family owned and operated.

Ashgrove Farms milks 3,000 cows through five dairies on seven farms that cover 3,000 hectares (in addition

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to agisted land) at Elizabeth Town. It is the state's single-brand market leader in the fluid milk market, employing 100 staff between the farm and the factory.

Ashgrove Cheese today includes the second generation of the founding Bennett family in the business, and its “restless and gritty” determination hasn't been watered down.

It recently opened its \$2.2 million refurbished Ashgrove Dairy Door and Visitor Centre (built during the COVID-19 pandemic) as the business continues to

push towards new frontiers – both in processing and in farming.

### History before progress

When dairy-farming brothers **Michael** and **John** – together with their wives **Maureen** and **Connie** – first decided to take control of their product's destiny in 1983, they did it with profound intent and self-belief during a drought.

Anne says she has asked her father, John, what pushed them to the decision?

“Dad said, ‘The family had spent several generations in gumboots, just walking around in circles’. He said they just couldn't lift themselves out of the low income. And, because both my uncle and father had had the opportunity to have experiences with other agricultural systems overseas, they wanted more from the supply chain.”

John had won a Young Farmer’s scholarship at 19, studying agriculture in the UK. Michael won a Nuffield Scholarship, and had also travelled to the UK, Scotland and Ireland.

“It wasn’t pie in the sky,” Anne says. “They had seen first-hand what was happening out in the world. I’ve got a handwritten notebook from the UK and the Netherlands – in particular – about everything they needed as they researched exactly, for example, what pipework it would take, and what the factory would look like.”

Together the brothers felled Tasmanian Blackwood trees for the original shop build, also racking, and drying the timber themselves. They bought second-hand mining equipment from the Rossard Tin Mine in north-east Tasmania. It helped that John was a clever builder and Michael an excellent mechanic.

“They prepared the business by building the dairy 400m from the



site where they were going to build a factory,” Anne says. “They knew that milk miles were really important for the structural integrity of milk when it came to making cheese.

“At that time, many of the other processing factories were cited in the suburbs of Melbourne or Sydney,

and they were all predominantly medium-scale factories with town water supply.”

### Including the second generation

Next, came their children. Cousins **Jane** and **Paul** left school at the

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same time – with Jane pursuing cheesemaking and Paul following a career on the farm. Jane studied at Gilbert Chandler College, before working in cheeseries in the UK. She was the first to make cheese at Ashgrove and had a leading hand in Ashgrove Cheese’s early success.

Paul graduated with honours with a Diploma in Farm Management from Marcus Oldham College, and today manages the dairies and is Chair of Ashgrove Cheese.

A second wave of cousins, **Richard** (a **DIAA member**) and Anne, joined the business later.

Richard also graduated from Gilbert Chandler College before gaining some experience working at the

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now-famous **Kapiti Cheese**, in New Zealand. He returned to the family business as a cheesemaker – and has won multiple awards. Today he is the company’s CEO.

Anne has found her fit in marketing and communications, off the back of an MBA (Professional) Creative

Communications and a Bachelor of Fine Arts – both from the University of Tasmania – in addition to a Diploma of Business (Oten Tafe, NSW) and an Executive Certificate in Event Management (University of Technology Sydney).

### Consumers are savvy

Richard remains proud of the family’s ability to grow and develop.

“The thing about farming as a family is that when we decided to go into this, we knew it was about building a stronger business, a stronger family, a stronger farm and a stronger community,” he says.

“That’s our philosophy. We were never just thinking we’d attend the farmer’s



market for a couple of years. "We did that in the 1990s, we joined tastings and we still do that today, but the difference was that we were farmers and we wanted to control our milk's destiny and to check our own pricing mechanisms.

"So, everything we do is in-house. Everything from pasture to plate, or paddock to plate is handled by an Ashgrove chain that has buy-in to our business.

"This includes the distribution trucks, the depots, the warehouses, and the marketing. That was an important vision we had for our business."

Richard says the authenticity of their operation has been integral to their success.

"It's very important we trust ourselves, that we trust our land, our environment, our cows, and our people and that that trust gets filtered down to the consumer."

Anne adds, "Consumers are savvy. They want a great-looking product, they want provenance, they want

brand trust, they want authenticity, and they want value.

"Ashgrove has that in spades. We are always very honest with ourselves – and you have to be. That's the strength of a family business. You have to be honest about your market position, about what you're producing and have that vision about where you want to go.

"We've always had a really integrated business approach and we always built with scale.

"There is an inherent heritage in dairy farmers too. They are tough because they have the resilience of historically surviving in the commodity markets."

### What Ashgrove looks like day-to-day

Ashgrove has also never made the mistake of straying from its core business.

"It's actually quite simple," Richard says. "We are dairy farmers and milk is the essence of our business."

In 2017, the family added two 17,000 litre cheese vats. Each vat can produce two to three times their volume in cheese every day. They also have some smaller vats, which are used for artisan cheese production.

"We can look like we have a large portfolio, but we're very linear in what we're good at. We produce around eight core products in two shapes – a 5kg wheel or a block.

"From those core products we then meet market demand and market channels with automated packing, cutting, and a great team.

"We may have 30-50 products on the market, but they will have started as a wheel or block and been broken down to convenient 140g, 100g, 50g and 25g retail portions."

### The future

Ashgrove continues to look to the future. Anne says, "Since 2017, we've really realigned our brand. We now have two key brands when we pitch our cheese products. One is the



Ashgrove Signature – it’s our grand cru high-end fully aged country cheese. You can taste Ashgrove’s ‘terra firma’, and you can taste Tasmania in it. It’s stunning.

“We also have our Ashgrove Iconic Tasmanian Farmhouse series, which can be found in the major and independent supermarkets.

“When we go to market cheese, we are very focused on those two product ranges.”

Much of Ashgrove cheeses is sold into the local community, and its interstate deliveries are handled by Royal Foods.

“Having our product in local stores is really important to us,” Anne says. “But we have a strong independent market nationwide and internationally.

“The team internally sees the future for Ashgrove as continuing to develop it into an iconic Tasmanian dairy business.”

### COVID not to be sniffed at

The north-west coast of Tasmania was the first place in Australia to be locked down by COVID-19 in 2020. At the time, Ashgrove Cheese was in the middle of its new Ashgrove Dairy Door and Visitor Centre build.

This moment is a telling example of the size of the family’s fortitude.

“We did the build in COVID – it had been planned,” Anne says. “When COVID hit, we had to adjust, but we didn’t hold back on the project. We could have hidden, or we could pull together and move forward. We had the vision and we followed through. We opened in April 2021.”

The business was ready for the expansion, but the decision was mindfully also about educating its visitors and showcasing the family and the operation through immersive story telling.

“We built this flagship destination so that when people come to visit us

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*Everything from pasture to plate ... is handled by an Ashgrove chain that has buy-in to our business.*

everything in that space connects them back to our family and to our heritage,” Anne says.

“It has four areas that include an outdoor area, an interpretation area – self-guided area for visitors to learn about cows, the farm, the family story, and milk nutrition – an immersive window to show the cheesemaking, a café and a retail centre.

“Our central focus is milk because everything we produce comes from milk. We are dairy farmers and supplying fresh milk to Tasmanians is still the focus of our business.”

Ashgrove Farms has come up against some big processors in the fresh milk market. Yet, it holds Tasmania’s top position for market share for single-brand milk – despite charging an additional 20 cents per litre.

Anne says this transparent consumer price-point decision proves just how much Tasmanian customers value the source of the milk they choose for their family’s kitchen table.

### Online sales and COVID

Ashgrove Cheese also had a “plan B” for marketing through COVID.

“Online sales are a smaller component for our business, but it has been important,” Anne says. “We had been proactive, and we already had a dedicated e-commerce instead of an open-source platform.

“It meant we could immediately centralise all our digital sales and switch to a platform which could hold thousands of transactions a day.”

Since COVID, they have noted a slight shift in their international customer base.

“Growth happens organically, and we do have a key focus which is driven by consumers and market forces.

“Before COVID, Hong Kong and mainland China were strong markets, but we’re now seeing Taiwan and South Korea pick up. New Zealand has also opened up for us.”

### The cows

It’s no secret that Tasmania is ideal for dairying, with its water availability and climate. The coastal breezes can be chilling in winter, but cows – when they’re well fed – prefer cooler weather.

Paul Bennett has a lot to watch over on-farm. Mindful of animal welfare, no bobby calves leave the property; they are all raised on-farm.

Genetics in the herd have been tailored to support achieving the right components in Ashgrove’s milk. Some 30% of the herd is Brown Swiss or Jersey, with the balance comprising Holstein-Friesians (from the Netherlands).

Happily, they have found the three breeds are as suited to Tasmania’s climate as their milk is to cheesemaking.

Richard says, “It’s really important that we have the special genetics. Michael and John spent a lot of time in Dutch cheeseries. It’s interesting to see the background work which they did early on, and what still suits in our business.”

This is a pasture-based farming business, with supplements fed on the season shoulders. Cow condition also impacts protein percentages, which makes consistently feeding them well critical for the entire business.

Paul says, “We pay attention to feeding the cows well because if they lose weight, their protein levels will fall.

“Above 3.3% protein is fine, and it’s important to remember that if we get the milk’s fat-to-protein ratio right, there is more total yield for the cheese factory.”

Ashgrove Farms has embarked on an aggressive path to solve calf-dehorning challenges by using a polled Hereford bull in the herd.

Anne says, “We hardly have to dehorn any animals on the farm. We also don’t dock tails. All of these animal-welfare conversations just made a lot of sense to us.”

“In the calf sheds, we have employed some wonderful women, and they have turned it into the most prized job on-farm. The balance between good farm practice and commodity milk is a no brainer for us.”

Anne says handling, absorbing, and recycling wastewater on-site from the farm and the factory has been a complex conversation.

“Water is complicated with the changing environment and water resource consents.

“Water is our most precious commodity. What makes Ashgrove’s different with regard to this conversation is that we can capture water and irrigate to have grass year-round for our cows.

“That’s a really big difference compared to some other farms in Australia.”

### DIAA membership

The family firmly believes in its DIAA membership.

Anne says, “It’s critical, and so important that as a family, team, and a company we are connected with national bodies because that’s what links us to industry.

“It also keeps us up to date with technology and know-how. I believe it’s also very important that farmers and manufacturers are connected. You can then pick up the phone, send an email and easily source know-how and information.”

Richard says he was introduced to the DIAA in 1998 and he and his wife, **Fiona** (also a **DIAA member**), value the networks within the association.

“I found it a great way to network with contemporaries in the dairy industry, and a wonderful way to get processors together, because we all get so busy in our businesses,” Richard says. “It’s a good binding force for our industry.”

### A recent accolade

Late in March, John and Michael were acknowledged for their outstanding contribution and service to the dairy industry over two decades – together with Connie and Maureen – with a **Tasmanian Dairy Service Award**. It has only been extended four times in its history.

Richard says, “That was pretty exciting for them. It was great recognition – not only for their work at Ashgrove and on their own farms – but for their leadership across the industry in general.

“They have been great promoters of the Tasmanian and Australian

dairy industry and of our local communities too.”

### Farming resilience key

Anne says while Ashgrove Cheese continues to thrive, they never forget the example that has been set by their parents and founders, and how easily empires crumble.

“None of it has been easy,” she says. “There have been some wonderful wins and successes and some wonderful internal achievement.

“But any business owner knows that owning a business is really tough. Ashgrove – from the founders down – has found its strength in having a goal and focusing on it.

“I think that determination or resilience comes from our farming stock. That’s how we have adapted and learned.

“There are times when you don’t see us winning awards and being the brand of the moment, and oftentimes that is because we are assessing where we are at.

“We’re not big and flashy, we are a local community business.”

Richard agrees: “It’s a never-ending treadmill, but we’ve got a great team and we’ve kicked a few goals over the time.” ■

See the next issue of ‘Australian Dairy Foods’ for a story on an innovation that Ashgrove is part of, which has the potential to delete 500 million plastic milk bottles from Australia.

## Hungry for more science content?

The DIAA website is home to more than 1,700 scientific papers and technical articles, published in the *Australian Journal of Dairy Technology* between 1960 and 2010. DIAA members can download individual articles and full issues of the journal for free. Non-members can buy articles for \$15 each.

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