

# ONLINE ARTICLE

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## **EMERALD Group is planning to add three new grain storages to its network in time for this year's harvest.**

Emerald Group supply chain and operations general manager John Warda would not disclose the location of the new sites, only that they were in Victoria or southern NSW.

Mr Warda said the new storages would be "affiliated" sites, meaning they were owned by other parties, but would come under Australian Bulk Alliance banner.

The new sites are part of a plan to expand ABA's grain storage capacity from 1.4 million tonnes to three million tonnes over the next three to four years.

Some of the new storages could be existing sites while the others have yet to be built.

ABA was planning to expand into southern Queensland and northern NSW.

Emerald absorbed Sumitomo's ABA port terminal in Melbourne and country grain storages in Victoria and southern NSW into its operation about four months ago.

Mr Warda said that since that time, grain exports through the Melbourne port terminal had increased 40-50 per cent. He said said transportation of grain to the Melbourne port terminal by train was more efficient than by road.

He said the company had contracted two train sets from Pacific National to transport grain from country storages to the Melbourne port terminal and GrainCorp's export terminals in Victoria and NSW.

He said the two trains ABA was already operating in Victoria and NSW had the capacity to transport more than 500,000 tonnes of grain to port each year.

He said ABA would take delivery of a third train set next year.

Mr Warda said expanding Emerald's grain buying operations to include storage and transport operations had reduced supply chain costs by more than \$1.25 million.

This has resulted in savings to growers of about \$5 a tonne.

"Emerald's objective in taking over the port terminal and country network was to combine these with a fleet of leased trains and deliver an integrated, efficient and robust end-to-end grain supply chain, for the benefit of our grain grower customers and our grain export customers," Mr Warda said.