



Media statement

7 December 2010

SQP offers new feed grain options to assist growers.

The first few days of summer has seen heavy rainfall across eastern and central Australia – following what was one of the wettest springs on record leading to major quality concerns for SQP’s growers across the east coast. To assist local growers to market their downgraded crops, SQP today announced that they intend to run a large feed grain program based around ensuring growers have sufficient marketing options this harvest.

SQP is currently developing marketing options for growers across eastern Australia who have been affected by the continuing rains and poor harvesting conditions. SQP’s Managing Director Ben Fleay today said that this is not the first time the business has assisted growers with downgraded grain.

“I remember a similar situation 10 years ago when many areas of Victoria suffered feed grain due to drought. During this period SQP was able to take a long term view, developing specific segregations and running targeted pools to assist growers to market their grain in those tough years,” Ben said.

Ben commented that SQP has an advantage to deal with such circumstances due to its unique focus of the grower as the SQP customer.

“When our grower customer is faced with such issues we focus on providing clear market feedback to our growers, getting the right segregations and delivery options, and providing the right marketing option which, in many instances, is a pool with a long term focus. SQP will ensure that it finds a way to provide a market for any downgraded wheat and barley that is produced by its customers this year,” concluded Ben.

Emerald’s Managing Director – Mick Cattnach – today said that after many years of drought, he felt for growers that have been affected by the extreme weather conditions and has revised a number of product options accordingly to suit feed grades.

“This is simply devastating for growers, and we hope at SQP by offering products that accommodate grower’s crops changes, this will add some support and relief to producers and their families this harvest.

What is reassuring for growers is that demand for lower-quality Australian wheat has increased after wheat stopped flowing from the drought-stricken Black Sea region into the Asian pacific. SQP’s partner Emerald has developed a strong presence into South East Asia in conjunction with Sumitomo Corporation, with a strong focus on Korea as a traditional feed buyer. A recent trip to Korea has seen positive feedback on the appetite for Australian feed grain into that market. These long term marketing



alliances ensure that the SQP grower customer will have a committed team working to assist them in the marketing of their wheat and barley irrespective of the quality.

Our relationships into the Korean market, coupled with our strategic partnership with Sumitomo, puts us in a good position to successfully market feed grain this harvest. With our revised product range, and local teams working closely with producers, we hope to offer some form of relief and help maximise returns for growers this harvest,” Mick concluded.

For further information on SQP’s prices, pool returns or distributions call 5331 4943 or visit www.sqpgrain.com.au

For further media information: Ben Fleay – (03) 5331 4943 or 0427 465 796
Shannon D’Arcy – (03) 9274 8888 or 0401 795 388

Background information

SQP Pty Ltd is a leading Victorian independent grain marketing company offering a range of products to assist its grower customers maximise returns and manage grain market risks. SQP offers the range of pool and fixed price marketing alternatives and continues to develop products that meet the needs to its grower customers.

SQP has significantly changed the pool marketing landscape in Victoria. SQP broke new ground with the establishment of the pool based contract premiums as well as forced the industry to maintain payments for quality by enhancing the quality payments matrix applicable in the 2008/09 season.

ENDS