

FLETCHER INTERNATIONAL EXPORTS LOOKS TO NORTH ASIA FOR GROWTH

EXPORT CASE STUDY | FEBRUARY 2018

One of Australia's largest exporters of lamb and sheep meat products continues its expansion into Asia, thanks to Australia's free trade agreements with China, Japan and Korea.

Fletcher International Exports is a primary processor and exporter of lamb and sheep meat products. The family-owned company operates facilities in Dubbo, NSW and Albany, WA with a processing capacity of more than 90,000 lambs and sheep per week.

Over two decades ago, Fletcher International began its export journey with a shipment of frozen meat products to Japan and Korea. Today the company exports to 100 countries across Asia, Europe, the Middle East and America.

Free trade agreements encourage export growth

In recent years, China and Korea have been important markets for the company as demand for high quality lamb continues to grow.

General Manager of Fletcher International WA, Greg Cross, explains: 'Chinese demand for mutton is increasing and Korea, traditionally a beef country, has recently started to take a big interest in lamb, which is very exciting for us.'

In north Asian markets, Australian meat products are widely recognised for their exceptional quality, flavour and safety standards. This can be attributed to the high standard of processing, which Cross believes has helped drive interest and secure sales from these markets.

'When consumers in China and Korea buy our products, they know they're coming from a clean



'Since the Korea-Australia Free Trade Agreement came into force, our exports have increased by over 30 per cent to Korea.'

Bernard Gooch, Export Manager, Fletcher International Exports

and disease-free environment, which I think gives them greater confidence to order from us,' he says.

Tariff reductions create rich potential for export

Prior to Australia's free trade agreements (FTAs) with China (the China-Australia Free Trade Agreement – ChAFTA) and Korea (Korea-Australia Free Trade Agreement – KAFTA), Fletcher International faced tariffs as high as 23 per cent on several of its products.

The FTAs have significantly reduced these tariffs, with many being halved compared to pre-FTA conditions.

Export Manager of Fletcher International, Bernard Gooch, says the implementation of FTAs with China and Korea has enabled the company to increase exports to both countries.



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‘Since KAFTA came into force, our exports have increased by over 30 per cent to Korea,’ he says.

‘These results, thanks to ChAFTA and KAFTA, have given us the confidence to continue growing our export business.’

Do your homework and start simple

For those considering exporting, Cross explains how important it is for businesses to undertake research to ensure they understand the culture of the market they are entering.

‘You need to research your export market and understand its culture so that your products are tailored to different cultural preferences, such as meat preparation or cooking styles.’

Cross also believes the best results will come from starting small and taking things one step at a time.

‘I think it’s best to keep it simple and then grow. So many companies just dive in with all guns blazing and realise they’ve been too hasty and made wrong decisions,’ he notes.

‘It’s best to dip your toe in a little bit to find out the market demand and then look to build the relationship.’

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