



Mondelēz International announces \$75 million investment in its Cadbury Claremont plant, plus changes to its operations

TASMANIA, AU – August 15, 2017 – Mondelez International has today announced a \$75 million investment in its Cadbury Claremont plant as the next stage of its focus to secure local jobs and create a best-in-class manufacturing cost-base.

The company, which has a proud 95 year history in Tasmania, has been on a journey to become more efficient and competitive, continuously investing in its sites and relentlessly focusing on efficiencies and productivity.

“Over past five years, we have invested \$110 million in Tasmania, and today are announcing a further \$75 million commitment to be spent over the next 18 months,” Amanda Banfield, Area Vice President said.

“Our team here has worked hard to help us become more efficient, cut costs and improve our competitiveness and as a result, we’ve reduced the cost of converting raw materials into a block of chocolate by 12 per cent.

“But while progress has been made, increasing local and global competition, low domestic growth, rising costs, and Australia’s distance from overseas markets make it difficult to compete against the likes of European factories with lower costs.

“To remain competitive, we need to improve our conversion costs by 30 per cent, plus continue to raise the bar as competition increases further.”

The company will realise more efficiencies through investment in new technologies, equipment and automation, plus increase the skills and capabilities of its people and ensure its teams are the right size. It does mean that around 50 of the 450 people team will be leaving the business by the end of the year, with the majority likely to be voluntary redundancies. All redundancy conditions of employees’ workplace agreements will be met along with substantial out-placement support.

Jason Bonisoli, Manufacturing Director Chocolate, said that the efficiency improvements already achieved give strong confidence that the operation can have a best-in-class cost-base.

“The team here has helped us deliver significant waste and cost reductions, safety improvements, and they are learning new skills and reporting increased levels of engagement,” he said

“But we want to keep making great tasting, affordable products here in Tasmania, and the changes we have announced today will create scale and drive costs down to position us to compete for export volume and secure local jobs and the future of manufacturing in Tasmania.

“The changes will help sustain Cadbury’s position as market leader, innovating and making new products that meet consumers’ requirements.”

The company has a proud history in Australia and in particular the state of Tasmania. The Claremont manufacturing site was the first Cadbury operation set up outside of the UK in 1922. Additionally, milk processing at the Burnie plant has operated since 1947 and the company buys approximately nine per cent of Tasmania’s milk supply.

Ninety percent of Mondelez International’s products sold in Australia are made in Australia.

ENDS

Media enquiries:

Lainie Kirk, lainie.kirk@mdlz.com, +61 439 877 167

Stephanie Saliba, stephanie.saliba@mdlz.com, +61 447 367 551

About CADBURY and Mondelēz International

CADBURY is a brand that has a long history of bringing joy to Australian families’ lives with iconic brands such as FREDDO, CHERRY RIPE, MARVELLOUS CREATIONS and Australia’s No.1 confectionery brand*, CADBURY DAIRY MILK. Australians know when they buy Cadbury Dairy Milk, they’re getting more than a great taste, they’re getting great quality too, being manufactured in Australia for around 95 years. Mondelēz International, proud custodian of the Cadbury brand, creates delicious moments of joy in 165 countries around the world, and is a leader in biscuits, chocolate, gum, candy and powdered beverages, with billion-dollar brands such as *Oreo*, *LU* and *Nabisco* biscuits; *Cadbury*, *Cadbury Dairy Milk* and *Milka* chocolate; and *Trident* gum., Visit www.mondelezinternational.com or follow us on Twitter at www.twitter.com/MDLZ.

*Source: Nielsen Answers MAT 22/05/2016

