

Introduction

An idea borne from a kitchen-table discussion among a group of dairy farmers in 1999 became commercial reality in May 2002 with the official opening of the £19 million purpose-built Amelca milk and cheese plant.

The farmers' ambition was to create a company that provided a true producer-processor partnership, offering a more secure premium-rated pricing structure and giving dairy farmer shareholders more control over their own destiny. Part of the dream was to develop a plant that would be an industry leader in technology, providing the highest quality safe milk and cheese.

Objectives

- Generate support for Amelca from the local farming community
- Position the initiative as an attractive proposition to potential investors
- Provide communications support throughout the plant construction period.

Strategy

Consultants, including corporate communications specialists Mistral, helped to move the dream towards reality.

A key role for the Mistral team was to work with the founders to draw up a proposition that would attract sufficient support from the local farming community – both in terms of money and commitment to supply milk – for the first project of its kind in the country.

Market research, media relations, and a combination of open meetings and more intimate lobbying meetings were used to monitor and persuade 150 'best-in-class' but risk-averse farmers within a 25-mile radius of the proposed plant to commit to a potential high-risk project. Mistral undertook all of these activities, from drafting presentations to analysing the market research.

Once local farming community support had been achieved, the main focus shifted to investor relations and the launch of a prospectus on the OFEX market. This came at an unfavourable time for food shares – not helped by the start of the Foot and Mouth Disease epidemic during the all-important closing weeks of the share offer.

Because of these negative pressures, Mistral decided to concentrate fund-raising efforts on local individuals and businesses within the Derbyshire-Staffordshire-Leicestershire area. The team organised a series of investor meetings and supported with local publicity in the area. The result was that the minimum £6.6 million required to proceed with the project was raised before the final closing date so that the site could be purchased, enabling building to commence.

Mistral worked with the strong management team to ensure that communication with farmer-suppliers was maintained during the time when they had to give notice – up to a year in advance – to their existing milk buyers (among these buyers were many established names such as Express and Wiseman Dairies). These



dairy farmers would supply around 150 million litres of milk a year to Amelca when the milk plant was completed.

Towards the completion of the plant, the focus of communication activity shifted away from the farming audience and moved towards local community relations – the factory would create up to 400 jobs locally – and to food and retail media to attract the attention of potential customers.

Results

One of the highlights for the Amelca team was the Mistral-managed official opening of the plant in March 2002 by the then DEFRA Secretary of State, Margaret Beckett. The event was attended by the President of the National Farmers Union as well as supermarket buyers and press, radio and television. Advance intelligence and intervention even succeeded in averting a threatened Countryside Alliance pro-hunting demonstration, aimed at the Secretary of State, which could have hijacked the positive media coverage from the event.