

Openfield™

Northern Farming Conference
13th November 2013

Rob Sanderson: Head of Central Store Development



About Us



Openfield markets 4.5m tonnes of grain per annum. This is 20% of UK grain market. This activity generates over 70% of our income.



Openfield handles 1.1m tonnes of grain through its network of central stores. Openfield has 18 stores within the network all across the UK.



Openfield sells 200,000 tonnes fertiliser and is a key distributor for GrowHow.



Openfield processes 25,000 tonnes of seed and owns the UK's most modern seed plant.

About Us.

- 🕒 Openfield turned over £700m last year
- 🕒 Openfield generated a profit of £2.6m for 2012
- 🕒 Openfield works with over 7000 farmers
- 🕒 Openfield has 28 of its own vehicles.
We move on average 450 loads of grain each day outside of harvest.

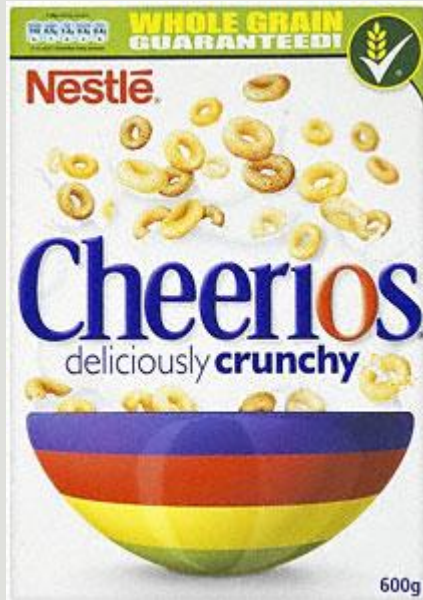


The challenges for UK grain producers.

- 🕒 Price volatility in an unprotected market
- 🕒 Interpretation of global grain events
- 🕒 Meeting increased customer expectations
- 🕒 The influence of the media & NGO's
- 🕒 Being more than just a price taker



Need to be close to the consumer: Brands



Sainsbury's

What does the consumer want?

Waitrose

DIAGEO

Outstanding service
(OTIQ)

Security of supply

Provenance (UK)

Traceability



Sainsbury's



The cereals supply chain



Openfield role to manage: Value to grower & service to consumer

Developing

Developed

Asset utilisation

35%

80%

On time deliveries

75%

98%

No shows

6%

< 1%

Quality rejections

2 to 6 %

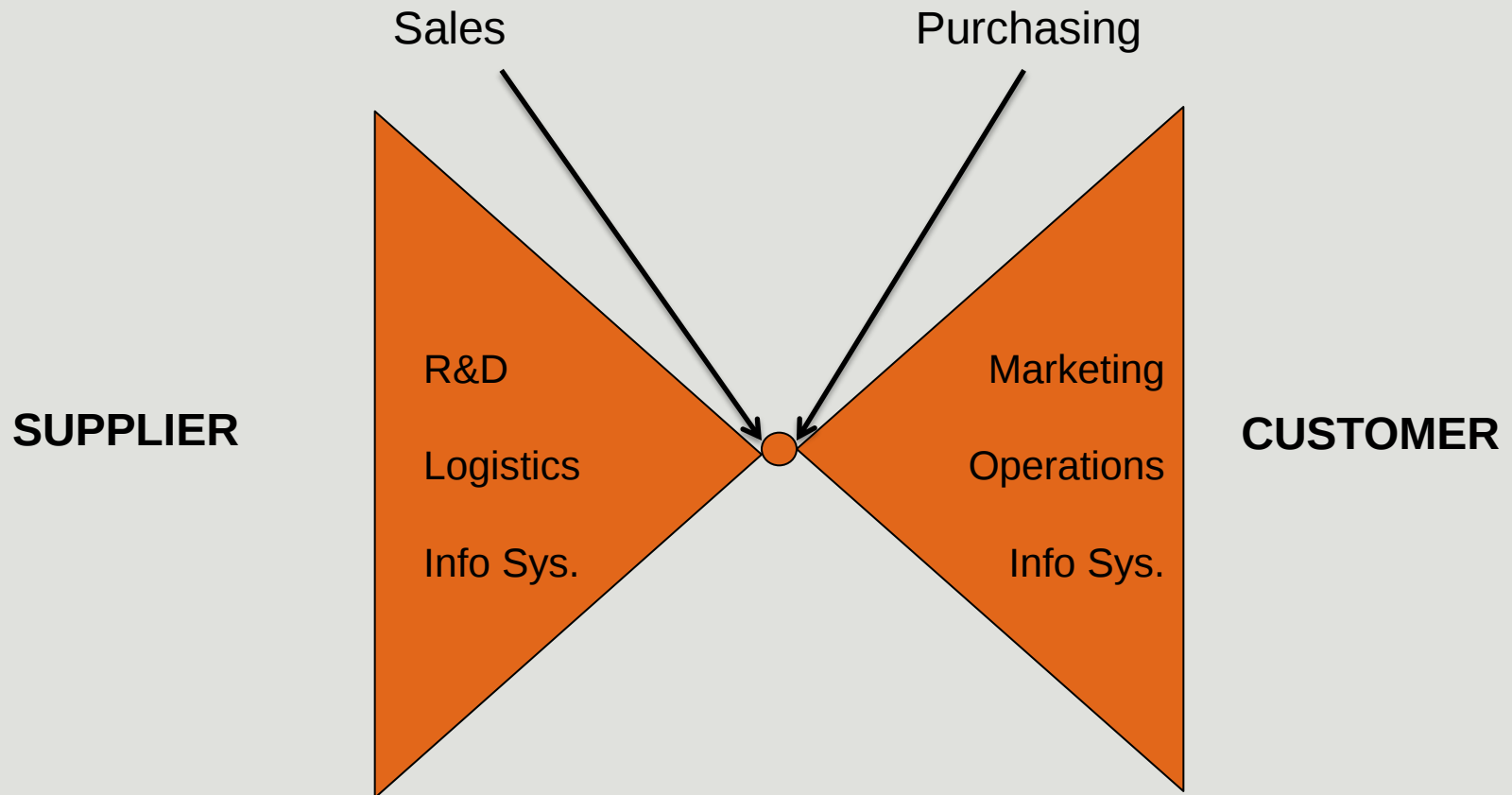
< 1%

Delivering Service

Creating Value

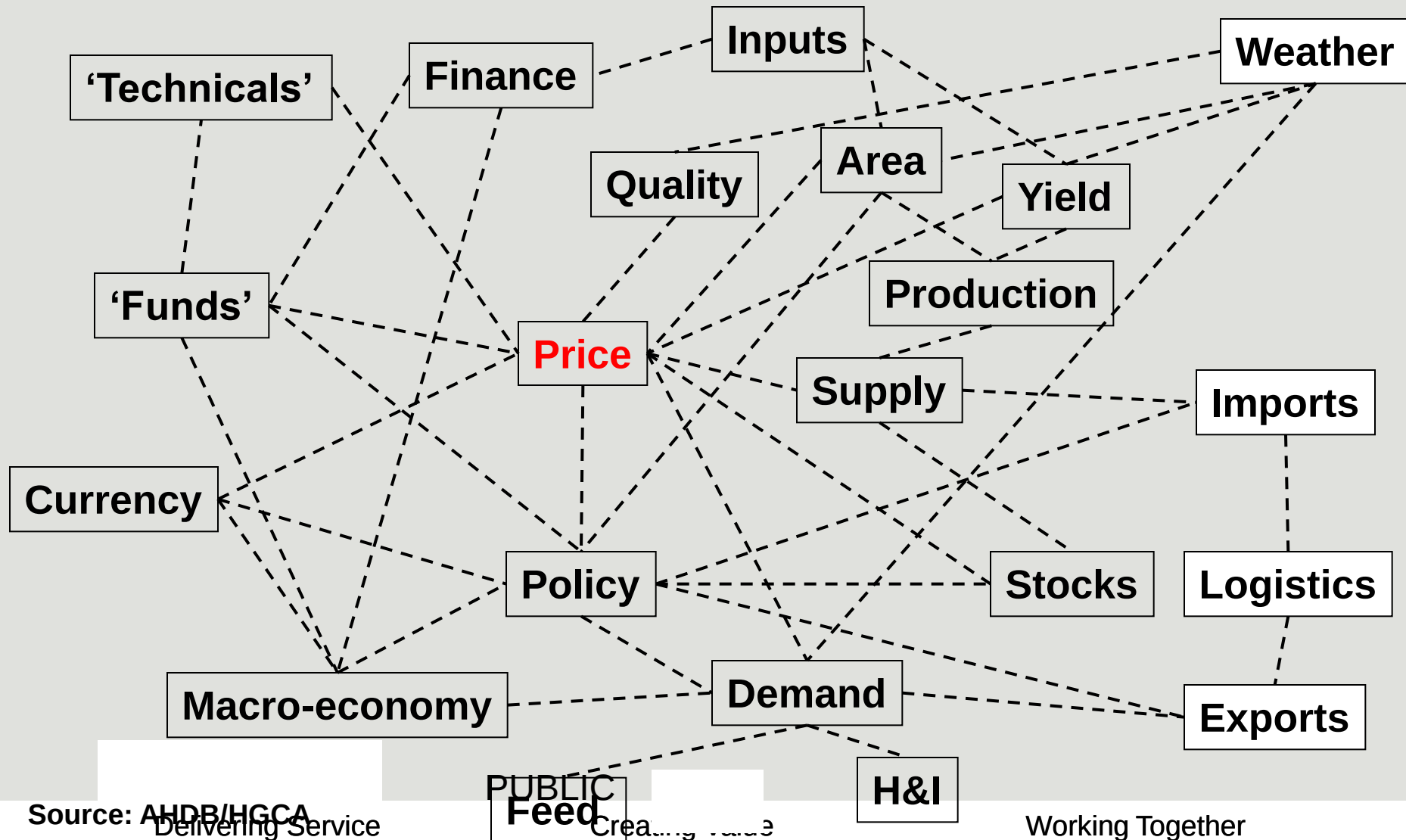
Working Together

Traditional approach – arms length



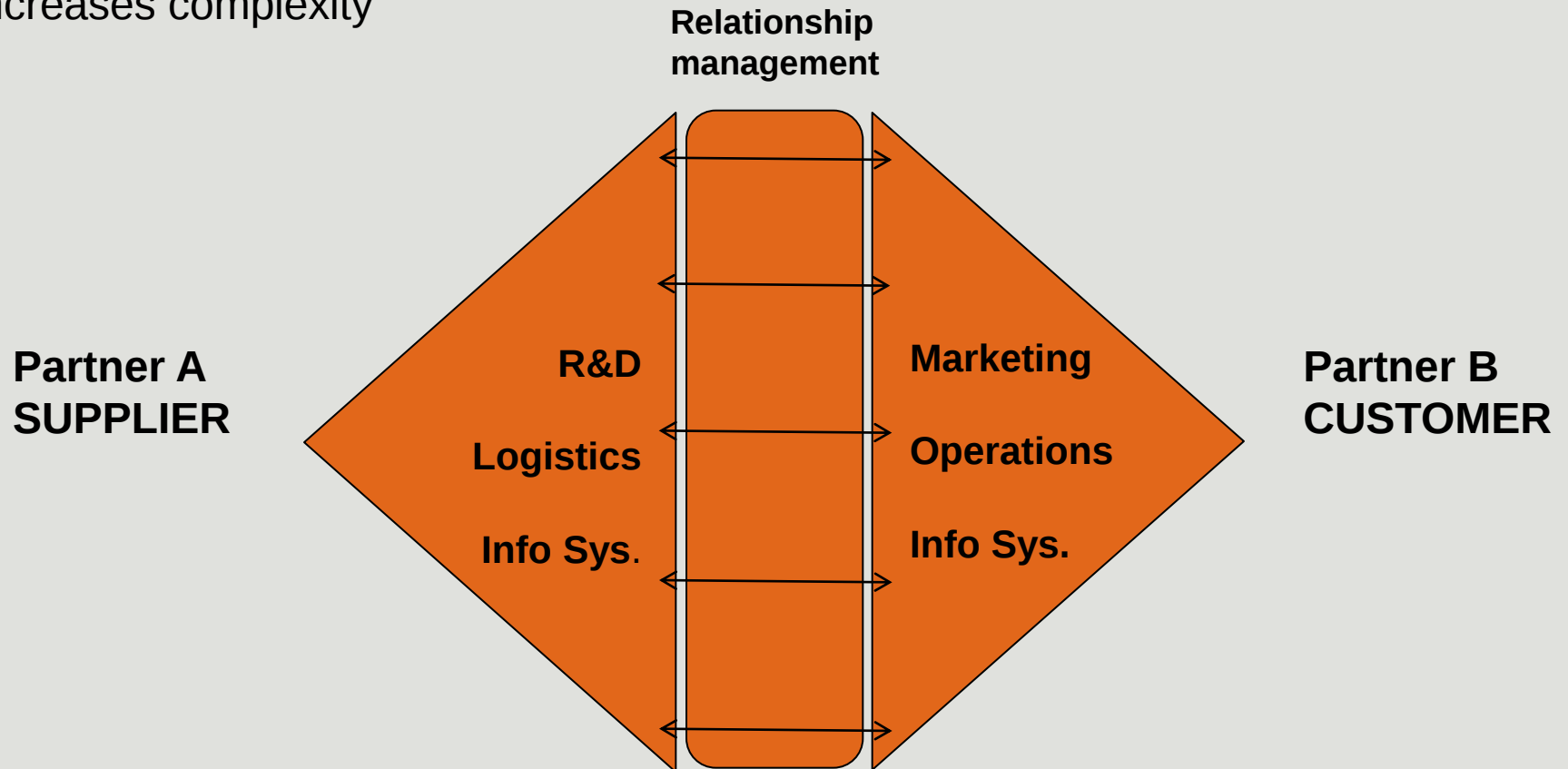
Relationship is based on 1:1 and is “fragile”

What drives the price?



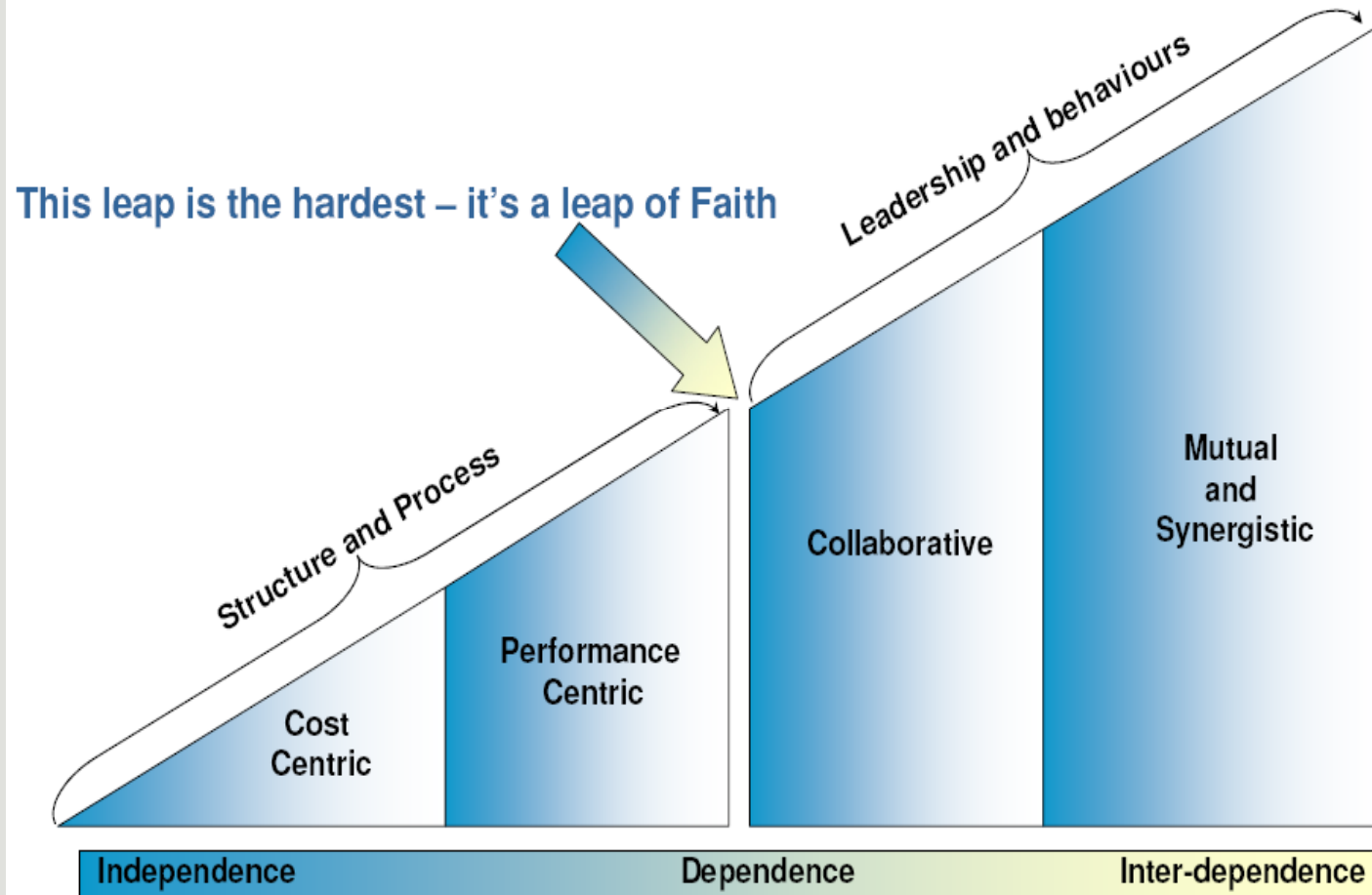
Partnership approach – increased linkages

Increases complexity



Relationships are broad, business based and strong

Collaboration - 'The Leap of Faith'

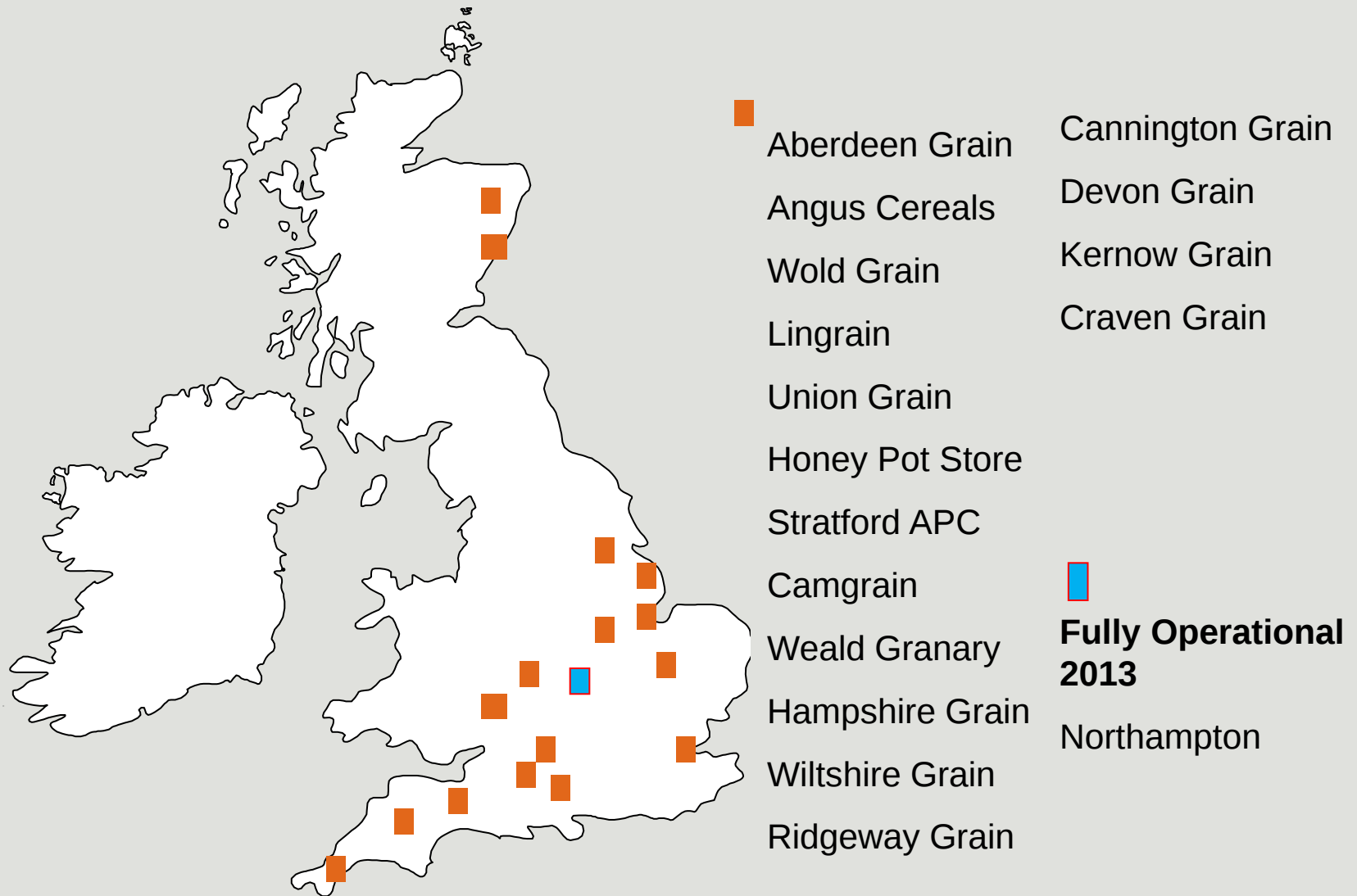


Delivering Service

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Working Together

OpenfieldNetwork: Now 1.1 million tonnes



Transition from grain store to food factory



Delivering Service

Creating Value

Working Together

Angus Cereals (Montrose Port): November 2010



Angus Cereals July 2012



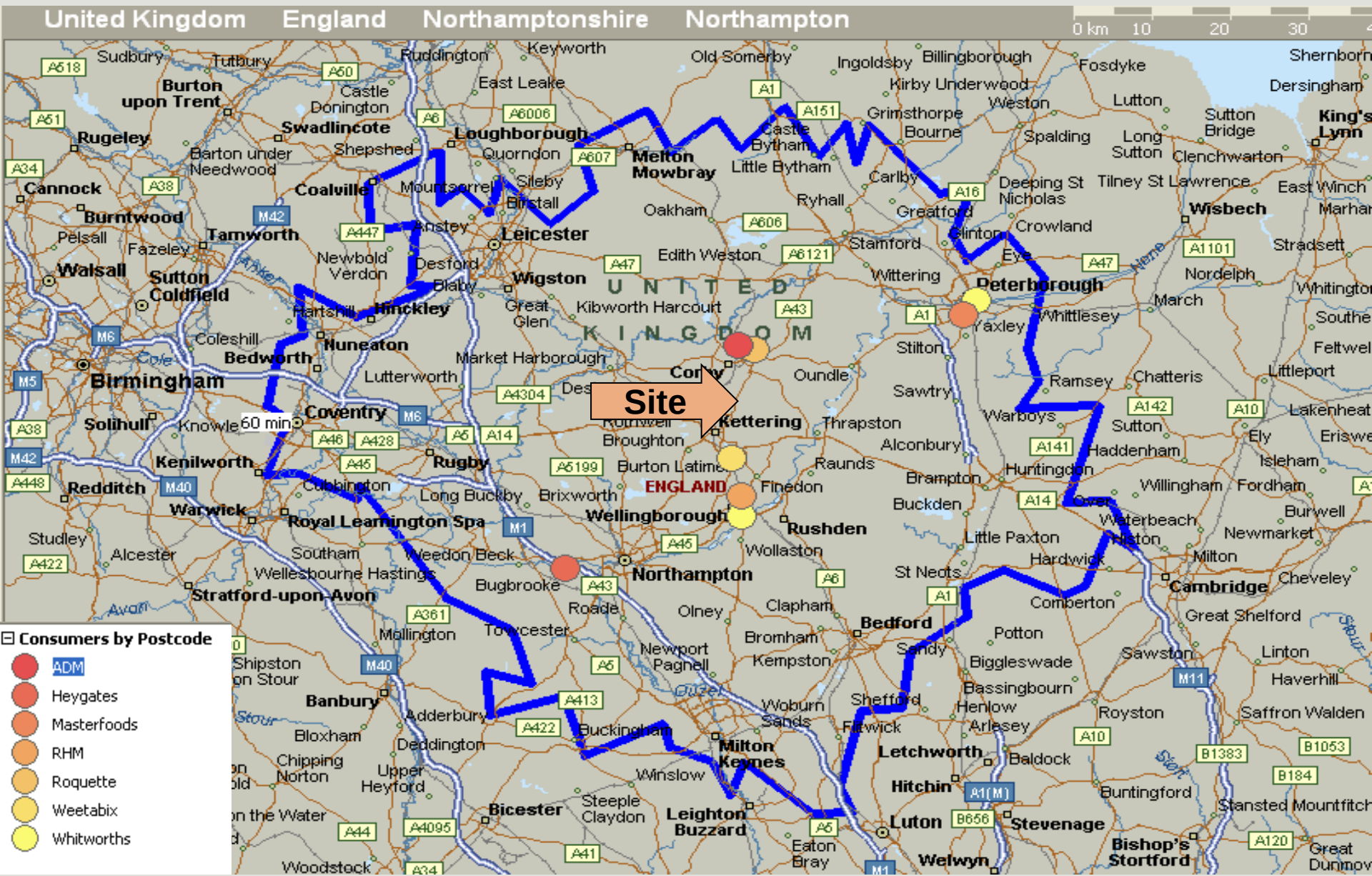
Solving the Problem – Drying and Intake Capacities: Scottish Malting Barley

Key Areas	Other Intakes	AGS & ACL
Intake Capacity/Hour	50-200tph	+850tph
Intake Hours/Day	9 hours max	24 hours (as required)
MB Drying Capacity/Hour	20-50tph (1200t/day)	185tph (4500t/day)
Days per week operating	5-6 (very few 7 days)	7
Guaranteed Uplift	no	Up to 3 days
Full transparency on intake tonnage/spec	no	yes - immediate

Northamptonshire Site: May 2009



Openfield™ Site located to deliver maximum supply chain efficiencies



Delivering Service

Creating Value

Working Together

Northamptonshire Site: September 2013



Where Openfield Wheat is Going ?



For the In store
Bakery Flour
Camgrain have been
able to maintain their
deliveries to
Whitworth during the
exceptional 2012
harvest conditions.

*The most robust
supply chain
supplying UK wheat
to the UK miller*

Whitworth Bros. Ltd.

Sainsbury's In Store Bakery flour

2006

350 bakeries

2.5 million bags of flour per annum

4 millers supplying

7 mills using local wheat

Variable flour quality

Inefficient supply process

The Sainsbury's logo, featuring the brand name in a bold, orange, sans-serif font, is centered within a white rectangular box.

Today

469 in store bakeries

3.6 million bags of flour per annum

1 miller supplying

Produced on one mill

One wheat supplier via central store

Consistent quality flour

Efficient supply chain process

A full-page background image of a rock climber in an orange shirt and tan pants, wearing a white helmet and climbing gear, ascending a steep, reddish-brown rock face. The climber is positioned on the left side of the frame. The background shows a vast, rugged mountain landscape under a clear blue sky with some distant clouds.

Thank you for listening.
www.openfield.co.uk

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@GrainStorageRob