

AIRR becomes truly national

We are now a truly national company," managing director **Peter Law** told more than 400 members and suppliers at AIRR's fifth national member conference in its home town, Shepparton, Victoria.

"We've employed **Floyd Sullivan** as our state manager in WA and just this morning I signed the lease agreement for our WA warehouse, which gives us a warehouse in every state.

"This is a dream come true! It's a terrific time for AIRR and I'm so proud to direct this national organisation."

Established only four years ago, AIRR turned over \$144.4 million in 2008-09 and made a profit of \$5.9 million before tax and distributions to associated retailers and shareholders.

It expects to maintain its growth this financial year. Already sales to December 2009 have grown strongly and support the company's projections of a 26% increase in sales for the full year.

"This is despite a real mishmash of a year in which the market value dropped 20% because of continued drought, the global financial crisis, huge falls in the price of glyphosate and commodity chemicals, and the Australian dollar being near parity," Mr Law said.

The nation's youngest rural marketing alliance, **Australian Independent Rural Retailers (AIRR)**, has celebrated a major milestone with the appointment of a **Western Australia state manager** and the opening of a **sixth regional warehouse in Perth**.

Tight management practices, which include a continuing focus on inventory and cash management controls, have enabled the company to adhere to its strict policy of paying creditors on, or ahead of time, earning AIRR the reputation of being the best payer in the industry.

"AIRR is currently rolling out its stocking policy and suppliers should



AIRR managing director Peter Law speaking at the conference.

not be upset if they are not a selected supplier for a particular product to our warehouses," Mr Law said.

"The selection process is not a personal decision but one that adds the best value to the group's warehousing strategy. Generics are growing in their use in the rural market and AIRR cannot carry different products that carry the same active."

AIRR now claims 117 members in 162 locations and has 462 wholesale customers across the country. Warehouses are located in Shepparton, Tamworth, Rocklea, Adelaide, Wagga Wagga and Kewdale (Perth) with a seventh being considered for North Queensland.

Ninety-one members were represented at the conference along with a record 88 suppliers.

"That's all the suppliers we could fit into a trade fair in Shepparton," Mr Law said.

"We decided to have the conference here to showcase our home town and



Craig Sharam and Toby Williams, Syngenta Crop Protection with Sally and Tony Policaro, Texas Rural Traders, Texas at the trade fair.

◁ to enable our 35 staff to attend for the first time and meet our members and suppliers.”

Mr Law announced a new management structure, with **Shane Noakes** taking on the role of general manager northern region and **Dave Schelling** becoming general manager southern region and national trading manager.

Dave Beauchamp was appointed to a supplier relations role, while **Neil Smith** was named Queensland state manager. Mr Smith, who is well known in the rural industry, was previously with Fort Dodge.

Mr Law said AIRR's culture is about people doing their best to supply the best products and provide the best service – and being proud of it.

“AIRR is about a dedicated business plan. It is simple and it works so well that we haven't had to change it since we created it in 2005,” Mr Law said.

HITTING THE GREAT WALL

According to **Li Cunxin**, world famous dancer and author of *Mao's Last Dancer*, everyone will “hit the wall” at some point in their lives.

Mr Cunxin, who now lives in Melbourne with his wife and three children, hit a succession of walls as he grew up in abject poverty in rural China, endured “long and brutal” training as a ballet dancer and made a life-changing decision to defy Chinese authorities and defect to the West.

The question, he told a 400-strong audience at the AIRR national member conference, is how to best deal with such crises so we can learn from them and turn them into victories.

“The majority of people tend to back off and try to find for an easy way out – but there's no easy way out,” he said.

“If you persist, persevere, work hard and never lose your will and your vision, eventually you will overcome. Along the way you will have discovered you true self and your strengths.

“Success tends to lead on to further successes, opening new doors and creating opportunities in your lives.”

Mr Cunxin acknowledged that the life of an independent rural retailer could be tough (he had obviously researched his audience) but he said success in any field required sacrifice, dedication, passion, love and hard work.

“We also need a successful partnership at home,” he said. “This is our most important partnership. This is where we want to create a loving environment so we can recharge our batteries.”

“Part of our management strategy is to ensure that we drought-proof the business and we've achieved that by expanding into animal feeds, horse feeds, vet and pet.

“We reinvented loyalty. People said it's a thing of the past but it's vitally important to us; we're a very loyal organisation. We're loyal to our people, our members, our wholesale customers and our suppliers.

“We have seen massive growth in our members' businesses. Last year our member of the year achieved 50% growth because we introduced a new range of products for their businesses and we backed that up by being the only distribution group that offers a true and complete warehousing service facility.

Mr Law paid an emotional tribute to AIRR's former national chemicals manager, **John Greenwood**, who died last June. He said the national



Right: Dave Beauchamp, AIRR, Shepparton and Lola and Nick Saunders, Bridgewater Farmware, Bridgewater at the country and western night.

crop protection supplier award would now be known as the John Greenwood Memorial Award.

“John only spent eight months with AIRR but he left a lifelong impression on the organisation,” he said. ■



AIRR general manager southern region Dave Schelling and guest speaker Li Cunxin, author of *Mao's Last Dancer*, at the AIRR conference.

truly national



Left: Nicole Care, Ridley Agri Products, Bunyip, Rod Mitchell, Kentucky Equine Research, Mansfield, Dale Haywood, Ridley Agri Products, Geelong and Rob Bogumil, CEPA, Bendigo at the country and western night.



Above: AIRR CEO Peter Law (right) congratulates Member of the Year winners Jo and Cam Parke of Winchelsea Trading, Winchelsea, Victoria. At left are AIRR general manager – northern Shane Naish and general manager – southern Dave Schelling.

Below: Terry McCracken and Dale Skepper, Becker Underwood with Peter Davis, Peter Davis Rural, Benalla and Andrew Cox, Cox Rural, Naracoorte at the trade fair.



Below: Rob Richardson and Russell Brown, Ospray with Michael and Rebecca Taylor, Midwest Rural Traders, Wallumbilla at the trade fair.



AIRR'S AWARDS FOR 2009

National Supplier of the Year All Categories: **Mitavite**

John Greenwood Memorial Award for Crop Protection National Supplier of the Year:

Syngenta Crop Protection

Nutrition National Supplier of the Year: **Mars Petcare**

Animal Health National Supplier of the Year: **Elanco Animal Health**

General Merchandise National Supplier of the Year: **Integrated Packaging**

National Member of the Year: **Winchelsea Trading**

Victoria/Tasmania Member of the Year: **Countryroad Farm Supplies**

NSW Member of the Year: **JD's Hardware & Rural**

Queensland Member of the Year: **Rocky Feed & Seed**

SA/WA Member of the Year: **Gambier Rural Traders**

Right: AIRR managing director Peter Law with Colin Price of Mitavite, AIRR's National Supplier of the Year All Categories.

