

The TASTE of SUCCESS

Ferndale Confectionery is Australia's premier creator of sugar-free confectionery. As a family-owned company, Ferndale is dedicated to maintaining the highest standards of quality and innovation across the board.

Images by Ian Wilson

Ferndale Confectionery is the company behind well-known brands like JOLS®, JILA® mints, SLIM FRUITS®, LICORETTE®, and JIBBA® jellybeans. Based in Ballarat, Victoria, Ferndale has grown into a global provider of guilt-free sweets, distributing products throughout Asia, the Middle East, South Africa, the UK, and the USA.

Ferndale Confectionery General Manager Jarrod Edward has since 2010 been looking after the business his father Bruce Edward founded. Jarrod has worked hard to build on Ferndale's reputation for quality and innovation in order to maintain an edge in the competitive global confectionery market. *The CEO Magazine* spoke with Jarrod to gain an insight into the history, operations, and values of this remarkable Australian company.

The CEO Magazine: Could you please give our readers an overview of your professional background, and how you came to be general manager of your family business?

Jarrod: My first job after I left school was helping my father set up Ferndale Confectionery. When we started out, Ferndale was basically my old man looking after sales, marketing, and production, alongside my dear mother, who took care of the admin. I did a kind of unofficial apprenticeship under my father, Bruce. I shadowed him on a daily basis and learned the trade, whether that was fixing equipment, learning how to write procedures, understanding quality procedures, or dealing with HR issues.

From there, the business grew, and we initially employed a bunch of my old schoolmates as our first team of full-time

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employees. Over the next two years, we started running two shifts, and I was in charge of the production facility. After five years, we identified that it can on occasion be a bit tough working with family—my father and I used to butt heads quite a bit—so we agreed that I should go off and gain some experience working with other larger manufacturing businesses.

I was lucky enough to secure a line-manager job with Nestlé Confectionery at their Campbellfield chocolate manufacturing plant, where I was responsible for about 170 staff. Nestlé is very well known for its training and its procedure implementation, so I learned a lot during my five years there in a heavily unionised environment. In particular, I gained a lot of knowledge about grievance resolution and how to avoid issues relating to HR. >



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After five years at Nestlé, I decided I wanted a sea change, and landed a job as the operations manager with the Byron Bay Cookie Company (BBCC). This company was very different from Nestlé: BBCC was a family business, without a great deal of money behind it, but the business had developed a good name for itself locally and internationally. I spent another five years there: three were dedicated to procurement and operations and the rest I spent as caretaker and interim general manager.

One day I received a phone call from Bruce, saying that he wanted to retire, and I decided to seize the opportunity to return to the nest and take over the family business. Although my wife and I loved our life up at Byron Bay, we had just had our first child, so we agreed it would be good to come back and be close to the family. That was about four years ago: I've been back at Ferndale ever since.

Through my experiences with Nestlé and the Byron Bay Cookie Company, I was exposed to many different ways of running a business and working with different types of people and totally different environments. I was lucky coming back to Ferndale. My father is a very organised person, so when I returned, the business already had excellent people who treat the business like it's their own, as well as very structured procedures and processes.

When I returned, I noticed that there was a WorkCover issue and a cultural issue within the business. I firmly believe that a happy workforce is an efficient workforce, so I put a lot of time and effort towards changing the culture of the business.

I did this by making little changes: things like having a barbeque every couple of weeks for the whole team, making sure that we reward people when they go above and beyond their job descriptions, and just getting around to say hello to people every morning. After a couple of

years, and a lot of focus, the culture had changed. One of the biggest milestones achieved was 1,200 days without injury in the factory, something very rare in Australian manufacturing!

Why did Ferndale decide to produce sugar-free, naturally coloured and flavoured sweets?

My cousin was severely diabetic, and has since passed away because of the disease. Around 20 years ago, the sugar-free confectionery available in Australia was horrible, so Bruce identified a gap in the market. Europe was miles ahead of us with regard to sugar-free technology, so we saw an opportunity for Ferndale to be the first manufacturer to supply the Australian market with sugar-free confectionery that was manufactured using natural colours and flavours, which was very innovative at the time.

How does Ferndale ensure the safety and wellbeing of its workforce?

We have a bunch of different things that we do. Traditionally, manufacturing and shift work isn't a healthy job: there's a whole lot of studies that show that it changes your eating and sleeping patterns, so we need to be doing whatever we can as a company to counteract that.

I have one of the local fruit stores deliver a box of fresh fruit at the beginning of each week so that people can snack on that instead of a bag of chips. Every morning, when the team start their shift, we have a 10-minute exercise session where we do some basic stretches and get our bodies ready for work. Like many manufacturing companies, we have an ageing workforce, so those measures are very important. This is now a standard part of the work day.

Another measure is our informal barbeque, where I cook up a feast and the staff bring some salads. After we've eaten, we have a casual discussion to keep the whole team updated on anything that's going



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on in the business that the factory team may not be aware of. This informal forum gives everyone an opportunity to talk about any issues or raise any ideas for improvement, and to celebrate any achievements or outstanding efforts. Things like this help to create a very friendly, family-business environment.

Lots of managers and business-owners have different ideas about how to go about this, but in my experience—and having worked my way up from the factory floor over many years—I have learned that people often won't speak up if it's a formal, one-on-one discussion. However, if team members feel like they have the support of their fellow workers, those who mightn't otherwise feel comfortable will speak up. I think it's important to create an environment where

you're getting true feedback from everyone, otherwise the feedback is worthless!

How does Ferndale Confectionery go about forming productive working relationships with partners and suppliers?

We manufacture some of our products, while others are manufactured at our partner sites, which are located in Switzerland, Indonesia, and Chile. We've got companies walking in the door weekly trying to win our business, and we continually say no because we don't have time to be fighting fires each day. Because of this, it's really important for us to have long-lasting, secure relationships with our suppliers so that we never have to question anything. Again, I have learned from experience that you can chase savings here and there, but if you do this all of the time, you are forever putting out fires which end up costing more than the savings you have made!

We've been working with suppliers like AMR Hewitts for almost 10 years. For us, it's worth paying a little bit more than we need to in order to have peace of mind that we'll never be out of stock, and confidence in the quality of materials that we order. All of our Australian suppliers treat us very well.

How do you plan to keep Ferndale Confectionery competitive going into the future?

It gets tougher and tougher every year. It's getting very competitive out there, especially with the major supermarkets. There are only so many efficiency savings that you can make. For us, quality is never, ever compromised: if we have a batch of product that we're not happy with, we won't use it, even if it means failing to fill an order.

There are two things that Ferndale is renowned for in the confectionery market. One is

premium-quality products, and the other one is innovation. We were the first one to bring sugar-free sweets to Australia, the first one to introduce natural colours and flavours, and the first one to launch a naturally sweetened, sugar-free mint into the market in 2013. We don't have the marketing budget or the manpower that the bigger companies have, so we focus on quality and innovation; and when we do advertise, we put a lot of time and effort into making sure we get a return on the money we're spending.

For all that, I think we're still doing all right in the market against the bigger guys. The other critical part of our business is that we have an awesome team of employees, some of whom have worked here for over 10 years, and hopefully will continue to do so for another 10 years.

You can't put a price on having good people working for you and looking after your business. •



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