

ENDEAVOUR
DRINKS

How we are supporting the industry

Top-line strategy to assist suppliers in need

March 2020

Overview: The challenges the industry is facing

Why winemakers, brewers and distillers need our support

With the wide-spread shut-down of the on-premise segment of the liquor industry as a result of the Government's response to COVID-19, wineries, distilleries and breweries have been significantly impacted. Further significant declines in the volume of product being exported overseas - particularly to China - have left our local industry with an excess of stock and a cash-flow crisis.

Winemakers are in particular need of cash-flow, as they are currently in the midst of vintage 2020. Many winemakers are also struggling the aftermath of the drought and bushfires, with some experiencing low or no yields and smoke taint. Winemakers who have partnerships with airlines are struggling as well.

Winemakers, breweries and distilleries have also had to make the tough decision of closing their cellar doors and tasting rooms. For many small producers this has been their main revenue stream, and even those who have an ecommerce presence, are telling us that they are struggling to reach a significant number of customers.

With the off-premise segment of the industry still able to service Australian customers, it's important that we rapidly assess the ways we can support the industry through this crisis period



How we can help the industry

There are three key ways we can support smaller & local suppliers immediately

Suppliers can list products on Dan Murphy's online*

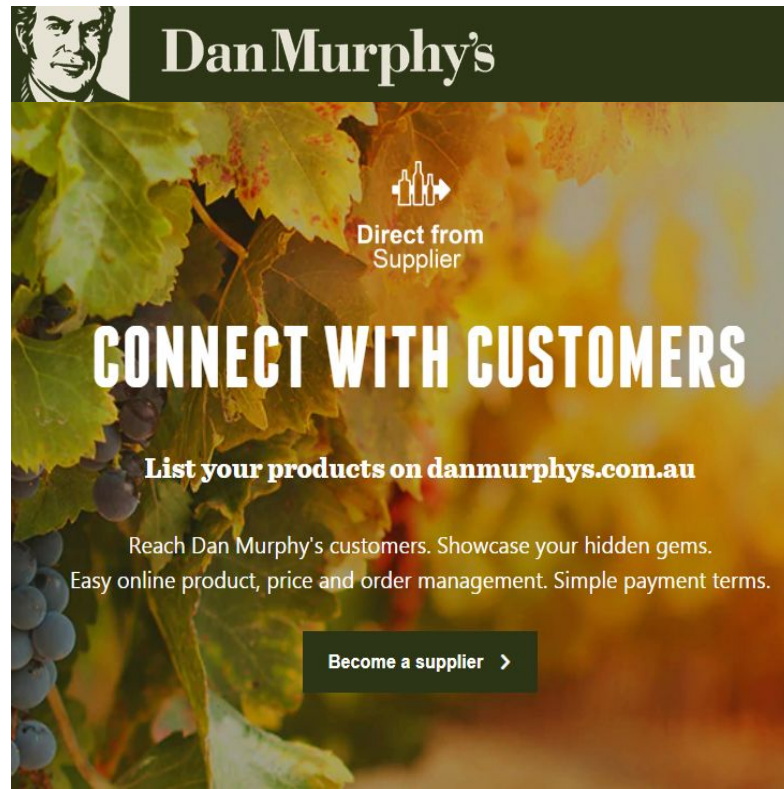
For producers with small ranges or those who want to be able to trade immediately, Dan Murphy's online marketplace '[Direct from Supplier](#)' is a great option. This is a particularly valuable sales channel for those producers who don't have an online presence or who are unable to offer home delivery. We manage the transaction, customer communication and logistics, the winey just picks & packs the order and gets it to the post office. To maximise interest from customers, Dan Murphy's will accelerate promotion of 'Direct from Supplier' to its nationwide 'My Dan's' database in the coming weeks and months.

We can look to uprange local producers to local stores

To assist local producers and to give our customers the opportunity to buy and support local, we are actively looking to add further local products to our store ranging. We are happy to work with smaller suppliers to undertake job lot ranging in clusters of local Dan Murphy's and BWS stores to open up another channel to market for these producers. We encourage producers to get in touch with our [dedicated buying team](#) to liaise in regards to stock and availability.

We are accelerating cash flow

Recognising the economic challenges faced by many small businesses as a result of COVID-19, we have made a temporary change to the payment terms component of our Small Supplier Policy. Further details of this change were communicated to our supplier partners on 31st March 2020 but if you have any further questions, please reach out to your [Merchandise Manager](#).

A promotional banner for Dan Murphy's 'Direct from Supplier' program. The background is a close-up of green and yellow grape leaves with clusters of purple grapes. In the top left corner, there is a small black and white portrait of a man. The top right corner features the 'Dan Murphy's' logo in white serif font on a dark green background. Below the logo, there is a white icon of three wine bottles with an arrow pointing right, and the text 'Direct from Supplier' in white. The main text 'CONNECT WITH CUSTOMERS' is written in large, bold, white, all-caps sans-serif font. Below this, the text 'List your products on danmurphys.com.au' is in a smaller white font. Further down, there are two lines of smaller white text: 'Reach Dan Murphy's customers. Showcase your hidden gems.' and 'Easy online product, price and order management. Simple payment terms.' At the bottom right, there is a dark green button with the white text 'Become a supplier >'.

Dan Murphy's

Direct from Supplier

CONNECT WITH CUSTOMERS

List your products on danmurphys.com.au

Reach Dan Murphy's customers. Showcase your hidden gems.
Easy online product, price and order management. Simple payment terms.

Become a supplier >

*'Direct from Supplier' is currently not available in WA as we work through a viable solution to operate within the recent retail alcohol limits imposed by the WA Government

How we can help the industry

There are several further ways that we can support where required

We can bulk purchase wine

We encourage wineries, especially small producers, to get in touch with our winery at Dorrien Estate if they need to off-load wine in bulk. As always, we will work with them on fair market prices, and we are able to offer quick payment to generate fast cash-flow. Please direct all offers of bulk wine to winesupply@dorrienestate.com.au

We can auction premium products

If you have premium products, we are offering industry members a 60% discount on vendor commission (charge will be 5% incl.GST) through Langton's. You can manage price through reserves within market estimates, and buyers will dictate end price. Langton's can handle anything from small (including single bottle skus) to large quantities. To discuss our auction channel in more detail, please send us an email at auctions@langtons.com.au

We can purchase parcels of stock

Many producers who export or predominately trade in on-premise channels may find themselves with excess stock on hand. We will be proactively reaching out to suppliers to offer several channels to get their product to customers and encourage wineries, breweries and distilleries to contact us if they want to move stock. For your best point of contact, see our [Endeavour Group Contact Page](#)

We can contact cellar door customers on behalf of wineries

For wineries who have cellar door members and club lists, we offer a phone based sales service that enables home delivery for their customers through cellar door deliveries. For more information, contact ramon.gunasekara@langtons.com.au



We want to hear from you

We encourage suppliers to reach out to the below contacts if any of the opportunities are of interest, or if they have any other suggestions on how we can help - we want to hear from you!

What you'd like to find out more about	Contact email
List your product on Dan Murphy's online	Head to endeavourmarketplace.com.au & submit an online application
Retail product at a local Dan's or BWS store	See your best point of contact at: edgpartners.com.au/contact
Discuss your payment terms	Reach out to your Merchandise Manager
Sell wine in bulk	winesupply@dorrienestate.com.au
Auction premium products	auctions@langtons.com.au
Sell parcels of stock	See your best point of contact at: edgpartners.com.au/contact
Help us retail to your cellar door customers	ramon.gunasekara@langtons.com.au