

# Feeling chipper

## Chinese spud buy-out 'good for industry'

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POTATO-GROWING giant Oakville Potatoes has been bought out by Hong Kong-Chinese company Chevalier International.

The sale includes a large potato farm of more than 4000ha in the Mallee, two packing sheds and operations at Nildottie on the River Murray including a potato seed business.

The deal is expected to help bolster South Australia's place as the potato-growing centre of Australia and place it in a prime position to increase exports.

The buyer is expected to try to cater for the growing demand for potatoes in China as its population becomes more affluent.

The Oakville sale is part of Chevalier's \$212 million purchase of 70 per cent of major national fruit and vegetable grower and packer, the Moraitis Group.

Potatoes South Australia chief executive Robbie Davis said the sale would allow for investments and innovations that will benefit the regional economy, Australian growers and consumers.

Ms Davis said such investment was great for Australian agriculture and horticulture and would help keep people on farms, increase jobs and capabilities and

boost the economy. "The investment is good for SA because it will open export markets into China and beyond and it is a platform for investment in production, distribution and better farm management," she said.

"This type of investment leads to permanent improvements in infrastructure, technology and expansion of production and there are considerable flow-on benefits to regional communities and towns. Also, it is a renewable resource investment, you can't export agricultural land, you can only make it more productive so the excess can be exported."

The SA potato industry has a farmgate value of \$206 million and

a retail value of \$440 million and is the state's largest horticultural sector, producing about 380,000 tonnes annually and supplying 80 per cent of the nation's fresh washed market.

The Moraitis Group's Delight potato brand is known around Australia for its focus on flavour and general purpose products which are sold through major retail outlets.

Ms Davis said the company also plans to use Moraitis as a platform to provide investment, farm management and distribution services for investors looking for agricultural opportunities in Australia.

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