



Brumby's - The Business

Brumby's is one of the original hot bread stores that commenced in the 1970's. The first store, known then as "Old Style Bread Centres," was opened in the Victorian suburb of Ashburton in 1975. Brumby's quickly expanded, and by 1982 there were 12 company owned stores in Victoria and Queensland.

Brumby's was one of the first Australian companies to successfully embark on a franchising program when franchising was still in its infancy. The Brumby's network has now expanded to over 250 stores across Australia.



Rejuvenation

If a company is to rejuvenate, this must start from the top. An external organisation can assist this rejuvenation with fresh ideas, and a freedom from internal politics

The Challenge

In the middle to late 90's expansion stalled. The NSW market became increasingly difficult to enter. The Victorian franchisees had been entrenched for a long period of time, and were wilting under the pressure of the Bakers Delight expansion. However, other markets such as Western Australia, Northern Queensland, Northern Territory and New Zealand were entered via Master franchises.

The challenge for Brumby's was that organisation issues and corporate governance were hampering profitability and growth. The combination of these issues meant Brumby's operated more like a cooperative, rather than a dynamic business. This created an environment of short-term decision-making and indecisiveness.

A change in corporate governance can be a large and potentially de-stabilising experience for organisations. Brumby's was in the situation where action needed to be taken, or the firm would have been marginalised within the hot bread industry, as it would not been able to move with market forces.

Governance

A governance structure is the foundation for successful growth and management

The Solution

DC Strategy (DCS) was engaged to tackle the corporate and organisational issues, and future needs. The project was titled **The Challenge of the Future**, and addressed programs to “Reinvigorate the Network”, “Tell the World” of Brumby’s great products, “Secure Growth” into the medium term future, and “Drive Growth and Profits” by leveraging the Brumby’s brand. DCS investigated staff, the board, franchisees, and benchmarked best franchise practice to recommend the strategy for Brumby’s.



The Outcomes

- Brumby’s embarked on a 5-year strategic plan with a revitalised and restructured board, staff and management. The willingness and self-awareness developed helped to create an organisation that is committed to growth, change and the future of their business.
- Brumby’s is now a sharper more dynamic organisation that is in a good position for the future to strengthen their position, and improve franchisees’ services and profitability.
- A rejuvenated staff and strong leadership have enabled Brumby’s to undertake a number of new marketing initiatives and to revitalise the franchise recruitment process, exciting tired franchisees and enabling a much more efficient and productive franchise network.

DC Strategy Contact Details

International Head Office

Level 5, 530 Collins Street,
Melbourne VIC 3000 Australia

growth@dcstrategy.com

www.dcstrategy.com

Australia

Melbourne +61 (0)3 8102 9200

Sydney +61 (0)2 8220 8700

Brisbane +61 (0)7 3015 7600

Perth +61 (0)8 6222 1011

Canberra +61 (0)2 8220 8700