



Hannaford - The Business

For over 75 years, pioneer company Hannaford have been at the forefront in seed treating and processing technology. Hannaford is the only national seed grading, cleaning and professional treating business in Australia.

The Hannaford Seedmaster Services business was initially a privately owned business with employee 'operators' responsible for the provision of services. Hannaford was franchised in 1985 with many of the operators instantly converting into independent businessmen by becoming Hannaford franchisees. The network has continued to grow, with more than of 50 franchisees now operating within the network.

Purchased by the Crompton Group in 1987, Hannaford combined the benefits of small business motivation with the resources only available as part of a multi-national corporation.

Hannaford remains the only franchised mobile seed grading, cleaning, and treating business in Australia and is the market leader in the industry.



Mature Business

The key challenge with any mature business is how to reinvigorate the network in a profitable and timely manner

The Challenge

As a mature business and a mature franchise network, having been franchised for nearly 20 years, Hannaford was facing many of the same issues faced by mature franchise networks:

- Stagnant Growth
- Intransient and inflexible franchisees
- Diminishing profitability

The changing face of the Hannaford business had resulted in some facets of the network no longer aligning with the overall direction of the company.

Many aspects of the network had remained relatively unchanged for a number of years and whilst still operational were not allowing the business to perform at an optimal level and realise its full potential.

The business was under-performing and lagging behind the performance targets set by the parent company.

In response, management created the 'Review & Revitalisation' project and allocated representatives from the key departments to obtain buy-in. The challenge was set to develop a go forward strategy to re-energise the organisation.

The Solution

DC Strategy (DCS) were engaged to assist the R&R team – to contribute an objective perspective, network and business development expertise and to contribute manpower to allow the Crompton team members to resource the project and everyday operations.

The project took life with a number of brainstorming sessions to identify the various options available. Each scenario was then investigated with key Crompton staff questioned and external avenues investigated to determine the economic and operational feasibility of each. Some scenarios were discarded with the remaining then modelled to assist in making the final decision.

The final solution focused on three key areas:

- Adoption of best practices (both within head office and within the franchise network),
- Identifying and isolating non-core activities to allow a greater focus on the key operations and
- Network expansion (both into new territories and new areas of operation).

On the base of this strategic and financial foundation the focus of the project extended to consider finance options for new machines, detailed strategies of best practice operations, implementation of new accounting software, mobile technology for data collection from the field and new reporting methodology.



The Outcomes

Hannaford now have a more robust understanding of their Seedmaster Service business and the core activities and strategies to reinvigorate the business. The 'Review & Revitalisation' project has attacked the critical issues of profitability, franchisee advocacy and stagnant growth. Key outcomes include:

- Empowering Hannaford's management with detailed financial and strategic facts which are critical to make an informed decision
- Key actions decisions were made – both locally and at parent company level
- The identified actions from the 'R&R' process were implemented
- Initial results prove promising and the final outcome is eagerly anticipated

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