



By Chris Komorek

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Thomas Foods offloads potato business



Purchase agreement will expand Mitolo Family Farms' production in South Australia

Thomas Foods International (TFI) has announced the sale of its fresh potato business to Mitolo Family Farms, subject to ACCC approval.

Both TFI and Mitolo are South Australian, family owned businesses, and the sale will help grow Mitolo's stake in Australia's fresh potato industry. South Australia accounts for approximately 80 per cent of total potato production in Australia.

A report by InDaily indicated the deal was struck after Mitolo managing director, Frank Mitolo, approached TFI chief executive Darren Thomas about selling the potato business several months ago.

Mitolo said the acquisition was an opportunity to increase capacity and business continuity for packing and grading fresh produce in the Virginia region and to future-proof the business through additional farming and water assets.

"It underpins our commitment to quality and reliability of supply to all consumers

through our valued retail and wholesale partners and enables us to achieve best practices in farming and technology in our pursuit of excellence," said Mitolo.

"This acquisition will deliver substantial benefits to all consumers and our commercial partners through increased efficiencies as well as our ongoing commitment to the highest level of quality and service."

TFI purchased potato producer Mondello Farms after the Virginia-based business went into administration in 2013 and has since grown the business under its Thomas Foods International Fresh Produce company division.

Darren Thomas told InDaily the sale would allow it to focus on its core meat business, including the rebuilding of its main Murray Bridge factory, which was destroyed by fire in January 2018.

"We're proud of what TFI Fresh Produce has achieved over the past seven years with potatoes, reviving a business and rebuilding it into a profitable major industry player," said Thomas.

network, TFI Fresh Produce has built a substantial export business for potatoes and other related produce.

"It's now timely to divest these potato interests and focus on our group's core local, national and global operations where we see exciting growth prospects including potential future acquisitions, the rebuild of the Murray Bridge meat processing plant and other produce opportunities," he added.

Thomas said they were comfortable with selling the potato business to Mitolo, which has production sites across the Riverland, Mallee and Adelaide Plains, noting they know the family well and were sure it would be in safe hands.

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"By utilising the TFI group's global sales

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