

## **Founders First launches new distribution model via national logistics partnership with Bevchain**

**28 October 2020**

**ASX Announcement**

### **Highlights**

- Founders First has signed a national logistics partnership with Bevchain (Bevchain Pty Ltd) to benefit from Bevchain's launch of the first national cold store logistics network targeting craft beer (starting on the eastern seaboard);
- A wholly owned subsidiary of Linfox, Bevchain is the beverage logistics partner of choice in Australia and New Zealand, providing warehousing and distribution services with a focus on safety, sustainability and efficiency;
- The Network will go live in November and provide a single cold store warehousing and distribution network for all Founders First products;
- The solution unlocks the new 'Mighty Craft' operating model which delivers "one order, one invoice and one delivery" which significantly simplifies operations for Founders First and its key retail customers;
- The solution will result in lower cost and significantly improved customer service with Founders First now managing stock levels, inventory planning, invoicing, and accounts receivable;
- In time, the platform has the potential to become an industry solution for the independent craft sector with Bevchain providing the physical Infrastructure and Founders First providing the Digital platform and access to craft producers; and
- The opportunity to provide an industry solution for the craft sector could open a new revenue stream for the company.

Founders First Limited (ASX: FFL) ("the Company") is pleased to announce that it has signed an agreement with Bevchain (Bevchain Pty Ltd ACN 118 451 773) to operate a national logistics network that will manage cold store warehousing and transport across the country targeting craft beer.

The cold store logistics network will be operational from November. The agreement includes a Letter of Intent ("LOI") for Bevchain and Founders First to work as partners to expand the network in time to potentially provide an Industry solution for Independent Craft.

**Founders First CEO and Managing Director Mr Mark Haysman said:** “This agreement is a significant step in our journey. There is currently no national cold chain Craft logistics solution in the country. To have the leading industry player in Bevchain building the infrastructure and providing Founders First with preferred supply services is a big endorsement of our model and future potential. We have significant plans to expand this further in time to potentially provide an efficient and effective industry solution for Independent Craft through leveraging the Mighty Craft platform and Bevchain’s infrastructure.”

**Misha Shliapnikoff, President Bevchain commented:** “We are excited to partner with Founders First to address what is currently a fragmented craft beer market. Bevchain is a specialist in the warehousing and distribution of alcoholic beverages, with a national cold chain network that is trusted by leading suppliers of beer, wine and spirits across Australia and New Zealand. We see this opportunity as a long-term partnership in which Bevchain can support Founders First and Mighty Craft with logistics infrastructure and expertise, underpinned by our strong commitment to safe and efficient supply chain operations.”

The partnership unlocks a new distribution model for Founders First which will significantly simplify the business, drive cost out and enable “one Order, one Invoice, one Delivery.”

#### **New distribution model:**

Unlocking better service, lower cost and simplification for craft producers and retailers via a strategic partnership with Bevchain, the trusted beverage logistics partner of choice in Australia and New Zealand.



From:	To:
Multiple 3pls per state (warehouses, transport)	One national logistics provider
Multiple deliveries per brand	One delivery to customer for the FFL portfolio
Multiple Invoices & payments per partner	One invoice and one payment via Mighty Craft
Partner managed Inventory	Mighty Craft managed Inventory

**About BevChain**

A wholly owned subsidiary of Linfox, Bevchain provides national tailored supply chain solutions for the beverage industry with best-in-class warehouse and distribution services across Australia and New Zealand. Handling in excess of 2.5 billion serving units annually and calling on 25,000 delivery points, Bevchain is the leader in beverage supply chain solutions. As a specialist in the warehousing and distribution of alcoholic beverages, Bevchain understands the demands placed on the liquor industry and its customers. Since Bevchain's inception, suppliers of beer, wine and spirits have taken advantage of Bevchain's specialised services, commitment to safety and ability to tailor solutions to meet their needs.

<https://www.bevchain.com/>

**About Founders First**

Founded in 2017, Founders First (ASX:FFL) is aiming to build the world's strongest craft beverage collective through supporting and growing independent craft brewery and distillery businesses. FFL has invested in select craft beverages and is accelerating the brands growth through equity and debt funding whilst providing access to FFL's leading team of liquor industry professionals providing functional excellence to craft operators. Founders First focus is on allowing founders to play to their strengths while the FF team of industry experts supports by covering their gaps constraining growth and profitability. Mighty Craft is currently the Industry facing brand for FFL and a formal change of name will be tabled for shareholder approval in November 2020 at the AGM.

[foundersfirst.group/](https://foundersfirst.group/)

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This announcement has been authorised and released by Managing Director, Mark Haysman