

****INTERNAL ONLY** Alternate View | Australian Pet Brands_20221114_Pet Food**

From: Freysan Hardjo <[REDACTED]@coles.com.au>
To: Paul Carroll <[REDACTED]@coles.com.au>
Cc: DEL_Peter Blanas <[REDACTED]@coles.com.au>; Yu Yee Sim <[REDACTED]@coles.com.au>; Aleksandra Drazic <[REDACTED]@coles.com.au>; Cost Price Increase Requests <costpriceincreaserequests@coles.com.au>; DEL_Pramod Kumar <[REDACTED]@coles.com.au>
Date: Tue, 29 Nov 2022 17:47:17 +1100
Attachments: P2P_Summary_Australian Pet Brands_20221114_Pet Food.xlsx (209.98 kB)

***** INTERNAL ONLY *****

Hi Paul,

In addition to the recommendation already shared, please see the attached summary file for P2P analysis information as an alternate view.

The P2P approach in this case would support **8.3% (\$4.4m in COGS p.a.) can be justified** of the request for **10.6% (\$5.6m in COGS p.a.) with a gap of \$1.2m in COGS p.a.**

| Last cost price change | SKU No | SKU Name | Last 12 months COGS \$ | Increase request from supplier | | CCT P2P Analysis | |
|------------------------|---------|--|------------------------|--------------------------------|---------------|-----------------------------|------------------------|
| | | | | % Increase Request | Value Request | % CCT P2P Analysis Increase | CCT P2P Analysis Value |
| Sep-17 | 2912679 | FUSSY CAT GRAIN FREE ADULT WET CAT FOOD B | \$ 571,843 | 25.0% | \$ 142,961 | 25.0% | \$ 142,961 |
| Sep-17 | 2912657 | FUSSY CAT GRAIN FREE ADULT WET CAT FOOD C | \$ 709,276 | 25.0% | \$ 177,319 | 25.0% | \$ 177,319 |
| Sep-17 | 2912668 | FUSSY CAT GRAIN FREE ADULT WET CAT FOOD S | \$ 406,666 | 25.0% | \$ 101,667 | 22.5% | \$ 91,599 |
| Apr-22 | 9112910 | FUSSY CAT GRAIN FREE ADULT DRY CAT FOOD C | \$ 874,618 | 9.1% | \$ 79,590 | (4.8%) | -\$ 41,976 |
| Apr-22 | 9112896 | FUSSY CAT GRAIN FREE ADULT DRY CAT FOOD B | \$ 620,831 | 9.1% | \$ 56,496 | (4.8%) | -\$ 29,650 |
| Apr-22 | 9112900 | FUSSY CAT GRAIN FREE SALMON & OCEANFISH V | \$ 575,344 | 9.1% | \$ 52,356 | (7.5%) | -\$ 43,000 |
| Apr-22 | 4496098 | FUSSY CAT GRAIN FREE ADULT DRY CAT FOOD IN | \$ 686,009 | 9.1% | \$ 62,427 | (4.6%) | -\$ 31,386 |
| Apr-22 | 2739950 | FUSSY CAT GRAIN FREE ADULT DRY CAT FOOD C | \$ 1,435,139 | 9.1% | \$ 130,598 | (3.9%) | -\$ 56,517 |
| Apr-22 | 2739960 | FUSSY CAT GRAIN FREE ADULT DRY CAT FOOD SA | \$ 2,054,008 | 9.1% | \$ 186,915 | (7.4%) | -\$ 152,379 |
| Sep-17 | 5843062 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 140,801 | 14.9% | \$ 20,979 | 14.9% | \$ 20,979 |
| Sep-17 | 1513157 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 97,871 | 14.9% | \$ 14,583 | 14.9% | \$ 14,583 |
| Sep-17 | 1513168 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 205,655 | 14.9% | \$ 30,643 | 14.9% | \$ 30,643 |
| Sep-17 | 4935879 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 172,911 | 14.9% | \$ 25,764 | 14.9% | \$ 25,764 |
| Sep-17 | 7531606 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 176,266 | 14.9% | \$ 26,264 | 14.9% | \$ 26,264 |
| Sep-17 | 4935904 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 155,125 | 14.9% | \$ 23,114 | 14.9% | \$ 23,114 |
| Sep-17 | 2735449 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 109,393 | 14.9% | \$ 16,300 | 14.9% | \$ 16,300 |
| Sep-17 | 2735427 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 135,252 | 14.9% | \$ 20,152 | 14.9% | \$ 20,152 |
| Sep-17 | 4490182 | NATURE'S GOODNESS GRAIN FREE NUTRITION A | \$ 312,575 | 16.9% | \$ 52,825 | 16.9% | \$ 52,825 |
| Sep-17 | 4926583 | NATURE'S GOODNESS GROWING PUP WET DOG | \$ 199,720 | 16.9% | \$ 33,753 | 16.9% | \$ 33,753 |
| Sep-17 | 4490160 | NATURE'S GOODNESS GRAIN FREE NTRTN WET D | \$ 512,508 | 16.9% | \$ 86,614 | 16.9% | \$ 86,614 |
| Sep-17 | 4490171 | NATURE'S GOODNESS GRAIN FREE NUTRITION A | \$ 449,387 | 16.9% | \$ 75,946 | 16.9% | \$ 75,946 |
| Sep-17 | 4490240 | NATURE'S GOODNESS GRAIN FREE NUTRITION W | \$ 368,045 | 6.0% | \$ 22,083 | 6.0% | \$ 22,083 |
| Sep-17 | 4490229 | NATURE'S GOODNESS GRAIN FREE NTRTN WET D | \$ 694,804 | 6.0% | \$ 41,688 | 6.0% | \$ 41,688 |
| Sep-17 | 4490230 | NATURE'S GOODNESS GRAIN FREE NTRTN ADLT V | \$ 573,933 | 6.0% | \$ 34,436 | 6.0% | \$ 34,436 |
| Sep-17 | 4490149 | NATURE'S GOODNESS GRAIN FREE NTRTN ADULT | \$ 314,028 | 5.6% | \$ 17,586 | 5.6% | \$ 17,586 |
| Sep-17 | 4490116 | NATURE'S GOODNESS GRAIN FREE NUTRITION P | \$ 378,108 | 5.6% | \$ 21,174 | 5.6% | \$ 21,174 |
| Sep-17 | 4490127 | NATURE'S GOODNESSGRAIN FREE NUTRITION DR | \$ 822,570 | 5.6% | \$ 46,064 | 5.6% | \$ 46,064 |
| Sep-17 | 4490138 | NATURE'S GOODNESS GRAINFREE NUTRITION AD | \$ 724,569 | 5.6% | \$ 40,576 | 5.6% | \$ 40,576 |
| Sep-17 | 4490003 | NATURE'S GOODNESS GRAIN FREE NUTRITION A | \$ 774,529 | 5.7% | \$ 44,148 | 5.7% | \$ 44,148 |
| Sep-17 | 4490014 | NATURE'S GOODNESS GRAIN FREE NUTRITION A | \$ 1,214,380 | 5.7% | \$ 69,220 | 5.7% | \$ 69,220 |
| Sep-17 | 3585782 | NATURE'S GIFT PUPPY ALL BREEDS DRY DOG FO | \$ 328,229 | 6.7% | \$ 21,991 | 6.7% | \$ 21,991 |
| Sep-17 | 3585760 | NATURE'S GIFT ADULT ALL BREEDS DRY DOG FO | \$ 1,225,833 | 6.7% | \$ 82,131 | 6.7% | \$ 82,131 |
| Sep-17 | 3251550 | NATURE'S GIFT ADULT ALL BREEDS DRY DOG FO | \$ 888,166 | 6.7% | \$ 59,507 | 6.7% | \$ 59,507 |
| Sep-17 | 3251561 | NATURE'S GIFT ADULT ALL BREEDS DRY DOG FO | \$ 1,514,015 | 6.7% | \$ 101,439 | 6.7% | \$ 101,439 |
| Sep-17 | 3590057 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 208,474 | 9.0% | \$ 18,763 | 9.0% | \$ 18,763 |
| Sep-17 | 3590046 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 982,720 | 9.0% | \$ 88,445 | 9.0% | \$ 88,445 |
| Sep-17 | 3589965 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 701,674 | 9.0% | \$ 63,151 | 9.0% | \$ 63,151 |
| Sep-17 | 3589976 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 1,042,681 | 9.0% | \$ 93,841 | 9.0% | \$ 93,841 |
| Apr-22 | 3319621 | NATURE'S GIFT SUSTAIN JUST NATURAL DRY DO | \$ 15 | 6.8% | \$ 1 | (6.3%) | -\$ 1 |
| Sep-17 | 3741505 | NATURE'S GIFT ADULT ALL BREEDS DRY DOG FO | \$ 986,084 | 6.8% | \$ 67,054 | 6.8% | \$ 67,054 |
| Sep-17 | 3319610 | NATURE'S GIFT ADULT ALL BREEDS DRY DOG FO | \$ 1,614,822 | 6.8% | \$ 109,808 | 6.8% | \$ 109,808 |
| Sep-17 | 9207427 | V.I.P CHUNKERS ADULT CHILLED FRESH DOG FO | \$ 2,193,742 | 14.8% | \$ 324,674 | 14.8% | \$ 324,674 |
| Sep-17 | 9790616 | V.I.P CHUNKERS ADULT CHILLED FRESH DOG FO | \$ 3,058,641 | 14.8% | \$ 452,679 | 14.8% | \$ 452,679 |
| Sep-17 | 4472930 | NATURE'S GIFT PUPPY ALL BREEDS WET DOG FO | \$ 249,279 | 6.0% | \$ 14,957 | 6.0% | \$ 14,957 |
| Sep-17 | 3320620 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 678,700 | 6.0% | \$ 40,722 | 6.0% | \$ 40,722 |
| Sep-17 | 3320631 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 806,424 | 6.0% | \$ 48,385 | 6.0% | \$ 48,385 |
| Sep-17 | 3320642 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 824,053 | 6.0% | \$ 49,443 | 6.0% | \$ 49,443 |
| Sep-17 | 4472920 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 536,880 | 6.0% | \$ 32,213 | 6.0% | \$ 32,213 |
| Sep-17 | 5371349 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 782,796 | 6.0% | \$ 46,968 | 6.0% | \$ 46,968 |
| Sep-17 | 2067261 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 580,897 | 6.0% | \$ 34,854 | 6.0% | \$ 34,854 |

| | | | | | | | |
|--------|---------|---|-------------------|--------------|------------------|-------------|------------------|
| Sep-17 | 7875398 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 688,036 | 6.0% | \$ 41,282 | 6.0% | \$ 41,282 |
| Sep-17 | 7007325 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 942,760 | 6.0% | \$ 56,566 | 6.0% | \$ 56,566 |
| Sep-17 | 2825133 | NATURE'S GIFT ADULT ALL BREEDS WET DOG FO | \$ 619,329 | 6.0% | \$ 37,160 | 6.0% | \$ 37,160 |
| Sep-17 | 2749589 | NATURE'S GIFT DELI ROLL PUPPY WITH LAMB CA | \$ 2 | 17.9% | \$ 0 | 17.9% | \$ 0 |
| Sep-17 | 2749578 | NATURE'S GIFT ADULT CHILLED FRESH DOG FOO | \$ 826,323 | 17.9% | \$ 147,912 | 17.9% | \$ 147,912 |
| Sep-19 | 4308890 | NATURE'S GIFT PUPPY CHILLED FRESH DOG FOO | \$ 314,971 | 9.0% | \$ 28,347 | 9.0% | \$ 28,347 |
| Sep-19 | 3605868 | NATURE'S GIFT ADULT CHILLED FRESH DOG FOO | \$ 431,681 | 9.0% | \$ 38,851 | 9.0% | \$ 38,851 |
| Sep-19 | 3605879 | NATURE'S GIFT ADULT CHILLED FRESH DOG FOO | \$ 1,158,520 | 9.0% | \$ 104,267 | 9.0% | \$ 104,267 |
| Sep-20 | 3875465 | LOVE 'EM DOG TRAINING TREAT BEEF & LIVER 2 | \$ 225,649 | 14.3% | \$ 32,268 | 14.3% | \$ 32,268 |
| Sep-20 | 3875476 | LOVE 'EM DOG TRAINING TREAT CHICKEN 200 G | \$ 567,343 | 14.3% | \$ 81,130 | 14.3% | \$ 81,130 |
| Sep-20 | 3875807 | LOVE 'EM DOG TREAT JOINT CARE BEEF LIVER CO | \$ 264,798 | 9.1% | \$ 24,097 | 9.1% | \$ 24,097 |
| Sep-20 | 3875148 | LOVE 'EM GRAIN FREE BEEF JERKY WITH TOMAT | \$ 790,703 | 16.8% | \$ 132,838 | 16.8% | \$ 132,838 |
| Sep-20 | 3875137 | LOVE 'EM GRAIN FREE DOG TREAT LAMB JERKY V | \$ 1,053,618 | 16.8% | \$ 177,008 | 16.8% | \$ 177,008 |
| Sep-20 | 4934810 | LOVE EM JERKY BITES DOG TREAT CHICKEN 200 | \$ 188,835 | 15.7% | \$ 29,647 | 15.7% | \$ 29,647 |
| Sep-20 | 3874939 | LOVE 'EM DOG TREAT BEEF LIVER 200 GRAM:BE | \$ 1,280,844 | 16.7% | \$ 213,901 | 16.7% | \$ 213,901 |
| Mar-21 | 4929355 | NATURE'S GIFT LOAF REAL CHICKEN WET DOG F | \$ 274,217 | 41.7% | \$ 114,349 | 8.5% | \$ 23,366 |
| Mar-21 | 4929366 | NATURE'S GIFT LOAF SUCCULENT LAMB WET DO | \$ 204,072 | 41.7% | \$ 85,098 | 8.5% | \$ 17,389 |
| Mar-21 | 4929388 | NATURE'S GIFT STRIPS KANGAROO WET DOG FO | \$ 210,480 | 41.7% | \$ 87,770 | 8.5% | \$ 17,935 |
| Mar-21 | 4929377 | NATURE'S GIFT PRIME BEEF IN GRAVY WET DOG | \$ 164,392 | 41.7% | \$ 68,551 | 8.5% | \$ 14,008 |
| Jun-21 | 5303305 | V.I.P PAWS FRESH MEAT PORTIONS DOG FOOD | \$ 209,317 | 19.7% | \$ 41,236 | 12.3% | \$ 25,647 |
| Oct-20 | 4201955 | FUSSY CAT GRAIN FREE TWICE AS TASTY ADULT V | \$ 968,796 | 8.0% | \$ 77,504 | 8.0% | \$ 77,504 |
| Oct-20 | 4201966 | FUSSY CAT GRAIN FREE TWICE AS TASTY ADULT V | \$ 893,881 | 8.0% | \$ 71,510 | 8.0% | \$ 71,510 |
| Oct-20 | 4201977 | FUSSY CAT GRAIN FREE TWICE AS TASTY ADULT V | \$ 850,420 | 8.0% | \$ 68,034 | 8.0% | \$ 68,034 |
| Oct-20 | 4263067 | FUSSY CAT GRAIN FREE TWICE AS TASTY ADULT V | \$ 506,442 | 8.0% | \$ 40,515 | 8.0% | \$ 40,515 |
| Oct-20 | 4201988 | FUSSY CAT GRAIN FREE TWICE AS TASTY ADULT V | \$ 604,323 | 8.0% | \$ 48,346 | 8.0% | \$ 48,346 |
| Oct-20 | 4505880 | FUSSY CAT GRAIN FREE TWICE AS TASTY ADULT V | \$ 561,732 | 8.0% | \$ 44,939 | 8.0% | \$ 44,939 |
| Oct-20 | 4505891 | FUSSY CAT GRAIN FREE TWICE AS TASTY KITTEN | \$ 552,183 | 8.0% | \$ 44,175 | 8.0% | \$ 44,175 |
| Oct-20 | 4505905 | FUSSY CAT TWICE AS TASTY WET CAT FOOD MEA | \$ 125,098 | 8.0% | \$ 10,008 | 8.0% | \$ 10,008 |
| Oct-20 | 4505916 | FUSSY CAT GRAIN FREE TWICE AS TASTY WET CA | \$ 898,461 | 8.0% | \$ 71,877 | 8.0% | \$ 71,877 |
| Oct-20 | 5201859 | FUSSY CAT GRAIN FREE TWICE AS TASTY WET CA | \$ 337,513 | 8.0% | \$ 27,001 | 8.0% | \$ 27,001 |
| Oct-20 | 5201848 | FUSSY CAT GRAIN FREE TWICE AS TASTY WET CA | \$ 253,208 | 8.0% | \$ 20,257 | 8.0% | \$ 20,257 |
| Oct-21 | 4931426 | LOVE EM DOG TREAT BEEF & CHEESE SUPREME 2 | \$ 49,663 | 10.0% | \$ 4,966 | 10.0% | \$ 4,966 |
| Oct-21 | 4931404 | LOVE EM DOG TREAT MEAT LOVERS PIZZA 200 G | \$ 91,360 | 10.0% | \$ 9,136 | 10.0% | \$ 9,136 |
| Oct-21 | 4931415 | LOVE EM DOG TREAT ROAST CHICKEN 200 GRAM | \$ 208,890 | 10.0% | \$ 20,889 | 10.0% | \$ 20,889 |
| Oct-21 | 4931437 | LOVE EM BREAKFAST BAKES MILK & CEREAL DOG | \$ 64,220 | 10.0% | \$ 6,422 | 10.0% | \$ 6,422 |
| | | | 53,052,366 | 10.6% | 5,613,117 | 8.3% | 4,381,099 |

GAP**(1,232,019)**

Notes on P2P analysis:

- * P2P is often more reflective of a supplier's point of view when submitting a CPI
- * P2P is not the standard approach we use to assess CPI requests, as it does not take into account how prices have moved throughout the total review period

This analysis is based on a point to point analysis which is not our standard approach when assessing CPIs. However Coles is willing to use this approach for this request by exception, on the basis that we can see majority of commodities have increased and there was no benefit to your business from any commodity decreases since the last cost change. Coles considers that where there have been decreases in commodity input costs for suppliers, these should generally be reflected in cost reductions to Coles. Given Coles' agreement to use point to point analysis on this occasion, it should be accepted that we may approach you to discuss a cost reduction in these circumstances. Please confirm if you are aligned to this methodology.

Please do not hesitate to reach out if you have any questions or require further support with this request.

Thanks,
Freyson

