



Department of
Primary Industries and
Regional Development



Regional Economic Development Grants

Pinjarra Bakery



The Regional Economic Development Grants program, commonly known as RED Grants, is a \$45.8 million (over eight years) State Government initiative that invests in locally-driven projects to stimulate economic growth and development in regional Western Australia.

The Pinjarra Bakery was one of seven recipients for Round 2 RED Grants in 2019-2020. The Grant funding of \$100,000 enabled an upgrade of the Pinjarra Bakery distribution centre and equipment to improve efficiency and production capacity, opening up wholesale market opportunities. The project was completed in February 2021.

Daniel Pantaleo, Pinjarra Bakery's owner/
general manager said

"Receiving the RED grant was very overwhelming and we are thankful that the business was given the opportunity amongst a pool of worthy RED grant recipients".

Being a recipient of the grant funds enabled the food production and hospitality business to grow, thrive and expand. When interviewed, the greatest impact of the grant from Daniel's perspective, was having the extra funds available to speed up the timing of the project.

Expanding market share

The RED grant helped the business to reach new markets and customers that were previously out of reach. *"The project increased output from the distribution channel, whether this be from stores, wholesale or online avenues. Our business now has clients as far south as Ravensthorpe, Hopetown and up as high as Kununurra. We are now able to send pies across the State."*

The overall effect of expanding and diversifying the business was *"huge due to the RED grant"* according to Mr Pantaleo. The business now has more revenue streams than ever before, which creates a more robust business model moving forward. Pinjarra Bakery have been in business for 25 years and the project enabled a move towards increasing the wholesale aspect of the company. Mr Pantaleo suggested that moving towards more wholesale and online sales, *"helps to expand the revenue streams coming into our business which helps to also reduce financial risks."*



Creating local jobs and upskilling opportunities

The project created an additional 20 jobs with a focus on employing people local to the Peel region. The roles created are centered within the bakehouse distribution area and include chef, kitchen hand, apprentices, packers, delivery drivers and distribution workers. Through the increased revenue from the project, the business has provided opportunities for staff to develop their skills and capabilities with a 15% increase in staff training in courses such as barista, occupational health and safety courses and management and leadership.

The objectives of the Round 2 RED Grants Program included:

- Sustainable jobs growth
- Increasing productivity
- Expanding or diversifying industry
- Developing skills or capabilities
- Attracting new investment in the region



Contributing to the local economy

Not only did the RED grant impact the Pinjarra Bakery, it also helped to expand and diversify other local businesses. For instance, up until a few years ago, focusing on other businesses had not been at the forefront of the company's focus. However, now the Pinjarra Bakery allows other businesses to leverage off their brand. For example, Mr Pantaleo explained that when the business works with a "new regional wholesaler, the Pinjarra Bakery promotes this on their social media, which consequently has positive ripple effects for the wholesalers and other businesses."

An example of collaboration includes Pinjarra Bakery teaming up with Frothin Coffee who have branded a Pinjarra Bakery coffee that they sell and use in-store. Frothin Coffee also showcase Pinjarra Bakery products in their Mandurah Groundswell Drive-thru store.

The RED grant has helped spur the business towards future plans. Mr Pantaleo states when reflecting on a key learning outcome from the RED grant process, it was to see "that there is a huge demand for our products and the RED grant really gave us the confidence to dream even bigger. The company has big scary goals which takes a lot of investment and risk associated with it, and by having the help of the grant, it really helped solidify that what the company has been doing, works."

One of the most exciting projects in the pipeline for Pinjarra Bakery is creating franchise opportunities. Mr Pantaleo expresses his excitement in "guiding, supporting and mentoring the next wave of like-minded pie loving entrepreneurs on their business journey, with the goal of up to 20- 30 Pinjarra Bakery stores over the next 5 years within Western Australia."

Overall, the Peel Development Commission is pleased to see the RED grant providing opportunities for Pinjarra Bakery to expand and diversify their business, supporting the region's goals in the food production and tourism sectors.

Outcomes Achieved

RED Objective	Project Outcomes
Sustainable Jobs	20 additional FTEs
Expanding or diversifying industry	2 new wholesale contracts in place for pies and 7 new wholesale contracts for pastries
Increasing productivity	30% increase in sales and production achieved
Developing skills or capabilities	5 juniors employed
Attracting new investment	30% increase in sales and production
Local content	44% local content in project expenditure

For more information about Peel Regional Economic Development Grants, please visit our website – www.peel.wa.gov.au or contact us on 9535 4140.

For further information about Pinjarra Bakery head to <https://www.pinjarrabakery.com>

**Strong economy
Creating jobs
Diverse industries**



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