

# Onion

## STRATEGIC INVESTMENT PLAN 2017-2021 AT A GLANCE

### POTENTIAL IMPACT OF THIS PLAN



Based on an estimated investment of \$7.83 million over the next five years

### Major opportunities

- Build category value through consumer engagement and product differentiation
- Build awareness of health attributes of onions
- Export market growth
- Replacement of imports by building a year-round supply capability
- Fresh value-added product for food service and processing channels.

### Major challenges

- Oversupply relative to current demand
- Stagnant category demand
- Declining industry profitability and high costs of production
- Inconsistent best practice agronomic advice
- Lack of robust industry data, including market intelligence
- Climate change
- Biosecurity risks
- Potential loss of market access.

OUTCOMES	STRATEGIES
A combined marketing approach working in harmony to show the versatility of onions to increase consumption	Develop a domestic marketing strategy with a focus on gaining a stronger understanding of consumers and increasing their engagement with the category
	Support pilot projects around the development of new, differentiated and value-added products
	Engage with supermarkets to gain a stronger understanding of consumer behaviour and issues affecting the success of the onion category
Export growth achieved through market diversification and product customisation, to support and maintain domestic pricing	Equip SME growers with better supply chain knowledge, and increase capability to serve local and regional market channels
	Introduce voluntary quality guidelines and processes that are aligned with consumer preferences
	Develop a five-year holistic and diversified export market development plan with a focus on Asian and Middle Eastern markets
	Conduct in-market trade research in high-prospect markets to identify opportunities for product differentiation or customisation
	Support exporters to build capability and capacity to understand and service the emerging markets of Asia and Middle East
	Collaborate more with the vegetable industry on inbound and outbound trade missions and trade shows



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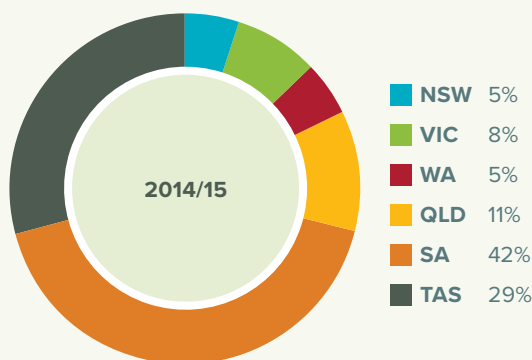
## STRATEGIC INVESTMENT PLAN

### 2017-2021 AT A GLANCE

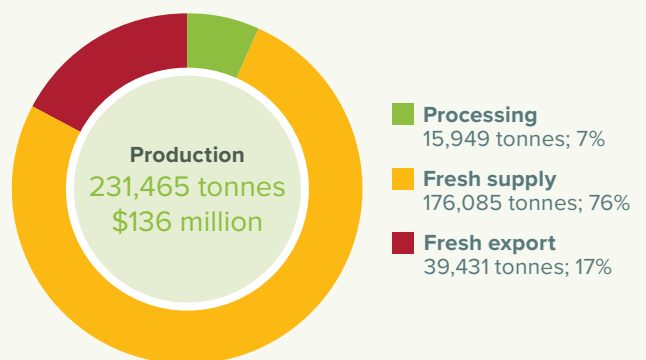
OUTCOMES	STRATEGIES
Reduced costs and improved returns to growers through improvements in business and production skills	Assist industry to gain a stronger understanding of costs and profitability drivers
	Continue with a prioritised R&D program to manage pest and disease challenges and threats with a focus on soil health and IPM
	Develop a regional extension program using small discussion group formats to transfer R&D knowledge in a more targeted and localised manner
	Initiate an onion-specific training program for consulting agronomists to improve the knowledge transfer from R&D and new technology, with possible input from international experts
	Organise an international tour to study pack house and supply chain best practice
	Investigate issues around seed quality, availability and variety selection appropriate to regional conditions
	Explore options to replace imports by improving storage practice and/or variety selection

OUTCOMES	STRATEGIES
An informed engaged industry results in greater ability to respond to market shifts	Investigate ways to drive greater industry engagement, such as a local extension group project
	Provide scholarship for participation by industry leaders in industry management and governance development programs (Pool 2)
	Introduce scholarships for young grower overseas study programs
	Encourage young growers to participate on industry committees and advisory groups
	Better leverage levy investments by increasing collaboration with potato and vegetable industries on training, industry capability building, export, and pest and disease R&D
	Include a regular business and financial management skill column in <i>Onions Australia</i> magazine
	Include a regular pack house and supply chain best practice column in <i>Onions Australia</i> magazine

#### Industry size and production distribution



#### Onion supply chain and value 2014/15



2015/16 Approximately 265 growers

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