



Table Grape Fund

Annual Report 2018/19

Content



The year at a glance	2
Welcome	3
Additional value in the year	4
Making investments in 2018/19	5
R&D project list 2018/19	6
R&D report	7
Minor use permits	14
Marketing report	15
Financial statement	21

Horticulture Innovation Australia Limited (Hort Innovation) makes no representations and expressly disclaims all warranties (to the extent permitted by law) about the accuracy, completeness, or currency of information in the *Table Grape Fund Annual Report 2018/19*. Reliance on any information provided by Hort Innovation is entirely at your own risk. Hort Innovation is not responsible for, and will not be liable for, any loss, damage, claim, expense, cost (including legal costs) or other liability arising in any way, including from any Hort Innovation or other person's negligence or otherwise from your use or non-use of the *Table Grape Fund Annual Report 2018/19*, or from reliance on information contained in the material or that Hort Innovation provides to you by any other means.

© 2019 Horticulture Innovation Australia Limited.

The projects in this report have been funded by Hort Innovation using sources including the table grape levy, Australian Government contributions and, in some instances, co-contributions from a variety of sources.

Just some of the things your fund delivered in 2018/19:

- ✓ The industry's **communications program**, delivering *The Vine* magazine, regular e-newsletters, events and the industry website, www.australiangrapes.com.au (p11)
- ✓ The **table grape Harvest to Home dashboard** providing regular consumer behavioural data and insight reporting, at www.harvesttohome.net.au
- ✓ The industry's high-priority **supply chain quality program** (p10)
- ✓ A host of **new and ongoing biosecurity work**, including projects related to Xylella (p8)
- ✓ The launch of new work to engage retailers in **export markets** (p9)
- ✓ Multi-pronged **domestic and international marketing campaigns** (p15)
- ✓ **New final research reports and grower resources**, with several now available from www.horticulture.com.au/table-grape

2018/19 SNAPSHOT

**\$1.59
MILLION**

INVESTED
IN R&D

**\$928
THOUSAND**

INVESTED IN
MARKETING

25

ACTIVE R&D
INVESTMENTS

Welcome

Hort Innovation is the grower-owned, not-for-profit research and development corporation (RDC) for Australia's horticulture sector. It's our job to work with industry to invest the table grape R&D and marketing levies, as well as Australian Government contributions, into key initiatives for growers.

The 2018/19 financial year was another great year of growing better, together – with strong investments, closer connections and critical collaborations being forged.

There was some \$1.59 million invested into R&D through the Hort Innovation Table Grape Fund across the year, to support the industry in being as productive and profitable as possible. This included the establishment of 10 new investments, including work allowing the table grape industry to join forces with other horticulture industries for maximum efficiency and impact across shared issues and opportunities.

Meanwhile in marketing, the Hort Innovation Table Grape Fund saw close to \$928,000 invested in 2018/19 into a range of activities to raise the profile and consumption of Australian table grapes, both domestically and overseas.

Read on to learn more about all of this work. And remember to take advantage of the Hort Innovation website at www.horticulture.com.au/table-grape, where you can search and find information relating to investments, past and present, at any time. The new site and its Table Grape Fund section were launched in 2018/19.

Finally, during the year there were many opportunities for Hort Innovation to connect with you, the growers. A big thank you in particular to everyone who came to our early-2019 regional roadshows to feed into the development of the new Hort Innovation Strategy 2019-2023 (read more at www.horticulture.com.au/strategy-2019-2023).

You can reach out to us at any time to learn more about our work, to submit ideas for investments, or to simply have a chat about your industry. You'll find details of specific staff at www.horticulture.com.au/get-in-touch, or can otherwise email communications@horticulture.com.au or call our general line on 02 8295 2300.



Additional value in the year

During 2018/19, Hort Innovation was proud to deliver extra value to the table grape industry, outside of levy-funded initiatives within the Table Grape Fund. Here's a quick look at just some examples.



The new Hort Innovation website, with dedicated Table Grape Fund section

You can now visit www.horticulture.com.au/table-grape to quickly search and find table grape investment information and updates, project resources, and growing tips and advice from Hort Innovation's R&D work. You can also download full final research reports direct from the site, access key contact information, share your ideas and feedback, and so much more.



The Australian Horticulture Statistics Handbook

Each year Hort Innovation delivers an *Australian Horticulture Statistics Handbook* packed with horticulture statistical information and analysis for use by specific industries and the wider sector. The handbook combines all available data on production, international trade, processing volumes and fresh market distribution for some 75 categories. The 2017/18 edition, released in early 2019, is available from www.horticulture.com.au/horticulture-statistics-handbook.



Hort Frontiers projects

With seven investment areas, Hort Innovation's Hort Frontiers strategic partnership initiative is about collaborative, cross-industry work to address longer-term, complex issues and opportunities identified as critical for the future of Australian horticulture. While the table grape levy has been co-invested into a couple of Hort Frontiers projects, the bulk of funding continues to come from broad-reaching funding relationships secured by Hort Innovation, plus support from the Australian Government. Learn about all of the projects and what they're delivering for you at www.horticulture.com.au/hort-frontiers.



Grant funding

In 2018/19, Hort Innovation delivered \$6.7 million worth of investments involving grant funding across the horticulture sector. To do so, we applied for and secured a range of competitive grants on behalf of industry, including through the Australian Government's Rural R&D for Profit program, Improved Access to AgVet Chemicals initiative, and Agricultural Competitiveness White Paper. With projects across everything from biosecurity to agri-technology, there's plenty in there to directly and indirectly benefit the table grape industry.

Making investments in 2018/19

Hort Innovation is dedicated to making the right investments at the right time and in the right areas, in line with identified priorities for the industry.

Where the funding comes from

The table grape industry's grower-raised statutory R&D and marketing levies are collected by the Australian Government and entrusted to Hort Innovation as the RDC for Australian horticulture. It's then our responsibility to work with the industry to invest these levies – together with Australian Government contributions in the case of R&D – into strategic initiatives for the benefit of growers.

Additional funding streams can also come into play, such as co-investment dollars from sources including project partners, and grant funding that Hort Innovation secures on behalf of industry.

How decisions are made

Investment decisions in the Hort Innovation Table Grape Fund are guided by the industry's Strategic Investment Plan (SIP). This document was developed through close consultation with growers and other industry stakeholders, and outlines specific investment priorities, strategies and themes. An at-a-glance version can be found at www.bit.ly/table-grape-plan, or find the full version at www.horticulture.com.au/table-grape.

The SIP is currently used like a 'roadmap' by the table grape Strategic Investment Advisory Panel (SIAP) – a panel made up of growers and other industry representatives that's tasked with providing advice to Hort Innovation on potential levy investments.

Turning ideas into investments

Great investments start with great ideas, and Hort Innovation encourages all growers and other industry participants to share their thoughts and suggestions for the work they want to see. Ideas can be submitted any time via Hort Innovation's investment idea form at www.bit.ly/concept-form.

Ideas that are selected for investment are worked into project proposals by Hort Innovation. These are then made public for potential delivery partners to submit responses. Current opportunities are always listed at www.horticulture.com.au/delivery-partners.

Responses are assessed, often with the assistance of industry, and the best delivery partner for the work is chosen. A contract is then issued and the work begins.

Keeping track of investments

All investments in the Hort Innovation Table Grape Fund are detailed on the 'Your investments' page at www.horticulture.com.au/table-grape. We also send news and alerts to Hort Innovation members and contacts – if you haven't already, you can sign up for free at www.horticulture.com.au/sign-up.

Importantly, the industry's levy-funded communications program is tasked with providing growers with regular information on levy-related activity. See p11 for more.



New investment analysis

You can now clearly see how investments in the Hort Innovation Table Grape Fund align to the industry's SIP, with new and interactive investment analysis information available from www.bit.ly/table-grape-investment. The analysis currently shows the allocation of funding against each of the table grape SIP outcomes from the start of the SIP (2016/17) to the end of 2018/19, and gives an indication of the projects that are aligned to each outcome.

R&D project list 2018/19

NEW INVESTMENTS IN 2018/19		ONGOING INVESTMENTS IN 2018/19	
TG18000	Review of the biosecurity plan and manual for the viticulture industry	TG16000	Table grape industry minor use program
TG18001	Building capacity in area wide integrated pest management for Qfly in table grapes	TG16003	Digital technologies for dynamic management of disease, stress and yield
TG18002	Area wide integrated pest management support for Qfly in table grapes	TG17000	Table grape export readiness and market access
FF18003	SITplus: Port Augusta Qfly SIT factory pilot operation	TG17002	Table grape supply chain quality
MT17006	Xylella coordinator	AM17001	Developing a national systems approach for meeting bio-security requirements to access key Asian markets
MT17006	Improving preparedness of the Australian horticultural sector to the threat potentially posed by <i>Xylella fastidiosa</i> (a severe biosecurity risk)	AM17010	Taste Australia trade shows*
MT18005	Improving plant industry access to new genetics through faster and more accurate diagnostics using next generation sequencing	MT13059	SITplus: Developing and optimising production of a male-only, temperature-sensitive-lethal, strain of Qfly, <i>B. tryoni</i>
MT18009	Ex-post impact assessment – industry specific	MT14052	Essential market access data packages
MT18011	Ex-post impact assessment	MT15026	Evaluation of dried and table grape varieties
MT18017	Taste Australia retail program	MT16010	Horticultural trade data 2017-19
		MT17005	Improving the biosecurity preparedness of Australian horticulture for the exotic spotted wing drosophila (<i>Drosophila suzukii</i>)
		MT17015	Consumer behavioural and retail data for fresh produce
		ST16008	AgVet collaborative forum



But wait, there's more. To see what Hort Innovation delivered across the entire horticulture sector in 2018/19, download the full Hort Innovation Annual Report 2018/19 from www.horticulture.com.au/annual-report-portal.

* This investment is a parent program, under which further event-specific Taste Australia investments may sit.

INVESTMENTS COMPLETED IN 2018/19	
TG15008	Australian table grape industry communications
TG17000	In-market insights and emergency planning

During the 2018/19 financial year, all levy paying horticulture industries also contributed to a small selection of across-industry projects addressing issues that affect horticulture as a whole. Details of all investments that Hort Innovation manages can be found at www.horticulture.com.au.

R&D report

Take a closer look at some of the key investments in the Hort Innovation Table Grape Fund during 2018/19. Any resources from these and other levy-funded projects – such as fact sheets, guides and more – are published on your grower page at www.horticulture.com.au/table-grape as they become available.

Building capacity in area wide integrated pest management for Qfly in table grapes (TG18001)

NEW IN 2018/19

Key research provider: Alison MacGregor

Contracted at the end of 2018, this investment is helping table grape growers in the Sunraysia region in understanding and adopting field practices to effectively manage the risk of Queensland fruit fly on-farm; supporting participation in an area wide management program for the pest in the area; and ultimately contributing to continued market access.

The project is facilitating a number of workshops and will provide a range of training materials during its course, with events and opportunities advertised in industry channels as they become available.

Area wide integrated pest management support for Qfly in table grapes (TG18002)

NEW IN 2018/19

Key research provider: The Australian Table Grape Association

Complementing the work of TG18001, this investment is tasked with bringing information on area wide management of Queensland fruit fly to table grape growers, through education events in key Australian growing regions. With populations of the pest increasing in table grape growing regions and adjacent areas, these information sessions are intended to provide growers with the knowledge needed to help mitigate the presence of Queensland fruit fly on-farm.

Review of the biosecurity plan and manual for the viticulture industry (TG18000)

NEW IN 2018/19

Key research provider: Wine Australia (with activities delivered by Plant Health Australia)

This investment provides funding into a collaborative project with Wine Australia, to deliver an updated viticulture biosecurity plan for the grape-growing industries. The biosecurity plan is a top-level document identifying high-priority endemic and exotic pests and diseases, along with the risk mitigation activities required to reduce their biosecurity threat.

For growers the work is also developing a biosecurity manual with key information on managing biosecurity threats, as well as series of fact sheets detailing high-priority threats for the industry.

The current biosecurity documents for the industry are available from Plant Health Australia at www.planthealthaustralia.com.au/industries/table-grapes.





Xylella coordinator (MT17006)

NEW IN 2018/19

Key research provider: Wine Australia

Xylella fastidiosa is an exotic and potentially devastating bacteria that impedes the movement of rising sap in plants. While it hasn't yet appeared in Australia it has proven catastrophic overseas and, were it to enter the country, it could threaten more than 350 commercial, ornamental and native plant species.

This multi-industry and multi-sector investment supports the role and activities of a national coordinator as part of a three year program to improve Australia's readiness for any potential incursion of the disease. This is a joint initiative between Hort Innovation and Wine Australia, through the Plant Biosecurity Research Initiative (PBRI). The PBRI is a collaboration between Australia's seven plant-focused Rural RDCs, Plant Health Australia, the Department of Agriculture and other contributors, to coordinate plant biosecurity RD&E funding and efforts. You can learn more at www.pbri.com.au.

Improving preparedness of the Australian horticultural sector to the threat potentially posed by Xylella fastidiosa (a severe biosecurity risk) (MT17006)

NEW IN 2018/19

Key research provider: The Victorian Department of Jobs, Precincts and Regions

Adding to the PBRI's *Xylella* work as described on the left, this multi-industry investment will review and allow Australia to adopt world's best practice methods for detecting and identifying strains of the *Xylella fastidiosa* bacteria, should it come to our shores. As well as developing state-of-the-art diagnostic tools, technologies and protocols to screen plant material entering the country and to support active surveillance programs, it will provide associated training to technical staff in diagnostic laboratories.

The project's work will ultimately allow for quick and effective detection of what is considered to be the number one plant biosecurity threat to Australia and New Zealand, to facilitate a swift and sure response.

Improving plant industry access to new genetics through faster and more accurate diagnostics using next generation sequencing (MT18005)

NEW IN 2018/19

Key research provider: Queensland University of Technology

This investment is about supporting the adoption of 'next generation sequencing' in the screening of imported horticultural plant material in post-entry quarantine facilities. The technology has the potential to allow plants to move through the quarantine process much more quickly – allowing industry speedier access to new genetic stocks.

Currently, new plant material entering Australia can spend up to three years in post-entry quarantine facilities undergoing pathogen testing. Next generation sequencing offers a fast, reliable and cost-effective method to identify all known plant pathogens in a single test.

Previous research has demonstrated the approach's success and efficiency in testing for viruses and viroids in imported plants, with next generation sequencing subsequently being adopted in the testing of imported ornamental grasses. This investment will provide the evidence and protocols needed for the technology to be adopted for further plant commodities, including horticulture crops.

Taste Australia retail program (MT18017)

NEW IN 2018/19

Key research provider: Produce Marketing Australia (PMA)

This multi-industry investment is targeting key international retailers with training and educational resources about selecting, storing, handling and displaying Australian fresh produce in store, including table grapes.

This work is an R&D component of Hort Innovation's Taste Australia retailer engagement efforts in international markets. Other R&D work under the Taste Australia banner includes **Taste Australia trade shows (AM17010)** – a parent program that supports attendance at relevant international trade shows, to further develop export opportunities in key Asian and Middle Eastern markets.

Taste Australia is the whole-of-horticulture brand used to increase the profile, sales and consumption of premium Australian horticulture products in export markets, and is a central component of Hort Innovation's Hort Frontiers Asian Markets Fund. Learn more at www.horticulture.com.au/hort-frontiers.

In-market insights and emergency planning (TG17000)

NOW COMPLETE

Key research provider: KPMG

Beginning in 2018 and ending in 2019, this investment was contracted to help ready the Australian table grape project for export to existing international markets. It produced an in-market intelligence plan and analysis of key export markets for table grapes, including information on regulatory considerations and entry requirements. It also developed information on resources and networks relating to key export markets, and produced an emergency industry response plan for use in the event of market disruption or closure, biosecurity incidents and other scenarios. Growers can request access to the project's resources by contacting the Australian Table Grape Association via enquiries@atga.net.au or 03 5021 5718.



Table grape export readiness and market access (TG17000)

Key research provider: Australian Table Grape Association

Beginning in 2018, this investment is continuing industry work into market access and development.

Specific activities include, but aren't limited to:

- » Input into the maintenance of the industry's export strategy (and future strategies), detailing market access, improvement and development priorities
- » Work to develop export training materials for growers and exporters, aligned to the export strategy, as well as maintenance of online training for crop monitors
- » Input into the development of Export Quality Standards
- » Continued facilitation of the logistics involved in export, including the Department of Agriculture's registration and audit of export facilities
- » Other activities to develop and maintain new and existing markets, including coordination of inbound and outbound trade missions and participation in international trade shows.

The project also provides a point of contact for growers, exporters and others looking for expert industry advice in relation to the export of Australian table grapes, and is responsible for disseminating relevant information, including season updates and data on shipping and market conditions.

Evaluation of dried and table grape varieties (MT15026)

Key research provider: CSIRO

This multi-industry project worked towards the delivery of new grape varieties for both the table grape and dried grape industries, with levies from both used to fund the work. While ongoing throughout 2018/19, it came to an end in the first half of 2019/20.

For table grapes, new varieties adapted to local conditions will enable Australia to differentiate its products in international markets, enhance export opportunities and increase domestic consumption. Future new varieties are intended to reduce production costs and minimise issues such as berry collapse in Thompson seedless, as well as poor budburst and low fruit bearing in sub-tropical regions. Early and late ripening types, and those with favourable long-term storage and transport characteristics, will also extend the season and provide opportunities to develop new markets.

Specific project activities included the continued evaluation of seedless material established by CSIRO in previous projects; identification of new selections for inclusion in multiplied plot trials; and establishment of new advanced selections for semi-commercial and regional testing.

Digital technologies for dynamic management of disease, stress and yield (TG16003)

Key research provider: University of Queensland (for the table grape component)

Through this project, the table grape levy is being invested into a component of research that will feed into a larger Australian Government Rural R&D for Profit initiative being led by Wine Australia. The broader project is developing innovative processes and precision technologies for the grape- and cotton-growing industries. The introduction of new digital technologies will provide for more accurate yield forecasts, earlier disease detection, and better management decisions about crop condition and nutrient levels. The project will ultimately extend the use of the technology by trialling equipment on grower properties and demonstrating the benefits through the use of extension networks.

Table grape supply chain quality 2017-2021 (TG17002)

Key research provider: Delytics

This ongoing project is focused on prioritising the supply of optimal eating quality Australian table grapes right from the start of the season, to improve consumer confidence and increase repeat purchasing and consumer demand. A key objective of the project is to support growers and retailers to adopt collaborative industry maturity standards and practices that will enable them to consistently deliver high quality table grapes that are liked by the majority of consumers.

Its work involves measuring fruit maturity pre-harvest, at retail and at export, and identifying minimum maturity standards that will enable the industry to meet market and consumer demands. It also has a component that provides funding for the Australian Table Grape Association to support project activities.

Completing its second full year in 2018/19, the project has introduced new equipment to measure individual grapes, allowing the project team to characterise variability within individual bunches and to implement a new sampling protocol to account for this. It has also allowed the linking of consumer liking to Brix and acid, feeding into the development of a new minimum maturity standard for all public varieties – being 80 per cent or more fruit in a sample with Brix of 16° or more for Crimson Seedless, Flame Seedless, Red Globe and Thompson Seedless, and 80 per cent or more fruit in a sample with Brix of 15.5° or more for Menindee Seedless.

During the season, the project continues to collect maturity measurements on farm, at retail and at export, with the data being analysed and shared with growers and supply chain partners so maturity levels can be seen in close to real time.

Consumer behavioural and retail data for fresh produce (MT17015)

Key research provider: Nielsen

This multi-industry investment is tasked with providing regular consumer behaviour data and insight reporting to a range of industries, through the Harvest to Home platform (www.harvesttohome.net.au).

The platform has a dedicated dashboard for table grapes, making data and reporting easily accessible for industry participants. The information is intended to assist growers and supply chain partners in decision-making for their businesses and, for the wider industry, the data and insights are available to support strategic activities, as well as Hort Innovation Table Grape Fund marketing plans.

Australian table grape industry communications (TG15008)

NOW COMPLETE

Key research provider: The Australian Table Grape Association

Between 2016 and mid-2019, this project maintained communication to Australian table grape growers and other industry stakeholders. By keeping the industry up-to-date on R&D and marketing activities, news, events and other critical information, its goal was to help the industry tackle issues, and to support decision-making and the uptake of new research and technologies within table grape businesses.

A number of regular communication channels were produced and maintained by this investment, including but not limited to:

- » Quarterly magazine *The Vine*, distributed to industry stakeholders and also available online at www.australiangrapes.com.au/the-vine-magazine (*The Vine* is a joint magazine between the table grape and dried fruit industries)
- » The Australian Table Grape Association (ATGA) website, www.australiangrapes.com.au
- » Regular e-newsletters from ATGA
- » ATGA social media channels including Facebook, Twitter and LinkedIn
- » Annual grower forums and other industry events.

At the time of writing, Hort Innovation was in the final stages of contracting the next communications program for the industry.

Table grape industry minor use program (TG16000)

Key research provider: Hort Innovation

Through this project, levy funds and Australian Government contributions are used to submit renewals and applications for minor use permits for the table grape industry as required. These submissions are prepared and submitted to the Australian Pesticides and Veterinary Medicines Authority (APVMA).

For more on minor use permits, including a list of permits, see p14.

All current minor use permits for the industry are searchable at portal.apvma.gov.au/permits. Permit updates are also circulated in Hort Innovation's *Growing Innovation* e-newsletter, which you can sign up for at www.horticulture.com.au/sign-up.

Improving the biosecurity preparedness of Australian horticulture for the exotic spotted wing drosophila (*Drosophila suzukii*) (MT17005)

Key research provider: Plant Health Australia

This multi-industry investment is tasked with improving industry awareness of the risks posed by spotted wing drosophila, which attacks a range of soft-skinned fruit, and also with increasing the capacity to detect and respond to any incursions of the pest.

Activities include building knowledge and capacity around appropriate surveillance and management tools and strategies within the growing industries, government and among other relevant stakeholders. Looking at options for meeting domestic and international quarantine requirements are also among the project's activities.

SITplus: Port Augusta Qfly SIT factory pilot operation (FF18003)

NEW IN 2018/19

HORT FRONTIERS

Key research provider: University of Western Sydney, with Primary Industries and Regions South Australia (PIRSA)

A purpose-built sterile Queensland fruit fly facility was established in Port Augusta, South Australia under earlier work in the Hort Frontiers Fruit Fly Fund and broader SITplus initiative. With sterile insect technology (SIT) a promising control method for Queensland fruit fly, the facility is a state-of-the-art factory for the mass-rearing of sterile flies.

This investment is continuing support for the pilot operation of the facility, allowing delivery of sterile flies to an associated pilot release project. It is also delivering further research to optimise the SIT approach and improve the production of healthy and high-performing sterile fruit flies. The work is being funded through co-investment from a range of partners, funding from the Australian Government, and some contributions from levy industries, including through the Hort Innovation Table Grape Fund.

For more on the facility, SITplus program and Hort Frontiers Fruit Fly Fund, visit www.horticulture.com.au/hort-frontiers.



SITplus: Developing and optimising production of a male-only, temperature-sensitive-lethal, strain of Qfly, *B. tryoni* (MT13059)

HORT FRONTIERS

Key research provider: South Australian Research and Development Institute (SARDI)

This project is developing a ‘temperature-sensitive lethal, male-selecting’ strain of Queensland fruit fly. To put simply, the research will allow for male-only, sterile fruit flies to be bred in large numbers. It is one of the key projects in the broader strategic co-investment SITplus initiative that’s tackling the issue of fruit fly. The male flies are to ultimately be released in growing regions of south-eastern Australia that are affected by the pest. They will come to outnumber the wild male population in these areas and by mating with wild females – and limiting the opportunity for wild males to do so – they are intended to lead to the collapse of wild Queensland fruit fly populations.

Levies from several horticulture industries are involved in the project which, as a SITplus initiative, is part of the Hort Frontiers Fruit Fly Fund.

Developing a national systems approach for meeting biosecurity requirements to access key Asian markets (AM17001)

HORT FRONTIERS

Key research provider: Queensland Eco-sciences Precinct

Most horticultural trade relies on demonstrating that the commodity either comes from an area that is free of pests and diseases (area freedom), or involves the application of an agreed, stringent end-point treatment. This project is a collaboration between industry, researchers and regulators to help Australian horticulture enterprises realise market

opportunities in Australia and Asia by developing a quantitative ‘systems approach’ that will be acceptable to regulators. It will also be providing the supporting information necessary to help industries evaluate and adopt systems approaches.

Systems approaches integrate those pre- and post-harvest practices used in production, harvest, packing and distribution of a commodity which cumulatively meet requirements for quarantine security. The systems approach used in each region will set safeguards and mitigation measures which individually and cumulatively provide a reduction in plant pest risk.

Impact assessment work

During 2018/19, Hort Innovation engaged independent consultants to evaluate the impact of our R&D investments. This included looking across a random sample of all Hort Innovation R&D projects completed in the 2017/18 financial year, plus a specific look at the impact of work within the Hort Innovation Table Grape Fund. The assessments revealed a range of economic, social and environmental benefits being generated for growers, supply chain participants and the community at large. The results also highlighted the value of these benefits in monetary terms.

Results and information on the whole-of-R&D impact assessment, facilitated through the project *Ex-post impact assessment* (MT18011), can be found at www.horticulture.com.au/mt18011. The work specific to the Table Grape Fund took place through the investment *Ex-post impact assessment – industry specific* (MT18009) and you can download a fact sheet on the results, plus find full assessment documents, at www.horticulture.com.au/mt18009.



Keep up to date!

To keep up to date with the latest information on new, ongoing and recently completed R&D investments throughout the year – and to search and find resources and reports from these investments – visit www.horticulture.com.au/table-grape

Minor use permits

The Hort Innovation Table Grape Fund supports the submission of applications for new and renewed minor use permits for the industry, and strategic agrichemical reviews.

Together these efforts provide industry access to safe, relevant and effective chemicals for the management of pests, weeds and diseases.

For full details on these activities and links to relevant information, visit www.bit.ly/minor-use-table-grape.

Current permits

Below is a list of minor use permits for the table grape industry, current as of 20 September 2019.

PERMIT ID	DESCRIPTION	DATE ISSUED	EXPIRY DATE	PERMIT HOLDER
PER14868 Version 2	Chlorpyrifos / Grapevines / European earwig	01-Oct-14	30-Sep-19	CCW Co-operative
PER11748 Version 2	Sodium metabisulfite / Table grapes (packaged) / Phylloxera	17-Sep-09	31-Oct-24	Australian Table Grape Association (ATGA) C/Hort Innovation
PER12439 Version 4	Trichlorfon / Table grapes / Fruit fly	30-Aug-11	31-May-21	ATGA C/Hort Innovation
PER12770 Version 2	Glyphosate / Grapevine removal/destruction / Phylloxera	12-Oct-11	31-Dec-26	ATGA C/Hort Innovation
PER13378 Version 3	Fenbutatin-oxide (Torque miticide) / Table grapes / Rust mite and two-spotted mite	09-Nov-12	30-Sep-20	ATGA C/Hort Innovation
PER14492 Version 2	Bifenazate (Acramite) / Table grapes / Two-spotted mite	12-Nov-13	31-Oct-20	ATGA C/Hort Innovation
PER13859	Dimethoate / Orchard clean-up – fruit fly host crops following harvest / Fruit fly	09-Feb-15	31-Jul-24	Growcom C/Hort Innovation
PER85499	Sulphur dioxide and carbon dioxide / Table grapes (for export to New Zealand) / Redback spiders	28-Nov-17	30-Nov-22	ATGA C/Hort Innovation
PER85594	Methomyl / Table grapes / Redback spiders (all states except NSW and WA)	19-Feb-18	28-Feb-23	Vitor Marketing

All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at portal.apvma.gov.au/permits. Details of the conditions of use associated with these permits can also be found on the APVMA site.

Minor use permit updates are circulated in Hort Innovation's e-newsletter, *Growing Innovation*. Don't yet receive it? Sign up for free at www.horticulture.com.au/sign-up.

Marketing report

Hort Innovation is responsible for investing the table grape marketing levy into a range of activities to support demand-building in export and domestic markets under the Hort Innovation Table Grape Fund. Here's a quick look at some of the activities and achievements of the 2018/19 program.

Domestic marketing

A new three-year domestic marketing strategy kicked off for table grapes in 2018/19, focused on driving awareness of the Australian season with consumers through a variety of activities.

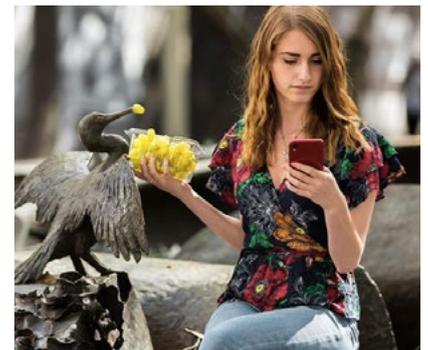
Retailer engagement

During 2018/19 there was direct engagement with major retailers to better understand and manage the grape category. The key goal was to assist in better aligning the supply chain, to ensure the quality of grapes produced, supplied and handled onto shelves was meeting consumer expectations – with the ultimate aim of growing demand for the category.

Social media and public relations (PR)

Aligning with the overarching marketing strategy for table grapes, the role of social media and PR was to continue to drive seasonal awareness of Australian table grapes and to keep them top of mind for consumers. This was done through engaging traditional media in the print and online space with new and interesting stories around grape production, sharing information on the health benefits of table grape, and reminding consumers about the delicious taste of table grapes via on-trend and easy recipes.

Three key messages formed the basis of marketing content across the table grape social media channels: provenance,





Export marketing

A new three-year export marketing strategy for table grapes also began in 2018/19, focused on protecting the premium position of Australian table grapes by connecting deeper with customers and consumers in key export markets. Several activities were undertaken that targeted priority markets as identified by industry.

Trade promotional seminars

Seminars were held in three countries, with the first event held in late January 2019 in Korea, followed by events in Osaka, Japan in late February, and Ho Chi Minh City and Hanoi in Vietnam in early March 2019. These events provided the opportunity to engage

the supply chain in key export markets and give seasonal updates to buyers, retailers, wholesalers, importers and media.

Jeff Scott, CEO of the Australian Table Grape Association, represented the industry at the events, providing an overview of the Australian table grape season, food safety standards and supply chain management, as well promoting the Taste Australia retail campaign. A contingent of Australian exporters also attended the seminars and this was favourably received by the audience.

In total, 266 individuals attended the events across the three countries, with feedback being received that the events were highly worthwhile and helpful with decision making and forging relationships.

Taste Australia retail marketing

A number of consumer-facing Taste Australia retail activities were delivered across the prioritised export markets of Indonesia, Philippines, Thailand, China, South Korea, Japan and Vietnam during the 2018/19 season. Taste Australia is the whole-of-horticulture brand used to increase the profile, sales and consumption of premium Australian horticulture products in export markets.

Broadly, the table grape activity under the Taste Australia banner included launch events, in-store activations, PR activity and social media.

- » **In Indonesia**, 236 sampling sessions were held at eight different retailers across 32 stores. To raise the profile of Taste

Australia table grape activity, one hero media event was hosted in partnership with the retailer AEON which had 60 importers, media and influencers in attendance, as well as representation from the Australian Embassy. Three complimentary events were also held on the floor at two major retailers, Food Hall and Hypermart, with more than 110 guests attending. A press release and fact sheet were distributed to both trade and consumer media and seven content pieces were generated with 2.6 million impressions. Meanwhile, 10 influencers were engaged to attend events and share official social posts. From this, 29 Instagram posts and stories were created, which generated more than 2.2 million total impressions and 8,500 likes and comments. The Taste Australia Facebook page also posted 12 social assets and shared four

influencers' posts. The campaign achieved 318,105 reach and generated 346,771 impressions.

- » **In the Philippines**, 189 sampling sessions were held at three key retailers across 31 stores, which increased sales during the promotion period by between 13 and 52 per cent. 'Media seeding' (getting content in a number of channels where people are likely to find it) was conducted with 78 selected media outlets and influencers. Australian table grapes were sent with a press release and fact sheet to media. Awareness was raised through subsequent coverage, with 109 pieces of content produced and shared to an audience of some 11 million. Meanwhile, the Taste Australia Facebook page for the Philippines posted 12 social assets and four Q&A games, where there was the opportunity to win gift certificates to purchase Australian table grapes

from a local supermarket chain. A total of six million people were reached and more than 1.3 million engagements generated.

- » **In Thailand**, 186 sampling sessions were held at six retailers across 59 stores. A launch event was organised with Tesco at the beginning of the season, kicking off a one-month 'Best of the Month' campaign. This activity was spread to all formats of Tesco stores in Thailand (close to 1900 stores), which extended the reach to 47 million target consumers. Tesco reported a 242 per cent increase in Australian table grape sales during the promotion period. As part of the long co-operation between Taste Australia and retailer Tops, a popular gift with purchase of a Taste Australia shopping bag was launched again in the table grape season with the purchase of 2kg of grapes. This promotion was well received by consumers.





» **In China**, 136 sampling sessions were held at two retailers across 10 stores. Designed to break the mould of traditional promotional activities to gain consumer interest, an event was organised with a gelateria in Guangzhou, *Tons of Frozen Treats*, during the Labour day holiday and Canton Fair. Two Australian table grape sorbets were introduced as a limited offer for one week: Sweet Sapphire with homemade rose petal jam and Great Green with lime. Sampling of fresh Australian table grapes was conducted outside the store. To further promote the event, eight Weibo influencers were invited and generated 12 posts that garnered 3.8 million impressions. Through cross-promoting of their content on

Dianping (which is a social platform similar to Zomato in Australia), the event became a hot topic within the first 12 hours – pushing Australian table grape content onto the platform’s homepage through organic traction alone.

» **In South Korea**, 2019 was the second year under the zero-tariff regime, seeing significant growth of 43 per cent more product through participating retailers during the campaign than during 2018 and with Australia claiming strong ground against competitors Chile and South Africa. Some 162,000 consumers were reached by in-store sampling across 45 stores across retailers E-Mart, Hyundai and Shinsaegae. There were also 20 pieces of

social media content created via key influencers in the market and 29 news clippings achieved through PR. Taste Australia was also honoured to receive the Australian Ambassador to the Republic of Korea, H.E. James Choi, as part of a planned opportunity at an E-Mart store. The Ambassador and VP of E-Mart toured the retail display and took photos with Australian table grapes for sharing in the media, while sampling was also taking place to capture consumer attention. Meanwhile, Taste Australia social media posts raised the profile of Australian table grapes during the promotions by highlighting flavour and quality, recipes, new varieties, health benefits and links to stockists.

- » **In Japan**, a total of 55 sampling sessions were held at 10 retailers across 46 stores, with a gift-with-purchase promotion launched at the same time that saw handkerchiefs given out with every 200g purchase of Australian grapes. Further promotion was conducted through a press release and fact sheet distributed to 100 media outlets which generated 38 pieces of media coverage. The Taste Australia Facebook and Instagram accounts posted 12 social assets. A total of 1.8 million people were reached. Two Japanese recipe and foodie influencers on Instagram were also engaged to create recipe ideas using Australian table grapes. Eight pieces of content were created which generated more than 148,500 total impressions and 9000 likes and comments.
- » **In Vietnam**, the campaign involved three key activities: in-store sampling, social media and a high tea for media representatives. Sampling occurred in 75 stores across retailers Aeon, Big C, Klever Fruit and EPCO. For social media, the Taste Australia Facebook and Instagram accounts posted 12 social assets. A total 794,684 people were reached with 1.08 million impressions generated. Q&A games were used to increase the follower base and engagement. Meanwhile the media event, in the form of a high tea, was held with eight key media in attendance. The event was held at Boomerang Bistro Bar, an Australian-themed restaurant, where dishes and drinks featuring Australian grapes were showcased. A press release and fact sheet were distributed with an Australian table grapes gift box to media representatives. Awareness was raised through five key pieces of media coverage, including a TV spot, with an audience of more than one million people reached.



Building a new digital strategy for Japan

To develop a digital marketing strategy for Japan underpinned by consumer insights, a research project was conducted in 2018/19 to gain an understanding of how to best position Australian table grapes in the Japanese market and to summarise key market trends and the current digital landscape.

Some insights from the research included:

- » A focus on nutrition and health is a key consumer trend in Japan
- » Japanese consumers are buying Australian table grapes because they are perceived to be good value for money, have an edible peel and are seedless (the latter two attributes are seen as the most appealing qualities of Australian grapes)
- » Safety, health and deliciousness are key attributes to promote to consumers

- » Local Japanese grapes have strong premium positioning and are preferred for gifting, as their quality is perceived to be higher and their packaging sophisticated
- » 'Premium' and 'ideal' have different meanings when it comes to grapes
- » The social online platform LINE should be a priority channel to target consumers
- » Japanese consumers need confirmation that the peel is safe to eat.

A clear differentiation strategy is needed to set Australian table grapes apart from other imported grapes. To do this, the marketing strategy must leverage Australian provenance, health and safety attributes and the ideal growing climate. This research will inform development of a digital media strategy to roll out in the 2019/20 season.

Financial statement

Financial operating statement 2018/19

	R&D (\$)	MARKETING (\$)	TOTAL (\$)
	2018/19 July – June	2018/19 July – June	2018/19 July – June
OPENING BALANCE	948,167	3,582,843	4,531,009
Levies from growers (net of collection costs)	841,072	839,433	1,680,505
Australian Government money	922,105	–	922,105
Other income*	24,117	87,501	111,618
TOTAL INCOME	1,787,294	926,934	2,714,228
Project funding	1,590,675	927,560	2,518,235
Consultation with and advice from growers	12,407	3,625	16,032
Service delivery – base	64,547	39,701	104,249
Service delivery – shared	106,964	65,791	172,755
Service delivery – fund specific	69,617	97,647	167,264
TOTAL EXPENDITURE	1,844,211	1,134,324	2,978,535
Levy contribution to across-industry activity	42,241	–	42,241
CLOSING BALANCE	849,010	3,375,452	4,224,462
Levy collection costs	37,878	39,515	77,393

* Interest, royalties



Connect with your levy!

**Visit www.horticulture.com.au/sign-up
to sign up for free Hort Innovation communications,
including industry-specific alerts, opportunities
and general horticulture news**

Hort Innovation

Horticulture Innovation Australia Limited
ACN 602 100 149

Level 7, 141 Walker Street
North Sydney NSW 2060 Australia

Telephone 02 8295 2300
communications@horticulture.com.au

www.horticulture.com.au