

Mushroom Fund

2017/18
ANNUAL REPORT



Content

Welcome	1
Making levy investments	2
R&D project list 2017/18	3
R&D report	4
Minor use permits	8
Marketing report	11
Financial statement	16

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 *Mushroom Fund Annual Report 2017/18*. 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 *Mushroom Fund Annual Report 2017/18*, or from reliance on information contained in the material or that Hort Innovation provides to you by any other means.

Copyright © Horticulture Innovation Australia Limited 2018.

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



SUMMARY BY
JOHN VATIKIOTIS,
 RELATIONSHIP
 MANAGEMENT LEAD,
 HORT INNOVATION

We're for growers

At Hort Innovation it's our job to work with industry to invest the mushroom levy and Australian Government contributions into initiatives to help growers be as productive and profitable as possible – and 2017/18 was another fantastic year of growing better, together.

With **more than \$1.07 million invested by Hort Innovation into R&D for the mushroom industry during 2017/18**, including into a range of new projects, I'm happy to be able to share with you all the key insights in this Hort Innovation Mushroom Fund Annual Report.

You'll find a top-level list of all R&D investments from the year on **p3**, and can explore the research projects in more detail from **p4**. Just some of the highlights include new investments to deliver consumer and industry data and insights, along with strong new and ongoing work into managing pests, diseases and food safety for the industry.

Meanwhile **in marketing, the Mushroom Fund program saw some \$3.13 million invested during the year to raise the profile and consumption of Australian mushrooms**. Find an overview of this activity from **p11**.

On a personal note, during the year it was great getting to connect with you about everything going on in the Mushroom Fund, to hear your thoughts, and to share ideas. During 2018/19 I'm looking forward to even more opportunities to connect in person, and I remind you that you can reach me any time at john.vatikiotis@horticulture.com.au or on 0429 022 637 if there's something you'd like to ask or discuss around levy investments.

I also encourage you to explore the easy ways you can stay close to all of the good things your levy is achieving throughout the year...

- » **Become a member.** Paying a levy doesn't automatically make you a Hort Innovation member, but signing up is free at www.horticulture.com.au/membership. As well as providing the opportunity for voting rights at the organisation's Annual General Meeting, Hort Innovation membership includes exclusive email alerts with industry-specific news and opportunities, direct invitations to explore investment updates and more.
- » **Check out *Hortlink*.** This digital publication provides an update on all new, ongoing and recently completed investments in the Hort Innovation Mushroom Fund. The latest edition is always available from the Mushroom Fund page at www.horticulture.com.au/mushroom, while members have *Hortlink* sent straight to their inboxes.
- » **Engage with your industry communications program.** The *Communication program for the Australian mushroom industry 2016-2019* (MU15001) is dedicated to bringing the latest information and advice to growers, including news, outcomes and resources related to levy investments (look for the Hort Innovation Mushroom Fund logo to easily identify work related to your levy). The communications program is funded through the Hort Innovation Mushroom Fund, with more info available on **p7**.

Here's to another great year of investments and connection in 2018/19,

John Vatikiotis
Hort Innovation Relationship Management Lead
(e) john.vatikiotis@horticulture.com.au (m) 0429 022 637

Making levy investments

Discover how the mushroom levy and Australian Government contributions are invested through the Hort Innovation Mushroom Fund in this quick recap.

Where do investment ideas come from?

Great investments start with great ideas, and Hort Innovation encourages all growers and other industry participants to share their thoughts and suggestions for the research and marketing initiatives they want to see.

Ideas can be submitted any time via Hort Innovation's simple Concept Proposal Form. Visit www.horticulture.com.au/innovation-concept-pipeline.

Ideas can be for your specific industry – to be funded by the industry levy and, in the case of R&D, Australian Government contributions – or they can be for Hort Innovation's strategic partnership initiative, Hort Frontiers. Hort Frontiers projects address broader, longer-term and more complex issues facing Australian horticulture as a whole, and are funded through partnerships with co-investors. Visit www.hortfrontiers.com.au for more.

How are levy decisions made?

Let's talk 'SIPs' and 'SIAPs'!

Investments specific to the Hort Innovation Mushroom Fund are guided by the industry's Strategic Investment Plan (SIP), which was finalised by Hort Innovation in April 2017 after close consultation with growers and other industry stakeholders.

The SIP outlines key industry priorities for investment and can be found on the Mushroom Fund page at www.horticulture.com.au/mushroom.

The SIP document is used like a 'roadmap' by the mushroom Strategic Investment Advisory Panel (SIAP) – a panel made up of growers and other industry representatives, which has a key role to play in the investment process. The SIAP discusses investment ideas at consultation meetings, with the SIP guiding them, in order to provide advice to Hort Innovation on potential levy investments.

Details of the SIAP panellists and summaries of the SIAP's meetings can be found at www.horticulture.com.au/mushroom.

What happens next?

The SIAP's advice is used by Hort Innovation to work suitable ideas into project proposals. The proposals are then made public for potential delivery partners to submit responses. Current opportunities are always listed at www.horticulture.com.au/delivery-partners.

At the end of the process the 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.

How can I keep track of investments?

Newly contracted projects are announced in Hort Innovation's *Hortlink* publication, with the latest edition emailed directly to members three times a year and always available from the Mushroom Fund page at www.horticulture.com.au/mushroom. *Hortlink* also provides updates on ongoing and recently completed investments.

The industry communications program, run through the investment *Communication program for the Australian mushroom industry 2016-2019* (MU15001), also provides regular information on levy-funded activity. See [p7](#) for more.



R&D project list 2017/18

NEW INVESTMENTS IN 2017/18

MU16003	Pest and disease management and research services
MU16005	Food safety for the Australian mushroom industry
MU16006	Mushroom industry data collection project
MU17000	AMGA project advice
MU17003	Independent review of the mushroom marketing program
MT17015	Consumer behavioural and retail data for fresh produce
ST16008	AgVet collaborative forum
ST17000	Generation of data for pesticide applications in horticulture crops 2018*

ONGOING INVESTMENTS IN 2017/18

MU15001	Communication program for the Australian mushroom industry 2016-2019
MU16000	Food safety and QA risk management
MU16002	Mushroom industry minor use program
MU16004	Marsh Lawson Mushroom Research Centre

INVESTMENTS COMPLETED IN 2017/18

MU14000	Communication and education of mushroom nutrition research to health professionals – phase 2
MU16001	Mushroom crisis management review
MT15032	Monitoring and evaluation framework for the industry Strategic Investment Plan
MT15033	Strategic Investment Plan



* Activities for the mushroom industry under this investment are funded wholly through the government's AgVet grant program.

During the 2017/18 financial year, all Australian levy paying horticulture industries also contributed to across-industry projects addressing issues that affect horticulture as a whole. Visit www.horticulture.com.au/across-horticulture for financial documents and information on this program.

R&D report

Take a closer look at some of the key investments in the Hort Innovation Mushroom Fund during 2017/18. 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/mushroom as they become available.

Pest and disease management and research services (MU16003)

NEW IN 2017/18

Key research provider: University of Tasmania

Beginning in late 2017, this investment is about assisting growers in understanding and managing key pests and diseases of mushrooms. It is tasked with delivering new farm-focused resources and education, and with maintaining AGORA, the industry's web-based pest and disease management knowledge database, established in earlier levy-funded work. The project's ultimate goal is to reduce the threat and costs of both endemic and exotic mushroom pests and diseases.



Specific project activities include...

- » Conducting a review of new and emerging pathogens, including the bacterial *Janthinobacterium agaricidamnosum*, *Burkholderia gladioloi* pv *agaricola*, *Ewingella americana* and *Psuedomonas agarici*; the fungal *Syzygites megalocarpus*, *Mycogone perniciosa* and *Trichoderma aggressivum*; and the viral mushroom X virus
- » Creating new and emerging symptom recognition resources for use on-farm
- » Delivering grower alerts about any activity of the pathogens in Australia
- » Delivering updates and information to growers at industry events and in the levy-funded *Australian Mushrooms Journal*.

Mushroom industry data collection project (MU16006)

NEW IN 2017/18

Key research provider: RMCG

This investment establishes a new data collection initiative for the Australian mushroom industry. It is tasked with providing clear industry benchmarks for best practice and competitive advantage, with its information intended to assist growers in assessing the performance of their businesses against the wider industry, and to identify areas for action and improvement. The project team is collaborating with the Australian Mushroom Growers' Association in collecting data from growers. Those who participate in the project will be provided with confidential individual reports, while a final, industry-wide benchmarking report will be circulated in which no individual businesses will be identifiable.

Want to keep up to date with the latest information on new, ongoing and recently completed R&D investments throughout the year? Check out Hort Innovation's **Hortlink** publication – the latest edition is always available from your grower page, www.horticulture.com.au/mushroom.



Generation of data for pesticide applications in horticulture crops 2018 (ST17000)

NEW IN 2017/18

Key research provider: Eurofins Agrosience Services

The generation of pesticide residue, efficacy and crop safety data is required to support label registration and minor use permit applications made to the Australian Pesticides and Veterinary Medicines Authority (APVMA) which, when approved, provide access to safe and effective chemicals for the management of pests, weeds and diseases.

In May 2018, Hort Innovation announced the securing of more than \$1 million in assistance grants under the Australian Government's Access to Industry Uses of Agricultural and Veterinary (AgVet) Chemicals program. Through this project, this funding is being used, along with levy contributions, to generate the data required for a range of registration and minor use applications across a variety of horticulture crops, including for the mushroom industry (with work for mushrooms being funded wholly through the grant).

Mushroom industry minor use program (MU16002)

Key research provider: Hort Innovation

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

For more on minor use permits, including a list of permits, see [p8](#).

All current permits for the industry remain searchable at portal.apvma.gov.au/permits, while permit updates are also circulated in Hort Innovation's *Growing Innovation* e-newsletter, which levy-paying members receive monthly. Not a member? Sign up to the Hort Innovation membership program for free at www.horticulture.com.au/membership.

Consumer behavioural and retail data for fresh produce (MT17015)

NEW IN 2017/18

Key research provider: Nielsen

Contracted in June 2018, this multi-industry investment is tasked with providing regular consumer behaviour data and insight reporting to a range of industries, including the mushroom industry. This 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 will be available to support strategic activities, as well as Hort Innovation Mushroom Fund marketing plans.

At the time of writing, the data and insights were soon to be easily accessible via a new online dashboard – look for further information in industry and Hort Innovation channels as it becomes available.

AMGA project advice (MU17000)

NEW IN 2017/18

Key research provider: Australian Mushroom Growers' Association

This investment allows funding to support the Australian Mushroom Growers' Association in providing consultation around, and input into, industry projects including *Food safety and QA risk management* (MU16000), *Pest and disease management and research services* (MU16003) and *Communication program for the Australian mushroom industry 2016-2019* (MU15001).

Food safety for the Australian mushroom industry (MU16005)

NEW IN 2017/18 & NOW COMPLETE

Key research provider: Fresh Produce Safety Centre

Beginning in early 2017/18 and ending just inside 2018/19, this investment has investigated food safety risks within mushroom production systems. It was responsible for...

- » Bringing together existing research and information on food safety in Australia's mushroom industry, and on foodborne pathogens including listeria species, salmonella species and *E. coli*
- » Conducting surveys on mushroom farms to look at pathogen loads in compost, on casing and on fresh mushrooms over a 12-month period
- » Using a lab-based trial to investigate the potential for change in microbial loads over time for a range of processing and food chain scenarios.

Mushroom crisis management review (MU16001)

NOW COMPLETE

Key research provider: Control Risks Group

This investment began in mid-2017 and concluded in early 2018. It was tasked with identifying potential risks and threats to the Australian mushroom industry, updating the mushroom industry's crisis management plan, and providing effective training to industry personnel involved in crisis management. Its work was one component in ensuring a resilient mushroom industry, with the ability to intelligently prepare for, respond to and recover from any risks that may arise.

Working with key industry representatives, it improved the industry's understanding of crisis management principles and procedures, increased awareness of crisis management arrangements for the industry, and provided an intuitive approach for identifying, assessing and responding to potential crises using effective communication strategies.

More information on crisis management for the industry is available by contacting the Australian Mushroom Growers' Association.



Communication and education of mushroom nutrition research to health professionals – phase 2 (MU14000)

NOW COMPLETE

Key research provider: Nutrition Impact

Beginning in 2014 and now finishing early in the 2017/18 period, throughout its run this project collected research findings and information on the health and nutrition benefits of mushrooms and used this to regularly update a range of health professionals, including dietitians, doctors and nurses, as well as naturopaths, home economists and health media. Through this education and communication, these professionals were put in the best position to advocate for the inclusion of mushrooms in the diets of their patients, clients and audiences, as well as in the wider public's diet.

The project...

- » Showcased mushroom health research and benefits at industry conferences and events attended by health audiences, as well as in the journals and other publications of professional health bodies. National conferences included those of the Dietitians Association of Australia, Royal Australian College of General Practitioners, Australian Practice Nurses Association, CheckUP, Diabetes SA and Home Economics Institute of Australia. There was also involvement in events including the General Practice Conference and Exhibition, Dietitian Day, and the Australian College of Nursing's Community and Primary Health Care Nursing Week.
- » Utilised the 'health and nutrition' section of www.australianmushrooms.com.au, where resources such as fact sheets were kept up to date with peer-reviewed research. The project also produced video resources hosted here.
- » Produced an e-newsletter, *Talking Research*, which was sent at regular intervals to a database of more than 1300 subscribers and highlighted the most recent health-oriented mushroom research.
- » Produced resources including a succinct brochure on the benefits of mushrooms for health professionals, which was distributed in printed and digital form and made available for health associations to distribute to their members and contacts. There was also a handout on healthy bones – focusing on mushrooms as a vitamin D source – for use by health professionals, and a handout on mushrooms and weight control for the general public that was designed as part of Australia's Healthy Weight Week activity.
- » Facilitated farm tours, cooking demonstrations and food styling sessions for dietitians, nutrition students, food media, bloggers and academics, to educate and in turn assist them in educating the public.
- » Supplied resources for use by health authorities, including technical papers.

Continues >>

Throughout the project, the team responded to requests for help from dietitians, bloggers, journalists and researchers regarding the role of mushrooms in health as needed, providing information and content for their channels. There was also support for Australia's Healthy Weight Week, an initiative of the Dietitian's Association of Australia that each year involved events throughout the country. Health professionals were provided with social media updates to share regarding the health benefits of mushrooms, and mushrooms featured in Healthy Weight Week cookbooks. Likewise, there was support for Nutrition Australia's National Nutrition Week.

The project also fed into the Mushrooms and Health Global Initiative, an international collaboration that produced a quarterly bulletin to alert growers, mushroom associations, health professionals and researchers about newly published research. The last bulletin was produced in 2016.

Food safety and QA risk management (MU16000)

Key research provider: Scheme Support Services

Beginning in early 2017, this ongoing investment is building on the foundations of the industry's long-running Food Safety and Quality Assurance Risk Management Service (FSQARMS) program. It provides an effective risk management mechanism at both an individual business and broader industry level, through programmed, proactive and reactive activities.

The project aims to raise awareness across a broad range of risk management areas, and to provide mushroom growers with the knowledge and tools to better manage those risks. Through collaboration and information sharing, the project acts as a conduit to both raise and address issues in the food safety and wider compliance space. The strategic direction for risk management activities is informed through input to and outputs from this initiative.

This investment is closely linked to other Hort Innovation Mushroom Fund projects including *Pest and disease management and research services* (MU16003).

Marsh Lawson Mushroom Research Centre (MU16004)

Key research providers: The University of Sydney and Applied Horticultural Research

Beginning in mid-2017, this investment supports the running and development of the Marsh Lawson Mushroom Research Centre (MLMRC) at the University of Sydney. The MLMRC is a world-class facility dedicated to mushrooms, and the research that takes place there will help the mushroom industry drive innovation, adopt best practice and tackle issues, while encouraging new expertise in the industry. During the project, the facility will grow in size and capability, with the addition of new growing rooms and a purpose-built compost research facility.

Communication program for the Australian mushroom industry 2016-2019 (MU15001)

Key research provider: Team Rowley

Beginning in 2016, this investment delivers effective and timely communications to ensure Australian mushroom growers and other industry stakeholders are kept up-to-date with the latest mushroom R&D and marketing investments, developments and outcomes, and other industry news and information.

It produces and maintains a number of regular communication channels, including but not limited to...

- » The quarterly *Australian Mushrooms Journal*, delivered electronically
- » The monthly *Industry Update* e-newsletter
- » Industry website www.australianmushrooms.com.au (with a grower log-in at the top right), which also houses AGORA, the industry's pest and disease knowledge management and communication system
- » YouTube videos on R&D investments.

Full details of completed research can be found in project final reports which, when finalised, are available to order at www.horticulture.com.au/final-report-order-form. Final reports are free to Australian horticulture levy payers, registered Hort Innovation members and industry representative bodies.

Minor use permits

Why minor use permits?

While the use of pesticides and other chemicals in the horticulture industry is being modified through the increasing uptake of integrated pest management approaches, there remains a need for the strategic use of specific chemicals.

Chemical companies submit use patterns for product label registrations to the Australian Pesticides and Veterinary Medicines Authority (APVMA), and the mushroom industry is generally provided with a number of label registrations because of its 'major' crop status in this area. However, there are instances where chemical companies consider the market size too small to generate adequate commercial returns, based on the R&D investment required. This is where minor use permits come into play. The APVMA's national permit system adds some flexibility to the approval process and provides a legal framework that can allow access to products for minor use purposes.

Permits in 2017/18

During the 2017/18 period, a renewal for PER12172 was issued. The application for this renewal was prepared by Hort Innovation and submitted to the APVMA during the previous financial year, facilitated through the *Mushroom industry minor use program* (MU16002). See details of the permit in the following table.



Current permits

Below is a list of minor use permits for the mushroom industry, current as of September 1, 2018.

PERMIT ID	DESCRIPTION (CHEMICAL/CROP/PEST OR USE)	ORIGINAL DATE OF ISSUE	EXPIRY DATE	PERMIT HOLDER
PER12172 version 4	Pyrethrins + piperonyl butoxide (Pyzap Insecticide) / Mushrooms / Mushroom flies <i>(NB: This permit formerly covered SUPAPY Insecticide as well, but this product has since been registered by Botanical Resources Australia)</i>	01-Jul-10	30-Sep-22	Australian Mushroom Growers' Association (AMGA)
PER12645 version 2	Prochloraz (Octave WP Fungicide) / Mushrooms / Cobweb disease	01-Apr-12	31-Mar-22	AMGA
PER12782 version 2	Bioresmethrin + piperonyl butoxide (David Grays Thermal Fogging and ULV Insecticide) / Mushroom compost manufacturing and operation halls / Mushroom flies and mosquitoes, New South Wales only	07-Aug-13	30-Sep-20	Elf Farm Supplies
PER12847 version 2	Abamectin / Cultivated mushrooms / Red pepper mites, mushroom pygmy mites and soilborne nematodes of the family <i>Rhabditidae</i>	15-Apr-14	30-Jun-22	AMGA
PER12965 version 2	Imazalil (Imazagard) / Cultivated mushrooms (<i>Agaricus bisporus</i> only) / Green mould	31-Jul-12	31-Jul-22	AMGA
PER14350	<i>Bacillus thuringiensis</i> subsp. <i>israelensis</i> serotype H14 (Vectobac WG Biological Larvicide) / Mushrooms / Sciarids	27-Aug-13	31-May-19	AMGA
PER14949	Carbendazim (Howzat SC Fungicide) / Mushrooms / Dry bubble, wet bubble and green mould	16-Mar-16	28-Feb-19	AMGA

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**, which levy-paying members receive monthly. Not a member? Sign up for free at www.horticulture.com.au/membership.

Connect with
Hort Innovation!
Become a member
at **www.horticulture.com.au/membership**

Marketing report

Hort Innovation is responsible for investing the mushroom marketing levy into a range of activities to drive awareness and consumption, under the Hort Innovation Mushroom Fund.

Embedding the Australian Mushrooms brand in the market and keeping mushrooms top-of-mind on the path to purchase, the 2017/18 marketing program included a full mix of activities, from TV and digital advertising to high-impact in-store sampling, a larger-than-ever social media campaign, an ambassador strategy and more. The work of this and future campaigns contributes to an ambitious outcome outlined in the industry's Strategic Investment Plan: to achieve a bold domestic consumption target of 4kg of mushrooms per person per year by 2021.

Summer Mushie Mash-Up activity

Over the 2017/2018 summer there was a large push for Australian mushrooms via the 'Summer Mushie Mash-Up' campaign, providing consumers with more reasons to eat more mushrooms. The activity kicked off with in-store demonstrations and digital activity, with a radio campaign running through December 2017 and January 2018 in major metropolitan regions nationwide. This activity involved a mix of advertising, sponsored editorial and interview-style communication talking about mushrooms, and included recipes, interviews and Facebook Live videos with Australian Mushrooms ambassador and celebrity chef Miguel Maestre. The radio campaign also featured the voice of Miguel to ensure high recall and cut-through. MyFoodBook e-cookbook content for mushrooms was also refreshed and gained great momentum over this summer activity.

Advertising

Television

For 2017/18, the Australian Mushrooms television campaign ran in a burst throughout February and March, with ads strategically timed so that the mushroom recipe they were showcasing was appropriate to the time of day. For example, the Breakfast Omelette version of the ad was screened before midday, while ads for Mushroom Pizza and Spaghetti Bolognese were aired after midday. The ads appeared in key programs, including eight of the top 10 shows over the period, such as the high-rating *Married at First Sight*. The ads were seen at least twice by more than 3.3 million grocery buyers over this time, and can still be seen on the Australian Mushrooms YouTube channel at www.bit.ly/2y3e4Qn.



Digital

Digital video advertising ran in October and November 2017, with the ads featured on the major catch-up TV services including Plus7, 9Now, TenPlay and SBS on Demand. This approach provided direct access into popular television shows such as *My Kitchen Rules*, *Bachelor in Paradise* and *Married at First Sight*. In addition to being shown before and within these popular TV shows, Australian Mushrooms ads were also shown to consumers viewing videos in the food, health and nutrition environment.

In another burst of activity, Australian Mushrooms appeared on screens once again for four months from March to June 2018, featuring on all the key catch-up TV services, as well as on general websites and on YouTube during March and April. The ads were seen by grocery buyers on some of the biggest Australian sites such as news.com.au, dailytelegraph.com and more. The YouTube activity appeared in relation to key food channels, such as those of celebrity chefs Gordon Ramsay, Jamie Oliver, Martha Stewart and Nigella Lawson. This mix saw the ads served to consumers more than 800,000 times, with 660,000 'impressions' on the catch-up TV sites alone.

All in all, the digital media approach achieved some 8.35 million impressions – with almost 90 per cent of these involving people watched the ads to completion, which is well above the industry benchmark of 70 per cent.

Out-of-home

Advertising inside shopping centres and within major retailers took place during October and November 2017. In shopping centres, digital advertising panels displaying 'Summer Mushie Mash-Up' materials were used, all positioned in close proximity to grocery stores. This was complimented with advertising fins in Woolworths stores, plus Coles online advertising, which involved using actual mushroom product codes (SKUs) on recipes, content tiles, and content on the Coles website homepage, with one-click functionality so that customers could easily add mushrooms to their online shopping carts.



MyFoodBook

MyFoodBook (www.myfoodbook.com.au) is an online recipe and cookbook destination where, for free, users can create personalised digital cookbooks using recipes from Australia's leading cooking and food brands, combined with their own ideas and recipes. The ongoing Australian Mushrooms' subscription to this unique platform includes a collection landing page, links to the Australian Mushrooms website, profiles on social media, mushroom recipe showcases, editorial features and inclusion in more than 20 e-newsletters that are sent to 80,000 subscribers, plus features in digital and printed seasonal cookbooks.

The subscription means there is also the supply of periodic data for the industry – unlocking a whole new consumer research opportunity with information including most-searched recipes, number of mushroom recipes saved to user profiles and more. During 2017/18 there were more than 33,500 Australian Mushroom recipes saved to user profiles, more than 750,000 video engagements and more than 36,000 digital cookbook downloads including mushroom recipes and education. In total, just over one million direct consumer actions/engagements with Australian Mushrooms content were achieved.

Australian Mushrooms brand ambassador

Celebrity chef and TV personality Miguel Maestre was appointed as the official brand ambassador for Australian Mushrooms in mid-2017. His involvement ramped up in 2017/2018 with various below-the-line activities including live events, farm tours, recipe shoots, Facebook Live events and media interviews.

An initial six recipe videos featuring 'mushrooms tips and hacks' were shot with Miguel and shared with media and on Facebook. The first of these recipes, 'Black Skin Roasted Chicken', was a huge hit on Facebook, being viewed more than 211,000 times and being shared by fans with their followers well over 400 times.

Off the back of the ambassador launch, numerous media spots were confirmed including a segment on morning radio with Sydney radio hosts Jonesy and Amanda, and a feature with three recipes in *Woman's Day* magazine.



Events

Australian Mushrooms had a continued presence at various events around Australia, serving up mushrooms to consumers from the eye-catching Australian Mushrooms caravan. In 2017/18, these events included various royal shows, beginning with the Royal Queensland Show (the Brisbane Ekka) in August 2017 – where the caravan was launched – to the Sydney Royal Easter Show in April 2018. These shows were a chance to engage consumers with mushroom samples, take-away materials and info. The Sydney show alone drew more than 800,000 visitors over 10 days, with some 39,650 samples and 52,000 recipe cards handed out. The Australian Mushrooms caravan also scooped various awards at these shows, including first prize for the best food and wine exhibition at the Royal Adelaide Show in September 2017, and the silver award for best commercial exhibitor in the Woolworths Fresh Food Dome at the Sydney event.

Just some of the other events where Australian Mushrooms were showcased during the year included the Fine Food Australia fair in September 2017 – one of the country's largest events targeting the food service industry. There were 20,000 people in attendance, with 7000 samples handed out and a talk with chefs and other industry participants about 'Mushies on Sourdough' in collaboration with Brasserie Bread. And in June 2018, the Australian Mushrooms caravan headed to the Melbourne Good Food and Wine Show and the Sydney Good Food and Wine show, with cooking demonstrations, sampling and recipe inspiration, as well as two appearances by ambassador Miguel Maestre at the Sydney event.



In-store activity

The Australian Mushrooms in-store sampling campaign saw a summer and winter schedule. Summer sessions began in October and ran into November 2017, before a break over the festive season and recommencement in February and March 2018. Close to 370 sampling sessions were conducted in Coles, Woolworths and independent stores in New South Wales, Victoria, Queensland, South Australia and Western Australia, showcasing an Australian Mushrooms portabella pizza recipe.

Winter sessions began just inside 2017/18, in mid-June 2018, and concluded in August. There were another 370 sampling sessions in Coles, Woolworths and independent stores, with an average of 78 samples and 70 brochures distributed per session. The winter in-store activity sampled an Australian Mushrooms bolognese recipe.

To support the focus on retailer engagement, in April 2018 Australian Mushrooms increased its presence with a syndicated merchandising campaign in 100 independent stores across Australia. The stores were visited to deploy point-of-sale materials and to educate staff on handling, sorting and other best practices for mushroom merchandising.

Social media

The Australian Mushrooms 'always on' approach to social media ensures that mushrooms are top of mind for consumers year-round. During 2017/18, the Facebook page (www.facebook.com/australianmushrooms) continued to grow to have more than 140,000 fans – a growth of 30 per cent year-on-year – and achieved more than 38 million impressions with a strong engagement rate, including more than 65,000 comments – demonstrating that the content continued to resonate with consumers.



Instagram experienced an 87 per cent year-on-year growth in the number of fans following the page, which is now up to more than 14,000. With an above-average engagement rate of eight per cent throughout the year, this is proving to be another valuable channel to reach the industry's target markets.

The social media program included the promotion of recipes created by ambassador Miguel Maestre, supported by recipes curated by and from influencers.

Miguel's role with Australian Mushrooms was also leveraged via Facebook Live videos covering his cooking demonstrations at the Sydney Good Food and Wine Show. Organically, the video reached almost 10,000 people, with 85 comments. Miguel also hosted additional Facebook Live videos showing fans how to cook his summer mushroom recipes at home.

Website and e-newsletter

The Mushroom Lovers Club consumer e-newsletter continued during 2017/18, reaching a database of more than 27,000 subscribers with mushroom recipes, tips and more. Consumers (and growers) can sign up via the consumer-facing Australian Mushrooms website at www.australianmushrooms.com.au.





Regarding the website, for winter the site was updated with a new theme and focus, featuring Miguel Maestre and his popular 'Funguy Chicken Pie' recipe. This recipe is among the most popular on the site and tapped into 'pie' as a key trending search term for consumers.

Significant work was also undertaken around 'search engine optimisation' (SEO) – which relates to ensuring that the Australian Mushrooms website shows at the top of search engine searches for relevant terms, such as 'mushroom recipes'. The work here was effective, with an increase in organic search visibility and a substantial increase in organic traffic, with a year-on-year increase of 47 per cent.

Public relations activity

With recipe inspiration acting as a primary means to attract consumers, the Australian Mushrooms marketing program has continued to engage with media, with tips and recipes shared in high-reaching publications such as *Body + Soul*, *BW Magazine* (within *The Saturday Telegraph*), *Women's Health*, *Women's Fitness*, popular food website *Best Recipes* and Westfield's e-newsletters.

To boost the current recipe collection and add further media interest, a new series of recipes was created by ambassador Miguel Maestre for the summer. The media loved Miguel, with 61 per cent of the coverage including a mention of him as the Australian Mushrooms ambassador.

High-reaching social influencer Leah Itsines also joined the campaign schedule to create content and share a series of simple recipes with her audience – inspiring the use of mushrooms in everyday recipes such as mushroom sausage rolls. This also garnered great media interest.

Throughout the year, there were more than 335 pieces of media coverage achieved, providing 35 million opportunities for Australians to see or hear messages about how mushrooms make meals healthier and tastier.

Farm tours

Food trends tend to be led by the food service industry, where they flow down to more mainstream businesses and finally to consumers, who try the dishes while dining out and then attempt to replicate the flavours at home. Knowing this, it was seen as important to understand and connect with food service operators in an engaging and educational way.

2017/18 was the first year of a new Food Service Farm Tour program, which delivered positive feedback and increased the understanding of the requirements of participants, while also building relationships to bring forward opportunities to get more mushrooms on more menus.

Targeted at food service professionals, the tours have and will continue to provide attendees with the opportunity to learn more about the mushroom industry at a hands-on, farm level. For 2017/18, tours were conducted at three mushroom farms, one each in New South Wales, Victoria and South Australia. Post-tour surveys saw all respondents keen to recommend this type of tour to other chefs in their networks, and agreeing that the tour had improved their knowledge of Australian mushrooms.

Other activity

With a jam-packed marketing year, other Australian Mushrooms activity included local state-based activity run by state coordinators. This involved South Australia, Western Australia and Queensland, where there was promotion of mushrooms through events and in-store campaigns.

Consumer research was also undertaken to ensure the marketing program continues to understand Australian Mushroom consumer attitudes and behaviours. This research has and will continue to provide valuable information that not only provides insight into consumers, but that also helps to track marketing campaign results and effectiveness.

Financial statement

Financial operating statement 2017/18

	R&D (\$)	MARKETING (\$)	TOTAL (\$)
	2017/18 July – June	2017/18 July – June	2017/18 July – June
OPENING BALANCE	1,371,121	-546,757	824,364
Levies from growers (net of collection costs)	1,282,536	3,847,393	5,129,929
Australian Government money	650,996	–	650,996
Other income*	39,110	-4,798	34,312
TOTAL INCOME	1,972,642	3,842,595	5,815,237
Project funding	1,077,985	3,134,926	4,212,912
Consultation with and advice from growers	24,802	11,014	35,816
Service delivery – Base	45,570	129,998	175,567
Service delivery – Shared	69,006	196,853	265,859
Service delivery – Fund specific	84,629	241,424	326,054
TOTAL EXPENDITURE	1,301,992	3,714,216	5,016,208
Levy contribution to across-industry activity	27,849	–	27,849
CLOSING BALANCE	2,013,922	-418,378	1,595,544
Levy collection costs	1,088	3,479	4,567

At the end of 2016/17, the industry's pro rata share of levy funds were committed to strategic reserves (\$169,563 for R&D and \$557,425 for marketing), and so have been deducted from the 2017/18 opening balance.

* Interest, royalties

Service delivery costs explained

Base service delivery (flat rate) = keeping the lights on

This figure contributes to the standard fixed costs that are incurred with the running of the business (for example, costs relating to rent, utility bills, equipment). These costs are calculated on a monthly basis and are based on actual program expenditure.

Shared service delivery (flat rate) = related to program delivery

Shared costs are related to program delivery and include costs that are incurred in supporting activities relating to R&D and marketing programs that are not attributable to any one levy industry (for example, costs relating to procurement and information technology activities). These costs are calculated on a monthly basis and are based on actual program expenditure.

Fund specific service delivery (flat rate for 2017/18) = direct servicing costs

These are the actual costs for activities and services that are directly incurred in the administration of levy program expenditure, and which are identifiable and attributable to a specific levy investment fund (for example, costs around direct relationship, marketing and fund management, and logistical costs around industry advisory meetings and activities). From 2018/19 these costs will be charged at cost on a monthly basis.

For more information explaining the costs in the financial summary, visit www.bit.ly/2x7ERLC.

Hort Innovation

Horticulture Innovation Australia Limited
ACN 602 100 149
Level 8, 1 Chifley Square
Sydney NSW 2000
Telephone 02 8295 2300
www.horticulture.com.au