



Hort Innovation





Agenda

- What are the current Global Trade Trends?
- How does Hort Innovation support trade development?
- What are Industry Levy Projects?
- What are Frontier Fund Projects?
- What is Taste Australia?



Global Trade Outlook

Number of people average 'global' arable hectare feeds



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Global Trade Outlook



61 Million People



Australian Context

- Horticulture GVP for 2017-18 forecast to be \$10.32 billion.
- Horticulture GVP in 2022-23 is projected to be \$13.6 billion, equivalent to an annual linear value growth rate of 6%.
- This growth will outperform the broader farm sector (crops and livestock) where an annual GVP growth rate of 3.9% is estimated over the same period.



Our Challenge

- High cost economy
- Typically strong currency (comparatively)
- While we have relative proximity to Asia we still have substantive freight cost to trade
- Limited industry and financial resources in a global context
- The national production base doesn't compete with volume players internationally

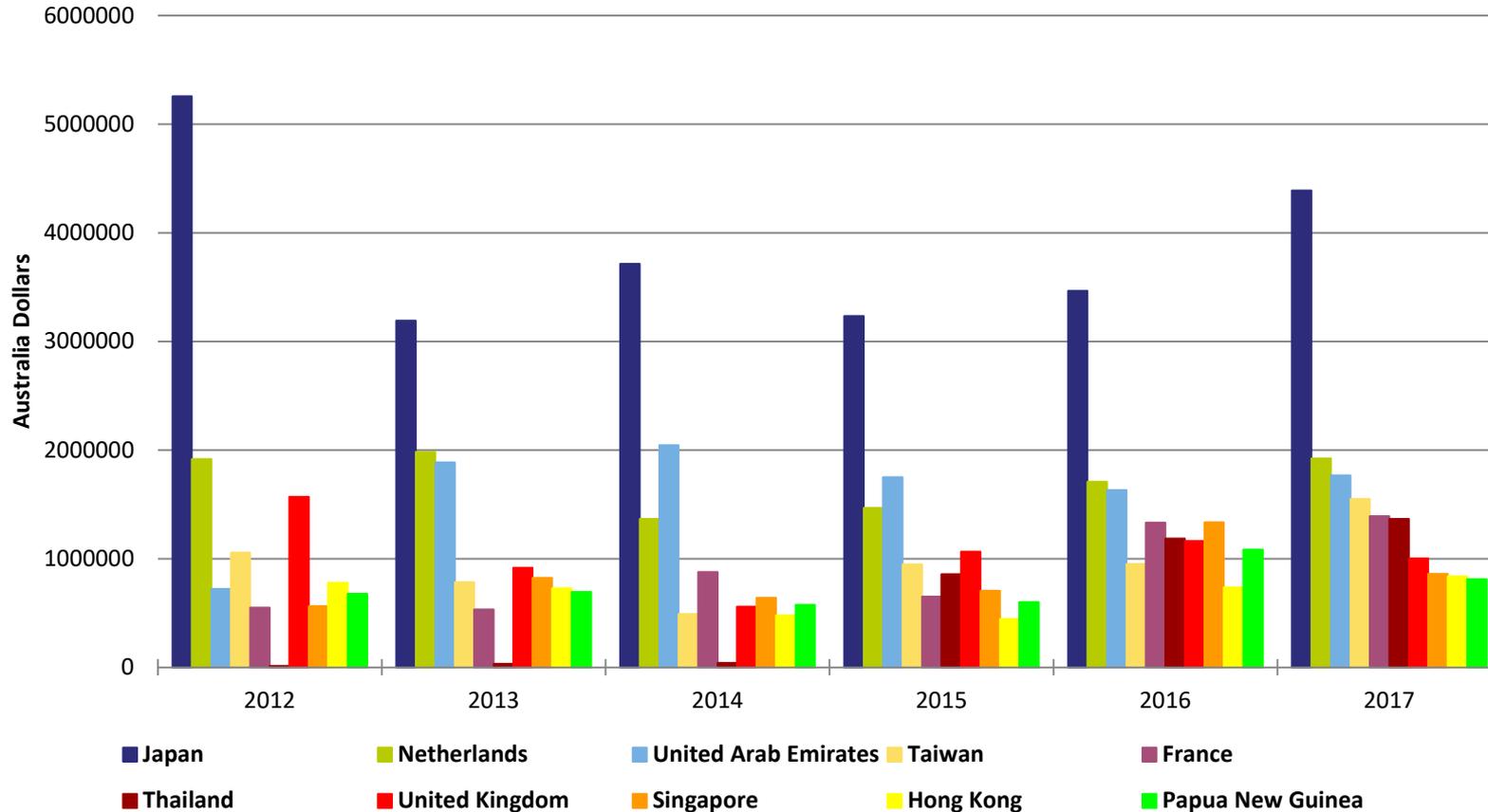


Our Opportunity

- To build a strategy based on the concept of premium food
- To select markets where Australia has a competitive advantage and brand recognition
- To target segments within these markets, identifying cohorts that have both a propensity to consume and a willingness to pay



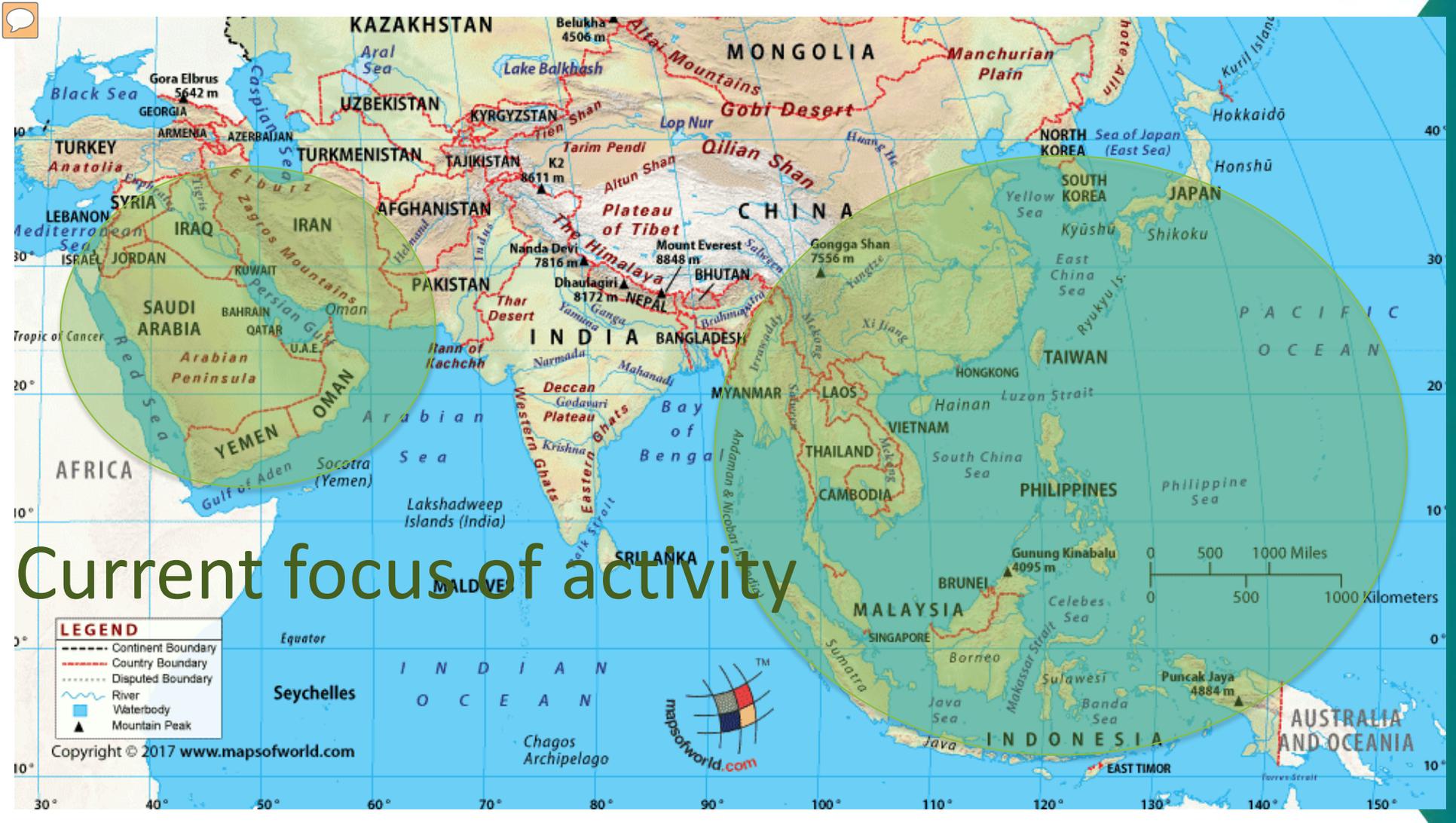
Australia Export Statistics, Products: 0703 (Onions, Shallots, Garlic, Leeks And Other Alliaceous Vegetables, Fresh Or Chilled)



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**How does Hort
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trade?**





Current focus of activity



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Traditional Levy Investment

- Levy is the funding source
- Industry specific
- Focused on today's issues



Hort Frontiers Investment

- Co-investment is the source of funding
- Across-horticulture
- Invest for future

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Industry Levy Investments in Trade Projects





Frontier Fund Investments

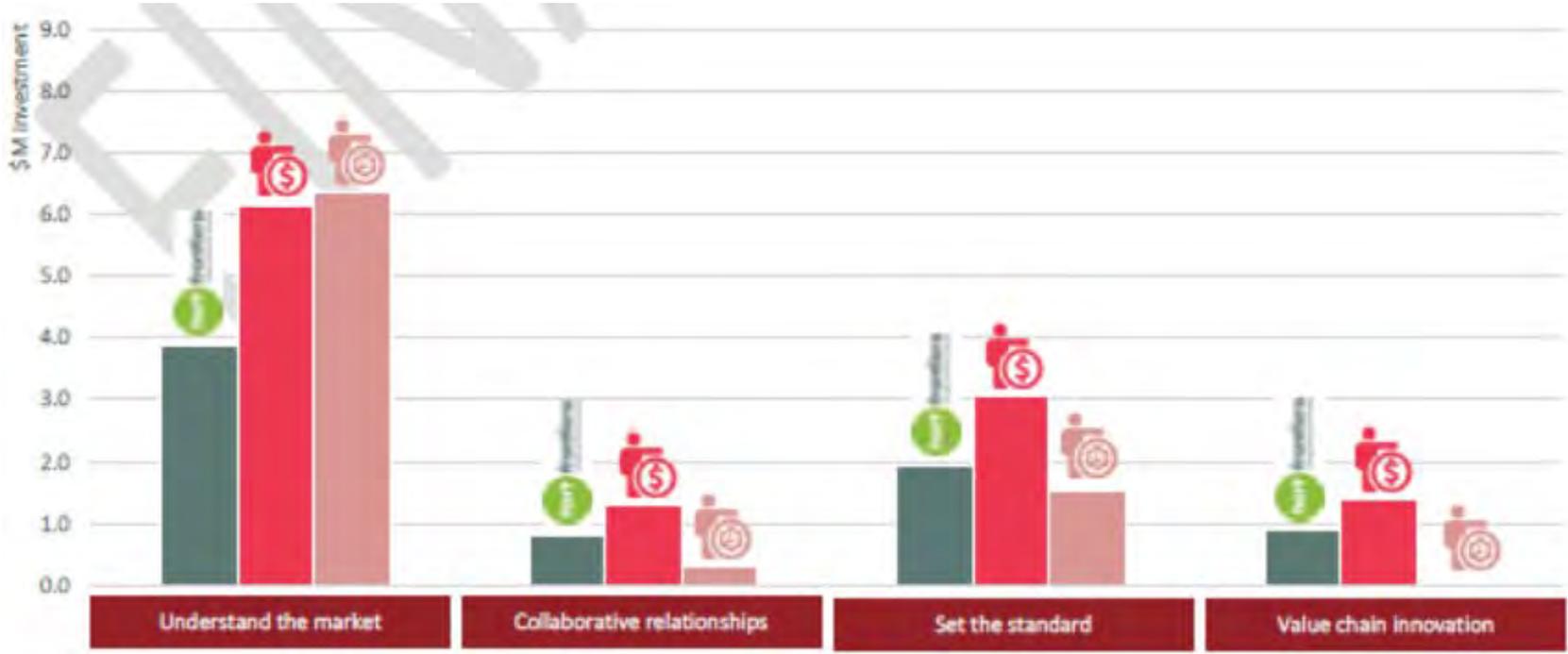
Parameters of frontier fund investments

- Across horticulture
- For R&D purposes (not marketing)
- Require co-investment

Since inception

- Asian Markets fund has invested \$29.2 million across 10 projects

Asian Markets Fund Investments



hort frontiers Cash investment from the Fund

Cash investment from co-investors

In-kind investment from co-investors

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Asian Market Project Investments

- Taste Australia Trade Shows
- Taste Australia Retail R&D
- Supply Chain
- Airfreight Capacity Study
- Systems Approach
- Food Service (under development)



How does Taste Australia fit in?



What brands were we using?



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Where did we want to be?

- Committed to a single position
- Position ourselves as premium Australian products, industry leading and innovative – showcasing our unique Australian qualities
- Better targeted towards consumers
- Messaging that moves beyond ‘clean, green and safe’ to be more about the experience...

*Experience a taste of Australia
every time you taste our products*



Introducing...

TASTE AUSTRALIA

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Taste Australia Retail Strategy

Strategic Objective

To build a premium, across-horticulture position for Australian fruit & vegetables in key export markets.



Product



Consumers



Markets



Partners

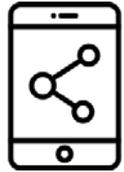


Value



Taste Australia Retail Program

Consumer Promotion



Social Media

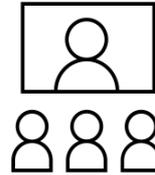


Media Activations



In-store Activity

Trade Support



Trade Seminars



Trade Education



Retail Program – 10 countries, 10 products, 10 months





Point of sale – translated





Taste Australia Trade Shows



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Thank you

