

# Mushroom

## STRATEGIC INVESTMENT PLAN 2017-2021 AT A GLANCE

### POTENTIAL IMPACT OF THIS PLAN



Based on an estimated investment of \$26.9 million over the next five years

OUTCOMES	STRATEGIES
Achieve the bold and ambitious target of domestic consumption of 4 kilograms per person per year of mushrooms by 2021	Annual development of a mushroom marketing program
	Monitor actual consumption per capita and trends against annual targets
	Develop and implement a food service marketing and promotion program
	Diversification through the identification and establishment of new markets
	Review previous investment into health professionals to promote the consumption of mushroom as a healthy alternative to evaluate its effectiveness and guide future investments in this area
	Use Industry intelligence to evaluate and monitor the effectiveness of the marketing and promotions (M&P) program with the intent to continually increase demand

OUTCOMES	STRATEGIES
Mushroom growers are profitable and sustainable through increased yields, reduced costs and effective risk management	Improve production by increasing yield and quality
	Undertake research and development to enhance industry risk management and supply contingencies
	Sharing dedicated knowledge, efficient innovation and research capacity

### Major opportunities

- Increasing demand by ensuring mushrooms are front of mind with the consumer.
- Building presence in the value adding sector and making product more available to caterers of large functions
- Export marketing opportunities
- Targeted and effective marketing and promotion program to continually increase consumption of mushrooms
- Boost mushroom consumption in summer
- Grow demand for fresh loose/bulk mushrooms
- Food service marketing and promotion program
- Better dissemination of information to industry
- Creation of Centre of Excellence providing cross-sector research for composting.

# Mushroom

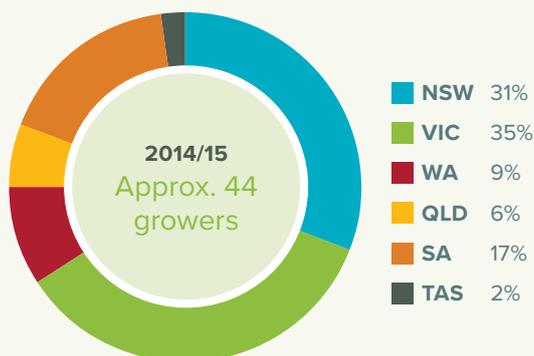
## STRATEGIC INVESTMENT PLAN

### 2017-2021 AT A GLANCE

#### Major challenges

- Rising water, labour and power costs above CPI
- A major food scare related to mushrooms for example listeria
- Ineffective marketing and promotion programs especially in summer
- Increased disease potential
- Farms increasing capacity ahead of demand
- Lower prices
- Poor impression of horticultural industry as not paying well making it difficult to attract and retain good staff resulting in loss of industry knowledge
- Continuation of farm closures
- Reduced access to chemicals
- Reduced profitability
- Ageing industry (farms, growers, researchers, consultants, auditors, accreditation)
- Lack of up-to-date data on market segmentation restricts the ability of the industry to gain insights on how to expand in all available sales channels
- Exposure to high labour costs.
- Mature market with minimal growth
- Difficult for smaller farms to compete
- Australia's retail landscape is dominated by three major retailers
- The Australian mushroom industry has not been able to improve farm gate prices relative to CPI
- High cost and small market
- Communicating the recent changes across all growers over the last six to 12 months
- Lack of scientific understanding of the growing process
- Lack of export cold chain combined with high labour costs means that Australian mushrooms are not competitive overseas
- Industry's understanding of the role of the SIAP
- Competition from other food products particularly in the summer months
- Trends towards pre-pack bringing down the average buying size of mushroom
- Australia has a high cost of production for mushroom production.

#### Industry size and production distribution



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



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