



Dried Grape Fund

Annual Report 2018/19

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The projects in this report have been funded by Hort Innovation using sources including the dried 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:

- ✓ **Industry communication and development programs**, delivering events ranging from field walks to focus groups, plus *The Vine* magazine, Dried Fruits Australia e-newsletters, and content and learning resources for the industry's website, www.driedfruitsaustralia.org.au
- ✓ Work towards the delivery of **new and consistently high-yielding varieties** (p7)
- ✓ Collaboration through multi-industry **biosecurity initiatives** to help prepare for and protect against high-priority threats, including *Xylella* (p8)
- ✓ **Domestic and international marketing campaigns** to drive awareness and consumption (from p10)
- ✓ **New final research reports and grower resources**, with 15+ now available from www.horticulture.com.au/dried-grape

2018/19 SNAPSHOT

\$266
THOUSAND
INVESTED
IN R&D

\$117
THOUSAND
INVESTED IN
MARKETING

9
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 dried 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 more than \$266,000 invested into R&D through the Hort Innovation Dried Grape Fund across the year, to support the industry in being as productive and profitable as possible. This included new and ongoing work allowing the dried 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 Dried Grape Fund saw some \$117,000 invested in 2018/19 into a range of activities to raise the profile and consumption of Australian dried 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/dried-grape, where you can search and find information relating to investments, past and present, at any time. The new site and its Dried 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 dried grape industry, outside of levy-funded initiatives within the Dried Grape Fund. Here's a quick look at just some examples.



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

You can now visit www.horticulture.com.au/dried-grape to quickly search and find dried 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 industry levies can be invested into Hort Frontiers projects upon the advice of the relevant Strategic Investment Advisory Panels, the bulk of funding comes from broad-reaching funding relationships that are 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-techology, there's plenty in there to directly and indirectly benefit the dried 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 dried 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 Dried 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/dried-grape-plan, or find the full version at www.horticulture.com.au/dried-grape.

The SIP is currently used like a 'roadmap' by the dried 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 Dried Grape Fund are detailed on the 'Your investments' page at www.horticulture.com.au/dried-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.



New investment analysis

You can now clearly see how investments in the Hort Innovation Dried Grape Fund align to the industry's SIP, with new and interactive investment analysis information available from www.bit.ly/dried-grape-investment. The analysis currently shows the allocation of funding against each of the dried 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

MT17006	Xylella coordinator
MT17006	Improving preparedness of the Australian horticultural sector to the threat potentially posed by <i>Xylella fastidiosa</i> (a severe biosecurity risk)
MT18011	Ex-post impact assessment*

* This multi-industry project was a key monitoring and evaluation investment during 2018/19 – we encourage you to find the full details at www.horticulture.com.au/mt18011

ONGOING INVESTMENTS IN 2018/19

DG17001	Dried grape production innovation and adoption program 2018-2021
MT15026	Evaluation of dried and table grape varieties
MT15031	Australian dried fruit communications 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>)
ST16008	AgVet collaborative forum

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.



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.



R&D report

Take a closer look at some of the key investments in the Hort Innovation Dried 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/dried-grape as they become available.

Evaluation of dried and table grape varieties (MT15026)

Key research provider: CSIRO

Beginning in 2016, this multi-industry project was tasked with working towards new grape varieties for both the dried grape and table 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 dried grapes the project looked at new, consistently high yielding, rain-tolerant varieties that produce a premium light-coloured, globally differentiated product to enhance value. This work led to the prioritisation of promising selections for future commercialisation.

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. The project progressed Plant Breeder's Rights (PBR) comparator trials for selections identified for release, and worked towards the provision of technical information on characteristics, management and product type.

Dried grape production innovation and adoption program 2018-2021 (DG17001)

Key research provider: Dried Fruits Australia

Beginning in 2018 to carry on from earlier investment *Dried grape industry development project stage 2* (DG13001), this program is tasked with helping dried grape producers access and share leading and emerging research and knowledge on production techniques to grow skills, improve productivity and keep quality high.

Program activities include workshops, seminars, field walks and focus groups for growers. These events typically run between April and January each season and are hosted on growers' properties in the Sunraysia, Riverland and Swan Hill regions, plus at universities and research institutes.

The program is also tasked with delivering a range of learning materials through the Dried Fruits Australia online learning platform (via www.driedfruitsaustralia.org.au). It has a benchmarking component as well, to provide industry with benchmarks of production per hectare, production practices, prices received and input costs, and to track overall industry productivity growth.



Australian dried fruit communications program (MT15031)

Key research provider: Dried Fruits Australia

Throughout 2018/19, this program continued to maintain and improve communication to Australian dried fruit growers and other industry stakeholders. By keeping the industry up-to-date on R&D, news, events and other critical information, its ultimate goal was to facilitate the uptake of R&D by the industry and support decision-making in dried fruit businesses.

A number of regular communication channels continued to be produced and maintained by the investment during the financial period, including but not limited to:

- » Quarterly magazine *The Vine* (a joint magazine between the dried fruit and table grape industries)
- » The Dried Fruits Australia website
- » Fortnightly Dried Fruits Australia e-newsletters
- » Social media, including the Dried Fruits Australia Facebook page and YouTube channel.

Visit www.driedfruitsaustralia.org.au to access all of the above.

This particular investment drew to a close early in the 2019/20 period, with industry communications work continued by the new *Dried grape industry communications program* (DG18001), which was established in September 2019.

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 in the previous project overview, 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 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.



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/dried-grape

Marketing report

Hort Innovation is responsible for investing the dried grape marketing levy into a range of activities to drive awareness and consumption, under the Hort Innovation Dried Grape Fund. Read on for a snapshot of activities and results from 2018/19.

Domestic campaign

Social media and public relations (PR) were used to drive awareness and strength of the Australian dried grape story, with a targeted program that reached the right people with the right messages in the channels that they use the most. The key focus was overcoming barriers to purchase and, to achieve this, content was focused on showcasing

dried grapes as a relevant snack or ingredient, and promoting provenance to make consumers feel good about buying local.

The campaign achieved 63 pieces of coverage across traditional and social media, resulting in 3.7 million opportunities for people to see the content across a variety of channels. This activity included Instagram and blog posts by influencers and



Australian dried grape ambassadors such as Rachel Scoular, a qualified dietitian and nutritionist, and 'Live Love Nourish', an online health and wellness brand. They produced authentic and engaging content where Australian dried grapes were featured as the 'hero' ingredient in various recipes for consumers to try at home. There was also media outreach on recipes, grower interviews and Australian dried grape facts.

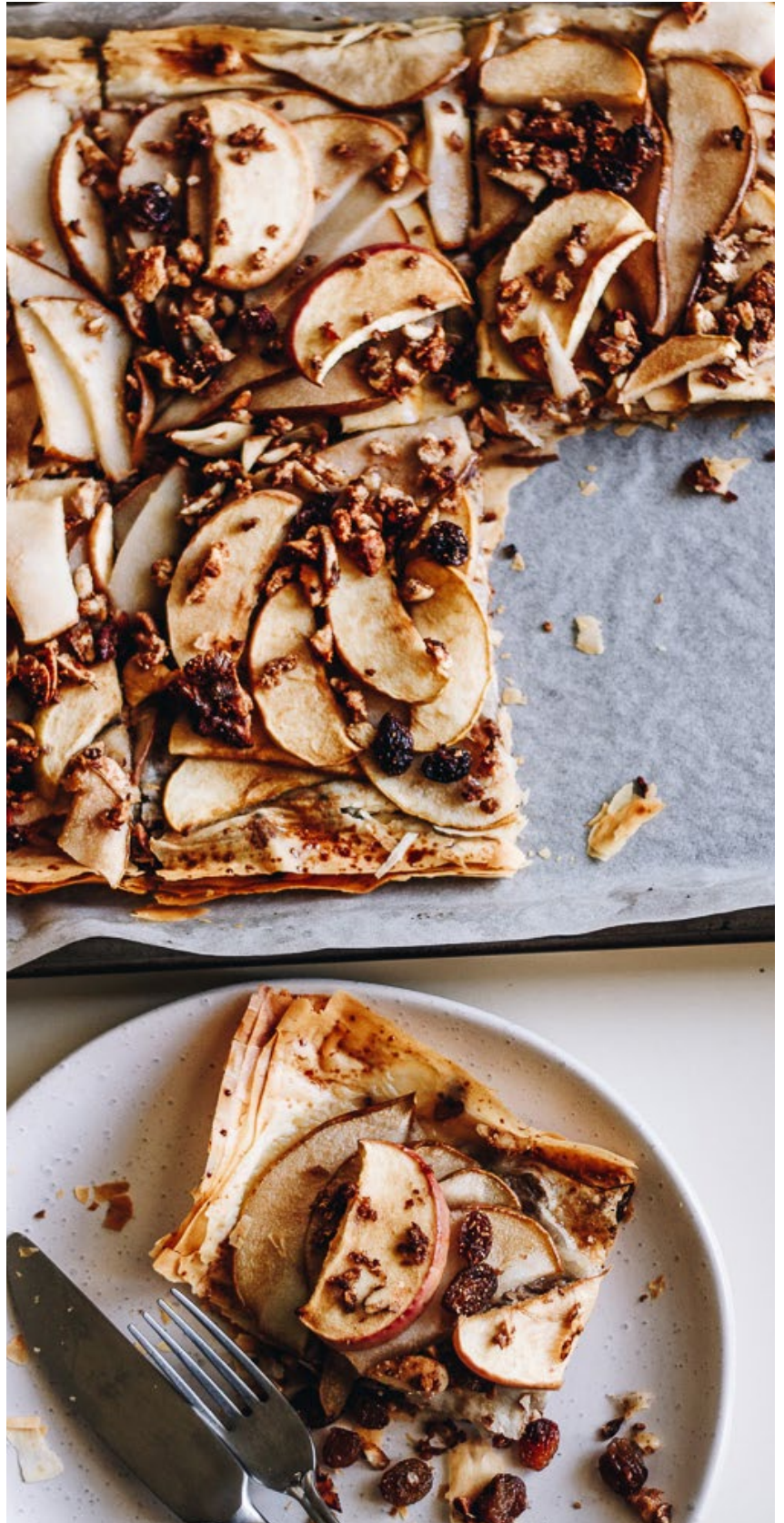
This activity was supported by the creation of a library of Australian dried grape imagery for use by the campaign both domestically and in export markets.

Trade promotion events

The dried grape marketing program delivered a number of initiatives in export markets for the industry, with goals including:

- » Driving consumer preference for a wider range of Australian dried grapes with the aim of altering purchasing patterns
- » Driving loyalty with key European and Asian buyers to lead to improved profitability through increased sales
- » Establishing a premium position for Australian dried grapes in key priority markets
- » Gathering global marketing learnings to inform the export campaign.

Across all this, a priority for the dried grape industry in 2018/19 was to encourage and promote export development and overall sales growth, in order to improve the longer-term viability and sustainability of the sector.



Europe

On behalf of Hort Innovation, Dried Fruits Australia worked collaboratively with processors and exporters Sunbeam Food and Australian Premium Dried Fruits to attend SIAL Paris in 2018. This major trade fair, held in October, is one of the largest trade fairs held bi-annually in Europe, with over 7000 exhibitors from across the world. Attendees included two representatives from Dried Fruits Australia, one representative from Sunbeam Foods and two representatives from Australian Premium Dried Fruits.

Meetings were also held with Bosch Boden Spies, the marketer for Australian dried grapes in Europe,

to discuss marketing opportunities and new concepts for the marketing of Sunmuscats as a snack product going into 2019. Continued support for the Australian dried grape advertisement in the Baeko Calendar was viewed as a priority for the coming year.

Asia

Along with the development of new imagery described earlier, the marketing program also developed a new brand for Australian Sultanas and Australian Sunmuscats, including a variety of logo and tagline options designed to appeal to international audiences, particularly in Asia. From these new designs, marketing collateral was developed to use at key events, such as brochures

with information on Australia's dried grape varieties.

At Hotel Food Vietnam in April 2019, Dried Fruits Australia launched the new campaign branding on behalf of the program, and distributed the brochure showcasing the Australian industry to representatives involved with the Vietnamese market. This translated brochure was popular with buyers, helping them understand what varieties are appropriate for either the bakery or snack market.

In May 2019, representatives from the Australian dried grape industry also attended SIAL in Shanghai where they promoted Australian Sultanas, and the new campaign branding, to Chinese importers and consumers.



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	-169,712	197,919	28,207
Levies from growers (net of collection costs)	173,747	91,403	265,150
Australian Government money	181,924	–	181,924
Other income*	-2,060	9,041	6,981
TOTAL INCOME	353,611	100,444	454,054
Project funding	266,132	117,158	383,290
Consultation with and advice from growers	6,247	–	6,247
Service delivery – base	11,441	5,180	16,621
Service delivery – shared	18,960	8,585	27,544
Service delivery – fund specific	24,110	17,087	41,197
TOTAL EXPENDITURE	326,889	148,010	474,900
Levy contribution to across-industry activity	7,487	–	7,487
CLOSING BALANCE	-150,477	150,352	-126
Levy collection costs	8,625	6,803	15,428

* Interest, royalties



Connect with your levy!

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and general horticulture news**

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