

Turf Fund

Annual Report 2018/19

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The projects in this report have been funded by Hort Innovation using sources including the turf 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 communications program**, delivering the *Turf Australia* magazine, *Turf Australia E-News* newsletters, the industry website (www.turfaustralia.com.au) and more (p9)
- ✓ New research to explore and communicate the **environmental and health benefits of turf** (from p7)
- ✓ Research that revealed **turf can boost the value of a home** by some \$110,000 (p8)
- ✓ **Various industry development activities**, from NxGen forums to leadership programs (from p8)
- ✓ A highly visible and multi-pronged **marketing program** (p10)
- ✓ New **final research reports and grower resources**, with 35+ now available from www.horticulture.com.au/turf

2018/19 SNAPSHOT

\$840
THOUSAND
INVESTED
IN R&D

\$75
THOUSAND
INVESTED IN
MARKETING

15+
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 turf 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 close to \$840,000 invested into R&D through the Hort Innovation Turf Fund across the year, to support the industry in being as productive and profitable as possible. This included the establishment of several new investments and a host of ongoing projects addressing important issues and opportunities.

Meanwhile in marketing, the Hort Innovation Turf Fund saw some \$75,000 invested in 2018/19 into a range of activities to raise the profile and use of living turf.

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/turf, where you can search and find information relating to investments, past and present, at any time. The new site and its Turf 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 turf industry, outside of levy-funded initiatives within the Turf Fund. Here's a quick look at just some examples.



The new Hort Innovation website, with dedicated Turf Fund section

You can now visit www.horticulture.com.au/turf to quickly search and find turf 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-technology, there's work in there to directly and indirectly benefit the turf 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 turf 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 Turf 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/turf-plan, or find the full version at www.horticulture.com.au/turf.

The SIP is currently used like a 'roadmap' by the turf 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 Turf Fund are detailed on the 'Your investments' page at www.horticulture.com.au/turf. 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 p9 for more.



New investment analysis

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

TU17005	Turf industry statistics 2017/18 to 2019/20
TU17006	Economic, environmental, social and health impacts and benefits of the turfgrass and lawncare industries in Australia
TU17008	Conveying the benefits of living turf – a bushfire retardant
TU18000	Conveying the benefits of living turf – mitigation of the urban heat island effect
TU18001	The value of turf – real estate agent research
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

TU16000	An environmental assessment of the Australian turf industry
TU16002	National market development program for the Australian turf industry
TU16004	Australian turf industry communications program
TU17002	Improved capacity for integrated disease management of couch smut (<i>Ustilago cynodontis</i>) in turf
MT16002	Green industry growing leaders program
ST16008	AgVet collaborative forum

INVESTMENTS COMPLETED IN 2018/19

TU15002	NxGen 2016 to 2018
TU16003	Crisis management awareness program
TU17003	Integrated pest management of Phytophagous mites in turfgrass
TU17007	Australian turf industry study tour 2018

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 Turf 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/turf as they become available.

Turf industry statistics 2017/18 to 2019/20 (TU17005)

NEW IN 2018/19

Key research provider: Turf Australia

This investment is tasked with providing accurate and reliable data for the turf industry. This information – including value, volume and other benchmarking statistics – is intended to allow turf growers and the broader industry to make timely and effective decisions in planning and resource prioritisation, as well as track market trends and industry performance.

Data is collected through annual production surveys coordinated by the Turf Australia team and state-based turf bodies. Snapshot reports are available through Turf Australia and also via the Hort Innovation Turf Fund website at www.bit.ly/tu17005.

Economic, environmental, social and health impacts and benefits of the turfgrass and lawncare industries in Australia (TU17006)

NEW IN 2018/19

Key research provider: Balmoral Group Australia

This investment is helping form a picture of the direct and indirect benefits that flow from the production of turf, including from economic, environmental and human health and wellbeing perspectives.

The idea is to bring research together and consolidate the findings to give turf businesses and the industry as a whole a better understanding of the wider benefits of the products they produce. The information will then be available to help inform key messaging around the positive impacts and opportunities around turf, for industry to use in conversations with the community. There is also the opportunity for this information to be used in future levy-funded marketing programs for the industry.

Conveying the benefits of living turf – a bushfire retardant (TU17008)

NEW IN 2018/19

Key research provider: GHD

This research investment is exploring the fire-retardant nature of living grass, as compared to synthetic grass in particular. The project team is conducting a desktop study to provide a scientific, evidence-based assessment. The information they produce will be available for use by the turf industry in communicating the benefits of living grass in fire-wise landscape design, and also in the development and marketing of sustainable products for use in reducing bushfire risk in bushfire-prone areas.

Conveying the benefits of living turf – mitigation of the urban heat island effect (TU18000)

NEW IN 2018/19

Key research provider: Seed Consulting Services

This project is looking at the benefits of living turf when it comes to mitigating the 'urban heat island effect' (that is, how turf can make urban areas cooler), as compared to the use of synthetic turf. The evidence base it creates will be available to help the turf industry further engage in conversation with the community, and among itself.

Specific activities include determining the influence of living turf and synthetic turf on the urban heat island effect in Australian capital cities and urban areas, using modelling and simulating approaches, and then determining how changes in living and synthetic turf coverage can influence the urban heat island effect now and in future years, drawing on climate change information and changing development patterns.

The value of turf – real estate agent research (TU18001)

NEW IN 2018/19 & NOW COMPLETE

Key research provider: Bite Communications

This investment supported a national survey to discover home buyer sentiment around turf and landscaping. Working with real estate group Raine & Horne, the survey revealed the following:

- » Around 40 per cent of real-estate-agent respondents said a nicely presented lawn can increase a property's value by more than 20 per cent – based on the Australian median house dwelling price, that equates to a boost of about \$110,000. Meanwhile, almost one quarter of agents said turf can add more than 30 per cent value.
- » 93 per cent of real estate agents recommended that vendors improve their lawn before going to market.
- » Lawn is the most popular surface for family buyers (63 per cent), over decking (21 per cent), synthetic turf (seven per cent), paving (five per cent) and concrete (three per cent). According to the surveyed real estate agents, the main attraction of lawn for buyers is the improved look and feel of the property (89 per cent), added lifestyle and relaxation appeal (45 per cent) and the fact that it provides a safe playing area for the kids (42 per cent).

You can read more in Hort Innovation's article at www.bit.ly/turf-value-boost.

Crisis management awareness program (TU16003)

NOW COMPLETE

Key research provider: Biologic

Running from 2017 into 2018, this investment was tasked with conducting an assessment of potential risks for the Australian turf industry, along with mitigation and management planning activities. Its work was designed to equip industry leaders and key stakeholders with the required tools and insights for effective crisis management, and to provide the Australian turf industry with a clear and well-informed plan for managing critical issues and events with the potential to affect the industry's operations and/or reputation that may arise in the future.

More details can be found at www.bit.ly/tu16003.

Improved capacity for integrated disease management of couch smut (*Ustilago cynodontis*) in turf (TU17002)

Key research provider: The University of Queensland

Beginning in late 2018, this project is developing an improved integrated disease management plan for couch smut for the Australian turf industry. Its activities include research to better understand the fungus that causes the disease – including its distribution and transmission – as well as the evaluation of fungicides for its control, and a look at potentially resistant couch varieties and hybrids.



An environmental assessment of the Australian turf industry (TU16000)

Key research provider: Infotech Research

Established in 2016, this project is responsible for benchmarking the turf industry's environmental performance, and establishing a lifecycle assessment of turf through its installation. It is pointing to ways industry can strengthen environmental performance without compromising productivity or profitability for growers, and the information it provides will ultimately enable growers to provide carbon footprints and environmental product declarations to the market.

Case studies from the project, and benchmarking information to date, can be found via www.bit.ly/tu16000.

National market development program for the Australian turf industry (TU16002)

Key research provider: Turf Australia

Beginning in early 2018, this investment is designed to support the development of the Australian turf industry, and drive an increase in the value of turf.

It's assisting growers in developing their skills, knowledge and businesses through a range of extension activities, including delivering training and disseminating market research and R&D findings. It is also tasked with engaging the wider industry and key influencers, such as landscape architects and planners, while facilitating collaboration and engagement with and between key industry bodies.

Specifically, the project supports the role and activities of Turf Australia's National Market Development Manager, who provides project updates in regular market development reports in the levy-funded *Turf Australia* magazine.



Australian turf industry communications program (TU16004)

Key research provider: Turf Australia

This project is responsible for keeping Australian turf growers and other industry stakeholders informed. It delivers up-to-date information on R&D, marketing and other resources to help support the profitability and sustainability of the industry.

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

- » The quarterly *Turf Australia* industry magazine, available from www.turfaustralia.com.au/news/turf-industry-magazine
- » Monthly *Turf Australia E-News* newsletters, with past editions available at www.turfaustralia.com.au/news/2019-turf-e-news
- » The Turf Australia website, www.turfaustralia.com.au
- » The Turf Australia social media program, which includes the Turf Australia Facebook page for turf growers, www.facebook.com/turfaustralia.

Green industry growing leaders program (MT16002)

Key research provider: The Right Mind

This multi-industry leadership-building project has been responsible for running and supporting the participation of turf and nursery workers in an industry-specific leadership education course. The program, conducted online and through face-to-face sessions, has been designed to help participants define their leadership style, manage conflict and shape team culture, communicate effectively and more. The final cohort of participants funded under MT16002 began the course earlier in 2019.

NxGen 2016 to 2018 (TU15002)

NOW COMPLETE

Key research provider: Turf Australia

This project was responsible for supporting the turf industry's annual NxGen forums from 2016 into 2018. NxGen events encourage leadership development, communicate R&D and marketing information, and enable professional networking for people aged under 40 in the Australian turf industry, with the turf levy funding enabling a substantially reduced registration cost for delegates to enable widespread professional development of the next generation of Australian turf growers. Full details can be found in the project's final research report, which can be downloaded from www.bit.ly/tu15002.

Australian turf industry study tour 2018 (TU17007)

NOW COMPLETE

Key research provider: Turf Australia

This investment facilitated an industry study tour to New Zealand in mid-2018. The tour was intended to support the growth and development of the Australian turf industry, by providing an opportunity for growers to connect with the wider turf industry, attend the 2018 Australasian Turfgrass Conference held in Wellington, and to experience on-farm production in New Zealand. Learnings from the tour were circulated through the levy-funded communications program. Full details can be found in the project's final research report, available from www.bit.ly/tu17007.



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/turf.

Marketing report

Hort Innovation is responsible for investing the turf marketing levy into a range of activities to drive awareness and use of Australian turf, under the Hort Innovation Turf Fund. Read on for a snapshot of activities and results from 2018/19.

The 2018/19 marketing program was focused on contributing to sustainable demand for Australian turf, working towards a five per cent increase in revenue for growers, as identified as a key industry priority in the turf Strategic Investment Plan (SIP).

The key objective of the 2018/19 strategy was to increase demand for turf by getting consumers to prioritise turf in their home improvement plans, through the creation of a value proposition. By educating consumers on the value of turf, driving top-of-mind awareness and

inspiring the Australian dream, the key message of the campaign was that turf is unbeatable for easily improving the value of the home and a family's quality of life.

Ambassadors

Rugby League personality and Fox Sports presenter Nathan Hindmarsh and his wife, professional renovator and interior designer Bonnie Hindmarsh, were engaged to promote the benefits of turf to homeowners across traditional media and social platforms. As a down-to-earth and lawn-loving Aussie dad, Nathan appealed to everyday Australians by speaking to the emotional and physical benefits of a good lawn for enjoying family time with the kids and kicking the footy around.

As a seasoned renovator and director of Three Birds Renovations, Bonnie was able to communicate how transforming the backyard with turf adds value to the home – both financially and emotionally. Together, Nathan and Bonnie frequently appear in media and have a social following of over 500,000, which means they were able to communicate broadly on how the backyard is a massive hub of their home as a busy family with three children.

Public relations (PR)

Under the Hort Innovation Turf Fund R&D program, national research was conducted with real estate's Raine & Horne that showed that 40 per cent of agents surveyed believe a nicely presented lawn can boost a house's value by more than 20 per cent. In fact, almost one quarter (23.3 per cent) said it can add more than 30 per cent value. Based on the Australian median dwelling price, 20 per cent equates to \$110,000. More on this research can be found on p8.

The survey results paired with quotes and photos from Nathan and Bonnie Hindmarsh provided an excellent opportunity for the promotion of turf.



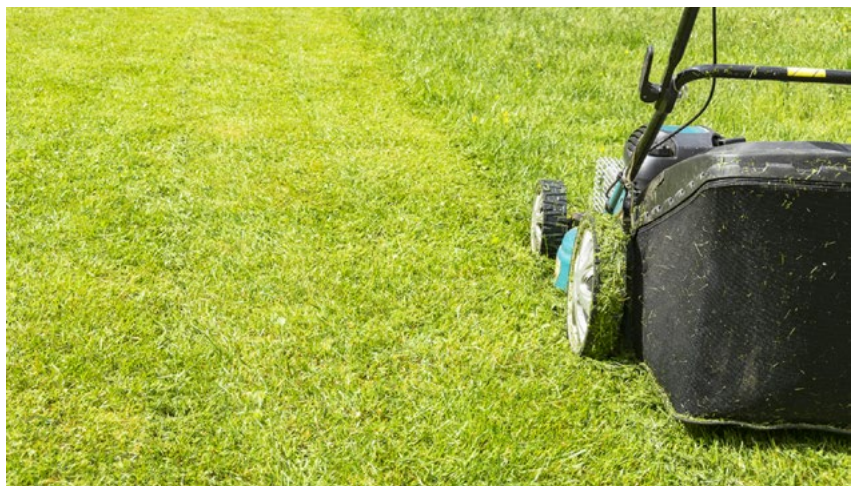


Over the course of the marketing campaign, 11 pieces of earned media coverage were secured across television, metro and regional print and online channels. This equated to 4.46 million opportunities for people to see turf-related content. Highlights included a TV feature on *The Today Show*, as well as coverage in *Better Homes and Gardens*, on RealEstate.com, and in print in *The Courier Mail*.

Social media

Social media activity is a cost-efficient way to reach the public and also to 'keep a finger on the pulse' in terms of how people are using turf, answer any questions they have, and give people an opportunity to simply share their love of turf.

The 2018/19 social strategy for turf focused on using Facebook as the key channel to drive awareness, inspiration and humour. Over the course of the campaign, the Lawnspiration Facebook page (www.facebook.com/lawnspiration) posted a variety of before and after renovation images, lawn tips and transformations. These posts proved to be a compelling and effective way of earning attention and engagements. The page received a large amount of user generated content in the form of

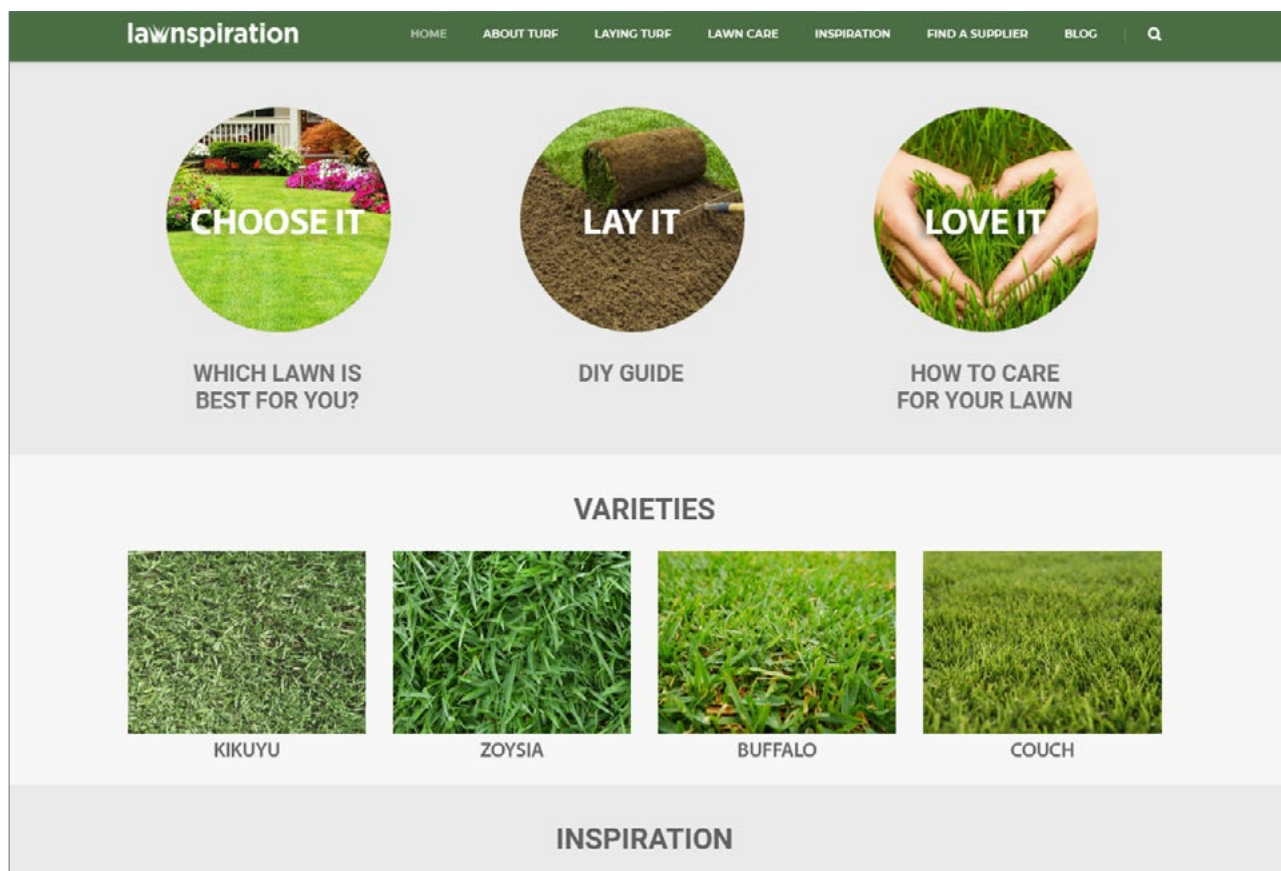


comments as well as images shared by turf lovers of their own backyards and lawns, renovation before and afters, and families and furry companions enjoying their lawn. In total, 40 per cent of post engagements were received from females and 75 per cent of the audience who saw the content were within the campaign target age bracket of 25 to 54.

Nathan Hindmarsh created three short videos which were used at different intervals of the social campaign. These were some of the top shared, liked and commented on posts on the Lawnspiration Facebook page. The videos generated nearly 100,000 views and did a great job of raising awareness.

Overall, the social campaign delivered over one million impressions. The activity helped to direct consumers to the Lawnspiration website (www.lawnspiration.com.au) for more information, with analytics showing a spike in website traffic during the campaign.

Nathan and Bonnie also took to their personal Instagram accounts to share videos and images of lawns, including before and after renovation images. These posts had a combined reach of more than 450,000 people and received more than 12,000 video views and 7000 likes.



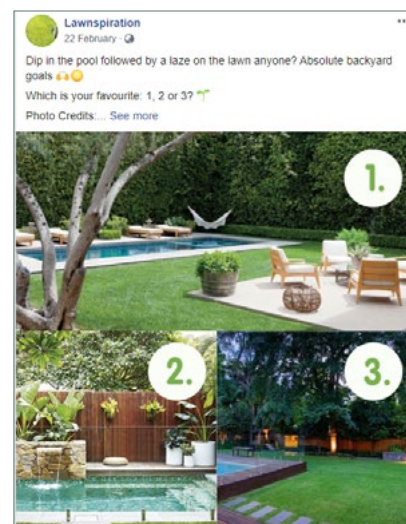
New website

The new consumer-facing Lawnspiration website was launched in July 2018 and proved to be a popular destination for lawn lovers throughout 2018/19.

Lawnspiration.com.au has good basic lawn information for consumers to educate themselves with, including varietal information, installation and maintenance information, and links to growers around Australia through the 'find a grower' feature.

Usage from the first few months of the website provided some interesting insights:

- » Top searches so far have included: 'Best time to lay' and 'Bindies'
- » The majority of users are between 25 to 54 years of age, 77 per cent male and 23 per cent female
- » Top pages so far have included: 'Autumn care tips', 'Varieties', 'Tips', and 'Find Your Supplier'.



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	317,211	96,559	413,770
Levies from growers (net of collection costs)	451,997	112,967	564,964
Australian Government money	527,271	–	527,271
Other income*	9,986	2,156	12,143
TOTAL INCOME	989,254	115,123	1,104,377
Project funding	839,587	75,040	914,627
Consultation with and advice from growers	41,882	2,485	44,367
Service delivery – base	36,909	4,226	41,135
Service delivery – shared	61,163	7,004	68,167
Service delivery – fund specific	75,000	32,000	107,000
TOTAL EXPENDITURE	1,054,542	120,755	1,175,297
Levy contribution to across-industry activity	23,810	–	23,810
CLOSING BALANCE	228,114	90,927	319,041
Levy collection costs	23,045	5,794	28,839

* Interest, royalties



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including industry-specific alerts, opportunities
and general horticulture news**

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