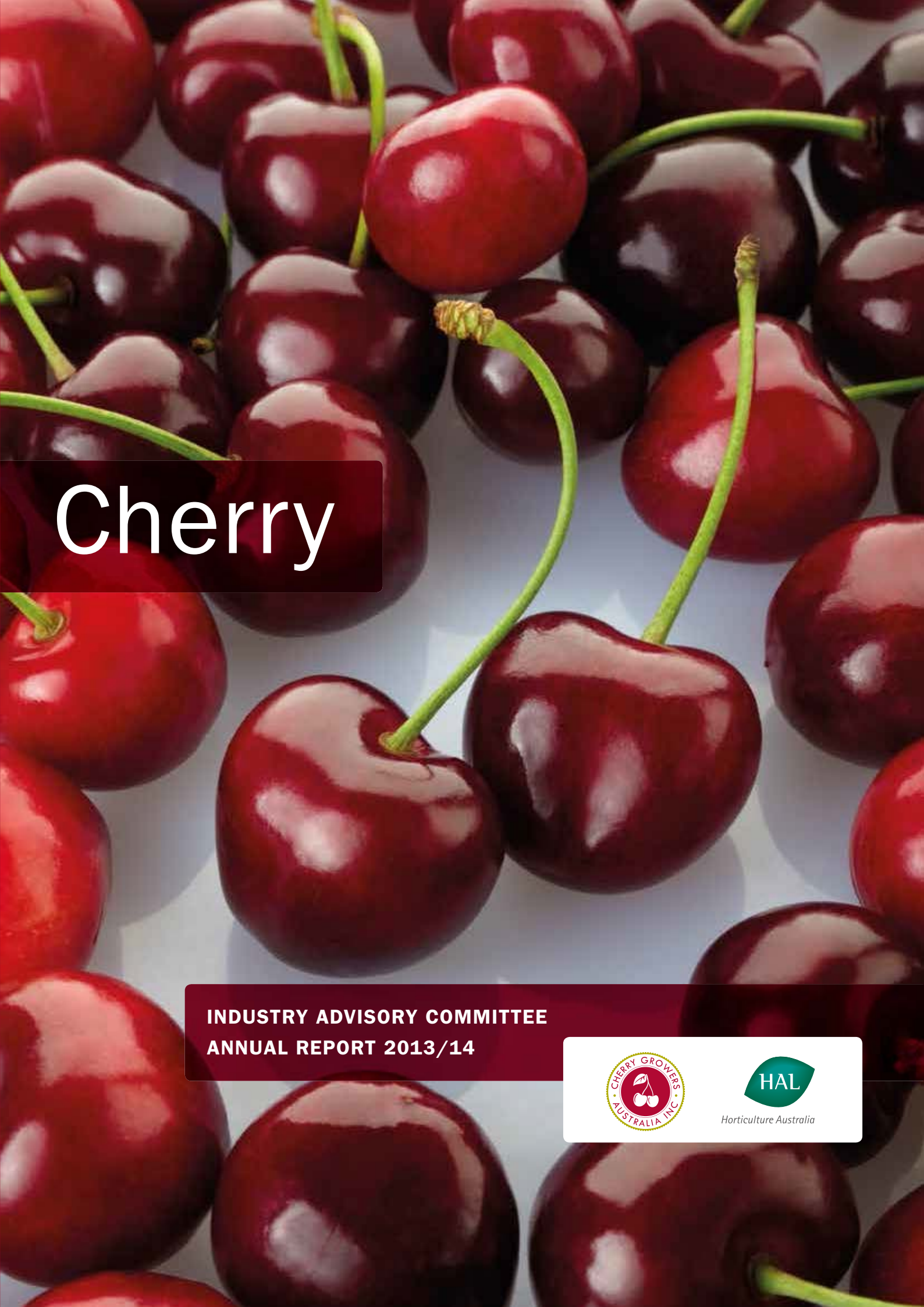

Cherry

INDUSTRY ADVISORY COMMITTEE ANNUAL REPORT 2013/14

CHERRY GROWERS AUSTRALIA INC.

HAL
Horticulture Australia

Contents

The projects in this report have been funded by Horticulture Australia Limited (HAL) using the cherry industry levy and/or voluntary contributions from industry with matched funding from the Australian Government for all research and development (R&D) activity.

OVERVIEW

There are approximately 485 cherry enterprises in Australia with 2,845 hectares of trees and the cherry supply window goes from late October through to late February.

The 2013/14 cherry season started poorly with the early crop from South Australia yielding minimal marketable crop. Other early producing regions suffered from a similar light crop with lack of chilling being touted as the main contributing factor. Other mid to late-producing regions performed much better with reasonably good marketable yields in most key growing regions of New South Wales, Victoria and Tasmania. A variety of weather events (frost, wind and rain) caused some of the later producing regions to experience varied yields. In all, it is estimated that the total tonnage achieved for the 2013/14 season was down approximately 30 to 40 percent on the previous year with just over 10,000 tonnes.

The maturity of recent plantings will, however, lead to increased yields over coming seasons (weather depending). It is anticipated that production will continue to increase for the next three to five years as a consequence.

Due to a general lower supply, prices achieved both domestically and internationally were, on the whole, exceptionally good. This ensured that overall profitability was positive despite the lower than anticipated yields. The Australian cherry industry accounts for less than one percent of world production. Top-line results for the October 2013 to January 2014 period included 2,737t exported (up one percent) with a total value of $39.2 million (up 34 percent) and price per kilogram at $14.15 (up 33 percent or $3.54 on the previous year). These results do not include later exports, which are likely to increase these strong figures considerably. Of the total crop exported, Hong Kong accounted for 43 percent (an increase of nine percent), with exports to the recently accessed mainland China market almost doubling to 151t, accounting for four percent of export volumes.

The domestic market currently accounts for approximately 75 percent of total production, with exports increasing steadily. Approximately 3,000t were exported in each of the last two seasons and the industry is seeking to have a greater proportion of its product exported over the coming seasons to ensure sustainable returns for producers.

Levy investment

In 2013/14, the total income received was $1,120,298 of which the Australian Government provided $414,903 of matched funding to support 24 projects in the research and development (R&D) levy program.

The current levy is seven cents per kilogram. A total of $873,1185 was invested into research and development (R&D) projects, and $305,909 towards marketing projects. In addition to levy funds, $236,655 of voluntary contributions (VC) was provided to the cherry industry for supplementing levy-funded projects and solely funding VC-only. VC funds were matched by the Australian Government for all R&D activity.

HAL is responsible for managing these funds and takes advice on how to invest the funds from the Cherry Industry Advisory Committee (IAC). Consultation with the IAC is essential in determining the most critical investment priorities for the industry.

The industry also contributes 2.25 percent of levy and voluntary contributions (matched 4.5 percent) to an across industry program that addresses issues that affect all of horticulture, such as water availability, climate change, biosecurity and market access. In 2013/14, Cherry Growers Australia acted as the service provider on four projects.

Strategic objectives

The process for determining the industry's priorities began with the development of the *Australian Cherry Strategic Investment Plan 2012–2017,* which guides R&D and marketing investment over a five-year period.

The plan was developed to reflect the industry's priorities, the Australian Government's rural R&D priorities and is reviewed regularly. The industry's objectives, as outlined in the strategic plan are:

1. To build a competitive supply of Australian cherries to ensure that consumers can confidently purchase consistently high quality fresh cherries at retail level.
2. To facilitate a profitable production sector by increasing demand for Australian cherries in line with increasing supply.
3. To ensure the Australian cherry industry has appropriate and sufficient capacity to manage change and industry expansion.

All projects in the R&D and marketing program address one of these objectives.

R&D program

Market access remains a key issue for industry and despite Tasmania gaining access to mainland China, ongoing efforts will need to be made to ensure additional markets are developed for mainland producers. In addition, export efforts on further developing existing markets will be a key focus in upcoming years. Market access is currently one of the most important and potentially contentious issues facing industry. It is pleasing to note that there has been broad support from all states for an agreed approach to tackling market access into the future.

Whilst the most recent season continued the recent trend of increased product quality, issues remain in areas such as brown rot and frost damage, therefore ongoing research to minimise their impacts in seasons experiencing poor weather will continue.

The R&D program for 2013/14 consisted of 32 projects. Of this, six projects were funded solely by Voluntary Contributions (VC), and two projects were both levy and VC-funded.

Marketing program

The industry went through a marketing program consolidation process in 2013, which entailed an integrated marketing campaign focusing on retailer and wholesaler engagement activities, a green grocer display campaign and export promotions.

The key message to consumers was to 'celebrate the playfulness cherries can bring to the everyday'. The public relations campaign delivered an exceptional Return on Investment (ROI) of 77:1 compared to the industry standard which is around 3:1. In addition, Australian cherries were featured in a nation-wide Woolworths promotion with zero cherry marketing levy funds required.

This report

This report provides a snapshot of project activities in the 2013/14 year. The report's sections are divided by the industry's objectives to reflect the R&D and marketing activities being undertaken that address these industry issues.

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Advances in Australian cherry breeding

The Australian national cherry breeding project concluded in June 2014 after nearly 30 years of breeding. The program developed and selected approximately 100 new and promising large-sized, well-adapted cherry lines with improved cracking resistance to rain. The majority were selected in the final five years of the program and require evaluation on rootstock to determine their commercial potential.

SARDI will graft all the promising lines and potentially useful breeding material in this collection onto Mazzard F12-1 rootstock for storage.

Cherry Growers of South Australia (CGSA) are now undertaking a project (CY12024) to evaluate the remaining national breeding program lines against seven comparators on three rootstocks: the industry standard Mazzard F12/1 and the precocious rootstocks Krymsk 5 (ANFIC) and Giesela 6 (Graham's FacTRee).

This will deliver new varieties and supporting recommendations about suitable rootstock combinations. Ideally, an expanded version incorporating internationally imported varieties being contemplated for commercial plantings will enable open and direct comparison. Implementing such a national system would provide clear information on the relative value of the new varieties and reduce the risk of exposing growers to poorly-informed planting decisions.

Projects CY11016 & CY12024

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KB6.20. KB6.20 and FMB4.1 are of the most promising lines from around 100. Both are large and very firm with very sweet low acid flavour profile

Managing pre-harvest rot

Fruit rot is a major fungal disease of sweet cherry varieties that has had serious regional impacts for growers. To better understand the causes and management of pre-harvest rot, researchers are identifying key pathogens and determining when the infection risk is highest.

Surveys of rot pathogens in harvest-aged sweet cherry were completed in the NSW regions of Orange and Young and southern Tasmania. A variety of pathogens have been identified by using cultural morphology and molecular sequencing techniques.

Two laboratory trials were conducted to examine factors which influence fruit infection. The first trial examined the effect of fruit development stage, across three different cherry varieties and three pathogens. In general, more developed fruit were associated with greater disease development. A second trial has provided preliminary assessment of the influence of wetness duration and temperature on infection of fruit.

Project CY13001

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Fourth Australia-China Cooperation Forum

The Fourth Australia-China Horticulture Cooperation Forum was held in Beijing in November 2013. The Forum aimed to further develop industry-government relations with China and thereby strengthen current market access and support attainment of further new market access for the industries involved.

The Office of Horticultural Market Access (OHMA) and the China Entry-Exit Inspection and Quarantine Association (CIQA) jointly organised the Forum which was led by Mr Ge Zhirong, President of CIQA, and Professor Rob Clark, Deputy Chairman of Horticulture Australia Limited (HAL). The workshop was well attended by industry representatives from Australia and China, as well as government officials from the Department of Agriculture and the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) in China.

Market access into China is a key priority for a large number of Australian horticulture industries. The Forum provided an excellent opportunity for industries from both countries to discuss market access issues, explore opportunities for mutually beneficial trade and develop future cooperation activities which could facilitate the market access process. It was particularly useful to have government representatives attending the workshop to ensure a close working relationship between industries and official government negotiations.

Project MT13045

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Reducing the impact of late season rainfall

Nine field trials investigating the impact of rainfall were undertaken. The trials covered fruit development and fruit nutrition in the development of fruit cracking; and the impact of root pruning and root network competition. Trials were undertaken across four different sites in Southern Tasmania during the 2013/14 growing season and have built on results from the 2012/13 season of the project. Laboratory work is continuing and analysis of data collected this season will be undertaken. A manual for growers will then be developed, combining the results from this and previous cracking projects.

Results from the first season were disseminated to industry via industry magazine articles, the Fruit Growers Tasmania annual conference in May, the Victorian Cherry Association's Annual General Meeting, fact sheets on the TIA website, the 2013 Cherry Growers of Australia's Annual Levy Payers' Meeting and at the International Cherry Symposium held in Spain in September 2013.

Key findings of the trials were that foliar applications of calcium increased calcium levels in the fruit skin, and high skin calcium was related to greater stem retention. Style retention (floral parts remaining on fruit) was related to apical scarring and apical-end fruit cracking. It was also shown that the fruit stem water uptake pathways remained functional over the entire growing season.

Monitoring fruit development in Lapins (photo by Ian Cover)

Project CY12000

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Correlating fruit fly threat with cherry production and climate

This project is correlating weather and Queensland fruit fly biology components to indicate fruit fly infestation risks. Researchers are also aiming to identify the presence of alternative fruit fly host material in each cherry production district before, during and after harvest and investigate the state of female fruit fly fertility at the start of spring in each district.

Temperature records for all regions in Australia, maps of cherry production districts (present and future) and weather-based thresholds of fruit were collected. This was done by compiling data from the Bureau of Meteorology on Australia-wide maximum and minimum temperatures for each month of the year, as well as all weather data for a number of cherry production areas around eastern Australia. Some fruit fly activity temperature thresholds were tabulated and others are currently being studied by the NSW Department of Primary Industries, Ourimbah. These studies are near complete and will be compared with critical times of the year when various fruit fly activities threaten cherries.

It is anticipated that the data collected will be used to carry out fruit fly risk assessments for cherry growers and exporters and to support areas of low pest prevalence for market access. There is potential for this project to be extended to other horticultural industries and their pests.

Project CY13012

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Improving fruit quality

The impact of conventional fertiliser regimes on fruit quality and soil microbiology is being compared with an alternative regime of humates and minimal fertiliser application at two sites in Tasmania.

The Derwent Valley site has been running for two growing seasons and two cultivars – Sweetheart and Staccato – are being examined. In both cultivars, the proportion of A-grade fruit was approximately 17 percent higher in the alternative regime compared with the conventional regime. There were no differences between treatments in the fruit quality parameters measured: fruit weight, diameter, firmness, skin puncture force, colour, total soluble solids content, juice pH or malic acid content.

The second site in the Huon Valley is studying the Lapin cultivar. Non-marketable fruit was reduced from 13 percent in the conventional regime down to four percent in the alternative regime. Monthly addition of effective microbes to the soil reduced the incidence of cracking by 33 percent. Again, there was no difference in fruit quality parameters as listed above between the two treatment regimes.

Root samples were collected from each site and are currently being analysed for mycorrhizal colonisation.

The project will run for another three years to evaluate the longer-term effects.

Project CY12002

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Optimising fruit set, crop load, nutrition and size

The key issues that underpin the profitability for cherry growers: yield and quality, are being addressed by this project. Analysis of all data from the 2012/13 season has been completed, and harvest data from the 2013/14 season has been analysed. Analysis of 2013/14 postharvest fruit assessment data is expected to be completed by mid-July 2014. Results discussed below are from both the 2012/13 and 2013/14 seasons.

Fruit set

Researchers aimed to determine whether fruit set could be manipulated with plant growth regulators (PGR). In the 2012/13 season, applications of Retain® at 500 or 1,000 grams per hectare at 30 percent and 80 percent bloom increased fruit set by 33 percent compared to untreated control trees. No significant differences between application rates or application timing were found and fruit quality was not affected. In 2013/14, 500g/ha Retain® applied at 50 percent bloom increased fruit set by 47 percent in Regina. Post-bloom application of Retain® was not effective.

Trials of another PGR, Cultar, compared application timing (Autumn vs Spring) and method (butt spray vs soil drench) to improve fruit set on Regina trees. Fruit from the trial was harvested in January 2014. Analysis of harvest data showed that the highest rate applied (4ml Cultar/tree) improved fruit set by 11 percent. Spring application was more effective than Autumn application for improved fruit set. The marginal increase in fruit set casts doubt on the economic benefit of application of cultar.

Cherry skin puncture – Guss penetrometer

Dr Joanna Jones assessing Lapins fruit set on trees that were studied for carbohydrate supply linked to shedding

Preliminary examination of the impact of sodium molybdate, 2,4-D, NAA and foliar organic nutrients on fruit set concluded that sodium molybdate further reduced fruit set and increased fruit cracking, while 2,4-D improved fruit set and is worth examining further.

The project also aimed to determine whether fruit set is higher on precocious rootstocks, such as Gisela, but found no significant difference in number of buds or flowers between Regina on Colt and Gisela 6 rootstocks. Fruit set on Gisela rootstocks, however, was 52 percent higher than Colt. The result needs repeating as there was some concern that water supply was limited to the Colt block.

Crop load management

Researchers also aimed to determine whether ethephon is a superior agent relative to Ammonium thiosulfate (ATS) for post-bloom thinning. Ethrel application at rates of 200 and 300ppm reduced crop load compared with the untreated control. The lowest application rate of 100ppm had no thinning effect. Application at shuck fall was the most effective timing and fruit sugar content was increased with Ethrel application. Other fruit quality parameters were not affected by any of the application rates.

In 2013/14, application of one percent ATS (volume/volume) at 100 percent bloom reduced crop load compared with the untreated control. Fruit size, firmness, sugar content and skin strength were increased in ATS treatments. ATS applied post-bloom was not effective, but earlier bloom period applications need to be examined.

Tree and fruit carbohydrate and nutrient dynamics

An analysis of whether fruitlet abscission related to carbohydrate or nutrient availability/partitioning could be manipulated with PGRs was also undertaken. In 2012/13 and 2013/14, the rate of fruitlet abscission was greater in Kordia than Lapin. In both years, trunk girdling decreased the rate of fruitlet abscission for Lapin but this trend was not seen in Kordia. The crop load was far higher for Kordia than Lapin due to pruning and tree structure. The concentration of carbohydrates was also higher for Kordia but there was lower branch cross-sectional area. These results are consistent with carbohydrate limitation in Lapin although another factor, probably effective pollination, limits yield in Kordia.

Another element of the project focused on determining the influence of application rate and timing of application on tree nitrogen (N) uptake and how this influences tree storage, fruit yield and quality. It was found that fruit nitrogen uptake significantly increased with increased applications (0, 40, 80 and 120kg/ha of nitrogen). This translated to decreased firmness in fruit of the high application rates. The results clearly show there is rapid uptake of nitrogen that is applied pre-harvest through fertigation.

Another element to the project assessed fruit quality postharvest and consumer perception. Consumers blind-tasted export grade fruit and high nitrogen fruit at harvest and 50 days postharvest. Consumers clearly perceived the export grade fruit to be firmer and to have superior texture relative to the high nitrogen fruit. Consumers perceived deterioration in sweetness, acidity, flavour intensity and juiciness of the stored high nitrogen fruit. In contrast, consumers perceived no significant deterioration in quality attributes after storage of export grade fruit.

Project CY12003

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Establishing Pest Free Place of Production status for Q-fly in the Yarra Valley

On the 1st of July 2013, changes to managing Queensland Fruit Fly (Q-fly) in Victoria came into effect with the Department of Environment and Primary Industries Vic (DEPI), entering into co-management arrangements with industry in priority fruit production areas.

Changes to Q-fly management resulted in Victorian fruit growers needing to treat their produce prior to consigning it to fruit fly-sensitive markets including SA, WA and Tas.

To overcome this requirement a solution was reached in the Yarra Valley when local fruit growers decided to fund a project aimed at developing a Pest Free Place of Production (PFPP) program in the region. For trade-related purposes, PFPP arrangements are considered to be an equivalent level of protection to that offered by a Pest Free Area or treatment protocol.

PFPP status is achieved through deploying of an extensive network of Q-fly traps to verify the region as being free of Q-fly, as well as legislation controlling commercial fruit marketing arrangements in the region.

Within the Yarra Valley PFPP, twenty businesses are now accredited with DEPI to supply and/or consign fruit to Q-fly-sensitive interstate markets, without the need for additional chemical or cold storage treatments. Several consignments of certified fruit have now been successfully sent by accredited growers to the SA market.

Compliance audits with accredited businesses and a review of the program will be occurring shortly. A number of businesses within the current Yarra Valley PFPP have expressed interest in becoming accredited next season to take advantage of the valuable marketing opportunity provided by the Yarra Valley PFPP.

Project MT13031

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Queensland fruit fly

Managing Q-fly with SPLAT CueLure

SPLAT CL is a form of male annihilation technique that has been successfully used for fruit fly management in a number of countries and is significantly easier to apply than most Male Annihilation Technique (MAT) systems.

This project aims to assess the efficacy of SPLAT in combination with CueLure (CL) for controlling Queensland fruit fly (Q-fly) in susceptible crops.

In the contact and feeding bioassay, all Q-flies exposed to SPLAT-5% CL + Spinosad lures weathered for two weeks were killed within two hours. These lures were effective at reduced kill rates for up to eight weeks. In the outdoor cage study, this lure/toxicant performed as well as, or better than the MAT cups over eight weeks. These results suggest that SPLAT-5% CL + Spinosad may be an excellent replacement for MAT cups.

On completion, the expected outcomes of the project include:

1. Sufficient data to develop an integrated Q-fly management program.
2. The availability of an easily applied MAT technology to lead to a reduction in fruit fly populations
3. Reduced reliance on older insecticides
4. Reduced residue risks
5. Reduced disruption of beneficial insects and reduced secondary pest outbreaks.
6. Improved market access for national and international trade through a SPLAT CL-based program to support Areas of Low Pest Prevalence (ALPP), Pest Free Places of Production (PFPP).
7. Further funding will be sought to extend the success of SPLAT to date by incorporating female attractants.

Project MT12001

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OBJECTIVE 2

Facilitate a profitable production sector by increasing demand for Australian cherries in line with increasing supply

Office of Horticultural Market Access

The Office of Horticultural Market Access (OHMA) is an industry-based committee which was established to provide advice to government agencies for negotiating quarantine and non-quarantine market access. OHMA aims to maximise opportunities for Australian horticultural market access through involvement under three key pillars:

1. Raise the profile of Australian horticulture by developing market relationships with an industry focus as commercial market access drivers
2. Provide strong support to official access negotiations
3. Identify, support and guide research and development into market access.

OHMA has worked to develop relationships with key exporting industries and government departments involved in the market access process.

The role of OHMA is to:

- Works with industry to identify and set priorities and strategies for market access
- Develops and maintains close working relationships with relevant government bodies involved in market access negotiations to represent horticulture industry views to government
- Communicate market access issues and outcomes back to industry.

While there have been some important achievements in the past year, the process of gaining market access for horticulture products remains a slow and difficult one. The usual lengthy process of securing phytosanitary protocols in north-Asian markets was supplemented by a trend toward more restrictive phytosanitary regimes in south east Asia (Thailand in particular but also Malaysia and Vietnam), as well as import restrictions in Indonesia. The Australian government has had a busy program of free trade agreement negotiations over a number of years, but actually finalising agreements has proved elusive. The recent conclusion of the agreement with South Korea is a notable exception.

OHMA has held a number of discussions over the last year about how to improve the way it operates, including the possibility of expanding OHMA staff beyond the current one full-time position. Industry continued to see an important role for OHMA in prioritisation and coordination of industry market access issues, but industry resources were not available to expand OHMA staffing at this point. This will be considered again when the current OHMA project is due for renewal in September 2015.

Projects MT12028 & MT12029

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Export development for Aussie cherries

It is imperative for the Australian cherry industry to continue to gain access to new export markets and maintain existing markets. In 2013/14, the export of Australian cherries was close to 3,000 tonnes, about 30 percent of the total production of 10,000 tonnes. By 2017, total export is expected to increase to over 40 percent of total crop to over 30 markets globally. Approximately 80 percent of current exports are to Asia, with the Middle East and Europe also being key markets.

To ensure opportunities for further development in those markets are taken up, this project encourages the export culture already being developed among Australian Cherry growers, ensuring exporting growers are fully informed of requirements, protocols and fruit quality specifications. The Cherry Export Manual and the Integrated Pest Management poster provide much of this information and a feasibility assessment of future grower study tours to export markets to gain more knowledge will be investigated.

Any future activities under this project will have close linkages with the Department of Agriculture to ensure that Cherry Growers Australia (CGA) keeps growers informed of changes and developments through representation and input to discussions on protocols and other export issues.

To date, activities of the project have included: developing the Australian Cherry Industry Biosecurity Management Programme, which improves opportunities for market access; key exporters and CGA representing industry at international trade fairs and events; and negotiating new and current protocols.

Project CY12007

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Australia Fresh

The Australia Fresh program is a collaborative export market development program for horticulture. Founding industry members include table grapes, summerfruit, cherries, avocados, apples and pears and lychees. The program provides each industry with:

- Export capability building
- Trade development
- Consumer promotions
- Export collaboration.

Australia Fresh has organised successful trade missions, meetings and delegations to China, Taiwan, the Philippines and Indonesia, promoting member industries to importers and retailers. This has fostered closer relationships and generated trade leads.

The collaborative program helps overcome the constraints of limited resources of industries in promoting their produce overseas. Sharing available resources increases the scope of international activities that can be covered.

Austrade, the Department of Environment and Primary Industries, Vic, and Trade & Investment Qld work with Australia Fresh on trade missions. Australia Fresh also works with the Department of Agriculture to set up and conduct meetings and other relationship building activities with foreign governments, ensuring a consistent and unified Australian message. This was particularly pronounced in the China and Taiwan programs.

In 2013, the China Entry & Exit Inspection and Quarantine Association (CIQA) recognised Australia Fresh as representative of Australian horticulture industries and awarded Australia Fresh with the Best Exhibitor Award at the China World Fruit and Vegetable Trade Fair. Industry members have been featured in various international online publications as well as TV shows in China.

The Bureau of Animal and Plant Health Inspection and Quarantined Council of Agriculture (BAPHIQ) in Taiwan communicated their appreciation of meeting with Australia Fresh industry members and welcomed similar multi-industry meetings in the future.

In 2014, Australia Fresh participated in the Food & Hotel Asia Exhibition and Conference in Singapore, back-to-back with a follow-up trade mission to Indonesia in April.

The Australia Fresh website and e-newsletter communicate industry developments such as product quality, production standards, trade initiatives and other information relevant to foreign markets. Its readership, visits and click-through rates consistently improve and exceeded expectations.

Export trade volumes of member industries have risen as much as 150 percent since the launch of the program.

Project MT13011

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Export-import market intelligence

Official merchandise trade statistics around the horticulture sector for a number of countries are provided to analysts at Horticulture Australia Limited (HAL) through a subscription to the Global Trade Atlas database.

The data come from the official reporting agencies in each country and provide value and volumes of imports and exports, as well as the countries being imported or exported with. The data allows analysts a view of not only what is being exported by Australia or its competitors, but also allows for views into key import markets to see how Australian products in those markets are faring against their competitors.

Project MT12009

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2013/14 marketing program

With the introduction of US cherries whilst Australian cherries are not in season, consumption of cherries in Australia has grown significantly.

During the Australian cherry season from November 2013 to February 2014, both major supermarkets (Coles and Woolworths) accounted for 45 percent of sales. Independent green grocers accounted for 35 percent. Other supermarkets accounted for 20 percent.

The Australian cherry industry subscribes to three consumer insight and trade analysis tools designed to track and monitor relevant information for improved decision making:

- AC Nielsen Homescan (includes Woolworths scanned data)
- Bespoke industry research tool (conducted by Sprout Research)
- Export market intelligence (by Fresh Intelligence Consulting)

Consolidating the program

The marketing program went through a consolidation process in 2013 to maximise the industry's marketing levy investment, given the limited resources available to the industry. The program included:

- An integrated marketing campaign
- Retailer and wholesaler engagement
- Green grocer display/POS campaign
- Cooperative support in export promotions

Aussie cherries facebook page competition winner

Based on consumer research, cherries are still largely an impulse buy, unlike staple fruits (70 percent of cherry buying decisions occur when the consumer is already in store. Research has also confirmed that cherries elicit strong emotions in consumers, bringing out a 'playful' side. Cherries are linked strongly to Christmas in the minds of consumers, with category sales and focus group research confirming this as 20 percent of Australian cherries are sold in the single week that includes Christmas.

Integrated marketing campaign

The overall objective of the integrated marketing program was to generate, maintain and increase consumers' interest and purchases of Australian cherries for the duration of the season.

The campaign built on the insight that cherries bring out a playful side, evoking strong memories of childhood fun – cherry earrings, seed spitting contests, cherry 'lipstick' and cherry picking.

The campaign tapped into the nostalgia of these summer fun moments by inviting consumers to relive their childhood cherry memories and encouraged Australians to start new memories with their family.

Cherry launch

Harnessing the traditional and much-loved childhood game of cherry seed spitting contests, the Australian cherry industry developed a must-play game for the summer, Spit or Miss, as the hook, which was integrated into all marketing activities to encourage families to buy and play with cherries during the season.

National breakfast TV celebrating the start of the season

The Spit or Miss game was launched on Channel 10's breakfast show, *Wake Up,* at Manly Beach on Friday 15th November to celebrate the start of the season. Primary school-aged children from Manly were invited to participate in the game. The message of tapping into the nostalgia of childhood fun was reinforced by the also skipping rope and playing hopscotch, cementing the position of cherries as traditional summer fun.

Promoting Australian cherries

Media coverage

The industry's marketing campaign included a proactive media outreach program where journalists, reporters and writers working for newspapers, radio, TV, and magazines, as well as prominent bloggers were approached throughout the cherry season. These contacts were provided with media assets and information as well as fresh cherries to encourage and inspire them to write about Australian cherries.

The Australian cherry industry achieved 479 pieces of media coverage across TV, radio, print and online. This equated to a total reach of 115 million "opportunities to see", meaning a consumer would have seen cherries mentioned in the media at least five times throughout the season. The advertising value equivalent of this is $2.82 million. Overall, the program delivered the return on investment ratio that is 77 times that of the program expenditure and by way of comparison, the industry standard for a successful media program is 3:1.

Over half of all the coverage by these media contacts ran with an 'in-season' message and nearly 40 percent of all coverage carried a 'versatility', showing consumers the many different ways to cook with cherries. Cherry recipes are a large source of media coverage throughout the season, spiking in December. There is future opportunity to continue to extend the media spike beyond Christmas. According to the industry's independent research, 65 percent of consumers heard about the health benefits associated with cherries through the media.

Aussie Cherries facebook page

The Aussie Cherries facebook page was launched at the start of the season to build a community of cherry lovers. The Spit or Miss game was integrated into the facebook strategy and consumers were encouraged to share their spectacular spits and miserable misses for prizes that included a box of fresh Australian cherries and the limited edition board game.

The page achieved in excess of 18,000 likes, which can largely be attributed to the engaging content facilitated by the popular consumer promotion. During the Australian cherry season, more than 23,000 fan interactions occurred and that included fans liking a post, posting a comment or sharing a post. The Aussie Cherries page had a total reach of around 5.5 million times, which included any individuals such fans and friends of fans who were exposed to the page or a post at one time or another throughout the season.

The promotion was very popular and the level of fan participation was extremely high even though the weekly prize of a box cherries and the Spit or Miss game had a small monetary value.

Point-of-sale kits

The Spit or Miss concept was integrated into the 2013/14 season's point-of-sale (POS). Each kit contained the Australian Cherry bunting, 300 'Spit or Miss' games, 500 cherry paper bags, 2 x A4 pricing boards, one A3 poster and a trade presenter that outlined what was included in each kit. These kits were distributed to retailers nationally via the cherry state associations to increase cherry's retail presence.

Woolworths Summer Booklet featuring cherries

Woolworths national promotion

Australian cherries were included in a nation-wide Woolworths promotion. The promotion involved 500,000 copies of in-store brochures that went into over 750 Woolworths stores nationally, placed next to cherries. These brochures proved to be very popular with consumers. The brochure included information on:

- Cherry selection and storage tips
- Industry facts about the cherry industry
- Health and nutrition benefits associated with cherries
- Cherry recipes and serving suggestions

State promotions

The state associations conducted promotions throughout the Australian cherry season. The Spit or Miss game was integrated into the Victorian cherry state launch activity. The NSW cherry association worked in tandem with the national program for its National Cherry Festival in Young where the giant cherry game was incorporated into their annual festival calendar. The SA cherry association promoted its cherry trail guide by encouraging consumers and tourists to pick their own cherries, whilst the WA association held a cherry auction to celebrate the start of the cherry season. Cherries were promoted in Qld with the support of Brisbane wholesale markets.

The Spit or Miss concept was well-integrated and leveraged by the state associations. Additionally there was a strong level of collaboration in media engagement across the national program and state-based initiatives.

Cherry category performance

The price per kilogram for cherries in Australia was increased by 43 percent compared to the season prior. Despite the high price, consumers bought 20 percent more cherries on each buying trip.

Project CY13501

For more information contact:
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OBJECTIVE 3

Ensure the Australian cherry industry has appropriate and sufficient capacity to manage change and industry expansion

Industry communication

Strong communication in the Australian cherry industry is vital to all stakeholders, particularly growers, to make informed decisions when facing future challenges and opportunities in the growing regions around the country in all states.

The key objectives of the communications program include:

- Publishing of the industry magazine, *Australian Cherries*, distributed four times annually
- Mailing relevant information as required
- Working with state associations to deliver information to growers and other industry stakeholders
- Maintaining the industry website, www.cherrygrowers.org.au, to include updated, relevant information and links
- Maintaining the Cherry Growers Australia and Aussie Cherries facebook pages. The new Aussie Cherries page obtained over 18,000 likes during the cherry season and included updated and relevant information
- Collecting and evaluating feedback from stakeholders to gain a better understanding of which media are most effective, plus evaluating of emerging and future communication technologies
- Keeping growers informed of and encouraging their participation in national marketing campaigns and other key programs and reviews
- Promoting strong communications with state associations to facilitate effective planning and marketing projects
- Developing a strong export focus amongst growers and state associations.

Project CY11026

For more information contact:
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T 03 6231 1229
E ceo@cherrygrowers.org.au

National cherry development program

The national cherry development program aims to provide growers with opportunities for engagement with research to ensure the industry is at the 'leading edge' of technology and information, and can be responsive to change.

Each state association is providing the program with full support, input and co-operation. Details of the program were presented at the Annual Levy Payers' Meeting in Canberra. Feedback from this presentation resulted in a review of the expectations and direction of the program, with input sought from all states. A number of activities were held in each state:

- Crop monitoring training for export to China for growers in Vic, NSW, Tas and SA.
- Presentations on R&D outcomes from the Tasmanian Institute of Agriculture on cracking and fruit set, pre-harvest rot in sweet cherry, and an update on the breeding program
- A field day in WA hosted by the Donnybrook Orchard Improvement Group and Fruit West, followed by R&D presentations
- An overview of the R&D presented at the International Cherry Symposium in Spain, was given at the Victorian Cherry Growers Association Annual General Meeting
- An overview of the program was presented at the Fruit Growers Tasmania industry seminar night to bring growers up-to-date with the aims and objectives of the program.

The setting of priorities for 2014/15 is currently underway, with state representatives providing feedback from growers that export readiness was again the priority for activity this year. Activities for this year are now being designed and will be further facilitated by Peter Morrison, a horticultural consultant, who was recently engaged to contribute to this program.

Project CY12023

For more information contact:
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7th International Cherry Symposium

Three Australian representatives attended the International Society of Horticultural Science's 7th International Cherry Symposium, held in June 2013 in Plasencia, Spain. A commercial orchard and a research orchard were visited, along with a newly designed and built packing facility. A small exploration of Spanish cherries in the domestic market was also undertaken.

The symposium highlighted research and outcomes directly relevant to the Australian cherry industry and the R&D being undertaken in Australia. Many of the research outcomes promoted much thought and spirited discussion. Topics covered in the 100 plus speaker and poster presentations from research all over the world included breeding, production, physiology, pest and disease management and postharvest science.

Australia was well represented at the symposium with four speaker presentations and two poster presentations describing work undertaken by researchers. The work was well received by peers and growers and highlighted the high quality of research being undertaken. Additionally, the potential for applying newly gained knowledge is great, particularly going into research trials that produce outcomes directly applicable to production.

Key aspects of the research outcomes presented have been and are continuing to be disseminated to the wider industry body. It is anticipated that this will promote further engagement between research and industry members. This is occurring through informal discussions, formal presentations and through summary articles in *Australian Cherries* magazine.

Project CY12706

For more information contact:
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Protecting pollination

Understanding pollination practices

TQA Australia undertook a survey of primary producers in the apple, pear, blueberry and cherry industries to gain a better understanding of current pollination practices and the decision-making that underpins it. The purpose of the survey was to enhance the decision-making capability of stakeholders to better equip them to prepare for and manage a response to the impact of Varroa mite becoming established in Australia.

The online survey was widely promoted by industry bodies through traditional and social media and over 100 responses were received. The survey was supplemented with over 20 face-to-face interviews in four key regions. These in-depth interviews allowed for deeper exploration of issues identified in the survey.

Preliminary results indicate that there is a high degree of awareness of effective pollination practices within these industries, and that growers remain very interested in further improving their understanding and skills in this area.

Project MT13027

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Remote surveillance of bee bait boxes

Bait boxes at Australian ports have conventionally been inspected manually by apiary officers for the presence of bees. A proof-of-concept remote surveillance technology was developed in a previous project (MT10063) that used a smartphone to capture and analyse images within a bait box and generate an alert when a swarm of bees was detected. Two remote surveillance bait boxes were trialled successfully.

NCEA technician, Victor Skowronski and Cabarlah beekeeper, Rodney Ruge with the bait box during a controlled test

Bees emptied out of the bait box to retrieve sensor data at the end of a controlled test

A new project is trialling a further twenty remote surveillance bait boxes at ports around Australia, with additional refinements to accommodate the larger deployment and the anticipated ongoing deployment after the project. The refinements include developing the notification protocol and web interface for monitoring alerts generated by the remote surveillance bait boxes. Final evaluations, system specifications and the identification of potential commercial deliverers will be completed by September 2014.

This project will enable improved surveillance for honeybee pests that could enter Australia by cargo movements at ports.

Project MT13028

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Australian Cherry Industry Conference 2013

The Australian Cherry Industry Conference was held in August 2013 in Canberra. The 2013 event, hosted by the NSW Cherry Growers' Association was themed "Breaking Down Barriers – Navigating Oceans of Opportunity". The event covered current industry issues, particularly market access, and provided information to Australian growers and industry associates from some of Australia's and the world's leading experts.

There were 119 Australian and international delegates who attended the conference with the larger proportion attending from Victoria and NSW. Exhibitors and sponsors at the conference's trade show showcased current industry-related products and services from 16 companies.

Sponsorship proved to be a defining factor of the conference. The current economic climate meant that many regular sponsors were unable to provide funding, so obtaining sponsorship to ensure that there was enough to fulfil the expectations of the conference was difficult. Focus needs to be on promoting the event early to ensure first choice of sponsors, presenting sponsorship packages that are professional and are of value to businesses and servicing and acknowledging these businesses as much as possible during the event to ensure future participation.

Guest speakers were chosen by the NSW Cherry Growers' Association Committee to provide new and proven information to our delegates. The two international guest speakers, James Christie and Juan Pablo Zoffoli were well received and many delegates provided comments on the value of their presentations. Domestic speakers included: Andrew Jessup and John Golding from the NSW Department of Primary Industries; Andrew Metcalfe, Secretary of The Department of Agriculture; Bill Thompson from Commins Hendriks Solicitors (presented by AustSafe Super) and Karli Verghese from RMIT University (presented by CHEP).

Project CY12707

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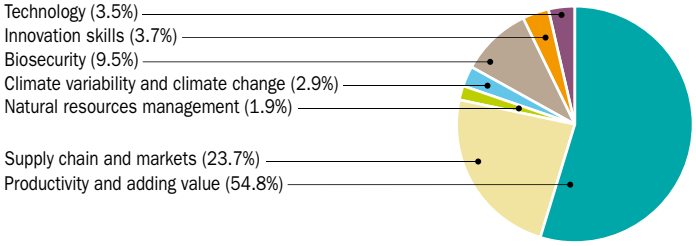
Australian Government priorities

As part of the Australian Government's commitment to rural research and development (R&D), horticulture industries can access matching Commonwealth funding though Horticulture Australia Limited (HAL) for all R&D activities.

The Australian Government's Rural R&D Priorities aim to foster innovation and guide R&D effort in the face of continuing economic, environmental and social change.

HAL's operations are closely aligned with these priorities.

This chart shows the percentage of expenditure in HAL's cherry R&D program against each of the Australian Government priorities for rural R&D. Full details of expenditure across all industries is available in HAL's annual report at www.horticulture.com.au.



Productivity and adding value

Improve the productivity and profitability of existing industries and support the development of viable new industries.

Supply chain and markets

Better understand and respond to domestic and international markets and consumer requirements and improve the flow of such information through the whole supply chain, including to consumers.

Natural resource management

Support effective management of Australia's natural resources to ensure primary industries are both economically and environmentally sustainable.

Climate variability and climate change

Build resilience to climate variability and adapt to and investigate the effects of climate change.

Biosecurity

Protect Australia's community, primary industries and environment from biosecurity threats.

Innovation skills

Improve the skills to undertake research and apply its findings.

Technology

Promote the development of new and existing technologies.

HAL's consultation funding

The consultation funding agreement between Cherry Growers Australia Inc. (CGA) and Horticulture Australia Limited (HAL) sets out the tasks each organisation will perform to enable the other to discharge its responsibilities related to levy payers and industry services.

Consultation agreement activities are funded by HAL using the cherry industry's R&D levy and matched funds from the Australian Government.

These funds enable CGA to undertake the Annual Levy Payers' Meeting, conduct IAC and sub-committee meetings, attend HAL Industry Forums, HAL/CGA Executive Board to Board consultation meetings, and other formal and informal consultation between personnel of CGA, HAL and other key organisations.

The full year consultation funding expenditure for CGA was $162,379. This represents 13.8 percent of the total annual levy expenditure. Consultation funding in respect of R&D represents 14 percent of the investment in R&D expenditure and consultation funding in respect of marketing represents 13 percent of the investment in marketing expenditure.

Project CY13910

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HAL's roles and relationships

Horticulture Australia Limited (HAL) is a not-for-profit industry owned company. Its role is to manage the expenditure of funds collected by the Australian Government on behalf of horticulture industries. In 2013/14 HAL invested more than $100 million in projects to benefit horticulture industries.

An Industry Advisory Committee (IAC) is established for each industry with a statutory levy and annual income exceeding $150,000.

The Prescribed Industry Body (PIB) for an industry is responsible for recommending to HAL the establishment of, and any changes to, statutory levies. The PIB for an industry with a statutory levy recommends membership of the IAC to HAL and must demonstrate how the skills required on an IAC are met by the persons they recommend for appointment to the committee.

For more information please visit www.horticulture.com.au.

ACROSS INDUSTRY PROGRAM

The cherry industry contributes funding towards an across industry program that addresses issues affecting all of horticulture. Details of the current program are listed below. A full report of the program can be found at www.horticulture.com.au/industries/across_industry_program.asp.

Project no.	Rural R&D priorities	Project title	Levy or VC	Project start	Project finish	Life of project value	2013/14 expenditure	Organisation	Contact
Objective 1: To enhance the efficiency, transparency, responsiveness and integrity of the supply chain									
AH12009		Partnering fresh produce with retail – Quality Assurance harmonisation	Levy	1/8/12	31/8/13	$143,500	$212	Kitchener Partners	Tristan Kitchener 0407 827 738
AH12010		Partnering fresh produce with retail – Joint working groups	Levy	1/8/12	30/11/14	$305,000	$43,446	Kitchener Partners	Tristan Kitchener 0407 827 738
AH12015		Food Innovation Hub	Levy	9/5/13	31/8/13	$28,166	$5,633	Food Innovation Partners	Russel Rankin 07 3289 4591
AH12016		Partnering fresh produce with retail: Quality Assurance harmonisation	Levy	15/5/13	30/6/15	$337,307	$105,096	Kitchener Partners	Tristan Kitchener 0407 827 738
AH13026		Retailer in-store training	Levy	16/12/13	30/5/14	$20,000	$20,000	Kitchener Partners	Tristan Kitchener 0407 827 738
Objective 2: Maximise the health benefits of horticultural products in the eyes of consumers, influencers and government									
No active project in 2013/14 to report on									
Objective 3: Position horticulture to compete in a globalised environment									
AH09027		Investing in Youth successful scholarship applicant	Levy	31/5/10	31/3/15	$80,000	$10,000	Rural Industries R&D Corporation	Margo Andrae 02 6271 4132
AH11009		Autonomous perception systems for horticulture tree crops	Levy	1/5/12	27/11/15	$120,000	$40,000	The University of Sydney	Dr Salah Sukkarieh 02 9351 8154
AH12018		Export symposium 2013	Levy	12/4/13	31/12/13	$34,188	$22,931	Oliver & Doam	Agnes Barnard 02 8011 4743
AH12019		Horticulture Leaders – Across Horticulture Leadership Training – 2013 and 2014 programs	Levy	3/6/13	31/5/15	$184,323	$50,000	Strategic Business Development Pty Ltd	Russell Cummings 0414 929 585
AH13018		Horticulture R&D showcase	Levy	1/8/13	30/6/14	$46,889	$35,680	Horticulture Australia Limited	Brenda Kranz 02 8295 2317
AH13020		Horticulture information unit	Levy	1/8/13	28/2/16	$250,000	$31,000	Horticulture Australia Limited	Pat Abraham 0438 474 758
AH13028		Australia Fresh – across industry initiative	Levy	16/12/13	30/12/14	$50,000	$44,789	Oliver & Doam	Agnes Barnard 02 8011 4743
MT12029		Horticultural Market Access Manager 2012–2015	VC/ Levy	1/10/12	30/9/15	$613,500	$74,839	Langley Consulting	Chris Langley 0498 723 103
Objective 4: Achieve long term viability and sustainability for Australian horticulture									
AH09003		Plant protection: Regulatory support and coordination	Levy	1/7/09	30/5/14	$995,061	$243,225	AKC Consulting Pty Ltd	Kevin Bodnaruk 02 9499 3833
AH09014		Across industry climate research, development and extension (RD&E) activities	Levy	13/4/10	28/2/14	$60,264	$12,000	Horticulture Australia Limited	Brenda Kranz 02 8295 2317
AH10003		Horticulture component of the National Climate Change Research Strategy for Primary Industries	Levy	30/11/11	1/7/15	$157,500	$0	Horticulture Australia Limited	Brenda Kranz 02 8295 2317
AH10006		Pesticide spray drift in horticulture – a response to new guidelines from the APVMA	Levy	1/7/10	30/6/14	$20,000	$4,676	Horticulture Australia Limited	Jodie Pedrana 0404 314 751
AH11007		Developing an LCI database for Australian agriculture	Levy	2/1/12	1/10/13	$20,000	$10,000	Rural Industries R&D Corporation	Brenda Kranz 02 8295 2317
AH11029		Provision of independent technical and secretarial services to the National Working Party for Pesticide Application	Levy	20/12/11	31/5/15	$100,000	$25,000	Plant Health Australia	Nicholas Woods 02 6215 7704
AH11010		Biotechnology awareness in horticulture	Levy	10/10/11	30/6/14	$102,177	$9,941	Horticulture Australia Limited	Alok Kumar 0418 322 070
AH11011		Horticulture funding of the CRC for Plant Biosecurity	Levy	30/6/12	30/5/18	$3,000,000	$500,000	CRC For National Plant Biosecurity	John Austen 02 6201 2882
AH13014		Horticulture for Tomorrow review and upgrade	Levy	5/8/13	23/6/14	$43,228	$43,196	Horticulture Australia Limited	Brenda Kranz 02 8295 2317

ACROSS INDUSTRY PROGRAM

Project no.	Rural R&D priorities	Project title	Levy or VC	Project start	Project finish	Life of project value	2013/14 expenditure	Organisation	Contact
AH13023		Industry Development Forum with International Horticulture Congress	Levy	17/2/14	30/6/15	$45,100	$2,923	Horticulture Australia Limited	David Low 0429 221 443
AH13025		Research to support HAL Member input to the HAL review	Levy	18/11/13	28/2/14	$43,399	$43,647	Horticulture Australia Limited	John Madden 0421 274 076
AH13027		Plant protection: Regulatory support and coordination – continuation of AH09003	Levy	31/5/14	1/7/18	$892,748	$25,000	AKC Consulting Pty Ltd	Kevin Bodnaruk 02 9499 3833
AH13032		Response to Agricultural Competitiveness white paper	Levy	1/4/14	30/4/14	$31,500	$31,500	KPMG	Michelle Pawley 02 6248 1141
MT10029		Managing pesticide access in horticulture (cont from AH04009 and MT07029)	Levy	1/7/10	2/7/15	$1,261,460	$67,398	Horticulture Australia Limited	Jodie Pedrana 0404 314
MT10049		A multi target approach to fruitspotting bug management	Levy	1/3/11	1/4/16	$1,353,016	$40,741	Department of Primary Industries NSW	Ruth Huwer 02 6626 1196
MT10066		Project coordination for MT10049	Levy	14/3/11	31/5/14	$42,984	$1,214	RCR Agri Pty Ltd	Chaseley Ross 0409 707 806
Objective 5: Other									
AH11003		Support Function for AIC	Levy	15/9/11	30/8/13	$84,187	$35,000	Horticulture Australia Limited	Warwick Scherf 02 8295 2323
AH11017		Sponsorship of Appetite for Excellence Awards	Levy	1/7/11	22/6/14	$70,500	$20,000	Horticulture Australia Limited	Melissa Smith 02 8295 2340
AH11023		Graham Gregory Award and function	Levy	1/7/11	30/6/16	$151,500	$30,000	Horticulture Australia Limited	Sharyn Casey 02 8295 2379
AH11026		Across Industry program administration	Levy	1/7/11	30/6/14	$31,800	$6,332	Horticulture Australia Limited	Warwick Scherf 02 8295 2323
AH13800		Across Industry Annual Report 2012/13	Levy	1/7/13	30/6/14	$15,000	$9,688	Horticulture Australia Limited	Barbara Knezevic-Marinos 02 8295 2318
MT12028		OHMA operational support 2012–2015	VC/ Levy	1/10/12	31/5/15	$91,500	$19,832	Horticulture Australia Limited	Peter Whittle 0409 578 937
Horticulture Australia Transformational Fund projects									
AI12002		Transformational solutions to challenges and issues facing the Australian horticulture industry	Levy	9/9/13	1/10/14	$500,000	$250,000	Intellectual Ventures	Paul Levins 0419 239 180
AI13001		Dietary sterilisation of male Queensland Fruit Fly	Levy	1/5/14	28/2/18	$1,253,316	$0	CSIRO Biosecurity Flagship	Dr Christopher Hardy 02 6246 4375
AI13004		Transforming subtropical/tropical tree crop productivity	Levy	5/11/13	31/5/17	$3,089,012	$652,026	The Department of Agriculture, Fisheries and Forestry, Qld	Dr John Wilkie 0402 390 885
AI13008		A platform for the continuous genetic improvement of accepted cultivars of vegetatively propagated horticultural crops	Levy	14/11/13	31/1/17	$2,025,439	$354,981	Queensland University of Technology	Dr James Dale 07 3138 2819
AI13011		Transformational Innovation Performance Analysis	Levy	1/10/13	31/12/14	$147,385	$117,308	The University of Queensland	A/Prof Damian Hine 07 3346 8162
AI13012		A value chain approach to horticultural product innovation	Levy	20/12/13	31/12/14	$265,430	$112,544	Central Queensland University (CQU)	Philip Brown 07 4150 7145
AI13013		Direction setting Forum for a horticultural education strategy	Levy	24/2/14	30/7/15	$15,000	$7,967	Horticulture Australia Limited	Sharyn Casey 02 8295 2379
AI13014		Advancing Post Doctorates in horticulture	Levy	1/6/14	30/4/18	$800,000	$0	Horticulture Australia Limited	Sharyn Casey 02 8295 2379

Australian Government Rural R&D Priorities: Productivity and adding value; Supply chain and markets; Natural resource management; Climate change and climate variability; Biosecurity; Innovation skills; Technology

CHERRY PROGRAM

Project	Industry obj.	Rural R&D priorities	Project title	VC/ Levy	Project start	Project finish	Life of project value	2013/14 expenditure	Organisation	Contact
CY11004	3		Extension of improved communication with the Victorian cherry industry	VC	26/10/11	31/7/14	$66,651	$21,812	Victorian Cherry Association Inc.	Kath Boast 03 5825 3700
CY11016	1		Evaluation of high quality Australian bred sweet cherries for export and domestic markets	Levy	26/9/11	30/6/14	$240,000	$32,000	South Australian Research and Development Institute	Darren Graetz 0401 122 141
CY11023	3		Cherry Industry Research Plan 2011–2014	Levy	1/1/12	30/6/14	$185,000	$55,390	Horticulture Australia Limited	Elisa Tseng 02 8295 2341
CY11026	3		Maintenance and ongoing development of communications across the Australian cherry industry	Levy	28/6/12	15/6/15	$240,000	$40,000	Cherry Growers Australia	Simon Boughey 03 6231 1229
CY12000	1		Reducing the impact of late season rainfall	VC/ Levy	1/12/12	1/8/15	$161,705	$51,364	Tasmanian Institute of Agriculture	Penny Measham 03 6226 1870
CY12002	1		Improving fruit quality and consistency in cherries through maximised nutrient availability	Levy	31/7/12	30/12/17	$295,000	$60,000	Tasmanian Institute of Agriculture	Sally Bound 03 6233 6857
CY12003	1		Optimising cherry fruit set, crop load, fruit nutrition and size – phase 2	VC/ Levy	19/3/13	1/7/15	$359,507	$202,518	Tasmanian Institute of Agriculture	A/Prof Dugald Close 03 6226 2776
CY12007	2		Export development for Australian cherries	Levy	1/7/12	30/6/15	$433,000	$62,500	Cherry Growers Australia	Simon Boughey 03 6231 1229
CY12010	1		Comparing the performance of new cherry rootstocks soon to be available to industry	VC	15/10/12	6/5/17	$218,890	$59,263	Scientific Horticulture Pty Ltd	Dr Gordon Brown 03 6239 6411
CY12023	3		National cherry development program	Levy	17/6/13	31/5/17	$213,120	$60,000	Tasmanian Institute of Agriculture	Penny Measham 03 6226 1870
CY12024	1		Australian cherry evaluation utilising precocious rootstocks	Levy	21/6/13	31/5/18	$60,440	$13,040	Cherry Growers Association of South Australia	Andrew Flavell 0418 833 428
CY12706	3		Bridging the gap between research and industry: Attendance at 7th International Cherry Symposium	VC	10/5/13	31/10/13	$50,000	$0	Tasmanian Institute of Agriculture	Penny Measham 03 6226 1870
CY12707	3		Australian Cherry Industry Conference 2013	VC	23/5/13	31/10/13	$100,000	$20,000	NSW Cherry Growers Association	Kate Noller 0432 920 362
CY13001	1		Optimal management of pre-harvest rot in sweet cherry	Levy	1/10/13	30/9/16	$149,779	$40,000	Tasmanian Institute of Agriculture	Dr Karen Barry 0400 929 258
CY13012	3		Correlating fruit fly threat with cherry production and climate	Levy	1/12/13	31/5/14	$15,852	$15,852	NSW Department of Primary Industries	Andrew Jessup 02 4348 1965
CY13013	3		Little cherry virus educational workshops	Levy	10/4/14	27/6/14	$14,774	$14,774	Cherry Growers Australia	Simon Boughey 03 6231 1229 0419 871 824
CY13501	2		Cherry integrated marketing campaign	Levy	1/7/13	30/6/14	$120,000	$102,658	Horticulture Australia Limited	Elisa Tseng 02 8295 2341
CY13502	2		State promotions	Levy	1/7/13	30/6/14	$30,000	$30,000	Horticulture Australia Limited	Elisa Tseng 02 8295 2341
CY13503	2		Point-of-sale production	Levy	1/7/13	30/6/14	$50,000	$50,000	Horticulture Australia Limited	Elisa Tseng 02 8295 2341
CY13504	2		Export promotions	Levy	1/7/13	30/6/14	$60,000	$18,000	Horticulture Australia Limited	Elisa Tseng 02 8295 2341

CHERRY PROGRAM

Project	Industry obj.	Rural R&D priorities	Project title	VC/ Levy	Project start	Project finish	Life of project value	2013/14 expenditure	Organisation	Contact
CY13700	3		Australian Cherry Growers National Conference 2014	VC	17/6/14	31/10/14	$50,000	$39,000	Cherry Growers Australia	Simon Boughey 03 6231 1229
CY13800	3		Cherry Industry Advisory Committee Annual Report 2012/13	Levy	1/7/13	30/6/14	$7,806	$7,806	Horticulture Australia Limited	Barbara Knezevic-Marinos 02 8295 2318
CY13910	3		Cherry Consultation Funding Agreement 2013/14	Levy	15/9/13	10/8/14	$159,061	$159,061	Cherry Growers Australia	Stuart Burgess 02 8295 2300
MT12001	1		SPLAT Cue-lure based management of Queensland fruit fly	Levy	1/5/13	29/2/16	$443,140	$5,000	South Australian Research and Development Institute	Dr Peter Crisp 08 8303 9539
MT12009	2		Export-import market intelligence 2012–2014	VC/ Levy	15/7/12	30/6/14	$140,122	$7,206	Global Trade Information Services, Inc.	Russell Patterson 1 803 765 1695
MT12028	2		OHMA operational support 2012–2015	VC/ Levy	1/10/12	31/5/15	$91,500	$2,221	Horticulture Australia Limited	Peter Whittle 0409 578 937
MT12029	2		Horticultural Market Access Manager 2012–2015	VC/ Levy	1/10/12	30/9/15	$13,500	$10,929	Office of Horticultural Market Access	Chris Langley 0498 723 103
MT12049	3		A model for industry planning and preparedness for an incursion of Varroa mite	VC/ Levy	17/6/13	30/5/15	$58,400	$4,238	Plant Health Australia	Brad Siebert 0417 653 128
MT13011	2		Australia Fresh core program for export development 2013/14	VC/ Levy	15/8/13	30/6/14	$86,500	$9,000	Oliver & Doam	Agnes Barnard 0414 157 085
MT13027	3		Understanding practice in key pollination industries	VC/ Levy	1/7/13	30/5/14	$45,000	$2,232	TQA Australia	Mark Leech 0487 386 833
MT13028	3		Deployment and refinement of bait box remote surveillance system	VC/ Levy	1/11/13	1/9/14	$99,200	$4,304	National Centre for Engineering in Agriculture	Dr Cheryl McCarthy 07 4631 2297
MT13031	3		Establishment of systems to validate Pest Free Place of Production for Queensland fruit fly in the Yarra Valley	VC/ Levy	30/10/13	30/5/15	$98,000	$10,000	Department of Environment and Primary Industries, Victoria	Gary D'Arcy 03 9217 4175
MT13038	3		Fruit fly quarantine technical discussions, China – Oct/Nov 2013	Levy	28/10/13	31/5/14	$22,206	$0	Horticulture Australia Limited	Peter Whittle 0409 578 937
MT13045	3		Fourth Australia-China Cooperation Forum	Levy	11/11/13	30/4/14	$14,500	$1,795	Langley Consulting	Chris Langley 0498 723 103
MT13050	3		Clothianidin residue survey	Levy	30/11/13	31/5/14	$18,000	$2,865	Horticulture Australia Limited	Jodie Pedrana 0404 314 751

Australian Government Rural R&D Priorities: Productivity and adding value; Supply chain and markets; Natural resource management; Climate change and climate variability; Biosecurity; Innovation skills; Technology

CLIMATE CHANGE RD&E

Throughout 2013/14, the Australian horticulture industry invested in a range of research, development and extension (RD&E) projects to better understand, adapt to and mitigate the impacts of climate change.

Horticulture Australia Limited (HAL) has invested in cross-collaborative programs, such as the Climate Change Research Strategy for Primary Industries (CCRSPI) and Agricultural Lifecycle Inventory (AusAgLCI), and projects within or across industries, such as on crop phenology, nitrogen and plant-waste management, regulated deficit irrigation, carbon and soil, urban forestry and environmental auditing.

HAL's RD&E investment is obtained through industry levies, voluntary contributions and matched funds by the Australian Government.

CHERRY LEVY INVESTMENT SUMMARY

Year ended 30 June 2014	Marketing 2013/14 $	R&D 2013/14 $	Combined 2013/14 $
Funds available 1 July 2013	**138,015**	**48,154**	**186,169**
Income			
Levies received	304,987	403,608	708,595
Commonwealth contributions		414,903	414,903
Other income	321	(3,521)	(3,200)
Total income	**305,308**	**814,990**	**1,120,298**
Budget	*425,266*	*965,321*	*1,390,587*
Variance to budget	*(119,958)*	*(150,331)*	*(270,289)*
Program investment			
Levy programs	250,293	739,418	989,711
Service delivery programs by HAL	30,619	90,388	121,007
Across Industry contribution		18,315	18,315
Levy collection costs	24,997	24,997	49,994
Total investment	**305,909**	**873,118**	**1,179,027**
Budget	*377,302*	*887,830*	*1,265,132*
Variance to budget	*71,393*	*14,712*	*86,105*
Annual surplus/deficit	(601)	(58,128)	(58,729)
Closing balance 30 June 2014	**137,414**	**(9,974)**	**127,440**

Cherry Industry Advisory Committee (IAC)

Bob Granger (Chair)
Scott Coupland
Kym Green
Lucy Gregg
Stephen Riseborough
Andrew Smith
Peter Smith
Ian Sparnon
Tessa Jakszewicz (Independent Officer)
Simon Boughey (Ex-Officio)
Stuart Burgess (Ex-Officio)

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