



Oysters Australia
Strategic Plan

2014 – 2019



Scope

This strategic plan prioritises interstate issues and solutions in common across R&D, policy and marketing for implementation and investment by Oysters Australia. Oysters Australia's members include policy and R&D bodies in NSW, SA & Tas. There is currently only funding available for R&D activities. Interstate co-investment is by agreement around the Oysters Australia table, guided by this plan.

The Australian oyster industry

- Comprises approximately 550+ individuals and businesses located mostly in NSW, South Australia and Tasmania with small production in WA & Qld
- Net farm gate value is nearly \$100 million and derived predominantly of family owned, owner-operated businesses
- Over 97% of oysters sold in Australia are fresh ½ shell to end users with little value add
- Australia is a net exporter of oysters with just 3% of production exported. Frozen half shell imports are from NZ destined for WA & Qld. Canned product is from Asia
- Supply chain is complex, complicated by the market's reliance on a processed oyster. Between two and seven intermediaries are involved in the path to market
- Demand (for quality) exceeds (quality) supply. Supply is according to a fixed price which is often seasonally cut en masse. The supply chain has significant influence

Goal and Objectives

To sustainably increase industry GVP to \$146M through improved productivity and profitability while building 'people power' capacity:

1. **Production** – Sustainably increase productivity and profitably through better techniques & technology
2. **Better Oyster** – Develop a resilient and marketable oyster
3. **Demand** - To increase oyster consumption and market satisfaction through the supply of consistently high quality oysters
4. **Capacity** - Build capacity, leadership and confidence in the industry through the work that Oysters Australia does for growers and with its partners

Background & Need

The formation of Oysters Australia in 2011 from its informal beginnings as the Seafood CRC Oyster Consortium began the formal investment relationship between oyster producing states.

The Oyster Consortium/Oysters Australia actioned many of the R&D high priorities contained in Seafood CRC project 2009/729: "Australian Edible Oyster Industry Business Plan 2009 – 2014".

The national industry needs an agreed plan to guide its investment. Oysters Australia is readying itself to exit the 2007-2014 Seafood CRC and to identify new opportunities. A national strategic plan will guide cohesive and efficient R&D investment post the Seafood CRC.

2009-2014 plan achievement

Table 1 is a 'report card' on how many of the 2009-2014 High Priorities were achieved. This is useful in setting delivery expectations on the 2014-2019 plan.



Report Card

Industry's Big Ticket Items	Business Plan High Priority Scores	Comments
1. Profile & structure	73%	OK. OA has been built. News & communication forum built. Work areas = communication & relations with chain, fund bodies, and Gov't
2. R & D	100% (not incl. market priorities)	Well Done. R & D is OA's strength and main activity. It has funded executive support via CRC
3. Policy	50% *	Average. *BUT POMS wasn't here in 2009 & not included. SICOA (soon OA) has voluntary manpower & can only have reactive focus eg POMS. Needs resource to allow it be proactive.
4. Market/ promotion	57% (achieved via CRC)	Room for improvement! Needs \$ to achieve priorities post Seafood CRC

Table 1: Report card on achievement in Business Plan High Priority areas

In short, the industry's ability to address its 'Big Ticket' items is limited by funds available. Any future delivery against priorities in the policy and market areas, and to some extent, profile/structure, are a spin-off of R&D investment or can only be achieved via voluntary manpower.

Expectations for delivery against 'Big Ticket' items in the 2014-2019 plan:

R&D: Very high delivery against priorities is expected. OA's main role is to manage and co-ordinate R&D investment using leveraged R&D funds.

Policy: Delivery against collaborative national priorities is a bonus. OA (via SICOA) only has access to voluntary manpower and state involvement on policy issues.

Market/promotion: Some delivery against collaborative national priorities is expected. Some strategies fit within R&D investment but many do not and are the responsibility of the industry to fund.

Profile & structure: Some delivery against collaborative national priorities is expected. While regulatory requirements need to be met, some communication and Government relations cannot be done as this is not core R&D.

Changes in priority ranking between 2013 and 2009

	NSW (\$)	SA (\$)	Tas (\$)	National average
On farm				
Protect ability to farm	15	7	8	9
Tenure security & ability to borrow capital against assets	8	7	7	8
Reducing costs of farming	11	10	9	11
Availability of labour & training	2	5	3	4
Breeding better oysters	27	32	24	24
Manage & protect against disease	14	23	31	22
Ensure shellfish safety & market access	5	7	12	8
Off farm				
Improved path to market	2	5	3	4
A better returning market	16	5	4	10
	100	100	100	100

Table 2: 2013 priority results where growers were asked (100 replied) to 'spend' \$100 to fix problems in the industry

Priority	NSW / Qld	SA	Tas
1	Local development impacts & water quality management	Developing new markets & customers	Reducing costs of farming
2	Developing new markets & customers	Genetics / breeding program	Local development impacts & water quality management
3	Genetics / breeding program	Availability of labour & training	Developing new markets & customers
4	Supply chain management	Reducing costs of farming	Tenure security & ability to borrow capital against assets
5	Reducing costs of farming	Tenure security & ability to borrow capital against assets	Availability of labour & training
6	Tenure security & ability to borrow capital against assets	Local development impacts & water quality management	Production optimisation
7	Availability of labour & training		Genetics / breeding program
8			Supply chain management

Table 3: 2009 priority results where growers were asked to list and rank their five biggest issues affecting profitability

Key changes in four years

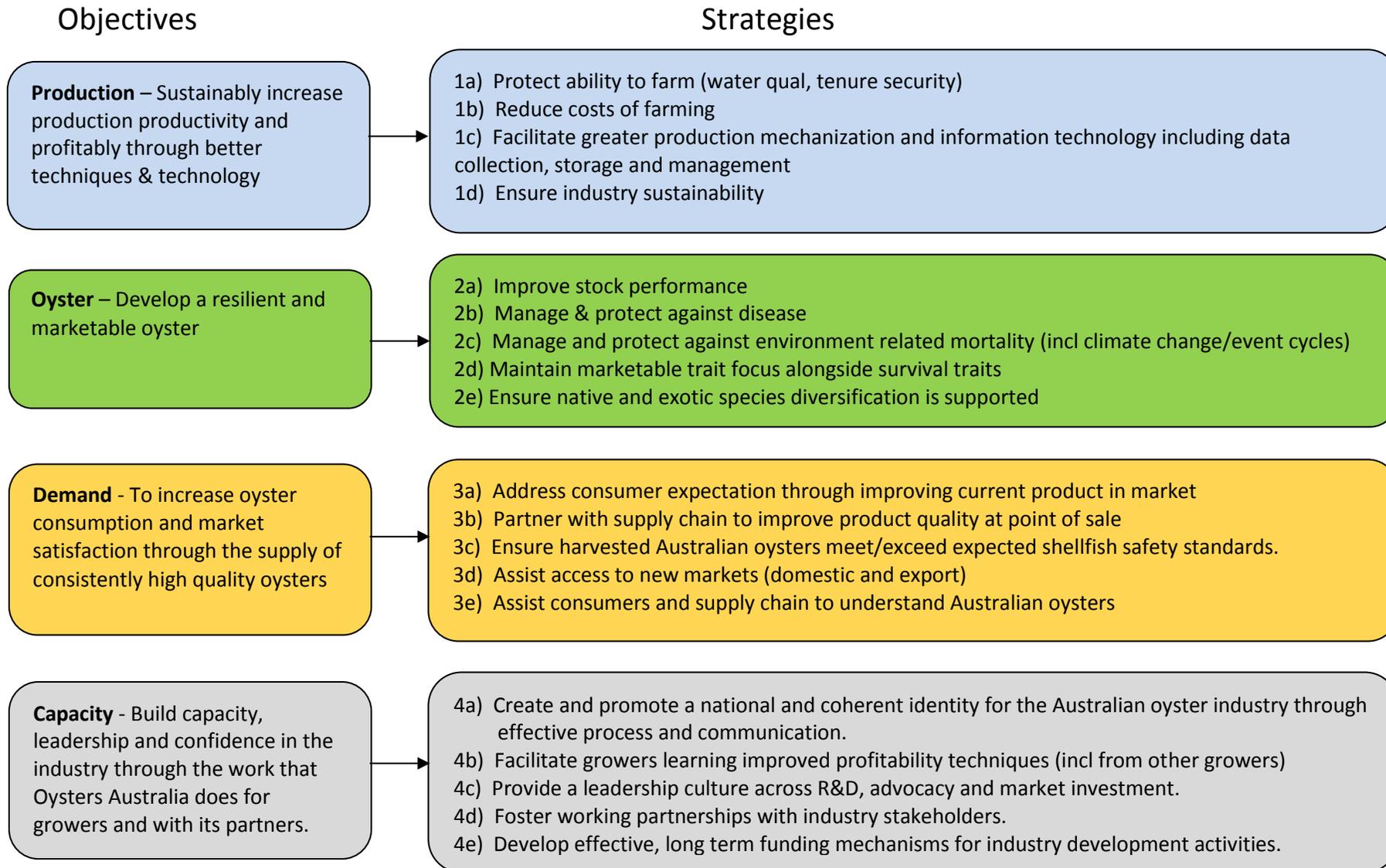
1. Mortalities, disease (and breeding) across all states:
 - Breeding: POMS was identified in NSW posing a significant threat to Pacific dependant SA & Tas who in turn have placed stronger emphasis on breeding and a high priority on disease management (at the expense of market investment).
 - Background mortality, SAMS and other significant mortalities in SA and NSW in both Pacific and SRO production have added more widespread urgency to the questions; *“What is ‘normal’ oyster mortality, what is causing widespread losses and how can we manage it?”*. As a result, there is greater focus on improved data collection and storage and the way in which environmental and other data feedback mechanisms impact animal health and can improve farm productivity
 - Species diversification: Another response to widespread mortality has been to investigate alternative species.

2. Market & ‘Water Quality’ for NSW: Water quality continues to take high priority – only slightly less because of the interest in managing disease. Tas & SA continue to expand in collective value and production for Pacific oysters is pushing NSW to re-evaluate their marketing investment for Sydney Rocks.

3. Shellfish safety for Tas: Product recalls and harvest area closures in the last 12 months has put shellfish safety in a higher priority position than in 2009.

2014 – 2019 Objectives and Strategy summary

To achieve the main goal of \$146M industry farm gate value by 2019, Oysters Australia has identified a range of strategies which it believes are necessary to meet the industry goals. The strategies against each objective are provided below.



No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget	
1a	Protect ability to farm (water qual, tenure security)	Enable grower access to technology that provides early warning of oyster stress & imminent mortality (linking environmental indicators and other relevant information)	High	All oyster growing states have access to early warning device linking other information by 2017	Y					
		Adopt state level natural resource protection and usage plans (similar to OISAS) for oyster industry and catchment stakeholders	High			Y				
		Encourage and support resource allocation at local/regional level to interact with local environmental and developmental agencies to address water quality issues	Medium				Y			
		Support state organizations in negotiations with state governments on licenses, fees and permits.	Low				Y			
		Co-ordinate a national approach to tenure security (land and/or water) for growers	Medium				Y			
1b	Reduce costs of farming (measured thru benchmarking, etc)	Support involvement in periodical benchmarking program	High	<i>Benchmarking program run once every 3 years ie in 2017 and workshop run on standout issues</i>	Y					
		Facilitate greater levels of knowledge dissemination among growers of successful and unsuccessful production practices.	High	<i>Benchmarking program run once every 3 years ie in 2017 and workshop run on standout issues</i>	Y					

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
		Using benchmarking data, identify and invest in new technology aimed to reduce farming costs	Medium		Y				
1c	Facilitate greater production mechanisation & information technology including data collection, storage and management	Facilitate greater levels of knowledge dissemination among growers of successful and unsuccessful production practices.	High	<i>Benchmarking program run once every 3 years ie in 2017 and workshop run on standout issues</i>	Y				
		Co-invest in breakthrough labour saving machinery	Medium		Y				
		Invest in technology that increases productivity through 'integrated farm management' ie allows combination of stock performance, mortality, stock movements, water quality, animal stress information in an easily accessible device	High	Open architecture technology developed and grower uptake facilitated by 2016	Y				
1d	Ensure industry sustainability	Identify and implement strategies to address climate change issues that may impact on oyster production eg through responding to real time and historical stock performance info	High	All oyster growing states have access to early warning device linking other information by 2017	Y	Y			
		Provide leadership in addressing any identified impacts of oyster farming on the environment	Low			Y			
		Communicate industry's triple bottom line operation in any PR/marketing exercises	Medium			Y	Y		

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
2a	Improve stock performance	Facilitate sustainable commercialisation of ASI and SOCo	High	ASI and SOCo are sustainable and have scoped or implemented a merge path by 2019	Y	Y			
		Invest in identified priority R&D needs in existing Pacific & SRO breeding programs	High	R&D investment in breeding programs is backed by grower evidence of demand	Y				
		Achieve high level resistance to POMS in Pacific oysters via breeding & husbandry techniques before 2018	High	Growers are purchasing POMS resistant stock (with other positive traits) ex hatchery by 2018	Y				
		Assist removal of supply and demand barriers for SRO and other oyster species hatchery production	Medium		Y				
		Investigate, communicate, invest (where needed) grow out techniques that improve stock performance and survival (ie as shown by benchmarking results)	Medium		Y				
		Investigate, communicate, invest (where needed) spat production techniques (hatchery & wild caught) that improve stock performance and survival	Medium		Y				

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget	
2b	Manage & protect against disease	Enable grower access to technology that provides early warning of oyster stress & imminent mortality (linking environmental indicators and other relevant information	High	All oyster growing states have access to early warning device by 2017	Y					
		Invest in breeding and husbandry techniques required to manage emerging (unknown) diseases	High	R&D investment in breeding programs is backed by grower evidence of demand	Y					
		Investigate ways in which mortalities can be efficiently recorded & interpreted	High	All oyster growing states have access to early warning device linking other information by 2017	Y	Y				
		Investigate targetted and cost efficient disease surveillance programs where state collaboration is needed	Medium		Y	Y				
		Support and advocate access to adequate diagnostics services	Medium				Y			
		Establish inter- and intra- state protocols for oyster stock movements.	Medium				Y			
2c	Manage & protect against environment related mortality	Enable grower access to technology that provides early warning of oyster stress & imminent mortality (linking environmental indicators and other relevant information	High	All oyster growing states have access to early warning device by 2017 (This can “plug into” the open architecture developed for 2 b)	Y					

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget	
		Invest in breeding and husbandry techniques required to manage climate change and climate cycle events side effects	Medium		Y					
2d	Maintain marketable trait focus alongside survival traits	Ensure marketable characteristics (condition, texture, colour, uniformity) are not lost when breeding for survival	High	R&D investment in breeding programs is backed by grower evidence of demand	Y					
2e	Support species diversification	Ensure native and exotic species diversification R and D strategies are supported	High							
3a	Address consumer expectation through improving current product in market	Undertake regular surveys to develop a greater knowledge of consumer oyster purchasing behavior.	Low		Y		Y			
		Support and encourage use of regional brands	Medium		Y		Y			
		Seek and exploit linkages with other seafood industries to promote seafood offers.	Medium					Y		
		Commercialise and broaden availability of generic oyster information at point of sale (19/3 market strat)	High	Oyster retail package taken up and commercialised in at least 10 businesses by 2016	Y		Y			

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
3b	Partner with supply chain to improve product quality at point of sale	Provide a regular forum for supply chain members to identify quality and supply issues.	Medium		Y		Y		
		Provide market and price intelligence to industry in Australian and selected international markets.	Low				Y		
		Review cool chain management practices and promote improvement using current technology	Medium		Y				
		Communicate national quality product descriptor language	Medium		Y		Y		
		Identify strategies to maintain traceability & transfer of origin info of oysters along the supply chain (19/3 market strat).	High	At least one supply chain utilises chain traceability device/s by 2017	Y				
		Identify and coinvest in new or adapted methods of reducing oyster processing and improving quality at point of sale (19/3 market strat) – particularly facilitating the shift to the sale of a closed or part opened oyster	High	Alternative processing equipment is in commercial use by 2017	Y				
3c	Ensure harvested Australian oysters meet/exceed expected shellfish safety standards.	Coinvest in identified R&D needs required for ASQAP international equivalency	High	ASQAP is internationally equivalent each year	Y				

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
		Ensure ASQAAC and its role in international policy negotiation is adequately resourced.	High			Y			
		Lobby food safety authorities to ensure they are proactive and vigilant in maintaining food quality standards beyond the farm gate.	Low			Y			
3d	Assist access to new markets (domestic and export)	Identify priority markets and segments for new supply chain development projects with a market ready partner.	High	Alternative processing equipment is in commercial use by 2017 & opening up new market opportunities	Y				
3e	Assist consumers and supply chain to understand Australian oysters	Invest in consumer promotions and develop, make available and promote generic oyster material to supply chain partners & retailers.	High	Oyster retail package taken up and commercialised in at least 10 businesses by 2016	Y		Y		
4a	Create and promote a national and coherent identity for the Australian oyster industry through effective process and communication.	Establish ongoing effective processes for growers to provide input into priorities and project areas.	High	OA holds annual face to face meetings with additional phone meetings. Information is sent to each state R&D meeting as requested. Communication plan executed.	Y				

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
		Maintain a strong R&D group, form Advocacy group on inclusion of SICOA to Oysters Australia and form a Market group if funds become available	High	OA holds annual face to face meetings with additional phone meetings. Information is sent to each state R&D meeting as requested. Communication plan executed.	Y			Y	
		Form and review a strategic plan that encompasses issues from all states and communicate the action plan to growers	High	2019-2024 strategic plan is drafted by 2018 using grower surveys and state strategic plans.				Y	
		Communicate R&D, marketing and promotion and advocacy matters in ways that growers are using to receive information; face to face via annual state conferences and a and a rotating 'Australian' oyster conference, email & phone via quarterly enews (including video), and on paper via an annual summary.	High	Communication plan is executed.	Y	Y	Y	Y	
		Oysters Australia to support state organizations to address legislative and regulatory matters of national significance.	Medium				Y		
4b	Facilitate growers learning improved profitability techniques (including from	Encourage grower involvement, esp from growers who seldom travel, in training, bursaries and conferences	Medium		Y				

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
	other growers)	Communicate R&D, marketing and promotion and advocacy matters via annual state conferences, quarterly enews (including video), and a rotating 'Australian' oyster conference.	High	Communication plan is executed.	Y	Y	Y		
4c	Provide a leadership culture across R&D, advocacy and market investment strategies	Ensure linkages are maintained with state organizations.	High	OA holds annual face to face meetings with additional phone meetings. Information is sent to each state R&D meeting as requested.	Y	Y	Y	Y	
		Support states to provide employers with information on responsibilities to employees.	Low			Y			
		Assist and support NAC to work with federal government agencies to identify and target workers suited to the oyster industry.	Low			Y			
4d	Foster working partnerships with industry stakeholders.	Investigate partnerships/co-investment from partner organisations in the industry.	Medium					Y	
		Seek to engage major industry stakeholders in decision making.	Medium					Y	
		Establish and maintain personal relationships with federal government agencies and R&D providers who impact on/invest in the	Medium					Y	

No	Strategy	Action	Priority	KPI	R&D	Policy	Market	Governance	Budget
		oyster industry.							
		Establish and maintain personal relationships with key parties involved in the oyster supply chain.	Medium					Y	
4e	Develop effective, long term funding mechanisms for industry development activities	Build case & communicate with growers at each step, for a national levy comprising R&D, 'biosecurity' and marketing & promotion components.	High					Y	
		Identify potential funding partners for key oyster industry issues	High					Y	
		Ensure adequate resources are available for effective management and communication of existing and new R&D project activities.	High	Maximum leverage is achieved in all states, whether by alteration of state levy or introduction of national levy.	Y			Y	
		Investigate and allocate resources to provide an advocacy model for national issues and priorities	High			Y		Y	

Key:  KPI dependant on resources available. Policy is resourced voluntarily & there are no funds for marketing

 Only High priorities have a KPI

Potential funding partnerships

In an environment where funding is scarce and the 'path to market' is vital, this mud map identifies potential funding partners in each of the priorities

Water

Food content & 'chemical' quality, other uses, disease

Investment partner: Public (environment > human health > animal health). Industry

Animal

Species, breeding & performance, seed supply, mortality

Investment partner: Industry. Public indirectly for enviro or animal health issues



shed

Shed & water equipment

Materials used, assembly & maintenance, labour required, (enviro) impacts

Investment partner: Commercial, industry interest - suppliers

Consumer

Who, what & when

Investment partner: Consumer (directly via purchase price and indirectly via public funding)



processor



Supply chain incl transport

Transport, processing, no. title transfers

Investment partner: Buyers, wholesalers (those with interest in margin). Industry

Business person

Experience, access to info, grower community & representation

Investment partner: Public & community. Industry

