



# *Australian Macadamias*

**2009 — 2014**

Strategic Plan and Action Plan for the  
Australian Macadamia Industry



# Forward



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## Signature

**Jolyon Burnett**

CEO

The Australian Macadamia Society



# The Strategic Plan



## Our Vision

“A profitable and sustainable industry supplying quality Australian macadamias for a global market”

## Our Plan

This has been called for on the basis that:

- industry stakeholders are under pressure to innovate and adapt to competitively meet consumer demand
- while the industry faces significant risks, it also has significant assets and resources
- if strategically focused, these assets have the potential for sustained growth and profitability
- between 2008 and 2013, HAL is likely to invest at least \$10 –15 Million on behalf of the macadamia industry. Commercial interests, State agencies and others are likely to invest a similar amount.<sup>3</sup>

This plan enlists the commitment of stakeholders to participate in initiatives ensure a whole-of-industry ownership of the plan. A cohesive and coordinated national direction, agreed upon by a broad cross section of the industry, will drive profitability, improve practices and generate success in a global market.

## Our Objectives

- Understanding markets and customers and positioning Australian macadamias accordingly
- Meeting market and customer demand by maintaining quality through effective value chains
- Building grower productivity, profitability and sustainability
- Building industry leadership, capacity and confidence

## Our Industry

The Australian macadamia industry is the largest producer of the only commercially viable native Australian product in the world. The combination of macadamias' unique flavour, texture and heritage is a source of great pride amongst those involved in the industry.

Currently macadamia nuts account for about 2-3% of the world tree nut market, leaving ample opportunity for expansion in existing markets and for developing new markets. Indeed, with global production expected to double by 2012, it is vital that the Australian macadamia industry work actively and collaboratively to increase consumption of Australian macadamias to a level that will support viable and thriving macadamia businesses.



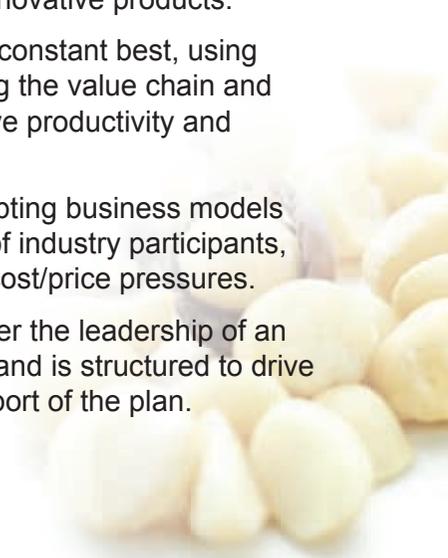
# Challenges & Implications

## The Situation for the Industry:

- Global increase in production is expected to double over 2008-2012. Australia will also experience significant increases.
- Despite this, macadamias are unlikely to exceed 3 percent of the world tree nut market.
- Financial markets at present are very volatile, and the market for macadamias will inevitably be characterised by uncertainty.
- The scope for reducing the total cost of production relative to competitors is limited, and so small macadamia farms will remain vulnerable without adopting improved business models.
- Government policies do not favour market intervention, especially price support mechanisms. Industry must guide its own destiny.
- Even when macadamia prices are down, the nut remains expensive to consumers, and so by default does retain its characteristic as a premium product.
- Consumer research indicates that country of origin is far less important than taste, quality, reliability of supply and price as key determinants of purchasing decisions.

## Implications for the Plan:

- The industry must act collectively to position, build and uphold 'brand macadamia' as THE premium nut
- The industry must act collectively to build the total market for macadamias to absorb the expected doubling of production
- Hand in hand, the industry must ensure that it avoids any decline in existing consumption
- All strategies must focus on 'brand macadamia', including meeting what consumers want from the brand, delivering quality standards that uphold the brand, and pursuing practices that are consistent with the image of the brand.
- The industry must look for and exploit new domestic and international markets through innovative products.
- Industry needs to perform at its constant best, using best management practice along the value chain and investing in innovation to improve productivity and reduce costs.
- The industry must consider adapting business models that increase the sustainability of industry participants, especially those hardest hit by cost/price pressures.
- The plan must be delivered under the leadership of an AMS that is highly accountable and is structured to drive collective industry action in support of the plan.



# Focus on the Customer

The future of the macadamia industry rests on its capacity to understand and meet consumer expectations in a way which grows consumption of Australian macadamias.

Market research shows that the key drivers in macadamia purchases are:

- Price and value for money;
- Food taste and enjoyment;
- Shopping convenience;
- Product availability;
- Safety;
- Nutritional value.

Meeting these values is necessary, but not sufficient. Macadamia purchases are subject to competition from other nuts and other food products in the consumer's budget. Within the food category, there is intense competition for a share of the consumer's total food intake.

Consumer tastes and preferences change rapidly. Within this dynamic and competitive context, innovation in products and services becomes the key to winning consumer purchases.

There are some longer term trends that must be

taken into account by the industry. Consumers are becoming more conscious of food safety, contribution of food to health and the environmental sustainability of production. Over time this could translate into strong preference for foods that meet these requirements. Macadamias have some advantages over other food products in this regard, but this is not necessarily known widely by consumers.

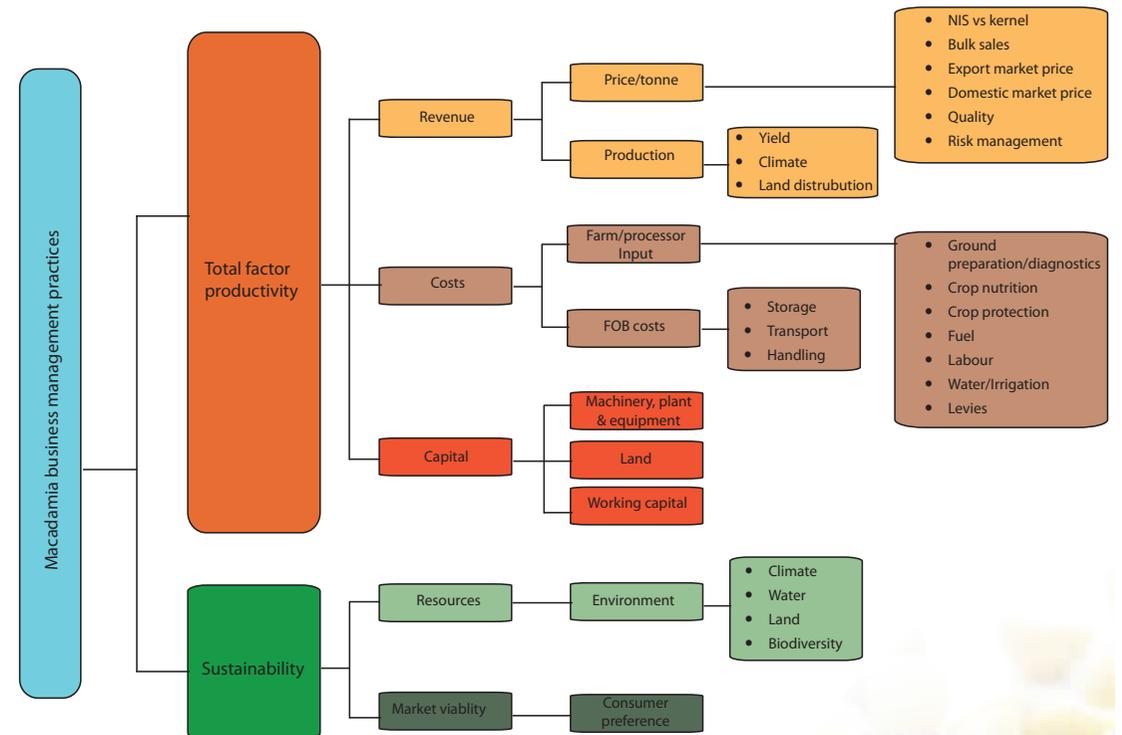
Adhering to production systems that are considered environmentally sound is essential to access certain markets, and most retailers and importers have strict quality specifications on both the quality of the product and the quality of production process. Maintaining product quality to these customers and then through to the consumer is vital.



# Focus on Profitability, competitiveness and sustainability

In planning for its future, the macadamia industry needs to take into account the full range of drivers that influences its productivity and sustainability. From a business management perspective, revenue, costs and capital form the basis of the macadamia industry's total factor productivity. Similarly, environment and market viability form the basis of the Industry's sustainability.

These factors outlined in the figure (right) have been recognised in the development of industry priorities in the plan. A similar Figure on page 15 shows their relationship to the plans's specific objectives.



# Taking a Whole-of-Industry Approach

Achieving the macadamia industry's vision of a profitable and sustainable future depends on a whole-of-industry approach. In today's world, the industry must work as a whole and be seen as a whole rather than individual sectors. With increasing global consolidation through the supply chain, individual sectors will not have the capacity to compete separately and competitiveness will depend on the efficiency and value of services and infrastructure provided within the whole supply chain. In this context, the macadamia growing sector is an integral part of the macadamia industry supply chain and its future depends on its ability to work effectively within the whole chain.

It is important for each sector of the chain to understand how value is created within the chain through the transformation of products or the services provided to deliver products to consumers. This is necessary to develop greater appreciation within the supply chain of the role of each sector in creating value. Understanding the concept of a value chain and contributions to value creation is critical to the profitability of each sector and to its overall health.

The Australian macadamia industry is part of the global food industry and has to compete in domestic and export market where success depends on meeting consumer expectations about their food purchases.

The global market economy in which the industry competes has been built by communication and transport technologies breaking down boundaries and trade barriers being reduced. These developments have opened up opportunities for Australia to export its food products. The other side of globalisation is that our traditional export markets have become more accessible

to overseas competitors and local exporters have come under greater competitive pressure.

In consumer dominated markets, supplier success factors include:

- close knowledge of consumers' values and buying preferences and the ability to supply products which meet consumer expectations;
- major investment in differentiation against the best competing suppliers from anywhere in the world;
- achievement of continuity of supply;
- having the capacity to supply domestic and export markets as the distinction continues to blur between these markets;
- having the business approach and systems to be able to deal with more consolidated buyers including retail chains;
- having the capacity and systems to supply global sourcing networks which may mean being able to source product both domestically and from overseas; and
- being able to build long term relationships with buyers and able to supply according to their specifications particularly in relation to quality and food safety.

In this environment, new business models for achieving scale, accessing capital for growth and employing professional management and labour skills are required to be internationally competitive and remain profitable.



# The Australian Macadamia Industry Strategic Plan

## Vision:

A Profitable and sustainable industry supplying quality Australian macadamias for a global market

### Objective 1:

Understanding markets and customers and positioning Australian macadamias accordingly

### Objective 2:

Meeting market and customer demand by maintaining quality through effective value chains

### Objective 3:

Building grower productivity, profitability and sustainability

### Objective 4:

Building industry leadership, capacity and confidence

# The Strategies

## Objective 1:

Understanding markets and customers and positioning Australian macadamias accordingly

### Strategy One:

Understand customer needs and segments (domestic and international)

### Strategy Two:

Inform and stimulate industry responses using market knowledge

### Strategy Three:

Explore and capitalise on the optimum position of the Australian macadamia brand.

### Strategy Four:

Promote effectively to new and existing markets

## Objective 2:

Meeting market and customer demand by maintaining quality through effective value chains

### Strategy One:

Strengthen the benefits derived in value chain relationships

### Strategy Two:

Ensure the delivery of quality through to the customer

### Strategy Three:

Facilitate feedback and technologies to improve quality and delivery

### Strategy Four:

Encourage an environment for the development of new products and services

## Objective 3:

Building grower productivity, profitability and sustainability

### Strategy One:

Improve productivity and competitiveness

### Strategy Two:

Promote best practice farm operating models to support productive, profitable and sustainable macadamia farms

### Strategy Three:

Identify and promote environment stewardship and conservation practice that enhance the image of the industry

## Objective 4:

Building industry leadership, capacity and confidence

### Strategy One:

Effective communication and engagement with industry and the community

### Strategy Two:

Develop effective, accountable levy programs that support the strategic plan

### Strategy Three:

Ensure the AMS is recognised for its leadership as an effective, united peak body with clear responsibilities

### Strategy Four:

Develop strong and effective partnership with key domestic and international stakeholders



# Strategic Objective 1:

## *Understanding markets and customers and positioning Australian macadamias accordingly*

### Rationale

Without consumers of macadamias, in whatever form the product takes, there is no macadamia industry.

Over the life of this plan, world production of macadamias is estimated to double. It cannot be guaranteed that there will be a corresponding increase in consumption to absorb the additional nuts that will come onto the market. Indeed, even maintaining existing levels of consumption cannot be taken for granted. While reduced prices becomes the default means of clearing stock, passively allowing this will erode whatever premium image macadamias has built. It may also result in a position where a significant number of growers become unviable.

The alternative is for the industry to be proactive in building markets, and in positioning, branding and protecting the image of macadamias as something worth paying for. Knowing the customer and the market opportunities, and informing the right industry sectors at the right time about how to respond to this knowledge lies not only at the heart of this objective, but of the whole plan.

Strategy	Strategy 1 Understand customer needs and segments (domestic and international)	Strategy 2 Inform and stimulate industry responses using market knowledge	Strategy 3 Explore and capitalise on the optimum position of the Australian macadamia brand	Strategy 4 Promote effectively to new and existing markets
Actions	Undertake needs assessment research in key markets, over phased periods of time driven by priority markets and available budgets	Implement tracking systems to monitor customer trends regarding purchase and consumption of all nuts and other competitive snack foods	Identify the optimum position for macadamias which delivers a premium position consistently in all markets	Develop a global promotional program, by key market, identifying key target markets and appropriate promotional program
	Support an information and forecasting system which identifies the supply, demand and key risk factors in market segments	Feed market intelligence information into general industry communication mechanisms		
	Develop global risk management strategy: Identify key risk factors affecting the trading of macadamias and subsequent strategies to mitigate the risks identified.	Ensure industry R&D and Marketing plans respond to market knowledge	Implement a branding strategy promoting the premium position established by the industry	Continuously monitor and evaluate the effectiveness of promotional programs and measure the benefit & success to industry
Bottom Line	The industry knows its product and knows the customers for them	The industry knows what the opportunities are and how to respond to these and to challenges in the market	The Australian industry establishes a strong global position through trusted brand recognition	The industry builds profitability through higher demand in domestic and international markets

## Strategic Objective 2:

### *Meeting market and customer demand by maintaining quality through effective value chains*

#### Rationale

Meeting the needs of markets and customers means achieving customer satisfaction and delivering macadamias which are appealing and without faults. Growing, processing, packaging and delivering macadamias to achieve the characteristics asked for are fundamental to maintaining and building demand.

This objective is therefore about quality across the full spectrum of the value chain, consistent with the industry's positioning and branding of macadamias.

The strategies in support of this objective strengthen the power of growers and processors to respond to market demands, adopt practices that deliver quality while constraining costs, and find innovative solutions to unlock the highest value from macadamia products. Benchmarking, rewarding quality and establishing value in continuously learning play important roles in this objective.

Strategy	Strategy 1 Strengthen the benefits derived in value chain relationships	Strategy 2 Ensure the delivery of quality through to the customer	Strategy 3 Facilitate feedback and technologies to improve quality and delivery	Strategy 4 Encourage an environment for the development of new products and services
Actions	Understand clearly the macadamia value chain	Set quality standards and implement quality systems that reward growers	Develop systems to monitor and track macadamia products from farm to customer	Inform on the development of new products, including the use of macadamias as inclusions
		Improve definitions of specifications demanded by processors		
	Build effective relationships throughout the value chain	Clear guidelines for delivering highest quality at each point in the value chain	Develop technologies to support efficient logistics and supply	
		Assist retailers maintain quality of macadamia products		
Bottom Line	The combined strength of each stage of the value chain maximises profit to all industry sectors	The customer receives what is wanted, and buys more	Industry maintains its stake in quality at every point, and can rapidly pinpoint and rectify problems	Any market failures in new product development and packaging innovation are overcome

# Strategic Objective 3:

## ***Building grower productivity, profitability and sustainability***

### **Rationale**

Meeting customers' demands must be complemented with improving the economic, social and environmental returns to industry participants so that the farms and processors that form the backbone of the industry remain viable and thrive.

Australia's competitors have some advantages that we do not share, such as cheap labour and favoured access to markets through either geographic or political positioning. Economies of scale, competing demands for resources, bio-security and urbanisation, including its impacts on demographics and asset values, also place pressure on the productivity and competitiveness of Australian macadamia businesses.

This objective seeks to develop and promote production, business and resource management systems that improve the long-term viability of Australian macadamia farms and processors.

<b>Strategy</b>	<b>Strategy 1 Improve productivity and competitiveness</b>	<b>Strategy 2 Promote best practice farm operating models to support productive, profitable and sustainable macadamia farms</b>	<b>Strategy 3 Identify and promote environment stewardship and conservation practice that enhance the image of the industry</b>
<b>Actions</b>	Improve overall yield and yield consistency	Promote the range of farm operating options that increase resilience / reduce risks	Implement best environmental management practices on macadamia farms
	Meet quality specifications		
	Minimise input costs	Maintain a vibrant service sector in support of growers	Ensure sound natural resource management in catchments where macadamias are grown
	Improve extension and adoption	Develop and implement an effective best practice extension strategy.	Capture the environmental value to the macadamia industry
<b>Bottom Line</b>	Macadamia farms are more productive and result in higher rates of return	All sectors of the industry are highly professional and well serviced	The industry earns the right as Australia's premier clean and green native industry

# Strategic Objective 4:

## *Building industry leadership, capacity and confidence*

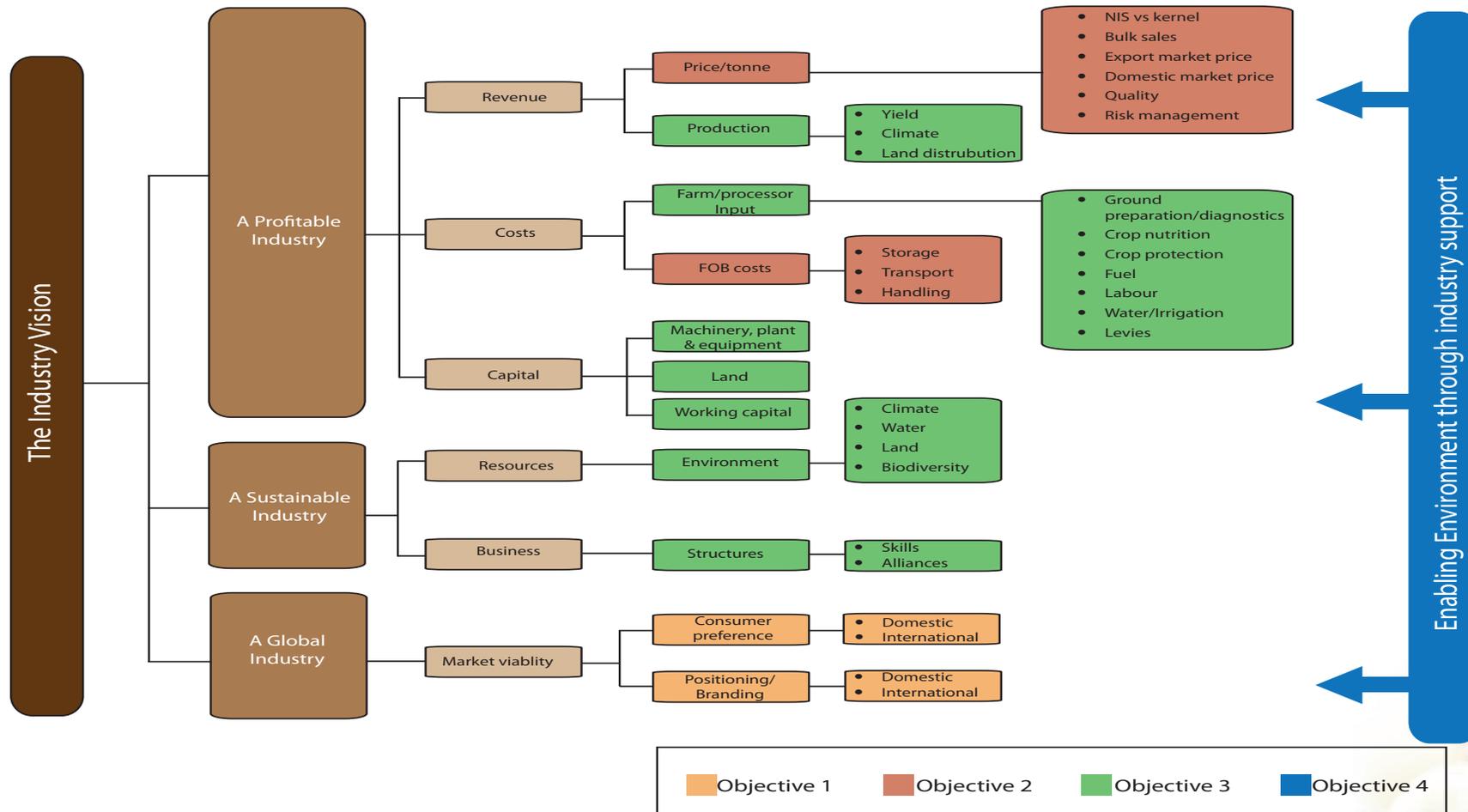
### Rationale

A strong industry is one that has a strong peak body and builds and maintains good relationships throughout the industry, with regulators, service providers and the community. It constantly informs itself and communicates, regularly reviews its performance and holds itself accountable to industry members.

These are the attributes that will be fundamental in ensuring the effective implementation of this strategic plan and in achieving and communicating the progress of its performance indicators. These attributes do not come easy to any industry, and ensuring that the macadamia industry has the right structures and practices in place that are seen as accountable will demand a high degree of engagement, trust, support, commitment and positive attitude. That is the focus of this objective.

Strategy	Strategy 1 Effective communication and engagement with industry and the community	Strategy 2 Develop effective, accountable levy programs that support the strategic plan	Strategy 3 Ensure the AMS is recognised for its leadership as an effective, united peak body with clear responsibilities	Strategy 4 Develop strong and effective partnership with key domestic and international stakeholders
Actions	Develop and implement a communication strategy for communication to members, government and the community	Implement the most appropriate structure to manage the levy programs with HAL	Review and recommend the role, responsibilities and accountabilities of the AMS	Identify strategic partners and the value they can add
	Engage major stakeholders in industry decision making as appropriate and drive increased membership of the AMS	Ensure the R&D and promotional programs are clearly aligned with the strategic plan outcomes	Present a revised structure and constitution to members for their consideration	Build and maintain the priority relationships to ensure practical outcomes
	Raise the community awareness and recognition of the macadamia industry as a valuable and responsible contributor to regional and national economic growth	Document and publicise the management structures, arrangements and outcomes of the levy program	Review and, if required, restructure the AMS office and activities	The AMS to help drive the establishment of an international body that can fund and manage global issues
Bottom Line	A harmonious industry that works well together and with its wider communities	Industry receives the best return on investment for its levy expenditures	Industry has an effective peak body that benefits the macadamia industry	Benefits to industry over and above independent strategies

# The Plan in Action



# Delivering the Plan

## Time horizons of the Plan

This Plan will be implemented and operate over a five-year time horizon: 2009 to 2014. This divides into two critical timeframes:

Medium term (ie, from 3-5 years out to 2014) – this is the time horizon in which we expect significant progress in achieving the outcomes sought through the Plan.

Short term (ie, within the next 3 years to June 2011) - many of the strategies and actions represent existing or new core business of the industry that needs to be addressed and implemented immediately or within this short term horizon of three years:

### Responsibilities for delivering the Plan's outcomes

This Plan relates to all parts of the supply chain and supporting services from the farm to the consumers' plate. Achievement of the vision and outcomes sought by the Plan will result from the commitments given by the various sectors of the industry to embrace the Plan, implement the strategies within their own business or operational context and deliver the results being sought. The responsibility

for implementing and achieving this Plan, therefore, rests with the industry's peak industry organisations that represent businesses across the supply chain; the industry service providers for R&D, policy and regulation; and the many individual businesses that are part of the Australian macadamia industry.

### Role of the AMS

The Australian Macadamia Society was established in 1982 to provide support services to and facilitate communication and interaction between its members. The Board of the AMS has stood up to be accountable for overseeing the implementation of this strategic plan and to assist wherever possible other organisations who have volunteered to implement different components of the plan.

Important elements of the plan's implementation include communicating the benefits of the plan and the benefits of collaborating in the activities outlined in the plan, and monitoring and communicating the progress of the various activities supported by the plan. Transparency is a fundamental principle the AMS is keen to adhere to in its role of coordinating the implementation of the plan.



# The Action Plan



# Strategic Objective 1:

## ***Understanding markets and customers and positioning Australian macadamias accordingly***

### **Strategy 1: Understand customer needs and segments (domestic and international)**

<b>Activity 1.1.1</b>	<b>Undertake needs assessment research in key markets, over phased periods of time driven by priority markets and available budgets</b>
Outcome	A comprehensive and cohesive marketing strategy is driving promotion and investments
KPI	Marketing strategy agreed and implementation commenced.
<b>Activity 1.1.2</b>	<b>Support an information and forecasting system which identifies the supply, demand and key risk factors in market segments</b>
Outcome	Industry is well placed to anticipate and respond to risks associated with changes in demand
KPI	Quarterly reporting
<b>Activity 1.1.3</b>	<b>Develop global risk management strategy: Identify key risk factors affecting the trading of macadamias and subsequent strategies to mitigate the risks identified.</b>
Outcome	Industry has a clear understanding of the health and other attributes of macadamias
KPI	Approval for certain health claims on packaging

### **Strategy 1: Actions**

<b>Activity</b>	<b>Actions</b>	<b>KPI</b>	<b>Time</b>	<b>Responsibility</b>
1.1.1	<ul style="list-style-type: none"> <li>• Identification and prioritisation of key target markets and segments (both new and existing)</li> <li>• Within each market identify and rank the key competitive attributes of macadamias that affect demand</li> <li>• Define key drivers and obstacles for growth</li> </ul>	<ul style="list-style-type: none"> <li>• Increased sales in identified markets</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> </ul>	<ul style="list-style-type: none"> <li>• HAL and Promotions committee</li> </ul>
1.1.2	<ul style="list-style-type: none"> <li>• By market, track the movement of macadamia nut along the supply chain</li> <li>• Identify the key factors affecting movement, supply and demand for product</li> <li>• Develop a system to ensure all market data and information flows back to industry value chain</li> <li>• By market, conduct risk identification project</li> <li>• Develop strategies to combat risks identified above</li> </ul>	<ul style="list-style-type: none"> <li>• GTIS data with strategic interpretation available</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> </ul>	<ul style="list-style-type: none"> <li>• HAL</li> <li>• Promotions committee</li> </ul>
1.1.3	<ul style="list-style-type: none"> <li>• Undertake a comprehensive literature review of the advantageous benefits of Macadamias</li> <li>• Identify gaps and opportunities for competitive health positioning in each market</li> <li>• Develop programs for further nutrition related research based on above knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Increased customer product knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• 2010</li> </ul>	<ul style="list-style-type: none"> <li>• HAL</li> <li>• Nuts for Life</li> <li>• Promotions committee</li> </ul>

# Strategic Objective 1:

## *Understanding markets and customers and positioning Australian macadamias accordingly*

### Strategy 2: Inform and stimulate industry responses using market knowledge

<b>Activity 1.2.1</b>	<b>Implement tracking systems to monitor customer trends regarding purchase and consumption of all nuts and other competitive snack foods</b>
Outcome	Industry is continuously tracking its position relative to competitors (other nuts and foods)
KPI	Reports available to industry members twice yearly
<b>Activity 1.2.2</b>	<b>Feed market intelligence information into general industry communication mechanisms</b>
Outcome	All industry sectors are well informed of the needs of customers
KPI	Fact-sheets on market intelligence made available to industry members quarterly
<b>Activity 1.2.3</b>	<b>Ensure industry R&amp;D and Marketing plans respond to market knowledge</b>
Outcome	R&D and marketing investments respond to customers' needs
KPI	Less fluctuation in supply & demand

### Strategy 2: Actions

Activity	Actions	KPI	Time	Responsibility
1.2.1	<ul style="list-style-type: none"> <li>On line tracking system implemented by market</li> </ul>	<ul style="list-style-type: none"> <li>Tracking system in place.</li> </ul>	<ul style="list-style-type: none"> <li>Operational from 2009</li> </ul>	<ul style="list-style-type: none"> <li>HAL</li> <li>Processors</li> </ul>
1.2.2	<ul style="list-style-type: none"> <li>Tailor reports for processors, product developers and others on market and customer survey responses</li> <li>Incorporate R&amp;D outcomes into the marketing communication strategy</li> </ul>	<ul style="list-style-type: none"> <li>Reports distributed</li> </ul>	<ul style="list-style-type: none"> <li>Annually from 2009</li> </ul>	<ul style="list-style-type: none"> <li>HAL</li> <li>HAL &amp; AMS</li> </ul>
1.2.3	<ul style="list-style-type: none"> <li>Advise the IAC R&amp;D committee of implications arising from customer and market information</li> </ul>	<ul style="list-style-type: none"> <li>Successful implementation of outcomes from R&amp;D and Marketing plans</li> </ul>	<ul style="list-style-type: none"> <li>Annually Commencing 2009/2010</li> </ul>	<ul style="list-style-type: none"> <li>HAL, AMS and Promotions and R&amp;D committees</li> </ul>

# Strategic Objective 1:

## *Understanding markets and customers and positioning Australian macadamias accordingly*

### Strategy 3: Explore and capitalise on the optimum position of the Australian macadamia brand

<b>Activity 1.3.1</b>	<b>Identify the optimum position for macadamias which delivers a premium position consistently in all markets</b>
Outcome	The industry has established an industry-wide position
KPI	Macadamias attracting a price premium
<b>Activity 1.3.2</b>	<b>Implement a branding strategy promoting the premium position established by the industry</b>
Outcome	Industry is capitalising on its premium position through consistent branding
KPI	Evidence of branding guidelines being consistently utilised

### Strategy 3: Actions

Activity	Actions	KPI	Time	Responsibility
1.3.1	<ul style="list-style-type: none"> <li>Identify premium position for Macadamia's versus other nuts and competitive snack foods</li> </ul>	<ul style="list-style-type: none"> <li>Annual marketing plan reflects outcomes of consumer research</li> </ul>	<ul style="list-style-type: none"> <li>2010-11</li> </ul>	<ul style="list-style-type: none"> <li>HAL</li> <li>Promotions committee</li> </ul>
1.3.2	<ul style="list-style-type: none"> <li>Develop and promote brand guidelines for all aspects of communication with customers</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines adopted</li> </ul>	<ul style="list-style-type: none"> <li>2012</li> </ul>	<ul style="list-style-type: none"> <li>HAL</li> <li>Processors</li> </ul>



# Strategic Objective 1:

## *Understanding markets and customers and positioning Australian macadamias accordingly*

### Strategy 4: Inform and stimulate industry responses using market knowledge

<b>Activity 1.4.1</b>	<b>Develop a global promotional program, by key market, identifying key target markets and appropriate promotional program</b>
Outcome	Growth in markets demonstrated by measurable promotion evaluations
KPI	Maintain demand in excess of supply
<b>Activity 1.4.2</b>	<b>Continuously monitor and evaluate the effectiveness of promotional programs and measure the benefit &amp; success to industry</b>
Outcome	Growth in total promotion effort, with costs shared according to benefit
KPI	Total promotion expenditure increases by 10%

### Strategy 4: Actions

Activity	Actions	KPI	Time	Responsibility
1.4.1	<ul style="list-style-type: none"> <li>Identify priority markets; key target markets &amp; segments</li> <li>Establish KPIs/benchmarking</li> <li>Launch programs, monitor effectiveness against KPIs and report on cost benefit achieved</li> </ul>	<ul style="list-style-type: none"> <li>Resources being allocated against the plan</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> </ul>	<ul style="list-style-type: none"> <li>HAL</li> <li>AMS</li> <li>R&amp;D committees</li> <li>Marketing committees</li> </ul>
1.4.2	<ul style="list-style-type: none"> <li>Establish effective evaluation system tracking promotional programs</li> </ul>	<ul style="list-style-type: none"> <li>More effective promotion as measured by market growth/Aust share</li> </ul>	<ul style="list-style-type: none"> <li>Twice a year</li> </ul>	<ul style="list-style-type: none"> <li>HAL</li> <li>PDM</li> </ul>



## Strategic Objective 2:

### *Meeting market and customer demand by maintaining quality through effective value chains*

#### Strategy 1: Strengthen the benefits derived in value chain relationships

<b>Activity 2.1.1</b>	<b>Understand clearly the macadamia value chain</b>
Outcome	Supply chains are seen as value chains, with each point adding value to the full range of products, and the roles and responsibilities for maintaining and improving value and quality clearly understood.
KPI	A clear understanding of values at each point in the chain (i.e. retailer profit margins etc.)
<b>Activity 2.1.2</b>	<b>Build effective relationships throughout the value chain</b>
Outcome	Value chains operating as efficiently as possible through to different end-users and an understanding of most efficient supply routes through to different end-users
KPI	Evidence of the development of new and successful value chain networks

#### Strategy 1: Actions

Activity	Actions	KPI	Time	Responsibility
2.1.1	<ul style="list-style-type: none"> <li>Map, describe and communicate the current value chain relationships in the macadamia industry, how it works and how value is added at each point</li> <li>Information from processors and other industry representatives</li> <li>Analyse the strengths and weaknesses along the value chain and recommend appropriate responses</li> <li>Establish a constant flow of feedback information to industry</li> </ul>	<ul style="list-style-type: none"> <li>An improved understanding of how value chains operate in the industry.</li> </ul>	<ul style="list-style-type: none"> <li>2008 - Oct 2009</li> <li>Commencing Mar 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS, HAL, processors</li> </ul>
2.1.2	<ul style="list-style-type: none"> <li>Plan and initiate comparative global analyses across the value chain to inform Australian industry and businesses of their competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Real time information provided on supply chain systems and market opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Jan 2010</li> </ul>	<ul style="list-style-type: none"> <li>AMS, HAL, processors</li> </ul>

## Strategic Objective 2:

### *Meeting market and customer demand by maintaining quality through effective value chains*

#### Strategy 2: Ensure the delivery of quality through to the customer

<b>Activity 2.2.1</b>	<b>Set quality standards and implement quality systems that reward growers</b>
Outcome	Benchmarks set for international quality standards
KPI	Clear recognition throughout industry of the quality standards and effective quality assurance scheme in place
<b>Activity 2.2.2</b>	<b>Improve definitions of specifications demanded by processors</b>
Outcome	Processor specifications are clearly understood
KPI	Increase in product quantity accepted by processors
<b>Activity 2.2.3</b>	<b>Advise on how to meet quality standards through handling protocols</b>
Outcome	Clear guidelines for delivering highest quality at each point in the value chain
KPI	Handling protocols adopted across industry
<b>Activity 2.2.4</b>	<b>Assist retailers maintain quality of macadamia products</b>
Outcome	Retailers contribute to maintaining quality of macadamias
KPI	Increase in macadamia products receiving positive shelf-test assessments

#### Strategy 2: Actions

Activity	Actions	KPI	Time	Responsibility
2.2.1 (Growers)	<ul style="list-style-type: none"> <li>Continue implementation of Approved Supplier Program</li> <li>Increase the adoption of the Code of Sound Orchard Practices (based on the HASAP process.)</li> <li>Incorporate storage recommendations for on-farm</li> <li>Investigate the options for a centralised benchmarking data system</li> <li>Implementation of a centralised system</li> </ul>	<ul style="list-style-type: none"> <li>Benchmarks are adopted by growers</li> </ul>	<ul style="list-style-type: none"> <li>Oct 2011</li> <li>Mar 2009</li> <li>Jan 2010</li> </ul>	<ul style="list-style-type: none"> <li>AMS, HAL, growers, processors,</li> </ul>
2.2.2 (Growers/Processors)	<ul style="list-style-type: none"> <li>Investigate better definitions for grades of kernel in the context of international markets</li> </ul>	<ul style="list-style-type: none"> <li>Specifications are clearly understood by growers</li> <li>A kernel based payment system in place</li> </ul>	<ul style="list-style-type: none"> <li>Jul 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS, HAL, growers, processors,</li> </ul>
2.2.3 (Processors, transport, handling)	<ul style="list-style-type: none"> <li>Establish basic storage recommendations for processors</li> <li>Recommend standards for transporting and handling</li> <li>Documentation of optimum storage condition and handling procedures</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines distributed throughout value chain</li> </ul>	<ul style="list-style-type: none"> <li>Feb 2009</li> <li>Mar 2009</li> <li>Apr 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS, HAL, Processors</li> </ul>
2.2.4	<ul style="list-style-type: none"> <li>Provide retailers for guidelines for storage, packaging and display to maintain maximum quality</li> <li>Development of more accurate shelf-life testing</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines distributed throughout value chain</li> </ul>	<ul style="list-style-type: none"> <li>2010</li> </ul>	<ul style="list-style-type: none"> <li>AMS, HAL, Processors</li> </ul>

## Strategic Objective 2:

### *Meeting market and customer demand by maintaining quality through effective value chains*

#### Strategy 3: Facilitate feedback and technologies to improve quality and delivery

<b>Activity 2.3.1</b>	<b>Develop systems to monitor and track macadamia products from farm to customer</b>
Outcome	Rapid and effective responses to maintain quality and delivery along the value chain
KPI	Confidence in monitoring systems for quality. Less poor Australian quality
<b>Activity 2.3.2</b>	<b>Develop technologies to support efficient logistics and supply</b>
Outcome	Improved timing and handling through the supply chain from farm to plate
KPI	Assured delivery to quality specifications through to the consumer.

#### Strategy 3: Actions

Activity	Actions	KPI	Time	Responsibility
2.3.1	<ul style="list-style-type: none"> <li>Collaborate with value chain partners to create and implement an efficient tracking, feedback and response system domestically and internationally</li> </ul>	<ul style="list-style-type: none"> <li>System operational</li> </ul>	<ul style="list-style-type: none"> <li>Oct 2010</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative industry consortium (AMS, HAL, processors)</li> </ul>
2.3.2	<ul style="list-style-type: none"> <li>Identify weak points in supply logistics that affect product quality and make recommendations on how to address these.</li> <li>Facilitate whole-of-chain investment (reflecting appropriate cost to benefit ratios) in technologies that advance supply logistics that maintain quality</li> </ul>	<ul style="list-style-type: none"> <li>Actions in place to address weaknesses and support logistics innovation</li> </ul>	<ul style="list-style-type: none"> <li>Oct 2010</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative industry consortium (AMS, HAL, IAC, processors)</li> </ul>



# Strategic Objective 2:

## *Meeting market and customer demand by maintaining quality through effective value chains*

### Strategy 4: Encourage an environment for the development of new products and services

Activity 2.4.1	Inform on the development of new products, including the use of macadamias as inclusions
Outcome	Those responsible for new product development are well informed and respond to new opportunities
KPI	Increased use of Australian macadamias in new products. 2 new products?

### Strategy 3: Actions

Activity	Actions	KPI	Time	Responsibility
2.4.1	<ul style="list-style-type: none"> <li>Working with potential product developers, prepare a new product and inclusions development plan following consumer analyses (objective 1)</li> </ul>	<ul style="list-style-type: none"> <li>Co-investment in, and adoption of, plan by product developers</li> </ul>	<ul style="list-style-type: none"> <li>Dec 2009</li> </ul>	<ul style="list-style-type: none"> <li>processors and product developers</li> </ul>



## Strategic Objective 3:

### *Building grower productivity, profitability and sustainability*

#### Strategy 1: Improve productivity and competitiveness

<b>Activity 3.1.1</b>	<b>Improve overall yield and yield consistency</b>
Outcome	Improved yield per hectare on established farms, improved rate of yield in new farms and maintenance of yield on aged farms
KPI	Industry average yield 1.5 t/ha kernel (3 year rolling average)
<b>Activity 3.1.2</b>	<b>Meet quality specifications</b>
Outcome	Best management farming practices align to quality specifications
KPI	Growers see reward for delivering quality
<b>Activity 3.1.3</b>	<b>Minimise input costs</b>
Outcome	Costs of production minimised (relative to yield)
KPI	Maintaining costs of production at 2006-07 levels
<b>Activity 3.1.4</b>	<b>Improve extension and adoption</b>
Outcome	Increased participation and adoption of improved farm practices
KPI	Year on year increase product specifications

#### Strategy 1: Actions

Activity	Actions	KPI	Time	Responsibility
3.1.1	<ul style="list-style-type: none"> <li>Ensure priorities for industry R,D &amp; E all align with strategic plan</li> <li>Assessment of all R&amp;D proposals and funding against the yield target 1.5 t/ha kernel (3 year rolling average)</li> </ul>	<ul style="list-style-type: none"> <li>Research funded aligns with priorities and target</li> </ul>	<ul style="list-style-type: none"> <li>Annual 2008 – 2013</li> </ul>	<ul style="list-style-type: none"> <li>IAC</li> </ul>
3.1.2	<ul style="list-style-type: none"> <li>Recommendations for improved farming practices align to the delivery of quality specifications</li> <li>Assessment of all R&amp;D proposals and funding against customer specifications</li> </ul>	<ul style="list-style-type: none"> <li>Research funded aligns with priorities and target</li> </ul>	<ul style="list-style-type: none"> <li>Annual 2008 – 2013</li> </ul>	<ul style="list-style-type: none"> <li>IAC</li> <li>Processors</li> <li>Growers</li> </ul>
3.1.3	<ul style="list-style-type: none"> <li>Assessment of all R&amp;D proposals and funding against the 2006-07 cost target</li> <li>Ensure levy allocations reflect potential cost savings</li> </ul>	<ul style="list-style-type: none"> <li>Research funded aligns with priorities and target</li> </ul>	<ul style="list-style-type: none"> <li>Annual 2008 – 2013</li> </ul>	<ul style="list-style-type: none"> <li>IAC</li> </ul>
3.1.4	<ul style="list-style-type: none"> <li>Extension activities, including trialing and adaptation, are built into applied research activities.</li> <li>Research results are translated into practical user friendly materials and made readily accessible through effective communication</li> <li>Research results are built into MacMan and other relevant extension conduits</li> </ul>	<ul style="list-style-type: none"> <li>Grower manual revised and updated</li> <li>Simple language fact sheets for all completed / relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Completed by July 2010</li> </ul>	<ul style="list-style-type: none"> <li>HAL/AMS</li> </ul>

# Strategic Objective 3:

## *Building grower productivity, profitability and sustainability*

### Strategy 2: Promote best practice farm operating models to support productive, profitable and sustainable macadamia farms

<b>Activity 3.2.1</b>	<b>Promote the range of farm operating options that increase resilience / reduce risks</b>
Outcome	Increased skills and capacity among macadamia farms to meet the changing demands of the global market.
KPI	Maintaining internal rate of returns as identified in DPI's on-farm economic analysis
<b>Activity 3.2.2</b>	<b>Maintain a vibrant service sector in support of growers</b>
Outcome	A vibrant, skilled service sector that responds to the demands of a professional industry.
KPI	A high level of satisfaction that service needs are being met.
<b>Activity 3.2.3</b>	<b>Develop and implement an effective best practice extension strategy.</b>
Outcome	Gaps in best practice knowledge and adoption identified
KPI	Increase in awareness of best practices

### Strategy 2: Actions

Activity	Actions	KPI	Time	Responsibility
3.2.1	<ul style="list-style-type: none"> <li>Identify and analyse best practice for different enterprise types.</li> <li>Promote adoption of best practices through existing methods (MacMan and Macgroups) and other avenues</li> </ul>	<ul style="list-style-type: none"> <li>At least 30% of industry are aware of best practice by 2013</li> </ul>	<ul style="list-style-type: none"> <li>Start July 2009 and report October 2010</li> <li>Start 2010 and finish 2013</li> </ul>	<ul style="list-style-type: none"> <li>R&amp;D committee</li> <li>AMS and HAL</li> </ul>
3.2.2	<ul style="list-style-type: none"> <li>Identify the areas where industry needs service support</li> <li>Establish a register for service providers that address these areas with referrals from industry and fill gaps if needed.</li> </ul>	<ul style="list-style-type: none"> <li>Register is made available on-line with all gaps filled</li> </ul>	<ul style="list-style-type: none"> <li>October 2009 established</li> <li>Updated annually</li> </ul>	<ul style="list-style-type: none"> <li>AMS and HAL</li> </ul>
3.2.3	<ul style="list-style-type: none"> <li>Establish an awards system for all growers meeting a defined benchmark</li> <li>Increase grower participation in industry events</li> <li>Professional development and recognition in place</li> </ul>	<ul style="list-style-type: none"> <li>First awards presented</li> <li>Year on year increase in industry events</li> <li>Courses run in 2 or more sectors</li> </ul>	<ul style="list-style-type: none"> <li>By October 2009</li> <li>Annually from 2009</li> <li>2 every year until 2013</li> </ul>	<ul style="list-style-type: none"> <li>AMS and HAL</li> <li>R&amp;D committee</li> <li>RTO's</li> </ul>

## Strategic Objective 3: *Building grower productivity, profitability and sustainability*

### Strategy 3: Identify and promote environment stewardship and conservation practice that enhance the image of the industry

<b>Activity 3.3.1</b>	<b>Implement best environmental management practices on macadamia farms</b>
Outcome	Best practice environmental management practices, identified, documented, promoted and adopted
KPI	Year on year increase in number of growers adopting best environmental practice
<b>Activity 3.3.2</b>	<b>Ensure sound natural resource management in catchments where macadamias are grown</b>
Outcome	Macadamia production is recognised as a responsible industry and an appropriate land user
KPI	Macadamia production supported in catchment management plans
<b>Activity 3.3.3</b>	<b>Capture the environmental value to the macadamia industry</b>
Outcome	Value added to Australia macadamia products based on their environmental credentials
KPI	Reflected in consumer surveys

### Strategy 3: Actions

Activity	Actions	KPI	Time	Responsibility
3.3.1	<ul style="list-style-type: none"> <li>Documentation and extension of best spray and IPM practice</li> <li>Documentation and extension of best orchard floor practice</li> <li>Incorporated into best practice groups</li> </ul>	<ul style="list-style-type: none"> <li>Year on year increase in number of growers using IPM</li> <li>Increased area grown to smother grass</li> </ul>	<ul style="list-style-type: none"> <li>By 2013</li> </ul>	<ul style="list-style-type: none"> <li>AMS to distribute</li> <li>R&amp;D committee to invest</li> </ul>
3.3.2	<ul style="list-style-type: none"> <li>Register of conservation areas including macadamias and remnant rainforest</li> <li>Participation in catchment management processes as appropriate</li> <li>Implementation of the Recovery Plan as resources become available</li> </ul>	<ul style="list-style-type: none"> <li>Macadamia industry seen to support catchment management targets</li> </ul>	<ul style="list-style-type: none"> <li>By 2011</li> <li>From 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS</li> <li>Regional groups</li> <li>Macadamia Conservation Committee</li> </ul>
3.3.3	<ul style="list-style-type: none"> <li>Determine the carbon footprint of the industry</li> <li>Document environmental success stories for inclusion in industry promotion.</li> </ul>	<ul style="list-style-type: none"> <li>Determine the carbon footprint</li> <li>2 success stories promoted annually</li> </ul>	<ul style="list-style-type: none"> <li>2012</li> <li>Annually</li> </ul>	<ul style="list-style-type: none"> <li>HAL, AMS, R&amp;D partners</li> </ul>

# Strategic Objective 4:

## ***Building industry leadership, capacity and confidence***

### Strategy 1: Effective communication and engagement with industry and the community

<b>Activity 4.1.1</b>	<b>Develop and implement a communication strategy for communication to members, government and the community</b>
Outcome	An informed, aware and engaged industry
KPI	Survey shows improved communication and support
<b>Activity 4.1.2</b>	<b>Engage major stakeholders in industry decision making as appropriate and drive increased membership of the AMS</b>
Outcome	Increased membership and greater capture of commercial benefit from industry initiatives
KPI	Membership constitutes 95% of total industry by 2013 Maintenance of service supply providers
<b>Activity 4.1.3</b>	<b>Raise the community awareness and recognition of the macadamia industry as a valuable and responsible contributor to regional and national economic growth</b>
Outcome	Improved community recognition and support for the macadamia industry
KPI	Macadamia production supported in catchment management plans

### Strategy 1: Actions

Activity	Actions	KPI	Time	Responsibility
4.1.1	<ul style="list-style-type: none"> <li>A communication plan developed and resources secured</li> <li>The communication plan implemented</li> <li>Information is kept up to date and accessible</li> </ul>	<ul style="list-style-type: none"> <li>The plan being used</li> <li>Website info no more than 12 months old</li> </ul>	<ul style="list-style-type: none"> <li>Start late 2009</li> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>AMS and HAL</li> </ul>
4.1.2	<ul style="list-style-type: none"> <li>An effective process for stakeholder engagement</li> <li>An attractive and well promoted membership offer, including to service providers</li> </ul>	<ul style="list-style-type: none"> <li>95% total industry membership by 2013</li> </ul>	<ul style="list-style-type: none"> <li>Start 2009 and ongoing</li> </ul>	<ul style="list-style-type: none"> <li>AMS</li> </ul>
4.1.3	<ul style="list-style-type: none"> <li>Documentation of the industry contribution to regional economies</li> <li>Documentation of industry environmental responsibility</li> <li>Review and revise</li> </ul>	<ul style="list-style-type: none"> <li>2 regions completed</li> <li>Document completed</li> </ul>	<ul style="list-style-type: none"> <li>End 2009</li> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>AMS</li> <li>R&amp;D Committee</li> </ul>

## Strategic Objective 4: *Building industry leadership, capacity and confidence*

### Strategy 2: Develop effective, accountable levy programs that support the strategic plan

<b>Activity 4.2.1</b>	<b>Implement the most appropriate structure to manage the levy programs with HAL</b>
Outcome	A well managed, responsive and effective levy program, with a constructive positive partnership with HAL
KPI	Strong support at AMS AGM and levy payers meeting
<b>Activity 4.2.2</b>	<b>Ensure the R&amp;D and promotional programs are clearly aligned with the strategic plan outcomes</b>
Outcome	Better measurement and monitoring of the performance and outcomes of the levy programs
KPI	Achievement of 75% of strategies in the plan on time
<b>Activity 4.2.3</b>	<b>Document and publicise the management structures, arrangements and outcomes of the levy program</b>
Outcome	High awareness and understanding of the management, outcomes and benefits of the levy programs
KPI	20% increase in participation in Macman, ASP and other levy initiatives

### Strategy 2: Actions

Activity	Actions	KPI	Time	Responsibility
4.2.1	<ul style="list-style-type: none"> <li>Identify and Implement the optimum IAC, R&amp;D and Promotions Committee structures</li> <li>Establish the required skills, appointment process and terms of committees</li> </ul>	<ul style="list-style-type: none"> <li>New structures in place</li> <li>New members transparently appointed</li> </ul>	<ul style="list-style-type: none"> <li>2009</li> <li>As new appointments made</li> </ul>	<ul style="list-style-type: none"> <li>HAL and AMS</li> </ul>
4.2.2	<ul style="list-style-type: none"> <li>R&amp;D and Promotions programs that make measurable contributions towards implementing the strategic plan</li> <li>Repeat and review annually</li> </ul>	<ul style="list-style-type: none"> <li>Annual programs approved</li> <li>Annual review undertaken</li> </ul>	<ul style="list-style-type: none"> <li>October 2009 established</li> <li>Updated annually</li> </ul>	<ul style="list-style-type: none"> <li>IAC, R&amp;D and Promotions committee</li> <li>AMS and HAL</li> </ul>
4.2.3	<ul style="list-style-type: none"> <li>A clear document that shows the arrangements, accountabilities and KPIs</li> <li>An effective process for input to priorities and project areas from industry</li> <li>Better understanding and utilisation of HAL resources</li> </ul>	<ul style="list-style-type: none"> <li>Document available</li> <li>Process in place and understood</li> </ul>	<ul style="list-style-type: none"> <li>Early 2009</li> <li>June 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS and HAL</li> <li>R&amp;D committee</li> <li>Promotions committee</li> </ul>

# Strategic Objective 4:

## *Building industry leadership, capacity and confidence*

### Strategy 3: Ensure the AMS is recognised for its leadership as an effective, united peak body with clear responsibilities

<b>Activity 4.3.1</b>	<b>Review and recommend the role, responsibilities and accountabilities of the AMS</b>
Outcome	The AMS is recognised by members and others as an effective leader with good governance and communication
KPI	Membership retention increases
<b>Activity 4.3.2</b>	<b>Present a revised structure and constitution to members for their consideration</b>
Outcome	Increased membership and broader support for the AMS and its activities
KPI	Participation in AMS activities increases to 30% of membership
<b>Activity 4.3.3</b>	<b>Review and, if required, restructure the AMS office and activities</b>
Outcome	More effective allocation and generation of AMS and industry resources (human, financial and physical)
KPI	Increased resources

### Strategy 3: Actions

Activity	Actions	KPI	Time	Responsibility
4.3.1	<ul style="list-style-type: none"> <li>Through the Constitutional Review Committee establish clear roles and responsibilities for the AMS</li> </ul>	<ul style="list-style-type: none"> <li>CRC makes recommendation to the AMS Board</li> </ul>	<ul style="list-style-type: none"> <li>June 2009</li> </ul>	<ul style="list-style-type: none"> <li>CRC</li> </ul>
4.3.2	<ul style="list-style-type: none"> <li>Investigate appropriate constitutional models and put the preferred model to members for consideration</li> </ul>	<ul style="list-style-type: none"> <li>New constitution presented to members</li> </ul>	<ul style="list-style-type: none"> <li>October 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS Board</li> </ul>
4.3.3	<ul style="list-style-type: none"> <li>Review the operation and activities of the AMS and ensure that resources are adequate</li> <li>Investigate other resource adequacy and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Review completed</li> <li>New funding accessed</li> </ul>	<ul style="list-style-type: none"> <li>June 2009</li> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>AMS CEO</li> <li>AMS, industry</li> </ul>

## Strategic Objective 4: *Building industry leadership, capacity and confidence*

### Strategy 4: Develop strong and effective partnership with key domestic and international stakeholders

<b>Activity 4.4.1</b>	<b>Identify strategic partners and the value they can add</b>
Outcome	Better leverage of government, commercial and community organisations and external resources
KPI	Increased external resources for the industry
<b>Activity 4.4.2</b>	<b>Build and maintain the priority relationships to ensure practical outcomes</b>
Outcome	More effective advocacy on behalf of industry, particularly with trade negotiations
KPI	Access to one new market within 5 years
<b>Activity 4.4.3</b>	<b>The AMS to help drive the establishment of an international body that can fund and manage global issues</b>
Outcome	Cooperative and effective global resourcing and management of common issues
KPI	International Macadamia Advisory Council established and AMS an influential member

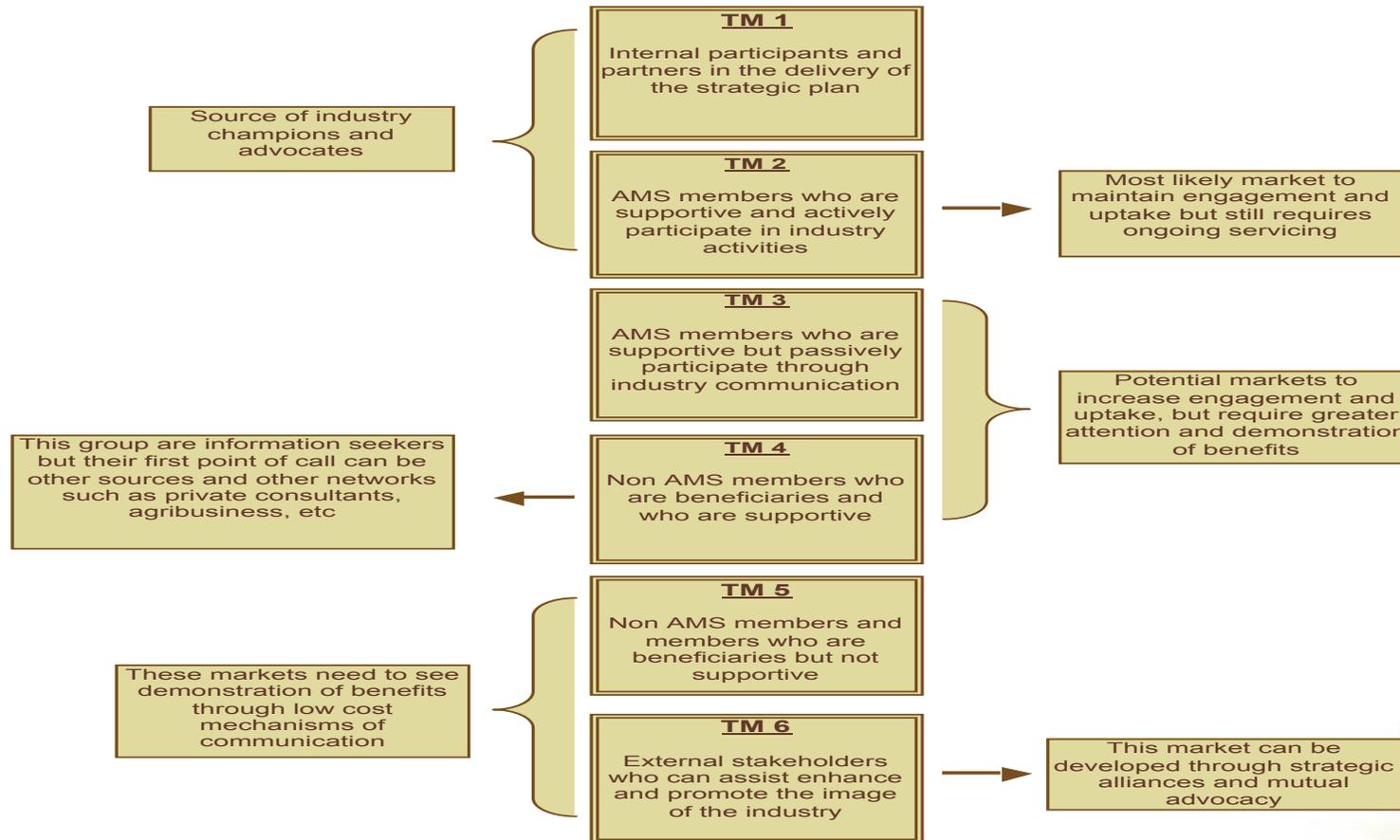
### Strategy 4: Actions

Activity	Actions	KPI	Time	Responsibility
4.4.1	<ul style="list-style-type: none"> <li>Identify existing and potential strategic partners and possible benefits to the industry</li> </ul>	<ul style="list-style-type: none"> <li>Key partners identified and prioritised</li> </ul>	<ul style="list-style-type: none"> <li>June 2009</li> </ul>	<ul style="list-style-type: none"> <li>AMS</li> </ul>
4.4.2	<ul style="list-style-type: none"> <li>Establish or maintain personal contact at the Department of Agriculture, Fisheries and Forestry, the Department of Foreign Affairs and Trade and other relevant organisations</li> <li>Schedule regular contact with appropriate bodies</li> </ul>	<ul style="list-style-type: none"> <li>Sponsorship of conference?</li> <li>Trade negotiations</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>AMS</li> <li>HAL</li> </ul>
4.4.3	<ul style="list-style-type: none"> <li>Work with processors and international organisations to establish IMAC</li> <li>Once established, the AMS to join the body</li> <li>Review its performance and AMS membership</li> </ul>	<ul style="list-style-type: none"> <li>IMAC established</li> <li>AMS joined</li> </ul>	<ul style="list-style-type: none"> <li>June 2010</li> <li>Review IMAC within 1 year of establishment</li> </ul>	<ul style="list-style-type: none"> <li>Processors</li> <li>AMS</li> </ul>



# Communicating the Plan and its Activities

Target markets for engaging with activities associated with the strategic plan



## Target Market 1 – Internal participants and plan implementers

Characteristics	Tactics	Key Messages	Desired Response
AMS, HAL, industry partners, research and extension agencies who support/fund activities directly related to the implementation of the strategic plan.	Build internal collaboration, momentum and an energetic ethos through reporting and networking.	The strategic plan benefits all partners in the industry, but requires goodwill and cooperation, and recognition of effort to be successful.  It is vital to understand where each partner is at in the stages of implementing the plan.	Recognition of collaborating in the implementation of the plan is exciting and rewarding and a productive model for expansion of partnerships.

# Communicating the Plan and its Activities

## Target Market 2 – Supportive and active AMS members

Characteristics	Tactics	Key Messages	Desired Response
Leading AMS growers and processors who are highly respected, concerned about the future of the industry and willing to actively participate in improving their own circumstances and that of the industry.	Personal invitation and engagement at the highest levels to participate in industry activities and in championing the plan to other target markets.	TM2 members will influence the direction and operation of major industry projects and interact directly with TM1 members in planning processes.	Engagement and enthusiastic advocacy as champions for the industry strategic plan and its associated activities.

## Target Market 3 – Supportive but passive AMS members

Characteristics	Tactics	Key Messages	Desired Response
AMS growers and processors who are information seekers, but are either time-short or prefer to act independently in improving their practices.	Tailor products that can be understood and implemented without group or face-to-face interaction. Improve the perceived benefits of increased engagement in industry activities associated with the plan.	New industry activities have been designed specifically with you in mind. A new suite of extension, learning and networking activities have been designed to maximise the benefits of attendance	Increase in access to and use of industry information, and increased participation in industry activities.

## Target Market 4 – Non AMS members who are supportive

Characteristics	Tactics	Key Messages	Desired Response
Information seeking growers and processors who do not see benefit in AMS membership but who are keen to improve their circumstances and that of the industry.	Demonstrate the value of the strategic plan, and the benefits of AMS membership in influencing the implementation of the plan (i.e. progress TM4 through to TM3 and TM2).	The strategic plan benefits all partners in the industry, but these benefits increase to those who are closely engaged.	Increased membership of the AMS and engagement in the activities associated with the strategic plan.

## Target Market 5 – Non AMS members who are unsupportive

Characteristics	Tactics	Key Messages	Desired Response
Industry participants who are sceptical about the value of the strategic plan and or disagree with the priorities reflected in it.	Demonstrate the value of active engagement in planning processes, including the design of activities to be implemented under the plan.	Alternative views are respected and specific activities under the plan can be reviewed and improved. The strategic plan benefits all partners in the industry, but these benefits increase	Increased support for the strategic plan and its associated activities.

## Target Market 6 – External stakeholders offering mutual

Characteristics	Tactics	Key Messages	Desired Response
Government, industry bodies, community and catchment organisations with a wider remit than macadamias, but can gain mutual benefit by cooperating with the macadamia industry.	Personal invitation and engagement at the highest levels to participate in industry activities. Industry contribution to the planning and communication processes of TM6 members.	The macadamia industry benefits the economy, environment and social fabric of communities nationally, regionally and locally.	Effective and mutually rewarding partnerships with non-industry organisations.

# Monitoring and Evaluation:

## How will success be measured?

This section outlines a framework for the development of a monitoring and evaluation strategy, and provides information for each target market. A comprehensive M&E plan will need to be developed once the plan has been agreed upon.

The framework has seven levels, where the first level is a simple accounting of resources, and the seventh level is an assessment of the social, financial and environmental impacts resulting from the plan's implementation. The lower levels are easiest to monitor and report on and happen quickest, while the higher levels are more difficult, happen more slowly but are more meaningful for project evaluation. The seven levels are:

1. Resources Used – time, money, staff etc allocated to the program.
2. Activities Implemented – what activities have been initiated within the program.
3. Participation – how many people have been involved in the activities.
4. Reactions – how did the participants react to the activities – was this as intended.
5. KASA – what changes have been monitored in the Knowledge, Attitudes, Skills and Aspirations of those involved in the program.
6. Practices – what are they doing differently, what new practices been trialled or adopted.
7. Impacts – what evidence is there of impacts on social, environmental and economic aspects of the farms, catchments and communities.

To ensure the successful implementation of the M&E strategy, it will be critical for projects to incorporate appropriate information collection, and this will need to be taken into account in negotiating project budgets.



# Monitoring and Evaluation:

Level	Objective 1	Objective 2	Objective 3	Objective 4
<b>1. Impacts and outcomes during the life of the plan</b>	The industry builds profitability through higher demand in domestic and international markets	The combined strength of each stage of the value chain maximises profit to all industry sectors	Macadamia farms are more productive and sustainable.	A harmonious industry that works well together and with its wider communities
<b>2. Changes in practice</b>	Achievement of KPIs outlined in the action plan. The industry is investing in new marketing efforts in response to intelligence identified in consumer and market reports	Achievement of KPIs outlined in the action plan. The industry acts to ensure customers receives what is wanted, and buy more Any market failures in new product development and packaging innovation are overcome	Achievement of KPIs outlined in the action plan. Improved yield per hectare on established farms, improved rate of yield in new farms and maintenance of yield on aged farms Costs of production minimised (relative to yield) Industry is contributing to the conservation and protection of natural assets	Achievement of KPIs outlined in the action plan. Industry views that it has an effective peak body that benefits the macadamia industry Increased co-investment in industry activities
<b>3. Changes in KASA (Knowledge, Attitudes, Skills and Aspirations)</b>	The industry knows its product and knows the customers for them The industry knows what the opportunities are and how to respond to these	Industry participants appreciate the value of quality and have the skills to deliver to specification.	Industry members have a positive attitude to continuous learning and have demonstrated an improvement in knowledge and skills.	A more positive attitude towards the AMS and the general health of the industry.
<b>4. Reactions</b>	The Australian industry has a strong global position through trusted brand recognition	Industry maintains its stake in quality at every point, and can rapidly pinpoint and rectify problems	Participants are trialling improved activities on their farms.	Greater industry engagement in influencing the future of the industry
<b>5. Participation</b>	Industry members have access to consumer and market reports supported under this objective.	High level of participation in quality assurance activities	High level of participation in improved farm practice activities	Increased membership of AMS and participation in industry events and
<b>6. Possible activities and strategies</b>	As outlined in the action plan	As outlined in the action plan	As outlined in the action plan	As outlined in the action plan

