



DRIVE DEMAND PROTECT PROFITS REDUCE RISKS

A NEW INDUSTRY MARKETING FUND

MACCELERATE: FUNDING GLOBAL GROWTH TO ENSURE OUR INDUSTRY'S FUTURE

How it will work and why you should contribute

THE NEED

MACCELERATE, the voluntary marketing fund for the Australian macadamia industry has been established. Now we need growers to support it!

As explained at various industry meetings and in fact sheets available on the AMS website, MACCELERATE aims to raise funds to allow the AMS and participating processors to work with the international industry to drive demand ahead of forecast supply increases.

An anticipated doubling of global supply over the next 5 years will put downward pressure on prices unless a significant effort is made to stimulate demand and open new markets. There is huge potential for our industry, but success will require additional funds above and beyond the statutory marketing fund levied through Hort Innovation.

This ground-breaking new approach, means any funds raised through **MACCELERATE** in Australia will be boosted by contributions from other macadamia producing origins, increasing the overall influence of the program.

The fund is voluntary and will be collected by participating processors. At present we have the involvement of processors accounting for over 90% of the crop. The next step is for you to confirm with your processor that you are willing to contribute to this innovative and exciting fund initiative.

Your processor should be contacting you soon inviting you to opt into the

MACCELERATE has been designed to:

CAPTURE OPPORTUNITIES

to grow and diversify our markets



PROTECT GROWER INCOMES

and farm gate price



LEVERAGE MARKETING INVESTMENT

from other origins



fund. This is your decision but please carefully consider the implications for our industry if we are unable to raise sufficient funds to stimulate the required new demand. Whether you are a large or small grower, new to the industry, or even considering selling, it is essential that we all invest in the future prosperity of the macadamia industry. Maintaining strong demand to help protect prices as supply increases will benefit everyone.

The **MACCELERATE** program will allow us to work in cooperation with other producing countries. At

around 30% of global production, Australia needs to work with these other producers to ensure that we are matching supply with demand and supplying the right volumes to those markets that can sustain firm pricing. We must stimulate new demand where we can obtain the best return and we must work in a coordinated way. For the first time this unique program will see other macadamia producers contributing funds based on their share of production to support a global marketing initiative.



THE COLLECTION

The more growers who choose to participate, the more equitable and effective the program will be. We urge you to ask your processor to participate and to encourage your fellow growers to also contribute. Here's how it will work:

- The fund will be collected by participating processors from those growers who choose to support the program.
- The rate has been set at 3 cents per kg in-shell @10%. This deduction should be shown on your consignment report next to the statutory levy deduction. It may be tax deductible, but you should seek advice from your accountant regarding this.
- Growers whose processor is not participating or growers whose trees have not yet reached bearing age, will be encouraged to contribute directly through the AMS which can provide an invoice on request. The recommended rate per non-productive hectare will depend on scale and you should contact the AMS to discuss this type of contribution



THE PROGRAM

All funds collected will be held by the AMS in a distinct and separately audited account. 100% of the funds collected will be used to directly support either marketing campaigns or health, market and consumer research to support those campaigns. This will include supporting the international body being established to oversee and coordinate the global marketing campaign, the World Macadamia Organisation (WMO). The WMO will undertake the planning, coordination and implementation of the agreed global marketing campaign on behalf of participating national associations.

Some aspects of the campaign will be implemented by the Australian marketing program and will focus on Australian product. But all activity will be consistent with, and support, the globally agreed plan and objective ensuring that global supply is allocated in the most effective and value-capturing way across all available markets.

The AMS board will take final responsibility for the collection, expenditure and accountability of the Voluntary Marketing Funds. However, expenditure will only be made on the approval of the Australian Marketing Committee and in line with the agreed global strategic marketing plan. Development of this plan will be the first task undertaken by the WMO and will require sign off from the Australian Marketing Committee and the AMS board.

The final marketing plan will be shared with fund contributors and this will provide a more detailed explanation of what will be spent where and the measurable targets that have been set. Achievement of these key performance indicators will be reported to all contributors by the AMS on an annual basis. All growers will then be able to base their decision on whether to continue or begin contributing on the demonstrated performance of the program.



IN A NUT SHELL

The average Australian farm gate price for the last 10 years was \$3.97 but for the last 5 years it has been \$5.17. This improvement is linked to a combination of factors including short supply, the emergence of the in-shell market in China, the rise of plant based dietary trends and an effective and adequately resourced marketing campaign.

But we cannot take this price for granted.

If we are to capture as much of that increase in value as possible, continue to build on the success of the past and capitalise on advantageous circumstances in the future, we must invest in additional marketing, we must do it with other producers and we must do it now.

BE PART OF SOMETHING BIG!

OPT IN NOW

Make sure you OPT IN to the voluntary marketing fund by ticking the OPT IN box in your processor's supply contract.

If you cannot find where to OPT IN, call your processor now!



NEED MORE INFORMATION?

For more information on this critical initiative, please read the first Fact Sheet: Strengthening the future of Australia's macadamia industry. Phone the AMS for your copy. You can also talk to your processor or contact AMS CEO Jolyon Burnett on 02 6622 4933 / 0416 224 935 or jolyon.burnett@macadamias.org