

Wine
Australia
for
Australian
Wine

Strategic Plan 2015–2020

Feedback summary



Overview

Following an extensive consultation process, we have finalised the *Australian Grape and Wine Authority Strategic Plan 2015–2020* (Strategic Plan).

Our Strategic Plan outlines the opportunities we have, the challenges we will address, and our priorities for investment over the next five years to deliver on our goal of a prosperous Australian grape and wine community.

Consultation

Through our consultation, we sought to engage with the whole Australian grape and wine community so that everyone had the opportunity to contribute.

In December 2014, we released the *AGWA Strategic Plan 2015–2020 Discussion Paper* (Discussion Paper) to stimulate discussion with the grape and wine community before developing our plan.

The Discussion Paper drew together our thinking about the challenges and strategic imperatives facing the Australian grape and wine community, and suggestions of how we would address them over the next five years.

We have the opportunity to imagine the future we want and to set out a plan on how we will grasp it. We believe that now is the time to look ahead thirty years and to set an ambitious, cross-generational goal, and then to map out our steps over the next five years in our Strategic Plan to set us on that path.

AGWA Strategic Plan 2015–2020 Discussion Paper

This paper invited input from grapegrowers and winemakers. It was widely circulated to wine sector participants, received extensive coverage in sector-specific publications and other media, and is available on our website.

Our Chair wrote to a wide range of wine sector participants, providing a copy of the Discussion Paper and inviting their input. Recipients included:

- our primary stakeholder group – the Winemakers’ Federation of Australia (WFA), Wine Grape Growers Australia (WGGA) and the Australian Government
- the Chairman or President of each of the 72 regional sector organisations
- Future Leaders Alumni, which includes Wine Australia-sponsored graduates of the Australian Rural Leadership Program and Nuffield Australia
- the Innovation Policy Committee, an R&D-focused committee established by WFA and WGGA
- research, development and extension (RD&E) providers
- state wine sector bodies
- Australia’s First Families of Wine, and
- the top 20 wine producers.

Special efforts were made to ensure that the views of grapegrowers and small winemakers around the country were heard and there was an impressive level of engagement by stakeholders. Some 60 written submissions identifying future priorities and suggested areas of focus were received from interested parties.



To identify key research and market development priorities:

- face-to-face meetings were held with the WGGA Board and Executive, the WFA Board and Executive, the Department of Agriculture, a number of the top 20 wine producers, the Australian Wine Research Institute, and grapegrowers and winemakers in the Riverland, Murray Valley, Riverina and broader NSW.
- facilitated workshops were conducted with RD&E providers, the Future Leaders Alumni, state and regional association representatives and Innovation Policy Committee members.

To ensure that those who participated in our consultation understood how their contributions helped to shape the final Strategic Plan, we have put together this *AGWA Strategic Plan 2015–2020 Feedback Summary*, which outlines how feedback was incorporated into the Strategic Plan.

Common themes regarding feedback on our Discussion Paper

From the written submissions, face-to-face meetings and facilitated workshops, there were several common themes to the feedback we received.

The following table outlines how we incorporated this feedback into our Strategic Plan.

Themes	Feedback received	How we incorporated the feedback
Increase profitability – for growers and wineries	Many people wanted a focus on increased profitability. They thought that the time was right for the sector to return to profitability on the back of the falling Australian dollar and developing opportunities in North America, Europe, China and Asia.	<p>We agree. Our goal is a prosperous Australian grape and wine community. We plan to achieve our goal by:</p> <ul style="list-style-type: none"> • increasing the demand and the premium paid for all Australian wine • increasing competitiveness. <p>We will seek market-based outcomes for all of our investments. We will focus our market development activities in markets where we see ongoing opportunities to expand sales of Australian wine, including by capitalising on recent free trade agreements.</p>
Where the levies are invested	Many people suggested that the most urgent need was to sell more wine and that the research, development and extension (RD&E) levies should be redirected to market development activities, at least in the short term.	<p>How we invest the three levies is dictated by the <i>Australian Grape and Wine Authority Act 2013</i>.</p> <p>It was a requirement of the merger of Grape and Wine Research and Development Corporation (GWRDC) and Wine Australia Corporation (WAC) that RD&E and market development levies be hypothecated – spent for the purpose for which they were raised.</p> <p>In practice, however, hypothecation of the levies restricts our ability to respond as needed to demand and to deliver appropriate activities.</p> <p>We believe that levy payers and the peak representative bodies should consider whether the levy structure is optimal to meet levy payers' priorities.</p>
The purchasing power of the levies	A number of submissions noted the shrinking purchasing power of our levies.	<p>In the Strategic Plan, we noted that it will be increasingly difficult to deliver key activities to support the sector over the next five years with static levy revenue and an increasing cost base.</p> <p>We will continue discussing this funding challenge with our wine sector partners, WFA and WGGA.</p>
The need for the sector to work together	Several people raised the need for the sector to be unified and to work together for a common purpose.	<p>We agree that the sector needs to come together to address the key challenges we face, which is why 'unity of purpose' is part of our goal.</p> <p>While it is outside our role to develop a whole-of-sector Strategic Plan, we will continue to collaborate and partner with other members of the Australian grape and wine community to strive for prosperity.</p>
The need to increase demand and the price paid for all Australian wines	While there was broad support for the two priorities, there was concern that some of the language in the Discussion Paper suggested a lack of interest in increasing demand and the premium paid for any but fine wines.	<p>Our plan is to increase the demand and premium paid for all wines by focusing on distinctively Australian fine wines.</p> <p>However, to remove any confusion, we amended our first priority by adding 'all'; it now reads 'To increase the demand and premium paid for all Australian wines'.</p>

Themes	Feedback received	How we incorporated the feedback
Collaboration and partnerships	There was some concern that, with our market development activities, we were going to work with larger companies to the exclusion of smaller ones.	<p>Our user-pays activities are open to wine companies of all sizes, regions and states. We are developing joint business plans with interested regions, states and companies to ensure that our activities are aligned and they help deliver our agreed strategies.</p> <p>We will maximise returns for our levy payers and user-pays partners through focused collaboration.</p> <p>Our in-market staff will use our core activities to unequivocally focus on the best Australian wines, while our user-pays activities will provide broader access for all Australian wine brands to engage with the trade, media and consumers.</p>
Consultation	Many people welcomed the opportunity to provide input into the Strategic Plan and hoped for continued consultation.	<p>We valued people's contributions through the consultation process and we will continue to consult, so that we can work collaboratively to deliver our agreed strategies.</p> <p>For example, we will conduct gaps analyses to identify future R&D projects and we will consult with the sector to identify the gaps.</p>
Mix of short-term and long-term investments	Several submissions highlighted the importance of both short- and long-term R&D investments.	In the Strategic Plan, we reaffirmed our commitment to investments ranging from both short- and long-term applied R&D to blue-sky research where success is less assured.
What we call ourselves	Many people said that the names Australian Grape and Wine Authority and AGWA are cumbersome and bureaucratic, and that Wine Australia better reflects our role.	From 1 July, we intend to use the trading name <i>Wine Australia</i> for many of our activities and use our legal name <i>Australian Grape and Wine Authority</i> when interacting with the Australian Government and parliament.