

Passionfruit Fund

Annual Report 2018/19



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The projects in this report have been funded by Hort Innovation using sources including the passionfruit levy, Australian Government contributions and, in some instances, co-contributions from a variety of sources.



Just some of the things your fund delivered in 2018/19:

- ✓ **The industry communications program**, delivering *The Passion Vine* magazine, *Passiflora News* emails, the www.passionfruitaustralia.org.au website, plus events including field days and forums (p7)
- ✓ The ongoing **passionfruit breeding program**, working to deliver new varieties for growers (p7)
- ✓ New work to investigate and help the passionfruit supply chain adopt **best practice postharvest management** (p7)
- ✓ A multi-pronged **domestic marketing campaign** (from p11)



2018/19 SNAPSHOT

\$192
THOUSAND
INVESTED
IN R&D

\$100
THOUSAND
INVESTED IN
MARKETING

9
ACTIVE R&D
INVESTMENTS



Welcome

Hort Innovation is the grower-owned, not-for-profit research and development corporation (RDC) for Australia's horticulture sector. It's our job to work with industry to invest the passionfruit R&D and marketing levies, as well as Australian Government contributions, into key initiatives for growers.

The 2018/19 financial year was another great year of growing better, together – with strong investments, closer connections and critical collaborations being forged.

There was more than \$192,000 invested into R&D through the Hort Innovation Passionfruit Fund across the year, to support the industry in being as productive and profitable as possible. This included the establishment of new investments and a host of ongoing projects addressing important issues and opportunities.

Meanwhile in marketing, the Hort Innovation Passionfruit Fund saw some \$100,000 invested in 2018/19 into a range of activities to raise the profile and consumption of Australian passionfruit.

Read on to learn more about all of this work. And remember to take advantage of the Hort Innovation website at www.horticulture.com.au/passionfruit, where you can search and find information relating to investments, past and present, at any time. The new site and its Passionfruit Fund section were launched in 2018/19.

Finally, during the year there were many opportunities for Hort Innovation to connect with you, the growers. A big thank you in particular to everyone who came to our early-2019 regional roadshows to feed into the development of the new Hort Innovation Strategy 2019-2023 (read more at www.horticulture.com.au/strategy-2019-2023).

You can reach out to us at any time to learn more about our work, to submit ideas for investments, or to simply have a chat about your industry. You'll find details of specific staff at www.horticulture.com.au/get-in-touch, or can otherwise email communications@horticulture.com.au or call our general line on 02 8295 2300.



Additional value in the year

During 2018/19, Hort Innovation was proud to deliver extra value to the passionfruit industry, outside of levy-funded initiatives within the Passionfruit Fund. Here's a quick look at just some examples.



The new Hort Innovation website, with dedicated Passionfruit Fund section

You can now visit www.horticulture.com.au/passionfruit to quickly search and find passionfruit investment information and updates, project resources, and growing tips and advice from Hort Innovation's R&D work. You can also download full final research reports direct from the site, access key contact information, share your ideas and feedback, and so much more.



The Australian Horticulture Statistics Handbook

Each year Hort Innovation delivers an *Australian Horticulture Statistics Handbook* packed with horticulture statistical information and analysis for use by specific industries and the wider sector. The handbook combines all available data on production, international trade, processing volumes and fresh market distribution for some 75 categories. The 2017/18 edition, released in early 2019, is available from www.horticulture.com.au/horticulture-statistics-handbook.



Hort Frontiers projects

With seven investment areas, Hort Innovation's Hort Frontiers strategic partnership initiative is about collaborative, cross-industry work to address longer-term, complex issues and opportunities identified as critical for the future of Australian horticulture. While industry levies can be invested into Hort Frontiers projects upon the advice of the relevant Strategic Investment Advisory Panels, the bulk of funding comes from broad-reaching funding relationships that are secured by Hort Innovation, plus support from the Australian Government. Learn about all of the projects and what they're delivering for you at www.horticulture.com.au/hort-frontiers.



Grant funding

In 2018/19, Hort Innovation delivered \$6.7 million worth of investments involving grant funding across the horticulture sector. To do so, we applied for and secured a range of competitive grants on behalf of industry, including through the Australian Government's Rural R&D for Profit program, Improved Access to AgVet Chemicals initiative, and Agricultural Competitiveness White Paper. With projects across everything from biosecurity to pollination, there's plenty in there to directly and indirectly benefit the passionfruit industry

Making investments in 2018/19

Hort Innovation is dedicated to making the right investments at the right time and in the right areas, in line with identified priorities for the industry.

Where the funding comes from

The passionfruit industry's grower-raised statutory R&D and marketing levies are collected by the Australian Government and entrusted to Hort Innovation as the RDC for Australian horticulture. It's then our responsibility to work with the industry to invest these levies – together with Australian Government contributions in the case of R&D – into strategic initiatives for the benefit of growers.

Additional funding streams can also come into play, such as co-investment dollars from sources including project partners, and grant funding that Hort Innovation secures on behalf of industry.

How decisions are made

Investment decisions in the Hort Innovation Passionfruit Fund are guided by the industry's Strategic Investment Plan (SIP). This document was developed through close consultation with growers and other industry stakeholders, and outlines specific investment priorities, strategies and themes. An at-a-glance version can be found at www.bit.ly/passionfruit-plan, or find the full version at www.horticulture.com.au/passionfruit.

The SIP is currently used like a 'roadmap' by the passionfruit Strategic Investment Advisory Panel (SIAP) – a panel made up of growers and other industry representatives that's tasked with providing advice to Hort Innovation on potential levy investments.

Turning ideas into investments

Great investments start with great ideas, and Hort Innovation encourages all growers and other industry participants to share their thoughts and suggestions for the work they want to see. Ideas can be submitted any time via Hort Innovation's investment idea form at www.bit.ly/concept-form.

Ideas that are selected for investment are worked into project proposals by Hort Innovation. These are then made public for potential delivery partners to submit responses. Current opportunities are always listed at www.horticulture.com.au/delivery-partners.

Responses are assessed, often with the assistance of industry, and the best delivery partner for the work is chosen. A contract is then issued and the work begins.

Keeping track of investments

All investments in the Hort Innovation Passionfruit Fund are detailed on the 'Your investments' page at www.horticulture.com.au/passionfruit. We also send news and alerts to Hort Innovation members and contacts – if you haven't already, you can sign up for free at www.horticulture.com.au/sign-up.

Importantly, the industry's levy-funded communications program is tasked with providing growers with regular information on levy-related activity. See p7 for more.



New investment analysis

You can now clearly see how investments in the Hort Innovation Passionfruit Fund align to the industry's SIP, with new and interactive investment analysis information available from www.bit.ly/passionfruit-investment. The analysis currently shows the allocation of funding against each of the passionfruit SIP outcomes from the start of the SIP (2016/17) to the end of 2018/19, and gives an indication of the projects that are aligned to each outcome.

R&D project list 2018/19

NEW INVESTMENTS IN 2018/19

| | |
|---------|---|
| PF18000 | Technical review of the national passionfruit breeding program* |
| PF18002 | Passionfruit postharvest best practice review |
| ST18001 | Generation of data for pesticide applications in horticulture crops |
| MT18011 | Ex-post impact assessment^ |

* This flagged project both began and ended in 2018/19

^ This multi-industry project was a key monitoring and evaluation investment during 2018/19 – we encourage you to find the full details at www.horticulture.com.au/mt18011

ONGOING INVESTMENTS IN 2018/19

| | |
|---------|--|
| PF15000 | National passionfruit breeding program |
| PF16000 | Passionfruit industry minor use program |
| PF16003 | Australian passionfruit industry communications program |
| ST16008 | AgVet collaborative forum |
| ST17000 | Generation of data for pesticide applications in horticulture crops 2018 |

During the 2018/19 financial year, all levy paying horticulture industries also contributed to a small selection of across-industry projects addressing issues that affect horticulture as a whole. Details of all investments that Hort Innovation manages can be found at www.horticulture.com.au.



But wait, there's more. To see what Hort Innovation delivered across the entire horticulture sector in 2018/19, download the full Hort Innovation Annual Report 2018/19 from www.horticulture.com.au/annual-report-portal.



R&D report

Take a closer look at some of the key investments in the Hort Innovation Passionfruit Fund during 2018/19. Any resources from these and other levy-funded projects – such as fact sheets, guides and more – are published on your grower page at www.horticulture.com.au/passionfruit as they become available.

Passionfruit postharvest best practice review (PF18002)

NEW IN 2018/19

Key research provider: Applied Horticultural Research

Previous levy investment *Passionfruit supply chain and distribution* (PF13006) delivered insights into passionfruit supply chains, including the fact that poor quality at retail remains a key issue and is limiting growth.

In order to lift passionfruit quality, this project is about helping growers and others in the supply chain better understand and adopt best practice postharvest management. It is also tasked with investigating and increasing awareness of emerging new techniques and technologies that may be relevant to the Australian passionfruit industry.

Areas of focus for the project team include pre-harvest and harvest effects on postharvest quality; postharvest treatments; cooling, storage and transport; packaging materials; and measuring quality and grading fruit. Among other things, passionfruit quality can be significantly affected by inconsistent grading, poor storage techniques and postharvest disease.

The project will ultimately deliver a best practice guide for industry.

National passionfruit breeding program (PF15000)

Key research provider: Southern Cross University

Established in mid-2016, this investment is developing and evaluating new scion varieties of passionfruit to ensure the sustainability of the industry. It is working towards the release of new commercial varieties before varietal decline affects the profitability of current ones such as Sweetheart and Misty Gem.

The project is also selecting and trialling rootstock and Panama varieties, as well as establishing an industry seedbank to conserve and enhance current passionfruit genetic material in Australia. It has trial sites in both Queensland and New South Wales.

An independent review of the breeding program was completed through the investment *Technical review: national passionfruit breeding program* (PF18000) in early 2019. This work provided recommendations to Hort Innovation and industry regarding the program's ongoing capacity, technical capability and implemented breeding strategy for the delivery of outcomes identified in the passionfruit industry's Strategic Investment Plan. As a result of the review, Hort Innovation and the breeding program's research team have been working together to implement its recommendations. These are detailed from p14 of the Winter 2019 edition of the levy-funded *The Passion Vine* magazine, which you can access directly at www.bit.ly/passion-vine-winter.

Australian passionfruit industry communications program (PF16003)

Key research provider: Passionfruit Australia

This investment is responsible for keeping Australian passionfruit growers and other industry stakeholders informed about the latest R&D and marketing activities, essential best practice information, and other key industry news, information and resources.

The program is responsible for:

- » Production of *The Passion Vine* magazine, which is delivered to industry quarterly and available at www.passionfruitaustralia.org.au/news/magazine, and also includes fact sheets on pests and diseases
- » *Passiflora News* monthly e-newsletters, available from www.passionfruitaustralia.org.au/news/e-newsletter
- » Updating and maintenance of the www.passionfruitaustralia.org.au website, which has been redeveloped under the project
- » Delivery of regional field days and research forums, to communicate current and past research, showcase new innovations, and facilitate the sharing of resources and knowledge across the industry. Field days are typically held between March and October each year, with details circulated in industry channels as they become available.



Passionfruit industry minor use program (PF16000)

Key research provider: Hort Innovation

Through this project, levy funds and Australian Government contributions are used to submit renewals and applications for minor use permits for the passionfruit industry as required. These submissions are prepared and submitted to the Australian Pesticides and Veterinary Medicines Authority (APVMA).

For more on minor use permits, including a list of permits, see p9.

All current minor use permits for the industry are searchable at portal.apvma.gov.au/permits. Permit updates are also circulated in Hort Innovation's *Growing Innovation* e-newsletter, which you can sign up for at www.horticulture.com.au/sign-up

Data generation investments (ST17000 and ST18001)

NEW IN 2018/19 (ST18001)

Key research providers: Eurofins and Peracto

The generation of pesticide residue, efficacy and crop safety data is required to support label registration and minor use permit applications and renewals made to the APVMA which, when approved, provide access to safe and effective chemicals for the management of pests, weeds and diseases.

In 2019, Hort Innovation secured more than \$900,000 in assistance grants under the Australian Government's Access to Industry Uses of Agricultural and Veterinary (AgVet) Chemicals program. Under **Generation of data for pesticide applications in horticulture crops (ST18001)**, this funding is being used, along with levy contributions, to generate the data required for a range of product registrations across a variety of horticulture crops.

For the passionfruit industry, the project is producing the data required to support a Bayer spiromesifen (Oberon 240 SC) label registration for the control of mites in passionfruit. Specific mites targeted by the product include passionvine mite and two-spotted mite. Data will also be produced to support a BASF afidopyropen (Versys) label registration for the control of aphids and silverleaf whitefly.

Meanwhile, funding from an earlier round of the AgVet program is being used through **Generation of data for pesticide applications in horticulture crops 2018 (ST17000)**, which for the passionfruit industry will produce data to support a Dow label registration application for Transform (sulfoxaflor) for the control of fruit-spotting and banana-spotting bugs. Separate to the grant funding, ST17000 will also support a Bayer DC-163 label registration application for the control of a range of pests in passionfruit including Fuller's rose weevil, flower-eating caterpillars, leafroller caterpillars/moths, monolepta beetle (redshouldered leaf beetle), as well as a new permit application for etoxazole for the control of passionvine and two-spotted mites.



To keep up to date with the latest information on new, ongoing and recently completed R&D investments throughout the year – and to search and find resources and reports from these investments – visit www.horticulture.com.au/passionfruit.

Minor use permits

The Hort Innovation Passionfruit Fund supports the submission of applications for new and renewed minor use permits for the industry, as well as data generation activities to support chemical permits and registrations, and strategic agrichemical reviews.

Together these efforts provide industry access to safe, relevant and effective chemicals for the management of pests, weeds and diseases.

For full details on these activities and links to relevant information, visit www.bit.ly/minor-use-passionfruit.

Permits in 2018/19

During the 2018/19 financial year, successful renewal applications for PER14552 (issued as PER87607) and PER13158 (issued as PER87164) were prepared by Hort Innovation and submitted to the APVMA, facilitated through the *Passionfruit industry minor use program* (PF16000).

Meanwhile, a successful renewed permit PER14421 was also issued during 2018/19, with the application submitted through the industry minor use program in the previous financial year.

Details for these and all other permits can be found in the following table.



Current permits

Below is a list of minor use permits for the passionfruit industry, current as of 19 September 2019.

| PERMIT ID | DESCRIPTION | DATE ISSUED | EXPIRY DATE | PERMIT HOLDER |
|-----------------------|---|-------------|-------------|----------------------------------|
| PER12450 Version 6 | Trichlorfon / Specified fruit crops / Fruit fly | 06-Oct-11 | 31-Jan-21 | Growcom C/Hort Innovation |
| PER12781 Version 3 | Cabrio (pyraclostrobin) / Passionfruit / Anthracnose and Septoria spot | 13-Mar-12 | 30-Jun-23 | Passionfruit Australia Inc (PAI) |
| PER87607 | Phosphorous acid / Passionfruit / Phytophthora blight | 05-Apr-19 | 30-Apr-24 | Hort Innovation |
| PER87164 Version 2 | Dimethoate / Specified citrus and tropical and sub-tropical inedible peel fruit commodities – post-harvest dip or flood spray / Various fruit fly species | 01-Mar-19 | 31-Mar-24 | Hort Innovation |
| PER14421 Version 3 | Glyphosate (Roundup) / Passionfruit / Grass and broadleaf weeds | 31-Oct-13 | 31-Aug-23 | PAI C/Hort Innovation |
| PER84258 | Fenbutatin Oxide (miticide) / Passionfruit / Passionvine mite and two-spotted mite | 24-Oct-17 | 20-Jun-21 | PAI C/Hort Innovation |
| PER14665 Version 3 | Abamectin / Passionfruit / Passionvine mite and two-spotted mite | 13-Jul-14 | 31-Oct-20 | PAI C/Hort Innovation |
| PER13859 | Dimethoate / Orchard clean-up – fruit fly host crops following harvest / Fruit fly | 09-Feb-15 | 31-Jul-24 | Growcom C/Hort Innovation |
| PER14662 | Petroleum oil and paraffinic oil / Passionfruit / Passionvine mite and Two-spotted mite | 29-Mar-15 | 30-Jun-20 | PAI C/Hort Innovation |
| PER85397 | Sulfoxaflor (Transform) / Lychee, mango, papaya, and passionfruit (field grown) / Fruit spotting bug and banana spotting bug | 17-Apr-18 | 30-Apr-23 | Hort Innovation |

All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at portal.apvma.gov.au/permits. Details of the conditions of use associated with these permits can also be found on the APVMA site.

Minor use permit updates are circulated in Hort Innovation's e-newsletter, *Growing Innovation*. Don't yet receive it? Sign up for free at www.horticulture.com.au/sign-up.

Marketing report

Hort Innovation is responsible for investing the passionfruit marketing levy into a range of activities to drive awareness and consumption of the fruit, under the Hort Innovation Passionfruit Fund. Read on for a snapshot of activities and results from 2018/19.

This year saw another successful Australian Passionfruit marketing campaign to help drive growth for the category. The focus was on leveraging the seasonal peaks using public relations, social media, influencers and in-store activity to drive timely awareness and consumption.

Public relations (PR)

A range of PR activities, including seasonal media outreach, media hampers, reactive media activity and a farm tour delivered a total of 12.5 million opportunities for people to see passionfruit content through a mixture of traditional and online coverage.

Media outreach

Media materials including seasonal press releases, new recipe content,

and passionfruit hampers were used to engage media and influencers to drive conversation and coverage about Australian passionfruit during the peaks.

In addition to this, to support the later-than-normal summer flush of passionfruit in 2018/19, there was reactive outreach to media outlets and engagement with key influencers, encouraging them to use their platforms to communicate the high supply of passionfruit to their communities. This was also supported with social media activity to encourage consumers to purchase more passionfruit during this time, including using grower content for greater support. This specific outreach activity resulted in 22 pieces of social coverage, with more than 590,000 opportunities for people to see the passionfruit content.





Media farm tour

A farm tour was hosted to kickstart the winter peak, with food blogger and influencer Nagi Maehashi from RecipeTin Eats, and 9Kitchen editor Jane de Graaff and their videographers invited to visit a passionfruit farm in Beerburum, Queensland for an opportunity to learn and experience the paddock to plate story.

RecipeTin Eats and 9Kitchen shared the experience on their social channels, resulting in 430,000 opportunities for people to see the content. 9Kitchen went on to develop a longer form feature on passionfruit for online, and it was Nagi's most successful Instagram story for the year to date with more than 300 responses and 55 per cent of viewers watching the video until the end.

Social media

During 2018/19, the Australian Passionfruit Facebook page (www.facebook.com/aussiepassionfruit) increased fans and followers through curated and created content from Aussie growers, food bloggers and recipe creators, with intent to inspire passionfruit use throughout the whole year. The Facebook content resonated most strongly with an older female audience, from 45+. Striking light, bright dessert recipes proved most popular with this audience. The page was able

to deliver 1.4 million opportunities to see the content with an engagement rate of seven per cent versus a target of five per cent.

The Australian Passionfruit Instagram (@aussiepassionfruit) continued to be a key platform, growing to more than 2000 fans in 2018/19, an increase of 50 per cent from the prior year. Activity was scheduled twice per week throughout the campaign, posting a mix of curated and created content focused on taste, ease and health with Aussie passionfruit, supported by advertising to boost reach and engagement. The Instagram page achieved 258,000 opportunities to see Australian passionfruit content with a strong engagement rate of 12 per cent versus a 10 per cent target.

Influencer activity

Word of mouth remains an influential mechanism to target consumers, so in 2018/19 the Australian passionfruit marketing program partnered with TRIBE, an influencer platform, to connect with six 'micro-influencers' to maximise consumer reach by developing passionfruit content that provided ideas on how to use the fruit in different dishes while encouraging fans to follow the Australian Passionfruit Instagram page.

This activity generated 127,000 opportunities for people to see the content and close to 4900 likes.



In-store sampling

In-store activity occurred for six weeks starting at the tail end of 2017/18 in June, extending into July 2018 in Coles and Woolworths stores in New South Wales, Victoria and Queensland. Fresh passionfruit was sampled, and recipe brochures handed out. Consumers were also educated around seasonality, storage and handling.

A total of 115 sampling sessions were completed, with brand ambassadors achieving nearly 14,000 interactions with shoppers (an average of 122 per session), more than 8500 samples distributed (an average of 74 per session) and an estimate of close to 7800 passionfruit sold during sessions (an average of 68 per session).

Financial statement

Financial operating statement 2018/19

| | R&D (\$) | MARKETING (\$) | TOTAL (\$) |
|---|------------------------|------------------------|------------------------|
| | 2018/19 July – June | 2018/19 July – June | 2018/19 July – June |
| OPENING BALANCE | 107,961 | 54,626 | 162,586 |
| Levies from growers (net of collection costs) | 106,934 | 106,905 | 213,839 |
| Australian Government money | 129,717 | – | 129,717 |
| Other income* | 1,916 | 952 | 2,867 |
| TOTAL INCOME | 238,567 | 107,857 | 346,424 |
| Project funding | 192,776 | 100,642 | 293,418 |
| Consultation with and advice from growers | 2,531 | 382 | 2,913 |
| Service delivery – base | 9,080 | 4,593 | 13,673 |
| Service delivery – shared | 15,047 | 7,611 | 22,658 |
| Service delivery – fund specific | 40,000 | 18,000 | 58,000 |
| TOTAL EXPENDITURE | 259,434 | 131,228 | 390,663 |
| Levy contribution to across-industry activity | 5,942 | – | 5,942 |
| CLOSING BALANCE | 81,151 | 31,254 | 112,405 |
| Levy collection costs | 4,317 | 4,345 | 8,662 |

* Interest, royalties



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your levy!**

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to sign up for free Hort Innovation communications,
including industry-specific alerts, opportunities
and general horticulture news**

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