

Focus.

Supporting
business success in
South Australia

March 2016



Food for thought

Celebrating the
state's premium
food sector



Welcome.

Welcome to the March 2016 edition of BankSA's *Focus* magazine.

This edition celebrates South Australia's \$18.2 billion* food, beverage and wine sector, and profiles six BankSA customers making their own outstanding contribution to it.

It's an economic segment we examined in this magazine four years ago, when the State Government also revealed plans to intensify attention on the food sector, recognising it as a key economic pillar.

Food, beverage and wine has long been an integral part of the state's economy, but has only really been thrown into the spotlight in recent years following delays to South Australia's much anticipated mining boom, uncertainty over naval shipbuilding and a diminishing car manufacturing sector.

South Australia already has plenty of runs on the board in food, beverage and wine, and has a well-deserved national, as well as a growing international, reputation for producing authentic, clean products of the highest quality.

The sector is vital to the economy. In fact, the state's agribusiness sector employs one in five South Australian workers, while 144,000 South Australians worked across the food, beverage and wine sector last financial year. *

The fact that the sector is now in sharper focus than ever before, is evidenced by the fact that since the start of the year, the State Government has made numerous industry-related announcements. These have included a \$7 million initiative, in part, to attract anchor tenants to the Northern Adelaide Food Park, and a \$900,000 grant for new dairy technology to create jobs in the Adelaide Hills. A new Food Innovation Centre is also up and running at the Waite Campus, which will help producers and businesses research and introduce new ways to remain competitive.

It's this kind of innovation and initiative the sector needs. We have to recognise that globally, conditions and population demands are rapidly changing and today's food and beverage segment will be very different in the years to come.

It's now been four years since food, beverage and wine was identified as one of the state's seven key economic priorities, including a vision for a vibrant, robust and sustainable industry that's contributing \$20 billion a year to the South Australian economy by 2020. And we are already well on the way to surpassing this figure.

As South Australia's wine and food produce are exported to markets around the world, continual progress will result in an increase in jobs and economic growth. The segment can further capitalise on its reputation for clean water, air and soil, which all help brand South Australia globally as a producer of premium food and wine produce, and gives the state a competitive edge in both domestic and export markets.

BankSA is proud to present six dynamic customers of ours, who each demonstrate the passion, commitment and drive needed to be successful and further South Australia's deserved status as the nation's food capital.

Bon appetit!

Nick Reade – Chief Executive, BankSA

In this issue.

Food for thought
Page 1.



Idyllic conditions create good eggs
Page 4.



Brewing a bright future
Page 6.



Stay authentic but don't fear change
Page 8.



Apple factory doing crisp business
Page 10.



Success 30 years in the making
Page 12.



Nuts about almonds
Page 14.

*Source: 2014-15 South Australian Government Food and Wine Scorecard.

Food for thought.

With South Australia's economy facing strong headwinds, especially in mining, car and defence manufacturing, our strong food sector could prove to be an unsung saviour.

While economists agree there are genuine reasons to be concerned about the short term outlook, there are also important positives we shouldn't overlook.

As BankSA's recent *Trends* economic bulletin reports, the combination of lower interest rates and lower exchange rates are helping to deliver a powerful stimulus for the state's economy.

In addition, South Australia is in the box seat to realise a number of opportunities, which could help underpin our economic future.

One of the headliners is the potential for one of the state's long standing niche industries – premium food.

South Australia's food, beverage and wine industries are already a vital part of the state's economy, our largest export sector and a major employer.

Latest Primary Industries and Regions South Australia (PIRSA) figures from 2014–15, show the industry generated \$18.2 billion in revenue, accounted for 46 per cent of the state's merchandise exports, and employed around 144,000 people (or one in five working South Australians).

The food industry alone generated \$16.4 billion in revenue in 2014–15, with exports totalling \$4 billion, said PIRSA Chief Executive, Scott Ashby.

With world demand for food predicted to rise by 70 per cent over the next 30 years, plenty of new export opportunities are expected for South Australia's food producers.

The South Australian Government, Mr Ashby said, is supporting the growth of the food industry through its economic priority of *Premium food and wine produced in our clean environment and exported to the world.*

"One of the objectives of the economic priority is to increase international exports of differentiated and processed food and wine from \$2.8 billion in 2013-14 to \$3.6 billion in 2016-17," Mr Ashby said.

"Already, exports of differentiated and processed food and wine have grown in value by \$466 million, or 17 per cent, to \$3.25 billion in 2014-15.

"Favourable trading conditions and recently signed free trade agreements in key international markets present considerable opportunities for our food and wine industries."

PIRSA has implemented many initiatives in recent years, including the China Agribusiness Initiative, to help grow the state's food industry. It is also continuing to pursue new initiatives to support further growth of the sector, including the Northern Adelaide Food Park, the Northern Adelaide Plains Agribusiness Initiative and the Functional and Luxury Foods Project.

In addition, a free, interactive, multi-platform website has been created by PIRSA to assist investment in the state's food and wine industries: AgInsight South Australia provides local and external investors with the comprehensive agricultural, climate, soil, water, utility, transport, property, planning and economic data needed to guide investment decisions.

Beston Global Food Company (BGFC) is a recent example of a fast-growing company investing heavily in South Australia, and in



"Favourable trading conditions and recently signed free trade agreements in key international markets present considerable opportunities for our food and wine industries."

Scott Ashby
PIRSA Chief Executive



doing so, helping to boost the economy. Since debuting on the Australian Stock Exchange in August 2015, Beston has continued to build a portfolio of investments with the view of taking premium clean, green South Australian food and beverage products into global markets, particularly China and Asia, which are both experiencing 'dining booms'.

Last December saw the re-opening of the former Murray Bridge and Jervois milk processing factories by BGFC Chair, Dr Roger Sexton AM, and South Australian Minister for Agriculture, Food and Fisheries, Leon Bignell.

The factories, re-established as Beston Pure Foods at Murray Bridge and Jervois, are expected to create some 60 jobs and significant economic benefits for the region.

The Adelaide-based BGFC came to the rescue of the troubled United Dairy Power by contracting to buy it out of receivership in August 2015, with the goal of supplying

its quality South Australian milk products to Asia.

Dr Sexton said BGFC is working with the South Australian Government and PIRSA to assist local farmers increase their on-farm productivity to supply more milk to the factories, along with other raw material ingredients required for the new Beston Pure Foods products.

This will lead to more employment opportunities in the region, Dr Sexton said, and help to further cement the global reputation of South Australia as one of the leading producers of premium food and beverage products in the world.

In conjunction with the companies in its portfolio of food and beverage investments, BGFC has created a range of natural, clean and green products, which capitalise on the intrinsic benefits of South Australia as a premium food producer.

These products include high probiotic

yoghurt and milk drinks, nutritional supplements and organic beverages, all of which are in high demand in Asia and will be progressively introduced into production at Murray Bridge and Jervois over the next three years.

The Beston case study is a clear demonstration of how South Australia's food and agriculture industry could become the largest employer in the state, with the demand for premium food both internationally and domestically set to increase enormously over the coming decade.

Last December's BankSA economic bulletin, *Trends*, compiled in conjunction with Deloitte Access Economics, researched the local food, beverage and wine industry and found it is poised to capitalise on an increasing appetite for premium food both domestically and in Asia.

The bulletin reported vast opportunities,



—

“The state’s meat exports have more than doubled over the past five years, especially to China, while the state’s cereal, fruit and vegetable exports have also enjoyed strong growth over the past decade.”

Nick Reade
BankSA Chief Executive

with employment in the food sector already comprising 6.5 per cent of the state’s total workforce.

Around 47,000 people are already employed in South Australia’s food industry, which is four times the combined workforce of our car and defence manufacturing sectors, with BankSA’s research showing the premium food sector has the potential to underpin the state’s economic future.

The global middle class is estimated to increase from 1.8 billion people today to 3.2 billion people by 2020, with Asia expected to account for 85 per cent of this growth.

The *Trends* report highlights that the neighbouring Asian middle class is aspiring to lift its standard of living, with history showing that people tend to eat more and better quality food as their incomes rise.

BankSA Chief Executive, Nick Reade, said that with the national population expected to increase by 3.7 million people over the next

decade, there would be growing demand for food in Australia also, including demand for more health and premium foods as incomes rise and consumer preferences shift.

“South Australia’s meat producers and aquaculture industry are particularly well placed to tap into the rising demand for protein locally, and as incomes rise in Asia, to capitalise on our well-earned reputation for quality, clean produce,” Mr Reade said.

“The state’s meat exports have more than doubled over the past five years, especially to China, while the state’s cereal, fruit and vegetable exports have also enjoyed strong growth over the past decade.”

But despite the positive outlook, BankSA’s chief warns that a dining boom-led recovery for South Australia is by no means guaranteed.

“All the indicators are extremely positive,” he said.

“But access to these new emerging markets

also brings stiffer competition. There will need to be an expansion of the industry for the opportunities to be fully seized, costs will need to be kept down, efficiencies realised and productivity increased.”

That is a challenging task, but with such big opportunities for the state’s premium food sector, the rewards are there for South Australians to take.

•



Idyllic conditions create good eggs.

Kangaroo Island egg farmers, Tom and Fiona Fryar, enjoy an idyllic 'workplace' featuring 5,000 acres of open space, roamed by 50,000 contented hens, all protected by a delightful breed of 40 Maremma guard dogs.

Their Kangaroo Island Free Range Eggs is a family business involving their sons and daughter-in-laws. Importantly, the business and its products have received the seal of approval from animal welfare groups - a valuable accolade in a market known for questionable 'free range' claims.

"We've come a long way since we started 24 years ago and we're growing all the time," Mr Fryar said.

"My dad, Allan, had a soldier settler block here and I left the island when I was 10 and returned at 15. I worked on the farm doing hand work, shearing and rouseabouting," he said.

"I met my wife, Fiona, and after moving around a lot together we bought 100 acres at Cygnet River and 400 hens, even though we knew nothing about poultry farming - at all.

"We had our two sons and it was very hectic. I was doing other work and then we were grading and packing eggs at night - it was chaos."

But the pair persevered. They built their own mobile hen sheds, increased their flock to 1000; only employing their first staff member on reaching 3000 hens.

With a workforce of 20, they now supply free range eggs across the national market, including to supermarkets, butcher shops, restaurants and delicatessens.

"We farm our birds in a very labour intensive way - we never lock them up," Mr Fryar said.

"Ours is a true product. We don't trim their beaks and we run them in small mobs."

This makes for happy hens and great quality eggs with a superior taste.

The hens are protected from predators including eagles and feral cats by Maremma dogs, also bred by the Fryars and which play an important role in allowing them to produce true free range eggs.

"We receive a lot of interest in our dogs," he said.

"It's an Italian breed and it's their instinct to protect whatever animal they bond with as puppies."

The farm and business has the potential to keep growing and the Fryars have plans to explore export opportunities.

As is the case with so many other South Australian food producers, Kangaroo Island product is well known and valued for its quality and reliability.

"These are great selling points for the state's food and wine sectors," Mr Fryar said.

Mr Fryar said business taxes, including payroll and costs such as freight to and from the island, were a challenge to business expansion.

"Despite this we are growing all the time," he said.

"My sons are very keen to keep expanding and want to look at exporting."

Tom and Fiona Fryer are deservedly proud of just how far they've come since working around the clock to keep their 400-hen brood happy and productive.

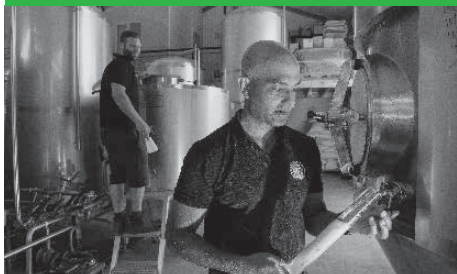
Strong farmgate values.

Following excellent growth in 2013-14, farmgate values for the production of food continued to increase in 2014-15 with a \$479 million (or 11 per cent) rise.



“We are growing all the time. My sons are very keen to keep expanding and want to look at exporting.”

Tom Fryar
Kangaroo Island Free Range Eggs owner



Brewing a bright future.

When reading the description of an alcoholic beverage that features aromas of pine, passionfruit, grapefruit and stone fruit, you might expect it to be describing a riesling, moscato or even an ice wine.

But these are words satisfied reviewers have used to describe Hop Heaven, one of Barossa Valley Brewing's (BVB) highly awarded craft beers, also recommended as an accompaniment to a platter of cured meats.

Then there are BVB's other Australian International Beer Awards winners - Bee Sting beer, featuring orange blossom honey, well matched to Asian cuisine, and Imperial Milk Stout, suitable with dark chocolate desserts.

It's this new approach to beverage and food matching, and a greater level of sophistication, that has helped cement South Australia on the food map, says BVB founder, Denham D'Silva.

BVB, which features a brasserie in addition to its brew house, recently celebrated its 10th anniversary. The milestone was also a celebration of Mr D'Silva's passionate drive to educate the local drinking population that beer is something that can be enjoyed in the same way as a good wine.

Mr D'Silva grew up in Australia but his family left when he was 10 years old. He spent the next two decades living in 11 countries.

"Travel can be a great teacher," Mr D'Silva said.

"It stoked my love for beer and taught me that a fine ale does not have to be cold and bland

and only matched with footy or cricket. It's the reason we opened the restaurant, to share this passion and display how beer can be enjoyed like wine.

"That's something we need to work on here – changing the drinking culture. Slow down and enjoy it with food. There's a huge range of ingredients in good quality beer and it has body, texture, aroma and length, like the best wine.

"In Europe, I learnt of beer's rich history, in America I learned how varied it can be and how wonderful it can be with food. In Asia, I saw how it can refresh and make a social occasion special."

It was during his university years in the United States in the 1990s that Mr D'Silva became interested in craft beers and immersed himself in every aspect, while also learning from passionate local brewers.

He graduated with an Economics and Business Administration degree, and a burning desire to start his own craft brewery. However, armed with a degree but no money he managed to secure a role in investment banking, where he worked his way up to managing a division in the Asia Pacific region.

But by the age of 30, the pull to follow his passion became too strong to ignore.

"I just had to jump in and what better place to do that than the Barossa? There's an adherence to quality and a culture of experimentation here. It is the willingness to experiment and share in order to create an

amazing product which excited me.


"This area, like other South Australian food regions is incredible and we exist to spoil people's palettes. It's an amazing culinary destination and we've got a great competitive edge in this state for food production because of our great resources and pristine environment – it's a no brainer that we should stand out.

"We need to diversify in this state and develop other areas we are good at – look at what happened in Detroit because they put all their eggs in one basket with automotive manufacturing."

He believes that in order to maximise and build South Australia's food sector, realise its jobs, export and tourism potential, food, wine and beverage industries need the support of governments to remove red tape, confusing tax laws and help create infrastructure to help market and grow food businesses.

A crafty business.

Currently worth \$160 million, the Australian craft beer market is being driven by passionate craft beer makers and home brewers. With more home brewers and innovative entrepreneurs adding to Australia's 150 plus microbreweries, IBIS World has forecast that the industry will grow by 5 per cent over the next five years.

A man with a shaved head, wearing a dark polo shirt with a logo, is smiling and pouring beer from a tap into a glass. The background shows a bar with various beer taps, some with 'B' logos, and shelves with glasses. A chalkboard with handwritten text is visible in the upper left.

“A fine ale does not have to be cold and bland and only matched with footy or cricket.”

Denham D’Silva
Barossa Valley Brewing founder



Stay authentic but don't fear change.

From Coopers Brewing to Robern Menz, Michell Holdings to Hickenbotham Homes, South Australia has a proud heritage of producing enduring and successful brands.

One of the reasons for business longevity, regardless of the sector, is adaptability and ability to re-examine itself from time to time, says Anthony Paech, the managing director of one of Australia's oldest family-owned jam, condiment and sauce producers, Beerenberg.

It's been almost five years since the Hahndorf-based business launched its new branding, its first brand update in 40 years.

This step was much more than putting thoughtfully designed new labels on jars and bottles, it was a strategic decision to highlight the brand's authenticity and regional relevance in a rising sea of foreign competition.

Mr Paech said it was about returning personal accountability and provenance to supermarket shelves crowded with 'faceless brands'.

"And it's not easy competing with these multi-national brands, with large marketing budgets," he said.

"We believe that consumers are increasingly questioning the source of their food and its ingredients – spurred by health and safety concerns, and also a greater awareness of global corporations owning brands that were once Australian.

"That's something in local food producers' favour – clean, green and authentic and we do fairly well at promoting this, but we could do more.

"When my parents, Grant and Carol, first started selling strawberry jam on the side of the main road from Adelaide to Melbourne, it was with home-made labels, and that authenticity was reflected in the branding change.

"It was the first ever radical change to our labels and was intended to help our products stand out on shelves crowded with multi-national and imported brands."

As board director and former chair of Food South Australia, Mr Paech said he was pleased to see that the food sector's profile had lifted in the news recently.

This includes the State Government's announced \$7 million to attract anchor tenants to the Northern Adelaide Food Park and the new Food Innovation Centre, operating from the Waite Campus and designed to help our food and beverage sector develop and deliver high value market-leading products.

Mr Paech says that South Australia is good at producing great food resources and selling, but not so good at packaging them up, value adding and getting them on the shelf.

The fact that the local market competes with multi-billion dollar factories and brands makes it difficult for it to compete at export level.

"Many in the Australian food industry complain about their market share being eroded by cheap imports but what are they doing about it? Largely, they copy the imports in terms of product offering and presentation, and cut their prices – a strategy which only hastens their demise," Mr Paech said.

"We have to become more sophisticated if we are to build and bridge the gap between being great food companies and agricultural businesses, to brand owners partnering with global retailers."

In order to remain sustainable and grow, Beerenberg has invested \$10 million in new office space and warehousing, with plans for new plant and factory space in 2017.

Food performing well.

South Australia has already reached some of its three-year targets in just one year, according to the State Government's 2014-15 Food and Wine Score Card.



"We have to become more sophisticated if we are to build and bridge the gap between being great food companies and agricultural businesses, to brand owners partnering with global retailers."

Anthony Paech
Beerenberg Managing Director



Apple factory doing crisp business.

Fourth generation Adelaide Hills apple grower, Robert Green, readily likens his picturesque 15 hectare Lenswood orchard to any factory.

The production floor and structures may be vastly different, but the pressures, challenges and opportunities are similar.

"Growing is very much like manufacturing," Mr Green said of his Oakleigh Orchards business.

"We invest heavily, we bring in a lot of labour and it's a very intensive operation. For us, 60 per cent of our costs are labour related, so we have the same pressures as any manufacturer, but our product is perishable."

Mr Green was 2014 Australian Farmer of the Year, an award he received partly in recognition of the constant change and adaptation his orchard undergoes, and the way it has evolved to maximise its growing area and work with the local geography.

A key to success, he says, has been constant trial, adaptation, learning, adoption and improvement.

Mr Green's great grandfather, John, established the orchard in 1893 and his own father, Ross, 76, is still involved in the orchard's day-to-day operations.

"At 15 hectares, it's very intensive and it means we have to focus on quality," he said.

"We've got about 40,000 trees on 23 blocks and have to make the best of the topography in the hills.

"I think we've lasted because we've been productive and efficient. One of the lessons I learned is that you have to have a replanting program. You can't just sit back for too long and not adopt new varieties and planting systems, or you wake up one day and you're faced with a huge job to turn things around."

Oakleigh Orchards produce Royal Gala, Pink Lady and Fuji apple varieties, and in the past couple of years, has invested in establishing the smaller 'miniature' variety, Rockit, set for market release by mid-year.

"It's an exciting opportunity," Mr Green said.

"It's new to Australia and it's marketed differently in a cylinder - similar to tennis balls - as a health snack on the go."

"The Lenswood Co-op has the Australian licence to the variety and we expect it to be very popular."

It's an example of the food sector needing to look ahead and tune in to market trends and opportunities for growth, while steering away from costly fads.

"We saw this as the answer to the trend towards smaller fruit, growth in the pre-packaged market, convenience purchasing by consumers and the demand for novelty. People are busy and that won't change. They want healthy food and convenience - something our sector can do."

Oakleigh Orchards is part of the Lenswood Cold Stores Co-operative Society, established

in 1933 and now responsible for 70 per cent of the state's apple crop.

The benefits of being part of the co-op are significant, Mr Green said, not the least that it frees up time to focus on production.

"It allows us to be 100 per cent dedicated fruit growers," he said.

We don't have to be involved in storing, marketing or packaging. We can leave that to the experts, while we can focus on what we're expert at - producing quality apples."

Mr Green believes innovation in the food production industry is as important to sustainability, jobs growth and business expansion as any other tool.

He is a strong believer in challenging and examining accepted practice and believes it's important that South Australian producers regularly ask themselves: why they do things a certain way; is there a better way; or is there a need to be doing it at all?

"I don't just do the same thing I did last year or the year before or what Dad did," he said.

"If you do that, you don't progress."

Horticulture high.

South Australia's horticulture industry's total farmgate value hit \$1 billion in 2014-15, with good performance from apples, citrus, almonds and tomatoes.



“I think we’ve lasted because we’ve been productive and efficient.”

Robert Green
Oakleigh Orchards owner



Success 30 years in the making.

Long hours, fresh ingredients and staying a step ahead of consumer trends have translated to lasting success for chef and food industry icon, Frank Taddeo.

Mr Taddeo, the chef behind the popular Fasta Pasta franchise of which he remains CEO, still runs the Pasta Deli at Burnside.

In 2013, he undertook a major renovation of the former Glynde fire station where he has created an upsized version of the Burnside outlet, offering gourmet home-style food with local, natural ingredients.

At 500 square metres, it's a hive of food production run by Mr Taddeo, his wife Anna, and chef Vincenzo La Montagna.

Pasta Deli makes everything from its own sauces, pasta and pot roasts to gourmet salads, breads, pastries, desserts, juice and coffee. Premium ingredients are sourced from South Australian regional suppliers, including farms and fisheries in Mount Barker and Moonta.

"We all work closely together," Mr Taddeo said.

"My wife has always been very interested in good nutrition. She's a former teacher and very passionate about good food, plus she's an old-style cook, but also very forward thinking.

"Anna was using ingredients like kale, baby spinach and quinoa long before they became as popular as they are now.

"We make 95 per cent of our products in store, have our own large cellar and recently bought another warehouse for our products. We use mostly free range and organic premium ingredients - there's so much available in South Australia, we are very lucky."

Mr Taddeo said to some it may appear their success was achieved 'overnight', but he has actually been in the local food business for more than 30 years, and said in that time he has learned the importance of having great staff and solid structure around his operations.

He's a hands-on food operator and does it all, from making pasta and slicing meats, to carrying trays and serving customers. It's the kind of daily activity on which he thrives and Mr Taddeo believes it's the best way to keep in touch with both the business operations and his customers.

It's important to him to have a good team of people on board, with shared goals and values.

"You have to be prepared to work hard, invest, and that includes in staff training, have goals and a plan from day one, and a good bank behind you," he said.

"I work long hours and often work 5am until 11pm. Plus, I have two sons aged 10 and 14, and so I make sure I spend time with them after school and on weekends.

"I'm not pushing them into the business, but they do seem to have picked up a lot and

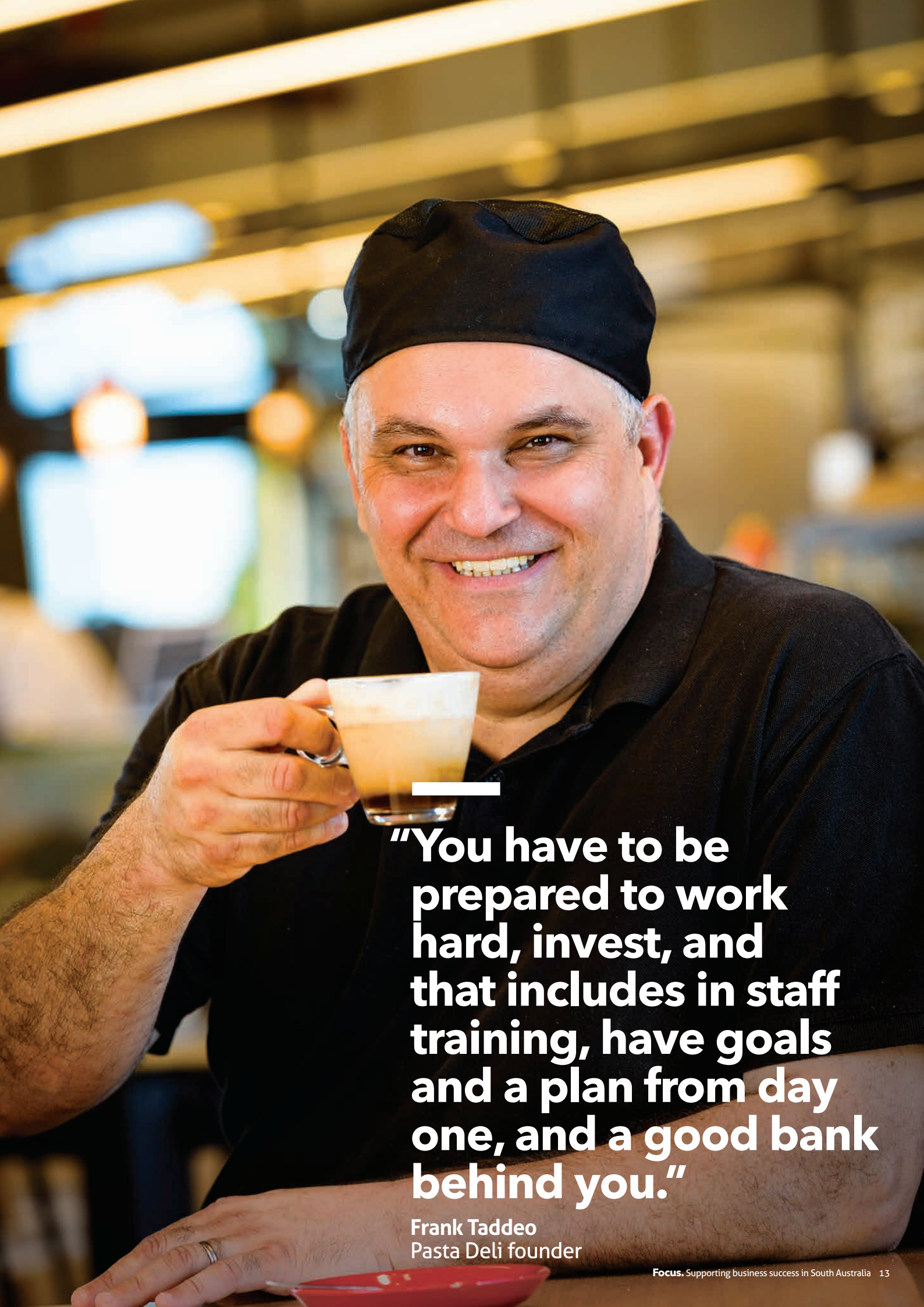
they both enjoy cooking. After school they get home and get out their fresh ingredients, garlic, bolognese – they've learned well from Vincenzo."

The Fasta Pasta franchise now employs around 700 people and has 23 restaurants located in South Australia, Victoria, Queensland and Western Australia, while the Pasta Deli outlets have a staff of 70.

There are plans to grow further but for now, Mr Taddeo is happy to focus on consolidating the Pasta Deli structure and being hands on in the kitchen.

A fine finish.

South Australia's finished food includes post-harvest value-adding such as packing, cleaning, cold-chain management and food manufacturing. Finished food value experienced excellent growth in 2014-15, rising by \$785 million (or 13 per cent), to reach a record \$6.6 billion.



“You have to be prepared to work hard, invest, and that includes in staff training, have goals and a plan from day one, and a good bank behind you.”

Frank Taddeo
Pasta Deli founder



Nuts about almonds.

Almondco Australia Managing Director, Brenton Woolston, saved the best until last when discussing the Renmark-based firm's steady growth and support for this multi-million dollar horticultural crop.

After discussing the \$760 million sector's export performance and potential, and its contribution to the local economy, Mr Woolston added "and we were inducted into the South Australian Food Hall of Fame in late 2015".

Almondco has been supplying almond products since 1944 and is the largest nut processor in the Southern Hemisphere operating on cooperative principles.

"It's an honour to be recognised among the state's leading food industry businesses and individuals," Mr Woolston said.

"We have a lot of dedicated and hard-working people on board so that we can produce more than 100 products from 85 per cent of Australia's almond growers. South Australia represents 22 per cent of Australian plantings and as such we don't underestimate its value."

When Almondco was first established in 1944, it was as a growers' cooperative for the state's almond sector and was little more than a cottage industry based in Willunga.

"Australian plantings have increased more than five-fold over the past decade or so, with the latest industry stats showing that

nationally more than 73,000 acres are planted under almonds and this is predicted to reach 130,000 acres over the next four years," Mr Woolston said.

"One reason it's such a fast growing sector is because almonds are labour and waste efficient and you get great return on your water investment. The industry is really thriving and is focused locally on the Adelaide Plain, Swan Reach and through to the Riverland region, which provides great value throughout those regional communities.

"California grows around 80 per cent of the world's almonds (over 900,000 metric tons) with Australia now the world's second biggest producer at 80,000 tonnes."

It's a serious horticultural sector and it's earning plenty of attention. In December, the Centre of Excellence for the Australian Almond Industry was opened in the Riverland.

Mr Woolston said the industry is now Australia's most valuable single horticultural export crop with a record industry gross production value of \$1 billion.

"Almond exports account for around 75 per cent of sales with major markets in Europe, India, Middle East and growing markets in Asia," he said.

"The new centre will further boost the sector. Research will be carried out by the Almond Board of Australia and South Australian Research and Development Institute, with

an aim to ensure we capitalise on recent growth and make the industry more globally competitive.

"It will examine new rootstocks, varieties, crop management and harvesting techniques, so it's an exciting time for the industry."

With BankSA's backing, Almondco is currently investing \$24 million in an almond primary processing facility in the New South Wales Riverina region. It will be operational in time for the 2017 almond harvest, and will provide much needed processing capacity for its regional growers and for the ever expanding Australian almond industry.

•

Amazing almonds.

Almonds were a strong performer in the horticulture industry last financial year, while price increases for Southern Rock Lobster and Southern Bluefin Tuna contributed to a \$15 million rise in the produce value of seafood.

“The industry is now Australia’s most valuable single horticultural export crop with a record industry gross production value of \$1 billion.”

Brenton Woolston
Almondco Australia





Barossa Valley - the best of both worlds

Sixty kilometres northeast of Adelaide's city centre lies the beautiful and world-renowned Barossa Valley. Notable as a major wine-producing region, the Barossa also boasts a high-end concentration of food production and products, food and wine trails, second hand furniture and antique shops, cycling trails, parks and gardens, galleries and museums. With a population of around 20,000 people, the Barossa is the valley formed by the North Para River and comprises the major townships of Tanunda, Nuriootpa, Angaston, Williamstown and Lyndoch.

BankSA's local bankers, Mark Fielke and Suzanne Rosenzweig, share their favourite Barossa Valley highlights...



Mark Fielke

Barossa Valley and Riverland Senior Relationship Manager
0434 734 163

"A sense of community is very important in the Barossa. I don't just work here; I live here and I love it. I value the long term relationships I have with my clients and the insight I've been afforded into the sectors they operate in.

The local wineries are highly valued regional assets. When it comes to picking out favourites, it's hard to single out a few, and we're very lucky to have such a huge number in the Barossa.

Killeske Wines and **Chris Ringland Hoffmann Vineyard** are particular favourites. I also really enjoy **Whistler Wines**. Whistler is also one of my clients and has a great team on board. The special thing about them is that they support local cottage industries within their award winning cellar door."



Suzanne Rosenzweig

Relationship Manager and Rural Business Banking Manager
0466 340 885

"The Barossa is a beautiful part of the world and is always green and fertile, with broad acre crops half the year and vines the other half.

Working closely with small businesses, my clients include hardworking and dedicated grape growers and farmers. They are probably among the hardest working people I've come across. They give their whole lives to what they do and make a huge contribution, not just to the local economy, but to the state's economy too.

As a passionate local, I love going to wineries and eating out with friends. I always enjoy the food at **1918**; for a good coffee you can't go past **Red Door** or **Keils Fine Food and Coffee**. And my top winery picks would have to be **Whistler Wines** and **Elderton Wines** – throughout the year they put on a great calendar of events."

Let's talk growing business business.



David Firth

Corporate and Commercial Banking 0466 343 446

Jake Bromwich

Small Business Banking 0466 411 850

Credit criteria, conditions and charges may apply. © 2016 BankSA - A Division of Westpac Banking Corporation
ABN 33 007 457 141 AFSL and Australian credit licence 233714, BSA07113 (02/16)

bankSA
Let's do this.

Focus. March 2016

BankSA — A Division of Westpac Banking Corporation
ABN 33 007 457 141

AFSL and Australian Credit License 233714.

Focus is produced by BankSA Corporate Affairs.
Readers' comments are welcomed.

All correspondence should be sent to:
The Editor, Focus, BankSA, Level 8,
97 King William Street, Adelaide SA 5000
Communications@banksa.com.au

BankSA may be entitled to commission or fees in respect of products discussed in this publication. The information contained in this newsletter is believed to be accurate, but no liability is accepted for errors or omissions or for loss or damage suffered as a result of a person or business acting thereon.

PRINT POST APPROVED 565001/00273 BSA01869 (03/16)

The pulp for this paper is sourced from certified, well-managed sustainable forests, is ECF (Elemental Chlorine free) and has been 'made carbon neutral'.



banksa.com.au