



**Annual operating plan  
Final report 2009-10**



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**Note:** *Objective 3.5 – Science for the future has been split up with relevant projects re- allocated to Objectives 3.1 and 4.2*

## Collaboration at work

Against a backdrop of diminishing returns on investment in farm businesses, shaky consumer sentiment in major export markets and intensified competition, the Australian red meat and livestock industry has sustained a stoic performance during 2009-10.

Assisted by an excellent season in eastern Australia, a robust domestic market with consumption and expenditure up, and good demand from South East Asia/Chinas, the industry has produced in excess of six billion beef, sheepmeat and goatmeat meals with weekly shipments worth approximately \$100 million for beef and \$32 million for sheepmeat.

Highlights for 2009-2010 included:

- a breakthrough in market access for beef to the European Union with industry and government successfully negotiating to supply into a broader arrangement between the EU and the United States
- spectacular demand for lamb and sheepmeat both domestically and overseas generating \$3.3 billion this year, by tapping the rich vein of Sam Kekovich for Australia Day and Mother's Day to drive sales over the period, despite higher prices
- the growing momentum of the Meat Standards Australia (MSA) grading program with beef numbers reaching 1.25 million head – an increase of 27 per cent on last year – and lamb numbers more than doubling in its second full year of processing to 508,000 head
- a bolstered proactive environmental communication efforts with the launch of RedMeatGreenFacts – a program of activities across the internet, school forums and media to counter unsubstantiated claims about the impact of red meat production on the environment that is helping to deliver more balanced metropolitan media reporting
- an integrated weed management strategy for summer perennial weeds which is reducing chemical costs by 95 per cent and increasing profit by \$30-47/ha
- the Lifetime Ewe Management program which illustrated gains of \$50/ha, and a suite of projects on heifer fertility bearing \$10.95 million for the northern pastoral industry.
- our collaboration with the commercial sector through the MLA Donor Company, leveraging joint Australian Government contributions to the value of \$23.2 million this year to accelerate broad scale commercial uptake of R&D technologies and information across industry

## Annual operating plan 2010-2011

Meat and Livestock Australia's *Annual operating plan 2010-11* establishes a clear direction for targeted services and solutions to be provided by MLA over the next twelve months to help maintain and improve Australian livestock and red meat performance and provide relevant outcomes for key stakeholders.

It is designed to deliver programs and activities that are closely aligned with industry's *Meat Industry Strategic Plan (MISP) 2010-2015*, and the Federal Government's Rural R&D priorities - and delivers the financial year's programs and activities that give effect to MLA's new *Strategic Plan 2010-2015*.

In response to the changing state of industry, and new *Meat Industry Strategic Plan (MISP)* - the *MLA Strategic plan* and *Annual operating plan* have been re-worked, introducing new areas of focus designed to best position MLA to contribute to industry's economic and environmental sustainability, and facilitate closer alignment with industry and government priorities.

The addition of a new imperative, 'Promoting industry integrity and sustainability', reflects the growing need for our industry to adapt to climate change and actively engage the community in our industry's environmental stewardship and best-practice animal welfare standards. Activities under this imperative are now closely related to the Meat Industry Strategic Plan (MISP) Environment and Ethics imperative, and Government: An environmentally sustainable Australia; Natural resource management; Climate variability and climate change; and Innovations skills priorities.

This imperative will be backed by a funding boost of \$200,000 allocated to the communication of the environmental and animal welfare record of industry, and reflects the recognition of the relationship between industry credibility and consumer behaviour.

The rearrangement of our imperatives also acknowledges distinction between MLA productivity and sustainability activities, providing the opportunity for distinct focus on both streams of work.

Other key areas receiving increased focus include:

- increased emphasis on brand support with the introduction of a new global lamb ICA program and the maintenance of beef ICA activities
- striking a balance in export markets between the investment in established and emerging markets
- elevating investment in Indonesia for the livestock and boxed beef trades – focusing on animal welfare
- development of a new program to provide industry with policy research support

Delivering on a plan which integrates new and existing priority areas is a challenge that requires the careful balancing of MLA resources in line with market factors. In devising and resourcing our annual programs consideration is given to both current economic climates and forecast long term industry developments.

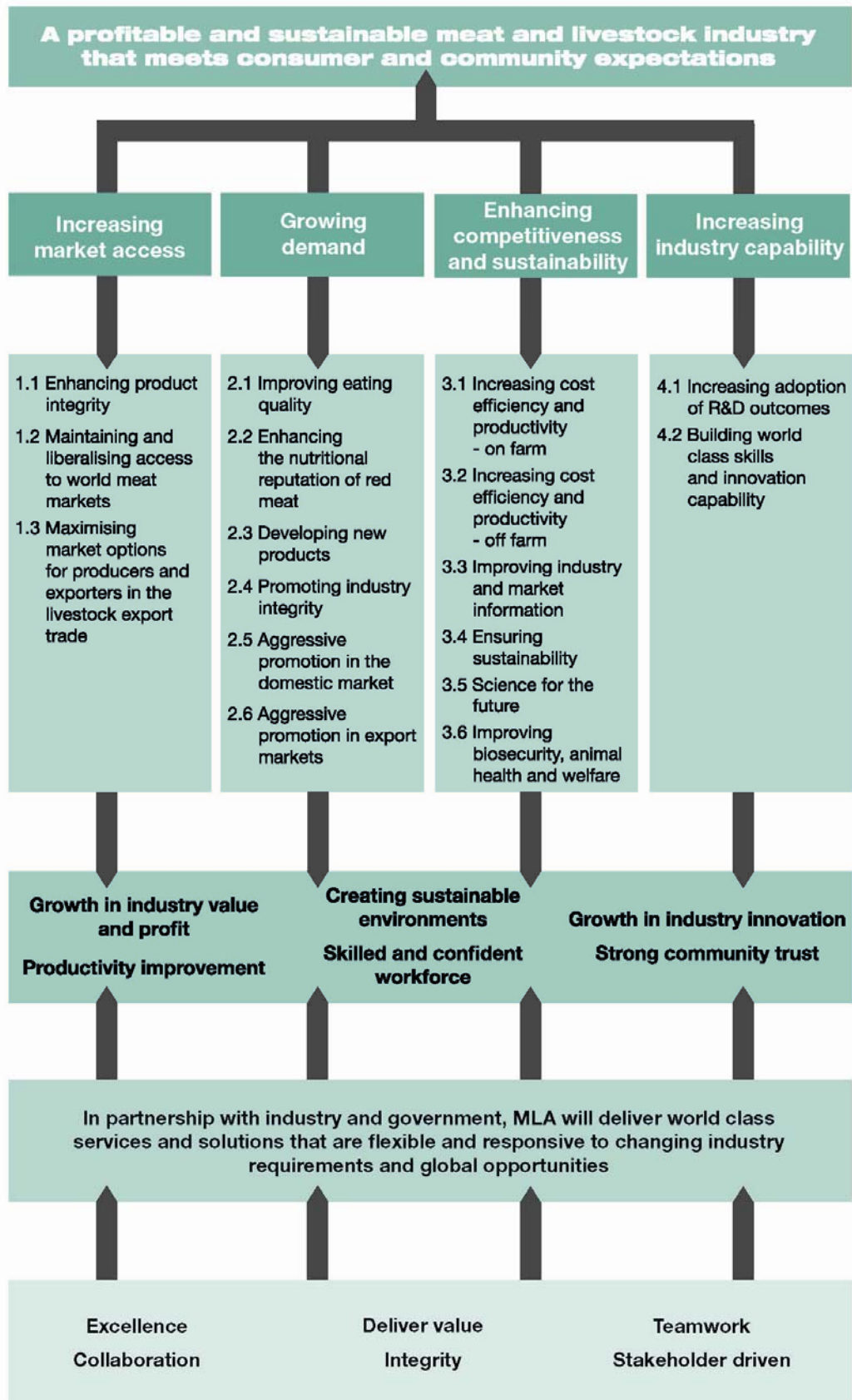
Typically, research and development (R&D) programs involve a lengthy payback period and therefore require an extended planning perspective, and while MLA marketing efforts are mostly directed at the longer-term positioning of Australian beef and sheepmeat, consideration must also be given to proactive and reactive programs that counter challenging consumer sentiment and best position industry for future growth.

The current climate demands a focus on achieving productivity growth in our sector and a collaborative approach is needed to allow our industry to achieve competitive, sustainable operation in tomorrow's trading environment.

MLA operates with a commitment to transparency, and this plan represents an important part in our resolve to maintain these standards in our operations. The key initiatives for each strategy contained within the Strategic plan are outlined, and the key performance indicators (KPIs) and budgets for these strategies are also clearly shown. Actual expenditure of funds (as opposed to prospective budgets) and progress against KPIs is accounted for in MLA's Annual operating plan – final report and Annual report.

The charts on the following pages demonstrate MLA's priority alignment. It is the matching R&D funding of government and the collaboration of peak councils and industry leaders that enable us to deliver on this plan.

David Palmer  
Managing Director  
Meat & Livestock Australia



Vision

Imperatives

Objectives

Industry outcomes

Implementation

MLA values

Alignment with R&D priorities		
National R&D Priorities	Rural R&D Priorities	MLA Objectives
<b>Promoting and maintaining good health:</b> Through strengthening Australia's social and economic fabric and preventive healthcare (healthy food production)	<p><b>Productivity and adding value:</b> Improve the productivity and profitability of existing industries and support the development of viable industries</p> <p><b>Supply chain and markets:</b> Better understand and respond to domestic and international market and consumer requirements and improve the flow of such information through the whole supply chain, including to consumers</p>	1.2, 1.3, 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 3.1, 3.3
<b>An environmentally sustainable Australia</b>	<p><b>Natural resource management:</b> Support effective management of Australia's natural resources to ensure primary industries are both economically and environmentally sustainable</p> <p><b>Climate variability and climate change:</b> Build resilience to climate variability and adapt to and mitigate the effects of climate change</p>	3.4
<b>Safeguarding Australia</b>	<b>Biosecurity:</b> Protect Australia's community, primary industries and environment from Biosecurity threats	1.1, 3.6
<b>Frontier technologies for building and transforming Australian industries</b>	<p><b>Innovation skills:</b> Improve the skills to undertake research and apply its findings</p> <p><b>Technology:</b> Promote the development of new and existing technologies</p>	3.2, 3.5, 4.1, 4.2

## Increasing market access – 1.1

### 1.1 Enhancing product integrity

As the world meat market becomes increasingly competitive, Australia must work to maintain market access by differentiating its meat from other supplying nations. This can be achieved by establishing Australia as leader in the supply of safe and wholesome red meat products. In 2009-10, MLA's initiatives in this area will focus on the continuing development of tools and systems for managing food safety based on innovative science, which supports outcome-based regulations and enables industry to meet customer expectations.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Maintain the current industry microbiological benchmarks within the ESAM database.</li> </ul>	ESAM data has been obtained and trends in benchmark figures have been analysed. The figures have remained stable or trended favourably. This provides confidence in the safety of product.
<ul style="list-style-type: none"> <li>All major market closures for red meat products being avoided due to integrity of Australia's food safety systems.</li> </ul>	No markets have been closed due to integrity concerns in the past year. Appropriate actions have been taken to assure several markets of the safety and integrity of Australian product.
<ul style="list-style-type: none"> <li>Independent biannual audit to ensure NLIS database meets national traceability standards.</li> </ul>	Preparations have been completed and an auditor has been identified. The audit will be undertaken in the first quarter of 2010-11.

Strategy	Key initiatives
1. Enhance the uptake of quality assurance systems by all sectors of the red meat supply chain.	<ol style="list-style-type: none"> <li>Deliver programs that underpin the integrity of the Australian red meat and livestock including: supporting the LPA program, producer education and communication strategies.</li> <li>Increase the efficiency of food safety system.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>A system that allows processors to benchmark their carcass hygiene data against national norms is currently being trialled with 48 export processors across the country. For the first time, this allows processors to determine (on a monthly basis) how their performance compares to other exporters and assess whether they must change their processes. This helps maintain Australia's levels of safety and quality.</li> <li>The AgriSure program – a new voluntary on-farm quality management standard – was developed. The administration framework will be finalised by August 2010 and the program will be available in 2011. Optional modules continue to be developed and tested including environmental stewardship, grass-fed beef, and intensive lamb feeding and fodder production management. The fodder program will be launched in August 2010.</li> <li>The eDEC program was upgraded to include the commodity vendor declaration program. Close to 50,000 eDECs were used in 2009-10.</li> </ul>	
2. Develop and promote appropriate meat and livestock traceability systems.	<ol style="list-style-type: none"> <li>Ensure the NLIS database and support services have the capability to deliver to the national traceability standards.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>The NLIS database (which averaged 232,000 transactions per month during 2009-10) underwent a technology upgrade to enhance the web interface and transaction processing component. This upgrade has resulted in improved reliability and robustness of the system.</li> <li>Enhancements to the NLIS database were implemented to facilitate the introduction of mandatory mob based movement recording for sheep and goats. This included abattoirs; feedlots; live export; and property-to-property movements.</li> <li>A review of the user interface was undertaken and multiple species functionality was implemented to enable users to record information based on the specific livestock types that they manage.</li> </ul>	
3. Conduct scientific research to ensure the food safety systems available in	<ol style="list-style-type: none"> <li>Evaluate meat safety risks through supply chain.</li> <li>Develop tools and systems for food safety risk management.</li> <li>Monitor developments and develop initiatives in biotechnology.</li> </ol>

Australia are at the leading edge of international knowledge and practice.	4. Develop risk-based post mortem inspection systems for animal health surveillance, and assessment of product safety and suitability.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Investigation of product, for E.coli O157 contamination provided confidence about the adequacy of current control programs.</li> <li>• Concerns about 'non-O157' strains of <i>E. coli</i> in beef have been raised in the USA but results indicate that the likelihood of finding these strains in Australian beef is very low.</li> <li>• The shelf-life of vacuum-packed beef and lamb was demonstrated to exceed previous estimates, and tools to assist supply chain management are currently being developed.</li> <li>• Trials of the control of Listeria in processed meats with regulators and smallgoods manufacturers will result in safer product and fewer recalls.</li> <li>• Aspects of post mortem inspection that may be modified without adversely affecting product safety have been identified.</li> </ul>	
4. Promote the integrity of Australian red meat products to our international and domestic customers while minimising food safety related incidents.	<ol style="list-style-type: none"> <li>1. Provide secretariat services to SAFEMEAT and develop effective industry safety and issues management strategies.</li> <li>2. Develop and maintain information resources on the integrity of red meat products.</li> <li>3. Communicate the integrity of Australian red meat products internationally and provide a response capability.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• A number of presentations, documents and publications about the quality and safety of Australian red meat have been prepared and delivered to industry, regulators, customers and consumers. This included information on shelf-life, <i>E. coli</i>, hormonal growth promotants and chemical residues, resulting in US customers maintaining their confidence in Australian beef, Middle Eastern markets accepting longer shelf-life and Japanese regulators making informed decisions on chemical residues.</li> <li>• MLA developed a framework for review of the administration of SAFEMEAT to make it more streamlined and cost effective. MLA continued to provide communication services to SAFEMEAT including the widely distributed plague locust brochure.</li> </ul>	

### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)				Totals
			1	2	3	4	
Mutton	R	108	15	100	22	6	143
	M	140	26	50		76	152
Lamb	R	318	59	350	112	22	543
	M	600	98	100		421	619
Grass Cattle	R	464	123		342	66	531
	M	2,662	201	959		1,197	2,357
Grain Cattle	R	79	30		47	9	86
	M	519	63	265		191	519
Processor	R	1,128	112	500	513	95	1,220
	M	2,052	160	144		1,742	2,046
Goat	R	17	14				14
	M	27	26				26
Livestock export	R	34	14			12	26
	M	71	26	20		24	70
External	R	662		662			662
	M	838		838			838
Government	R	2,811	367	1,612	1,036	210	3,225
<b>Subtotal</b>	<b>R</b>	<b>5,621</b>	<b>734</b>	<b>3,224</b>	<b>2,072</b>	<b>420</b>	<b>6,450</b>
<b>Subtotal</b>	<b>M</b>	<b>6,909</b>	<b>600</b>	<b>2,376</b>		<b>3,651</b>	<b>6,627</b>
<b>TOTAL</b>		<b>12,530</b>	<b>1,334</b>	<b>5,600</b>	<b>2,072</b>	<b>4,071</b>	<b>13,077</b>

### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)				Totals
			1	2	3	4	
Mutton	R	143	15	-	21	0	37
	M	152	31	57		65	152
Lamb	R	543	57	-	77	0	134
	M	619	101	116		360	576
Grass Cattle	R	531	118	26	237	- 6	376
	M	2,357	206	848		1,106	2,160
Grain Cattle	R	86	29	-	33	- 3	59
	M	519	65	223		178	465
Processor	R	1,220	99	309	358	135	902
	M	2,046	160	144		1,706	2,010
Goat	R	14	14				14
	M	26	27				27
Livestock export	R	26	14			9	23
	M	70	27	20		18	64
External	R	662		662			662
	M	838		990		97	1,087
Government	R	3,225	348	998	726	135	2,207
<b>Subtotal</b>	<b>R</b>	<b>6,450</b>	<b>696</b>	<b>1,996</b>	<b>1,452</b>	<b>270</b>	<b>4,414</b>
<b>Subtotal</b>	<b>M</b>	<b>6,627</b>	<b>615</b>	<b>2,397</b>		<b>3,528</b>	<b>6,540</b>
<b>TOTAL</b>		<b>13,077</b>	<b>1,311</b>	<b>4,393</b>	<b>1,452</b>	<b>3,798</b>	<b>10,954</b>

## Increasing market access – 1.2

### 1.2 Maintaining and liberalising access to world markets

As a major exporting industry, changes in access to overseas markets affect the profitability of both individual livestock producers and meat processors. MLA actively seeks to defend existing rights of access to livestock and meat markets, and where possible, secure improvements to export conditions.

In 2009-10, MLA, in conjunction with government and industry stakeholders, pursued a multilateral, regional and bilateral trade advocacy program. Priorities included:

- securing increases in access under the WTO Doha Round (contingent on progress) for sheepmeat into the EU and beef into North Asia; and
- ensuring red meat is a recipient of Free Trade Agreement import liberalisation in two priority markets – Japan and Korea.

MLA's economic unit also provided input into the Australian Government's climate change initiative – where policy development impacted livestock and red meat. This effort was jointly undertaken with industry stakeholders and alliances.

Key performance indicator	Outcome
<ul style="list-style-type: none"> <li>• Satisfaction rating of MLA market access activities by government and industry maintained above 85 per cent (survey conducted biennially).</li> </ul>	Independent survey (August 2010) indicates 89 per cent of government and industry stakeholders were highly satisfied with MLA's market access service – with the remaining 11 per cent generally satisfied.

Strategy	Key initiatives
1. Defend existing favourable market access conditions in overseas markets.	1. Monitoring developments in overseas markets; developing networks of industry/government contacts in Australia and overseas; and providing a response capability when impediments arise.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• MLA worked closely with Australian Government officials in Canberra and in key export markets to maintain unimpeded export trading conditions.</li> <li>• In partnership with Government and industry MLA: secured new access under a European Union 20,000 tonne grainfed beef import quota; improved frozen beef access into Russia (for 2010–2012) via eligibility to supply under expanded 'other country' import quota; obtained (EU gazettal pending) an extra 400 tonnes of EU Sheepmeat quota access as compensation for EU enlargement, and finalised beef grading recognition between Australia and Chile.</li> <li>• Import regulations and technical access issues were either addressed, or subject to ongoing representations across: South Asia markets (in particular China, Malaysia and Indonesia); the Middle East/North Africa (Algeria, Morocco, Syria, Iran, Iraq and Egypt) and; Korea (product labelling developments).</li> <li>• The industry/government partnership on red meat access was maintained via regular meetings of the Red Meat Market Access Committee.</li> <li>• In conjunction with industry peak councils, we continued dialogue with strategic international alliances including Tri-Lamb, Five Nations Beef Alliance and Europe Market Access Committee.</li> </ul>	
2. Position the Australian meat and livestock industry for the WTO Doha round.	1. WTO work to include monitoring and responding to WTO developments; representation to government on industry priorities; coalition building in key overseas markets; and industry missions to Geneva.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• Despite the WTO Doha Round continuing to be protracted, high level engagement was maintained with trade officials in Canberra and Geneva, and industry priorities were reinforced.</li> <li>• Analysis was completed on the implications of various WTO tariff reduction and quota expansion options.</li> <li>• MLA participated on the National Farmers' Federation Trade Committee (a key conduit between the agriculture sector and DFAT/DAFF on multilateral, bilateral and technical trade developments).</li> <li>• MLA was represented at the Cairns Group Farm Leaders and Trade Ministerial (April 2010) with subsequent communication calling for vigorous global trade reform in agriculture.</li> </ul>	

3. Position the Australian meat and livestock industry for FTA negotiations.	1. FTA work to include representations to government on priority countries for FTAs; preparing and lodging submissions on industry priorities for each FTA; proactive advocacy on FTA negotiations; coalition building in key overseas markets.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Government trade negotiators were made aware of and have incorporated livestock, beef, sheepmeat and goatmeat industry priorities in all current FTA negotiations: Japan; Korea; China; Malaysia; Gulf Cooperation Council (GCC); Trans-Pacific Partnership; Pacer Plus. Written submissions were provided and positions were expressed at public consultations.</li> <li>• In-country FTA advocacy was conducted between government officials, key influencers, industry representatives and the media in Japan and Korea. Ongoing activities are planned.</li> <li>• ASEAN-Australia-NZ FTA (effective 1 January 2010) resulted in immediate tariff reduction benefits across 10 South Asian countries for beef, sheepmeat and goat meat.</li> </ul>	
4. Conduct research into the impact of access barriers on the Australian meat and livestock industry and strategies for removing these barriers.	<ol style="list-style-type: none"> <li>1. Research to support trade reform advocacy in WTO and FTA negotiations.</li> <li>2. Research on technical barriers to trade.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Global Meat Industry Model (maintained by Centre for International Economics) was utilised to ascertain changes in trade flows arising from trade reform (WTO and FTA) scenarios and for program evaluation.</li> <li>• Other WTO/FTA technical research was suspended pending further progress on trade negotiation.</li> <li>• Research was completed on options for reducing the 40 per cent sheepmeat tariff in South Africa and results passed to South African industry representatives for consideration/prosecution.</li> </ul>	
5. Position the Australian livestock and red meat industry in relation to climate change policy development.	<ol style="list-style-type: none"> <li>1. Undertake analysis to inform climate change policy making process.</li> <li>2. Advocacy of industry position.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Identification of on-farm/processor impact of the proposed Carbon Pollution Reduction Scheme (CPRS) highlighted heavy cost burden. Agriculture was subsequently excluded from the CPRS and the processing sector allocated additional assistance to fund emission reduction measures.</li> <li>• Research was completed on alternative policy options to the CPRS (November 2009 and March 2010).</li> <li>• Liaised with and assisted industry peak councils, National Farmers' Federation and International Meat Secretariat with climate change policy development.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)								Totals
			Global	North America	Japan	Korea	South Asia	Europe	Middle East	R&D	
Mutton	R	13								13	13
	M	209	33	33	4	2	23	61	62		218
Lamb	R	53								53	53
	M	595	139	123	47	8	117	47	151		632
Grass Cattle	R	134								134	134
	M	855	196	146	215	127	108	115			907
Grain Cattle	R	20								20	20
	M	121	23	24	35	21	18				121
Processor	R	220								220	220
	M	1,512	263	335	250	76	168	230	190		1,512
Goat	M	8	11								11
Government	R	440								440	440
<b>Subtotal</b>	<b>R</b>	<b>880</b>								<b>880</b>	<b>880</b>
<b>Subtotal</b>	<b>M</b>	<b>3,300</b>	<b>665</b>	<b>661</b>	<b>551</b>	<b>234</b>	<b>434</b>	<b>453</b>	<b>403</b>		<b>3,401</b>
<b>TOTAL</b>		<b>4,180</b>	<b>665</b>	<b>661</b>	<b>551</b>	<b>234</b>	<b>434</b>	<b>453</b>	<b>403</b>	<b>880</b>	<b>4,281</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)								Totals
			Global	North America	Japan	Korea	South Asia	Europe	Middle East	R&D	
Mutton	R	13								8	8
	M	218	34	31	4	1	21	56	59		204
Lamb	R	53								30	30
	M	632	144	115	44	8	107	43	138		598
Grass Cattle	R	134								47	47
	M	907	181	123	188	128	110	104			835
Grain Cattle	R	20								8	8
	M	121	22	21	33	22	18				116
Processor	R	220								93	93
	M	1,512	253	297	250	76	162	209	175		1,421
Goat	M	11	11								11
External	M				141						141
Government	R	440								186	186
<b>Subtotal</b>	<b>R</b>	<b>880</b>								<b>372</b>	<b>372</b>
<b>Subtotal</b>	<b>M</b>	<b>3,401</b>	<b>644</b>	<b>586</b>	<b>661</b>	<b>235</b>	<b>417</b>	<b>412</b>	<b>372</b>		<b>3,326</b>
<b>TOTAL</b>		<b>4,281</b>	<b>644</b>	<b>586</b>	<b>661</b>	<b>235</b>	<b>417</b>	<b>412</b>	<b>372</b>	<b>372</b>	<b>3,698</b>

**1.3 Maximising market options for producers and exporters in the livestock export trade**

MLA’s partnership with LiveCorp, works to sustain a livestock export industry that contributes at least \$1.8bn in revenue to the Australian economy each year. The joint program enables the design and delivery of activities that aim to improve the wellbeing of Australian livestock during export (from farm of origin through transit to the receiving countries) as well as the investment in R&D to find innovative solutions that create best-practice supply chains for the export of cattle, sheep and goats.

In collaboration with industry, the program also invested in activities to drive demand for Australian livestock and red meat products in key receiving markets. These investments and their outcomes were communicated to a broad stakeholder base to demonstrate industry’s commitment to addressing community concerns.

<b>Key performance indicators</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>Improve on baseline measurements of beef nutritional awareness by Indonesian housewives who purchase beef from traditional markets where promotional campaigns have been conducted.</li> </ul>	Promotional campaigns were conducted in 107 wet markets with over 6000 participants. 15 per cent of these participants showed an increased awareness of beef nutrition and over 90 per cent were motivated to buy more beef.
<ul style="list-style-type: none"> <li>Demonstrated ongoing improvements to livestock handling and transport in 20 per cent of facilities accessed in the Middle East compared to their previous assessment.</li> </ul>	14 feedlots covering over 90 per cent of imported Australian sheep were assessed for improvements in feedlot infrastructure and management, animal handling, quality systems and animal health. 77 per cent of facilities showed improvement in overall performance.
<ul style="list-style-type: none"> <li>Maintain current level of community support through enhanced livestock management, animal welfare and communication.</li> </ul>	Community support for livestock exports remained at 2008-09 levels.

<b>Strategies</b>	<b>Key initiatives</b>
1. Deliver continuous improvement in animal welfare throughout the livestock export chain.	<ol style="list-style-type: none"> <li>R&amp;D into animal welfare issues throughout the chain to find solutions to issues that adversely impact on animal welfare outcomes.</li> <li>Deliver animal handling and welfare training with an emphasis on feedlots and abattoirs In Asia/Pacific markets,.</li> <li>Deliver animal handling and welfare training to improve practices during the process of discharge, feedlotting and processing in Middle East markets.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>R&amp;D projects have been established into key areas of animal welfare improvements including onboard stocking densities, development of systems to assess long-haul cattle transport and identification of backgrounding strategies to reduce inanition in sheep.</li> <li>In partnership with the Australian Government in Indonesia, 10 restraining boxes have been installed in abattoirs taking the total number of boxes to 106. Standard operating procedure training has been conducted across 50 restraining boxes. Animal handling training has been conducted at 10 feedlots.</li> <li>Animal welfare programs around Eid Al Adha were expanded to cover Bahrain and Qatar. These programs ensured that animals being sold during the peak religious period were handled and transported appropriately. Major infrastructure improvements at slaughterhouses were undertaken in Kuwait and Qatar which improved animal welfare outcomes for the majority sheep processed in these countries.</li> </ul>	
2. Improve industry risk management and livestock performance throughout the livestock export chain.	<ol style="list-style-type: none"> <li>Deliver training programs and systems to enable compliance and cost efficiencies through the livestock export chain.</li> <li>R&amp;D into the development of risk management tools and improvement of livestock performance through the supply chain.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Independent technical and expert reviews have been undertaken for various aspects of the live export supply chain, resulting in: the development of submissions on improvements to the Australian Standards for the Export of Livestock (ASEL); a review of the AQIS high mortality investigation process; ASEL</li> </ul>	

<p>standards for the minimum weight of cattle exported by air and; the use of Portable Livestock Units. Industry's approach to developing an expert technical working group has been widely recognised for its skill base, independence, and professionalism in providing advice and preparing industry papers.</p> <ul style="list-style-type: none"> <li>• MLA completed a study reviewing best-practice for the preparation of goats.</li> <li>• A series of research projects have enabled the development of a <i>South-East Asia feedlot manual</i> which is being used to conduct training in Indonesian cattle feedlots.</li> </ul>	
3. Build community support through proactive communication of industry achievements.	<ol style="list-style-type: none"> <li>1. Deliver a proactive media campaign using traditional and social media outlets to positively position the industry, educate media and raise awareness and support in key metro markets and the broader community.</li> <li>2. Monitor and manage threats from animal activists groups.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• The Livestock Export Program has proactively promoted the benefits of the trade through: attending public events such as the Perth and Darwin royal shows; supporting a media tour of the Middle East and; development of spokespeople to promote the trade.</li> <li>• A social media campaign has been delivered, increasing the amount of positive live export content online and increasing visits to the industry's dedicated 'You Tube' channel to over 46,000. A strategy has also been implemented to increase traffic to the industry's dedicated website.</li> <li>• A livestock export information forum was held in Canberra and attended by over 50 staff from government departments, key industry bodies and animal welfare groups.</li> <li>• Anti live export and animal activist campaigns have been continually monitored and responded to by trained industry spokespeople.</li> </ul>	
4. Build the access advantage for Australian livestock in key export markets.	<ol style="list-style-type: none"> <li>1. R&amp;D to support programs that deliver improved efficiencies in market that drive demand for Australian livestock.</li> <li>2. In Asia Pacific markets, maintain and defend existing access and increase demand for Australian cattle while seeking new market opportunities.</li> <li>3. In Middle East markets, improve access conditions in existing markets while identifying and creating opportunities for new markets.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• A life cycle assessment of the livestock export industry is being conducted to determine the carbon footprint of both the sheep and cattle supply chain to our major markets.</li> <li>• Asia – In Indonesia restrictions on the issuing of import permits and implementation of a 350kg weight restriction have caused large disruptions to the trade. Ongoing consultation and engagement with the Indonesian Government and importers has been conducted to keep the Australian industry informed on the issues.</li> <li>• The Middle East program has provided technical support which has seen the opening of the Sudan market with the signing of an MOU and approved import protocol. Egypt recommenced taking cattle for the first time since 2003 through support from the Livestock Export Program (LEP) in setting up a traceability system and assisting in the receipt of the first consignment.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)				Totals
			1	2	3	4	
Mutton	R	82	35	40		14	89
	M	642	142	44	380	50	616
Lamb	R	65	35	25		10	70
	M	282	142	32	86	20	280
Grass Cattle	R	253	180	60		26	266
	M	1,905	186	76	664	923	1,849
Livestock export	R	400	250	125		50	425
	M	1,478	575	152	270	463	1,460
Government	R	800	500	250		100	850
<b>Subtotal</b>	<b>R</b>	<b>1,600</b>	<b>1,000</b>	<b>500</b>		<b>200</b>	<b>1,700</b>
<b>Subtotal</b>	<b>M</b>	<b>4,307</b>	<b>1,045</b>	<b>304</b>	<b>1,400</b>	<b>1,456</b>	<b>4,205</b>
<b>TOTAL</b>		<b>5,907</b>	<b>2,045</b>	<b>804</b>	<b>1,400</b>	<b>1,656</b>	<b>5,905</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)				Totals
			1	2	3	4	
Mutton	R	89	36	41		11	88
	M	616	171	52	352	46	622
Lamb	R	70	36	26		8	70
	M	280	171	38	80	19	307
Grass Cattle	R	266	187	63		20	270
	M	1,849	202	89	613	899	1,804
Livestock export	R	425	259	135		40	435
	M	1,460	629		247	448	1,323
External	M		163	169		449	781
Government	R	850	519	266	-	79	864
<b>Subtotal</b>	<b>R</b>	<b>1,700</b>	<b>1,038</b>	<b>532</b>		<b>158</b>	<b>1,728</b>
<b>Subtotal</b>	<b>M</b>	<b>4,205</b>	<b>1,337</b>	<b>348</b>	<b>1,291</b>	<b>1,861</b>	<b>4,837</b>
<b>TOTAL</b>		<b>5,905</b>	<b>2,375</b>	<b>880</b>	<b>1,291</b>	<b>2,019</b>	<b>6,564</b>

## Growing demand – 2.1

### 2.1 Improving eating quality

The history of the food industry has taught us that a high level of consumer confidence in product performance is necessary for food industry category success. MLA's goal for the Australian red meat industry is to be able to provide customers in both domestic and export markets with beef and sheepmeat of consistent and predictable eating quality, in a cost effective manner. In 2009-10 MLA's focus included: adoption of advanced processing technologies that improve eating quality; partnering with supply chains to capitalise on eating quality as a differentiator in key export markets; continuing to support producers and processors with training and skills development to assist them to adopt eating quality systems; and underpinning eating quality systems with rigorous science.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>The overall eating quality of red meat is improved by utilisation of process control interventions in 80 per cent of lamb processed and 80 per cent of beef processed.</li> </ul>	<p>94 per cent of beef and 92 per cent of sheep plants are using Generation One stimulation technologies. In a pilot, four Generation One sheep plants improved pH window and hence meat quality compliance from 15 per cent in 2007-08 to more than 80 per cent following the pilot.</p>
<ul style="list-style-type: none"> <li>Increase the MSA beef grading numbers to 1.2 million head (2008-09. 950k) and sheep grading numbers to 350 000 head (2008-09 est. 135k) in 2009-10.</li> </ul>	<p>Grading numbers have exceeded targets for 2009-10, with 1,250,000 cattle and 508,000 sheep graded.</p>
<ul style="list-style-type: none"> <li>Maintain consumer satisfaction ratings on the quality of beef above 7.7 out of 10.</li> </ul>	<p>A consumer satisfaction rating of 7.73 out of 10 has been maintained.</p>

Strategy	Key initiatives
<p>1. Develop and prove interventions to maintain and improve eating quality, consistency and productivity.</p>	<ol style="list-style-type: none"> <li>Continue development of efficient processing technologies and interventions aimed at enhancing eating quality.</li> <li>Conduct R&amp;D on the selection and management of livestock to improve the yield, eating quality and nutritional content of red meat</li> <li>Continue to refine the MSA grading model with relevant R&amp;D activities.</li> <li>Commence sensory testing and analysis of targeted eating quality R&amp;D initiatives.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>One Generation 2 SmartStim installation has been commissioned and another is under construction.</li> <li>Several projects are underway to understand and address heat toughening issues for Australian beef.</li> <li>Two independent studies have confirmed that certain very fast chilling protocols can avoid cold shortening and result in equivalent shear force to conventional cooling.</li> <li>The Sheep CRC has clearly identified both genetic and non-genetic effects on shear force, intramuscular fat, iron and zinc in lamb and has started a process of implementing this in current breeding programs. Samples from lambs are being assessed through consumer panels to target eating quality.</li> </ul>	
<p>2. Develop and maintain standards and measurement tools to underpin guarantees of eating quality.</p>	<ol style="list-style-type: none"> <li>Develop and commercialise standards and systems to better enable processors to utilise MSA science in export markets.</li> <li>Implement MSA standards within lamb and sheep supply chains.</li> <li>Ensure the integrity of all eating quality trademarks along with all MSA quality standards through a detailed audit program.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>The EQA trademark has been successfully used to deliver eating quality outcomes in export markets for a number of brands. Seven sheep abattoirs are now using MSA grading, along with 35 beef abattoirs. Joint standards have been developed with AUS-MEAT, and 1,500 wholesale and end-user audits have been conducted.</li> </ul>	
<p>3. Partner with supply chains to implement eating quality systems and practices.</p>	<ol style="list-style-type: none"> <li>Assist industry to use commercial drivers to expand adoption of MSA science and practices.</li> <li>Facilitate adoption of MSA technology and standards through beef and sheep supply chains.</li> </ol>

**Key activities**

- Extensive work has been undertaken within supply chains to broaden the uptake and utilisation of MSA science and practices. 24 wholesaler workshops have been held, along with 61 producer workshops, and over 3,000 producers have registered to supply for MSA grading through the year.
- MLA assisted 22 beef and four lamb brands underpinned by MSA through the ICA program.
- MSA has been used by two key retailers to underpin the launch of their beef brands.

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)			Totals
			1	2	3	
Mutton	R	174	157	36	29	222
	M	5		33	5	38
Lamb	R	360	656	36	29	721
	M	195		33	195	228
Grass Cattle	R	718	459		485	944
	M	2,006		455	1,511	1,966
Grain Cattle	R	165	96		160	256
	M	584		152	418	570
Processor	R	260	220			220
External	M	250		250		250
Government	R	1,677	1,588	72	703	2,363
<b>Subtotal</b>	<b>R</b>	<b>3,353</b>	<b>3,176</b>	<b>144</b>	<b>1,406</b>	<b>4,726</b>
<b>Subtotal</b>	<b>M</b>	<b>3,040</b>		<b>923</b>	<b>2,129</b>	<b>3,052</b>
<b>TOTAL</b>		<b>6,392</b>	<b>3,176</b>	<b>1,067</b>	<b>3,535</b>	<b>7,778</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)			Totals
			1	2	3	
Mutton	R	222	137	35	25	197
	M	38		29	4	33
Lamb	R	721	678	35	25	738
	M	228		29	160	189
Grass Cattle	R	944	302		414	716
	M	1,966		401	1,108	1,509
Grain Cattle	R	256	83		136	220
	M	570		134	297	431
Processor	R	220	151			151
External	M	250		328	9	337
Government	R	2,363	1,352	69	601	2,022
<b>Subtotal</b>	<b>R</b>	<b>4,726</b>	<b>2,704</b>	<b>138</b>	<b>1,202</b>	<b>4,044</b>
<b>Subtotal</b>	<b>M</b>	<b>3,052</b>		<b>920</b>	<b>1,579</b>	<b>2,499</b>
<b>TOTAL</b>		<b>7,778</b>	<b>2,704</b>	<b>1,058</b>	<b>2,781</b>	<b>6,543</b>

**2.2 Enhancing the nutritional value of red meat**

Red meat's role in a healthy balanced diet has been confirmed over recent years, with momentum towards red meat reversing many of the negative attitudes and information from previous decades. However adverse media reports continue to present ongoing challenges. MLA's goal is to further reduce constraints on red meat consumption and to strengthen consumer and community recognition of the benefits of enjoying red meat three to four times per week. This is a particularly important in the current economic climate to help counter normal desires to cut back on 'expensive' food items and help defend against calls to reduce red meat consumption on environmental grounds.

Key initiatives in 2009-10 include contributing to the review of Australia's National Dietary Guidelines, the launch of a third phase of the Red Meat consumer campaign in July and the development and implementation of the 2010–2012 triennium research program.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Counter pressures (economic, health, environmental) to reduce red meat consumption by contributing to maintenance of consumer expenditure at \$9.0bn in 2009-10.</li> </ul>	Domestic red meat expenditure is expected to reach a record \$9.6bn in 2009-2010.
<ul style="list-style-type: none"> <li>Independent consumer research among the core target (mothers with children in household) shows increases in key attitudinal measures                             <ul style="list-style-type: none"> <li>strongly agree that 'red meat is an essential part of a healthy diet' from 49 per cent to 50 per cent</li> <li>strongly agree that 'we are meant to eat red meat three to four times a week' from 38 per cent to 39 per cent</li> <li>strongly agree that 'red meat is essential for a healthy mind' from 37 per cent to 38 per cent</li> <li>that the resistor/rejecter consumer segment does not increase above the current level of 21 per cent.</li> </ul> </li> </ul>	Key attitudinal measures were mixed: <ul style="list-style-type: none"> <li>strongly agree that 'red meat is an essential part of a healthy diet' 48 per cent</li> <li>strongly agree that 'we are meant to eat red meat three to four times a week' 36 per cent</li> <li>strongly agree that 'red meat is essential for a healthy mind' 37 per cent</li> <li>resistor/rejecter segment has decreased to 17 per cent.</li> </ul>

Strategy	Key initiatives
1. Invest in human nutrition research to maintain a credible, up-to-date body of evidence demonstrating red meat's important contribution to public health in Australia.	1. Continue investment and communication of findings with a focus on four key areas: iron and zinc; food patterns; nutrient composition; and emerging opportunities.
<b>Key activities</b> <ul style="list-style-type: none"> <li>Steering committee meetings with experts in key areas of Iron and Zinc and food patterns were conducted to identify gaps in knowledge and develop research plans.</li> <li>Funded nine major projects (three on iron and zinc; two on food patterns; one nutrient composition; and three on early feeding practices) as directed by the steering committee.</li> <li>As a result of MLA funded research seven scientific papers were published in peer-reviewed journals and 12 presentations delivered at conferences.</li> </ul>	
2. Secure support from leading health organisations and policy makers for consistent and fact-based red meat nutrition recommendations.	1. Continue partnership programs with the Heart Foundation and the Dietitians Association of Australia, and maintain relationships with other key opinion leaders. 2. Develop and implement issues management plans to address environment and cancer issues. 3. Collaborate with key opinion leaders on relevant healthy policy issues to ensure Australian red meat's position in public health recommendations is based on sound evidence.
<b>Key activities</b> <ul style="list-style-type: none"> <li>Organised symposia on Australian eating patterns for key opinion leaders and dietitians.</li> <li>Conducted a 'paddock to plate' master class for 18 key media dietitians.</li> <li>Disseminated and presented proceedings of the primary food industry and public health meetings on environment and food policy at the Dietitians Association and Public Health Association of Australia conferences.</li> <li>Conducted seven PR activities leveraging campaign and symposia activities and relevant annual events.</li> <li>Delivered submissions on the draft Food Selection Guide which underpins the revision of the Australian</li> </ul>	

dietary guidelines and food labelling guidelines.

3. Communicate and promote evidenced-based nutrition information on red meat to health professionals and the broader community.

1. Deliver a communications program with GPs, dietitians and nutritionists focusing on key health issues through advertising, direct mail, publications, conferences, seminars, on-line and events.  
2. Launch RMFG III consumer campaign nationally in July 2009 with a second burst in February 2010.

**Key activities**

- Implemented an advertising campaign that consisted of 10 advertisements in key newspapers and the sponsorship of a weekly crossword puzzle targeting GPs.
- Published *Vital*, a quarterly newsletter circulated to 4000 dietitians and participated in a trade exhibition at DAA conference.
- Launched the 'Red Meat Amazing Food' campaign in July 2009 which ran for four weeks, with a second four week burst in February 2010. Promotional elements of the campaign included TV commercials, print, radio and point-of-sale materials.
- Sponsored the '30 days of health and wellness' feature targeting consumers in June 2010. Health messages were delivered to 1,257,000 consumers through a launch event, advertorials, a booklet, and editorial support.

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)			Totals
			1	2	3	
Mutton	M	5			5	5
Lamb	R	150	150			150
	M	1,610		90	1,474	1,564
Grass Cattle	R	102	102			102
	M	3,991		229	3,801	4,030
Grain Cattle	R	17	17			17
	M	648		37	617	654
Processor	R	176	176			176
	M	672		37	634	671
Government	R	445	445			445
<b>Subtotal</b>	<b>R</b>	<b>890</b>	<b>890</b>			<b>890</b>
<b>Subtotal</b>	<b>M</b>	<b>6,926</b>		<b>393</b>	<b>6,531</b>	<b>6,924</b>
<b>TOTAL</b>		<b>7,816</b>	<b>890</b>	<b>393</b>	<b>6,531</b>	<b>7,814</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)			Totals
			1	2	3	
Mutton	R					
	M	5			5	5
Lamb	R	150	174			174
	M	1,564		85	1,352	1,437
Grass Cattle	R	102	93			93
	M	4,030		218	3,501	3,719
Grain Cattle	R	17	16			16
	M	654		35	566	600
Processor	R	176	171			171
	M	671		33	583	616
Goat	R		-23			-23
Government	R	445	432	-	-	432
<b>Subtotal</b>	<b>R</b>	<b>890</b>	<b>864</b>			<b>864</b>
<b>Subtotal</b>	<b>M</b>	<b>6,924</b>		<b>370</b>	<b>6,007</b>	<b>6,377</b>
<b>TOTAL</b>		<b>7,814</b>	<b>864</b>	<b>370</b>	<b>6,007</b>	<b>7,240</b>

**2.3 Developing new products**

The profitability of the red meat industry is critically dependent on deriving extra value from lower value meat cuts, and from the non meat parts of the animal such as skins, offal and blood products. All parts of the animal contribute to increased revenue per carcass and, therefore, profit. Deriving extra value means that value must be added in the eyes of the customer through value-added products ranging from consumer meals through to high value pharmaceutical ingredients.

MLA aims to assist industry to:

- Identify market opportunities for lower value meat cuts and co-products
- Develop the capability to access novel markets and value chains
- Develop advanced technologies which can provide the industry with a competitive advantage

In 2009-10 MLA's focus was on developing a range of new meat products and on developing new technologies relating to value adding lower value cuts and co-products.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>• Develop technologies and capabilities along the supply chain, capable of meeting consumer demand resulting in a net increase in the worth of the carcass by \$5/head for cattle and \$1/head for sheep, from value added red meat products and bioactives.</li> </ul>	<p>Value added red meat products and technologies were developed with a projected increase of \$9/head net increase at the processor for beef. Bioactive and co-product technologies and products were developed with a projected increase of \$7/head at the processor for beef.</p> <p>Independent value proposition for the in vitro organ culture project (undertaken by SEMF an international consulting and engineering firm specialising in this field) has indicated a potential increase in value of at least \$1.05/head for application using sheep livers. This is based on laboratory test outcomes. The project has now been approved for the next phase being the establishment of a scaled up pilot plant and the seeking of a commercialisation partner..</p>

Strategy	Key initiatives
<p>1. Enhance global research database and analysis to identify high potential long-term new business area.</p>	<p>1. Maintain and develop improved resources to facilitate the commercial evaluation of new product and new technology opportunities.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Quarterly reports on recently launched meat products around the world was prepared and distributed to 40 value-adding stakeholders. This helped identify new market opportunities and accelerate new product development for the industry. Indicative feedback from recipients has been positive.</li> <li>• <i>Bioactives and Co-Products</i> compendia published and disseminated to 180 processors to facilitate commercial and technical evaluation of over 150 bioactives and co-products from beef and sheep.</li> </ul>	
<p>2. Develop co-products technologies to improve industry's market access and competitiveness.</p>	<p>1. Facilitate the development of a competitive Australian red meat bioactives industry.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Technology for enhancing bioactive production from liver cells was developed, and is undergoing business feasibility evaluation.</li> <li>• Technology was developed and validated for the extraction of enzyme from bovine kidneys for nutraceutical markets. Projected value increases of \$2/head at processor are expected once</li> </ul>	

<p>commercialised.</p> <ul style="list-style-type: none"> <li>• High purity extraction process of Chondroitin Sulphate from cartilage was developed. Projected value increases of \$2/hd at processor are expected once commercialised.</li> <li>• A whole blood separation process was developed to provide functional blood components for food products. This will deliver a projected value increase of \$3/head increase at processor for whole blood once commercialised.</li> <li>• Potential lower-cost technologies were identified for production of five target bioactives. These will underpin Australian bioactives competitiveness.</li> </ul>	
3. Develop value-added products and technologies to expand consumer appeal with a focus on lower value cuts and by-products.	1. Develop significantly new and innovative red meat products via the development and application of new processes and technologies.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• High pressure processing trial results showed increased cooked yield and tenderness in secondary cuts/trim. Workshops were held to demonstrate the process and concept products, and findings were disseminated by brochure. A toll manufacturing model was established and subsequent discussions are underway with equipment manufacturers and value-adders to facilitate retail and food service supply-chain uptake and commercialisation.</li> <li>• Novel fibre boosted meat products were developed with sensory trials undertaken. In-store trials are underway for consumer feedback. Increases in trim volume usage are projected to be 400t annually. Commercial terms are in place with a key supermarket retail chain.</li> <li>• Very Fast Chilling/freezing of pre-rigour beef was shown to significantly improve colour, reduce pH decline and reduce thaw loss. This resulted in better looking and tasting manufactured beef products. This will have a projected net benefit/head of \$9 at the processor.</li> </ul>	
4. Assist supply chains to implement and launch new red meat products.	1. Support enterprises and supply chains developing new product initiatives with research and technical advice.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Bioactives workshop was held to disseminate findings of bioactives programme including: top five bioactives business cases; invitro organ project opportunities and; new uses for co-products. Positive feedback has been received from processor and value-adder attendees.</li> <li>• High pressure processing workshop was held to disseminate results, demonstrate concept products review the toll manufacturing business model. Discussions are currently underway with equipment manufacturers and red meat value-adders to facilitate supply chain uptake/commercialisation.</li> <li>• Carcase Utilisation Workshop was held with MLA marketing members and industry representatives reviewing 27 different beef muscles to prioritise them against key criteria. Muscles identified for value adding opportunities were in Rump, Oyster Blade, Knuckle, Top-Side and Brisket providing product concepts to input to the MLA Domestic Marketing 'Masterpieces' program.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)				Totals
			1	2	3	4	
Mutton	R	21	5	7	6	3	21
Lamb	R	80	27	45	39	22	133
Grass Cattle	R	280	12	103	89	51	255
Grain Cattle	R		2	17	15	9	43
Processor	R	380	20	145	159	6	330
Government	R	760	65	316	308	92	781
<b>TOTAL</b>	<b>R</b>	<b>1,520</b>	<b>131</b>	<b>633</b>	<b>616</b>	<b>183</b>	<b>1,563</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)				Totals
			1	2	3	4	
Mutton	R	21	5	6	6	2	18
Lamb	R	133	22	40	36	14	113
Grass Cattle	R	255	10	92	82	33	217
Grain Cattle	R	43	2	15	14	6	36
Processor	R	330	18	130	147	4	298
External	M				10		10
Government	R	781	56	284	284	59	683
<b>Subtotal</b>	<b>R</b>	<b>1,563</b>	<b>112</b>	<b>568</b>	<b>568</b>	<b>118</b>	<b>1,366</b>
<b>Subtotal</b>	<b>M</b>				<b>10</b>		<b>10</b>
<b>TOTAL</b>		<b>1,563</b>	<b>112</b>	<b>568</b>	<b>578</b>	<b>118</b>	<b>1,376</b>

**2.4 Promoting industry integrity**

Interest in the ethics of food production – in particular animal welfare and environmental sustainability is gaining momentum both within Australian communities and overseas. To continue to prosper, the livestock industry must be attuned to both its customers' needs and to community sentiment, and must ensure it keeps delivering to both.

2009-10 will see the introduction of a new initiative designed to proactively promote the industry's environmental credentials, and respond to attacks on the environmental sustainability of livestock production. This will include a proactive strategy: print advertising and the development of promotional collateral; and a reactive strategy: responding to specific negative publicity as it occurs.

Efforts will also go into strengthening the foundation of the science behind red meat production, particularly for key issues such as water use, greenhouse gas emissions and biodiversity.

<b>Key performance indicators</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>Maintain consumer trust scores of 62 per cent agreeing the industry is ethical and trustworthy.</li> </ul>	Millward Brown tracking indicates trust levels reached 62 per cent during the year.
<ul style="list-style-type: none"> <li>Less than five per cent of Australian consumers claim to decrease red meat consumption due to climate change or other environmental concerns.</li> </ul>	Consumer research undertaken in February 2010 across five capital cities showed that four per cent of consumers were reducing red meat consumption due to climate change or other environmental concerns.

<b>Strategy</b>	<b>Key initiatives</b>
1. Building knowledge.	<ol style="list-style-type: none"> <li>Build community knowledge through undertaking advertising, inclusion in school curricula, and participation in Royal Shows.</li> <li>Identify key opinion leaders who can build knowledge through media briefings, provide industry facts and statistics, and develop science-based reports.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>Advertising ran in major metropolitan newspapers over a four week period in the lead up to World Environment Day on 5 June. The campaign reached over four million people and promoted that producers look after their animals and the environment to make some of the best beef in the world.</li> <li>The Primary industries Education Foundation was established and inroads into providing content for school curricula were made.</li> <li>Activities at Royal Shows continued to attract strong crowds, especially at the 'Food Farm' at the Royal Easter in Sydney where over 300,000 people visited. This event also attracted the attention of other show societies who are keen to replicate the 'paddock to plate' educational activities.</li> <li>Through one-on-one briefings and a schools forum held in Sydney, MLA has begun to form relationships with key influencers. The focus has been on providing the correct information about the Australian red meat industry's environmental impacts.</li> </ul>	
2. Providing an experience.	<ol style="list-style-type: none"> <li>Provide real or virtual farm experiences for the community, through supporting and promoting activities such as Farm Day and developing new multimedia resources.</li> <li>Identify and undertake farm tours for media.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>Around 350 city families visited a farm for FarmDay. Media activities reached over 11 million people, including a spot on the <i>Getaway</i> television program, and families with school age children were the primary target for participation.</li> <li>Development of a virtual farm visit application progressed with structure finalised and filming completed at three locations.</li> </ul>	
3. Creating a human bond.	<ol style="list-style-type: none"> <li>Create a bond between the community and livestock producers through telling their stories in the media and a developing a school twinning program.</li> <li>Identify, engage and develop a network of producer 'environmental ambassadors'.</li> </ol>

**Key activities**

- Our media partnership with *The Australian Women's Weekly* continues to provide a channel for our messages to over two million readers with five features printed during the year.
- A scoping exercise for a School Twinning program revealed a likely low return on investment and it did not proceed.
- A group of 12 leading environmental producers have been formally developed into case studies for use in promoting and defending the industry's environmental credentials. The advocates have been used for presenting at events, writing letters to the editor in response to negative articles, for use on [www.RedMeatGreenFacts.com.au](http://www.RedMeatGreenFacts.com.au) and in proactive media stories.

## 4. Responsiveness.

1. Develop 'rapid response' packs for industry, including fact sheets.
2. Track and monitor media activities and community attitudes.

**Key activities**

- The RedMeatGreenFacts program has been developed, and the primary vehicle for providing information for the program was the new environment website - [www.redmeatgreenfacts.com.au](http://www.redmeatgreenfacts.com.au). In addition to the website, a new environment brochure was developed with updated information from the previous 'Care to know more' brochure.
- Consumer research was undertaken in January and February to understand consumers' beliefs and level of understanding about red meat and the environment. This research was also used to develop the key messages for the RedMeatGreenFacts program, and ensured that the campaign met the level of information expected by consumers.
- Media favourability ratings finished higher at the end of the year, with increased positive stories on the industry's environmental commitment. The overall volume of coverage was down following the exclusion of agriculture from the proposed CPRS which saw a temporary fall in the community's interest in environmental issues.

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)				Totals
			1	2	3	4	
Mutton	R		2				2
	M		50	8	12	3	73
Lamb	R		7				7
	M		194	27	40	15	276
Grass Cattle	R	20	30				30
	M	699	821	128	196	73	1,218
Grain Cattle	R	3	4				4
	M	112	119	20	30	12	181
Processor	R	24	24				24
	M	100	42	12	19	7	80
Government	R	47	67				67
<b>Subtotal</b>	<b>R</b>	<b>94</b>	<b>134</b>				<b>134</b>
<b>Subtotal</b>	<b>M</b>	<b>910</b>	<b>1,226</b>	<b>195</b>	<b>297</b>	<b>110</b>	<b>1,828</b>
<b>TOTAL</b>		<b>1,004</b>	<b>1,360</b>	<b>195</b>	<b>297</b>	<b>110</b>	<b>1,962</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)				Totals
			1	2	3	4	
Mutton	R	2	2				2
	M	73	60	9	14	3	87
Lamb	R	7	8				8
	M	276	233	32	47	17	329
Grass Cattle	R	30	41				41
	M	1,218	994	152	232	86	1,464
Grain Cattle	R	4	5				5
	M	181	143	23	35	14	216
Processor	R	24	24				24
	M	80	42	12	19	7	80
Government	R	67	80				80
<b>Subtotal</b>	<b>R</b>	<b>134</b>	<b>160</b>				<b>160</b>
<b>Subtotal</b>	<b>M</b>	<b>1,828</b>	<b>1,472</b>	<b>229</b>	<b>347</b>	<b>127</b>	<b>2,175</b>
<b>TOTAL</b>		<b>1,962</b>	<b>1,632</b>	<b>229</b>	<b>347</b>	<b>127</b>	<b>2,335</b>

**2.5 Aggressive promotion in the domestic market**

Consumer demand for both beef and lamb remains strong in the domestic market driven by good quality; improved nutrition perceptions; high retail standards; increasing foodservice presence and; effective promotion. However the uncertain economic climate and the high price Australia enjoys for both meats on the domestic market has increased consumer sensitivity – threatening recent strong performance.

To counter this threat, we continued building consumer recognition of the functional and emotional benefits of beef and lamb, by working with industry on quality, range and presentation enhancements, and by partnering with retailers and foodservice operators in aggressive promotional activities to reinforce positive and sustainable consumer attitudes.

Building on the success of *Entice* as a vehicle to boost consumer confidence in buying and preparing less-familiar beef cuts and meals, MLA 2009-10 beef promotions target key seasonal opportunities – the ‘grilling season’ (November), ‘autumn roasts’ and ‘winter casseroles’. The ‘We Love Our Lamb’ campaign also capitalised on key lamb consumption opportunities being Spring, Australia Day, and Mother’s Day.

Our partnerships with end-users are integral to achieving growth in demand, and we continued to develop joint business plans that deliver meaningful outcomes for both the end-user and industry.

<b>Key performance indicators</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>Counter pressures (economic, health, environmental) to reduce red meat consumption by contributing to maintaining consumer expenditure on beef at \$6.6bn and sheepmeat at \$2.4bn.</li> </ul>	Domestic consumer expenditure on red meat is forecast to increase with expenditure on beef at \$7.1bn and sheepmeat \$2.5bn.
<ul style="list-style-type: none"> <li>Improvement in key beef attributes as measured by consumer tracking – ‘Is easy to cook and prepare (67 per cent to 68 per cent), ‘Is good for a variety of dishes’ (77 per cent to 78 per cent), and ‘Is well liked in our household’ (69 per cent to 70 per cent).</li> </ul>	Key beef attitudinal measures have not increased: Easy to cook and prepare – 67 per cent Good for a variety of dishes – 76 per cent Well liked in our household – 68 per cent
<ul style="list-style-type: none"> <li>Improvement in key lamb attributes as measured by consumer tracking – ‘Top-of-mind awareness’ (20 per cent to 21 per cent), ‘Is loved by Australians’ (74 per cent to 75 per cent), and ‘I’m proud to buy and serve this’ (58 per cent to 59 per cent).</li> </ul>	On balance, key measures have been achieved: Top of mind awareness – 17 per cent Is loved by Australians – 75 per cent Proud to buy and serve – 60 per cent
<ul style="list-style-type: none"> <li>Strong retailer support for MLA programs as evidenced by retail butchers continuing to rate them overall at 3.3 out of 5.</li> </ul>	Retail support for MLA programs remains strong, with ‘usefulness’ rating at 3.2 out of 5.

<b>Strategy</b>	<b>Key initiatives</b>
1. Build lamb as a habitual family purchase by focusing consumer promotional efforts on specific community occasions throughout the year.	1. Lamb promotional campaigns for spring, Australia Day and Mother’s Day.
<b>Key activities</b> Three lamb campaigns were implemented: <ul style="list-style-type: none"> <li>A new spring campaign included a TV commercial (TVC), Point-of-Sale materials (POS), outdoor, online and PR activities.</li> <li>The Australia Day campaign featuring Sam Kekovich included a new TVC, POS, online and extensive PR activities (in Australia and in the U.S).</li> <li>The ‘Young Kekovich’ Mother’s Day TVC returned with new POS, print advertising, PR and online activities.</li> <li>Additional funds were spent on tactical advertising after a News Ltd poll confirmed lamb roast was our national dish.</li> </ul>	
2. Expand consumers’ beef meal repertoire by building consumer confidence in preparation and desire using seasonal meal-based promotions.	1. Beef promotional campaigns focused on ‘summer grills’, ‘autumn roasts’ and ‘winter casseroles’.
<b>Key activities</b> Four beef campaigns were implemented: <ul style="list-style-type: none"> <li>A summer steak ‘Entice’ campaign included a new edition, TVC, radio, POS, PR and online activities.</li> </ul>	

<ul style="list-style-type: none"> <li>• An autumn beef roasts 'Entice' campaign included a new edition, TVC, POS, magazine, PR and online activities.</li> <li>• The third annual beef casserole campaign included a new edition, POS, outdoor, online and PR activities. The 2009 Laurie and Duncan casserole TVC re-aired in all capital cities except Sydney where an infomercial TVC promoting 'Entice' was tested.</li> <li>• A tactical print campaign was implemented in response to consumer concerns around imported beef and beef labelling.</li> </ul>	
3. Work with retailers and foodservice operators to raise standards of presentation, quality, merchandising and promotion.	<ol style="list-style-type: none"> <li>1. Retailer specific promotional activities supporting MLA campaigns and/or red meat in retailer campaigns.</li> <li>2. Foodservice promotional program including publications, promotions and education activities.</li> <li>3. Support retailer and foodservice initiatives on new products, new merchandising developments and new promotional techniques.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Supermarket support for MLA marketing campaigns remained strong.</li> <li>• 1680 retail butchers supported our national campaigns through the Red Meat Networking Club.</li> <li>• Volume 4 of the <i>Beefing up Your Profits</i> manual was launched.</li> <li>• 19 <i>Counter Attack</i> workshops were attended by 478 participants.</li> <li>• The <i>Masterpieces</i> program which promotes cuts such as blade, flank and brisket was launched at 11 wholesaler events attended by 330 influential chefs.</li> <li>• MLA attended three foodservice tradeshows sponsoring major culinary competitions. Our foodservice journal; <i>Chefs Special</i> was relaunched with a new look and feel.</li> <li>• State specific foodservice programs included 20 'Chefs tables' and eight 'paddock to plate' tours.</li> <li>• New product launches that were supported included Wagyu and Angus burgers, butterfly lamb legs and a standing rib roast.</li> </ul>	

#### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)			Totals
			1	2	3	
Mutton	M	15			15	15
Lamb	M	5,761	5,245		1,091	6,336
Grass Cattle	M	6,702		5,530	2,823	8,353
Grain Cattle	M	1,191		564	339	903
Processor	M	1,346	239	572	343	1,154
Goat	M	31			31	31
<b>TOTAL</b>	<b>M</b>	<b>15,046</b>	<b>5,484</b>	<b>6,666</b>	<b>4,642</b>	<b>16,792</b>

#### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)			Totals
			1	2	3	
Mutton	M	15			16	16
Lamb	M	6,336	5,761		1,046	6,806
Grass Cattle	M	8,353		6,458	2,691	9,149
Grain Cattle	M	903		644	324	968
Processor	M	1,154	239	572	332	1,143
Goat	M	31			32	32
External	M				304	304
<b>TOTAL</b>	<b>M</b>	<b>16,792</b>	<b>6,000</b>	<b>7,675</b>	<b>4,744</b>	<b>18,419</b>

## Growing demand – 2.6

### 2.6 Aggressive promotion in export markets – beef

2009-10 was a challenging year for the Australian beef industry. Australian exporters faced increased competition in North Asian markets with the return of US supplies, and stimulating consumer demand was more difficult, with global financial instability affecting consumer confidence Australia's two largest beef export markets – Japan and the United States.

In light of this MLA's priority was to retain sales in Japan, Korea and the United States by working closely with key customers to reinforce Australian beef's key points of difference: strong safety records; the ability to deliver value and; help meet consumers' everyday meal requirements. Outside these key markets MLA's focus was on business development activities to grow sales particularly in the emerging markets of South-East Asia, the Chinas and the Middle East.

In all markets, promotional activities involved MLA working co-operatively with Australian exporters (and their importer/wholesaler/end-user customers) to develop and grow sales of individual Australian beef brands. This strategy recognised that customer needs are diverse and are best addressed through branded programs.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Australia's share of the Japanese and Korean beef import markets is at least 20 per cent above 2003 levels.</li> </ul>	On a FYtD basis Australia has a market share of 74 per cent in Japan and 55 per cent in Korea, more than 20 per cent above 2003 levels.
<ul style="list-style-type: none"> <li>Satisfaction levels with MLA's marketing activities among the trade in overseas markets remain above 80 per cent.</li> </ul>	Satisfaction levels with MLA's marketing activities have remained above 80 per cent. In Japan over 90 per cent of trade perceive MLA's marketing activities as effective, with activities taking place at retail level being rated the most effective. In Korea the rating is 81 per cent, while in the US and South East Asia/Chinas year-end surveys have yet to be completed.
<ul style="list-style-type: none"> <li>ICA activity to total at least \$4.5 million with 80 per cent of documented KPIs being achieved.</li> </ul>	ICA activity totalled \$4.7 million. More than 90 per cent of the individual ICA activities' KPIs were achieved.

Strategy	Key initiatives
1. Disseminate comprehensive export marketing information.	1. Monitor and report consumer trends (global and local), channel trends and requirements, and competitive positioning.
<b>Key activities</b> <ul style="list-style-type: none"> <li>Consumer and trade surveys were conducted in Japan and Korea, assessing attitudes towards Australian beef. In Japan these surveys showed consumer awareness for Aussie Beef (Australian Beef) was 99 per cent (aided), 56 per cent (unaided).</li> <li>In the US market trend publications such as the <i>Power Of Meat</i>, and the NRA top 100 survey were used to monitor trends in foodservice and retail. Trade surveys were also conducted to gauge awareness of Australian beef in the US market and provide direction for business development activities.</li> <li>Across South-East Asia a comprehensive trade survey was undertaken to update the regional database and gain knowledge of customer relationships, purchasing patterns and general awareness of the attributes of Australian beef. In addition, the <i>Red Meat Round-up</i> newsletter was distributed to taskforce and stakeholders, with the subscriber list growing by 50 per cent to over 200 subscribers.</li> <li>Finally, consumer market research was undertaken in the Philippines to determine growth opportunities for Australian beef.</li> </ul>	
2. Develop new trade and consumer opportunities for Australian beef.	<ol style="list-style-type: none"> <li>Identify and generate leads via business development activities.</li> <li>Conduct contact profiling in conjunction with education and awareness work in emerging markets.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>In North America 175 new quantified leads were generated for Australian beef through business development activities. These were progressed with suitable Australian suppliers.</li> <li>In the South-East Asia/China region 127 new retail outlets stocked Australian beef in emerging markets including China, Indonesian, and the Philippines. Retail shelf space was maintained in established markets and grew an average of 15 per cent in emerging markets.</li> <li>In Europe new accounts have been developed as a result of the new grain-fed beef quota. Accounts in</li> </ul>	

The Netherlands and Italy have placed orders with product having been delivered or currently in transit.	
3. Create and promote strong brands and identities for Australian beef, tailored to the needs and opportunities of each major market.	<ol style="list-style-type: none"> <li>1. Through country of origin marks (Aussie Beef, HCW, etc) positively position Australian beef in terms of product attributes (ie safety, consistency and nutrition).</li> <li>2. Profile Australian product specification systems (AUS-MEAT and Eating Quality Assured).</li> <li>3. Highlight the ability of Australian exporters to meet special requirements, such as Halal.</li> <li>4. Communicate the nutritional and health benefits of consuming Australian beef.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>• In North America the MSA program was formally submitted for review and certification under the USDA Process Verified Program. It passed the first and second stage desk audit by USDA, with an onsite audit to be completed in Australia on 17 October 2010.</li> <li>• Across all regions over 600 positive media articles were generated focusing on the safety and integrity of Australian beef.</li> <li>• Trade- and consumer-focused websites – covering Australian beef safety and ordering systems – were enhanced in the major markets of the US, Japan, Korea and in Europe.</li> <li>• More than 200 workshops/seminars were conducted educating over 5,000 customers about the integrity and consistency attributes of Australian beef.</li> <li>• Publications were distributed to the trade with a primary focus on integrity aspects of Australian beef.</li> <li>• The equivalent of 28,000 in-store sampling days was conducted in Japan and Korea to encourage trial and purchase of Australian product.</li> <li>• 30 million point of sale materials were distributed at retail, profiling the attributes of Australian beef to consumers.</li> </ul>	
4 Recognising the importance of diverse customer needs, develop and consolidate demand and loyalty to Australian beef through the implementation of individual cooperative branding programs.	<ol style="list-style-type: none"> <li>1. Support individual beef brands through the Industry Collaborative Agreement (ICA) program.</li> <li>2. Through ICAs, support the voluntary introduction of brands in export markets underpinned by Eating Quality Assurance (using MSA technology).</li> <li>3. Build supply chain capability in positioning and marketing Australian beef.</li> <li>4. Strengthen supply chain networks between Australian beef suppliers and end users to boost sales and create loyalty.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>• Industry Collaborative Agreements (ICAs), 50/50 funding partnerships with industry, were conducted with 55 Australian beef exporters with a total value (MLA and exporter contributions) of \$4.7 million distributed across Europe (6 per cent), Japan (32 per cent), Korea (10 per cent), the Middle East (2 per cent), North America (15 per cent), South East Asia/Greater China (27 per cent) and cross regional (8 per cent).</li> <li>• A range of EQA underpinned and other brand launches, brand development and brand awareness activities were conducted through the ICA program.</li> <li>• Outcome reports indicate that many beef exporters have gained new trade leads and that new supply chains have been initiated for Australian beef as a result of ICA activities.</li> </ul>	

#### Budget 2009-10

Sector		2008 - 09 Budget	2009-10 Budget (\$'000)							Totals
			North America	Japan	Korea	South Asia	Europe	Middle East	Global	
Grass Cattle	M	16,806	1,100	9,647	4,950	2,521	584	318	2,170	21,290
Grain Cattle	M	2,915	154	635	500	120	76		1,080	2,565
<b>TOTAL</b>	<b>M</b>	<b>19,721</b>	<b>1,254</b>	<b>10,282</b>	<b>5,450</b>	<b>2,641</b>	<b>660</b>	<b>318</b>	<b>3,250</b>	<b>23,855</b>

#### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)							Totals
			North America	Japan	Korea	South Asia	Europe	Middle East	Global	
Grass Cattle	M	21,290	1,014	9,568	5,248	2,424	543	318	1,632	20,748
Grain Cattle	M	2,565	141	629	529	117	71		803	2,290
External	M			354		40	226	41		661
<b>TOTAL</b>	<b>M</b>	<b>23,855</b>	<b>1,155</b>	<b>10,552</b>	<b>5,778</b>	<b>2,581</b>	<b>840</b>	<b>359</b>	<b>2,435</b>	<b>23,699</b>

**2.7 Aggressive promotion in export markets – sheepmeat**

In 2009-10 MLA focused lamb export activities on increasing consumption of Australian lamb by generating consumer awareness, then encouraging trial and purchase of the product. This involved balancing generic trade marketing; business development activities; and Industry Collaborative Agreements (ICAs) between MLA and exporters/ importers in order to jointly support company brands.

Despite ICAs being the most effective way to grow demand through existing channels, marketing and business development activities were required to recruit new accounts at a time when restricted incomes and financial instability made this task especially challenging.

Compared to 2008-09, overall lamb marketing budgets increased in A\$ terms (particularly for North America) however changes in the value of the A\$ when denominated in local currency meant that in-market budgets actually decreased this year. Limited funds were available for mutton marketing, with available funds being applied to the Middle East, Africa, South Asia and North America regions to support exporter initiatives.

<b>Key performance indicators</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>100 additional retail outlets stocking Australian lamb in the United States (approximately a one per cent increase).</li> </ul>	Two new Australian lamb retail accounts (both located in the North East region) were recruited, with 1170 retail outlets between them.
<ul style="list-style-type: none"> <li>Increase in sales of Australian sheepmeat covered by ICAs.</li> </ul>	Given strong lamb prices and the higher A\$, MLA's ICA activities focussed on the retention of accounts and volumes. In North America a number of ICAs recorded an increase in sales to existing customers, with the majority reporting stable volumes. In South-East Asia and Japan sales volumes under ICAs were down; but increases occurred in the Middle East.
<ul style="list-style-type: none"> <li>Maintain/increase high satisfaction levels with MLA trade development activities as measured via survey.</li> </ul>	In Europe satisfaction ratings averaged over 90 per cent, in the Middle East 79 per cent, while in North America and South East Asia year end surveys have yet to be completed, however anecdotal evidence indicates high levels of satisfaction.

<b>Strategy</b>	<b>Key initiatives</b>
1. Disseminate comprehensive export marketing information.	1. Monitor consumer trends (global and local), channel trends and requirements, and competitive positioning.
<b>Key activities</b> <ul style="list-style-type: none"> <li>In all markets trends in foodservice and retail were monitored.</li> <li>In the US, Japan and South-East Asia/China region trade and consumer surveys were conducted to provide guidance for marketing investments and to track progress on positioning Australian lamb.</li> <li>In Europe, some market research was undertaken to identify opportunities for goat meat. As a result two trial shipments have taken place.</li> <li>In the US, Middle East and South-East Asia/China region databases of major retailer and foodservice users and non-users of Australian lamb were updated. In the Middle East corporate memberships of Chefs' associations are being reviewed with a view to securing access to membership databases.</li> <li>Regular news updates were provided for major markets (eg Japan News Update, South-East Asia Roundup, Taskforce reports).</li> </ul>	
2. Grow awareness, trial and purchase of Australian lamb in overseas markets.	<ol style="list-style-type: none"> <li>1. Generate awareness of Australian lamb through consumer and trade advertising, e-marketing and PR.</li> <li>2. Increase trial of Australian lamb through product sampling, cooking demonstrations and menu positioning.</li> <li>3. Convert trial to purchase by positioning easy-to-use products at relevant price points.</li> <li>4. Demonstrate lamb's relevance to contemporary food trends.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>In the US:                             <ul style="list-style-type: none"> <li>Six electronic newsletters featuring tips, recipes, and product information about Australian lamb were distributed to an average of 56,178 US consumer subscribers.</li> <li>Print advertising reached over 2.16 million consumers through magazines such as <i>Eating Well</i> and <i>Fine Cooking</i>, and over one million retail and foodservice customers through magazines such as <i>Food Arts</i>, <i>Plate</i> and <i>Nations Restaurant News</i>.</li> <li>3000 co-funded, in-store tastings gave over 1.8 million consumers a chance to taste Australian lamb in retail outlets.</li> <li>21,685 <i>Easy Any Day – Australian Lamb</i> cookbooks were distributed in response to online orders from US consumers.</li> </ul> </li> <li>In Japan 1,100 chefs were exposed to the positive attributes of Australian lamb through Chef's networking events, and at retail, the equivalent of 795 lamb sampling days were held.</li> <li>In Europe and Russia MLA partnered with Australian sheepmeat exporters to participate in German and</li> </ul>	

<p>Russian trade shows.</p> <ul style="list-style-type: none"> <li>• In the Philippines themed-based promotions were undertaken on special occasions (Mothers Day and Valentines Day) to encourage product trial. Over 50 media articles were generated from these activities.</li> <li>• In South-East Asia lamb was showcased as a modern and versatile part of Chinese cuisine at events such as Salon Culinare in Malaysia. In China, a training program covering retail awareness and branding was undertaken in conjunction with two hot-pot manufacturers, and new in-store recipe cards were produced in traditional and simplified Chinese.</li> <li>• In the Middle East work included the development of a customised cuts based chilled lamb program with a major UAE importer and its network of customers (including major supermarkets). Account management activities were also conducted with three key UAE retailers.</li> </ul>	
<p>3. Leverage Australian lamb's positive attributes (consistent quality, delicious, nutritious and easy to prepare) and integrity when positioning the product in overseas markets.</p>	<ol style="list-style-type: none"> <li>1. Through country of origin marks and general communication materials, positively position Australian sheepmeat in terms of product safety.</li> <li>2. Highlight the product specification (AUS-MEAT), range and versatility of Australian sheepmeat, and the ability of Australian exporters to meet special requirements such as Halal.</li> <li>3. Communicate the nutritional and health benefits of consuming Australian lamb, working with other supply countries where appropriate.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• In all markets at foodservice and retail trade events, Australian lamb was positioned through promotion of its positive attributes – being nutritious, high quality and versatile.</li> <li>• In the US (in partnership with the NZ and US sheep industries), a campaign involved distributing red meat nutritional information to 29,000 US dieticians (including 115 supermarket dieticians). As a result 33 per cent of those targeted indicated that the campaign had influenced their decisions about lamb, with 30 per cent increasing their personal lamb consumption.</li> <li>• Over the year 93 food service, retail or consumer events were held where the positive attributes of Australian sheepmeat were highlighted. Included in these events were chef competitions, chefs tables, retailer seminars, food safety forums and workshops on the integrity of the Australian Halal system.</li> <li>• During 2009-10 MLA participated in seven trade shows – exhibiting in conjunction with Australian sheepmeat exporters including Gulf Food, Anuga, World Food Moscow, Food and Hotel China, and Food and Hotel Asia. Exit surveys indicated satisfaction with MLA services was consistently 80 per cent or higher.</li> <li>• For all markets point of sale materials were produced, clearly identifying product as Australian and providing consumers with further information on product attributes and methods of preparation.</li> </ul>	
<p>4. Develop and maintain strong supply chains.</p>	<ol style="list-style-type: none"> <li>1. Develop new opportunities for Australian lamb through lead identification and generation activities.</li> <li>2. Work alongside supply chains to encourage innovation.</li> <li>3. Develop new products that enable lamb usage in new market segments.</li> <li>4. Support supply chains through co-operative brand activities (ICAs).</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• 180 quantified leads were generated for Australian lamb and sheepmeat in North America in 2009-10, and all business development activities were progressed with suitable Australian suppliers. Product development menu concepts were presented to major food service chains, using cuts such as shoulder, ground (mince) and rump. At least three of these chains are now trialling Australian lamb. Targeted co-investment in consumer focused ICAs allowed company brand specific TV advertising for Australian lamb to reach 3.2 million households in the North East of the US.</li> <li>• In the Middle East ICAs consumed \$120K of the allocated A\$170K budget with five ICAs being completed in the UAE, Iran and Egypt. By comparison only one ICA was completed in 2008-09 valued at A\$70K.</li> <li>• In Japan, in-country ICAs were carried out with four exporters and new business was facilitated with three exporters.</li> <li>• On the basis of MLA business development activities 12 new retail outlets in China, Philippines and Malaysia began selling Australian sheepmeat in 2009-10. This included sales of premium Australian branded hot-pot retail product in China.</li> <li>• Across the South-East Asia/China region three ICAs with Australian exporters were conducted (two less than target), and a range of activities were co-funded with retailers and/or food service companies.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)						Totals	
			North America	Japan	Korea	South Asia	Europe	Middle East	Global	
Mutton	M	392	15				5	50		70
Lamb	M	5,629	3,655	879	150	460	250	1,050		6,444
Goat	M	125	100						174	274
<b>TOTAL</b>	<b>M</b>	<b>6,146</b>	<b>3,770</b>	<b>879</b>	<b>150</b>	<b>460</b>	<b>255</b>	<b>1,100</b>	<b>174</b>	<b>6,788</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)						Totals	
			North America	Japan	Korea	South Asia	Europe	Middle East	Global	
Mutton	M	70	15			0	5	48		68
Lamb	M	6,444	3,554	846	151	423	240	1,003		6,217
Goat	M	274	98			0			33	130
External	M			34		17	132	122		307
<b>TOTAL</b>	<b>M</b>	<b>6,788</b>	<b>3,666</b>	<b>881</b>	<b>151</b>	<b>440</b>	<b>377</b>	<b>1,174</b>	<b>33</b>	<b>6,722</b>

## Enhancing competitiveness and sustainability – 3.1

### 3.1 Increasing cost efficiency and productivity – on farm

Producers operate complex businesses in an environment characterised by highly variable seasons and markets. It is therefore essential MLA's R&D programs deliver new tools and technologies that support producers to become more productive. In 2009-10, work included relevant projects previously listed under objective 3.5 (Science for the Future) to better integrate management of strategic and applied R&D investments.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Technologies or management practices which have the potential to attain a 12 per cent or greater internal rate of return on the RD&amp;E investment as assessed using enterprise and adoption models.</li> </ul>	<p>Five technologies that appear to have potential had an ex-post average IRR of 24 per cent. Two projects were discontinued because the research was unsuccessful or the technology under investigation is not viable.</p>
<ul style="list-style-type: none"> <li>Code of practice for intensive sheep finishing finalised and released to industry, including a process for accreditation that enables producers to self assess compliance with the code.</li> </ul>	<p>On industry recommendation the code of practice has been changed to a <i>best practice guide</i>. A final draft has been received and is awaiting approval by Sheepmeat Council of Australia.</p>
<ul style="list-style-type: none"> <li>Identification of the first suite of DNA markers for pedigree and sheep production traits (Mark I SNP panel) from SheepGenomics.</li> <li>DNA markers for pasture productivity traits incorporated into a multinational seed company's commercial forage breeding programs via Pastures Australia.</li> </ul>	<p>Production trait markers are being refined through combination with Sheep CRC analysis, and pedigree markers have been identified and are currently being evaluated and validated</p> <p>DNA markers for pasture productivity and improving pasture breeding efficiency are being adapted and adopted by two commercial pasture breeding companies, in conjunction with dairy industry co-investment</p>

Strategy	Key initiatives
<p>1. Develop genetic and genomic information to enhance flock, herd and feedbase performance.</p>	<ol style="list-style-type: none"> <li>Provide improved genetic evaluation tools and information for beef and sheepmeat breeding including incorporation of genomic outcomes into breeding values.</li> <li>Accelerate both discovery and delivery of new breeding methods to improve pasture and forage crop productivity, quality or persistence.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Animal Genetics Breeding Unit (AGBU) has completed a trial for incorporation of molecular information into LAMBPLAN and MERINOSELECT with first enhanced breeding values due in August 2010.</li> <li>A trial \$Index specifically for Brahms destined for the live export trade was developed and is continuing to be evaluated by MLA, AGBU and the northern beef industry.</li> <li>New breeding methods incorporating estimated breeding values and use of DNA markers have been developed for ryegrass varieties. Two commercial breeding companies are investing to adopt the DNA markers into their breeding program.</li> </ul>	
<p>2. Carry out research to improve the feedbase and feed utilisation.</p>	<ol style="list-style-type: none"> <li>Develop robust new technologies and tools to improve the quality, reliability and productivity of the feedbase for key sectors and/or the efficiency of feed utilisation by livestock.</li> <li>Develop integrated soil, pasture and livestock management systems and tools that increase grazing and feedlot enterprise performance.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>A number of Leucaena projects were supported including: development of a quantitative real time PCR assay for detection of <i>Synergistes jonesii</i>, the bacteria that breaks down toxins in Leucaena; demonstration that the current DEEDI inoculum was able to degrade Leucaena toxins; and establishment of Phase 2 of a breeding program for a psyllid resistant Leucaena variety.</li> <li>Pastures Australia has produced tools and information on pasture species selection. EverGraze has shown that farming systems can achieve both increases in production and environmental gain. Catchment scale modelling demonstrates the benefits of spatial adoption of perennials, as used in the 'EverGraze' farming systems, on recharge and soil loss.</li> </ul>	

3. Work with producers and processors to improve supply chain effectiveness.	1. Develop technologies that improve supply chain efficiencies and/or producer feedback, including information tools, standard operating procedures and codes of practice.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• Sheep CRC and MLA staff have commenced formal engagement with several supply chains looking to implement lean meat yield technologies and training programs by the end of 2011.</li> </ul>	
4. Develop new approaches to improve growth rates, allow heavier and/or earlier turn-off, improve reproductive efficiency, reduce costs of production and improve enterprise efficiency.	1. Develop robust new technologies and tools to increase growth and reproduction. 2. Evaluate, develop and implement technologies, tools and strategies to increase enterprise efficiency and reduce costs of production.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• The Sheep CRC has developed a program called 'lifetime ewe management' which has achieved changes in reproductive rates of up to 10 per cent in prime lamb flocks.</li> <li>• The Cash Cow project completed its first full year with data collected from over 65,000 cattle throughout northern Australia, from south-east Queensland to the Kimberley in WA.</li> <li>• A technical review on the use and value of HGPs was completed, and a producer manual on best practice use of HGPs is now being produced.</li> <li>• The project evaluating the impact of seminal plasma proteins on reproductive performance has generated some promising preliminary results, but the cost and time to process samples means the project will not be able to meet future milestones, and will be terminated.</li> <li>• Northern Beef CRC projects continued with detailed data collection throughout 2009-10. 807 calves were recorded, with data from 996 cows across four research stations having reproductive tract monitoring every four to six weeks immediately post-calving.</li> </ul>	
5. Evaluate new pasture species to improve livestock performance, withstand difficult environments, and maintain environmental integrity.	1. Develop new cultivars and/or agronomic practices to improve persistence and/or quality attributes of perennial plants in drier environments of southern Australia, and improve information exchange throughout the pasture plant supply chain.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• Pastures Australia has released: a red legged earth mite resistant sub clover; management guidelines for Sulla, a productive perennial legume; and a twin sowing technique for annual legumes.</li> <li>• Establishment/recruitment practices have been devised for native pastures (including dormancy breaking treatments and germination stimulants). For warm-season grasses, a direct seeding system for salt bush was developed to reduce costs.</li> <li>• EverGraze has produced management information for production and natural resource management outcomes for key species (Tall Fescue, Ryegrass, Chicory, Kikuyu, Phalaris) and native pastures. Tools have been produced to assist with cost of establishment and grazing planning.</li> <li>• Four 'drier margins' white clover species are now undergoing merit testing in a seed company.</li> <li>• 'Pasture Updates' for advisors and producers have been initiated by Pastures Australia.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	184	150	70	13	45	23	301
Lamb	R	1,518	1,091	513	93	401	165	2,263
Grass Cattle	R	1,642	945	371	250	1,019	263	2,848
Grain Cattle	R	211		325				325
Goat	R	14						
External	M	768	770					770
Government	R	3,568	2,186	1,279	356	1,465	450	5,736
<b>Subtotal</b>	<b>R</b>	<b>7,136</b>	<b>4,372</b>	<b>2,558</b>	<b>712</b>	<b>2,930</b>	<b>901</b>	<b>11,473</b>
<b>Subtotal</b>	<b>M</b>	<b>768</b>	<b>770</b>					<b>770</b>
<b>TOTAL</b>		<b>7,905</b>	<b>5,142</b>	<b>2,558</b>	<b>712</b>	<b>2,930</b>	<b>901</b>	<b>12,243</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	301	201	43	26	26	33	329
Lamb	R	2,263	1,581	314	243	219	136	2,493
Grass Cattle	R	2,848	1,258	480	34	1,328	180	3,280
Grain Cattle	R	325	65	77				142
External	M	770	966					966
Government	R	5,736	3,105	914	303	1,574	348	6,244
<b>Subtotal</b>	<b>R</b>	<b>11,473</b>	<b>6,210</b>	<b>1,828</b>	<b>606</b>	<b>3,148</b>	<b>696</b>	<b>12,488</b>
<b>Subtotal</b>	<b>M</b>	<b>770</b>	<b>966</b>					<b>966</b>
<b>TOTAL</b>		<b>12,243</b>	<b>7,176</b>	<b>1,828</b>	<b>606</b>	<b>3,148</b>	<b>696</b>	<b>13,454</b>

## Enhancing competitiveness and sustainability – 3.2

### 3.2 Increasing cost efficiency and productivity – off farm

Emerging issues in the global environment require a whole-of-chain response to ensure industry improves productivity and retains a competitive advantage. To achieve this all parts of the red meat supply chain must adopt intra and inter-industry world-class technologies and systems. In 2009-10, MLA's priority was to continue to develop new technologies and systems that enhance efficiencies along the supply chain, and to improve working conditions – reducing workplace injuries and illness.

Analysis of competitor performance was also undertaken to establish baseline data to enable monitoring of supply chain performance of Australian industry over the long term.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Technologies and systems are developed each of which are capable of improving cost of production and yield in order to increase net worth of carcase by \$3.50/head (beef) and \$1.50/head (sheep).</li> </ul>	<p>Development of five sheep technologies has been completed, and plant trials are underway, with potential benefits of \$3.1-4.3/hd. Two beef technologies are currently realising benefits of \$3.6/hd to adopters.</p>
<ul style="list-style-type: none"> <li>Develop technologies and systems capable of reducing occupational health and safety risks.</li> </ul>	<p>The beef puller system, a manually assisted system with significantly reduced operator strain, is now available to industry with five commercial sales this year. Several other automation technologies have also proven considerable OH&amp;S benefits.</p>

Strategies	Key Initiatives
<p>1. Develop and commercialise technologies and systems that support world class competitiveness and sustainability along the supply chain.</p>	<ol style="list-style-type: none"> <li>Develop a range of processing automation technologies that increase efficiency and maximise carcase yield and value.</li> <li>Develop new and improve existing stunning techniques and technologies.</li> <li>Develop technologies that improve supply chain efficiencies through electronic data transfer.</li> <li>Confirm feasibility and industry benefits from objective carcase measurement applications.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Automated sheep SaniVac, Brisket Cutter and Kidney fat removal systems were commercially proven (estimated combined benefit: \$0.1/hd).</li> <li>Lamb auto French racking concept was proven (potential benefits: \$0.22/hd).</li> <li>Australian processors have responded positively to prototypes for processing sheep middles and forequarters (potential benefits: \$0.5/hd).</li> <li>Automated sheep primal cutting technologies are ready for adoption (estimated benefit \$1.5-2.5/hd).</li> <li>An RFID enhanced chiller auto sorting system, is ready for adoption with potential benefits across the supply chain (including \$0.3/hd for producers).</li> <li>Beef auto hock cutting automation was commercially proven (estimated benefit \$0.1/hd).</li> <li>Automated beef strip-loin boning concept was demonstrated (potential benefits \$1.9/hd).</li> <li>The extended scope and contracting delays affected the Auto beef banjo removal (potential benefits \$0.35/hd) and Sheep auto-evisceration (potential benefits \$0.1/hd) developments respectively, contributing to \$400,000 being underspent.</li> </ul>	
<p>2. Assist the processing sector to eliminate occupational health and safety risks and extend the working life of skilled workers.</p>	<ol style="list-style-type: none"> <li>Improve working conditions and reduce work-related injuries by developing operator aids based on new technologies.</li> <li>Develop and communicate new processes and systems that assist the processing sector to manage OH&amp;S risks.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>The RTL beef puller entered commercialisation, and the HookAssist, an intelligent assisted device for beef boning, is ready for trials in Australian plants. These technologies will reduce operator strain and associated insurance claims (estimated at \$0.78/hd).</li> </ul>	

- An independent technical review supported the continuation of the Bladestop development, a technology to reduce bandsaw injuries. Industry roll out is now expected for 2011.
- Automated sheep primal cutting (now ready for plant installation) and middle and forequarter systems (to be ready in 2010-11) can remove 10 staff per boning room from dangerous tasks, if both technologies are adopted together.

#### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)		Totals
			1	2	
Mutton	R	1	4		4
Lamb	R	6	26		26
Grass Cattle	R	6	48		48
Grain Cattle	R	1	11		11
Processor	R	1,225	1,193	252	1,445
Government	R	1,239	1,282	252	1,534
<b>TOTAL</b>	<b>R</b>	<b>2,479</b>	<b>2,564</b>	<b>504</b>	<b>3,068</b>

#### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)		Totals
			1	2	
Mutton	R	4	2		2
Lamb	R	26	14		14
Grass Cattle	R	48	26		26
Grain Cattle	R	11	6		6
Processor	R	1,445	718	232	951
External	M			9	9
Government	R	1,534	766	232	998
<b>TOTAL</b>	<b>R</b>	<b>3,068</b>	<b>1,532</b>	<b>473</b>	<b>2,006</b>

### 3.3 Improving industry and market information

Given the complexity and change apparent in the red meat trading environment, it makes sense for the Australian industry to invest in a base level of market information and competitive intelligence. In 2009-10, MLA's focus included: empowering industry and government to make better business decisions through the supply of relevant and timely market information; improving information flow along the supply chain, using animal ID/carcass measurement systems; the collection of additional herd and flock data; gathering and disseminating competitor intelligence; and developing relevant risk management tools.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Maintain rating of stakeholder satisfaction with MLA market information and analysis at or above 3.8 points out of 5.</li> </ul>	Achieved a 3.86 rating in preliminary results from MLA IMES end-of-year client survey (the 2009 survey achieved a 3.7 rating).
<ul style="list-style-type: none"> <li>Increase electronic distribution of MLA market information by five per cent.</li> </ul>	Electronic circulation of publications rose 20 per cent on average (June 2010 on June 2009).

Strategy	Key initiatives
1. Collect and maintain domestic and international meat market data of relevance to the Australian meat and livestock industries.	1. Operate a National Livestock Reporting Service. 2. Conduct surveys on each segment of the supply chain. 3. Maintain a warehouse of domestic and global meat market data and improve the dissemination of this data via the Internet.
<b>Key activities</b> <ul style="list-style-type: none"> <li>NLRS continued to meet all KPIs as outlined in its Implementation Plan. A highlight was the commencement of reporting both weekly markets at Roma.</li> <li>Surveys were conducted on: farm performance (ABARE); feedlot activity (with ALFA); livestock slaughter and production (ABS); retail and wholesale sales (Millward Brown); and foodservice sales (Penfolds).</li> <li>A major program was launched to upgrade cattle and sheep inventory and supply statistics and forecasting. This included:                             <ol style="list-style-type: none"> <li>obtaining access to bulk NLIS cattle movement data to examine its potential usefulness in monitoring supply and stock movements</li> <li>replacing the qualitative in-house lamb producer survey of MLA members with a larger quantitative survey conducted by Axiom Research, aimed at improving lamb supply forecasting</li> <li>negotiating with ABARE and ABS to obtain greater detailed breakup of annual herd and flock statistics</li> <li>comparison of the accuracy and detail of supply statistics in Australia with those in the USA and New Zealand.</li> </ol> </li> <li>The global red meat database was extended; its reporting functionality upgraded; and E commerce developed, leading to the offering of internet access to the complete database to stakeholders and other clients.</li> </ul>	
2. Disseminate incisive analyses of relevant world meat market developments.	1. Provide high quality analytical reports including the bi-annual Industry Projections, monthly Industry Overview, <i>red meat market reports</i> , sectoral briefs, Statistical Review and <i>Fast Facts</i> . 2. Provide a comprehensive daily and weekly red meat news service, available on the internet and by email (including Meat & Livestock Weekly).
<b>Key activities</b> <ul style="list-style-type: none"> <li>The industry projections documents and briefings continued to receive widespread coverage and have proven to be accurate on price direction and supply.</li> <li>Industry Overview was revamped into separate, concise and price-focussed two-page versions for cattle, sheep and goats. This change was very well received by producer, processor and agri-business clients.</li> <li>The Red Meat Market Report series was also overhauled, resulting in better targeted and marketed briefs and cost savings.</li> </ul>	

<ul style="list-style-type: none"> <li>• The cost of printing and postage has been slashed following the decision to circulate most research publications by electronic means only.</li> <li>• MLW met all quality and service standards and circulation increased five per cent (nine per cent for electronic).</li> </ul>	
3. Gather and analyse data on competitors.	1. Monitor and report on developments in competitor proteins and countries.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• Monitoring of activities in US and New Zealand was maintained at a high standard.</li> <li>• Monitoring, reporting and analysis of competitive position in South America was further enhanced, to be one of the best outside of South America.</li> <li>• The Global Trade Atlas project has enabled monitoring of Australia's import share of all major markets.</li> <li>• MLA's partnership with the Agri benchmark international network has given a clearer and more detailed picture of our competitive position against all significant competitors.</li> <li>• A performance comparison between Australian and US feedlots was conducted and will be released once all feedlot responses are analysed.</li> </ul>	
4. Facilitate the development of improved information flows within supply chains.	<ol style="list-style-type: none"> <li>1. Conduct introductory cattle marketing courses incorporating tools to strengthen supply relationships.</li> <li>2. Support uptake of the forward cattle trading standard.</li> <li>3. Launch the Livestock Data Link program to improve information flows to add value and enable benchmarking.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>• While delayed, the 'Making informed trading decision' workshops have been developed in partnership with an agricultural advisory service company, and pilot workshops are being conducted in July 2010 with producer groups in southern Queensland and Victoria. The workshops have been developed to help sellers of livestock better understand how to use detailed market information to make more informed trading and marketing decisions.</li> <li>• A simple <i>User's guide for the Australian Cattle Trading Standard (ACTS)</i> was developed and published in March to assist producers with the cattle contracting process. A business development approach to cattle buyers in promoting the ACTS is currently being undertaken.</li> <li>• The developing Livestock Data Link program implemented a framework for receiving slaughter data and the provision of comprehensive feedback to producers including: viewing compliance to market grids; benchmarking this performance against others in their region; and comparison to previously slaughtered lots. The trial program can also supply advice on how to improve compliance to specifications.</li> </ul>	
5. Encourage commercial supply of risk management tools.	1. Support adoption of risk management tools, including cattle futures, and encourage the development of new risk management tools.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• MLA is currently helping several financial service providers in their efforts to develop risk management tools for the cattle, beef and lamb industry – through facilitation and the provision of information.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	33	24	7	2			33
	M	65	53	17				70
Lamb	R	226	168	50	34	30		282
	M	376	306	101				407
Grass Cattle	R	654	288	129	83	217	65	782
	M	968	754	249			43	1,046
Grain Cattle	R	101	25	12	6	70	6	119
	M	86	58	29			5	92
Processor	R	133	48			85		133
	M	113	113					113
Goat	R	4	4					4
	M	6	6					6
External	M	790	650	60			30	740
Government	R	1,151	557	198	125	402	71	1,353
<b>Subtotal</b>	<b>R</b>	<b>2,302</b>	<b>1,114</b>	<b>396</b>	<b>250</b>	<b>804</b>	<b>142</b>	<b>2,706</b>
<b>Subtotal</b>	<b>M</b>	<b>2,404</b>	<b>1,940</b>	<b>456</b>			<b>78</b>	<b>2,474</b>
<b>TOTAL</b>		<b>4,706</b>	<b>3,054</b>	<b>852</b>	<b>250</b>	<b>804</b>	<b>220</b>	<b>5,180</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	33	23	7	2			31
	M	70	62	20				82
Lamb	R	282	145	48	35	29		258
	M	407	359	120				479
Grass Cattle	R	782	258	124	86	203	54	724
	M	1,046	898	296			64	1,258
Grain Cattle	R	119	23	12	6	67	5	112
	M	92	68	34			7	110
Processor	R	133	38			83		121
	M	113	95					95
Goat	R	4	3					3
	M	6	5					5
External	M	740	610	23			0	633
Government	R	1,353	489	190	129	382	60	1,250
<b>Subtotal</b>	<b>R</b>	<b>2,706</b>	<b>978</b>	<b>380</b>	<b>258</b>	<b>764</b>	<b>118</b>	<b>2,499</b>
<b>Subtotal</b>	<b>M</b>	<b>2,474</b>	<b>2,097</b>	<b>494</b>			<b>72</b>	<b>2,663</b>
<b>TOTAL</b>		<b>5,180</b>	<b>3,074</b>	<b>874</b>	<b>258</b>	<b>764</b>	<b>190</b>	<b>5,162</b>

### 3.4 Ensuring sustainability

The Australian red meat industry is custodian of a significant proportion of Australia's land mass and an important manager of vital natural resources. In 2009-10, MLA focused on: establishing a newly-approved national research program to discover ways to reduce methane production from grazing livestock; initiating new programs that develop options for adaptation to climate change; and demonstrating environmental stewardship.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Key management practices contributing to environmental stewardship are defined and acknowledged by key stakeholders, leading to adoption by 20 per cent of red meat production over the next five years.</li> </ul>	Alignment of practices that contribute to demonstrating the environmental credentials under an environmental standard is continuing with producer input. Development of an auditable standard and guidelines continues to be trialled.
<ul style="list-style-type: none"> <li>Establish a national collaborative R&amp;D program in 2009-10 that will develop technologies or changes to management practices by 2012 which have the potential to reduce methane emissions from livestock by 30 per cent and be available for further development and commercialisation</li> </ul>	Preliminary results for DAFF-funded mitigation potential (breeding 15 per cent; forage bioactives 1–13 per cent; supplements 7–44 per cent; nitrate 28 per cent; tannin 15 per cent) appear promising but some treatments decrease performance and aren't additive. Demonstrations and field days are planned to inform producers of developments and progress.
<ul style="list-style-type: none"> <li>Establish collaborative R&amp;D programs in 2009-10 that will improve the resilience of pasture systems to predicted future changes in regional climate by 2012.</li> </ul>	Two major R&D programs were established for northern and southern Australia involving CSIRO and a number of DPIs, with significant funding obtained from DAFF's Climate Change Research Program.
<ul style="list-style-type: none"> <li>Technologies and practices are developed capable of enabling the processing sector to cost effectively meet the community, market and regulatory environmental requirements as assessed by an industry representative group.</li> </ul>	Guidelines for emissions reporting, anaerobic pond covers, water reuse and renewable energy systems were developed, reviewed by AMPC's environment committee and disseminated to the industry

Strategies	Key initiatives
1. Develop information and tools that help producers manage their natural resources while improving their productivity.	1. Develop strategies to optimise grazing land and mixed farming system sustainability including control methods for key weeds and feral pests and to address key farm and catchment level environmental issues.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>A third phase (four years) of the Wambiana grazing trial was initiated in 2009-10 with revisions to three of the five treatments. Over 12 years the trial has demonstrated financial and environmental advantages to lower and variable stocking rates. These results have been widely disseminated to the northern industry.</li> <li>Weed biocontrol research remains a priority for MLA with work currently focussing on bellyache bush and <i>parkinsonia</i> (Central and South America); and <i>prickly acacia</i> (India). The <i>parkinsonia</i> work recently identified three potential biocontrol agents which are now undergoing host specificity testing under quarantine in Australia.</li> <li>Seven on-property <i>parkinsonia</i> dieback workshops were delivered across Queensland with over 140 inoculation kits distributed to producers at the workshops.</li> <li>A new four-year project was initiated to research the distribution, invasiveness, biology and control of rubber bush in northern Australia.</li> <li>Literature reviews were conducted on the impacts of red meat production on biodiversity, water use and greenhouse gas emissions. These documented the relative efficiency of Australian systems, opportunities for improvement, and identified knowledge gaps and future research needs.</li> <li>An integrated weed management program was developed for summer perennial weeds silver leaf nightshade and prairie ground cherry. Management of serrated tussock in native grasslands is improved with active grazing tactics and tactical application of herbicide.</li> <li>130 weed professionals and producers were trained to release biological control agents for Paterson's curse. An additional 150 releases were completed.</li> <li>EverGraze has highlighted farming systems can achieve both increases in production and environmental gain through landscape planned systems, utilising land class and soil type differences; introducing perennial pastures on appropriate land classes to improve pasture supply and quality patterns and to reduce recharge, soil and nutrient loss.</li> <li>Phosphorus fertiliser decisions will be improved by the development of the <i>Five Easy Steps</i> worksheet and spreadsheet tool by Pastures Australia' that allow producers to determine the appropriate levels for P-fertilisation of temperate pastures.</li> </ul>	
2. Improve the feedlot industry's ability to manage heat stress, water use, greenhouse gas emissions and solid waste management.	1. Develop strategies to optimise the environmental performance of feedlots.

<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>A four-year research program was initiated to provide accurate measurements of manure greenhouse gas emissions from Australian feedlots, under different management methods, for input to the National Greenhouse Gas Inventory and carbon footprint and LCA calculations. The project will also develop and extend manure management options that maximise the value of manure and decrease GHG emissions.</li> </ul>	
<p>3. Support industry to assess natural resource risks and demonstrate its environmental credentials.</p>	<p>1. Develop environmental best practice and benchmark performance, including third party environmental QA certification for livestock enterprises.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Outcomes and standards in the voluntary environmental stewardship module are being aligned to practices across the grazing industry producing a readily auditable record system to demonstrate performance or underpin branded products.</li> <li>AUSMEAT has been engaged to assist in the development of guidelines for producers, and to provide auditors to match practice to the standards being developed. Further trial audits are to be completed in 2010-11.</li> <li>Stakeholders including producers groups, Government, environment groups and regional bodies, are being consulted to ensure wide acceptance of the environment standard.</li> </ul>	
<p>4. Collaborate with the processing sector to address emerging issues and opportunities in energy, water and solid waste management.</p>	<p>1. Identify key emerging environmental priorities for the processing sector and provide required knowledge, tools and technologies. 2. Identify opportunities for minimising water use and recycling. 3. Develop energy recovery technologies.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Greenhouse reporting guidelines were prepared to help industry meet reporting obligations including emissions methods and their applicability.</li> <li>Water reuse opportunities in beef plants were identified (potential savings: 52,000KL p.a. per site).</li> <li>A review of anaerobic pond cover materials – required to capture biogas and generate renewable energy – identified promising options, and was subsequently made available to processors.</li> <li>Options to generate renewable energy were analysed and financial viability guidelines were prepared to assist industry to make appropriate environmental work practice choices.</li> <li>\$0.5M was underspent due largely to the lack of need to respond to legislative changes.</li> </ul>	
<p>5. Address increased business risk and opportunities due to climate change and government policies related to climate change.</p>	<p>1. Evaluate opportunities to reduce greenhouse gas emissions and other impacts from red meat production systems, including through research into ruminant methane reduction and life-cycle analysis. 2. Develop strategies to minimise the vulnerability of production systems to the impacts of climate variability and climate change, and provide information to support adaptation to climate change, industry position on climate policies and communication of environmental impacts.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Two LCA papers provided defensible data on water use and greenhouse gas emissions for red meat production in southern Australian. LCAs for live export and two northern supply chains (one for retail) are underway.</li> <li>A paper was published on sampling requirements for soil carbon in rangelands and analysis is now underway on the impacts of management practices, including: stocking rates; fire regimes; and rotational grazing.</li> <li>The first annual report from the Reducing Emissions from Livestock Research Program (\$11.25 m – DAFF; \$3.4m – MLA; \$0.83m – other) demonstrated good progress, with 28 technical papers published or accepted and 140 media references.</li> <li>Two livestock adaptation projects (DAFF funding of \$2.7m total) have commenced, the first – modelling impacts of future climate on pasture growth to develop adaptation strategies for southern Australia and the second – improving on-ground practices and industry strategies for adaptation in northern beef focusing on 6 study regions.</li> <li>Active technical input to NFF and CCA policy development nationally and internationally. .</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	30	28		15		70	113
Lamb	R	241	209		110		514	833
Grass Cattle	R	2,075	1,097				1,198	2,295
Grain Cattle	R	448		482			50	532
Processor	R	541				747		747
Goat	R	8						
External	M	65			55		3,989	4,044
Government	R	3,342	1,334	482	125	747	1,832	4,520
<b>Subtotal</b>	<b>R</b>	<b>6,685</b>	<b>2,668</b>	<b>964</b>	<b>250</b>	<b>1,494</b>	<b>3,664</b>	<b>9,040</b>
<b>Subtotal</b>	<b>M</b>	<b>65</b>			<b>55</b>		<b>3,989</b>	<b>4,044</b>
<b>TOTAL</b>		<b>6,749</b>	<b>2,668</b>	<b>964</b>	<b>305</b>	<b>1,494</b>	<b>7,653</b>	<b>13,084</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	113	34		5		37	77
Lamb	R	833	213		23		275	511
Grass Cattle	R	2,295	1,377		14		923	2,314
Grain Cattle	R	532		450				450
Processor	R	747				401		401
External	M	4,044	799		581		3,644	5,024
Government	R	4,520	1,625	450	42	401	1,235	3,753
<b>Subtotal</b>	<b>R</b>	<b>9,040</b>	<b>3,250</b>	<b>900</b>	<b>84</b>	<b>802</b>	<b>2,470</b>	<b>7,506</b>
<b>Subtotal</b>	<b>M</b>	<b>4,044</b>	<b>799</b>		<b>581</b>		<b>3,644</b>	<b>5,024</b>
<b>TOTAL</b>		<b>13,084</b>	<b>4,049</b>	<b>900</b>	<b>665</b>	<b>802</b>	<b>6,114</b>	<b>12,530</b>

### 3.6 Improving biosecurity, animal health and welfare

Australia remains free of key animal diseases which would, if present, severely impact trade, our ability to produce high quality meat, and animal health and welfare outcomes. In addition, the standard of animal welfare for food producing animals is attracting greater attention from consumers, government, retailers and special interest groups within Australia and overseas. In 2009-10 MLA's priorities were to: improve the health, biosecurity and welfare of livestock raised, handled and transported in Australia; minimise the potential for trade/market access being interrupted; address consumer and regulatory concerns with scientific evidence that will facilitate informed policy decisions; and enable the red meat industry to respond quickly to emerging issues.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Collect (via national survey) and establish baseline data for all animal welfare husbandry practices from which to measure practice change, in preparation for future implementation of the new Cattle and Sheep Standards and Guidelines in 2010-2012.</li> </ul>	A comprehensive national survey was prepared with CCA and SCA input. This was completed early in 2010. Councils have used extracted data for Standards discussions and negotiations.
<ul style="list-style-type: none"> <li>Assess (using survey of writing and/or reference group members) what contribution MLA welfare science projects/publications/ technical workshops have played in contributing to or influencing Standards and Guidelines policy development/decisions under the AAWS Land Transport, Cattle and Sheep Code reviews.</li> </ul>	Feed-back by Chair of writing group and CCA and SCA representatives indicated that transport duration/time-off-water, spaying research, industry practice surveys and MLA expertise made significant contributions and were highly regarded.
<ul style="list-style-type: none"> <li>Deliver innovations by 2012 that have the potential to reduce either the cost of control and/or industry risk from the five exotic/notifiable diseases ie Screw Worm Fly, Foot and Mouth Disease, Bluetongue, Anthrax and the mycobacterial diseases (BJD, OJD &amp; CJD).</li> <li>Develop improved controls for high priority, production limiting diseases, delivered progressively to the red meat industries by 2012, and leading to reduced costs associated with these diseases.</li> </ul>	Screw Worm Fly improved diagnostics are now in use for Australia's northern surveillance. FMD and Bluetongue projects have been approved for 2010-11. OJD and BJD vaccines, for industry application to reduce cost of known high prevalence disease, are being further tested to improve efficacy

Strategy	Key initiatives
1. Investigate and support use of animal welfare best practice in industry.	1. Identify objective measures of welfare to inform sustainable animal welfare practices and policies and where needed develop relevant tools to extend messages to key audiences.
<b>Key activities</b> <ul style="list-style-type: none"> <li>A <i>Sheep Best Practice Husbandry Guide</i> was prepared and is currently before SCA for approval. Following this it will be published and released.</li> <li>The Animal Welfare Objective Measures research program is nearing completion (December 2010) despite the withdrawal of Meat &amp; Wools NZ matching funding in 2009. Low body condition score in cattle and sheep has been confirmed experimentally as a critical clinical indicator of welfare risk from malnutrition.</li> </ul>	
2. Develop a practical risk management approach to animal welfare.	<ol style="list-style-type: none"> <li>Monitor welfare risks to allow avoidance or minimisation of impacts on the beef and sheepmeat industries.</li> <li>Invest in development of alternative practices to address key risks.</li> <li>Promote adoption of new processor animal welfare standard and measure implementation.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>A cattle industry tool, enabling practical risk assessment and avoidance of low body condition welfare risk, is currently under contract negotiation after a national scoping workshop held in October 2009.</li> <li>A new processor animal welfare standard was prepared and discussions have been held between industry and a service provider, regarding audits for the purpose of measuring implementation.</li> </ul>	

3. Support Australia's favourable disease status through targeted research to improve biosecurity and disease surveillance.	1. Enhance on-farm and national/state/territory level biosecurity/surveillance programs through collaborative projects.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• MLA is collaborating with Animal Health Australia to assess nationally the biosecurity RD&amp;E priorities and to develop a co-investment framework. This will be presented to the Primary Industries Ministerial Committee (PMIC) for agreement and approval in 2010-2011. Key investments in Foot and Mouth Disease preparedness and improved bluetongue diagnosis were initiated and further targeted investments will follow in 2010-11.</li> </ul>	
4. Develop new approaches to control key livestock diseases and other causes of mortalities and production loss.	<ol style="list-style-type: none"> <li>1. Develop tools and systems to improve management of parasites in livestock.</li> <li>2. Quantify the need for and where appropriate commission R&amp;D to reduce the cost of disease due to naturally-occurring toxins and other livestock diseases that have a substantive impact on livestock productivity.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Steps towards improved integrated parasite management have been initiated through the Sheep CRC RD&amp;E program. Worm egg count (WEC) selection was promoted to the Sheep Genetics participating flocks and into the information nucleus breeding program. The research project on nutrition and internal parasites in prime lambs was completed. It demonstrates how good nutrition will minimise and offset poor productivity from worms. Producer fact sheets are being prepared to enhance producer understanding and adoption.</li> <li>• Improvements to the QDPI frozen tick fever vaccine have been defined and work on a vaccine approach to tick control continues at the Beef CRC supported by MLA funding. A buffalo fly project has been initiated in light of concerns that this parasite causes for industry. An in-vitro culture method is being investigated as the first step to better controls in future.</li> <li>• The Annual Ryegrass Toxicity (ARGT) prototype vaccine did not attract a commercial partner, despite extensive consultation, and will not be progressed..</li> </ul>	
5. Develop solutions for the management of key feedlot animal health and welfare issues.	1. Investigate and improve the management of key feedlot animal health problems and welfare issues.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Bovine respiratory disease (BRD) remains the major animal health problem for Australian feedlots. Data collection is now well underway for the major epidemiological study, which commenced in 2009, to quantify the critical pre-feedlot and feedlot risk factors contributing to BRD in feedlot cattle. The knowledge acquired from the study will provide the feedlot sector with improved strategies for managing BRD in a feedlot situation and will minimise the economic impact of BRD on feedlot cattle performance.</li> <li>• A new method of forecasting heat load was trialled during the 2009-10 summer. The new method does not rely on data from Bureau of Meteorology automatic weather stations and is capable of providing accurate site specific forecasts for feedlots that are located in areas not serviced by the Bureau coverage. The new method will be further developed with a view to making it the primary method of delivering forecasts to all feedlots for the summer of 2010-11. The existing service will continue to operate as a backup system for this period.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	83	13	3	54	73		143
Lamb	R	646	96	22	192	543		853
Grass Cattle	R	735	194	168	23	527		912
Grain Cattle	R	430	20				531	551
Processor	R			70				70
Goat	R	22	25					25
External	M	454						
Government	R	1,916	348	263	269	1,144	531	2,555
<b>Subtotal</b>	<b>R</b>	<b>3,832</b>	<b>696</b>	<b>526</b>	<b>538</b>	<b>2,287</b>	<b>1,062</b>	<b>5,109</b>
<b>Subtotal</b>	<b>M</b>	<b>454</b>						
<b>TOTAL</b>		<b>4,286</b>	<b>696</b>	<b>526</b>	<b>538</b>	<b>2,287</b>	<b>1,062</b>	<b>5,109</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)					Totals
			1	2	3	4	5	
Mutton	R	143	7	1	33	71		112
Lamb	R	853	65	8	102	433		609
Grass Cattle	R	912	159	131	7	397		695
Grain Cattle	R	551					577	577
Processor	R	70		26				26
Goat	R	25	23					23
External	M		71			45		116
Government	R	2,555	254	166	142	902	577	2,041
<b>Subtotal</b>	<b>R</b>	<b>5,109</b>	<b>508</b>	<b>332</b>	<b>284</b>	<b>1,804</b>	<b>1,154</b>	<b>4,082</b>
<b>Subtotal</b>	<b>M</b>		<b>71</b>			<b>45</b>		<b>116</b>
<b>TOTAL</b>		<b>5,109</b>	<b>579</b>	<b>332</b>	<b>284</b>	<b>1,849</b>	<b>1,154</b>	<b>4,198</b>

## Increasing industry capability – 4.1

### 4.1 Increasing adoption of R&D outcomes

The value of research and development programs is only delivered when outcomes are taken up and effectively implemented by enterprises along the value chain. In 2009-10, MLA focused on developing a better understanding of different segments within the industry and tailoring adoption strategies to address the issues involved in facilitating change.

Adoption plans for key R&D areas were documented and proactively managed to ensure R&D outcomes followed best practice commercialisation principles and were delivered in a practical and timely manner. Systems for managing intellectual property and adoption/commercialisation outcomes were also enhanced to assist in the evaluation of R&D outcomes for MLA's stakeholders.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Establish standardised measures and benchmarks for enterprise productivity and cost efficiency, and baselines for NRM and animal welfare practices in 2009-10. This will establish the capacity to track changes in performance from 2011 onwards.</li> </ul>	Indicators for industry performance (productivity and cost efficiency) were developed through southern and northern industry situation analyses. NRM and animal welfare practices have also been benchmarked through respective quantitative surveys.
<ul style="list-style-type: none"> <li>The 12 off-farm commercial-ready technologies have achieved at least 80 per cent of their targeted adoption uptake.</li> </ul>	Nine technologies met all adoption targets with two adoption strategies terminated. Across all technologies, 12 out of 21 individual adoption targets have been met – a success rate of 57 per cent.

Strategies	Key initiatives
1. Deliver tools, information and learning opportunities that deliver clear benefits to individual enterprises.	<ol style="list-style-type: none"> <li>1. Integrated programs that promote the adoption of R&amp;D outputs to receptive livestock producers.</li> <li>2. Increase processor awareness of commercial opportunities from recent R&amp;D developments.</li> <li>3. Provide Meat Industry Services for processors.</li> <li>4. Hold two to three Meat Profit Days that deliver information and tools to livestock producers.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>The Red Meat Innovation website was launched. This valuable tool provides up-to-date information to processors about technology developments and the latest developments in R&amp;D.</li> <li>Meat Industry Updates were once again provided through Meat Industry Services summarising industry issues and solutions.</li> <li>Funding has been approved for the continuation of <i>More Beef from Pastures</i> and <i>Making More From Sheep</i> programs, aiming to support producers to build capability and support change for the next three to five years. <i>Going into Goats</i> will also be continued as well as a co-ordinated northern beef communication and research adoption program. Ongoing improvements to existing MLA tools included the upgrade of the Feed Demand Calculator to provide greater regional relevance for producers.</li> <li>The Pasture Picker was launched on the MLA website.</li> <li>EverGraze events continued, and since 2005, 4,200 producers who have attended events have made changes to their management and use of pastures.</li> <li>Meat Profit Days held in Roma and Melbourne were highly rated by the 397 and 370 people attending.</li> </ul>	
2. Collaborate with other organisations and agencies that can influence and facilitate adoption.	<ol style="list-style-type: none"> <li>1. MINTRAC R&amp;D Adoption Services.</li> <li>2. Partnerships with other organisations to develop and deliver R&amp;D outputs that assist adoption by producers.</li> </ol>
<b>Key activities</b> <ul style="list-style-type: none"> <li>Adoption of off-farm R&amp;D outputs has been assisted by MINTRAC activities through: network meetings; conferences; and the review of training packages. Network meetings for trainers, QA and Environment managers have been held across the country – introducing practitioners to research outputs and maintaining competence levels. Specific conferences for trainers and QA staff have been well attended. The meat industry training package was reviewed to respond to research results and industry and</li> </ul>	

customer requirements.	
3. Implement effective commercialisation and adoption strategies.	<ol style="list-style-type: none"> <li>1. Commercialisation strategies and IP management plan.</li> <li>2. Develop engagement and adoption plans to facilitate adoption of R&amp;D.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• MLA's IP portfolio was reviewed and R&amp;D/license contract terms relating to IP and commercialisation were revised and upgraded to further protect the industry's investment in IP. However, IP protection costs were higher than budgeted as the IP portfolio grew and various patents moved to more expensive national phases.</li> <li>• There was a stronger focus on developing independently commissioned commercialisation plans and business cases, driving adoption and commercialisation.</li> <li>• 15 adoption strategies were completed and/or updated. These included: manually assisted and robotic automation technologies for processor boning and slaughter; bioactives; near infra red sensing; saw safety devices; food safety benchmarking; and various meat quality technologies.</li> <li>• Two strategies (super tenderisation and stunning) were terminated as their R&amp;D did not meet technical targets.</li> </ul>	
4. Measure, evaluate and report the outcomes of R&D.	<ol style="list-style-type: none"> <li>1. Planning, monitoring and evaluation of the impact of R&amp;D for producers and industry.</li> <li>2. Monitoring and evaluation of off-farm R&amp;D.</li> </ol>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• External reviews of <i>More Beef from Pastures</i>, <i>Making More from Sheep</i>, Red Meat Targets, and the Northern Beef Communication and Research Adoption Program were completed, including cost/benefit analyses.</li> <li>• An annual key performance indicator survey – assesses program awareness and practice change of program participants. In 2010 results indicated that 92 per cent of producers are aware of MLA programs, and 59 per cent changed their practices as a result of their participation in MLA activities.</li> <li>• Natural resource management and animal welfare practice quantitative surveys were completed.</li> <li>• Northern beef, southern beef and sheepmeat situation analyses were completed.</li> <li>• A knowledge and skills-auditing evaluation system was developed.</li> <li>• Nine off farm technologies were independently evaluated via a standardised cost/benefit analysis methodology. These included: automation technologies such as manual assisted and robotic automation; SmartStretch and SmartShape; meat quality; and several innovative chilling and red meat innovation products. Investment payback from the technologies varied from three months to two-and-a-half years.</li> <li>• Key elements of this work included a standardised methodology allowing across technology comparisons, and the development of flexible Excel based cost/benefit analysis tools that can be used to model 'ex ante', 'ex post' and various adoption scenarios.</li> </ul>	

### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)				Totals
			1	2	3	4	
Mutton	R	81	95	4	4	20	123
	M		9				9
Lamb	R	589	702	26	12	145	885
	M		58				58
Grass Cattle	R	1,282	656	215	36	335	1,242
	M		91				91
Grain Cattle	R	45	40		4	16	60
	M		5				5
Processor	R	809	430	210	50	100	790
Goat	R	30				40	40
External	M		63				63
Government	R	2,835	1,922	455	106	656	3,139
<b>Subtotal</b>	<b>R</b>	<b>5,670</b>	<b>3,845</b>	<b>910</b>	<b>212</b>	<b>1,312</b>	<b>6,279</b>
<b>Subtotal</b>	<b>M</b>		<b>226</b>				<b>226</b>
<b>TOTAL</b>		<b>5,670</b>	<b>4,071</b>	<b>910</b>	<b>212</b>	<b>1,312</b>	<b>6,505</b>

### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)				Totals
			1	2	3	4	
Mutton	R	123	50	15	4	12	80
	M	9	8		-1		7
Lamb	R	885	368	87	14	81	550
	M	58	53		-6		48
Grass Cattle	R	1,242	686	231	36	234	1,186
	M	91	84		-25		58
Grain Cattle	R	60	27		5	14	46
	M	5	5				5
Processor	R	790	403	220	48	24	696
Goat	R	40	12	16		61	89
External	M	63	121		94		215
Government	R	3,139	1,547	568	107	425	2,647
<b>Subtotal</b>	<b>R</b>	<b>6,279</b>	<b>3,094</b>	<b>1,136</b>	<b>214</b>	<b>850</b>	<b>5,294</b>
<b>Subtotal</b>	<b>M</b>	<b>226</b>	<b>270</b>		<b>62</b>		<b>332</b>
<b>TOTAL</b>		<b>6,505</b>	<b>3,364</b>	<b>1,136</b>	<b>276</b>	<b>850</b>	<b>5,626</b>

## Increasing industry capability – 4.2

### 4.2 Building world-class skills and innovation capability

An industry-wide culture of continuous improvement, innovation and increased capability is essential to sustain productivity and competitive advantage. In 2009-10, MLA focused on building innovation capability at individual enterprise level including: facilitating a more effective approach to supply chain management; developing and fostering people within the industry; delivering a range of innovation tools; and developing new approaches to measuring the innovation capability of the industry. In 2009-10 investments under this objective include scholarships and support projects previously listed under objective 3.5 (Science for the Future). This allows integrated management of both strategic and applied capability-building investments.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Establish baseline measurements of producer and service provider knowledge, skills and confidence (KSC) around the management practices and key performance drivers (identified in 4.1 national benchmarking). This will establish the capacity to track changes in industry capability from 2011 onwards.</li> </ul>	<p>An evaluation system (KS auditing) that enables quantitative measurement of changes in knowledge and skills was developed to establish producers and service provider baseline measures.</p> <p>Baseline qualitative measurements of producer confidence found that overall 35 per cent of producers surveyed were extremely confident about the future of the industry and their ability to manage key performance drivers while 35 per cent indicated they only has some confidence. Twelve percent were not confident and 18 per cent were unsure.</p>
<ul style="list-style-type: none"> <li>All collaborative innovation partners meet at least 80 per cent of their documented innovation strategy KPIs.</li> </ul>	<p>Seven collaborative innovation partners have met more than 80 per cent of their innovation KPIs and deliverables. An additional three innovation partners have met less than 80 per cent. The innovation metrics set the targeted impact that innovation will have on the companies' performance.</p>
<ul style="list-style-type: none"> <li>Each sector of the industry achieves at least 80 per cent of the agreed targets in relation to attracting and retaining staff.</li> </ul>	<p>Agreed targets have been established for the processing and feedlot sectors with the retention rate for graduates being above 80 per cent. Attraction and retention targets for other industry sectors outside of young professionals are yet to be developed.</p>

Strategies	Key initiatives
1. Build producer knowledge and skills	1. Build producer capability by delivering or facilitating communication, participatory learning, advice and mentoring.
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>11 southern beef, 5 southern lamb/sheepmeat, and 12 northern beef producer demonstration sites (PDS) are currently funded, focussing on testing innovations that support sustainable increases in profitability and productivity.</li> <li>Four southern beef and six producer initiated research and development projects (PIRDS) will be completed by the end of 2010. These are the final projects to be completed under this program.</li> <li>Three partnership agreements have been established with DEEDI, NT DPI and DAFWA respectively to implement a further 26 Producer Demonstration Sites across the north over the next two to three years.</li> <li>A pilot project developing a producer coaching model was successfully completed. This indicates a promising new approach to support practice change and adoption of innovation by producers. Producers within the pilot project changed pasture and grazing management practices, including the implementation of monitoring and measuring pasture growth, utilisation and quality. The process enabled an improvement of their knowledge by 50 per cent and an increase skill by 85 per cent. This resulted in an average improvement in productivity by 22 per cent through increasing stocking rate which resulted in a 60 per cent increase in profit.</li> </ul>	
2. Implement professional development programs to ensure the industry remains an attractive career destination and employer of choice in the future	<ol style="list-style-type: none"> <li>Develop whole-of-industry Professional Development Programs.</li> <li>Facilitate attraction and retention of skilled labour.</li> <li>MINTRAC leadership and capability programs.</li> <li>Support science capability and knowledge of industry in key disciplines</li> </ol>

<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>The Red Meat Industry Graduate and Undergraduate programs were successful, with 25 graduates and 12 companies participating in the graduate program; and nine undergraduates and six companies participating in the undergraduate program. There have been 57 participants in total in the graduate program and over 80 per cent have been retained in the industry.</li> <li>MLA and AMPC have agreed to work together in 2010-11 to develop attraction and retention targets for the processing sectors (including skilled labour). There was no budget for 2009-10 initiatives.</li> <li>MINTRAC leadership and capability programs included the delivery of over 26 network meetings and 50 professional development sessions involving environment, training and quality assurance topics.</li> <li>Three off farm postgraduate scholarships were supported in 2009-10 to build science capability and knowledge in the industry. The topics include: "Development of a generic polymerase chain reaction (PCR) test for detection on carcasses of microbial genes associated with human health and trade risks"; "Comparison of higher protein, red meat based diet versus higher carbohydrate, white meat based diet on weight loss, satiety, metabolic parameters, iron status and immune function in young, obese women" and "Disability prevention and effective disability management in the Australian Red Meat Industry".</li> </ul>	
<p>3. Partner with enterprises along the value chain to implement sophisticated innovation strategies</p>	<p>1. Collaborative Innovation Strategies Program. 2. Improve customer alignment by building advanced supply chain management capability.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>MLA is currently partnering with 10 companies to build their innovation capability over a three year period. A key component of the program is for participating companies to develop innovation metrics to evaluate the impact of innovation on their business. Some success stories include innovative chilling methods leading to an \$11/head benefit, innovative boning procedures leading to improvements of \$3.40/head benefit and labour reductions on the slaughter floor being equivalent to 26 people. As 50 per cent of these companies have been in the program for less than 12 months, the key focus has been on developing innovation metrics and collecting baseline data.</li> <li>Two companies participated in a pilot aimed at improving customer alignment. This included applying a methodology based on customer behaviour, and then aligning strategy, leadership and culture to the core segments of behaviour. 'Dynamic Alignment' allowed these companies make better decisions on how to appropriately service their customers and align innovation activities to customer requirements. These pilots have allowed companies to ensure they work with the right customer base to achieve their innovation and business goals, as well as being more targeted in how they recruit, engage and interact with customers.</li> </ul>	
<p>4. Provide a range of innovation tools to build capability at enterprise level</p>	<p>1. Establish Red Meat Industry Innovation Network.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Two innovation manager network meetings were held to support the capability development of the dedicated innovation resources of twelve companies participating (or considering participating) in the collaborative innovation program. These network meetings support the development of key aspects of the program including innovation strategy development, innovation tools and systems.</li> </ul>	
<p>5. Develop innovation diagnostics at both enterprise and sector levels to benchmark the performance of the industry's innovation system</p>	<p>1. Establish innovation capability diagnostics and performance metrics at individual enterprise level. 2. Develop framework for whole-of-industry innovation system 'health check'.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>The Innovation Toolkit was developed to improve the delivery of the Collaborative Innovation Program. It was designed to assist innovation managers to developing innovation strategies and systems within their individual enterprises. The toolkit was designed around the core elements required to have an effective and sustainable innovation system. It details the generic processes and attempts to build in flexibility wherever possible to enable innovation managers to customise the process for their particular enterprise.</li> </ul>	

**Budget 2009-10**

Sector		2008-09 Budget	2009-10 Budget (\$'000)				Totals
			1	2	3	4	
Mutton	R	27	13	19	8		40
Lamb	R	160	90	129	31		250
Grass Cattle	R	355	394	161	31		586
Grain Cattle	R		57	43	8		108
Processor	R	37		676	30	50	756
Goat	R	1,067	54				54
Livestock export	R	49					
External	M	70	70				70
Government	R	1,694	608	1,028	108	50	1,794
<b>Subtotal</b>	<b>R</b>	<b>3,390</b>	<b>1,216</b>	<b>2,056</b>	<b>216</b>	<b>100</b>	<b>3,588</b>
<b>Subtotal</b>	<b>M</b>	<b>70</b>	<b>70</b>				<b>70</b>
<b>TOTAL</b>		<b>3,460</b>	<b>1,286</b>	<b>2,056</b>	<b>216</b>	<b>100</b>	<b>3,658</b>

**Actual 2009-10**

Sector		2009-10 Budget	2009-10 Actual (\$'000)				Totals
			1	2	3	4	
Mutton	R	40	17	9	5		31
Lamb	R	250	131	55	19		205
Grass Cattle	R	586	310	103	22	0	435
Grain Cattle	R	108	36	12	5		53
Processor	R	756		466	22	48	536
Goat	R	54	28				28
External	M	70		36		1	37
Government	R	1,794	523	645	72	48	1,288
<b>Subtotal</b>	<b>R</b>	<b>3,588</b>	<b>1,046</b>	<b>1,290</b>	<b>144</b>	<b>96</b>	<b>2,576</b>
<b>Subtotal</b>	<b>M</b>	<b>70</b>		<b>36</b>		<b>1</b>	<b>37</b>
<b>TOTAL</b>		<b>3,658</b>	<b>1,046</b>	<b>1,326</b>	<b>144</b>	<b>97</b>	<b>2,613</b>

## Communicating with stakeholders

MLA's communication strategy aims to make all key stakeholders aware of the role of MLA in the red meat and livestock industry, particularly the programs undertaken by MLA, the opportunities created by these programs and their potential benefits to industry. This is achieved by the development and delivery of a range of information and services aimed at increasing awareness, demonstrating relevance and value, and proactively engaging stakeholders.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Maintain member satisfaction with MLA communication activities at or above 3.5 points out of 5.</li> </ul>	<p>Not achieved.</p> <p>Member satisfaction with communication activities was rated at 3.46 out of 5 as measured through the MLA member survey – short of the 3.5 out of 5 target.</p>
<ul style="list-style-type: none"> <li>A 10 per cent increase in the number of MLA members who get a lot of value from MLA.</li> </ul>	<p>Achieved.</p> <p>A 16 percentage point increase was recorded in the number of MLA members who claim to get "a lot of value" from MLA as measured through the MLA member survey.</p>

Strategy	Key initiatives
<p>1. Create awareness of opportunities created by MLA for the meat and livestock industry.</p>	<p>1. Source content and produce nine targeted <i>feedback</i> magazines that signpost MLA's 47,000 members to further R&amp;D and marketing information.</p> <p>2. Deliver effective widespread media coverage through briefings, journalist relationships and targeted analysis.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>We continued to foster our partnership with rural media to ensure transparent and broad coverage of our activities and ensure industry is fairly represented in the media by               <ul style="list-style-type: none"> <li>four joint features focused on key issues of interest and activities that impact on the industry with the Rural Press Group and <i>The Weekly Times</i></li> <li>integrating our traditional annual media briefing on industry projections with related on-farm impacts to communicate clear messages for individual businesses</li> <li>distributing 83 media releases on MLA's range of activities throughout the year</li> </ul> <p>In addition, media coverage on MLA and its activities increased by 50 per cent on 2008-09 with a considerable proportion of the coverage in 2009-10 comprising our research and development activities.</p> </li> <li>Feedback magazine continues to rate well among members with 76 per cent of members saying it drove them to take further action with 38 per cent stating they changed on-farm management practices after reading it. We enhanced the regional splits to provide more tailored information of relevance to our readers throughout the magazine including the 'insights', market information, diary page and advertisement. We also increased the tailoring of the splits via better use of the flysheet with regionally specific messages and a catalogue of relevant publications on the reverse to increase uptake of MLA publications and services.</li> </ul>	
<p>2. Demonstrate the relevance and value of MLA and its activities to stakeholders.</p>	<p>1. Meet MLA governance requirements through the production of a best practice annual report and annual general meeting.</p> <p>2. Redevelop the MLA website and online communication tools to provide improved delivery of information to producers and other audiences.</p> <p>3. Produce four episodes of <i>feedbackTV</i> along with cross-platform supporting information to provide interactive communications to stakeholders.</p>
<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>The MLA annual report 2008-09 met the exacting standards for a Gold Award at the Australasian Reporting Awards and was a finalist in the Online (electronic) category.</li> <li>The AGM 2009 was held in Darwin, NT with good participation from members in the voting process (consistent with previous years) and strong support for maintaining the beef marketing component of the cattle transaction levy.</li> <li>MLA's new corporate website was launched in June to provide simple and efficient access to a host of new features including a 'prices and markets' hub; weather centre and producer tool box</li> </ul>	

containing calculators and guides for a broad range of production issues. The launch was accompanied by an integrated awareness campaign, which generated a record 34,500 visitors to the site in June (an increase of approx 20 per cent in the average monthly traffic for the old site). A dedicated email drive to capture up-to-date email addresses for membership, resulted in a 23 per cent increase in the number of email addresses on our system.

- Four episodes of *feedbackTV* were produced and distributed directly to members during the year. Supporting the DVD release and our efforts to integrate our communications across channels, we:
  - established a *feedbackTV* channel on YouTube attracting nearly 10,000 views
  - implemented a DVD directory of the next episode in *feedback* magazine

3. Proactively engage stakeholders in order to achieve behaviour change.

1. Hold producer forums in association with existing events to provide greater coverage and cost efficiency.
2. Provide information and services to members and other stakeholders.

#### Key activities

- The Producer Forum held in conjunction with the MLA AGM in Darwin attracted 145 people and provided an opportunity to focus on issues of relevance to northern production particularly live exports.
- The annual MLA Red Meat R&D Forum in Canberra provided us with the opportunity to showcase our joint investments to 60 government attendees at a new venue and in a new format that provided a more interactive environment.
- To ensure we broadened our face-to-face communications in a cost effective way, we partnered with a range of industry organisations to participate in 49 producer events across the country attracting 3,275 attendees.
- Stakeholder engagement by Board members included attendance at 73 industry events across Australia.

#### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)			Totals
			1	2	3	
Mutton	R	43	12	20	12	44
	M	49	17	23	9	49
Lamb	R	247	75	95	76	246
	M	606	185	235	185	605
Grass Cattle	R	436	166	155	113	434
	M	1,659	520	605	510	1,635
Grain Cattle	R	7		16		16
	M	60		70		70
Goat	R	5	2	1	2	5
	M	9	3	3	3	9
Government	R	738	255	287	203	745
<b>Subtotal</b>	<b>R</b>	<b>1,476</b>	<b>510</b>	<b>574</b>	<b>406</b>	<b>1,490</b>
<b>Subtotal</b>	<b>M</b>	<b>2,383</b>	<b>725</b>	<b>936</b>	<b>707</b>	<b>2,368</b>
<b>TOTAL</b>		<b>3,859</b>	<b>1,235</b>	<b>1,510</b>	<b>1,113</b>	<b>3,858</b>

#### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)			Totals
			1	2	3	
Mutton	R	44	12	22	12	46
	M	49	17	25	9	51
Lamb	R	246	74	104	76	254
	M	605	184	256	185	625
Grass Cattle	R	434	165	169	113	447
	M	1,635	517	660	511	1,688
Grain Cattle	R	16		18		18
	M	70		76		76
Goat	R	5	2	1	2	5
	M	9	3	3	3	9
Government	R	745	253	313	203	769
<b>Subtotal</b>	<b>R</b>	<b>1,490</b>	<b>506</b>	<b>626</b>	<b>406</b>	<b>1,538</b>
<b>Subtotal</b>	<b>M</b>	<b>2,368</b>	<b>720</b>	<b>1,022</b>	<b>708</b>	<b>2,450</b>
<b>TOTAL</b>		<b>3,858</b>	<b>1,226</b>	<b>1,648</b>	<b>1,114</b>	<b>3,988</b>

## Corporate services

Encompassing the board, executive, finance, legal, human resources, information technology and other MLA funded initiatives, the corporate services business unit provides support services, risk management, governance, budget and planning and reporting functions to MLA management and stakeholders, as well as ensuring compliance with statutory and other corporate obligations.

Key performance indicators	Outcomes
<ul style="list-style-type: none"> <li>Clean audit report received</li> </ul>	Clean audit report has been received reviewed by the Audit and Risk Management Committee. All Statutory compliance obligations have been met
<ul style="list-style-type: none"> <li>Three MLA programs evaluated and accepted for publication.</li> </ul>	Evaluations have been completed for Beef supply, Market information, Lamb supply and demand.
<ul style="list-style-type: none"> <li>Continue rollout of HR strategy reducing staff turnover and recruitment costs by 20 per cent.</li> </ul>	Staff turnover reduced from 13.2 per cent to 8.4 per cent with recruitment costs decreasing from \$356k to \$109k
<ul style="list-style-type: none"> <li>Develop and monitor cost reduction programs across the business to achieve program support and overhead expenditure at 2007-08 levels.</li> </ul>	Program support costs and overheads were held at 2008-09 levels

Strategy	Key initiatives
1. Board and executive.	1. The board and executive oversee and determine policies consistent with the company's strategic plan, and exercise direction and governance over resources and the way in which the strategies are implemented.
<b>Key activities</b> <ul style="list-style-type: none"> <li>Following the release of the <i>Meat Industry Strategic plan (MISP III)</i> the board reviewed MLA's strategic direction and alignment with industry resulting in the completion of the <i>MLA Strategic plan 2010–2015</i>. As part of MLA's obligations with the Australian Government under the Deed of Agreement the board commissioned an Independent review with the report being published and presented to government. During the year as part of a continuous review program the board also reviewed the agenda, meeting structure and board papers ensuring focus on outcomes and on critical strategic issues for MLA and the industry.</li> </ul>	
2. Finance.	1. The provision of accurate, timely and meaningful information to management and stakeholders, managing financial risks, providing support for the budget and planning process and ensuring internal controls are in place while effectively supporting operations.
<b>Key activities</b> <ul style="list-style-type: none"> <li>Priority this year has been given to internal efficiency particularly around our <i>Annual operating plan</i> process ensuring alignment with the <i>MLA Strategic plan</i> and <i>MISP III</i>. A review of payroll system controls was undertaken along with a specific audit review of the Japan regional office. Both reviews showed strong and appropriate controls were in place.</li> </ul>	
3. Human resources and administration.	1. Provide services throughout the employment lifecycle to realise the full potential of our human resources to deliver value to the industry.
<b>Key activities</b> <ul style="list-style-type: none"> <li>The prime activities were in line with the HR Strategic plan with focus on managing talent primarily through succession planning and development, reducing risk particularly in the area of journey claims and tendonitis, engaging with our people with an increase in one on one face to face communication and improving efficiency with the introduction of a new HR information system.</li> </ul>	
4. Information technology and library services.	1. Provide infrastructure, applications and applications support to facilitate the pursuit and realisation of organisational strategic objectives.
<b>Key activities</b> <ul style="list-style-type: none"> <li>MLA has undergone a major refresh of its IT infrastructure adopting new Server virtualisation technologies reducing service costs, risk and complexity. The improvement in system response times has been a priority with the adoption WAN optimisation technologies improving response times for regional offices.</li> </ul>	

5. Legal.	1. Provide legal support and advice to management on contractual and commercial matters. Monitor compliance with statutory and other regulations applicable to MLA's business and interaction with its stakeholders.
<b>Key activities</b>	
<ul style="list-style-type: none"> <li>Legal support is provided by in house legal counsel supported by external advice as and when appropriate. All statutory and legal requirements have been met.</li> </ul>	
6. Undistributed costs.	1. Cover costs that relate to the company as a whole, but which are not distributed to the key programs. They include insurance, repairs and maintenance, depreciation and member registry costs.
<b>Key activities</b>	
<ul style="list-style-type: none"> <li>These costs are subject to review and form part of the support costs that have been held at 2008-09 levels.</li> </ul>	
7. Levy collection.	1. Levy collection costs.
<b>Key activities</b>	
<ul style="list-style-type: none"> <li>Represents charges from Levy Revenue Services for the collection of levies</li> </ul>	
8. Performance evaluation and benchmarking.	1. To measure the effectiveness of MLA's programs and the efficiency of services provided. Evaluations to be conducted on at least four programs in 2009-10. Costs are allocated against the individual programs evaluated.
<b>Key activities</b>	
<ul style="list-style-type: none"> <li>Evaluations have been completed for Beef supply, Lamb supply and demand (released in the July to September quarter 2009) and Market information.</li> </ul>	

### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)							Totals
			1	2	3	4	5	6	7	
Mutton	R	84	22	10	9	42	3	24		110
	M	132	19	9	7	36	2	21	38	132
Lamb	R	478	121	56	48	232	14	135		606
	M	1,514	220	103	88	424	27	246	340	1,448
Grass Cattle	R	731	185	86	74	356	22	207		930
	M	3,663	550	256	219	1,059	67	613	753	3,517
Grain Cattle	R	125	45	21	18	88	6	51		229
	M	527	70	33	28	135	9	77	114	466
Goat	R	11	2	1	1	5	1	3		13
	M	17	3	1	1	6		4	5	20
External Government	R	2,251	369	171	147	709	45	409		1,850
	M	1,429	375	174	150	723	46	420		1,888
<b>Subtotal</b>	<b>R</b>	<b>2,858</b>	<b>750</b>	<b>348</b>	<b>300</b>	<b>1,446</b>	<b>92</b>	<b>840</b>		<b>3,776</b>
<b>Subtotal</b>	<b>M</b>	<b>8,104</b>	<b>1,231</b>	<b>573</b>	<b>490</b>	<b>2,369</b>	<b>150</b>	<b>1,370</b>	<b>1,250</b>	<b>7,433</b>
<b>TOTAL</b>		<b>10,962</b>	<b>1,981</b>	<b>921</b>	<b>790</b>	<b>3,815</b>	<b>242</b>	<b>2,210</b>	<b>1,250</b>	<b>11,209</b>

### Actual 2009-10

Sector		2009-10 Budget	2009-10 Actual (\$'000)								Totals
			1	2	3	4	5	6	7	8	
Mutton	R	110	13	6	6	21	1	17			63
	M	132	14	7	6	24	1	7	32	11	102
Lamb	R	606	85	40	37	139	7	110			418
	M	1,448	203	97	89	333	17	176	282	87	1,283
Grass Cattle	R	930	118	56	52	194	10	153			583
	M	3,517	462	220	204	760	40	404	624	191	2,905
Grain Cattle	R	229	25	12	11	41	2	32			123
	M	466	54	26	24	88	5	43	95	27	360
Goat	R	13	2	1	1	4	0	2			11
	M	20	4	2	2	6	0	4	4	5	28
External Government	R	1,850	613	292	270	1,008	53	646		147	3,031
	M	1,888	243	116	107	399	21	313			1,199
<b>Subtotal</b>	<b>R</b>	<b>3,776</b>	<b>486</b>	<b>232</b>	<b>214</b>	<b>798</b>	<b>42</b>	<b>626</b>			<b>2,397</b>
<b>Subtotal</b>	<b>M</b>	<b>7,433</b>	<b>1,350</b>	<b>644</b>	<b>595</b>	<b>2,219</b>	<b>117</b>	<b>1,281</b>	<b>1,036</b>	<b>468</b>	<b>7,709</b>
<b>TOTAL</b>		<b>11,209</b>	<b>1,836</b>	<b>876</b>	<b>809</b>	<b>3,017</b>	<b>159</b>	<b>1,907</b>	<b>1,036</b>	<b>468</b>	<b>10,106</b>

## AUS-MEAT

AUS-MEAT is an independent company limited by guarantee and jointly owned by the Australian Meat Processor Corporation (AMPC) and MLA. The board is made up of two members from each of the owner organisations and an independent chairman. The funding reflected below is only that injected by MLA, with AMPC making its equal contribution directly to AUS-MEAT.

AUS-MEAT operations are split into two areas, the standards division (AUS-MEAT) and the services division (AUS-QUAL).

Industry levies are only provided to fund the standards division. All costs incurred by the services division are met from revenues and from previous industry transition capitalisation. The services division is budgeted to be self-funding, as per the original business plan.

### Budget 2009-10

Sector		2008-09 Budget	2009-10 Budget (\$'000)	Totals
Mutton	M	52	46	46
Lamb	M	78	69	69
Grass Cattle	M	453	401	401
Grain Cattle	M	67	59	59
<b>TOTAL</b>	<b>M</b>	<b>650</b>	<b>575</b>	<b>575</b>

Sector		2009-10 Budget	2009-10 Actual (\$'000)	Totals
Mutton	M	46	46	46
Lamb	M	69	69	69
Grass Cattle	M	401	401	401
Grain Cattle	M	59	59	59
<b>TOTAL</b>		<b>575</b>	<b>575</b>	<b>575</b>

## MLA Donor Company research and development partnerships

MLA's fully-owned subsidiary, MLA Donor Company Limited, provides a vehicle for attracting commercial investment from individual enterprises that share a mutual interest with MLA, to co-invest in innovation initiatives that will deliver benefit to the Australian red meat industry. Since inception in 1999, the MDC R&D Partnership Program has engaged enterprises from all parts of the industry supply chain including: processors; value-adders; breed societies, large pastoral companies; and technology providers. In addition, MDC has also formed international alliances which have assisted in accelerating Australia's access to valuable intellectual property at much lower cost than would otherwise have been possible. Current value of projects in progress within the R&D Partnership portfolio is \$75 million with an anticipated total expenditure in 2009-10 of \$18-20 million.

MDC initiatives are clearly integrated with the overall objectives of MLA's 5-year Strategic Plan and specific project initiatives are included in the relevant sections of this Annual Operating Plan. However, in broad terms, the objectives of MDC initiatives include:

- To significantly increase the level of enterprise investment in innovation in the Australian red meat industry.
- To enhance the outcomes of commercially focused innovation thereby ensuring quantifiable benefit to individual enterprises and ultimately to the industry overall.
- To accelerate the commercialisation of R&D thereby adding to the quantum of innovations available to the industry.
- To assist the Australian red meat industry to develop an innovation culture and capability.

R&D Partnership Projects in 2009-10 will focus on the following key initiatives:

Strategy	Key initiatives
1. Collaborative innovation strategies.	Partnerships with individual processing and large pastoral companies which aim to build innovation culture and capability leading to accelerated adoption of R&D outcomes and enhanced long-term competitiveness and sustainability.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• Ten companies partnered with MLA in 2009-10 to develop and implement innovation systems that promote enhanced capability in the area of innovation. A key component of the program is for the companies to develop specific innovation strategies which outline their innovation goals, key focus areas and metrics. 70 per cent of the companies have achieved over 80 per cent of their innovation deliverables and metrics. Some specific examples of success include innovative chilling procedures proven to deliver estimated &gt;\$11 per head benefit, innovative boning procedures commercially proven to deliver \$3.40 per head of OHS, yield, labour saving and increased chain speed benefit. An automated robotic beef hock cutting technology is delivering \$0.36 per head benefit in labour and OHS benefits.</li> </ul>	
2. Facilitated adoption and commercialisation.	Demonstration projects in red meat enterprises will focus on adoption of: automation technologies; environmental technologies; advanced supply chain management techniques; new stunning technologies; value-adding technologies and systems which improve eating quality. Partnerships with commercialisers of these technologies will also be undertaken.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• MDC projects were initiated or are under way in all of the above areas except for stunning. Activities being funded are guided by adoption strategies developed under 4.1.3 'Implement effective commercialisation and adoption strategies'.</li> <li>• These MDC projects are also closely linked with the commercial validation of enterprise and industry value propositions via a standardised cost/benefit analysis framework developed under 4.1.4 'Measure, evaluate and report the outcomes of R&amp;D'.</li> <li>• Some major successes include manually assisted (beef puller) or fully robotic (primal cutter, brisket cutter, SaniVac) processor automation technologies that have now been commercially validated.</li> </ul>	
3. New technologies (includes international partnerships).	Collaborative longer term R&D programs will be established/ continued in the areas of: processing automation; objective carcass measurement; and new on-farm technologies and innovative systems.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• MLA's automation collaboration program with MAR and Scott Automation/RTL (NZ) continues to grow. An important step forward has been the establishment of an Australian Scott Automation and processor joint venture as well as an Australian Scott Automation subsidiary, further expanding Australia's capabilities in this technology area.</li> <li>• Other successful collaborative programs continue with Animal Health Australia (OJD and BJD vaccines), Heritage (seed varieties), while the joint MLA and Meat and Wool New Zealand meat quality program will be concluded in 2010 given that no further funds are available from New Zealand.</li> </ul>	

4. Fostering people.	Consolidation of a range of programs including: graduates/undergraduates; indigenous workforce; attracting youth.
<b>Key activities</b> <ul style="list-style-type: none"> <li>• The Red Meat Industry Graduate and Undergraduates programs were successfully run with 25 graduates and 12 companies participating in the graduate program and nine undergraduates and six companies participating in the undergraduate program. There have been 57 participants in total in the graduate program and over 80 per cent have been retained in the industry.</li> <li>• A cross functional group of MLA people has been formed to review and revitalize MLA's strategy in the area of attracting and retaining young people. This group has developed a draft engagement plan for key stakeholders as well as a draft strategy.</li> </ul>	

### Key performance indicators

As MDC partnership projects are directly related to delivering against MLA's overall strategic plan, key deliverables have been included in the relevant KPI sections of this annual operating plan.

#### Budget 2009-10

Sector		2008-09	2009-10 Budget (\$'000)				TOTAL
			1	2	3	4	
Processor	R	1,250	1000	500		500	2000
External	R	6,750	2400	1500	1500	1500	6900
Government	R	8,000	3,400	2,000	1,500	2,000	8900
<b>TOTAL</b>	<b>R</b>	<b>16,000</b>	<b>6,800</b>	<b>4,000</b>	<b>3,000</b>	<b>4,000</b>	<b>17,800</b>

#### Actual 2009-10

Sector		2008-09	2009-10 Actual (\$'000)				TOTAL
			1	2	3	4	
Processor	R	2000	809	345	62	256	1472
External	R	6900	2,398	1,794	4,388	1,381	9961
Government	R	8900	3,208	2,139	4,450	1,636	11433
<b>TOTAL</b>	<b>R</b>	<b>17,800</b>	<b>6,416</b>	<b>4,278</b>	<b>8,900</b>	<b>3,272</b>	<b>22,866</b>

## Completed R&D contracts for 2009-10 financial year

The following list contains non-confidential technical R&D contracts completed within the 2009-10 financial year. A number of administrative, confidential, operational or capital-related contracts have not been listed. Completed contracts may produce final technical reports which form part of the raw material used to develop innovations ready for end-users. MLA's value-add is to build the technical information in final reports into useful innovations and tools that are communicated to producers and processors through magazines, publications, websites, events, and on-farm or in-plant demonstrations. Where a non-confidential final report is available it may be accessed through the MLA website.

For further information please contact the Manager, Contract Services on 02 9463 9340 or [reports@mla.com.au](mailto:reports@mla.com.au)

### Imperative: Increasing market access

#### – 1.1 Enhancing product integrity

AOP	Contract code	Contract title
1.1	A.RBP.0001	Technical advice: program establishment
1.1	A.MFS.0185	Shelf-life evaluation of sliced lamb shoulders
1.1	A.COM.0144	Bladestop technical review
1.1	A.GMO.0008	Meat and livestock gene technology e-bulletin 2008-2009
1.1	A.MFS.0123	Participation in the EU pathogenic escherichia coli Network
1.1	V.LQA.1001	AgriSure standards development
1.1	A.MFS.0196	Extended shelf-life evaluation of sliced lamb shoulders
1.1	A.MFS.0169	National microbiological database analysis tool
1.1	A.MFS.0188	Preparation of a publication on M paratuberculosis in meat
1.1	A.MFS.0166	Shelf-life of chilled vacuum-packed beef
1.1	V.NLI.1031	NLIS usability review
1.1	V.NLI.1032	NLIS image library
1.1	V.NLI.1051	NLIS sheep monitoring committee
1.1	V.LQH.0801	Operation of the LPA NVD 1800 hotline
1.1	A.MFS.0184	Food safety advisor
1.1	V.EVD.1001	Development & support of electronic declarations
1.1	V.LIM.1002	Telephone costs to support the LPA NVD 1800 hotline
1.1	V.LPA.2010	LPA NVD operating funds

1.1	V.NLI.1010	NLIS helpdesk
1.1	V.NLI.1020	NLIS technical support
1.1	V.NLI.1030	NLIS communications
1.1	V.NLI.1040	NLIS database development
1.1	V.NLI.1050	NLIS sheep
1.1	V.NLS.3002	NLIS saleyard scanning
1.1	V.SMA.1002	SAFEMEAT chair and secretariat
1.1	V.SMA.1004	Redevelopment of SAFEMEAT website
1.1	V.SMA.1006	NLIS status codes communications
1.1	A.MFS.0173	Food safety centre membership
1.1	A.MFS.0192	Participation in panel on practical control of listeria monocytogenes
1.1	A.MFS.0198	Beef shelf life prediction model – MLA adaptation and extension modules
1.1	A.MFS.0214	Development of a tool for the practical control of listeria monocytogenes

– **1.2 Maintaining and liberalising access to world markets**

*None to report*

– **1.3 Maximising market options for producers and exporters in the livestock export trade**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
1.1	A.RBP.0001	Technical Advice: Program establishment
1.1	A.MFS.0185	Shelf-life evaluation of sliced lamb shoulders
1.1	A.COM.0144	Bladestop technical review
1.1	A.GMO.0008	Meat and livestock gene technology e-bulletin 2008 – 2009
1.1	A.MFS.0123	Participation in the EU pathogenic escherichia coli network
1.1	V.LQA.1001	AgriSure standards development
1.1	A.MFS.0196	Extended shelf-life evaluation of sliced lamb shoulders
1.1	A.MFS.0169	National microbiological database analysis tool
1.1	A.MFS.0188	Preparation of a publication on M paratuberculosis in meat
1.1	A.MFS.0166	Shelf-life of chilled vacuum-packed beef
1.1	V.NLI.1031	NLIS usability review
1.1	V.NLI.1032	NLIS image library

1.1	V.NLI.1051	NLIS sheep monitoring committee
1.1	V.LQH.0801	Operation of the LPA NVD 1800 hotline
1.1	A.MFS.0184	Food safety advisor
1.1	V.EVD.1001	Development & support of electronic declarations
1.1	V.LIM.1002	Telephone costs to support the LPA NVD 1800 hotline
1.1	V.LPA.2010	LPA NVD operating funds
1.1	V.NLI.1010	NLIS helpdesk
1.1	V.NLI.1020	NLIS technical support
1.1	V.NLI.1030	NLIS communications
1.1	V.NLI.1040	NLIS database development
1.1	V.NLI.1050	NLIS – sheep
1.1	V.NLI.1061	NLIS database development - contract resources
1.1	V.NLI.1062	NLIS middle tier system development
1.1	V.NLI.1064	NLIS security testing
1.1	V.NLS.3002	NLIS saleyard scanning
1.1	V.SMA.1002	SAFEMEAT chair and secretariat
1.1	V.SMA.1004	Redevelopment of SAFEMEAT website
1.1	V.SMA.1006	NLIS status codes communications
1.1	A.MFS.0173	Food safety centre membership
1.1	A.MFS.0192	Participation in panel on practical control of listeria monocytogenes
1.1	A.MFS.0198	Beef shelf life prediction model – MLA adaptation and extension modules
1.1	A.MFS.0214	Development of a tool for the practical control of listeria monocytogenes
1.1	V.NLI.1063	NLIS database performance testing
1.3	B.LIV.0123	Investigating mortalities of sheep exported from Adelaide and Portland
1.3	W.LIV.0251	Quantitative assessment of cattle behaviours on board live stock ships
1.3	W.LIV.0130	Development of best practice guide for preparation of goats for export
1.3	B.LIV.0126	Effluent spillage and animal welfare during road transport
1.3	W.LIV.0133	Determining the feasibility of developing an ovine salmonella vaccine
1.3	W.LIV.0132	Investigating the relationship between salmonella / inanition and property of origin
1.3	W.LIV.0371	Review of the mark I, II and III cattle restraining boxes
1.3	W.LIV.0359	Manuals for management of Australian dairy cattle imported to tropical and temperate countries

1.3	W.LIV.0261	Best practice design of crates for livestock export by air
1.3	W.LIV.0152	Finalising the evaluation framework for the Live Export program
1.3	B.LIV.0346	Upgrade of an existing mark 2 cattle restraining box for ritual slaughter
1.3	W.LIV.0383	Review of stunning and Halal slaughter
1.3	W.LIV.0384	Development and delivery of dairy herd health and management workshop - Keningau, Alaysia
1.3	W.LIV.0153	Ex-post evaluation of LiveCorp and MLA programs for the live export industry
1.3	W.LIV.0376	Development of SE Asian feedlot training - production and translation of training modules
1.3	W.LIV.0374	Review of mark 3 and development of mark 4 cattle restraining box
1.3	W.LIV.0270	2009 National shipboard performance report

## **Imperative: Growing demand**

### **– 2.1 Improving eating quality**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
2.1	V.MSD.0901	Evaluation of the economic impact of MSA
2.1	V.MSC.0002	MSA meat science training
2.1	V.MSC.0003	Development of online MSA producer training system
2.1	V.MSH.0001	Development on MSA grader on line refresher and assessment system
2.1	V.EQT.1004	Consumer sensory testing and flavour analysis development
2.1	V.EQT.1006	Investigation of objective beef flavour measurement
2.1	V.EQT.1008	Beef for sensory testing
2.1	A.MQT.0047	Technical support for scheduled SmartShape and SmartStretch technology demonstrations to targeted early adopter processors
2.1	V.EQT.1001	Management of consumer sensory testing and sensory research
2.1	V.EQT.1002	Conduct of consumer sensory testing of beef and lamb
2.1	V.EQT.1003	Preparation of sensory testing samples for beef and lamb
2.1	V.ISS.0001	Support for industry consultation in the development of the NSW beef labelling bill
2.1	V.MSB.0007	MSA end user training services
2.1	V.MSB.0008	MSA end user training services
2.1	V.MSC.0004	Development of online MSA ender user training and assessment system
2.1	V.MSC.2010	MSA producer training
2.1	V.MSD.2010	MSA research support

2.1	V.MSE.2010	MSA model development and industry support
2.1	V.MSH.2010	MSA supply chain development
2.1	V.MSI.0007	MSA wholesale and end user Audits
2.1	V.MSM.2010	MSA communications
2.1	V.MSR.2010	MSA sheepmeat development
2.1	V.MST.2010	MSA retail development
2.1	V.MSX.2010	MSA cost recovered activities
2.1	A.MQT.0044	Auditing guidelines for minimising cold shortening in sheep meat
2.1	P.PSH.0315	On-line Near Infrared Spectroscopy measurement of beef quality and eating quality
2.1	P.PSH.0386	Develop industrial controller for SmartStim technology
2.1	P.PIP.0239	Facilitated adoption of new generation one beef meat electronics
2.1	P.PIP.0238	Facilitated adoption of new generation one beef meat electronics
2.1	P.PIP.0240	New generation beef meat electronics, small to medium processors syndication
2.1	P.PSH.0252	Generation 2 MLA meat electronics development.

– **2.2 Enhancing the nutritional value of red meat**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
2.2	D.MHN.0022	DPA is a functional long-chain omega-3 PUFA
2.2	D.MHN.0112	Analysis of patterns of eating and food combinations of Australian children
2.2	D.MHN.0301	Food industry and environmental sustainability
2.2	D.MHN.0702	Red meat consumption by Australian children
2.2	D.MHN.0300	Nutrition and cognition review
2.2	D.MHN.0706	Qualitative research into weekly meal repertoire and young women
2.2	D.MHN.0707	Quantitative research of consumer practices in relation to meal repertoire

– **2.3 Developing new products**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
2.3	A.COP.0059	Co-products price monitor 2008 – 2009
2.3	A.BIO.0026	Provision of scientific and technical knowledge to High Value Bioactives Program

2.3	A.MPT.0019	Packaging and food technology advice
2.3	A.MPC.0017	Leatherhead bulletins 2009
2.3	A.MPT.0013	Impacts of high pressure processing (HPP) on fresh meat
2.3	A.COP.0057	Protein research collaboration project
2.3	P.PSH.0342	Technical R&D support to develop new value-added red meat products in new domestic and export markets
2.3	P.PSH.0346	Supply chain studies to develop new value-added red meat products in new domestic and export markets
2.3	P.PSH.0347	Manufacture of an industrial enzyme from bovine kidneys

– **2.4 Promoting industry integrity**

*None to report*

**Imperative: Enhancing competitiveness and sustainability**

– **3.1 Increasing cost efficiency and productivity – on farm**

<b>AOP</b>	<b>Contract Code</b>	<b>Contract Title</b>
3.1	B.GAG.0410	Scoping study - <i>Grain and Graze II</i>
3.1	B.NBP.0262	Effectiveness of <i>S. jonesii</i> inoculum for cattle grazing leucaena
3.1	B.RMT.0010	Red meat targets: grazing management of dual-purpose winter wheat under irrigation
3.1	B.PAS.0260	Pastures Australia management agreement
3.1	B.SGA.0136	Sheep Genetics review of business model and development of alternatives
3.1	B.NBP.0339	Understanding and improving heifer fertility in the Northern Territory
3.1	B.NBP.0345	Industry initiatives to improve young breeder performance in the Pilbara and Kimberley of WA
3.1	B.NBP.0350	Increased efficiency of microbial protein production in the rumen through manipulation of nutrients and rumen microbial population
3.1	B.BSC.0056	Development and implementation of candidate gene based markers in out-crossing forage species: phase 2
3.1	B.NBP.0528	Remote area livestock group fatigue management standards, audit tools and business rule development

3.1	B.SBP.0039	Beef CRC 3 – prediction of carcass attributes in beef cattle
3.1	B.BSC.0094	Evaluation of sheep industry dynamics on the development and commercialisation of SNP parentage assay
3.1	B.BFG.0039	Genetic evaluation for the Australian beef industry -towards new horizons
3.1	B.BFG.0032	BREEDPLAN field support in Southern Australia
3.1	B.WEE.0135	Innovative management of silverleaf nightshade and prairie ground cherry
3.1	B.LSM.0011	Merino superior sires
3.1	B.NBP.0584	Caring for our Country: Enhancing adoption of best practice grazing management in northern Australia: phase 1
3.1	P.PSH.0478	Development of a fully automated procedure of analysing DNA test results (tracing genetic in breed pedigrees)
3.1	P.PSH.0450	Determining the process for developing a sustainable and effective value chain

– **3.2 Increasing cost efficiency and productivity – off farm**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
3.2	A.SCT.0058	Cat scan OCM project – evaluating risks in using the technology in the meat industry
3.2	A.SRP.0031	SPUC – Single pulse ultra high current stunning - stage 4
3.2	A.TEC.0069	Automated beef shackling load system
3.2	A.OHS.0052	Q Fever register management
3.2	A.SCC.0053	eMTC Business and technical development 2009
3.2	P.PSH.0439	Beef industry supply chain analysis
3.2	P.PIP.0194	Robotic kidney fat removal system
3.2	P.PSH.0508	Automated beef scriber – finalise pre-production prototype
3.2	P.PSH.0518	Waterless frenched rack processing feasibility study
3.2	P.PSH.0479	Sensing development project
3.2	P.PIP.0269	Innovation strategy tour – IFFA
3.2	P.PIP.0116	Semi automated scribing
3.2	P.PIP.0250	EZI-LIFT Mechanical solutions to sheep and lamb carcass lifting and beef load out
3.2	P.PSH.0304	Proof of concept to process frenched lamb racks

– **3.3 Improving industry and market information**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
3.3	V.LDL.1003	Livestock Data Link (LDL) stakeholder research and analysis
3.3	V.LDL.1006	LDL cost/benefit modelling

– **3.4 Ensuring sustainability**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
3.4	B.CCH.2022	Review of water use and greenhouse gas emissions from red meat production
3.4	B.CCH.2023	Review of the impacts of red meat production and its competitors on biodiversity
3.4	A.ENV.0074	Economic analysis of demineralisation
3.4	B.FLT.0331	Greenhouse gas emissions from Australian beef cattle feedlots
3.4	A.ENV.0072	Review of anaerobic cover material vulnerability
3.4	B.NBP.0354	Using kangaroo bacteria to reduce emissions of methane and increase productivity
3.4	B.CCH.3007	On-farm case study of greenhouse gas emissions for beef enterprises
3.4	A.ENV.0094	The use of abattoir waste heat for absorption refrigeration
3.4	B.ERM.0102	<i>Future Farm Industries</i> CRC- biodiversity 2008–2011 scoping
3.4	B.NBP.0231	Biodiversity condition assessment for grazing landholders
3.4	A.ENV.0095	Renewable energy options for the Australian meat processing industry
3.4	A.ENV.0084	Environmental biotechnology CRC core funding 2009-10
3.4	A.ENV.0087	Provision of technical & scientific knowledge to the environment program 2009-10
3.4	A.ENV.0088	Support for granular sludge DEST grant project
3.4	B.FLT.0354	Quantification of feedlot manure output for beef-bal model upgrade
3.4	B.CCH.2002	Managing climate variability phase 2 2008–2011
3.4	P.PSH.0398	Modular biofiltration system stage 2
3.4	P.PSH.0507	Efficient use of water in export meat establishments
3.4	P.PIP.0153	Solid waste boiler combustion trial – reduction in fossil fuel derived energy

– **3.6 Improving biosecurity, animal health and welfare**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
3.6	B.AHW.0100	Quantitation of sheep nematode parasites in faeces using a PCR technique
3.6	B.AHE.0015	Assessing the impact of fireweed on meat quality in Queensland
3.6	B.AHW.0132	Development of an improved frozen substitute for chilled tick fever vaccine for cattle
3.6	B.AHW.0091	Economic impact of bovine ephemeral fever virus in extensive northern beef herds, phase 2
3.6	A.PAW.0001	Review of national animal welfare standards for livestock processing establishments
3.6	B.AHW.0144	Genetic markers for polled, African horn and scurs genes in tropical beef cattle

**Imperative: Increasing industry capability**

– **4.1 Increasing adoption of R&D outcomes**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
4.1	B.LSM.0010	Prime lamb finishing options
4.1	B.NBP.0576	Customising the grazing land management education workshop to the Borders Rivers region of Queensland
4.1	B.NBP.0603	Adapting the Central Australian version of the grazing land management workshop for indigenous people
4.1	B.COM.0034	Measuring MLA's contribution to the adoption of environmentally sustainable management practices, stage 2
4.1	A.COM.0145	Assessment for commercial requirements for SmartStim in a beef installation
4.1	B.COM.0254	External review of MLA <i>More Beef from Pastures</i> and <i>Making More From Sheep</i> programs 2009
4.1	B.COM.0255	Southern beef and sheepmeat situation analysis 2009
4.1	B.NBP.0518	Northern beef situation analysis 2009 – QLD
4.1	B.NBP.0512	Northern beef situation analysis 2009 – WA and NT
4.1	A.MIN.0087	MINTRAC Meat inspection & quality assurance network
4.1	A.PIA.0134	R&D for handling of bobby calves
4.1	B.COM.0192	Australian Rural Leadership Foundation producer scholarship
4.1	A.MIN.0086	MINTRAC Training managers network
4.1	A.MIN.0088	MINTRAC Environment network

4.1	A.MIN.0090	MINTRAC Communication, project evaluation and impact strategy
4.1	A.MIN.0091	MINTRAC Continuous improvement of the MTM07 Australian meat industry training package
4.1	A.MIN.0093	MINTRAC Addressing NATA requirements for E.coli O157 accreditation
4.1	A.MIS.0007	Meat industry services
4.1	A.MIS.0008	Meat industry knowledge development
4.1	B.HRZ.0251	Evergraze Support
4.1	B.COM.0081	Survey to evaluate program awareness and practice management adoption – 2009
4.1	B.NBP.0394	Rangelands Australia – promoting the products and consolidating the initiative
4.1	P.PSH.0367	Graduate program support
4.1	P.PSH.0368	Graduate program support
4.1	P.PIP.0214	SignalDemand data discovery

– **4.2 Building world-class skills and innovation capability**

<b>AOP</b>	<b>Contract code</b>	<b>Contract title</b>
4.2	B.PRS.0613	2006/V05 Non-toxic perennial grass pastures for sheep
4.2	A.PIA.0122	QA Network for domestic abattoirs
4.2	A.MIN.0076	MINTRAC Training and assessment materials development
4.2	B.NBP.0510	Producer demonstration site: Bow Park – investigation of effectiveness of practical vaccination protocols for reproductive wastage in north Australian breed herds
4.2	A.MIN.0085	MINTRAC Development and implementation of a national VET in schools policy for the meat processing sector
4.2	B.FLT.0437	Australian Rural Leadership Foundation lotfeeder scholarship
4.2	B.SCR.0008	Sheep CRC undergraduate scholars
4.2	B.PRS.9012	2007/S03 Management systems for hardy sheep breeds in pastoral conditions
4.2	B.COM.0292	Managing your profit drivers: train-the-trainer
4.2	B.PRS.0703	2007/N03 – Managing grass seeds in weaner sheep
4.2	B.NBP.0509	Producer demonstration site: Bollon and Chinchilla – demonstrating the management benefits of using the national livestock identification scheme
4.2	B.NBP.0484	Producer demonstration site: Jimbour – demonstrating and testing land condition recovery and enhancement strategies in the Jimbour uplands sub-catchment of the Darling Downs
4.2	A.PIA.0119	Evaluation of opportunities module and value proposition for innovation manager network

4.2	B.MBP.0011	Market research and pilot for a coaching delivery model in <i>More Beef from Pastures</i>
4.2	A.MIN.0058	MINTRAC Meat industry leadership development
4.2	B.PRS.9010	Higher pasture production & utilisation
4.2	P.PSH.0413	Feasibility study of e-learning training
4.2	P.PSH.0524	QCMPA NZ processing tour 2009
4.2	P.PSH.0427	Supply chain analysis stage 1
4.2	P.PSH.0343	Identification of value-added red meat opportunities in domestic and export markets
4.2	P.PSH.0344	Consumer research in value-added red meat products
4.2	P.PSH.0192	Undergraduate university scholarship program 2006–2010
4.2	P.PSH.0287	Graduate program support
4.2	P.PSH.0289	Graduate program support
4.2	P.PSH.0345	Developing capability in value-added red meat products
4.2	P.PSH.0258	Graduate program – engineer
4.2	P.PSH.0240	Graduate program support
4.2	P.PSH.0250	Graduate program support
4.2	P.PSH.0372	Feasibility review of creative water technology

