



Accelerating innovation
in the red meat industry



MDC: Accelerating innovation in the red meat industry

MLA Donor Company Limited (MDC) is a fully-owned subsidiary of Meat & Livestock Australia.

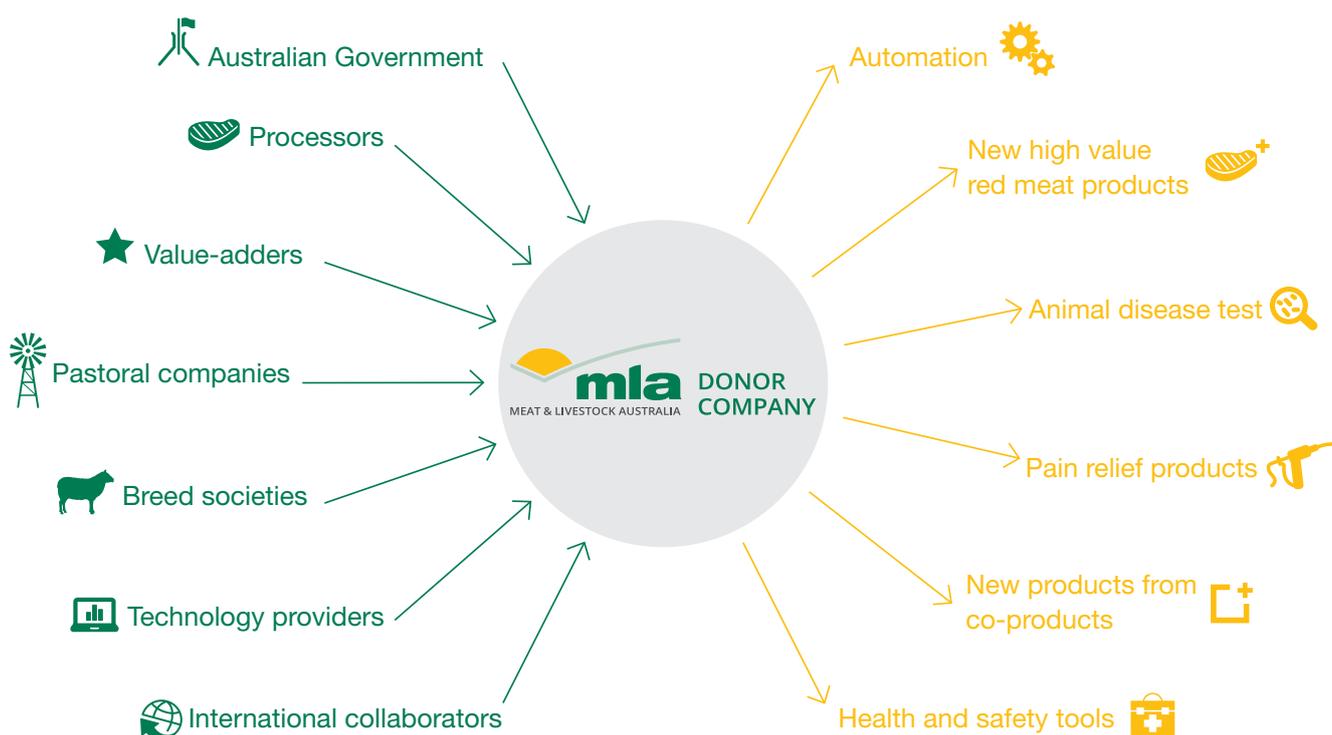
MDC **attracts commercial investment** from individual enterprises and others that share a mutual interest with MLA **to co-invest in innovation** that will **benefit the Australian red meat and livestock industry**.

Since it began in 1999, MDC has attracted investment from every part of the red meat and livestock value chain, including processors, value-adders, breed societies, large pastoral companies, international collaborators and technology providers.

The Australian Government matches voluntary partner contributions in projects that address industry and government priorities and benefit the Australian community.

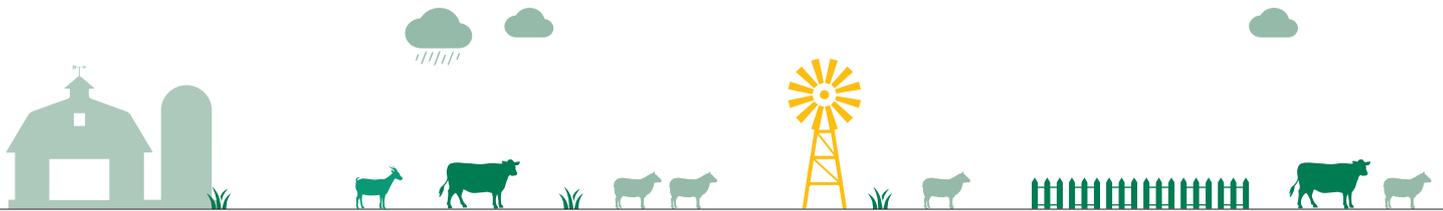
Investment by...

Innovations delivered...



MDC:

Creating new innovations across the red meat value chain



On-farm

MDC invests in a wide range of areas to enhance on-farm productivity and profitability, including livestock genetics, animal health and welfare, and pasture utilisation.

MDC project:

Johne's disease test

speedy diagnosis

What: The Johne's disease test is a DNA-based diagnostic test for bovine and ovine Johne's disease, enabling livestock producers to diagnose Johne's disease in just one week instead of three months.

Why: To reduce the risk of further disease spread.

Funded by: *The Australian Government and Animal Health Australia.*

MDC project:

Going organic

helping producers transition into organic production

What: Beef producers were introduced to organic production systems and those interested were assisted through the accreditation process.

Why: Producers can be reluctant to explore organic production due to the complexity and lack of clarity of the certification process. Overcoming this could boost organic beef production so it can respond to growing demand.

Funded by: *The Australian Government and Australian Organic Meats.*





Processing

MDC invests in projects to improve processing productivity, including automation, objective carcase measurement, health and safety, and environmental management to keep our industry globally competitive and sustainable.

MDC project:

Covered anaerobic lagoons

converting waste into energy and lucerne

What: Covered anaerobic lagoons are used to convert methane and abattoir wastewater into biogas and irrigation for crops.

Why: To capture and convert abattoir waste into valuable inputs, reducing natural gas consumption by more than 30% and producing nutrient-dense irrigation.

Funded by: The Australian Government, Thomas Foods International and Australian Meat Processor Corporation.



MDC project:

LEAP automation

delivering consistency to customers

What: A series of LEAP automated X-ray guided lamb primal cutting, middle, hindquarter and forequarter processing systems are being developed and implemented in lamb processing plants.

Why: To increase product consistency and yield and reduce the risk of workplace injuries and labour costs.

Funded by: The Australian Government, Scott automation + robotics, Australian Lamb Company, JBS and Australian Meat Processor Corporation.





Growing demand

MDC invests in projects which increase the value of the carcase, create new premium products and grow demand by enhancing product integrity and traceability systems.

MDC project:

ProForm

value adding low value products

What: ProForm High Moisture Cooking converts low value trim and offal into fully cooked products which can be diced, shredded, sliced and flavoured.

Why: To add value to low value products, increasing the overall value of the carcase.

Funded by: *The Australian Government and ProForm Gourmet.*



MDC project:

Smart packaged meat

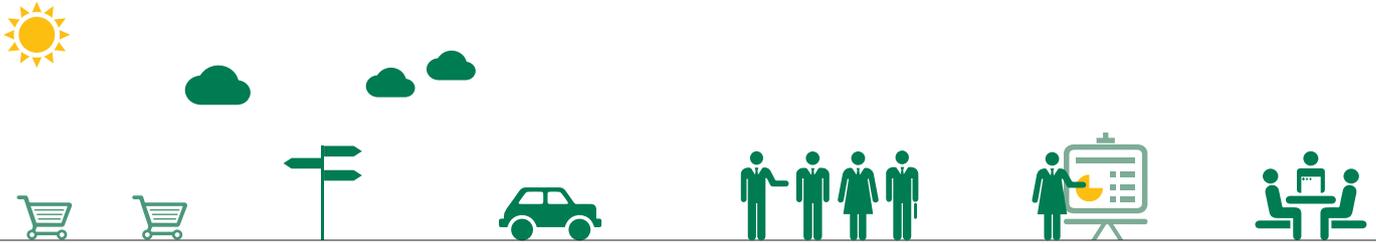
exporting food without fear

What: Develop new inventions using smart packaging to deliver on food safety, provenance, shelf life, traceability and integrity of Australian red meat.

Why: To assist Australian red meat value chains achieve higher premiums for products exported by instilling trust in markets prone to food fraud.

Funded by: *The Australian Government and Invention Development Fund.*





Consumer

MDC invests in projects to grow consumer demand for red meat, providing expert market insights and delivering new red meat products and technologies.

MDC project:

Vending machines

ready to eat red meat

What: Vending machines have been developed to heat single-serve red meat meals in just two minutes.

Why: To add value to less popular cuts, provide convenient meals to time-poor consumers, and create a new opportunity for Australian lamb in the EU where cooked product doesn't face quotas.

Funded by: *The Australian Government and Frewstal.*



Building capability

MDC invests in projects which develop innovation capability across the red meat supply chain.

MDC project:

Collaborative Innovation Strategies program

building innovation capability

What: MDC works with individual companies and their value chain partners to develop and implement innovation strategies which generate new solutions and long-term growth.

Why: Building innovation capability within value chains drives prosperity across the industry.

Funded by: *The Australian Government and multiple partners.*

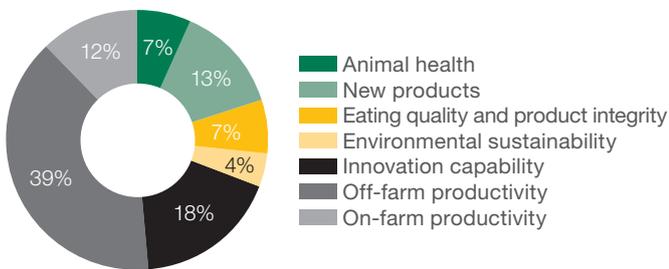


How MDC is funded

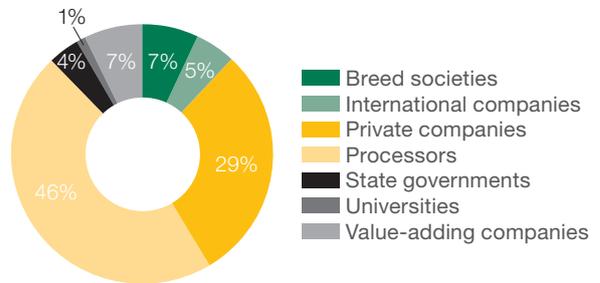
Research and development commissioned by MDC is funded by the Australian Government and MDC's innovation partners.

The total value of red meat and livestock projects in progress within MDC as at 30 June 2016 was \$130 million. Actual expenditure in 2015-16 was \$30.2 million. Anticipated new expenditure in 2016-17 is approximately \$73.8 million.

MDC investment in 2015-16 by portfolio area



MDC funding sources in 2015-16



The value of MDC

MDC fast-tracks commercial innovations across the value chain so the Australian red meat and livestock industry can remain competitive on the world stage.



Every \$1 invested in MDC has generated \$4 in current and future benefits*



MDC increases the level and speed of innovation in the Australian red meat and livestock industry, making new products, new technologies and new ideas commercially available sooner



MDC encourages enterprises along the Australian red meat supply chain to invest more in innovation



MDC assists industry to build its capability to innovate



MDC attracts new investment to the Australian red meat and livestock industry from entrepreneurs and investors

*Sourced from the *Impact Assessment of MLA Expenditure 2010-11 to 2014-15 – Economic quantification of benefits* by the Centre for International Economics, ISJ Investments and AgStrat. The full report is available at: www.mla.com.au/performance-review

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