

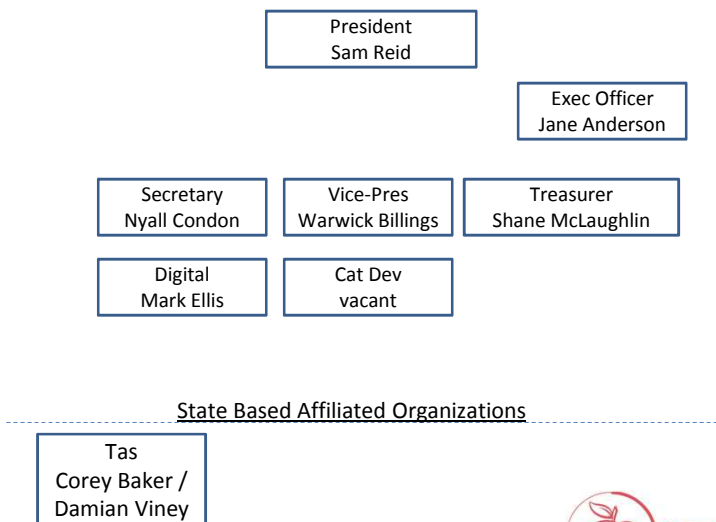


2016/17

The Year of Craft Cider getting traction!



## Committee Report – 2015/16 Executive



### Cider Australia Working Groups – 2015/16

<u>Sub-committee</u>	<u>Elements</u>	<u>Chair</u>	
1. Policy & Lobbying	Cider Definition (ATO & FSANZ), WET Tax & Labelling	Sam	●
2. Technical	Awards Mgt & Review, Ntl Awards structure & Policy definition	Warwick	●
3. Cider Festival	2015 Cider Festival in Melbourne & 2016 transition	Nyall	●
4. Category Devt	Consumer & Trade engagement (incl Digital)	Vacant	●
5. Data Capture	Member and category data capture for lobbying	Shane	●



## Committee Report – Policy & lobbying

### THE YEAR OF NEVER ENDING REVIEWS...

- Country of Origin Labelling
- Taxation White Paper
- WET rebate scheme review



## Committee Report – Policy & lobbying

### COUNTRY OF ORIGIN LABELLING

- New system announced April 2016, to be implemented from July
- Federal Taskforce formed to develop reforms
  - Survey in June 2015
  - Announced proposed new scheme in July 2015 – *not sure if cider covered*
  - CA campaign – letters to Ministers/MPs in Aug 2015
  - Petition (825 subscribers on change.org)
  - Information to Taskforce at end 2015
  - CA submission to Taskforce in Jan 2016
- Poor outcome - cider not covered by new requirement to state % Australian ingredients



## Committee Report – Policy & lobbying

### BUDGET ANNOUNCEMENT ON WET REBATE

- cap reduced from \$500k to \$350k on 1 July 2017 and to \$290k on 1 July 2018
- Eligibility criteria tightened from 1 July 2019
  - amendments to associated producer provisions to help deter artificial business structuring and multiple rebate claims (asap)
  - a ‘wine producer’ must own a winery or have long term lease over a winery and sell packaged, branded wine domestically (from 1 July 2019)
  - Definition to be resolved through further consultation
- Projected savings \$300m over 4 years. \$50m over 4 years to Australian Grape and Wine Authority to promote wine tourism and exports



## Committee Report – Policy & lobbying

### ENFORCEMENT

- Food Standards Code – complaints to Govt/producers on labelling
  - Bear Essentials Pineapple Cider – must be renamed and relabelled
  - Lychee Gold lychee cider – under investigation
  - Letters to other producers to outline Code rules
  - Developing guidance document for CA website and state agencies
- WET rules – ongoing discussion with ATO (apple spirits); more producers speaking to ATO directly; member of ATO’s Alcohol Stakeholder Group
- Competition – ACCC considering tap contracts; now consulting with horticulture and viticulture industry (regional workshops Jun – Sept)



## Committee Report – Policy & lobbying

### NEXT STEPS

- Link taxation + labelling
- Focus on category segmentation + *Made with Aussie Apples* logo



### TAXATION

- Lobby against cap reduction – rebate should not be cut without changes to labelling laws that allow smaller producers to compete on level playing field
- Support only for producers using Australian juice?



## Committee Report – Technical (Awards)

### 2016 AWARDS

- Same number of judges (5 full, 2 associate) with 1 of the associate positions rotating
- Bill Bradshaw (UK) invited as international judge
- Judging 26-27 September, presentation dinner 7 October
- To be held at William Angliss Institute (Melbourne) for third year
- Continues to have strong education component – feedback to entrants, learning opportunities in judging, sharing of information with competitions around Australia
- Competition opens early June, closes 9 September



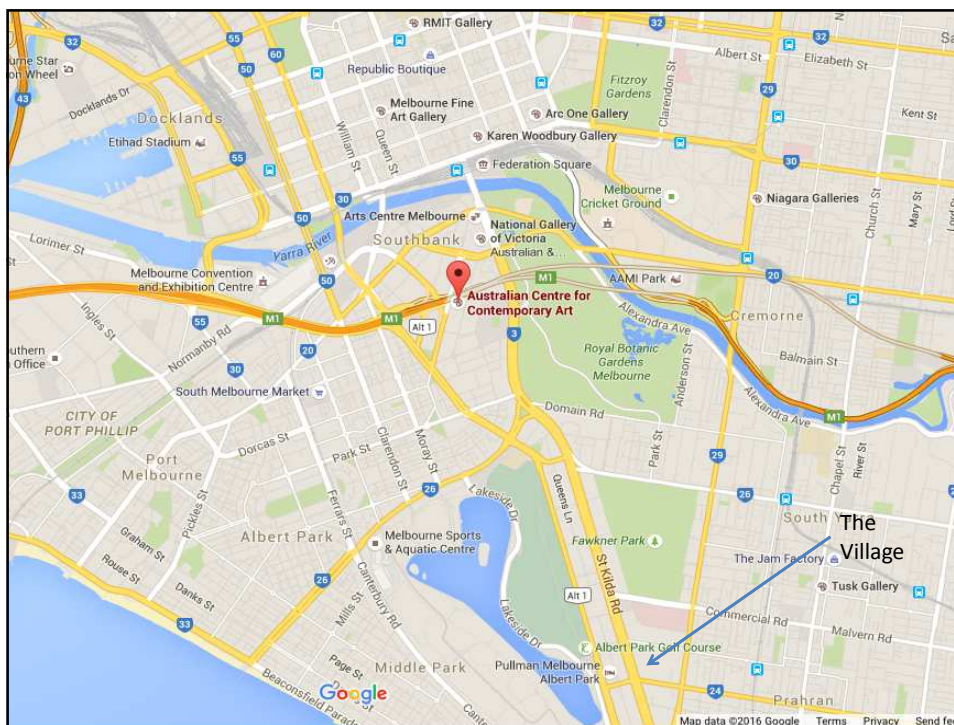
## 2016 Festival

- Entirely outdoor area requires fencing/marquees
- Ticket price \$30 presale/\$40 door
  - includes free tastings, glass and program
- Budget as it stands is break even
  - Still need quotes for some significant items (toilets TBC, security, band)
  - Some scope to increase revenues (est. attendance 1,000 but capacity 3,000)
- Sponsorship TBC:
  - In Discussions with Woolworths
  - Have asked Horticulture Innovation Australia for support through grant program



ACCA -  
Southbank





## Website update

- New website launched March 2016
  - Members map of Australian producers/cider regions
  - National events calendar
  - Twitter feeds
  - Cider resources
  - Ability for committee to update files and content
- Future enhancements – employment; ...





Cider Category Segmentation

## Cider Australia is on a Journey to develop the category

- The Australian Cider Awards have 18 different categories
- Core to this is the differentiation between:
  - Perry & Cider
  - New World & Traditional
- This works well for judging this is too complicated for consumers in the short-term
- Like Craft Beer, cider needs a way to signify what is a premium offering

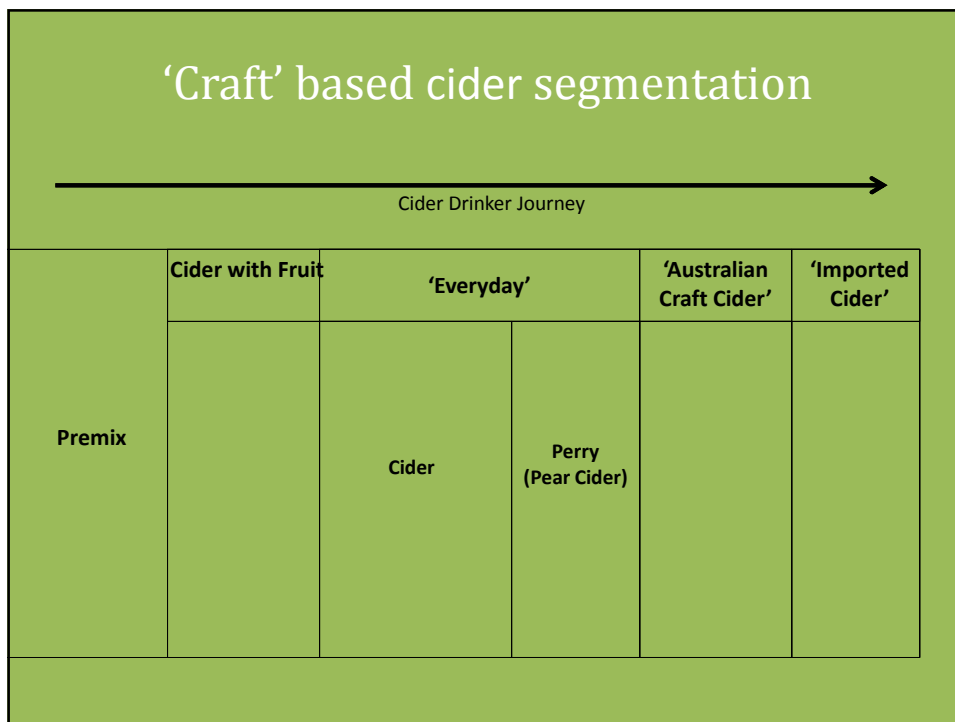


## The Vision

Grow market value by increasing the size of the high margin 'Australian Craft Cider' share of market from 5% to 20% by 2021 (5 years)

### Recommended Category Layout: 'Craft' based cider segmentation

- Like in beer a 'craft' cider category does exist
- Also like beer there is a continuum of what people perceive to be 'craft' and its unlikely that there will ever be any consensus on this in beer or in cider
- To help define the craft category we have put together some guidelines on what makes an 'Australian craft cider'



## Next Steps:

- Support from Cider Australia to promote and develop customers category
  - Through Members
  - At events (Awards, Festivals etc.)
- Road map to move 'Australian Craft Cider' from circa 5% of the category to 20% of the category by 2021
- Build on the momentum from GABS!!!
- Create more interesting / unique ciders that people want to drink AND talk about!

## Other Business – Funding for Cider Australia

- 2016-17 sponsorship
- Concept proposals submitted to Horticulture Innovation Australia
  - Festival promo
  - Awards management
  - *Made with Aussie Apples* promo
  - European conference
  - Scientific cider research
- We are skint – Any other avenues?



Thank you / Questions?

