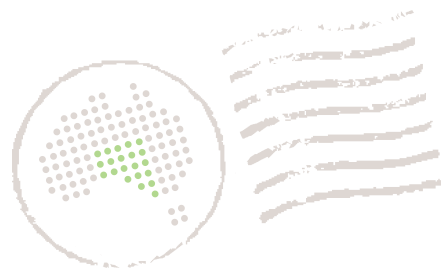


FUTURE Food



reviewing south australia's food industry and future opportunities

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Industry icon
launches
awards.

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South Australians
get a treat at this year's
Royal Adelaide Show.

Meet the
Premier's
Food Council.

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Kangaroo Island
- a food
paradise.

New food
laws for
packaging.



NUTRITIONAL INFORMATION		PER 100g SERVING	
ENERGY	71kJ	8.0g	14.0g
FAT	0.8g	3.1g	3.1g
PROTEIN	0.5g	0.5g	1.0g



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NEW LOOK Premier's Food Council

The new look Premier's Food Council has met for the first time under the Rann Government.

The Council, which is a high level partnership between the Premier and 24 Industry leaders, has been restructured to include more representatives from regional areas.

"I think all of us appreciate the importance of the food and beverage industries to the economy of our state – over 20 percent of GSP and one in five jobs, which of course is vitally important to regional prosperity," Premier Mike Rann told the Council.

Mr Rann announced a Regional Food, Wine and Tourism initiative aimed at creating a collaborative marketing strategy for interstate and international markets.

The program, which has been developed by the South Australian Tourism Commission, the South Australian Wine and Brandy Association and Food South Australia, will help wine, food and tourism operators to be more market-driven and export focussed.

The Food Council will also review and develop the issues of Product Integrity, Environmental Sustainability, Regional Planning and Industry Development and Innovation Systems.

Convenor Carmel Zollo told the Council that it could not have a smart food industry at the expense of the environment.

"The issue for environmental sustainability is ensuring that, while we are encouraging growth in the food industry, it is growth that does not have a detrimental effect on our environment and where possible, improves the environment," Ms Zollo said.

The Council will also consider ways to increase the attractiveness of the food industry as a career.

The next Premier's Food Council meeting will be held on September 27.

Contact:
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Food South Australia
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DISHING UP Food Awards

Premier Mike Rann, Food and Fisheries Minister Paul Holloway and one of the best chefs in Australia, Cheong Liew combined their culinary competence in the kitchen to promote the annual Premier's Food Awards, which honour South Australia's food industry leaders.

Mr Liew and his two helpers prepared a dish at the Adelaide Hilton's Grange Restaurant, reflecting the multicultural nature of our State's food industry – a theme that will be adopted for the Awards Night dinner in November.

The awards recognise individuals and companies for their innovative thinking, training initiatives, export

achievements and outstanding leadership.

"The food industry is one of South Australia's great success stories and it's important that their achievements are given the recognition they deserve," the Premier said.

"As an important part of our economy, I'm pleased to be able to champion the achievements of producers, processors, manufacturers and for the first time this year, suppliers of goods and services to the food industry."

Businesses can nominate themselves or anyone can nominate a business, company or individual that they believe deserves recognition for excellence.



Winners will be announced at a gala "post harvest" dinner at the Adelaide Hilton Hotel on November 22.

Applications can also be made on line at www.safoodonline.com

Contact:
Justin Ross
Awards Co-ordinator
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Agriculture, Food and Fisheries Minister Paul Holloway, Grange Chef Cheong Liew & Premier Mike Rann at the launch

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A TASTY TREAT for show goers



Tens of thousands of show-goers have been given a taste of South Australia's food industry at this year's Royal Adelaide Show.

Taste South Australia, the feature of the Royal Farm Expo, included 18 food producers from across South Australia.

Premier Mike Rann, who officially opened the exhibit, highlighted the significance of the food industry in regional South Australia.

"Not only does our food industry provide us with some of the best fresh produce and manufactured products in the world, it is also a major economic driver for South Australia," Mr Rann said.

Director of Food South Australia, Dr Susan Nelle said she was excited to see so many examples of South Australia's premium, innovative products on show to the public.

"What we can see, smell and

have the privilege of being able to taste are some of the world's finest products, produced in our own backyard, by people with great passion and creativity,"

Dr Nelle said.

"Food South Australia is working with the food industry to make sure we are producing value added products that are competitive in international markets," she said.

As well as many individual producers of everything from horseradish to honey – Taste South Australia also featured three of the State's regional food groups, the Adelaide Hills, the Limestone Coast and Food Barossa.



FRESH NEW Food Program



The new State Government is supporting South Australia's multi billion dollar food industry through its commitment to Food South Australia, which will deliver the key initiatives of the State Food Program to grow the industry to \$15 billion by 2010.

Food South Australia is a unique partnership between Industry and the South Australian Government formed to develop an innovative and internationally competitive food industry. Food South Australia replaces and will build on the work of the Food for the Future program.

FOOD INDUSTRY'S LEARNING Futures Forum

South Australian food businesses are being encouraged to view "learning" as a vital ingredient for their future growth.

At a recent Food South Australia and TAFE BIZSA sponsored "Learning Futures" forum, food producers were told a trained and educated workforce are key factors to being internationally competitive.

Keynote speaker Professor John Morris, who has extensive global experience in retailing and food marketing, believes "intellectual capital" represents the food industry's future.

"We have to learn how to manage and get the best out of our people," Professor Morris said.

"Engage the people you work with or they'll go and work somewhere else."

Professor Morris says while

many businesses undertake physical and mechanical changes in their businesses to be more competitive, little consideration is given to the "emotional".

"Respect, recognition and fulfillment are increasingly important. It's not just the money that employees are interested in," he said.

One of South Australia's largest and most successful citrus growers and packers supports Professor Morris. Yandilla Park and its marketing arm Vitor, have become industry leaders by investing in their biggest resource – people.

"There is a definite increase in productivity," said Staffing Co-ordinator Cheryl Ingerson.

"It is driven by having skilled staff and retention of staff which leads to consistency of product. That has helped establish Vitor



Premier's Food Council Member Keith Smith (left) speaks with Prof. John Morris

as one of the most sort-after brands in Australia and Asia." Yandilla Park has an annual training plan, scheduling formal TAFE education in the off season, while informal training takes place on a daily basis.

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Premier's Food Council

Meet the new members of the Premier's Food Council and read quarterly updates on the Council meetings at www.safoodonline.com



CLIFFORD ASHBY

Clifford Ashby is Managing Director of Yandilla Park Ltd and Vitor Marketing Pty Ltd at Renmark.



MAGGIE BEER

Maggie Beer is one of Australia's best known chefs and processors of quality food products for distribution nationally and internationally.



SUSAN BERLIN

Susan Berlin is a Director and founding owner of Island Pure, a sheep's cheese and yoghurt manufacturer on Kangaroo Island.



NICK BEGAKIS

Nick Begakis AM is Director of his company Bellis Fruit Bars and also chairs the Council for International Trade & Commerce SA Inc and the Horticulture Industry Development Board.



PETER COLLINS

Peter Collins is Managing Director of Collins Rural Company in Mount Gambier and Executive Director of the Blue Lake Milling Company.



GLENN COOPER

Glenn Cooper is Executive Chairman and Marketing Director of the family-owned Coopers Brewery.



MAURICE CROTTI

Maurice Crotti is Managing Director of San Remo Macaroni Company, Australia's largest pasta manufacturers and is also Chairman of Food Adelaide (South Australia's Food and Beverage Exporters Association).



ROGER DRAKE

Roger Drake is the owner and Managing Director of Drake Food Markets, South Australia's largest independent supermarket chain.



MARY FERGUSON

Mary Ferguson provides export, marketing and product expertise to food companies through her consulting business Epicurious.



DON FRASER

Don Fraser has a long and established career in the food retail industry and is an independent consultant and corporate advisor to five major food companies.



NIGEL GARRARD

Nigel Garrard is the Managing Director of SPC/Ardmona Foods Limited, one of Australia's largest food companies.



BILL GILL

Bill Gill is the Managing Director of Adelaide Malting, a major processor of malting barley in South Australia.

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PERRY GUNNER
Perry Gunner has had 28 years experience in the wine industry and is a former Chairman and Chief Executive of Orlando Wyndham.



JIM KENNEDY
Jim Kennedy is Acting Executive Director of the National Food Industry Strategy which has recently replaced the Prime Minister's Supermarket to Asia Council.



ANGELO KOTSES
Angelo Kotses is Managing Director of Bickford's Australia, a manufacturer and marketer of premium branded cordials, soft drinks and juices.



GERALD MARTIN
Gerald Martin operates sheep properties south of Adelaide, producing lamb, mutton and wool. Gerald is also Principal of Agresults Pty Ltd which consults on research and development in livestock technology, project management and meat hygiene.



DUNCAN MacGILLIVRAY
Duncan MacGillivray is the creator of the internationally successful and award-winning Two Dogs brand – a naturally fermented alcoholic carbonated beverage, using Australian lemons, oranges, apples and blackcurrants.



IAN PARISH
Dr Ian Parish is the Chairman of Auspork Ltd, which exports, by airfreight, 1200 pigs per week to Singapore.



MARK PYE
Mark Pye is the Managing Director of Parilla Premium Potatoes in South Australia's Murray Mallee and is the 2001 Premier's Food Awards Young Leader of the Year.



CAROL SCHOFIELD
Carol Schofield is a dairy farmer and experienced Quality Assurance adviser to the Dairy Industry.



KEITH SMITH
Keith Smith has 25 years service with the Australian Wine Industry as Managing Director of Barossa Co-operative Winery, Wolf Blass Wines Ltd and most recently, the Australian Stock Exchange listed, Banksia Wines Ltd.



BEV WALTERS
Bev Walters is the former Managing Director of Rabobank Australia and has recently retired as a Director. He is currently a Director of several food and farming companies and also runs a financial consulting business.



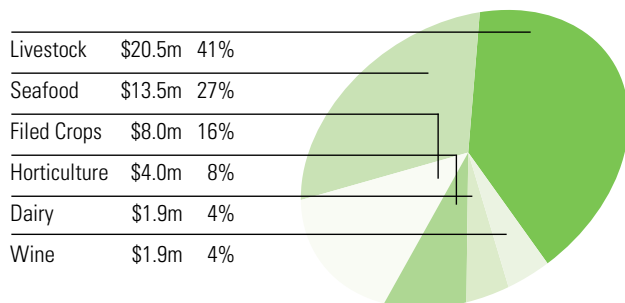
BRUCE ZIPPEL
Bruce Zippel is the owner/operator of Zippel Enterprises which has oyster farms at Smoky Bay in South Australia.

KANGAROO ISLAND Fact File

- Kangaroo Island has a population of around 4,500 people.
- About half of the Island's 450 000 hectares is used for agriculture.
- Livestock and seafood production are the key contributors to Kangaroo Island's agri-food industry which is valued at almost \$50 million.



Kangaroo Island Gross Food Revenue, 2000/01 \$49.8 million



PURE Honey

The ligurian bee first arrived in South Australia from Northern Italy in 1884. The following year its new home on Kangaroo Island was declared a sanctuary.

As a result of this protection order by the South Australian Government, Kangaroo Island's ligurian bee colony is now the only pure strain in the world and has gained the status of a State heritage icon.

"It's a marketer's dream and you've got to take advantage of it," says bee keeper and marketer Peter Davis (pictured).

Mr Davis is one of 25 bee keepers on the Island. His AQIS approved factory at Kingscote processes around 40 tonnes of organic honey a year for his label Kangaroo Island Honey.



While most of the honey produced is sold on the Island, small quantities are being sent to Sydney and Melbourne and overseas.

"Hog Bay has developed a small export market to Japan with the help of Food Adelaide," Mr Davis says. "They've developed a Japanese label specifically for that market."

Even though world demand is increasing for this precious product, Kangaroo Island producers realise they run the risk of losing their credibility if they can't supply.

Contact:
Peter Davis
 Kangaroo Island Honey
 Telephone 08 8553 2586

BOLD as brie

The cheeky, winking cow is the trademark of the award-winning Farmhouse Cheeses of Kangaroo Island.

Moss and Liz Howard began making cheese 17 years ago as a means of using excess milk from their dairy.

Their products are now sold in supermarkets in every Australian capital city and specialty stores around the country.

"Since we began we've reduced our range. We believe it is better to do a few things really well," Liz Howard says.

Farmhouse Cheeses focusses on producing brie and camembert, recently launching

the brie style, square-shaped Borda White.

"We named it Borda White after Cape Borda lighthouse on Kangaroo Island which we believe is one of only a few square lighthouses in the world."

The cheese was

designed specifically for supermarkets.

Contact:
Moss and Liz Howard
 Farmhouse Cheeses
 Telephone: 08 8553 1282



FRYER Eggs

Unlike battery egg production, Fryer's free-range operation is more like a health farm for hens.

Instead of being cooped up in cages, Fryer's chickens literally roam free.

The only fence in sight is that around the outside of the 200 acre property.

"Free range on Kangaroo Island is great because there are no foxes," says Fiona Fryer. "We've designed our sheds so that the birds are never locked in and they can come and go as they please."

Fiona's husband Tom built the sheds on "skids" so that they can be hooked onto a tractor and easily moved to fresh ground.

Ten years ago the Fryer's began their business with just

400 chickens, now they have 19,000.

"Our biggest challenge is keeping up with the demand. It seems to be increasing gradually all the time," Mrs Fryer says.

The hens lay an average of 14,000 eggs a day, with the majority sold as premium free range eggs. Smaller eggs are used commercially.

Contact:
Tom and Fiona Fryer
 Telephone 08 8553 9097



PREMIUM BRAND FOR Kangaroo Island Lamb



Kangaroo Island lamb producers have formed a marketing alliance to achieve a stable premium price for a guaranteed premium product.

A group of 55 producers on the Island has formed a partnership with Normanville meat works and Haven Lamb to develop the Kangaroo Island Premium Lamb brand.

"People are basically proud of marketing a regionally branded product as opposed to the days

when the contract buyer came and you didn't have any involvement when the gate was shut," says lamb producer Bill Roper. "You never enquired about the quality of your product once it left your property."

Kangaroo Island Premium Lamb is the most successful lamb alliance in South Australia based on the number of producers involved and lambs processed.

The alliance has steadily built its systems from producer to wholesaler and is now focussed on increasing brand recognition. Ultimately the group's goal is to sell value added

products in Modified Atmosphere Packaging in supermarkets.

"We have to get product recognition and credibility which will create demand and offer a greater return to producers," Mr Roper said.

Kangaroo Island Premium Lamb hopes to produce and process up to 50 000 lambs by next year.

Contact:

Bill Roper

Kangaroo Island Premium Lamb

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ISLAND Pure



Island Pure sheep's milk cheeses and yoghurts has recently launched its new-look packaging.

With new labelling laws to be enforced at the end of this year, Island Pure took the opportunity to change its overall image.

"We looked at the demographic of the people buying our products and we wanted something that would appeal," says Island Pure owner and cheese maker Susan Berlin.

"The packaging is now very bright and distinctive to attract our younger customers and it will also be easier to find on the shelves."

Island Pure's new logo is grass green and ocean blue, reflecting the Island's clean, green environment.

Now in its tenth year of operation, Island Pure produces five cheeses and two yoghurts which are available at Woolworths and Foodland stores, Health Food shops and deli's across Australia.

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MARRON Man

Ian Pratt is a man who enjoys a challenge. More accustomed to growing seed potatoes and producing prime lambs, Mr Pratt turned his hand to marron farming six years ago and now has 50 acres of ponds on his property.

"Before you go into a new industry like this you've got to look at your strengths and weaknesses,"

Mr Pratt believes.

"I had the funds, marron like the climate on the Island and I think it's a good product because people like eating it."

It's taken Mr Pratt four years to get annual production levels up to around seven tonne.

He's recently developed a tank system that allows him to grade the marron into different sizes and hold up to 400 kilograms to fill orders on demand all year round.

"We've been exporting through OYSA to Hong Kong for the last six months and we've never had

a complaint," Mr Pratt says.

"If we can market together it makes it so much easier."

While marketing and product reliability are a clear focus for Mr Pratt, he's also keen to boost production. "It is an industry that is at the crossroads. It is either going to get some substance or stay a cottage industry."

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DECEMBER DEADLINE for new food laws

Food Lawyer Emanouel Gaganis looks at the fine print of the new food labelling laws.

The 19th of December this year, has now been firmly set as the last day that businesses will be able to lawfully manufacture and package foods under old labelling laws.

On December 20, 2002 all food will need to be manufactured and packaged under the New Food Standards Code only.

Stock-in-trade provisions have now been included in the law. That is, food manufactured and packaged up to 20 December

2002 will not be required to be relabelled or recalled from retailers in order to apply new labels.

Products with a shelf life of less than 12 months have up to a year to be sold and longer shelf life products, up to two years. Of course after the one and two year periods, those products remaining will need to be recalled and relabelled.

Other finer points in the New Food Standards Code include:

- foods that are for sale to the public (retail sale) and for catering purposes must also have a label that complies with all of the requirements

NUTRITION INFORMATION		
SERVINGS PER TUB	PER 10g SERVING	PER 100g
25		
ENERGY	71kJ	706kJ
PROTEIN	0.8g	8.0g
FAT	1.4g	14.0g
CARBOHYDRATE		
- TOTAL	0.3g	3.1g
- SUGARS	0.3g	3.1g
CALCIUM	15mg	150mg
SODIUM	24mg	236mg

of the New Food Standards Code (limited exemptions apply – for example food made and packaged on the premises from where the goods are sold to the public); and

- the law is more simple about the labelling requirements for foods that are not sold directly to the public and foods not for catering purposes.

The Minter Ellison Food Law Group's "Label Compliance Report" has now been released and provides a speedy, cost effective evaluation report of your labels.

Our Label Compliance Report assesses your labels in accordance with the New Food Standards Code and recommends all necessary amendments to ensure they are legally correct.

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Silvestro Morabito, Cold Storage Supermarket (centre), speaks with South Australian Food Industry Members

A major Singapore Supermarket Chain has told South Australian producers that "food safety" will be the number one concern for consumers in the next decade.

Chief Executive of Cold Storage Supermarket Silvestro

CLEAN AND GREEN but not being seen

Morabito, who recently visited South Australia as part of a buying delegation, says consumers are becoming more demanding and food safety oriented.

"Australia is very clean but that message doesn't come across to the rest of the world and Australia has a huge opportunity in that area," Mr Morabito said.

"Whatever story you have in relation to safe food, tell it. It may not be super critical now, but you are positioning yourself. Be the first to market yourself on safety."

Cold Storage Supermarkets,

which are the Australian equivalent of Woolworths or Coles, stock 7000 lines. Just 1000 are sourced from Australia.

"There is no doubting the quality of Australian products, but the United Kingdom and Europe are doing it better," Mr Morabito says.

"In general there is huge potential. Australia's raw materials are superior, the products are being packaged correctly but that is just the start of the retail channel."

Mr Morabito reinforced the importance of product consolidation and the need for food producers to understand

how to do business with international chains.

He believes many companies need to do a reality check on moving from a cottage industry into the world market.

"We did sense a huge amount of passion during our visit to South Australian companies. But you have to ask yourself, do you want to do this (supply supermarkets), because it means a significant investment and significant change."

The delegation, which was sponsored by Food South Australia and Food Adelaide, visited food producers in Adelaide, the Barossa Valley, Adelaide Hills and McLaren Vale.

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