National Food Industry Strategy

Perspectives on Business Development in India
OVERVIEW

- What is the National Food Industry Strategy?
- Why are we going to India?
- What are the platform objectives and structure?
- What will be the success factors?
- Team Australia
- Internationalisation

National Food Industry Council (Supervisory Board)
- Set strategic direction

NFIS Ltd (Executive Board)
- Catalyst/Coordination
  - Stimulate
  - Facilitate

- ‘Capture the Lessons’
  - Replicate
  - Disseminate

- Program Delivery
  - Manage services best delivered by industry to industry
Sustainable Competitive Advantage

Internationally Competitive Business Environment

Global Cost Competitiveness

Internationally Competitive Supporting Industries

Collaborative Market Development

INPUTS TO PRODUCTION PLANNING → INPUTS TO PRODUCTION → PRIMARY PRODUCTION → PROCESSING AND PACKAGING → DISTRIBUTION → CUSTOMER DEVELOPMENT → CONSUMER PROMOTION
Collaborative Market Development

- Recognition of Australia in global markets as a producer of safe, health and environmentally sustainable food.

- Healthy balance of industry engagement in international markets – with both inward and outward investment and with 60% of food products exported.
Global Cost Competitiveness

- Substantial domestic production base with increased use of technology to lower input and processing costs.
- Collaborative approach to pre-competitive innovation with strong linkages between R&D providers and food companies.
Internationally Competitive Supporting Industries

- Consolidation of food industry expertise to create world class R&D, education and training opportunities.
Internationally Competitive Business Environment

- Integrated, whole of chain approach to food industry regulations that is sensitive to international competitiveness, has sensible compliance costs and is consistent across government jurisdictions.
Why India - Challenges and Opportunities

- **Opportunities**
  - Great example of internationalisation – opportunity to innovate and scale up
  - Developing retail sector
  - Opportunities in 5 star food service
  - Opportunities for two-way investment
Why India - Challenges and Opportunities

- **Challenges**
  - Market access issues
  - ‘Many Indias’
  - Changes in products/systems: flavour profile, packaging, cold chain
Platform Objectives – Sustained Presence of Australian Food and Beverage Companies in India

- **Market-making:**
  - Position and effectively market Australian food and beverage products to Indian food customers and consumers under the ‘Australian Food’ banner
  - Improve market access for Australian food and beverage products

- **Global cost competitiveness**
  - Improve the international competitiveness of Australian food companies
  - Establish long-term relationships to underpin successful commercial outcomes for Australian and Indian food and beverage companies
Platform Structure – Creating the Demand Chain

- Promotion/Positioning
  - ‘Australian Food’ banner
  - Market awareness
Flavours of Australia
Platform Structure – Creating the Demand Chain

- In India – Bangalore;
  - Market intelligence
  - Import/distribution/marketing capability
  - Category management and feedback to Australian ‘partner’

- In Australia
  - Sourcing product to meet specifications
  - Nationally coordinated consolidation system
  - Category management and feedback to suppliers
Partners

- NFIS Ltd
- Austrade
- State Governments in Victoria, WA and SA
- Food Agriculture Trade Services (in DAFF)
- Sector associations, eg. HAL
Success Factors

- Selecting the right ‘lead partner’ – in India and Australia
- Encouraging committed companies in Australia
- Steve Waugh
- Steve Waugh