

2003 AGM - Information forum part 5

Transcript of 2003 AWI Annual General Meeting

Information forum - Ms Georgia McCafferty - Communications

Kevin Bell:

Our next speaker is the program manager for communication. Now, that's one of those vague words, 'communication', but I think we all know that it is crucial, because so often there is misinformation and miscommunication and failure. That happens in families, in businesses. AWI recognises the crucial nature of its shareholders being aware of what it does and being open to them - communication is a two-way thing - so that shareholders know about this research. So often when we went around on the strategy forums people were amazed, surprised and pleased when they heard about what AWI was doing with their own money. And it actually gave us quite a setback that people did not know all the tremendous work that was being done with their own money.

There is probably no better person to have a go at this job than Georgia McCafferty, who is the program manager for this area. She can tell you a lot better than I can about it. Georgia ?

Georgia McCafferty:

Thank you very much, Kevin. As Kevin told you, I am going to talk a little bit about AWI's communications program today, but more importantly, how you can benefit from it. In many ways we are all communicators. We communicate to each other every day, be it through the hand gesture or a chat to the mate next to you, or a whistle to your dog in the yard. We are all communicating all the time. It is often not something that we talk about, though, on a regular basis.

But today I would like to share with you a little bit of information about how we communicate to our 35,000 shareholders, about their \$73 million investment in over 200 research and development programs. Most importantly, I would like to tell you about how we try and make these programs and projects tangible because that is what communication is all about; trying to make it real to you. So in many ways we are the first link between the projects on the one hand, and the woolgrowers and often the pipeline on the other. At the end of the day, as you have seen in our mission statement, it is all about trying to make these projects work for you and make your business more profitable.

Today I would just like to tell you a little bit about what we do in the communications program at AWI: the aims of the program; the tools we use to achieve these aims; the budget we invest; the research we use as a foundation or platform for our program; the achievements we have made in 2002/2003 and a little bit about what is ahead.

We are a very, very young company still - we are only 2½ years old - and most of the programs you are about to see today have been built from the ground up over these 2½ years. So we've still got a little bit of a way to go, but if there is one thing that I would like you to take away from today, it is to have a bit of a listen. If there is something that strikes a chord with you, go back after today and really start getting involved with what we are doing, because at the end of the day, that is what it is all about. It is all about information, the transfer of information and delivering the benefits to woolgrowers. So communications is about letting you know where your levy is spent, as Kevin is said, and how you can benefit from it. We are aiming to provide you with access to projects and communications really is an integral component of any project that we conduct at AWI. It is involved at the beginning, right through the middle, and at the end communicating the outcomes of the project to you.

We have a number of aims that we are trying to achieve through our communications program, the first of which is to just raise awareness of the program, so that woolgrowers have an overall idea of where their levy funds are being invested. We also hope that we can provide you with some really in-depth knowledge of these programs, as well as a little bit of knowledge about the process involved in selecting the programs for investment, the monitoring of them, and the budgets that are involved in the investment. Importantly, we try to provide all this information to you in a really open and transparent way. As Kevin said, we are aiming to listen more closely to you and to take this feedback on board that you give us through the listening, both in our communications program and in the research. At the end of the day, our main aim is to deliver programme benefits to all growers and get you using new innovations and improving your profitability.

So, just as you all have different tools in your shed for different uses, we in communications also have a range of tools that we use to try and reach our shareholders and stakeholders. We have Beyond the Bale, the Wool Innovation Showcase, which I hope you will all go and see at lunchtime. It is just out the back there. We have our website, wool.com.au. We have fact sheets. We speak to the media on a regular basis. We have grower talks and events, such as the one today. We have branding and we have sponsorship, such as the 2006 World Merino Conference that we are sponsoring, being held here in Perth.

Investment in communications is vital. I am pleased to hear Kevin saying it and it is something that all the directors have said to me. When you look, compared to the overall budget of AWI, it is actually relatively small. In 2002/2003 it was just under \$3 million and about 4% over AWI's overall budget. Approximately \$80 per shareholder per year is invested in communications.

Importantly, good communication is a two-way process. I really believe that it starts with listening and we have aimed this year to listen to you in many different ways. We have had the forums that we held across Australia. We have advisory panels, where woolgrowers are able to provide us with a direct feedback into the program and project assessment process. We have feedback forms. Voting in AGMs is a very powerful way of giving us your

feedback. We also conduct regular surveys of our woolgrowers. All of this feedback is reflected in AWI's strategic plan and our communications.

Importantly, with respect to surveys, as I said before, research is the foundation of any good communications program. This year we surveyed 615 of our woolgrower shareholders right across Australia. I am sure that there are a few of you in the audience who may have participated in this survey. I would like to thank you for taking the time to actually give us your feedback in this way because it provides us with absolutely invaluable information on who you are, how you receive our information, and whether our communication from AWI is working. At the end of the day, all this enables us to ensure that we have the tools that are able to reach you, to identify those that are not working, to measure our success and, most importantly, to plan for improvements in our communications programme.

It also provides us with some information on our shareholders, some of whom you may recognise up here. This year in February we found out that our average shareholders derive just under 50% of their income from wool, which reflects the fact that many of our shareholders are mixed farmers. This has a really significant implication for our communications program. Not only do you receive from AWI, you are receiving it from Meat and Livestock Australia, GRDC, the Department of Agriculture and so forth. So we are really competing with a whole range of people for your attention, and we understand that you are all very much, I guess, information overloaded in terms of the amount of material that you receive.

In the past two years 68% of woolgrowers made specific changes aimed at improving their fleece quality and increasing profitability also. So this is showing us that most of our shareholders really are actively trying to make some change on their property and in their farm management. The survey also revealed a little bit about shareholder understanding of AWI. Most of our shareholders are aware of who AWI is, in fact 98% of you are. 40% feel well-informed about AWI's technical R&D outcomes but clearly most of our shareholders would like to know more about AWI. So we asked you what you thought and we listened to what you said.

Now I would just like to go through a little bit about how we have responded this year and some of the achievements we have made in AWI's communications program. This year we introduced Beyond the Bale. It is a bi-monthly publication that gets sent to all woolgrower shareholders, and hopefully you all recognise what I am holding in my hand at the moment. It was designed to be it easy to read and convenient to keep. It is designed basically to raise awareness about the program and to provide you with a little bit of basic knowledge, as well as some contact details. So if you need more information or would like to get involved, you can actively do that. The information comes from shareholders, researchers and staff from AWI who are all involved in the programs. As I said, it has contact details on how you can get involved. Pleasingly, Beyond the Bale - after just four editions - has been very well received by all our woolgrower shareholders, with 68% rating it very or fairly highly.

The Wool Innovation Showcase - which I will urge you again to go and see at lunch - was introduced in October 2002. It is a really interesting component of our communications program because it has a capacity to actually bring the research and development programs to life. It is showing you the outcomes of these programs in the real world, so you can touch, see, smell, hear and feel them. The information on the programs is hands-on and very interactive. We have tried to use the showcase as effectively as we could this year and we have been to twenty shows since its launch, two of which have been in Western Australia. Importantly, we visited all Australian wool-growing states.

We have also got a website - wool.com.au - which I hope some of you have actually had a look at. Our survey showed us that six in ten woolgrowers now have internet access, and that they are using this access to use the internet or to use email services at least three to four times a week. So it is becoming an important component of all woolgrowers' communications. We launched our new website in October 2002 and it contains an absolute plethora of information. It has got industry news and most of AWI's publications can be found on the website. We have also got a range of tools that we have designed for woolgrowers. We have got Pricemaker. We've got a web-based email, a free wool.com.au email address, which enables you to promote your business from the wool.com.au address. We have email subscription services; for those who are too busy to access the internet and go to the internet on a regular basis, you can actually have the information delivered to you direct to your email inbox. We also have Innovation Radio, which is a fortnightly program that we run. It is a radio program designed specifically for our woolgrower shareholders. They are 10 to 12 minute programs and we often have either shareholders or researchers discussing the programs in an in-depth basis, so that you can listen to them. It has got a very low file size and you run it in the background of your computer while you are doing other things. I would just like to play a really small snapshot of one of the programs [excerpt played from Innovation Radio].

Chris Brown:

We've just heard Scott Williams tell us that AWI is considering a mentoring program to help sheep producers become involved in Nemesis. How did you become involved?

Chris De Mestre:

Well, my father actually initiated the program back in 1993, when the Nemesis program was launched. He'd been heavily involved in ram breeding for the last 30 years ?

Georgia McCafferty:

That was one of our woolgrower shareholders, Chris De Mestre, who is based in Taralga in New South Wales, talking about his involvement in a sheep worm control project. Now as I said, it is available fortnightly on the website. It is a low file size, so it really does not take that much space up. We have also developed some tapes and CDs of some of the more popular programs that are available in the showcase for you to take away today. I

know that harvest is just coming up and the tapes might be useful for you to play while you are running around the paddocks.

Wool.com.au is also a really important point of contact for our international stakeholders and some of our other stakeholder groups. The international trade, researchers, government all access it on a regular basis. Accordingly, we have high overseas visits, with over 50% of our visits regularly coming from this group. Because it is such an important component of the communications program, we are looking at future developments which include far more business tools for woolgrowers and faster download times. At the moment we are all very, very aware of the poor quality of internet access that is available in the bush, and the slow download times that you have. Our website at the moment is designed to be very, very small and not be intrusive in that matter, and we are trying to make it even more streamlined and faster for you.

We are trying to introduce discussion groups on particular topics, such as worm control and those sorts of things, so that you can actually communicate with other woolgrowers across Australia who are facing similar problems to you on their properties. We are also developing some online communities, something that I think specifically will appeal to female woolgrowers, so that they can actually connect with other women across Australia who are facing similar situations and with similar points of view.

The AWI film which you all saw at the beginning of the session this morning was started under previous management and handed over the communications department in January 2003. We have designed the story to cover all aspects of the wool industry, with history, the wool growing, processing and the retail perspective in Australia, Europe and China. Two versions of this film are being developed. The first, which you saw this morning - and you are the first woolgrowers in Australia to see it - was the commercial version. We are aiming to get this on television either in Australia or internationally. We are also developing a ten-minute educational version that will be tied in with the education adoption program, targeted for schools, universities and also processes overseas with our wool processing work that we do there.

We have invested in a myriad of publications this year to try and give you some written material on our programs and projects. One of the things we focused on - given it was one of the biggest issues that woolgrowers were facing themselves - was drought management. You should have all received Drought Manager 1 or 2. We also introduced a booklet which you can see at the bottom there, Planning for Profit, which is a really comprehensive document about recovering from drought and some of the strategies that you can use to help your property get through these difficult times. We linked this in with the Prime Time forum that we participated in with Meat and Livestock Australia. We have got project fact sheets, Insights and Innovators, which are available in the truck, available on the website, and also available from our 1800 number. They provide you with detailed information on all the projects and contact details again as well. You would have also all received this year AWI's annual report. For the first time we had a full list of all our projects available in this report. We also aim to provide you with really

clear and transparent information this year on exactly where your money is being invested and what it is delivering to you. You also would have received the strategic plan and AWI's revealed performance.

One of the things we have noticed is that a lot of woolgrowers could not clearly identify where their levy funds were going. So to try and correct this we have introduced a funding identifier called a co-brand. As you can see at the bottom left-hand corner there, it is the 'another' Australian Wool Innovation logo. Wherever you see this it indicates that AWI have helped fund that program and it just enables you to easily identify that investment.

Events are a really powerful tool for us in communications because they enable us to speak with you and communicate with you on a one-on-one basis, so you can receive personal information, have personal discussion and feedback and have contact with AWI staff and programs. With forums and through speakers at events and through presentations such as these today, we really aim to try and give you a bit more personal contact, with exactly where your money is being spent. We also have records of most of these days - such as today - on the web, for those woolgrowers who are not able to actually make it to specific locations. Importantly, these events also provide us with valuable feedback about how you are feeling.

Our 1800 number, 1800 070 099, was introduced this year. It is designed to complement the website and provide free and easy access to all of those with poor or no access to websites. All of our project information is available from the telephone people at this 1800 number. They are also there to answer general queries that you may have, such as about the AGM or events that are coming up and those sorts of things.

We are still young, as I said before; we are only 2½ years. You have just seen some of the things we have been able to build in that time. So far, two in five growers claim to be well informed about AWI's R&D outcomes; one third of our woolgrowers are aware of specific projects; one fifth of our shareholders have implemented change due to communications from AWI. I think that is a pretty solid start, but there is certainly a long way to go. We need to build greater understanding and we need to really encourage growers to drive -- [end of transcript]