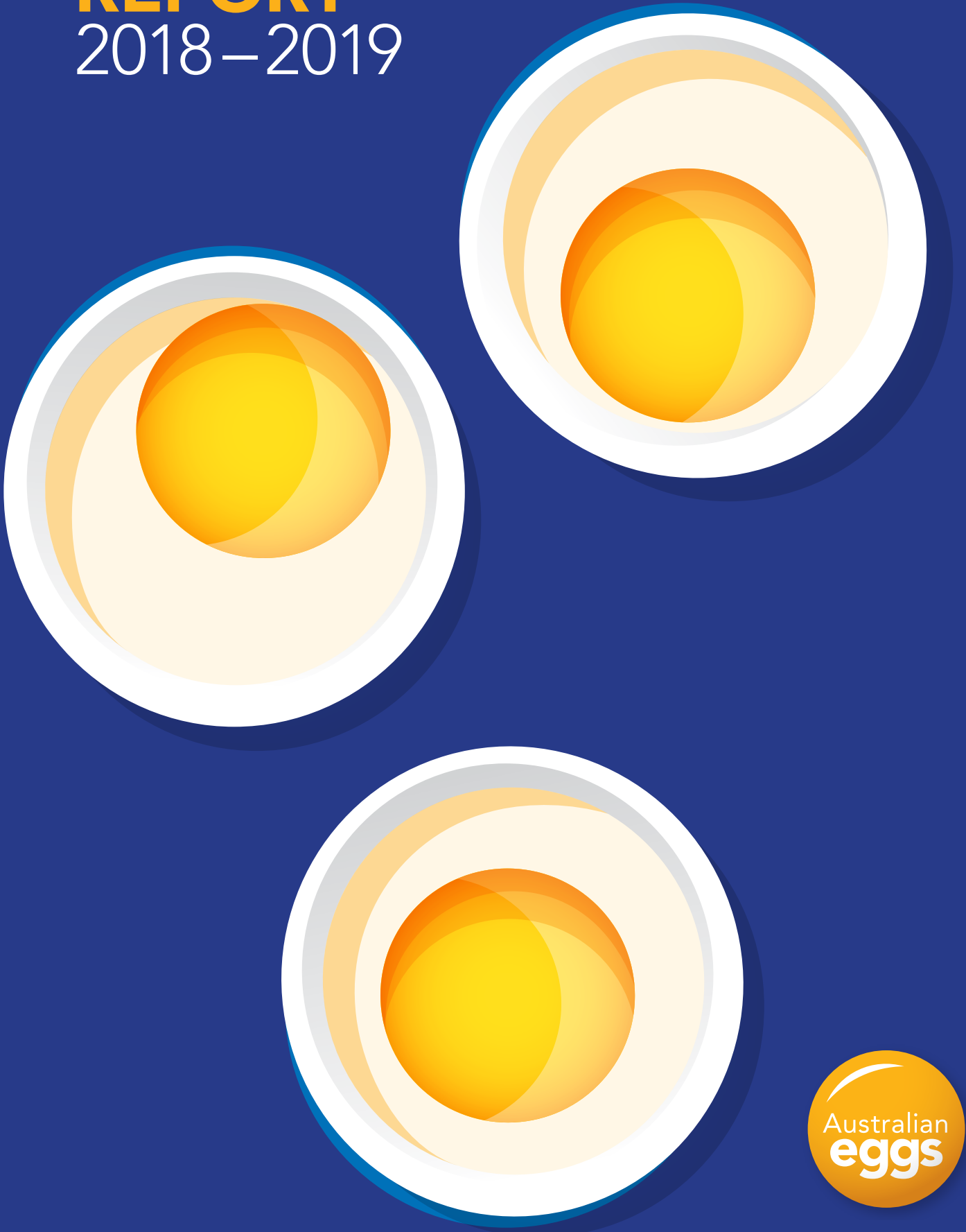


# EVALUATION **FRAMEWORK** **REPORT** 2018–2019



# OVERVIEW

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IN THE YEAR 2017-2018 AUSTRALIAN EGGS  
INVESTED

**\$5,685,000**

IN MARKETING ACTIVITIES

**\$2,277,868**

IN RESEARCH AND DEVELOPMENT ACTIVITIES

**\$2,795,000**

IN ENGAGEMENT AND EXTENSION

**\$1,823,957**

IN VALUE FOR MONEY PROJECTS

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**51**

EGG FARMER ENGAGEMENT  
OPPORTUNITIES

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**25**

R&D STEERING  
COMMITTEE  
MEETINGS

OVER 3,000  
STUDENTS  
PARTICIPATED IN  
THE AUSTRALIAN  
EGGS "GET CRACKING,  
GET COOKING"  
ACTIVATION AT THE  
ROYAL EASTER  
SHOW

**10**

MARKETING  
AND R&D ICC  
MEETINGS

---

**22%**

OF MILLENNIALS RECALL KEY  
CAMPAIGN MESSAGES



IN THE YEAR 2018 TO 2019 AUSTRALIAN EGGS HAD 24 RD&E PROJECTS ON FOOT



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# INTRODUCTION

Australian Eggs Limited (Australian Eggs) was established in 2002 as an industry services body for the Australian egg industry. It was formed after enactment of the *Egg Industry Service Provision Act 2002(Cth)* and the *Egg Industry Provision (Transitional and Consequential Provisions) Act 2002(Cth)*.

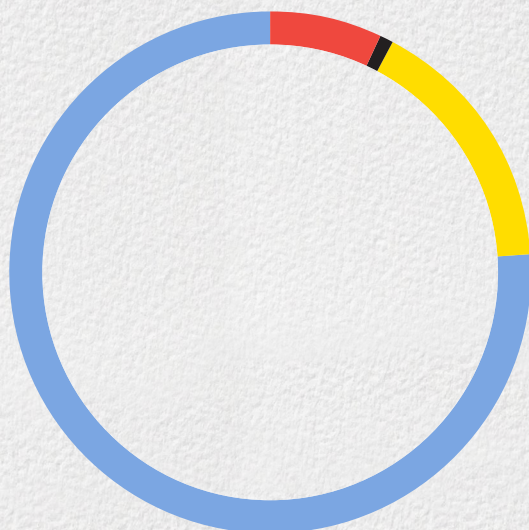
The Funding Contract between the Commonwealth and Australian Eggs allows for the Commonwealth to make promotion payments, research and development payments, and Commonwealth matching payments to Australian Eggs to fund Australian Eggs' activities.

Australian Eggs' priority goals, key focus areas and programs are set out in its Strategic Plan 2017-21 (**Strategic Plan**) and its Annual Operating Plan 2018-19 (**AOP**).

Australian Eggs programs and projects stem from these goals and key focus areas. They were prepared in consultation with the Australian egg industry, researchers, the Australian Government, industry representative bodies and other research and development bodies.

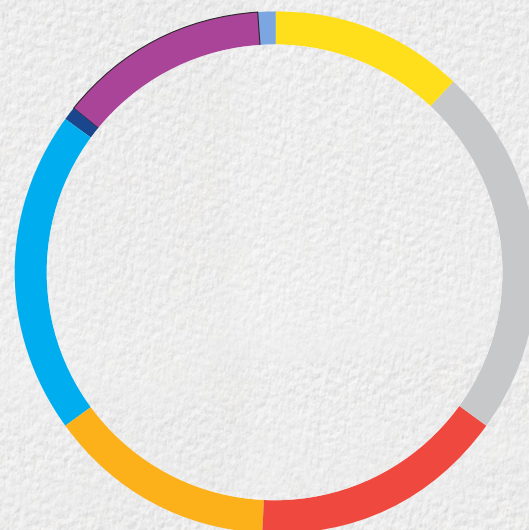
In the year 1 July to 30 June 2019 Australian Eggs invested \$5,685,000 in marketing activities, \$2,277,868 in research and development, \$2,795,000 in engagement and extension and \$1,823,957 in value for money projects. The proportion of funding invested into Australian Eggs' key focus areas in the year 1 July 2018 to 30 June 2019 is set out below:

## Increased Consumption



- Matching Market Cycles **7%**
- Next Generation **1%**
- Nutrition **16%**
- Eating Eggs **76%**

## Sustainable Production



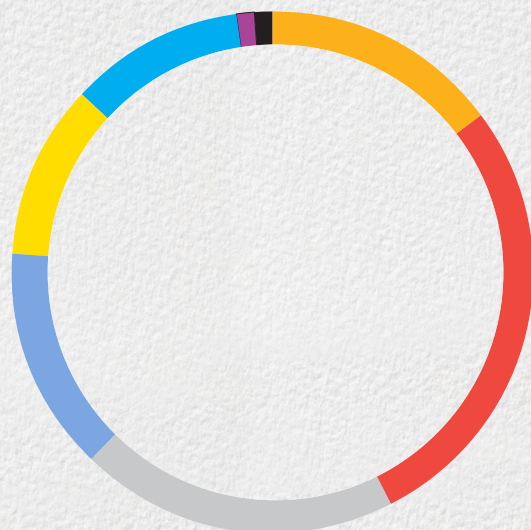
- Biosecurity program **12%**
- Flock Health program **23%**
- Salmonella program **16%**
- On-farm welfare solutions program **14%**
- Welfare improvement program **20%**
- Research strategies program **1%**
- Hen nutrition program **13%**
- Environmental program **1%**

So as to ensure there is transparency and accountability in relation to its work Australian Eggs has in place an Evaluation Framework. The Evaluation Framework is structured in a manner that reflects the work program of Australian Eggs, including:

- key performance indicators applied to each goal to test Australian Eggs primary objectives; and
- performance measures for each Australian Eggs program.

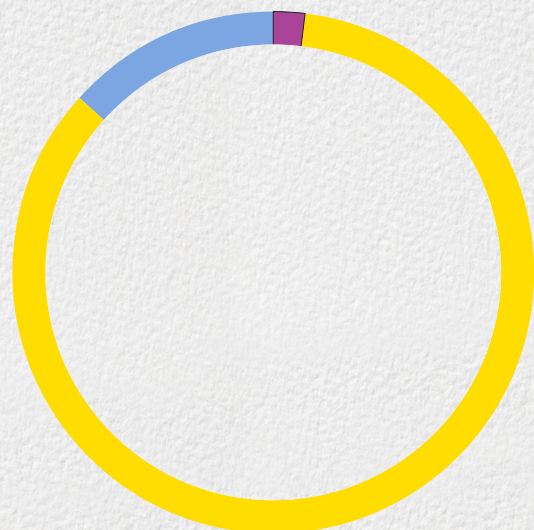


#### Effective Engagement



- Farmer engagement program **15%**
- Public Engagement Program **28%**
- Capacity building program **20%**
- Extension and adoption program **14%**
- Quality Assurance program **11%**
- Community Trust Program **11%**
- Market Development Program **1%**
- IRB Consultation Program **1%**

#### Value for Money



- Stakeholder focus program **2%**
- Efficient , well-resourced team **84%**
- Clear work program **13%**

# INCREASED CONSUMPTION

## Celebrating the Joy of Eggs

Australian Eggs develops and implements marketing campaigns that encourage greater consumption of eggs and increases awareness of the nutritional benefits of eggs.

Consumer marketing activities represent all egg producers, brands and farming systems under the Australian Eggs brand. The purpose of these programs is to increase consumer awareness of eggs, stimulate and inspire more consumption as part of a balanced diet, and encourage awareness of egg farming. These consumer marketing activities are conducted via TV, out-of-home and transit bus shelters, online advertising, integrated publicity and social media engagement.

Australian Eggs engages a Marketing Industry Consultative Committee (ICC) to collaborate in understanding and responding to the needs and market developments of the industry, and to maximise the effectiveness of the marketing program. Australian Eggs works with the Marketing ICC to plan and develop market supporting campaigns.

In addition to consumer marketing, other key consumption influencers are healthcare professionals such as GPs, dieticians, nutritionists & specialists.

Australian Eggs also undertakes to build credibility and trust with dedicated healthcare professional communications, by ensuring that accurate and current nutritional research and evidence is made available to as many Australian practitioners as possible.

## Increased Consumption highlights

### World Egg Day

Every year in October World Egg Day is celebrated in more than 40 countries across the globe. In 2018, Australian Eggs launched the inaugural Eggsellence Awards initiative to be hosted on World Egg Day in 2018 and beyond. The Eggsellence Awards engage cafes, restaurants and the general public to participate in finding Australia's best egg dish. The judging panel launched Australian Egg's ambassador relationship with My Kitchen Rules celebrity chef, Manu Fiedel. The finale cook off of the 5 finalist dishes, chosen from hundreds of nominations, was held on the morning of World Egg Day, which was streamed live across Australia on two breakfast television channels. Many media outlets picked up the story, resulting in unprecedented publicity and social media for eggs.

### Manu Fiedel – Australian Eggs Ambassador

As Australian Eggs ambassador, Manu has continued across the year to share his inspirational ways of cooking with eggs, both savoury and sweet. He is a genuine egg lover, and has cooked new egg recipe on live television, spruiked eggs on national radio, and shared fun egg-related content with millions of his and Australian Eggs followers on Facebook and Instagram.

### Advertising

A brand new advertising campaign Get Cracking Australia! was launched at the beginning of September, and has now reached millions of Australians. The campaign positions eggs as the most versatile food people can eat, and energises and inspires Aussies to enjoy eggs at their best – creating togetherness through cooking rituals, accessing vital nutrition worry-free, and trying new ways to break from the same, repetitive meals.

Australian Eggs has innovated the traditional advertising program, by undertaking new media channels, such as Out of Home shopping centre, markets and transit poster and digital sites to capture shoppers on their everyday journeys and stimulate more appetite for eggs. As well as trying new channels and launching a new series of advertisements, an unprecedented advertising schedule with a calendar stretching from September 2018 to June 2019 keeps egg appetites alive for longer across the year.

## Goal KPIs

The goal of Increased Consumption is measured by egg consumption per capita. This is calculated by using hatchery information and production assumptions to determine the level of egg industry production, accounting for egg exports and dividing by the Australian population.



246 

Egg consumption per capita

Australian Eggs; **Market Insights Program** maximises the effectiveness of marketing activities to improve responsiveness to market developments and target audiences.

58% 

Consumers who recall the key campaign messages

The **Families, Baby Boomers & Millennials Programs** aim to promote the life-long enjoyment of eggs across each of these specific market segments. It is measured by the percentage of Families, Baby Boomers and Millennials aware of the campaign. The percentages in 2018/19 were:



14% Families  
14% Baby Boomers  
22% Millennials

The **Food Service & Consumer Research Programs** aim to increase the level of grocery retail and non-retail volume growth. This is achieved through the support of the egg industry in exploring domestic and export market growth opportunities combined with a better understanding of consumer behaviours and attitudes. Information is systematically collected and analysed providing market information and insights.

4.62% growth for 2018-19

Australian Eggs aims to engage and educate school children on the benefits of eggs and build an awareness of egg farming. Via the **Joy of Eggs Program** in 2018/19 there were

15,509 

Engagements with young people on framing practices

The **Nutrition Research Program** aims to provide up to date information to support health benefits of eggs and remove barriers to consumption. It is measured by the percentage of news media coverage related to egg nutrition that is 'positive'.

78% 

of news media coverage related to egg nutrition is positive

The **Health Care Professionals Program** seeks to ensure key opinion leaders have awareness and information on the benefits of eggs. It is measured by the **level of Health Care Professional awareness that eggs can be eaten everyday.**

37% 

Health Care Professionals who believe it is okay to eat eggs everyday

# SUSTAINABLE PRODUCTION

## Investing in industry led RD&E

The research, development and extension (RD&E) work program at Australian Eggs focuses on the identified needs and priorities of the industry. Each research project ensures Australian Eggs funded projects are relevant and help improve the sustainability of the egg industry. Despite some projects having no tangible outcome, each one funded needs to provide a step towards this end goal before it begins.

Egg farmers, researchers, and vets are all consulted to help decide what projects need funding. It ensures the needs of the industry remain the highest priority when funding decisions are made. Consultation with these key stakeholders remains ongoing throughout the timeline of all projects being completed.

Steering committees also provide objective advice to researchers, ensuring each project remains on track and relevant.

Each research project funded by Australian Eggs is generally delivered in a 1-5 year time frame with resources and tools developed throughout shared with farmers and other stakeholders in the hope it will become adopted within the industry.

## Sustainable production highlights

### Antimicrobial Stewardship Framework

Australian Eggs has been working to improve and reduce the use of antimicrobials on egg farms by creating an antimicrobial stewardship framework. We invested \$30,000 to help create and rollout the framework to ensure it meets the needs of egg farmers and meets our antimicrobial stewardship obligations.

The framework focuses on five core elements:

- Responsibility
- Review
- Reduce
- Refine and;
- Replace

Reducing the use of antimicrobial in animals will also reduce the likelihood any organism will become resistant to antibiotics in the future. The framework recommends producers focus on meticulous hygiene and sanitation practices, precision nutrition, genetics, biosecurity, vaccination, and expert animal husbandry. When producers ensure these are followed, it will help extend the life of important antimicrobials and ensure they are available and effective when they are needed.

Egg producers and poultry veterinarians have both been urged to adopt the framework.

### Lighting Management Project

A new review of lighting management has identified best-practice techniques to improve egg production and recommended areas needing further research.

It involved a scientific literature review of over 140 research articles, as well as interviews with farmers and technical experts to give insight into the optimum lighting conditions.

Characteristics of light including photoperiod, intensity and spectral composition were found to have significant impacts on the production, health and behaviour of laying hens. Specific factors investigated were growth rates and sexual maturity, immune response, feeding activity and feather pecking, egg quality, commencement of lay and number of eggs produced.

The report also recommended further R&D research areas to be carried out into lighting intensity, the production and welfare impacts of using LED and alternative light sources as well as the impact of changing lighting pattern and types between rearing and lay.

### Food Efficiency Program

Australian Eggs funded a study investigating feeding behaviours and preferences of birds to determine how much feed is needed to produce one egg. Research was conducted in three stages with individually housed hens assessed for egg output, feed intake, activity levels and behaviours fed on a commercial diet. After the first stage, hens were divided into two groups: high feed efficient (HFE) and low feed efficient (LFE). The findings revealed HFE hens consumed an average of 120 grams of feed to produce a 65-gram egg while LFE hens consumed an average of 136 grams of feed to produce a 63-gram egg. Laying hens found to be more feed efficient tended to produce eggs for longer.

From this work it was identified if farmers could shift birds from the LFE end of the scale up to average efficiency or greater they would save a projected 4.3kg of feed per layer per year.

Though the findings are a great start to help identify how much feed is needed for egg production and the variation of feed efficiency within a flock, the study found more work is needed to understand how feeding behaviours are related to feed efficiency so solutions can be found to benefit a whole flock.

Australian Eggs has organised more workshops on this topic to be rolled out from July 2019 focused on the outcomes of this project and current research into improving hen feed conversion efficiency, thereby reducing on farm costs and increasing egg quality.

## GOAL KPIs

The goal of Sustainable Production is measured by applying a Benefit Cost Analysis (**BCA**) to completed projects. The BCA is based on the Council of Rural Research Development Corporations (**CRRDC**) Impact Assessment Guidelines and averaging the outcomes.

In the year 2018 to 2019 Australian Eggs had 24 projects on foot.



2.88



The average outcomes of the BCA of completed projects in the financial year 2018-19.

11%



Australian Eggs' Research Strategies Program seeks to maximise efficiency by collaborating with other agencies on poultry, animal welfare and biosecurity research. It is measured by the proportion of R&D projects attracting co-investment.



## Projects completed in the 2018-2019 Financial Year

| PROJECT  | PURPOSE   | BCA  |
|--|---|------|
| <b>Practical strategies for hen feed efficiency</b>            | Improve flock feed efficiency and egg quality through understanding of the individual hen | 4.46 |
| <b>Antimicrobial stewardship</b>                               | Demonstrate and guide good management of anti microbials                                  | 1.67 |
| <b>Competitive exclusion of 'good bacteria'</b>                | Development of natural biocontrol agent to help reduce Salmonella contamination           | 3.56 |
| <b>Best practice lighting management for Australian layers</b> | Develop an overview of lighting best practice for layer hens                              | 1.82 |

# EFFECTIVE ENGAGEMENT

## Listening and delivering

Australian Eggs aims to generate content that is timely and relevant to stakeholders and this is executed through the Farmer Engagement and Public Engagement programs.

A key focus for the Farmer Engagement program is having two-way conversations with egg farmers, listening to their concerns and responding by incorporating their priorities into programs. Australian Eggs understands that many farmers are time-poor and often do not work from an office and desk. The farmer engagement strategy has therefore been designed to ensure messages are clear, succinct, and are delivered through mobile-friendly channels.

The Public Engagement program aims to provide information about the egg industry to the public with a view to increasing community understanding of egg farming.

Australian Eggs is focused on informing the public about different aspects of the industry, including the three main production systems, animal husbandry practices, hen welfare and the Egg Standards of Australia (ESA) quality assurance program.

Through these focus areas, Australian Eggs is able to demonstrate that Australian egg farmers are committed to continuous improvement and are on par with world's best practice. This is achieved through tailored communications aimed at mainstream egg consumers and other stakeholders including journalists, government, regulators and industry representative bodies.



## Engagement highlights

### Mobile app for farmers

A mobile app for farmers was released in July 2018 to facilitate better communication between Australian Eggs and industry. The app presents content in an easy-to-access mobile form.

### Farmer narrative videos

Australian Eggs has developed a number of videos using the voice of egg farmers to explain key aspects of the egg industry such as hen welfare, economic viability and carbon footprint. These videos have been widely shared on social media channels.

### Virtual farm tour

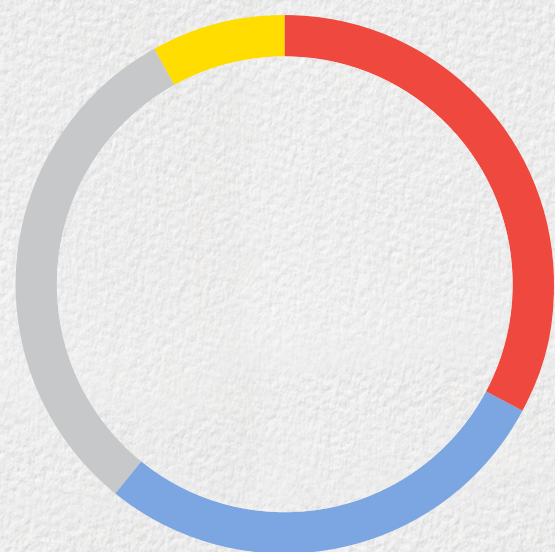
Australian Eggs has developed a virtual reality video and a content-rich interactive desktop farm tour to show interested consumers how eggs are produced. The virtual reality experience will be shown at state agricultural shows and the desktop farm tour will be available on the Australian Eggs' website.



## Goal KPIs

Effective Engagement is measured by tracking the number of engagements with the egg industry from which constructive feedback has been collected. In the year 2018-19, Australian Eggs achieved 35 engagement opportunities with stakeholders.

Farmer Feedback Sources



- Forum & AGM **33%**
- Workshops **28%**
- Farm visits **31%**
- RD&E ICC **8%**

The aim of the **Extension and Adoption Program** is to increase the adoption of research outputs by farmers and regulators through focused extension. It is measured by the number of engagements with egg farmers on R&D outputs.

29 

Through farm visits, website communications, newsletter distribution RD&E ICC meetings, workshops and the industry forum, Australian Eggs has delivered 29 engagements.

The **Public Engagement Program** is designed to create and distribute information about the egg industry, egg farming and news about marketing and research & development to the public through different channels. It is measured by the **number of publications and engagement events**.

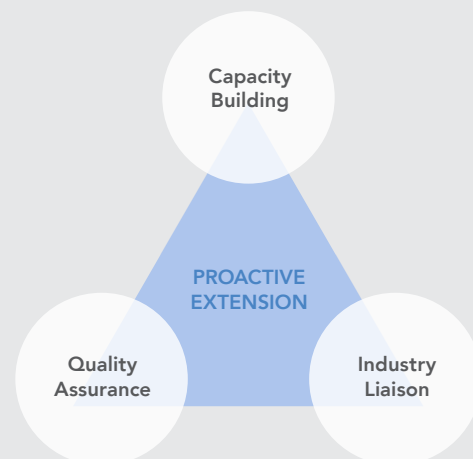
27 

The number of pieces of content created and distributed about the egg industry to the public, including quarterly magazines, monthly media releases, fact sheets, submissions to the Australian Government on the Standards & Guidelines for Poultry, and the biggest engagement initiative of the year, the introduction of the Australian Egg Industry Sustainability Framework.

Australian Eggs' **Farmer Engagement Program** is designed to create and distribute relevant content about Australian Eggs marketing and R&D activities. Content ensures it reflects industry priorities. It is measured by the number of publications distributed.

51 

The number of publications distributed to egg farmers concerning Australian Eggs' key marketing and R&D activities. These comprise of Eggspress newsletters, Eggstra magazines, articles in the Farmer log-in section of the Australian Eggs website, and fact sheets on ESA, R&D and the Sustainability Framework.



Australian Eggs' **Capacity Building Program** seeks to build capacity in the egg industry by providing workforce development and specialist veterinary and research expertise. There were 98 participants in training courses developed by Australian Eggs in 2018–19.





The objective of the **Quality Assurance Program** is to enable the egg industry to demonstrate food safety, animal welfare and biosecurity outcomes to customers and the public. It is measured by the total **number of known commercial egg production (flock size) covered by Egg Standards of Australia (ESA) and Egg Corp Assured (ECA).**

81.7% 

The total number of known commercial egg production (flock size) covered by ESA or ECA.

Australian Eggs aims to work cohesively with Industry Representative Bodies (**IRBs**) and obtain input to the development and implementation of activities through its **IRB Consultation Program**. This goal is measured by the **number of engagements with IRBs.**

23 

IRB engagements

The Australian Eggs **Community Trust Program** focuses on increasing the community understanding of farming. It is measured by the number of engagements with the public on farming practices.

27 

These engagements are provided via media releases, fact sheets, the Australian Eggs website, YouTube videos and publications including the Annual Report and Sustainability Framework.



# VALUE FOR MONEY

Australian Eggs is a small team managing external research and marketing resources to deliver its priority goals, key focus areas and programs. In order to ensure that every dollar counts, Australian Eggs focuses on:

- working productively on the greatest areas of stakeholder priority;
- the assessment of activities ensuring they are undertaken as efficiently as possible;
- teamwork and collaborations; and
- ensuring staff continue to have the skills and budgets to plan and develop outcomes.

Australian Eggs, as an industry owned Industry Services Body (**ISB**), is driven by its stakeholders including egg farmers and other industry participants, Government and consumers. Through an increase in engagement activities, Australian Eggs ensures that egg farmers and other stakeholders can clearly identify their objectives in the work programs Australian Eggs undertakes.

The Value for Money goal within Australian Eggs is measured by the ratio of administration services to program expenses. The ratio of total corporate and program administration costs over total program area expenses is the methodology for the calculation. For 2018/19 this figure is 10%.

## Goal KPIs

25 

The Australian Eggs **Stakeholder Focus Program** seeks to ensure consideration of the broad range of stakeholders is considered in undertaking activities. This is measured by the number of **engagements with non-farmer stakeholders**.

10% 

Australian Eggs works to ensure it has **an Efficient, Well Resourced Team** with appropriate resources to deliver on the work program. This objective is measured by the **ratio of non-staff corporate expenses to Program costs**.

100% 

The Australian Eggs **Clear Work Program** seeks to provide robust decision making processes and evaluation of activities. It is measured through the **level of compliance with applicable ASX Corporate Governance principles**.

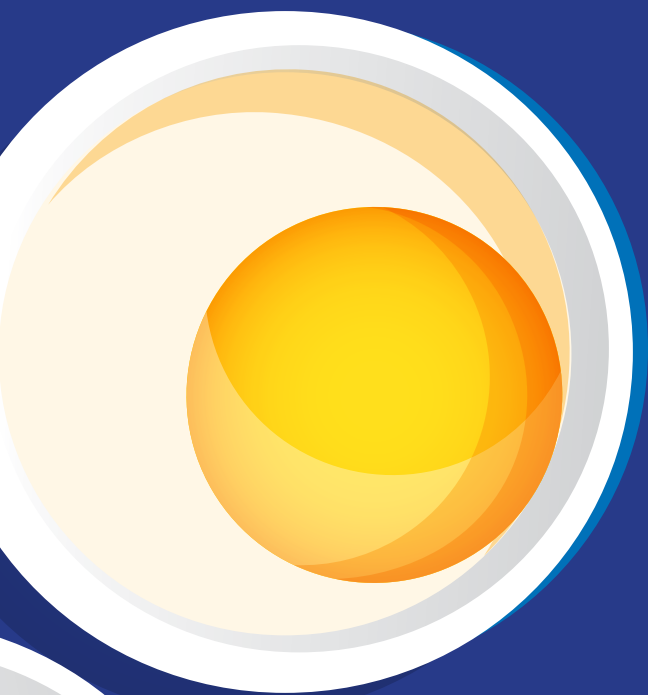




Our market research indicates Australians are looking for cooking inspiration to make weekday life easier, spend more time in the kitchen with their children, or to create masterpieces using eggs to impress family and friends.

This unprecedented achievement was due to capturing the attention of consumers by showcasing new recipes on social media and in mainstream press, and by Manu and our foodie influencers cooking with eggs on television.

In April, the  
Australian Eggs  
website  
experienced  
over 105,000  
visits



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