

## ASX 200

5688.10

-34.70 -0.60%

The market closed lower with heavy falls by the banks and energy companies leading the way amid widespread selling.



## ALL ORDINARIES

5738

-33.20 -0.57%

## BEST

SOUTH 32

\$2.76

+0.04 1.47%

## WORST

ORIGIN ENERGY

\$6.87

-0.28 -3.92%

## \$A

US CENTS

79.27¢

+0.20 +0.25%

## OIL

BRENT

\$47.93

-1.35 -2.73%

## IRON ORE

US PER TONNE

\$65.19

-0.30 -0.45%

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## COVER

Masters student Yuhao He and ASO chief operating officer Guy Ross at the ASO HQ on Hindley St.  
Picture: Keryn Stevens/AAP

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## For growers who opt out

GRAPE growers are being urged to consider succession plans, after a survey of Barossa Valley growers revealed 30 per cent planned to leave the industry within the next 10 years.

Will Taylor, from the wine business unit of Finlaysons Lawyers, said the next generation provided a powerful tonic for family grape growers who were assessing their future.

"The next generation can bring energy, fresh ideas, modern IT and technological skills to the family business," he said.

Mr Taylor will talk about succession models for a vineyard business at the 2017 SA Wine Grape Growers Summit, in the Barossa Valley, on Friday.

# SA vineyards lead way to curb pests

ERIN JONES

SOUTH Australian viticulturists have successfully trialled the use of geofencing as a biosecurity tool – a first for the nation's \$40 billion wine industry.

The Vinehealth Australia pilot project may change the way the wine industry monitors, prevents and responds to the spread of pests and diseases, especially phylloxera.

The wine industry's greatest biosecurity threat is grape phylloxera – a tiny insect pest that destroys vines by feeding on their roots and which can be spread by footware and tyres.

"Geofencing is a powerful tool – knowing who has been in vineyards and when, could help us respond to pest and disease incidents and prevent further spreading," Vinehealth Australia chief executive Inca Pearce said.

As part of the project, virtual fences were built around 31 Barossa Valley and McLaren Vale vineyards to track boundary crossings over a five-month period.

A Canadian technology company, Be Seen Be Safe, provided the geofencing software and GPS technology which detects movement by a person carrying a smartphone with location services enabled.

Over the trial period, 4194 boundary crossings were detected, with a notification message alerting the viticulturist each time a visitor was on their land.

Vinehealth Australia program manager Suzanna McLoughlin said the figures surprised viticulturists, who soon recognised how quickly and easily diseases could spread.

"Everybody knows everyone in the wine industry and it's a major feature why pest and diseases can spread so rapidly," Ms McLoughlin said.

"There's only a certain number of companies that buy fruit and contractors do certain



**BIOSECURITY TRIAL:** Vinehealth Australia chief Inca Pearce, right, with Henschke Cellars viticulturist Prue Henschke, whose vineyard was part of the pilot project. Picture: SUPPLIED

jobs in vineyards, so they go on various properties quite regularly."

Wroton Grange manager Ben Zandar said the pilot program reinforced how often winery representatives or contractors came on to his Barossa Valley vineyard without his knowledge.

Geofencing could help us respond to pest and disease incidents

Ms Pearce said Vinehealth Australia wanted to implement a geofencing system to better manage biosecurity within the industry, but would need industry and government support.

"The biosecurity landscape is constantly evolving, with trends in trade,

tourism, climate change and business ownership increasing the extent and nature of biosecurity risks," she said.

"We have the opportunity as an industry to engage with technology providers and drive how it can benefit us in enabling better biosecurity systems for our industry."

The pilot project was funded by the Department of Primary Industries and Regions SA, and Vinehealth Australia.

## Wine history can teach Australia lessons

RICHARD EVANS

AUSTRALIA cannot afford to ignore the lessons of the past if it is to move ahead as a global wine force, a conference in Adelaide heard last week.

Deloitte's Stephen Harvey warned the Winemakers' Federation of Australia industry briefing – a free event for wine leaders to discuss some of the issues and challenges facing

the wine community – not to fall into the trap of "thinking we are better than we are".

"The French got arrogant and lost it (temporarily)," he said.

The rise from about 2005 of New Zealand sauvignon blanc, which has become omnipresent in Australia, should be heeded, he said.

"We allow New Zealand to do to us what we did to France and England," Mr Harvey said.

Winemakers also need to keep an eye on external factors such as climate change and water supply.

And it shouldn't be forgotten that customers are always the people who buy wine, not the retailers – a fundamental mistake that has been made previously, Mr Harvey said.

He also stressed the importance of exchange rate awareness, which can have a huge

impact on businesses. "If the dollar goes through the roof then we have got to try and maintain the product at that price," he said.

Mr Harvey is a former chairman of Thoroughbred Racing SA and chairman of Deloitte's Australian Wine Industry Group, which oversaw the national wine survey in Australia for 10 years, making it a key industry tool.

## Sweden on menu for Donut King

RETAIL Food Group will expand its Donut King franchise to Sweden as part of its plan to break into Europe.

The Australian-listed cafe, bakery and fast food owner, which also operates businesses including Brumby's Bakery, Gloria Jeans and Pizza Capers, says the first Donut King store in Sweden is expected to open before Christmas.

RFG international operations chief executive Mike Gilbert said Scandinavia has been identified as a key growth market for the Donut King franchise. The company has joined forces with experienced master franchise partner in Sweden, BC Food & Beverage AB.

The doughnut retailer, which began in Sydney with one store in 1981, now has more than 300 stores across Australia, New Zealand, China, Papua New Guinea and Saudi Arabia.

RFG has a network of more than 2500 outlets across 12 brands, with around 800 of those stores located in what the company has labelled "high growth" overseas markets, including the US, Asia and the Middle East.

Shares in RFG closed 1.16 per cent higher at \$4.37.

## Getting the blend just right

A WHOPPING 70 per cent increase in nominations for a prestigious wine industry accolade reflects a vibrant and positive outlook for the sector, says an industry chief.

Wine Industry Suppliers Australia's Matthew Moate said the Wine Industry IMPACT Awards celebrate business excellence and innovation in improving the competitiveness and capability of the nation's grape and wine industry.

"Judged by industry experts, the awards are based on categories including grape growing, wine making, engineering, packaging, distribution and logistics, marketing and communications and tourism," Mr Moate said.

A new start-up category will recognise entrepreneurial and newly emerging ventures or micro businesses that have developed outstanding products, processes or services.

"The start-up award reflects the visionary and progressive nature of the grape and wine industry that supports 45,000 jobs, \$12.2 billion in output, and \$5.5 billion in value-add to the Australian economy," Mr Moate said.