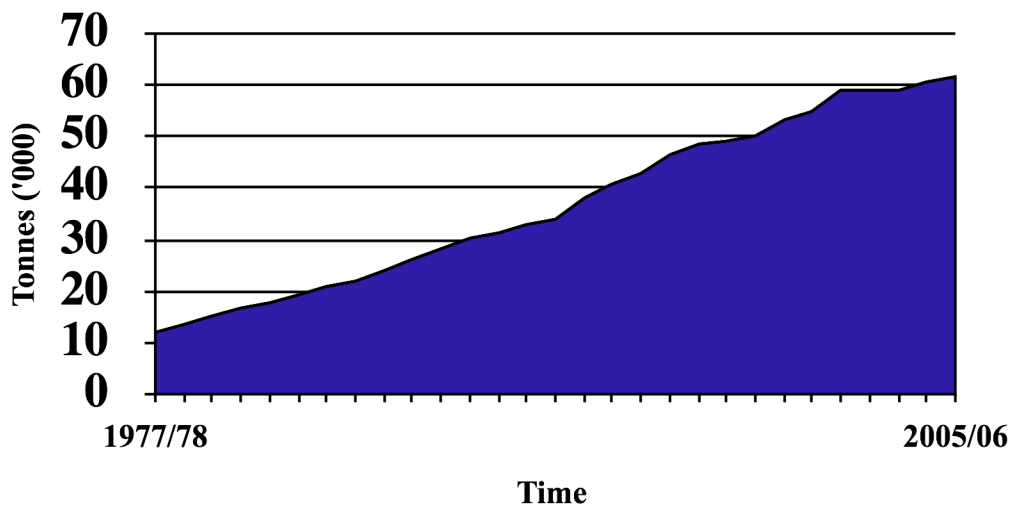


State of the Australian Mushroom Industry

(Source: AMGA - 2006 Statistics)

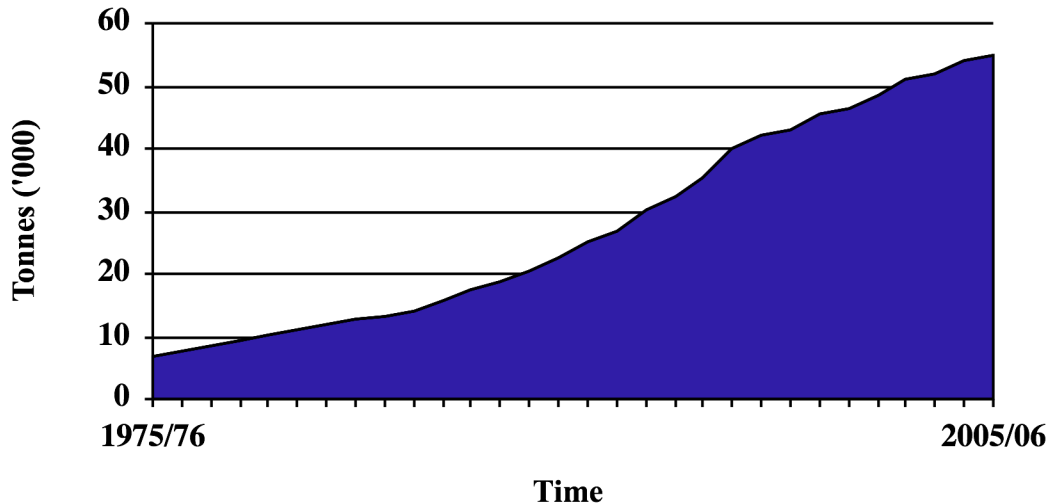
- Mushrooms are the second most valuable fresh vegetable crop in Australia, after potatoes. (Source: ABS). Most mushrooms produced in Australia are the common white mushrooms (*Agaricus bisporus*).

Total Mushroom Market (includes domestic production and imports)



- The total mushroom industry in Australia is made up of domestic and imported *Agaricus*, domestic and imported exotic mushrooms, dried and in-liquid value-added products. The total market is 61,620 tonnes with a farm gate value of \$250million; a GVP at first point of sale of \$295 million; a retail value of almost \$0.5 billion retail. Market growth was only 1.5% in 2005/06 due to a reduced level of canned *agaricus* mushroom imports.
- Industry expansion is likely to be from existing growers utilizing new technology and advanced management to achieve the increased production capacity and productivity. Because of the complexity and capital requirements of the business, new entrants are unlikely to contribute significantly to immediate growth.

Historical *Agaricus* Production



- The Australian mushroom industry is dominated by domestic *Agaricus* mushroom production. 2005-2006 annual *Agaricus* production was 55,480 tonnes valued at \$236 million at farm gate with a GVP of \$266 million. Growth was just under 3% for 2005/06.
- There are 92 commercial *Agaricus* growers in Australia. 3 companies produce +50% of production; and 15 companies produce 75% of production. The industry directly employs 4,000 people around Australia
- There is growing demand for exotic, nutraceutical and wild mushrooms (eg shiitake, oyster, straw etc). However, this niche market is very small (1000 tonnes p.a.) and will only grow slowly unless there is significant investment in promoting the segment to consumers. Over the next 5 years growth will be slow at about 1-2% with an estimated value of \$6-\$7million.
- About 98% of domestic production is eaten as fresh mushrooms, with only small quantities going to processing.
- Australian annual per capita mushroom consumption jumped from 0.6 kg in 1974 to 3.0 kg in 2005-2006. Australian *Agaricus* consumption of 2.69 kg/head is over double US levels, on par with several European countries but is way behind China at 10kg per head and Germany at 4g per head.
- Imports have fallen from approximately 50% of the market in the mid-1970's to 10% in 2005-06. The industry is continuing to replace fresh imports with domestic product but there appears to be significant opportunities for Australian's to develop value-added products using Australian mushrooms to compete with imported products if a level playing field can be established.
- 75% of fresh *Agaricus* domestic production is sold through retail outlets with 23% going to food service market and 2% going to processing.

Did You Know?

- ◆ 86% of Australian households buy mushrooms.
- ◆ 55% of them buy at least once per week.

- ◆ 38% of primary grocery shoppers always have mushrooms on their shopping list.
- ◆ The average purchase volume is 457 grams.
- ◆ 88% of consumers love mushrooms in a stir-fry.
- ◆ 83% of consumers love mushrooms in a salad.
- ◆ About half the child population either like or love mushrooms and over 90% of people over the age of 25 either like or love mushrooms.
- ◆ 74% of mushroom eaters would probably order a mushroom entrée in a restaurant.
- ◆ 98% of mushroom eaters believe mushrooms add something special to a dish.