

Vital Vegetables Commercialisation II

David Hughes
NZIPF

Project Number: VG09193

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Vitalvegetables™ Commercialisation II
– final report

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VG09193

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Project Purpose

The Vital Vegetables (VV) R&D project is a Trans-Tasman collaboration between HAL, Plant & Food Research, DPIV, and Horticulture NZ to develop fresh, functional and flavoursome vegetables with known health benefits. Research & development by the VV project is generating an exciting range of products for launch in Australia and New Zealand, export to Asia and potential licensing into the USA.

In order for these products to be successfully adopted by the Australasian industry, a number of additional activities are required. These include:

- Use of industry best practice 'phase/gate' techniques to ensure that VV products meet the needs of the full value chain.
- A refinement of the documentation supporting technology transfer, communication with industry partners and consumers to guide VV product development and commercialisation activities.
- A review and enhancement of the key technology transfer mechanisms (production and supply chain protocols, legal agreements and licensing agreements).
- The creation and dissemination of science collateral.
- Enhancement of royalty mechanisms.
- Completion and execution of the internationalisation strategies.

This project was established to deliver these outcomes and hence ensure that the Australasian industry benefits from the R&D investment.

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Vitalvegetables™ Commercialisation Final Report

Clients name Project Number: VG09193

Executive summary

The **Vitalvegetables™** project commenced in 2003 with the aim of developing fresh, functional and flavoursome vegetables with known health benefits. By 2009 the first product from the programme, **Booster™ Broccoli**, had been launched in Australia. After a promising start, sales failed to grow and the product was withdrawn from the marketplace. With a further range of products in the pipeline, it was deemed to be important to understand the steps that could be taken to ensure effective technology transfer in the future and hence commercial success for products created by the Vital Vegetables programme for the Australasian vegetable industry.

Key features of the approach to product development management and technology transfer/commercialisation were reviewed in detail. The review identified, and led to the implementation of, the following improvements:

1. Adoption of a phase/gate process to manage product development

The so-called 'phase/gate' process is widely used in commercial R&D to manage product development projects. The Vital Vegetables programme engaged a subject matter expert to assist the project team in implementing this approach. The new approach has improved integration between the researchers and industry partners and reduced the risk of late stage development failures.

2. Risk reduction for industry partners and automated workflow to support commercialisation

While the phase/gate process has delivered improvements in the development process, improvements were also needed in the technology transfer or commercialisation mechanism. The most significant change was to create a means by which the industry partners can gain ownership of the **Vitalvegetable™** brand in order to reduce the risk of investing in the brand. In addition, control of the **Vitalvegetables™** website was passed back to the research partners, and a new automated workflow was scoped in order to ensure that only approved and science-based nutritional claims are made about **Vitalvegetables™** products

3. Development of a process to provide pipeline of 'science stories' to support adoption

The experience with **Booster™ Broccoli** demonstrated the importance of follow-on science after product launch. A process was developed to create a pipeline of monthly 'new news' around the Vital Vegetable programme

4. Expanding the offering for the roll out in the USA while placing the expansion into Asia on hold

The original internationalisation plan for **Vitalvegetables™** envisaged a launch in the USA based on production in the USA and test marketing in Asia of products exported from Australasia. Good progress has been made in the USA with a number of the largest grower/marketers trialling plants of the most advanced **Vitalvegetables™**

products. Roll out to Asia has been placed on hold until Booster™ Broccoli and other products have been successfully relaunched in Australasia.

A key feature of this review of product development management and technology transfer/commercialisation activities was the use of non science industry experts. In future HAL RS&T development projects we recommend that this review process is budgeted for and integrated into project design and operations.

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1 Introduction

The **Vitalvegetables™** project commenced in 2003 with the aim of developing fresh, functional and flavoursome vegetables with known health benefits. In 2009 the first product from the programme, **Booster™ Broccoli** was launched in Australia. After a promising start, sales failed to grow and the product was withdrawn from the marketplace. With a further range of products in the pipeline, it was deemed to be important to understand the steps that could be taken to ensure effective technology transfer in the future and hence commercial success for products arising from the Vital Vegetables programme targeting the Australasian vegetable industry.

A post launch review was conducted that identified a number of areas where improvements were possible. This project was established to review each of the areas of potential and implement the required changes.

2 Method and activities

2.1 Use of a phase/gate process

When the Vital Vegetables programme was established in 2003 it was structured around a number of major workstreams that covered each of the key scientific areas being explored. While this structure worked well in the early, more research-orientated, stage of the programme it proved to be cumbersome as products moved into the development phase. In particular:

- Input was needed from all of the workstreams to complete product development.
- The work was often inter-related so co-ordination became increasingly challenging in the more time-pressured environment of the development stage of products.
- Input was required from a number of industry players for each of the workstreams, creating numerous overlapping and at times duplicated communication pathways.

To resolve these issues the structure of the work changed so that cross functional teams focused on the development of a specific product. In addition, a best practice phase/gate management process was adopted to manage the resulting portfolio of product-based project teams. We branded this process the **Vitalvegetables™ Ideal to Launch Process (ItL)**. The design and implementation of the ItL was supported by Robyn Cotton, an industry expert in this field.

The ItL has been designed to support the commercialisation of all new product ideas generated by the **Vitalvegetables™** research partnership. The purpose of ItL is to provide a transparent system that guides and facilitates rapid and successful development and commercialisation of new product ideas. A user guide clearly defines the process, and templates (e.g. business case template, pre-concept template) and tools (e.g. risk analysis, cost benefit analysis, integrated product development, project planning tool, PESTE analysis) ensure objective decision making, allowing a consistent strategic approach as well as streamlined execution and transparency for all stakeholders.

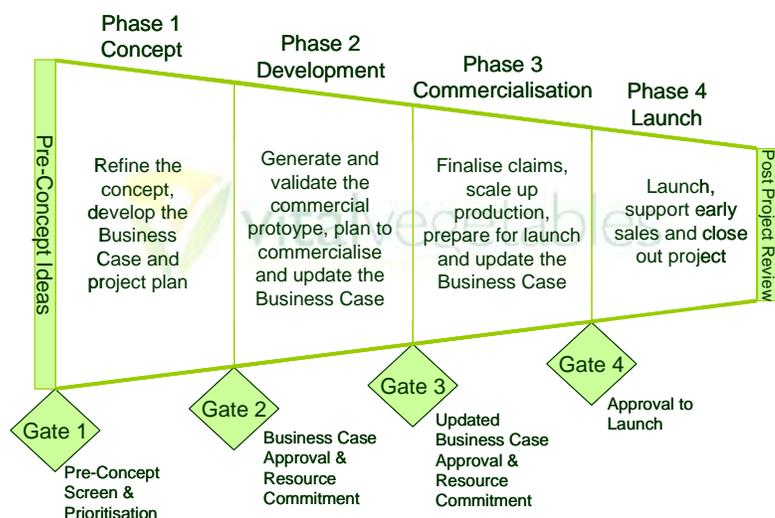
The ItL process provides a consumer and marketing focus to product development. It also ensures commercial activities, logistics, and production and postharvest activities are integrated into the process. ItL enables the core team ask the appropriate questions at the appropriate time, captures the core knowledge that is generated from the research programme and delivers

products with consistent composition and quality that have acceptable or enhanced flavour and optimum shelf life/freshness. Key members of the project teams have been provided with tools and training to identify an opportunity, clearly define the product, and identify and evaluate risks associated with the products in order to increase the chances of success. The outcome is the development of viable, fit-for-purpose commercial prototypes that justify the commitment of resources.

Each core project team is comprised of researchers and industry representatives. The project is sponsored by a member of the **Vitalvegetables™** Operations Team (senior staff from each of the research organisations involved), and critical decisions are taken by gate keepers who are executives representing the research organisations and industry partners and who have the knowledge, experience and authority required to make sound gate decisions through their understanding of the strategic goals and overall research and commercialisation portfolio.

In addition, we established the role of a **Process Sponsor** who is accountable for the ItL process, identifying and monitoring process metrics and achieving targets. The Process Sponsor ensures that the necessary training and support are provided, and that organisational learning results in continuous improvement. The Project Sponsor (a member of the Operations Team) appoints gate keepers, a Project Leader and the core team, ensures the project is appropriately funded and resourced, and delegates authority to the Project Leader to act within the project terms of reference. The Project Sponsor may work across multiple projects and provides consistency in the application of ItL. The Project Leader delivers the project's commercial outcome according to the approved business case and leads, manages and motivates the core team. The core team is accountable for delivering all of the activities delegated to them by the Project Leader, according to the project schedule and within budget. The project gate keepers are primarily responsible for making quality gate decisions (e.g. Go, Kill, Redo, Hold, conditional Go) and prioritising projects in the best interests of the partners.

We elected to use a 4-stage process as shown below:



A more detailed description of this innovation management process is provided in Attachment 1 to this report.

2.2 Review of technology transfer mechanisms

While the adoption of the phase/gate approach has ensured that the products developed by the researchers are better suited to both consumers and industry partners, the commercialisation of these products will only succeed if effective technology transfer mechanisms are in place. In order to review the effectiveness of the current mechanisms we engaged the services of Mike Slater who has over 30 years' experience in the food industry, many of which were spent in senior management roles with a responsibility for the commercialisation of new food products.

Mike conducted a detailed review that included interviews with key industry partners and assessments of the technology transfer documents such as legal agreements, production and supply chain protocols, brand manuals documentation and websites.

This review found scope to improve the following two key areas:

1. **Adjustment of the risk reward balance**

For industry to adopt a new innovation they must believe that there is an acceptable risk/reward balance. In the case of **Vitalvegetables™** the rewards consisted of attractive improvements to revenues and margin. Our experience with **Booster™** Broccoli suggested that there was adequate profitability to reward all players in the value chain. The issue identified was in the area of risk. In the initial proposal the industry partners licensed the **Vitalvegetables™** brand VVIP Ltd. Under this model the industry partners could lose access to the brand if they failed to meet the requirements of the licence agreement. This would put at risk any funds they had invested to establish the brand. A new alternative model was proposed where ownership of the brand would transfer to the industry partners when certain revenue targets had been achieved. On this basis the industry partners could invest in building a brand that they would eventually own. A comparison of these models is provided in attachment 2 of this report.

2. **Workflow processes for agreeing how science will be communicated**

Positive health outcomes are a critical component of the value proposition of the **Vitalvegetables™** brand. For these benefits to be credible, they must be based on sound science and well communicated. The process of converting science into communications spans both the research partners and the marketing partners. A misstep in the process could result in communications that are either not supported by the science or outside what is allowed by the regulations.

The review found room for improvement in both the mechanisms used to pass and approve information between the researchers and the marketers as well as the need to clarify roles and responsibilities. To capture these opportunities:

- The research partners will take over the **Vitalvegetable™** web presence (currently this is managed by the marketing partners).
- The website will be enhanced to include an electronic workflow so that there is a robust process for the sign-off of health claims and related marketing collateral.

- The Brand Manual has been updated to reflect the new set of roles and responsibilities.

The above changes were discussed and agreed with the marketing partners.

2.3 Creating and communicating science collateral

While effective mechanisms for technology transfer are critical to ensuring that science results are understood by consumers and result in product purchases, it is also vital that a steady stream of 'new news' is fed into these approval processes. One of the shortcomings identified in the post launch review of Booster™ Broccoli was a lack of ongoing PR activity. At the time of the launch a very high level of PR activity was achieved. The science results from the programme were communicated both on TV and in the print media, but after product launch the PR activity fell off rapidly. In future launches this can't be allowed to happen.

In conjunction with the marketing partners, we agreed that a systematic communication programme was required and this would require that a **Vitalvegetables™**-related story was released every month. The research partners have developed a process by which the communications departments of each organisations work together to identify related science stories and slot them into a monthly schedule. The stories can originate from the research programme or from an ongoing scan of the wider science of vegetables and health and wellness. This mechanism will not be activated until the proposed relaunch in 2011. A draft media plan outlining how this will be achieved is provided in attachment 3.

2.4 Reviewing the royalty mechanism

While originally envisaged as a standalone activity, a review of royalty mechanisms was effectively achieved by a combination of the implementation of the phase/gate process and the adjustment of the risk/reward balance for the industry partners. The phase/gate process improved the quality of financial forecasts while the change in commercialisation terms with the industry partners provided a better alignment of drivers, thereby ensuring that commercialisation actually took place.

2.5 Internationalisation strategies

Prior to the withdrawal of Booster™ Broccoli, an internationalisation strategy had been agreed with the industry partners and with the **Vitalvegetables™** Governance Group. This involved expansion into the USA by licensing the technology to USA growers/marketers and, in parallel, launching into test markets in Asia (Singapore and Taiwan) using Australasia as the production base. The rationale for this strategy was that:

- The US market provided a substantial royalty opportunity and if successful, commercialisation in the US would effectively fund the ongoing operation of VitalVegetables. This in turn would allow the Australasian industry to enjoy the benefits of the program without the need to continue funding the R&D
- Asia would also provide royalty revenues but more importantly would provide new export opportunities

The Booster™ experience caused a reconsideration of this strategy. One of the key lessons from the Booster™ launch is that **Vitalvegetables™** is more likely to succeed as a basket of

products rather than a single vegetable product. The US strategy was amended to allow the simultaneous launch of multiple products. This strategy is currently being executed. A number of the USA's largest grower/marketers have responded to an expression of interest process and are currently trialling plantings of **Vitalvegetable™** tomatoes, broccoli, and capsicums. A launch is currently forecast for late 2012 or early 2013 ie most likely after a relaunch in Australia.

In contrast, the expansion into Asia has been put on hold as it relies on export from Australasia. It will be restarted once a successful launch has been achieved in Australasia.

3 Evaluation and implications

3.1 Use of a phase/gate process

The adoption of the phase/gate process has been extremely successful. It has provided greater clarity around the key issues confronting both the science and commercialisation of each crop.

Initially there was some resistance from both the science teams and the industry partners around this new approach. The science teams were quite confident when dealing with science questions but became less comfortable when asked to take a lead in working with the marketing partners to identify and document the commercial issues that will determine the ultimate impact of their work.

The industry partners were also concerned about the level of commercial information that needed to be provided to the crop teams in order for them to develop a new product effectively. They were much more comfortable with the more arms-length relationship that they typically retain with their seed supplier.

Fortunately, both parties altered their views and came to recognise that for effective product development to occur, a much closer relationship was required. This in part was assisted by a product development failure. A line of tomato was selected based upon their nutritional superiority. They were tested by the scientists in research glasshouses but failed when tested in commercial glasshouses because they both took too long to come to fruit and also because they provided inferior yields. Until this failure, the scientists had not agreed on yield targets with the industry partners and so this parameter was not being used as a screening criterion in early stage work. Now, with the new phase/gate process such criteria will be agreed up front, reducing the risk of 'late failures' in the development process.

The full migration to the new phase/gate process is still underway at the time of writing. As existing projects are migrated, the science teams are confronted with difficult questions that demand answers. While not all questions can be answered immediately, as one scientist put it, "at least we now know where the gaps are. Before we would continue in blissful ignorance".

A key feature of the approach used to develop **Vitalvegetables™** version of the phase/gate process, was the use of an external industry expert. This expert worked with an internal team to take food industry best practice and apply it to this particular development programme. The use of an expert resource not only shortened the time needed to complete the development but also ensured that learnings from other organisations were incorporated into the **Vitalvegetables™** process.

3.2 Review of technology transfer mechanisms

The ultimate proof the changes made to the technology transfer mechanisms will only be seen when the **Vitalvegetables™** product range is relaunched, but based on the feedback received from the industry partners, we believe that the changes we have introduced will make a significant improvement.

Again a key feature of the approach taken was the use of subject matter experts. As mentioned above, **Vitalvegetables™** engaged an experienced industry executive with a long track record in bringing new technology to market to lead this work area. In addition to using his own

experience,,he consulted with a number of other industry specialists. This ensured that a sound and credible proposal was developed before discussion was initiated with our industry partners.

3.3 Creating and communicating science collateral

Like the transfer mechanisms mentioned above, the success of our new approach to collecting and disseminating science stories will only be tested after a product relaunch. We are confident that the approach will work as it was developed by a PR profession who currently is under contract to Plant & Food Research and who has extensive experience in product launches, initial public offerings IPOs and capital raising.

3.4 Internationalisation strategies

Substantial progress has been made towards the USA initiative, with mixed results. The test planting of tomato has resulted in very good quality products that have excited our potential USA marketing partner to the extent that they are willing to pay an option fee to retain an exclusive right to the crop and to fund Vitalvegetables™ market development activity. Capsicums also look promising, but have not developed to this point yet.

In contrast, the two marketing partners considering Booster™ Broccoli have reached a more ambivalent position. On the one hand, a test market by a competing product from Monsanto has lifted their enthusiasm – our partner recently commented, “if my biggest competitor has a product like this I had better have one to!” On the other hand, the initial test planting has not resulted in a product of acceptable standards, and new test plantings are underway.

Perhaps one area that could have been improved during this initiative is the level of communication between the USA partners and the Australasian crop science teams. We opted not to include the USA partners in the crop science teams until they had completed their test plantings and had signed up formally as licensees for the technology. In hindsight we should have developed an alternative mechanism for ensuring that they received the latest information from Australasia.

4 Recommendations

4.1 Expert advice

A key positive feature of this project was the value gained from experts who provided advice on areas outside the realms of science. The advice was obtained from subject matter experts with substantial professional experience in their respective fields. In our experience, input into non science areas is often under budgeted in RS&T projects and, as a consequence, are often covered through either informal discussions or through input from people with limited expertise. We recommend that, for future HAL projects:

- A review of the budget for non science activities is conducted by people with experience in commercialisation before the budget is finalised.
- That, where possible, the budget is used to obtain the best possible input from experienced industry experts.

The vitalvegetables program will need to continue to seek expert advice on a range of commercialisation issues. It is recommended that executive management work collectively to identify the relevant expertise and the potential funding sources for this advice. Where funding can't be arranged via the existing providers (DPI or P&F) then a request should be taken to the Governance Group.

4.2 Phase/gate processes

Phase/gate processes are widely used in commercial R&D activities but less often used by public research organisations. We recommend that phase/gate processes are employed in projects aimed at commercialising a series of products. In particular, we strongly urge project managers to adopt the phase/gate process when multiple organisations are involved and where development timelines are long.

While the implementation steps taken to date by the vitalvegetables programme have been successful, it is recommended that full training schedule is completed and that regular reviews of the effectiveness of stage and gate controls be conducted. Operation of the stage and gate process should be a standard agenda item for the operations team meeting.

5 Attachments

5.1 Attachment 1



IDEA TO LAUNCH PROCESS

USER GUIDE

Version 0.5

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1 OVERVIEW SECTION

1.1 Idea to Launch Process Scope

This Idea to Launch Process has been designed to support the commercialisation of all new product ideas generated by the Vitalvegetables® research partnership.

Vitalvegetables® is a research partnership between Plant and Food Research New Zealand, the Department of Primary Industries Victoria, Horticulture Australia Limited and Horticulture New Zealand.

- ◆ All Vitalvegetables® products will provide a guaranteed level of phytonutrients, with specific health claims, above and beyond good nutrition (25% above or at a level that delivers an enhanced nutritional benefit) – through vegetables that are fresh and good to eat.
- ◆ Products developed within the Vitalvegetables® programme are to be exploited for the benefit of Australian and New Zealand growers in the first instance.
- ◆ A Vitalvegetables® project relates to a new product.
 - A new product project may have more than one market launch (eg. NZ and Australia).
 - A crop team may work on more than one new product projects (eg. green tomatoes and high Fe red tomatoes).
 - A new product project may involve more than one crop (eg. Mixed vege).

1.2 Purpose

The purpose of the Vitalvegetables® Idea to Launch Process is to provide a transparent process that guides and facilitates rapid and successful development and commercialisation of new product ideas.

The User Guide sets out to provide the following:

- ◆ Clearly defined process;
- ◆ Transparency for all stakeholders;
- ◆ Objective decision making;
- ◆ Consistent application;
- ◆ Streamlined execution;
- ◆ Alignment with currently recognised world “best practice”.

This User Guide should be used as a guide to help with product development. The lists of typical activities may be used by project leaders and teams as a checklist to ensure that nothing is overlooked that may delay the launch. Not all activities will be relevant in every project.

The tools are designed to be useful in generating the outputs.

1.3 Idea to Launch Process Critical Success Factors

The process has been developed with the following critical success factors in mind:

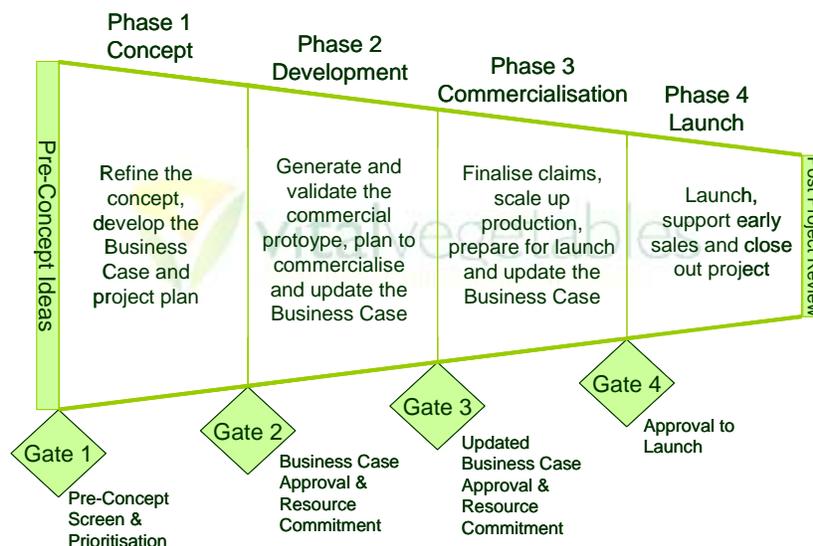
- ◆ Continued commitment of senior management, including involvement at critical decision points in the process;
- ◆ Widespread adoption of the process across the Vitalvegetables® partnerships;
- ◆ Quality decision making based on reliable and compelling information;
- ◆ Market driven, consumer focused development;
- ◆ Integrated planning and development through effective and competent cross-functional project teams;
- ◆ Use of skilled, competent project leaders trained in project management practices;
- ◆ Adequate resource allocation to projects and the optimal number of projects in the pipeline;
- ◆ Provision of on-going training & support for the Idea to Launch Process;
- ◆ Process metrics to evaluate the effectiveness of the Idea to Launch Process;
- ◆ Continued evolution of the process to meet the changing needs of the Vitalvegetables® partnership.

1.4 What is a Phase and Gate Process?

The Vitalvegetables® Idea to Launch Process is a phase and gate methodology that describes a framework that divides product development into discreet investment phases. A decision to commit to the required investment for the next phase is made at the gates between each phase.

The phase and gate process is based on the Stage-Gate® methodology developed by Robert Cooper, of McMasters University. This methodology is globally recognised as best practice for product development type projects and is based on numerous studies that have identified critical success factors through the correlation of common practices in high performing organisations.

The diagram below shows the phases and the gates in the Vitalvegetables® Idea to Launch Process.



1.5 Gates

A gate provides a critical decision point to manage business risk by pre-determining a time to stop, review and decide whether or not to release resources (people, equipment and funding) to work on the next phase. Formalising these decision points helps to minimise risk and to ensure focus for resources on high quality project opportunities.

The following criteria should be considered at a gate:

- ◆ Quality of work done
- ◆ Business rationale of the proposal
- ◆ Action plans
- ◆ Assumptions challenged.

Gates are structured with the following deliverables from the previous phase, gate decision criteria and outputs.

Inputs

- ◆ These are the OUTPUTS from the preceding phase.
- ◆ They include the Business Case containing information based on results of actions from the preceding phase(s) and the proposed actions.

Gate criteria

- ◆ These are the basis for the judgement to go/kill/modify and require all contributing partners to be satisfied with the proposal.

Outputs

- ◆ Consensus decision which has the following potential outcomes:
 - GO – commitment of resources enabling project to proceed through the next phase;
 - CONDITIONAL GO – commence next phase but continued work is conditional on an agreed condition being met in a given timeframe;
 - KILL – cease project work, review and archive the project;
 - MODIFY – redo outputs to improve quality, resolve an issue or fill in gaps;or
 - HOLD – project to Go but all work is delayed until it is given the green light, usually when waiting for resources to become available.
- ◆ An approved work plan for the next phase leading to the next gate.
- ◆ Project prioritisation and the commitment of resources.

1.6 Gate Meeting Format

The following approach is used by Vitalvegetables® for gate meetings:

Pre-meeting

- ◆ Gate meetings will be scheduled in advance. Gate keeper meetings are attached to the monthly operations team meetings and a rolling calendar of gate meetings will be maintained by the Idea to Launch Process Sponsor. Project Leaders must confirm gate meetings with the Process Sponsor.

- ◆ Attendance at gate meetings will be treated as a priority.
- ◆ Gate inputs will be pre-circulated for gate keepers to read.

Gate Keeper meeting format

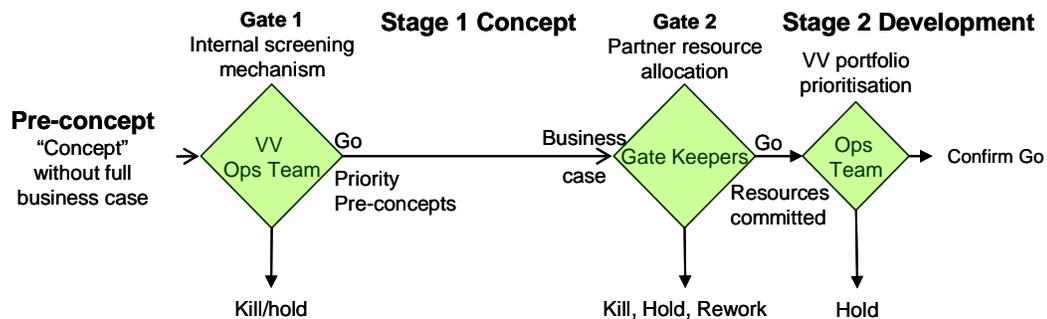
- ◆ Gate meetings are formal meetings and require a Chair. Maybe via video-conference;
- ◆ Project Leader presents key points (10 minutes);
- ◆ Question and answer time (30 minutes);
- ◆ Gate keepers appraise proposal and make gate decision (20 minutes);
- ◆ If a GO, gate keepers confirm allocation of resources to the project or advise any resource issues, thereby placing the project on hold;
- ◆ Generally 1 hour duration.

Post-Meeting

- ◆ Chair circulates minutes to Gate Keepers, Project Leader and core team.
- ◆ Project Leader will communicate the gate decision to stakeholders:
 - If “Go” decision, then project should proceed with priority;
 - If “Kill” decision, team should close out project and archive docs;
 - If “Redo” decision, Project Leader oversees changes and re-schedules a gate meeting;
 - If Hold” decision, no further work is done until it gets a green light from gate keepers;
 - Any conditional decisions must be followed up in the appropriate way;
- ◆ Avoid re-litigation!

1.7 Project Prioritisation

Projects are initially prioritised by the Vitalvegetables® Operations Team as part of the Gate 1 decision, as shown in the following diagram:



Given that there is likely to be more ideas than resources to undertake projects, it is likely that there will be a queue of pre-concepts on hold, waiting to enter the pipeline. These pre-concepts will become active according to their ranking and as appropriate resources become available.

Gate keepers perform a “mini prioritisation” step at each subsequent gate meeting when asked to confirm they have the appropriate resources available to carry out the next stage in the required time period. Resource requirements will be highlighted in the Business Cases.

The project priorities in the Vitalvegetables® portfolio will be reviewed and confirmed by the Operations Team at their Quarterly meetings, based on resource availability across the portfolio. This step may involve use of the scorecard to provide a means of ranking the projects.

1.8 Metrics

Specific metrics still to be identified.

Implementation of a suite of metrics will help drive performance. These can be developed under three headings and should drive improved performance in both key performance areas and in specific areas identified for improvement.

- ◆ Portfolio health and balance
- ◆ Idea to Launch Process effectiveness
- ◆ Project and team effectiveness

1.9 Idea to Launch Process Meetings and Reporting

Monthly

- ◆ Monthly traffic light update
 - Project teams confirm the current status of their project
 - If the projects are “yellow” or “red” then the leader provides a short (a few lines only) update where the key risks lie.

Quarterly

- ◆ Quarterly Performance Reporting from each of the Project Leaders.
 - Project progress reporting, including:
R&D findings for each aspect of work plan; reports and publications;
potential IP and freedom to operate issues; significant interactions with marketing partners and germplasm partners; brief update on commercial work; resource requirements for the next quarter for the project.
 - Required June, September, December, March each year
 - Individual project reports should be circulated to specific genetics partners and market partners as appropriate.
 - Collated and submitted to the Operations Team for briefing the Governance Board and Horticulture Australia.
- ◆ Vitalvegetables® Quarterly Portfolio Meetings – June, September, December
 - The objective for these meetings is to review the status of all projects and their respective priorities.
 - Quarterly following the quarterly reporting.
 - Involve all of the Product Team Leaders (Crop Team Leaders) and the Operations Team.
 - Formal meeting style with minutes and actions to be followed up.

- ◆ Operations Team Quarterly Meetings – June, September, December
 - In addition to operational matters, the Operations Team reviews and confirms the portfolio priorities, taking into account any resource issues.

Annual

- ◆ **Vitalvegetables®** Annual Portfolio Review – March, following a negotiation period with the Market Partners.
 - Involves the **Vitalvegetables®** Operations Team;
 - Research Plan is reassessed for continued relevance;
 - Review portfolio outcomes against strategic goals; the spread and status of projects, projected launch plans and projected revenue;
 - Portfolio investment splits versus desired investment splits;
 - Report on achievement of metrics and reconfirm relevance and targets;
 - Review projects, re-confirm priorities and resource allocation;
 - Corrective actions for portfolio management.
- ◆ Annual Reporting – March 31st, following the Annual Portfolio Review.
 - *Updated* Research Plan, to be agreed with partners;
 - Portfolio overview, current status, projected launch plans and projected revenue;
 - Portfolio investment splits versus desired investment splits;
 - Metrics;
 - Project progress reporting.

Annual Research Plan needs to be tied into the Partner’s planning process.

As required

- ◆ Individual research reports are generated for the Marketing Partners as required.
 - e.g. “NZ-grown ACE capsicum trial results for 2010-2011 season”.
- ◆ Gate meetings attached to the monthly Operations Team meetings as per the rolling annual schedule (refer to section 1.5-1.6 above).

2 Vitalvegetables® Partnership

Refer to Appendix 7 for partner roles and responsibilities.

2.1 Vitalvegetables® Program Key Success Factors

2.1.1 Product Programme

- ◆ Broader/more extensive range:
 - Improved visibility at point of sale
 - More purchase options
 - Achieve critical mass
 - Improved speed to market.

- ◆ Volume potential:
 - Target popular/large selling products
 - Extend formats – eg fresh, chilled mixes, frozen combos/medleys, juices

2.1.2 Marketing Programme

- ◆ Marketing programme and support level:
 - Establish differentiation from regular vegetables – communication, packaging
 - Level to generate both trial and repeat purchase
 - Understand premium consumers prepared to pay and justification to do so.

2.1.3 Operational Structure

- ◆ Equitable sharing of risk and reward.
- ◆ Sufficient funding to cover start-up – potential for “shared” resources.

2.1.4 Commitment from all Partners

- ◆ Acceptance of commercial principles, structure and of roles and responsibilities.

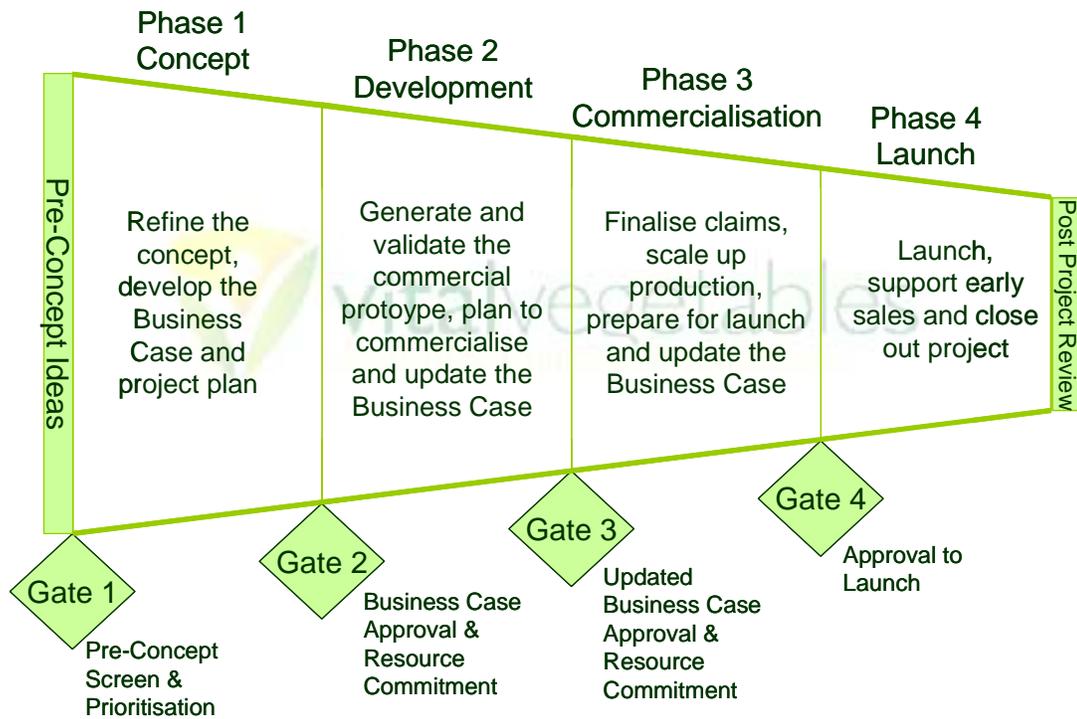
2.2 Commercial Principles

- ◆ Parties that licence, invest and build equity in the Vitalvegetables® brand in a territory have the opportunity to realise that investment through an in perpetuity right to transfer the licence through sale in that territory – alignment of risk and reward.

- ◆ Protection of IP, trademarks, brand value etc. will be best achieved through a licencing model that sets out commercial guidelines and provides the require standards, testing, approval and monitoring protocols.

3 Idea to Launch Process

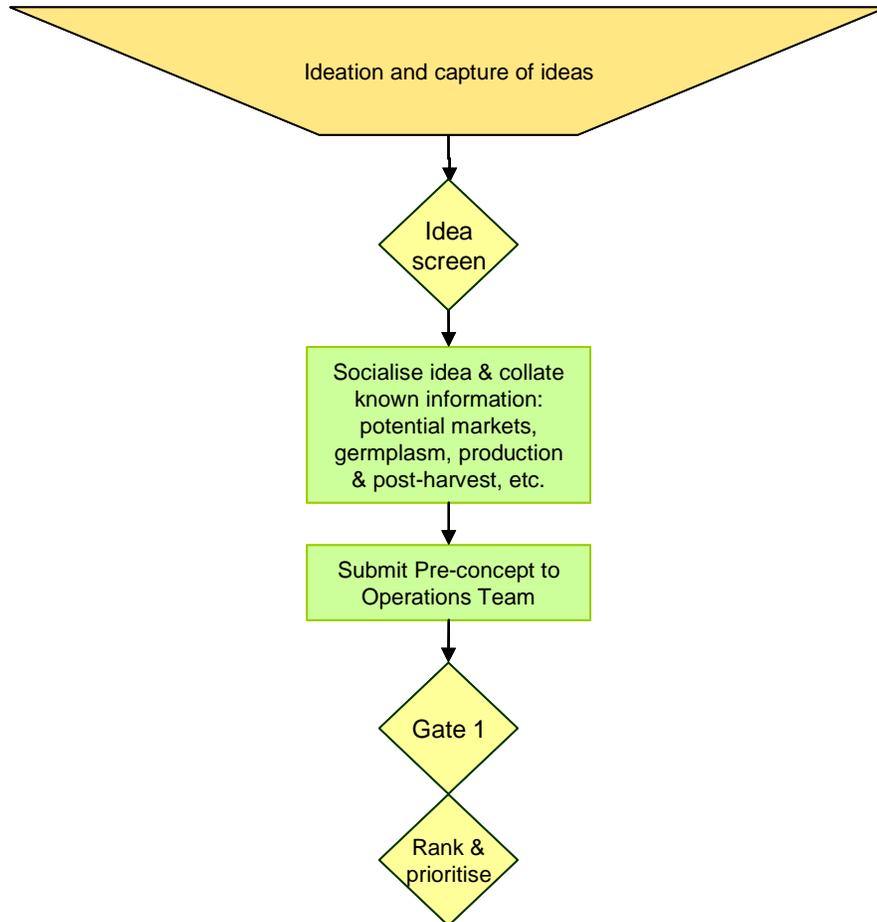
The following diagram summarises the Vitalvegetables® Idea to Launch process.



Each phase will be discussed in detail in the following sections.

3.1 Pre-concept Phase

3.1.1 Flowchart



3.1.2 Purpose

To generate pre-concepts from feasible ideas and to screen them for potential new product opportunities at Gate 1, thereby selecting pre-concepts worthy of the time investment needed to generate their robust business case.

3.1.3 Definitions

Idea is defined as a raw or undeveloped idea that has not had any rigour or knowledge applied to it. It may be described fully in a short paragraph.

Pre-concept is an idea that has been structured with basic and existing knowledge applied to it so that it takes on greater dimensions to better demonstrate the potential opportunity. It may be described on one page.

3.1.4 Ideation

- ◆ Ideas may come from a variety of sources, including Vitalvegetables® Operations Team, Product (or Crop) Teams, other staff or any of the partner organisations.

- ◆ Ideas are often identified through researcher-researcher or researcher-marketer discussions.
- ◆ Ideation sessions are held annually where ideas are formally sought and screened.
- ◆ Ideas are subjectively screened using the collective wisdom of the Operations Team under the following criteria:
 - Fit with Vitalvegetables® strategy?
 - Is there a market need?
 - Potential size of opportunity?
 - Technical & production feasibility?
 - Commercial feasibility?

3.1.5 Reporting of Pre-concepts

- ◆ For each potential opportunity, minimal information is sought to enable a Gate 1 decision and prioritisation or ranking of pre-concepts. This information should be obtained through socialisation of the idea amongst the partners and be based on existing knowledge. At this early stage, it is accepted that it will not be robust information and many assumptions will be made.
- ◆ Refer to Appendix 1 for the Pre-concept Template.
- ◆ Pre-concepts are listed in the Quarterly Reports.
- ◆ Generally, pre-concepts are gated and prioritised annually at the Annual Portfolio Meeting and reviewed quarterly at the Quarterly Portfolio Meetings.

3.1.6 Gate 1

Gate 1 is a soft screen that provides decision criteria for determining which pre-concepts merit the commitment of the resource to develop the Business Case in the next phase. This judgement decision is based on minimal information at this early stage:

Screening Criteria

The pre-concepts are screened and prioritised based on:

- Vitalvegetables® strategic fit
 - Strategic leverage
(How this leverages off the rest of portfolio, skill sets, strengths, resources, partner)
 - Market attractiveness (Channels and size)
 - Product advantage / impact
(Health benefit, credibility to consumer, competing products, differentiation)
 - Technical and commercial feasibility
 - Potential financial reward (small, medium, high)
-
- ◆ Scores are recommended to enable ranking to reflect priority status. Refer to section 1.7 above.

Gate 1 Decision

- ◆ **Go** with commitment of resources to undertake the Concept Phase;
- ◆ **Hold** if the pre-concept is favourable but the resources are not available to progress it through the next phase;
- ◆ **Redo** if the idea warrants more initial information to make a decision;
- ◆ **File** if the pre-concept is killed or if it is on or ahead of its time.

Gate 2 Gatekeepers are identified at Gate 1.

3.1.7 Responsibility

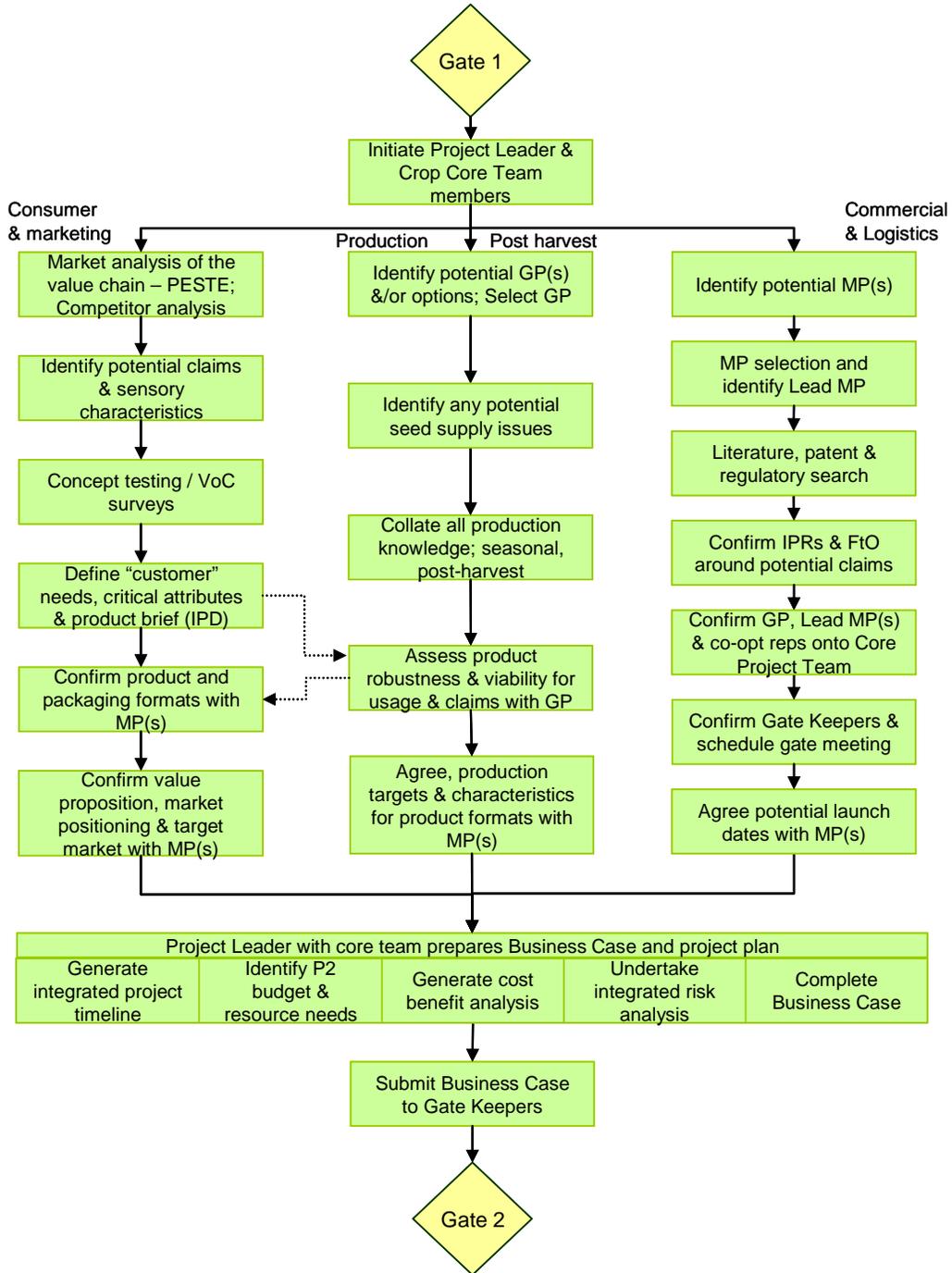
- ◆ The Concepts Team Leader, is responsible for ensuring the pipeline is rich in ideas and for collating and reporting on ideas and pre-concepts.
- ◆ The Operations Team are responsible for screening & prioritising the pre-concepts and determining the Gate Keepers for Gate 2.

3.1.8 Tools

- ◆ Pre-concept template, refer to Appendix 1.

3.2 Phase 1 Concept

3.2.1 Flowchart



3.2.2 Purpose

To shape the concept into a feasible project with a sound business case that supports further commitment of resources to the project in the next phase.

3.2.3 Inputs

- ◆ Screened pre-concepts approved at Gate 1.
- ◆ Research reports where appropriate.

3.2.4 Definitions

- ◆ **Project** is defined as a distinct collection of work to develop and commercialise a new or improved product.
 - A product team (formerly crop team) may work on just one project or a number of projects.
 - A project may include just one crop or a range of crops, if the new product is a combination product.
 - A project may cover several geographical product launches virtually simultaneously or be confined to one lead market subsequent roll-out projects being raised as follow-on projects after the launch. Roll-out product launches would normally be raised as separate projects and undergo an abbreviated process where phases 2 & 3 merge together and the business cases would build on the original project information. How a project is structured must always follow common sense.
 - The **project** is initiated in Phase 2.
- ◆ **“Customer”**, for the purposes undertaking integrated product definition to design the product brief, is defined as all customers along the value chain to, and including, the consumer. Any requirements placed on the product by any of these “customers” are valid and need to be understood during the design process.

3.2.5 Typical Activities

Initiate project

- ◆ Appoint the Project Sponsor.
- ◆ On behalf of the Operations Team, the Project Sponsor appoints the Gate Keepers. These are reconfirmed at Gate 2. The choice of gatekeepers will depend on whether there is 1 lead market (geographical launch) or more.
- ◆ The Project Sponsor should appoint and brief the Project Leader and core team members.
 - Initially the core team will likely be from the research partners, as at this early stage it is unlikely that the lead Genetic Partner and lead Market Partner will be known. Representatives from these partners should be co-opted onto the core team as soon as they are confirmed during this phase.
 - The core team will be re-confirmed at Gate 2, once the Business Case is agreed.

Consumer and marketing

- ◆ Understand the opportunity by conducting a market analysis of the value chain – from grower to consumer. *Recommend using the PESTE (Political, Environmental, Social, Technological and Economic) tool for the market analysis in Appendix 6.* Include a full competitor analysis.
- ◆ Identify potential claims and capture what you know about sensory characteristics.
- ◆ Qualitative testing of the concept with consumers to understand their receptiveness to the concept and any barriers to trial, needs and wants. Holistic concept testing may have been done for Vitalvegetables® and information may be available.
- ◆ Undertake integrated product definition. (*Reference the IPD tool in Appendix 3*).
 - Identify any known barriers to trial, the needs and wants along the value chain. These needs may include health, nutrition, experience, affordability, etc.
 - Determine the product attributes that will satisfy these needs and rank them for importance, taking competition into consideration. These attributes will include phytochemical, sensory and applications for use.
 - Develop the product brief, that is, a description of the new product and its intended attributes that will be critical for its success.
- ◆ Develop the potential claims based on the phytochemical database and the consumer benefit.
- ◆ Confirm the product format with the Market Partner(s). Are there other products in the mix?
- ◆ Confirm the packaging formats with Market Partner(s).
- ◆ Work with the Market Partner(s) to establish their level of interest in the concept.
- ◆ Establish the value proposition, market positioning and the target market and the Market Partner(s).

Production & Post harvest

- ◆ Identify potential options for the supply of the germplasm. Identify potential Genetic Partners, screen and select partner.
- ◆ Capture and collate what we know about production characteristics, seasonal variation and post-harvest performance from Genetic Partner.
- ◆ Assess product robustness and viability for likely applications, use and claims with Genetics Partner.
- ◆ Agree production targets and characteristics for product formats with the Market Partners.

Commercialisation and Logistics

- ◆ Conduct a literature search, a patent search and a regulatory search to understand what has been done and to identify any constraints or barriers to development.
- ◆ Confirm any intellectual property rights (IPRs) and freedom to operate (FtO) around germplasm material and potential claims.

- ◆ Confirm ability to develop with Genetic Partner.
- ◆ Explore regulatory compliance requirements and anticipate any issues or actions.
- ◆ Explore potential seed supply issues.
- ◆ Identify potential Market Partners. Where there is more than one potential partner, specify criteria for screening potential partners and select the preferred partner. Identify the Lead Partner of more than one.
- ◆ Confirm Genetic Partner(s) and Lead Market Partner(s). Invite representatives onto the core project team. Brief them on the project and on their role and responsibilities on the core project team.
- ◆ Confirm the gate keepers for gates 2 to 4.
- ◆ Schedule gate 2 meeting with gate keepers.
- ◆ Seek agreement from Market Partners for potential launch dates.

General Project Management

- ◆ Confirm the cross functional core project team and brief members on the project, advising of their specific responsibilities.
- ◆ Identify intellectual property rights and determine whether the intellectual property can be protected and develop a strategy to manage it.
- ◆ Define objectives and scope of proposal.
- ◆ Integrated risk analysis, identifying the potential risks, their criticality, response actions and responsibilities. (*Reference Integrated Risk Analysis Tool in Appendix 4*).
- ◆ Generate a holistic and integrated project plan, identifying a realistic launch date, and in particular, generate a detailed plan of activities for the next phase. (*A gantt chart tool such as MS Project is recommended and use of a “typical VV project” template is useful*).
- ◆ Assess skill and all resource requirements for next phase.
- ◆ Generate a cost benefit analysis for the new product. (*Reference the Cost Benefit Analysis spreadsheet in Appendix 5*).
- ◆ Estimate the project budget by phase.
- ◆ Complete the Business Case. (*Reference the Business Case Template in Appendix 1*). This should involve input from all the partners through the core team representatives.
- ◆ Schedule and prepare for the Gate 2 meeting.

3.2.6 Phase 1 Outputs

- ◆ Business Case
- ◆ Project plan

3.2.7 Gate 2 Decision

- ◆ Gate keepers are confirmed by the Project Sponsor prior to Gate 2, based on the nature of the Business Case.

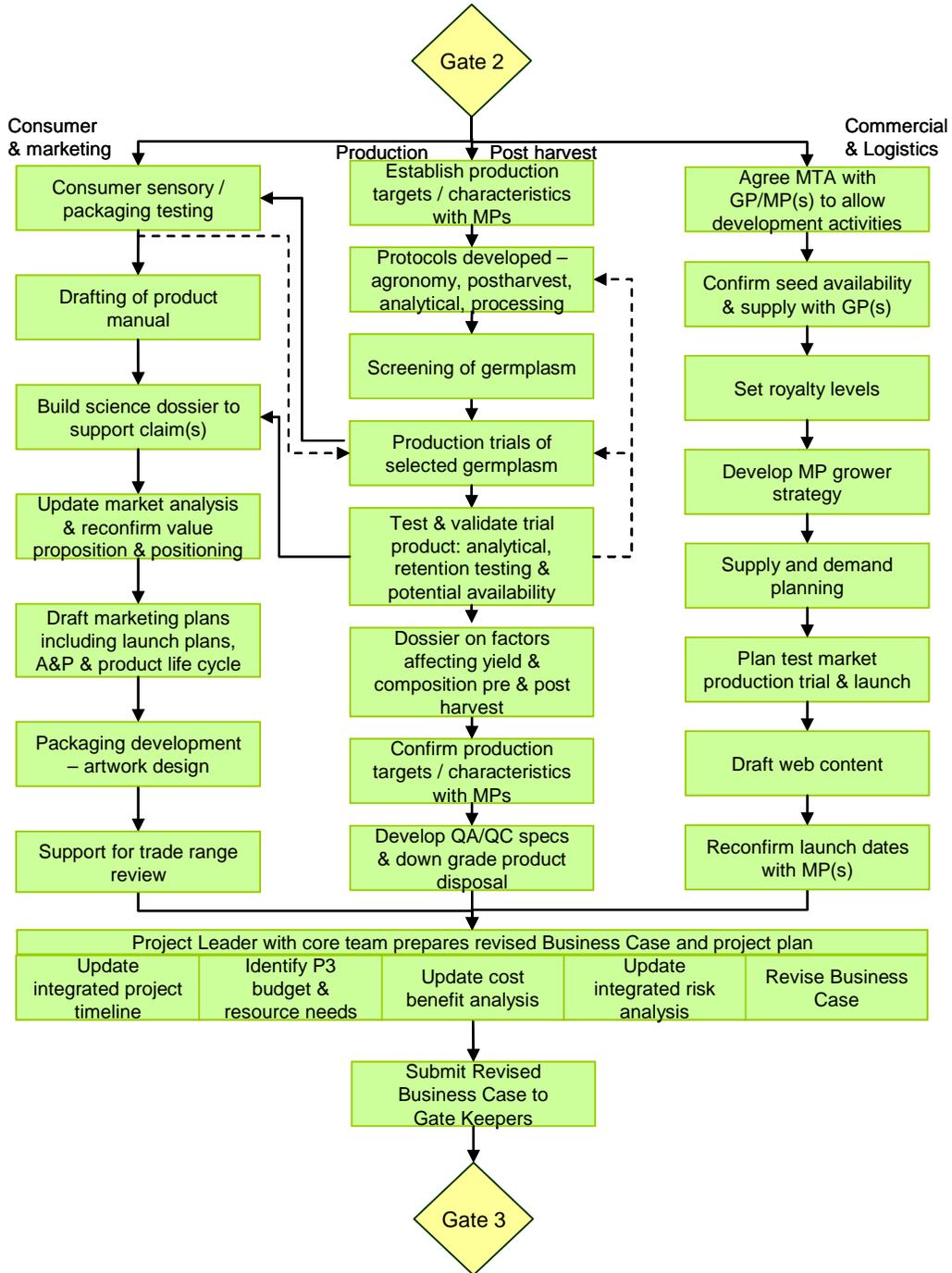
- ◆ Gate Keepers decide whether the project should:
GO, KILL, go back to Phase 2 and MODIFY outputs or be placed on HOLD.
- ◆ Gate keepers confirm the project team for phase 2, based on the Business Case.

3.2.8 Useful Tools

- ◆ Business Case Template, Appendix 1
- ◆ PESTE analysis, Appendix 6
- ◆ Integrated Product Definition tool, Appendix 3
- ◆ Integrated Risk Analysis tool, Appendix 4
- ◆ Cost Benefit Analysis spreadsheet, Appendix 5
- ◆ Project planning tool for generating timeline gantt charts eg. MSProject

3.3 Phase 2 Development

3.3.1 Flowchart



3.3.2 Purpose

To develop a viable prototype that justifies the commitment of significant resources to scale up production and prepare for the launch.

3.3.3 Inputs

- ◆ Approved Business Case at Gate 2.
- ◆ Approved project plan at Gate 2.

3.3.4 Typical Activities

Consumer and marketing

- ◆ Following production trials, conduct consumer sensory testing on trial product. Include pre and post trial level of interest and acceptance. Where relevant, test proposed packaging.
- ◆ Update integrated product definition with trial outcomes and ensure confidence that the product can meet the needs of the target market. (*Reference the IPD tool in Appendix 3*).
- ◆ Draft the product manual.
- ◆ Develop the potential claims and build a science dossier in support of the claim or message.
- ◆ Confirm branding or co-branding.
- ◆ Establish packaging formats.
- ◆ Update market analysis, reconfirming value proposition, market positioning and target markets.
- ◆ Draft marketing strategy and plans for launch and on-going sales and marketing. This will include plans for advertising and promotions and the product life cycle. It may also include a staged launch plan with market roll-outs.
- ◆ Refine the claims/messages with Market Partners. Seek expert feedback in support of claims/messages.
- ◆ Commence packaging development and initiate artwork design.
- ◆ Prepare for the trade range review with development of required support materials.

Production and post harvest

- ◆ Establish production targets and characteristics with Market Partners to enable protocol development. These will be confirmed later.
- ◆ Screen and select germplasm options. *Reference the Checklist of Germplasm Criteria in Appendix 2*.
- ◆ Develop protocols for:
 - Agronomy;
 - Post harvest, (including storage, handling and transportation);
 - Processing;
 - Analytical;
 - Retention testing and potential availability.

- ◆ Small scale production trials of selected germplasm to test and validate the trial product for:
 - Agronomy, post harvest and processing protocols;
 - Analytical;
 - Retention testing and potential availability.
- ◆ Multiple design, grow, test and validate cycles may be necessary to develop the feasible prototype for the Gate 3 decision.
- ◆ Collate a dossier of knowledge of factors that influence yield and composition both pre & post harvest.
- ◆ Confirm production targets and characteristics with the Market Partners.
- ◆ Develop quality assurance and quality control specifications and procedures for “disposal” of out-of-specification / down grade product.

Commercial and Logistics

- ◆ Agree MTA with the Market Partner(s) and Genetic Partner(s) to enable development activities.
- ◆ Confirm seed availability & supply.
- ◆ Set royalty levels.
- ◆ Develop Market Partner(s) grower strategy with respect to number of growers, incentives to replace crops, etc.
- ◆ Set up supply and demand planning.
- ◆ Action any steps to ensure regulatory compliance with respect to food authority;
- ◆ Plan test market if applicable:
 - Plan for small scale commercial production to meet test market demand;
 - Agree test market launch date with Market Partner;
 - Contract growers for test market;
 - Plan for test market launch and supporting communications material;
 - Trade sell for test market;
 - Plan for small commercial scale post harvest, processing, packaging, analysis and quality control, down grade procedures, storage and distribution.
- ◆ Draft Web content.
- ◆ Reconfirm potential commercial launch dates with Market Partners, including ranging dates for trade presentations.

General Project Management

Good practice project management should be applied consistently throughout the project with the Project Leader managing the core project team and maintaining good communication, dynamic planning, risk management and issue management.

- ◆ Schedule gate 3 meeting with gate keepers.

- ◆ Update the integrated risk analysis. (*Reference the Integrated Risk Analysis Tool in Appendix 4*).

- ◆ Update the project plan and plan detailed activities for next phase. (*A gantt chart tool such as MS Project is recommended*).
- ◆ Assess skill and all resource requirements for next phase.
- ◆ Estimate budget for next phase.
- ◆ Update the cost benefit analysis for the new product. (*Reference the Cost Benefit Analysis spreadsheet in Appendix 5*).
- ◆ Revise the Business Case. (*Reference the Business Case Template in Appendix 1*).

3.3.5 Phase 2 Outputs

- ◆ Approved product prototype ready for scale up production with draft product claims or messages.
- ◆ Draft product manual.
- ◆ Revised Business Case
- ◆ Updated integrated project plan

3.3.6 Gate 3 Decision

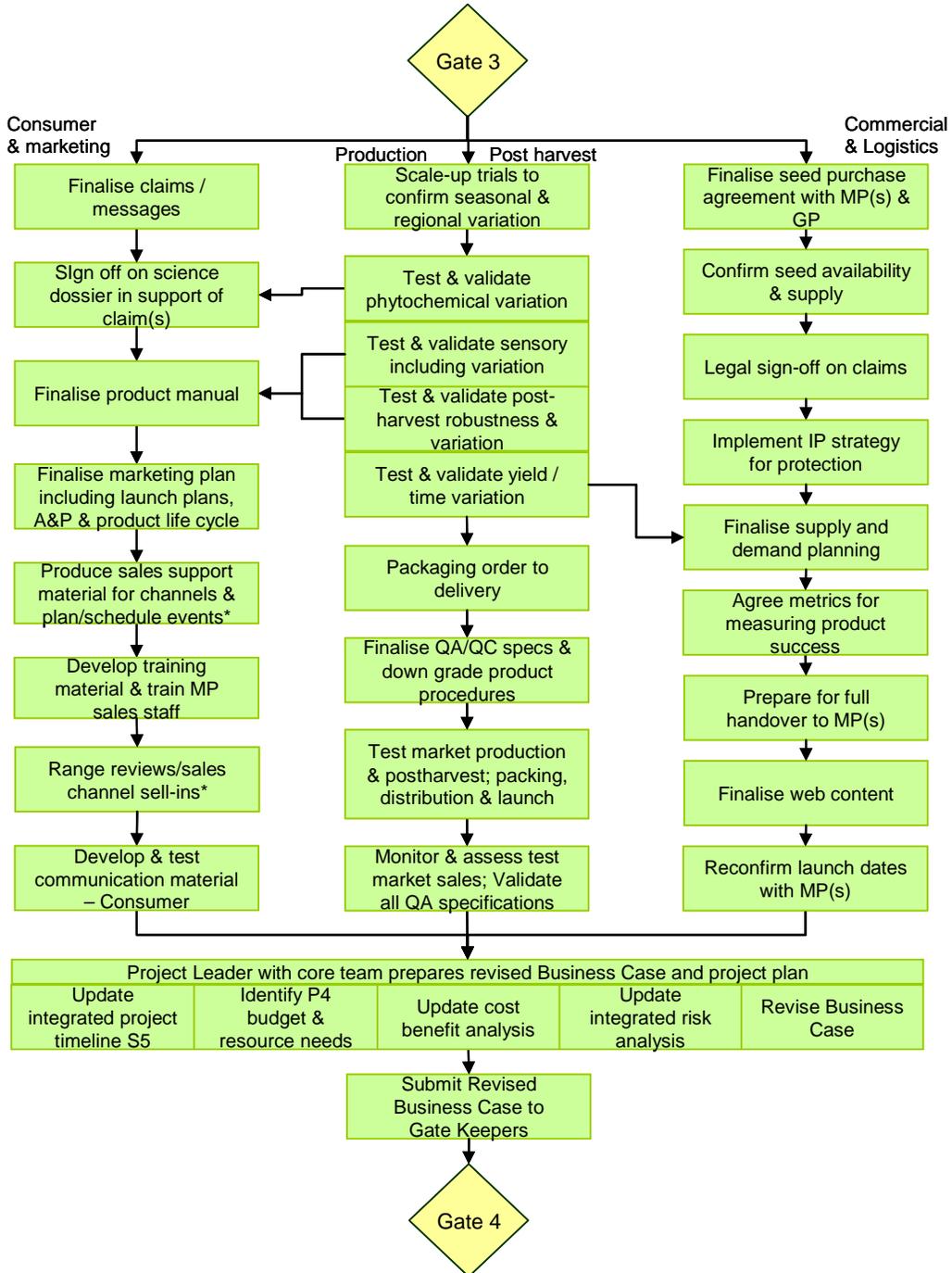
- ◆ Gate Keepers decide whether the project should:
GO, KILL, go back to Phase 2 and MODIFY outputs or be placed on HOLD.

3.3.7 Useful Tools

- ◆ Checklist for Germplasm Criteria Appendix 2
- ◆ Business Case Template Appendix 1
- ◆ Integrated Product Definition tool, Appendix 3
- ◆ Integrated Risk Analysis tool, Appendix 4
- ◆ Cost Benefit Analysis spreadsheet, Appendix 5
- ◆ Project planning tool for generating timeline gantt charts eg. MSProject

3.4 Phase 3 Commercialisation

3.4.1 Flowchart



* Timing for these activities may need to be in Phase 2 Development.

3.4.2 Purpose

To develop a viable and fit-for-purpose commercial prototype that justifies the commitment of significant resources to scale up to full commercial production and the full market launch.

3.4.3 Inputs

- ◆ Approved product prototype ready for scale up production with draft product claims or messages.
- ◆ Draft product manual.
- ◆ Updated integrated project plan.
- ◆ Approved revised Business Case at Gate 3.

3.4.4 Typical Activities

Consumer and marketing

- ◆ Finalise claims and messages. Obtain final expert opinion.
- ◆ Following the validation of the trial product, sign off on the science dossier in support of the claims.
- ◆ Following the validation of the trial product, finalise the product manual.
- ◆ Finalise the marketing plans with the Market Partners. These will include the launch plans, advertising and promotion strategy, marketing budget and plans for managing product life cycle.
- ◆ Produce the communication materials for the sales channel(s). Plan and schedule launch activities and events for these sales channels. Arrange samples where required.
- ◆ Develop the appropriate training material for sales staff. Schedule and run training events for Market Partner sales staff.
- ◆ Trade range reviews / sales channel(s) sell-in. Note that the trade range reviews are generally 6 months prior to the launch date and therefore may occur in the Development Phase.
- ◆ Develop communication materials (advertising, educating and promotional materials) for the consumer. If required, qualitatively test the effectiveness of the communication materials with the consumer.

Production

- ◆ Scale up to small scale commercial design-grow-harvest-process-test-validate trials to confirm product fit for purpose and has acceptable levels of seasonal and regional variation.
 - These trials may include production for a test market and small scale processing trials.
 - *Reference the Checklist of Germplasm Criteria in Appendix 2.*
- ◆ Test and validate product from the small scale commercial trials for:
 - Sensory including variation;
 - Phytochemical levels including variation;
 - Yield and time including variation;
 - Postharvest robustness and variation;

- Establish fitness for purpose.
- ◆ Sign off packaging prototypes and artwork including claims / messages and purchase allowing for order to delivery lead times.
- ◆ Finalise quality assurance / quality control procedures and specifications. Finalise procedures for dealing with down grade or out-of-specification product.
- ◆ Test market production, post harvest handling and processing (if applicable). Quality control. Distribution to test market, test market launch with accompanying sales communications and early sales.
- ◆ Monitor and assess test market sales.
- ◆ Validate all quality assurance procedures, specifications and control.

Commercial and Logistics

- ◆ Finalise seed purchase agreement details with both the Market Partner(s) and the Genetic Partner.
 - Forecasts
 - Prices
 - Agree on royalties
- ◆ Confirm seed availability and supply.
- ◆ Legal sign-off on claims.
- ◆ Implement intellectual property strategy for protection as required.
- ◆ Finalise supply and demand planning.
- ◆ Define and agree metrics for measuring product performance and success.
- ◆ Prepare for full handover to Market Partner(s).
- ◆ Finalise web content.
- ◆ Reconfirm launch dates with Market Partner(s).

General Project Management

Good practice project management should be applied consistently throughout the project with the Project Leader managing the core project team and maintaining good communication, dynamic planning, risk management and issue management.

- ◆ Schedule gate 4 meeting with gate keepers.
- ◆ Update the integrated risk analysis (*Reference the Integrated Risk Analysis Tool in Appendix 4*).
- ◆ Update the project plan and plan detailed activities for next phase. (*A gantt chart tool such as MS Project is recommended*).
- ◆ Assess skill requirements for next phase.
- ◆ Estimate budget for next phase.
- ◆ Update the cost benefit analysis. (*Reference the Cost Benefit Analysis spreadsheet in Appendix 5*).
- ◆ Revise the Business Case. (*Reference the Business Case Template in Appendix 1*).

3.4.5 Phase 3 Outputs

- ◆ Validated fit-for-purpose and viable commercial prototype.
- ◆ Final product manual.
- ◆ Final marketing claims / messages.
- ◆ Revised and Final Business Case, including detailed business plan.

3.4.6 Gate 4 Decision

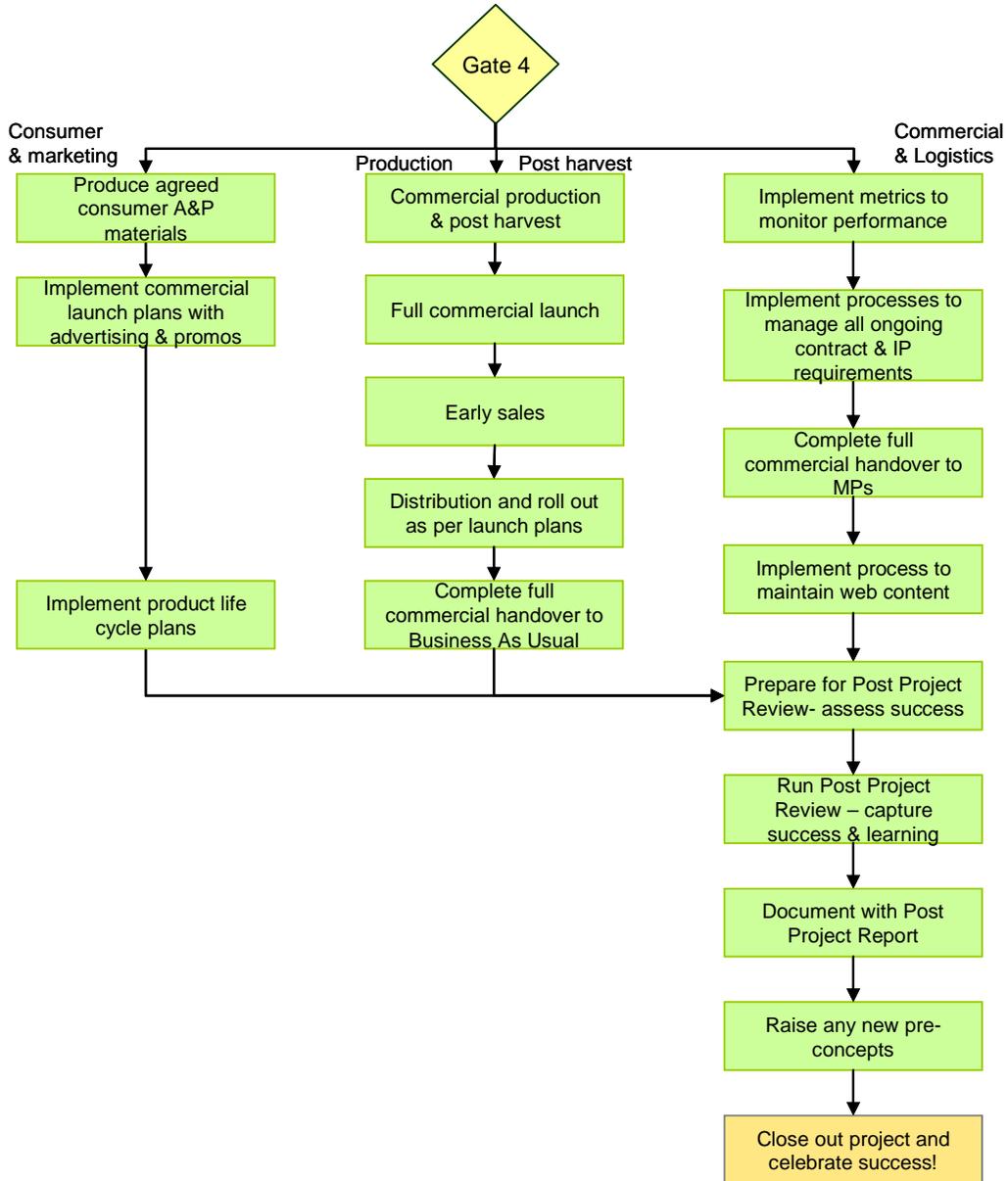
- ◆ Gate Keepers decide whether the project should:
GO, KILL, go back to Phase 3 and MODIFY outputs or be placed on HOLD.

3.4.7 Useful Tools

- ◆ Checklist for Germplasm Criteria Appendix 2
- ◆ Business Template Appendix 1
- ◆ Integrated Product Definition tool, Appendix 3
- ◆ Integrated Risk Analysis tool, Appendix 4
- ◆ Cost Benefit Analysis spreadsheet, Appendix 5
- ◆ Project planning tool for generating timeline gantt charts eg. MSProject

3.5 Phase 4 Launch

3.5.1 Flowchart



3.5.2 Purpose

To successfully launch the product, monitor performance and capture lessons learned for continuous improvement.

3.5.3 Inputs

- ◆ Gate 4 Approval to launch, based on the final Business Case, including detailed business plan.
- ◆ Validated fit-for-purpose and viable commercial prototype.
- ◆ Final product manual.
- ◆ Final marketing claims / messages.

3.5.4 Typical Activities

Consumer

- ◆ Market Partners produce consumer advertising and promotional materials to support launch.
- ◆ Market partners implement marketing and sales launch plan with planned advertising and promotions.
- ◆ Market partners monitor and report launch progress.

Production

- ◆ Commercial production with full quality control systems in place. Full implementation of post harvest plans, including any processing, storage and distribution.
- ◆ Full commercial launch as per launch plans. This may be a staged roll-out.
- ◆ Monitor performance in early sales and plan any response if required.
- ◆ Complete full commercial production handover to “Business as Usual”.
- ◆ Provide technical support as required.

Commercial

- ◆ Implement metrics to measure and report on sales performance.
- ◆ Implement processes to manage all on-going contract and intellectual property requirements.
- ◆ Complete full handover to Market Partners.
- ◆ Implement process to service and maintain web content.
- ◆ Licensing revenue transferred to research partners.

3.5.5 Post Project Review, Report and Close Project

Timing

- ◆ Ideally should be held 6 months after the launch.

Preparation

- ◆ Collate the metrics data and compare to targets, drawing conclusions and making recommendations for improvement.

- ◆ Schedule post project review with the Core Team *and project sponsor*. It is often useful to use a facilitator external to the team to help with this discussion.

Review

- ◆ The Project Leader and Core Team meet with the Project Sponsor to review the project. This review would normally include:
 - Presentation of metrics;
 - Product success based on sales data;
 - Project success, taking into account issue management, difficult decisions, risk management, team effectiveness, timeliness & speed, financial management, gate keeping and achievement of critical success factors;
 - Organisational learning - any recommendations for other project teams;
- ◆ With the core team, consider future opportunities such as next generation products, new markets, new line extensions and improved product options.

Close-out project

- ◆ Write up Post Project Report based on outcomes from the Post Project Review. Refer to Appendix 1 for the template.
- ◆ Initiate any further actions resulting from the review.
- ◆ Close out the project.
- ◆ Celebrate success!

3.5.6 Phase 3 Outputs

- ◆ Post project report
- ◆ New concepts

3.5.7 Responsibility

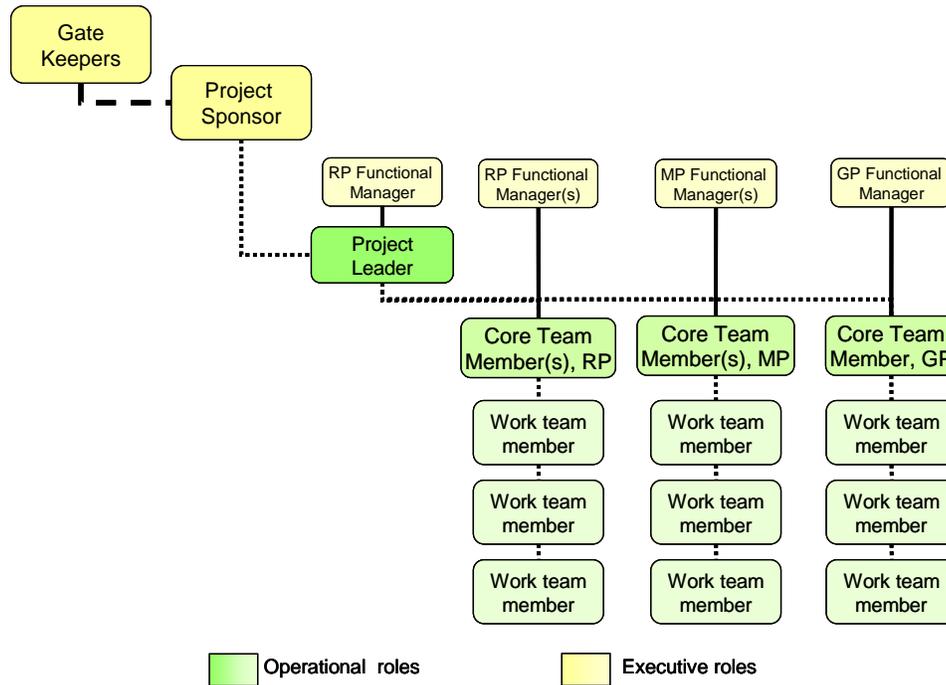
- ◆ Project Leader is responsible for measuring project related metrics and for closing out the project.
- ◆ ItL Process Sponsor is responsible for ensuring is done in timely fashion.

3.5.8 Useful Tools

- ◆ Post Project Report template – refer to Appendix 1.

4 Roles and Responsibilities

The following diagram illustrates the Idea to Launch project roles, their inter-relationships and reporting lines. These are described in sections 4.2 to 4.7.



4.1 Idea to Launch Process Sponsor

The ItL Process Sponsor is an executive who has overall accountability for the Idea to Launch Process. This requires oversight of the implementation, use and maintenance of the Idea to Launch Process as well as the ongoing review and evolution of the process to ensure it continues to be relevant, efficient and effective.

Ideally, the ItL Process Sponsor needs to be a member of the Operations Team with the time to dedicate to this role. This person must have an intimate knowledge of the product development and the principles underpinning the Idea to Launch Process. They must have an affinity with, and appreciate the value of good pragmatic business processes.

Who?

This role is currently filled by Russell Sully.

4.2 Gate Keepers

Gate Keepers are executives representing the partner organizations who are equipped with the knowledge and experience, and have the authority to make sound gate decisions and who understand the strategic goals and overall portfolio. They are a

multi-functional group representing the partners and should remain gatekeepers for the duration of a particular project.

Who?

Gate keeper teams will vary in membership project to project, depending on the lead Market Partner(s) and lead Germplasm Partner. They will likely consist of Executives representing:

- ◆ Research Partners
 - *Russell Sully, David Hughes*
- ◆ Lead Market Partner(s)
 - *Australian and/or New Zealand representatives*
- ◆ Lead Genetics Partner
 - *Generally one representative.*

Gate keepers are appointed at Gate 1, Pre-Concept Screen and reviewed at Gate 2 once the Business Case has been approved. Market Partner and Genetics Partner gate keeper representatives will be co-opted on during phase 1 and confirmed at Gate 2.

4.3 Project Sponsor

The Project Sponsor is an executive who has the ultimate authority & responsibility for a specific project, on behalf of the research partners' Operations Team. The Project Sponsor is primarily responsible for providing guidance and mentorship to a specific project to ensure it delivers high quality work in line with the agreed business case.

Who?

The sponsor will be a member of the Operations Team and will be appointed at Gate 1 on a project specific basis.

4.4 Project Leaders

These Project Leaders are held accountable for the planning, management and successful delivery of the project. It should be noted that while the Project Leaders are responsible for delivering the outputs from the phases such as the Business Cases, they are not expected to generate these themselves but should work with their core project team to deliver these outputs.

The Project Leader needs to be a respected person with the demonstrable knowledge and skills of team leadership, Idea to Launch Process, project management, have vision and passion for the project, and with a track record of "getting things done on time and to budget".

Who?

The Project Leader is generally, but not necessarily, the Product Team Leader (formerly known as the Crop Team Leaders), for an Idea to Launch project in their product portfolio.

The Project Leader will be appointed at Gate 1 and reconfirmed at Gate 2 following the approval of the Business Case.

4.5 Core Project Team

The Core Team Members are primarily responsible for contributing high quality work to the project and for actively contributing to a highly effective cross-functional team and/or multi-disciplinary team. They are ultimately accountable for any recommendations they make and for the quality of the work that they deliver. Core Team Members may manage functional work teams who are working on a specific project objective or function.

In addition to their functional reporting lines, the Core Team is accountable to the Project Leader for their contribution to the project.

Who?

Core Team Members are multi-functional members who are competent in their functional discipline and who display team player qualities. They must have the time to commit to the project. They should not be senior managers or gate keepers unless under exceptional circumstances where there is no other appropriate candidate.

4.6 Work Teams

Core team members need to manage small work teams outside the core project team structure to deliver their key tasks. These work teams are typically made up of a Core Team Member and “support persons” or “peripheral team members”, who are not part of the Core Team.

These teams are task orientated and are focused on the successful delivery of particular project activities, generally relating to a functional discipline or a particular project deliverable. They are a means of ensuring experts are contributing to a project as required, while avoiding tying up non-essential staff.

4.7 Key Responsibilities for Vitalvegetables® Idea to Launch Roles

ItL Process Sponsor	Gate Keepers	Project Sponsor	Project Leader	Core Team Member
<ul style="list-style-type: none"> ○ Overall accountability for the ItL Process; ○ Accountable for process metrics & achievement of targets; ○ Ensures all the necessary training and support is provided; ○ Ensures process is effective, maintained and that organisational learning results in continuous improvement; ○ Ensures ItL Process is used effectively & maintained appropriately; ○ Ensures all the necessary information / materials are provided; ○ Maintains an annual schedule of gate meetings for gate keepers; ○ Chairs gatekeeper meetings; ○ Circulates outcomes of gate meetings to stakeholders. 	<ul style="list-style-type: none"> ○ Primarily responsible for making quality gate decisions and prioritising projects in the best interests of partners; ○ Ensures the required resources are committed to the project for the next phase; ○ Assigns the appropriate priority to a project; ○ Assesses gate inputs and agrees the Go, Kill, Redo, Hold or a conditional Go decisions; ○ Sets the standard for high quality gate inputs; ○ Provides clear guidance & direction to project teams. 	<ul style="list-style-type: none"> ○ Appoints Gate Keepers, Project Leader & core team ○ Delegates authority to the Project Leader to act within the project terms of reference; ○ Ensures project is appropriately funded & resourced; ○ Vocal and visible project champion; ○ Provides the link between project & strategic direction; ○ Makes rapid project related decisions, where outside project terms of reference; ○ Communicates the project priority & urgency to team; ○ Provides motivation and mentoring to the Project Leader & core team; ○ Resolves any bottlenecks (resource constraints) and roadblocks (physical impediments). 	<ul style="list-style-type: none"> ○ Delivery of the project’s commercial outcome according to the approved business case; ○ Leads, manages & motivates the core team; ○ With the core team, plans each phase of the project & makes decisions within project terms of reference; ○ With the core team, executes each phase of the project, managing time, budget & resources; ○ Schedules & chairs core team meetings, circulates minutes, action lists & updated project plans. ○ Communicates & coordinates project with partners & relevant parties; ○ Escalates issues to the Project Sponsor; ○ Presents project to the Gate keepers & recommends gate decisions; ○ Evaluates performance & informs Process Sponsor. 	<ul style="list-style-type: none"> ○ Accountable for delivery of all activities delegated to them by the Project Leader, according to the project schedule & within budget; ○ Team player, focused on delivering commercial success from project; ○ Contributes knowledge, experience and skills to the Core Team; ○ Provides competence & knowledge in their discipline, involving other experts as required; ○ Acts as the “conduit” between project & function; ○ Manages work teams as required; ○ Rapidly flags any issues; ○ Communicates project related matters within work group; ○ Attendance at Core Team meetings.

APPENDIX 1 TEMPLATE LINKS

1. **PRE-CONCEPT TEMPLATE**



PRE-CONCEPT
TEMPLATE V2.doc

2. **BUSINESS CASE TEMPLATE**



WV Business Case
Template v4.doc

3. **QUARTERLY REPORTING TEMPLATE**



Vitalvegetables
Quarterly Report v2.1

4. **POST PROJECT REPORT TEMPLATE**



WV IIL POST
PROJECT REPORT v1

5. **GATE SCORECARD**



Draft GATE 1
scorecard.xls

APPENDIX 2 GERMPLASM CRITERIA CHECKLIST

The following checklist has been devised to assist in the development of the new product and the outcomes should be included in the Business Case.

1. Crop name (or product identity)	<input type="checkbox"/>
<i>Comment?</i>	
2. Fruit/Vegetable phenotype – size, shape, growth habit	<input type="checkbox"/>
<i>Comment?</i>	
3. Phytonutrient and target content (per gram FW)	<input type="checkbox"/>
<i>Comment?</i>	
4. Growing conditions (e.g. field grown, soil type, sub-tropical/temperate environment; glasshouse, glasshouse style, growing media, fertilizer/nutrient regime, lighting, watering regime)	<input type="checkbox"/>
<i>Comment?</i>	
5. Length of growing season	<input type="checkbox"/>
<i>Comment?</i>	
6. Climate during plant growth and vegetable production	<input type="checkbox"/>
<i>Comment?</i>	
7. Disease resistance	<input type="checkbox"/>
<i>Comment?</i>	
8. Production characteristics	
a. Time to harvest (seed/transplant to harvest)	<input type="checkbox"/>
<i>Comment?</i>	
b. Harvest season (year round, spring, summer, autumn, winter)	<input type="checkbox"/>
<i>Comment?</i>	
c. Between crop turn-around time	<input type="checkbox"/>
<i>Comment?</i>	
d. Yield	<input type="checkbox"/>
<i>Comment?</i>	
9. Other	<input type="checkbox"/>
<i>Comment?</i>	

APPENDIX 3 INTEGRATED PRODUCT DESIGN (IPD) TOOL

Successful product development requires that, firstly, the target customers and consumers are identified, secondly that the needs the product will satisfy are understood and, thirdly, that the product is designed to meet these needs. Integrated product definition helps the project team to focus the design on the customer needs.

1. Objective

To provide a method for design and development of a new product that will satisfy target consumer and “customer” needs.

2. Application of this Methodology

The integrated product definition should initially be carried out early in Phase 1 Concept and this should be continually revised throughout the project.

3. Recommended Methodology

Use the hyperlinked spreadsheet to guide you through the Integrated Product Definition methodology.



IPD tool unprotected
v1.xls

Do your homework

Seek answers to the following questions to help understand the target market:

- ◆ Who are the “customers” – target consumers, end users, value chain customers?
 - Who will purchase the product?
 - What are the purchase patterns?
 - Why will they purchase this particular product or brand?
 - Who influences the purchase decision?
 - Who will use the product?
 - How will they use the product?
 - Why will they use it?
 - When will they use it?
 - What level of performance do they expect or want from the product?
 - Can you describe the target market segment in terms of “customers” and end users?
- ◆ What are their real needs?
 - What benefits do they need from the product?
 - What level of performance do they require from the product?
 - What attributes do they expect from the product?
- ◆ Is this request in response to a problem?
 - What is the problem?
 - What causes the problem?

- How does the problem impact the customer?
- What else is affected by the problem?
- What attributes will overcome the problem?
- What costs are incurred by the customer/supplier in relation to the problem?
- Can the problem be overcome by means other than what is being proposed?
- ◆ What are the “customer” perceptions of risk?
- ◆ When do they need the product?
- ◆ Are there any constraints to be considered?
 - Consider all regulatory, financial, production, post harvest, distribution, application technologies, etc.
 - What label claims are to be made?
 - What are the packaging requirements?
 - Are there any special storage/shipping requirements?
- ◆ Who are the competitors?
 - What are the competing products and what are their attributes and product claims?
 - What channels are they in and what are their sales volumes and market share?
 - Where are the gaps between current products and “customer”/consumer needs?
 - How easy will it be to copy our new product?
 - How can we protect our IP?
 - How can we maintain a competitive position?
 - How can we achieve preferred supplier status?

APPENDIX 4 INTEGRATED RISK ANALYSIS

Development involves considerable uncertainties and requires careful risk management to increase the chances of success.

1. Objective

To identify the key risks, indicate how critical they are, and determine the appropriate actions required to manage these risks.

2. Application of this Methodology

Risk analysis should initially be carried out in Phase 1 Concept and should be continually revised throughout the project.

3. Recommended Methodology

It is recommended that this is carried out with the core project team. Use the table in the hyperlinked file below to help collate the risks.



Risk Analysis Tool
v1.doc

- ◆ Identify any risks that may impact the success of the project. It may help to work through functional areas such as consumer and marketing; production and post harvest; and commercial and logistics.
 - Use team brainstorming techniques.
 - Consider the core competencies in research, genetic and market partners and determine areas of potential risk.
 - Review the project plan and identify key risks to delivering on time. In particular, consider any activities that lie along the critical path.
 - Consider any risks to the quality of the product being developed.
 - Consider any risks to the required product yield, the project costs, the product pricing and the returns to each of the partner organisations.
 - Classify these risks as a risk to costs or profitability, time and / or quality of the project outputs.

- ◆ Identify any risks that may impact the success of the **Vitalvegetables®** business.
 - Use team brainstorming techniques.
 - Consider any risks relating to the impact of this product on the overall portfolio, future products, brand, and the reputation of the **Vitalvegetables®** partnership or anything that may adversely impact the **Vitalvegetables®** business. For example, legal issues, unsubstantiated claims, etc.
 - Classify these risks as business risks.

- ◆ Evaluate and prioritize each potential risk – both project risks and business risks.
 - What is the likelihood of the risk occurring?
Use the following scale to indicate the likelihood:

- 1 = highly unlikely to
- 5 = highly likely.
- What is the relative importance of the risk to the business and/or project and therefore the impact on the business and/or project outcome should it occur?
Use the following scale to indicate the impact:
1 = No real impact on business objectives &/or minor impact on achievement of project objectives;
3 = Minor impact on business objectives or reputation &/or Moderately impacts achievement of project objectives (T,\$,Q);
5 = catastrophic, significantly impacts business objectives or reputation &/or severely impacts achievement of project objectives.
- What is the timing if it occurs?
- Can the risk be controlled?
- Assess the criticality of the risk to help with prioritisation, using the following table:

Impact		Criticality				
High	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	Low	1	1	2	3	4
		1	2	3	4	5
		Low				High
		Probability				

Note that this assessment of criticality is an indication only to help prioritise and determine your response to that risk.

- ◆ Generate and evaluate potential solutions for each risk and develop an action plan to respond to each risk as appropriate.
 - Again, use team brainstorming techniques.
 - Take into account the criticality assigned to each risk.
 - Consider the following actions, based on the priority as assessed by the criticality assigned to each risk:
 - **Avoid** the risk altogether by putting into place an alternative plan;
 - **Mitigate** the risk by making contingencies to either reducing the probability or the impact;
 - **Transfer** the risk, possibly to a third party;
 - **Do nothing**, just monitor it to ensure it doesn't change.
 - Assign responsibility for the follow through, preferably to core team members.
- ◆ Consider how critical the **residual risk** will be for each risk, should the actions be fully implemented.
 - Evaluate the criticality based on the probability and the impact.
 - Use the table above to indicate the criticality of the residual risk.

- Consider will the action plans be adequate to control the risk? Do you need to do anything else?
- ◆ Consider the cost benefit of the planned actions or strategy.
 - Is it worth it?
- ◆ Determine whether any risks are potential “show stoppers”.
 - Is there an action plan that can reduce this risk to a more manageable level?
- ◆ Implement a plan for continual monitoring and reviewing the risk profile throughout the project
 - Put it on the agenda to review at regular core team meetings.
 - Review when reviewing or proposing a plan of activity.
 - Review at the beginning of a phase.
 - Review when things change in the project.

APPENDIX 5 COST BENEFIT ANALYSIS TOOL

Under development by John Willits

APPENDIX 6 PESTE SITUATION ANALYSIS TEMPLATE

	<i>Political influences</i>	<i>Economic influences</i>	<i>Social influences</i>	<i>Technological influences</i>	<i>Environmental influences</i>
<i>Global</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Regional</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Local</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

APPENDIX 7 PARTNER ROLES & RESPONSIBILITIES

1. VVRP

Licensing

- Licenses the **Vitalvegetables®** brand to a marketing company (partner shareholders) in each geographic territory – in perpetuity, with right to transfer by sale.
- Approves sale of licence, and cannot block without reasonable cause.

Trademarks and Brand

- Retains ownership of all **Vitalvegetables®** trademarks and improvements, and has final approval over any changes made.
- Provides a Brand Usage Manual for all usage of the trademark, aimed at protecting and enhancing the value and reputation of the brand; including brand usage and application, quality control standards, testing and monitoring protocols.
- Through a brand compliance and approval procedure, has the final sign off on all marketing material carrying the **Vitalvegetables®** brand.
- Registers and retains ownership of all **Vitalvegetables®** related web domain names.
- Approves use of the **Vitalvegetables®** trademark on co-branded packaging, ensuring **Vitalvegetables®** has equal prominence with the co-brand.

Commercialisation

- Takes responsibility for developing Master Licence agreements within Australia and New Zealand and other agreed territories – in accordance with the International commercialisation strategy.
- International commercialisation will build on the strengths of **Vitalvegetables®** partnerships and should help facilitate opportunities for all partners.

Planning/Performance Criteria

- Consults with VVMP to establish and agree performance criteria – contained in the Annual Plan and, for each product, includes product range, commercial targets, marketing and support plan, R&D programme.

Website

- Takes overall responsibility (maintenance and hosting) for the website:
 - Consumer interface – by territory – with input from licensee.
 - Stakeholder resource – global – management of all communication, procedures, and approval processes.
- Ensures compliance with Brand Usage manual and meeting any regulatory requirements or standards for material on the site.

Product Programme

- Determines which cultivars qualify as a **Vitalvegetables®** product, based on its scientific evidence.

- Identifies, analyses and approves (supplies) the germplasms used in the **Vitalvegetables®** programme.
- Seeks advice from VVMP partners during the process of developing the R&D programme and selection of crops and varieties for inclusion in the product mix.
- Generates scientific support for the selection of germplasms used in the **Vitalvegetables®** programme.
- Publishes results from VVRP studies in journals, at meetings and scientific sessions in support of the commercial promotion of the **Vitalvegetables®** programme.
- Advises VVGP of research outcomes and provides recommendations on breeding crosses which have the potential for new nutritionally enhanced or functional vegetable selections.
- With VVGP partners, owns all germplasms in accordance with the VVRP/VVGP agreements.

Claims

- Responsible for any health, nutritional and content claims made in respect to **Vitalvegetables®** products, through:
 - provision of scientific data that substantiates any claims made.
 - advising those claims that can be made, including recommended wording.
 - final approval of proposed claims submitted by the VVMP.

Quality Standards

- Develops and monitors strict quality control procedures to ensure minimum nutritional contents are met.
- Licenses an approved testing facility.

Public Relations

- Provides copies of relevant articles and studies (own and others) to the trade/popular press that support and enhance the role of **Vitalvegetables®** in the public domain.

2. VVMP

Licensing

- Licenses the **Vitalvegetables®** brand from the VVRP, in perpetuity with a right to transfer by sale.

Trademarks and Brand

- Supports the **Vitalvegetables®** trademark through compliance with the Brand Usage manual and adherence to the agreed approval process and procedures.
- Applies the **Vitalvegetables®** trademark only to products grown from VVRP approved seed and meet the quality and nutritional content standards applicable to that product.

Planning/Performance Criteria

- Prepares the Annual Plan (for agreement with VVRP) setting out performance criteria for each product; including product range, commercial targets, marketing and support plan, R&D programme (required from VVRP).

Product Programme

- Provides senior level input at the critical decision points in the Idea to Launch process.

Supply

- Grows, processes, packs, distributes and promotes all **Vitalvegetables®** products in the territory – grown from seed approved by VVRP and meeting the criteria for a **Vitalvegetables®** product.
- Ensures that products traded between Australia and New Zealand can only be through VVMP partners and no product is sold to a retailer/wholesaler unless it has come through a **Vitalvegetables®** partner in that territory.
- Has authority to sub-licence suitable growers and packers for the production and distribution of **Vitalvegetables®** trademarked product in agreed territories.
- Ensures that sub-licensees protect and enhance the reputation of the **Vitalvegetables®** trademark and comply with all agreed protocols, procedures and standards.
- Ensures that strict quality control standards are met throughout the supply chain – and only products that meet these standards can be branded **Vitalvegetables®** .

Claims

- Obtains from the VVRP any health, nutritional and content claims made in respect to **Vitalvegetables®** products, through:
 - submission of all proposed claims to the VVRP for approval.
 - compliance with FSANZ or any other regulatory authority/requirement.
 - compliance with approved scientific evidence.

Marketing and Promotion

- Develops and executes all consumer marketing activity, including application of the **Vitalvegetables®** brand to packaging of all products in the **Vitalvegetables®** range.
- Implements all activities in the marketing programme; including consumer communications, promotions and PR in order to enhance and build the value and reputation of the **Vitalvegetables®** brand.
- Ensures the agreed processes and procedures for approval of material by VVRP are followed.
- Provides market feedback and intelligence on product performance.

Website

- Provides required input for consumer interface – ensuring compliance with the Brand Usage manual.
- Utilises the stakeholder interface as a source of procedures and approval processes.

Reporting

- As per the Master Licence Agreement, provides to the VVRP the required reports:
 - Performance Report – quarterly.

- Annual Report – within 30 days of year end.

3. VVGP

Development

- Develops elite germplasms for use in the **Vitalvegetables®** programme – commercially viable and with functional attributes that deliver the **Vitalvegetables®** brand proposition.
- Undertakes work with VVRP in the conduct of breeding efforts to maximise the potential for creation of new nutritionally enhanced or functional cultivars.

Trademark and Brand

- Collaborates with VVRP to support development and enhancement of the reputation of **Vitalvegetables®** brand through the activities of the VVMP.

Supply

- Supplies seed exclusively to VVMP partners for cultivars identified as satisfying requirements for **Vitalvegetables®**.

Product Programme

- Provides senior level input at the critical decision points in the Phase and Gating process.

APPENDIX 8 ACRONYMS

A&P	Advertising and Promotions
CBA	Cost Benefit Analysis
FtO	Freedom to Operate
GP	Genetics Partner
IP	Intellectual Property
IPD	Integrated Product Definition
IPRs	Intellectual Property Rights
MP	Market Partner
MTA	Material Transfer Agreement
PESTE	Political, Economic, Social, Technological & Environmental
PL	Project Leader
QA/QC	Quality Assurance / Quality Control
RP	Research Partner
P1, P2, P3, P4	Phase 1, Phase 2, Phase 3, Phase 4
VoC	Voice of Customer
VV	Vitalvegetables®
VVGP	Vitalvegetables® Genetics Partner
VVMP	Vitalvegetables® Market Partner
VVRP	Vitalvegetables® Research Partner

5.2 Attachment 2 – Comparison of risk and reward balance in alternative commercialisation models

The following table provides a comparison of the key features, including the risk/reward balance of the 2 alternative commercialisation models for the vitalvegetables products:

Feature	Original model	New model
Nature of IP required by the Marketing Partners to commercialise a new VV product	<ul style="list-style-type: none"> • Vitalvegetables brands and trademarks • VV germplasm (in the form of vegetable seeds) • Production and testing protocols • Health claims and promotional material 	
Nature of IP licensed and license terms	<ul style="list-style-type: none"> • All of the above IP is licensed to the Marketing Partner for a specific crop in a specific geographic territory • The above licenses are royalty bearing, exclusive and sub-licensable 	<ul style="list-style-type: none"> • Germplasm, protocols, claims and promotional material are licensed for a specific crop/territory • The above licenses are royalty bearing, exclusive and sub-licensable • The Brand is initially licensed and later assigned to the marketing partner • The Brand license is perpetual and transferable
Nature of IP assigned and basis for assignment	None	<ul style="list-style-type: none"> • Brand ownership transfers in stages to the Marketing Partner. • The transfer is triggered by royalty performance in the other technology licenses (ie when a certain level of royalty is achieved then a proportion of the brand ownership is transferred)
Key rewards for the Marketing Partners	<ul style="list-style-type: none"> • The Marketing partner has access to all the IP needed to grow and sell the VV products without needing to invest in its creation • Vitalvegetables products are expected to earn a premium over commodity products and also grow the total category 	<ul style="list-style-type: none"> • All of the benefits provided in the old model • In addition the Marketing Partners can sell the brand and hence can capture value for all of their marketing investments
Key risks for the Marketing Partners	<ul style="list-style-type: none"> • Marketing partners are expected to invest in creating and growing the brand ahead of the growth of sales and 	<ul style="list-style-type: none"> • Marketing partners are expected to invest in creating and growing the brand ahead of the growth of sales and

	<p>margin</p> <ul style="list-style-type: none">• Should the Marketing Partner lose their rights under the licenses (for whatever reason) then they lose the ability to reap the reward for their investment	<p>margin</p>
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5.3 Attachment 3 – Draft Media Plan

VitalVegetables® Media Plan [Draft]

- Objective:** To build general awareness of the science and research of the VitalVegetables® programme to support marketing activities of the VitalVegetable Marketing Partners
- Target:** Deliver key messages to consumers, health and wellness professionals via broadcast and print media initially in Australia in 2010.
- Activities:** The activity takes a three-pronged approach:
- Liaison with media regarding articles of general interest to consumers
 - Press releases around relevant science findings, which may feature in scientific journals or as presentations at science and industry conference events
 - Commentary in the media on third party science discoveries of relevance to the VitalVegetables programme
- Responsibility:** Communications activity will be coordinated by the VitalVegetables® Communications Team, consisting of Emma Timewell of Plant & Food Research and a DPI Victoria appointee (was Stephen Zelez now a new person is required). Approval for media activities will be sought from relevant parties as identified in this plan.

Background

In order to build awareness of the VitalVegetables® brand with primary audiences, Emma Timewell, Senior Communications Advisor at Plant & Food Research, and Stephen Zelez, Communications Advisor for Science at DPI Victoria, have developed a media plan to roll out in Australia and New Zealand. This media plan is designed to build awareness of the science and research involved in the programme, to support product marketing activities undertaken by the VitalVegetable Marketing Partners (VVMP).

VitalVegetables® is a research programme between Plant & Food Research (New Zealand) and DPI Victoria (Australia) aimed at developing new “super” vegetables with additional health benefits to those currently available in the marketplace. The programme is supported by Horticulture Australia and Horticulture New Zealand. Products developed in the programme are to be marketed under the VitalVegetables® brand through the VitalVegetable Marketing Partnership.

In August 2009, the first product in the Vital Vegetables® range was launched to the Australian market. Booster Broccoli™, a broccoli high in the antioxidant sulforaphane. A broader range of products are under development and are expected to be launched across both markets from late 2011 through early 2012. Products in development include high lycopene tomatoes, capsicums high in vitamins A, C and E, and antioxidant salad mixes.

Target Audiences

The media plan is designed to build awareness of how vegetables may contribute to a healthy lifestyle, and how “super” vegetables, particularly those under the VitalVegetables® brand, can provide additional benefits. This message is primarily of interest to:

- Consumers
 - Educated, health-conscious vegetable shoppers
 - Mothers, responsible for household shopping
 - Healthy lifestylers
 - Those with predisposition to serious disease, e.g. cancer
- Health and wellness professionals
 - GPs
 - Specialists
 - Nutritionists

This media plan is primarily designed to build awareness with consumers, although any media coverage in the general media will also build awareness with other audiences.

In addition, awareness of the programme and its successes could be communicated to the horticultural industries in Australia and New Zealand, via media specifically targeted at this audience, to ensure continued buy-in from support organisations and growers.

This media plan does not include communication with the supply chain, such as supermarkets, grocers and wholesalers, as this is considered direct product marketing rather than concept awareness.

Media targets

To build awareness with identified consumer subsections identified, key media targets include:

- General media
 - TV
 - Radio
 - Newspapers
- Lifestyle magazines
 - Women’s magazines

- Healthy living magazines
- Fitness magazines
- Health professionals
 - GP/doctor newsletters
 - Nutritionist newsletters
- Business to business
 - Horticulture magazines

Key Messages

Key messages to be delivered in any media coverage include:

- Vegetables are an essential part of any healthy diet
- VitalVegetables[®] research is identifying and enhancing “good” for human health characteristics in vegetables
- Consumption of vegetable products have additional natural benefits important for health and vitality
- VitalVegetables[®] are not genetically modified – they are developed through a natural breeding programme combined with scientific knowledge of plant development processes
- VitalVegetables[®] products are home grown, naturally breed and grown with minimal farm inputs
- VitalVegetables[®] products are bred to be high in antioxidants to ensure they are richer

Booster messages used for the launch in 2009

1. Not GM - Booster has been bred using traditional technology;
2. 40% more antioxidants than regular broccoli;
3. Antioxidants are thought to help prevent serious diseases, and delay aging;
3. Grown using sustainable practices, such as low water, fertiliser and fungicides;
4. Developed and grown in Australia
5. Tastes as good as regular broccoli
6. If eaten as part of a diet that includes a wide range of fruits and vegetables, will help prevent serious diseases
7. Should be eaten raw or lightly steamed

Proposed Media Activity

The VitalVegetables[®] Communications Team will liaise with journalists at identified media to broker opportunities for members of the VitalVegetables[®] team to speak about the programme. This may include pitching ideas for articles on wider issues related to the research, profiles of scientists involved, interviews about the general purpose of the research etc.

The objective of the plan is to ensure a minimum of one in depth media piece, whether pitched article or wider news coverage, per month, to create sustained coverage of the VitalVegetables[®] programme.

Market Research

Vitalvegetables are looking at doing some market research to test some messages with consumers which highlight marketing benefits statements

- Balance: helping to keep your body in balance
- Cleanse- helping to eliminate impurities from one's body
- Resilience- protecting/shielding your body from harmful effects of internal impurities.

Background documents

To assist spokespeople in presenting a consistent brand image, the Communications Team will create Q&A sheets, for internal use only, which address the potential questions that may be asked and how best to answer. In addition, the Communications Team will create a fact sheet on Vital Vegetables® which can be circulated to journalists as required.

Potential articles

The following table provides a working summary of currently identified articles. The table will be reviewed on at least a monthly basis and expanded as appropriate including the identification of the VV spokespeople.

Media	Focus	VV Spokespeople
Lifestyle/general	Why vegetables are a key part of the recommended 5+ a day.	tbc
Lifestyle/general	Goodness in vegetables comes from more than just antioxidants.	Carolyn Lister
Horticulture	Super vegetables – meeting consumer demands for high health foods	tbc
Health professionals	Fresh produce or functional food?	tbc
Lifestyle/general	How to best cook vegetables to ensure you don't 'cook out' all their health benefits	
Lifestyle/general	Antioxidants in foods? Why are they good for us? What foods can we eat to get them?	
Lifestyle/general	The journey and management of booster to ensure that the health qualities of the broccoli is maintained from the paddock to the plate	
Lifestyle/general Horticulture Health professionals	Salad mix the new Vital Vege health product	

News calendar

As a product of the research being undertaken, the research teams involved in VitalVegetables® will produce scientific publications or present at scientific conferences throughout the year. These will provide opportunities for press releases to be drafted by the Communications teams and distributed to relevant media targets at an agreed time. This press release distribution may be mediated directly by the Communications Team or through an external agency if appropriate.

Expected news opportunities currently identified include: (note this table will also be under monthly review as we get closer to the launch date)

Date	News	VV Spokespeople
May 2011	Conference: Australia Dietetics Conference.	Carolyn Lister
June 2011	PMA Aust NZ Fresh Connections Melb. <i>Vital vegetables forming</i>	?

	<i>global partnerships to benefit to global consumers</i>	
August 2011	Hort NZ Conference	
October 2011 November 2011	Health Ingredients Japan and or Health Ingredients Europe? <i>Supervegetables – the next big wave in super foods?</i>	?
November 2011	Event: NZ launch of VitalVegetables®	Jocelyn Eason

Where a member of the VitalVegetables® team is speaking at a conference, whether scientific or industry, there are two potential media activities. Firstly, the topic of the conference may be adapted as an article idea for a specific media target. Secondly, the conference may also provide the opportunity to personally brief attending journalists on the VitalVegetables® programme.

Commentary on external science findings

When external organisations publish findings of relevance to the VitalVegetables® research, for example science that demonstrates additional health benefits in broccoli, the Communications Team will review the findings and liaise with scientists in the VitalVegetables® programme to develop comments to be distributed to key media. This commentary will provide a link between scientific findings globally to the work being undertaken in VitalVegetables®. The VitalVegetable® science and operations team should forward any news they encounter to the Communications Team to assist this effort.

Approval Procedure

Press releases

As the timing of press releases can, in most cases, be controlled by the parties involved, text for press releases can be approved in advance.

- Text to be drafted by Communications Team in liaison with relevant scientists
- Agreed text to be circulated to defined contacts at each partner for approval. Deadline to be set, where possible with a minimum of 2 days notice.
- Communications team to coordinate comments and edit text as appropriate
- Final text to be sent to David Hughes for final approval
- Communications Team to coordinate distribution to media as appropriate

Media interviews

The Communications Team will be responsible for coordinating all media interviews around VitalVegetables®. Any requests for interviews must be sent to the Communications Team **prior** to agreement to speak to any journalists. In situations where interviews occur without prior warning, e.g. at a conference, or VitalVegetables® is discussed as part of an interview about another general topic, the Communications Team must be informed **as soon as possible** on conclusion of the interview. A full media liaison log will be held by the Communications Team.

Liaison with Marketing Partners

The Communications plan is designed to support, not replace, activities undertaken by the marketing partners in Australia and New Zealand. To ensure consistency of message, as well as sustained, but not crowded, coverage of the VitalVegetables® brand, the Communications Team will liaise with nominated representatives of the VitalVegetables Marketing Partners.

Any interview requests to discuss topics not agreed as part of this media plan will be communicated to the VVMP, who will be given the opportunity to block specific comments due to commercial sensitivities or potential clashes with marketing activities.

VVMP should inform the Communications Team, as early as possible, of any activities planned, to ensure these are reflected in the media activities outlined.

A conference call between the VitalVegetables® Communications Team and communications representatives of the VVMP will take place on a quarterly basis, to discuss upcoming events and potential changes required to incorporate these in this communications plan.

Annual plan

The following plan is currently only an outline and will be revised in the monthly planning sessions as we approach launch dates.

Date	Australia	New Zealand
May 2011	Conference: Australia Dietetics Conference.	
June	Conference: PMA Aust NZ Fresh Connections Melb.	
July		
August		Conference: Horticulture NZ, Auckland
September		
October	Story : based off HIJ	Story : based off HIJ
November	Story : based off HIE	Story : based of HIE Event: Launch of Vital Vegetables®
December 2011		Story : Lifestyle/general
January 2012		Story : Lifestyle/general
February		Story : Lifestyle/general
March	Event: Launch of Vital Vegetables®	Story : Lifestyle/general
April	Story : Lifestyle/general	Story : Lifestyle/general

Key Contacts

Communications Team		
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Key science contacts		
General: Jocelyn Eason, Plant & Food Research	+64 6 355 6116	Jocelyn.Eason@plantandfood.co.nz
Tomato: Erin O'Donoghue, Plant & Food Research	+64 6 355 6114	Erin.Odonoghuee@plantandfood.co.nz
Broccoli: Don Brash, Plant & Food Research	+64 6 355 6117	Don.Brash@plantandfood.co.nz
Carrot: Julian Heyes, Plant & Food Research	+64 + 355 6118	Julian.Heyes@plantandfood.co.nz
Capsicum/salad: Rod Jones, DPI Victoria		
Antioxidants/phenolics: Carolyn Lister, Plant & Food Research	+64 3 325 9453	Carolyn.Lister@plantandfood.co.nz
Marketing partner contacts		
John Said, Fresh Select (Australia)	+61 418 393 029	Joh.said@freshselect.com.au
Tbc, (New Zealand)		

Process & responsibilities for preparation of marketing, public relations and communication products

Step	VVRP Role	VVMP Role
1. Technical content for communication product	VVRP Science teams prepare the background material	VVMP suggest story & themes
2. Write the draft	Emma Timewell & Stephen Zelez prepare the draft	Comment on market angle
3. Edit based upon comments & feedback	Emma Timewell & Stephen Zelez edit	Provide feedback
4. Graphic design of PR material	VVRP Brand manager liaise with parties to ensure consistency across VV brand	VVMP design material based upon content agreed with VVRP & consistent with Brand image
5. Production & printing of PR & marketing material: place on website	VVRP Brand manager liaise with parties to ensure consistency across VV brand	VVMP place on website based upon content agreed with VVRP & consistent with Brand image
6. Distribution to target audience	VVRP use its media outlet contact for press releases distribution	VVMP use its media/PR contacts & distribution channels E.g. AAP ~\$2-300/item
7. Spokespersons	VVRP science angle	VVMP market angle
8. Monitoring		VVMP media monitor & market feedback