

## **Utilisation of joint action groups to achieve export impact**

K. K. G. Lisners

National Manager, Rural Development Systems,  
Austrade, Melbourne

### **Introduction**

To assist different sectors of industry that want to enhance their export opportunities by cooperative promotional activities. Austrade is now facilitating the creation of networks, called Joint Action Groups (JAGs), to bring the relevant members of industry together. It is the formation, development and achievement of these JAGs that is the basis for my presentation at the conference.

JAGs essentially involve a working partnership between the companies and Austrade. As the relationships develop within the industry network that is created by the JAG, even competing companies become prepared to share promotional expenses and to consider joint ventures or partnerships for the export business that may eventuate. Austrade contributes by providing the framework for industry to meet, the details of the export opportunities as they develop, overseas promotional services and follow-up, and helps access the government support schemes available to JAGs.

### **The JAG model**

The benefits from a JAG to companies that want to improve their export performance can be considered under the the following points:

- The necessity to combine an industry strategy with opportunity and government resources
- Availability of a wide range of Austrade support
- Value in an Australia Incorporated image and political clout
- Importance of financial support
- Co-ordination of promotional planning and activity, including missions

### **Recent examples of JAGS**

Export opportunities for which the Rural Unit of Austrade has formed JAGs are as diverse as the \$US 1 billion World Bank China Grain Distribution and Marketing Project and the \$50 million market for oaten hay in Japan.

#### *The China Grain JAG*

The formation and operation of this enterprise will be discussed under the following headings:

- Identification of the project
- Formation of the Australian Grain Technology Export Promotion Ltd.
- Funding
- Collection of market intelligence from Beijing and Washington
- Promotion, planning and activity, including substantial mission support

#### *The Japan hay JAG*

This was formed to promote the export of oaten hay into the Japanese market. It will be described under the following points:

- Identification of export opportunity
- Formation of Australian Hay Pty. Ltd.
- Development of quality assurance standards
- Development of a promotional program and mission to Japan

## The success of JAGs

Although both JAGs have only been operating for a short time, the results so far have shown that cooperative export promotion by industry groups does maximise the potential for accessing export opportunities. The formation of JAGs has enabled smaller companies to promote their capabilities for overseas business, and corporate networking within JAGs is leading to situations where competition between Australian companies for the same overseas business is reduced.