



Glasshouse project helps build local know-how



Costa Group's glasshouse project in Guyra will total 200,000 square metres when it is complete.

Australian small businesses are on track to win a major slice of the burgeoning hydroponic industry, partly because of know-how developed from the *Costa Group's* state-of-the-art hydroponic tomato farm in the small northern NSW town of Guyra.

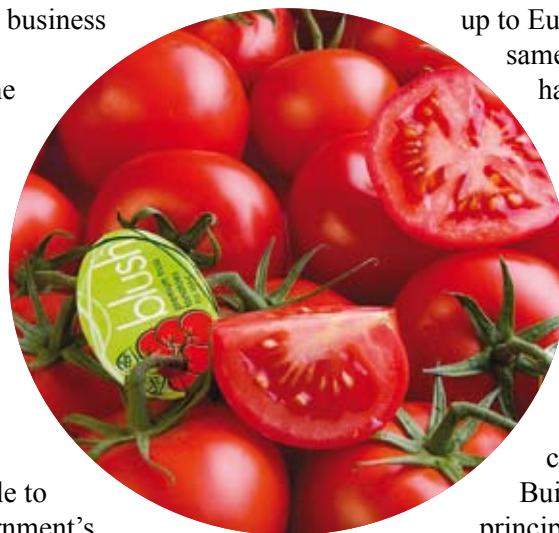
The family-owned fresh fruit business committed to using Australian suppliers when constructing the nation's largest hydroponic tomato farm.

Costa Group developed and implemented an Australian Government-initiated Australian Industry Participation plan, which helped the company find suitable local suppliers. In return for using Australian suppliers *Costa Group* was able to apply for the Australian Government's *Enhanced Project By-law Scheme*, receiving duty concessions on imported goods that could not be sourced locally.

David Costa, general manager of TomatoExchange, says several Australian small businesses developed

expertise that has them well-placed to supply other large glasshouse projects, including the expanding domestic flower industry.

“The hydroponic industry is relatively new in Australia, and in many ways we are catching up to European technology. At the same time, Australian companies have proven to be very good at developing irrigation, fogging and ventilation systems,” David said.



“The glasshouse industry is more developed in Europe, and we contracted the Dutch company Van Der Hoeven to supply the core technology. But we chose an Armidale-based construction company – National Build Plan Group – to be the principal project manager.

“National Build Plan built a strong relationship with Van Der Hoeven, which has positioned National Build Plan to act as a global source for the company. National Build Plan previously had little experience in glasshouse construction, but it has now have received

Costa Group applied for the Enhanced Program By-law Scheme.

interest from domestic businesses wanting to build glasshouses.”

David said that Australian companies proved they had the expertise to supply specialist irrigation and fogging systems for the glasshouse.

“Another example is AIS Greenworks, a Griffith-based business which designed and installed the all-important fogging and irrigation systems.”

Instead of directly importing screens and climate control fans, the *Costa Group* purchased them from Powerplants, one of Australia’s largest suppliers of horticultural technical systems.

“We worked with these companies so they could up-skill themselves to provide what we needed,” David said.

David said the *Costa Group* wanted to use Australian suppliers, partly because

of a fundamental desire to support local industry, but also because it made crucial maintenance easier and faster.

“By using local suppliers we are able to communicate easily, without impediments such as time zones and language barriers,” David said.

“I worked closely with AusIndustry, and the staff there guided me through the application process.”

“And if the irrigation system breaks down, we could lose our whole crop so it is critical that we have good access to our service providers.

“Initially I thought applying for the *Enhanced Project By-law Scheme*

would be complex, and involve a lot of paperwork and time, but I worked closely with AusIndustry and the staff there guided me through the application process.”

Costa Group approached AusIndustry early in the planning stage, and tailored its application to the project’s three development stages: a 50,000 square metre glasshouse and packing line, completed in 2005; a second 50,000 square metre glasshouse, completed in 2007; and a third 100,000 square metre glasshouse with a second packing line, due to be finished next year.

“While the applications did involve a fair degree of work, they were more concise than I predicted,” David said.

“I would certainly apply for the *Enhanced Project By-law Scheme* for future projects.”

Automated packaging trolley system

An important feature of the glasshouse is the automated trolley system. The trolleys have sensing technology which enables them to move away from the pickers as they pick the tomatoes.

Because the trolleys do not need to be pushed, *Costa Group* has a much bigger employment pool because pickers are no longer selected on their physical strength.

The glasshouse’s irrigation heating pipes double as trolley rails, and the trolleys are automatically transported to the picking line and unloaded.



The automated trolley system is from Belgium, and uses the world’s latest technology, but one day it may also be developed in Australia.

The Enhanced Project By-law Scheme

The *Enhanced Project By-law Scheme* provides duty free entry on eligible goods for major investment projects in the mining, resource processing, food processing, food packaging, manufacturing, agriculture, water supply, power supply and gas supply industries.

Customers should contact AusIndustry at the earliest possible stage of a project as the application process has two stages – project acceptance and the implementation report.

Around 300 projects have been approved, and total duty forgone to date for the scheme is more than \$300 million.

AusIndustry is the Australian Government’s principal business program delivery division in the Department of Innovation, Industry, Science and Research.

AusIndustry delivers a range of more than 30 business programs, worth about \$2 billion, to more than 10,000 businesses and 80,000 individuals every year. Programs include innovation grants, tax and duty concessions, industry support and venture capital.

To find out more call the **hotline 13 28 46**, or visit the website **www.ausindustry.gov.au**.