



27 May 2013

Senate Foreign Affairs, Defense and Trade Legislation Committee

EMDG Amendment Bill 2013

Dear Committee members

I am concerned to hear that the Committee is considering reducing the terms for EMDG claims down to 5 years for the USA, UK, Canada and Europe. As a new business in a new industry in Australia, this change would seriously impact our growing business in a negative way. Tasmania Distillery produces single malt whisky and has started to build an international reputation for our high quality single malt whisky. It has taken 17 years to build our stock of maturing whisky, gain credibility for our brand (Sullivans Cove) and capture the interest of our international markets. We have recently started applying for EMDG support after several years of Tasmanian State Government support. We have found it takes many years to establish a brand in any export market. For a small business like ours with limited funds the EMDG grants can make the difference between entering new markets and not.

For many years we employed only two people while creating and building our brand. Since finding seven international markets the number of people we employ has risen to five in the past two years. The orders from our markets in Europe, the UK, Canada and the USA are small at this stage however we are confident the orders will grow as our product name becomes better known. Something we are working hard to achieve. I am also confident that we will employ more people as a result.

Sales growth continues to be hampered by the combined effect of the GFC, the consistently high Australian dollar and the high cost impact of transporting our product from Tasmania to Victoria before it can be exported, due to the cessation of direct freight from Tasmania to Asia. To have the availability of the EMDG funds reduced in any way will further compound the negative effects of these impediments. I strongly recommend that the EMDG terms stay as they are.

Yours sincerely

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