

# DRIVING THE SUCCESS OF AUSTRALIAN AGTECH INNOVATION

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Matthew Pryor is a central figure in Australia's agtech scene. He co-founded an agtech startup, brought it to international success, and is now helping other local entrepreneurs make their mark.

'Startups drive innovation,' says Pryor, 'and innovation is what will decide how our sector fares over the 21st century.'

Pryor talks from experience. He has mentored startups via a number of incubator and accelerator programs, and was formerly CEO of Observant, a Melbourne-based agtech firm that produced technological solutions for crop and water management.

'These programs have allowed me to take what I have learned throughout my journey to help others to succeed,' Pryor says. 'Australia offers international companies exceptional opportunities for investment in breakthrough research, technology solutions and partnerships,' he says.

It's this potential that convinced Pryor to co-found Australia's first seed-stage, agri-food venture capital firm – Tenacious Ventures – and take on his latest role of Partner at AgThentic, a major shaping force in the Australian agtech sector.

'Australia has the opportunity to be one of the world's leading participants in agtech and foodtech,' he maintains.

## Innovation accelerator

Pryor was the founding chair at Rocket Seeder, a not-for-profit innovation accelerator for food and agriculture entrepreneurs, headquartered at Monash University in Melbourne.



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Matthew Pryor, Partner, AgThentic

With entree to facilities and expertise that would otherwise be difficult to access, participants in the Rocket Seeder program spend 14 weeks attending workshops, creating viable products, and developing specific business models. By the end of their time at Rocket Seeder, they will have identified customers, made launch preparations, and refined their investment pitches.

Pryor also spends time mentoring at Meat & Livestock Australia's producer-led innovation Fast-Track program, and at GrowLab, a Sydney-based deep tech accelerator run by Cicada Innovations.



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Cicada, founded by four of Australia's top universities, supports science-based innovation by providing startups with business support and access to advisers, industry and research partners.

'What's been most fulfilling has been the opportunity to collaborate with such a wide range of programs. Also, our strength in agricultural research and natural inventiveness has shown up as really strong producer-led innovation,' says Pryor.

Pryor says the agtech and foodtech ecosystem in Australia is still growing, 'but there are great advantages to being the size we are. Small enough to be really well connected; big enough to validate innovations at commercial scale.'

This is quite a unique position to hold, he says.

## Learning how tech companies work

Pryor points out his background is in tech, not agriculture. 'I got into computers at a young age and started a company just out of university,' he says. He then lived and worked in San Francisco for many years: a defining experience. 'I learned how tech companies work, how Silicon Valley works, how acquisitions work.'

During his time in the US, Pryor met another young Australian entrepreneur, Simon Holmes à Court. When a project came up back home that looked at automation in the agricultural industry, they joined forces to establish Observant.

'It was amazing to both of us how little tech had actually penetrated agriculture at that time – it was in the mid-2000s,' says Pryor.

He says they concluded that technology had not been presented to the market as a solution to a problem, but rather as 'tech for tech's sake'.

'We realised we had to work to make tech look and feel like reliable agricultural equipment – and we had to market it that way,' he explains. 'Successful farmers are already experts in agriculture and all that is involved in running an agricultural business, so expecting them to be tech experts as well is asking too much. Whatever we came up with had to be essentially "plug and play".'

He says a product that comes with a 20-page set of instructions is not going to work out on the farm. 'We needed products that are simple to deploy in the field.'

And this is what the young entrepreneurs delivered.

## Tech solutions for managing crops

'We set out to solve agricultural problems in a 21st century manner: in particular, water management using tech,' continues Pryor.

'Our aim was to take Australian agtech know-how and services and apply them to agriculture on a global basis.'

Observant is known for its broad field monitoring and controls, including in-field hardware and cloud-based applications for precision farm water management.

The company's innovative technology has resonated globally and is being used in markets around the world. In early 2017, Observant was acquired by Indian multinational Jain Irrigation Systems Ltd.

'It was an investment that combined the best of both worlds,' says Pryor. 'We had the products that worked, and Jain had the global scale and reach.'

The Jain/Observant deal is regarded as an example of the innovative opportunities Australia offers investors looking for deal flow backed by significant startup activities and support.

## Looking to the future

What does Pryor think about the future for Australian agtech and foodtech?

'There are a few themes we're seeing,' he says. 'In agriculture, it's now yield improvement, which is a follow-on from the earlier biological improvement.'

'In food, it's the relationship between farming and food. We now have new ways of producing food, new sources of food, and alternative ways of making new proteins.'

'We are rethinking everything. We go right back to basics and ask ourselves questions such as: "What actually is a farm today?" "What is food?"'

Pryor says it's a work in progress, but adds: 'My time working with Australia's emerging entrepreneurs has given me confidence that we will see the emergence of a booming knowledge economy in food and agricultural innovation to sit alongside our world-class food and fibre production systems.'

*Pryor's new roles at Tenacious Ventures and AgThentic underscore his desire to help Australian agtechs succeed on a global scale. Tenacious Ventures identifies, funds, and accelerates the best local startups, while AgThentic, a global food and agriculture strategy firm, supports agricultural entrepreneurs to bring innovative, effective farming technology to market.*

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