

From: Douglas Kingston [REDACTED] >
Sent: Friday, 19 June 2015 9:42 AM
To: biofuels
Subject: Marketing for ethanol mandate

Attention: Kathie Standen

I should point out that the views/suggestions below are mine personally. A formal submission will be provided by NQBE prior to the July 3 deadline.

As mentioned at last night's forum in Ingham, I come from a marketing background.

My experience, mentioned here only to provide credibility, is as follows:

- 10 years as marketing manager of the Townsville Bulletin newspaper, operating with a budget in excess of \$1 million
- 7 International Newspaper Marketing Association (INMA) Awards
- 14 Pacific Area Newspaper Publishers Association (PANPA) Awards
- PANPA Marketer of the Year in 2000 and 2004

I have a marketing plan which I believe would enforce what the State Government wants to achieve with its ethanol mandate.

I touched briefly on it last night but here are the basic details:

Two faceted marketing campaign to:

1. Dispel the myth that E10 causes damage to car engines and provides poorer fuel economy than regular unleaded

As mentioned, I have been driving my company car (a Holden Sportswagon) from Townsville to Ingham on a regular basis for more than 4 years. During that time I have used E10 and have not had any mechanical problems whatsoever. To check on fuel economy I used regular unleaded petrol for 1 month and found that there was no difference in fuel economy and no noticeable reduction in performance/power.

I suggest that a case study campaign be conducted providing 100 or more (the more you can afford the better) ordinary Queenslanders with free petrol (half with regular unleaded and the other half E10) for one year. The results of that study, and the real people who were involved in it, could then be used in a media campaign to counter the negativity promoted by oil companies. Perhaps the RACQ could be involved to get it on board and give it some ownership.

2. Spread the message at point-of-sale with a marketing/awareness campaign at all service stations. Operators could be provided with an incentive of 5-10 cents a litre discount on E10 (reducing by, say, 1 cent a litre per year) on the basis that they would have to sell and advertise on their price boards, E10 at least 5 cents cheaper than regular unleaded.

But there is also a bigger picture here.

The NQBE factory will be the first of its kind in Australia, not only producing sugar, a range of other bio products, and distilling ethanol, but also generating renewable power.

The NQBE factory will use bagasse (the waste product from sugar cane crushing which is mostly burnt off into the atmosphere) to generate enough electricity to power approximately 28,000 homes.

There is enough bagasse in the Herbert River (Ingham) and Burdekin (Ayr/Home Hill) districts to produce power for approximately 80,000 homes, thus providing a viable alternative to the dirty coal-fired power station proposed for the Townsville/North Queensland region.

If other sugar growing areas of the State - Cairns, Atherton Tableland, Innisfail, Tully, Proserpine, Mackay, Bundaberg - followed the NQBE **example we** would not only significantly increase Queensland ethanol production, but also put in place a valuable source of renewable power which could be used for essential services should a cyclone or other natural disaster cut the power lines north of Gladstone Power Station.

The NQBE project will provide 300-350 jobs during the construction phase, and approximately 220 new full

time jobs when operational in June 2018.

It will provide annual economic benefit of \$96 million to the North Queensland region.

Imagine the boost in employment and benefits to the economy of struggling regional areas of Queensland if the NQBE blueprint was rolled out in all sugar growing areas of the State!!!!

Cheers

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