

Sizing mix is critical

Dear AVOCO growers,

Now in week 35, we're seeing the season unfold and realities are replacing theories. By and large, AVOCO is very comfortable about how we're placed. We have received very satisfying orders from our key customers and markets, and the prospects for our season remain strong. But as always, we're looking to achieve better and better outcomes, and there is one thing that has already presented itself as a challenge to be managed.

From weeks 30 to 33, only Far North Packers packed for export. Maturities hindered critical mass of supply in other areas during that period but, now in week 35, we have all five AVOCO sheds packing. This should continue until early February.

The one challenge we appear to be facing early on is fruit size. Each year, we require a percentage of smaller fruit early for AVANZA (Asian) customers and to achieve that, some growers in each growing area target the harvest of their "early smalls". However, there is distinctly a limit to the volumes involved, and if we get our percentages wrong, we have too much small fruit (28-36 counts) that must find its home in Australia. The issue with that is there are ample Australian smalls available to compete with right now, and values are being driven down already. This makes no sense. Managing what we pick is a very important component of running our supply chain to service key customers.

While we do have a seasonal Pool, it's important we don't start out loading the Pool up with poorer sales on



small sizes. This is a separate issue to the "picking for size" economic message put out in recent grower meetings around the country, but both outcomes require the same decision-making. The amount of smalls has a definite limit early in the export programme. I must add further that our major customer programmes have begun, and volumes will ramp up before too much longer. It's imperative then that we achieve the week-to-week orders of fruit in medium and large sizes.

Within AVOCO, this is very much a normal discussion for this time of the season, but we need to "nip it in the bud". We discuss with packers weekly requirements, and an important part of that is size profile. The grower mix each packer selects must be targeted to providing key sizes for key customers, along with a sensible proportion of smalls. Please all growers, play your part and work with your packers.

Thank you,

JOHN CARROLL
AVOCO DIRECTOR