


avoco news



<p>TECHNICAL & QUALITY SPOTLIGHT</p> <p>Pages 9-10</p>	<p>AVANZA REPORT</p> <p>Page 5</p>	<p>PACKHOUSE REPORTS</p> <p>Pages 11-14</p>	<p>APATA GROWER SERVICES PROFILE</p> <p>Page 15</p>	
---	---	--	--	---

Directors' Review



Steady ahead

Overall, the market is a lot more promising, and we are expecting an improved result on last season, but wet weather has put constraints on production, and shipping remains inconsistent write Avoco directors JOHN CARROLL and ALISTAIR YOUNG.

In comparison to last year, Avoco is much better placed this season and the markets have picked up. Twelve months ago, the market was extremely challenging with a massive oversupply and soft demand. The season is tracking well, although we remain cautious because the overall result is dependent on how weather and shipping schedules behave going forward. The demand on paper is looking good, and we believe that will translate into a decent return for our growers.

We expect to finish packing around the end of January, meaning that our fruit gets to Australia and through the distribution system for final sales late February.

Director's review continues next page...

CHALLENGES

Both weather and shipping schedules have had a negative impact this year. It's been a tough season in terms of weather – particularly the wet conditions of the last two months – and the effect on production and harvest. Although we have strict protocols around picking it can still be problematic, and too much rain slows the production process down. However, we are managing as well as possible and our big customers in Australia have worked with us and been very supportive.

The trials around shipping remain in a world still impacted by Covid. We incurred difficult and unpredictable shipping schedules this year – we are yet to return to the reliability of three years ago. Trans-Tasman routes have fared better than further afield and there have been more consistent challenges into Asia than Australia. Consequently, we have put less fruit into the Asian market than we had intended.

However, we have had a few difficulties across the Tasman with delays in vessels after the cargo has been loaded. At times we've felt our hands have been tied, but we've done all we can to manage and work our way through such challenges.

AUSTRALIA

The Australian market has certainly improved and remains stable, and indications are the remainder of our season could be reasonably strong. The big competitor we face in our market window is Western Australia. Twelve months ago, Western Australia had the biggest crop they have ever had. The WA crop is well down this year and their production has been a long way back due to climatic conditions and a lower biennial bearing yield. This does help us in terms of market supply and demand.

QUALITY IMPROVEMENTS

At this point, our fruit has held up quite well and the quality has generally been good. However, we have just gone through a period with a lot of rain, and we remain a bit cautious about our fruit; rain is not our friend.

We have good protocols around picking in wet weather and there is a whole range of research and work that Danni and Richard in the quality and technical team are constantly considering for areas of improvement. Richard has introduced newer ideas that seem to be getting us better outturns with long-distance markets. It is a constant work in progress and these little changes make our fruit more appealing.

CAUTIOUSLY OPTIMISTIC

It has not been easy, but this season is certainly more positive. Value has been higher than last year. On paper, we still have a couple of months of sales ahead, but we have a cautious expectation that the market will hold up and that we will end up with a good result. We've had a good run in the Australian market, but Asia has certainly been more compromised because of shipping challenges. We are optimistic about the future even if we remain cautious until the season ends.

Ultimately, we believe the world will get back to some form of normality. We don't know how long that is going to take although if we continue to see incremental improvements, we can be optimistic about the future.

RECOGNITION

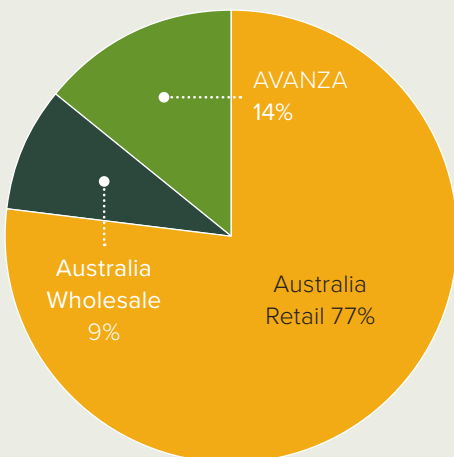
Once again, we are very thankful for the support growers gave us through a very difficult period last year. Hopefully, there is now more positivity because it has proven to be a much better environment than 12 months ago.

On behalf of all of us here at Avoco, we wish everyone and their families a Merry Christmas and a safe festive season. If you are picking and packing, we thank you for your commitment and support which is greatly appreciated. ■

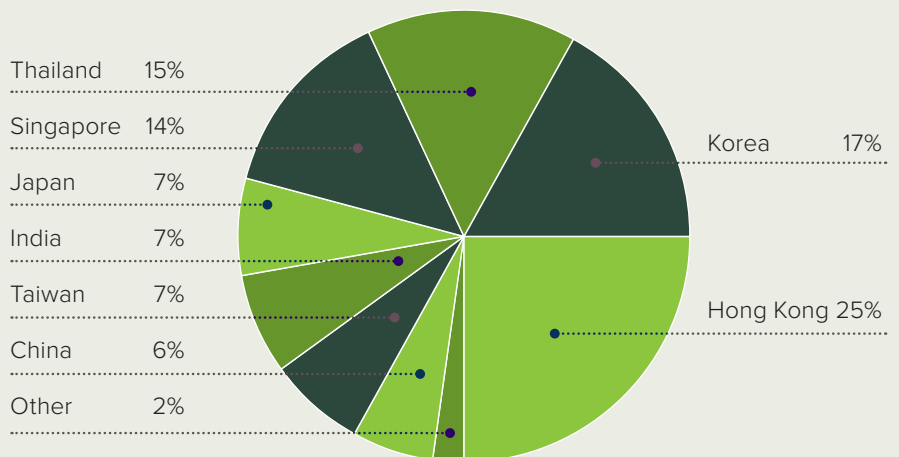
Best wishes for the festive season



AVOCO PROJECTED FINAL MARKET SPLIT 2022-23



AVANZA ALL MARKETS 2022-23



Behind The Scenes

Your Avoco Grower Relationship Committee led by chairman JOHN SCHNACKENBERG, reports on policy updates and issues important to growers and the supply group.

Season's greetings to you all! Twelve months ago, I wrote, "this is not the avocado season we might all have been hoping for when looking at our fruit set this time last year". And "neither would we have contemplated avocado values at arguably an all-time low after the strong value in the year we had just experienced".

The former statement remains largely true given this year's storms, incessant rain during harvest with declining pack-out percentages and horrendous shipping logistics, but Avoco executives are fortunately indicating significantly improved values for this year compared to last, driven primarily out of Australia. However, those projected values remain subdued and down on Avoco's average returns achieved in the eight years prior.

I also reflected on a former boss's observation to me a year into the early 90's recession – "this will pass".

It can and it will, but we must own the dual responsibility of quality and quantity to deliver an annually repeatable and economically sustainable volume of fruit going forward for our orchards. No one else can do that for us.

Your growers' committee, the AGRC, monitors Avoco's performance on behalf of growers. We now have a 'living' 5-year business plan constantly evolving to set market objectives and to actively monitor our marketer's performance as well as to better understand ever-changing market dynamics. Ironically, this will likely remain a moving feast. Not least for this season, the decline in export volumes put us well below the intended AVANZA market volumes. And early indications of the current set (moderate) suggest that AVANZA targets may again be restrained from that envisaged for 2023/24, depending on the Australian crop and import demand there.

Since the September Avoconews the committee has met twice, in October and the first week of December.

At our October meeting, the committee approved a Pool budget of about \$60,000 for the season quality management oversight at our Australian handlers. This is the most significant 'spend' that the AGRC support, as recommended by Avoco management, which occurs below the 'FOB' line.

The AGRC was set up to monitor Avoco's performance to FOB (including foreign exchange) and to develop policy in line with that. However, over time with the support of our exporter shareholders, Southern Produce (SPL) and Primor Produce (PPL), the AGRC has moved further into areas that form part of our respective exporter entity pools. Other items monitored below FOB include food safety systems, heavy metal and residue testing, incentives, promotions,

quality management, and technical research and development (R&D).

At the recent meeting, an amendment to the Memorandum of Understanding (MOU) between SPL, PPL, and Team Avocado was adopted to allow policy development below FOB where all parties agree.

Another matter covered in the October meeting was the election of the Chair and Vice Chair. I have been returned as Chair and Deon Cartwright as Vice Chair for the next 12 months.

Recently a grower wrote to the AGRC after observing that the Audit of the Avoco Pool Statement for the 2021/2022 season, as published in the September Avoconews, is effectively a report to the shareholders (SPL and PPL), not the growers. And that it is couched in auditor self-protection. For example, "We do not accept or assume responsibility to anyone other than the Shareholders of the Company".

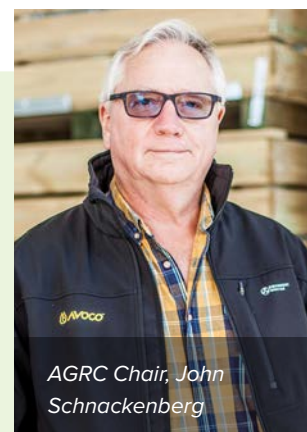
The grower's point is at face value, valid. However, as The New Zealand Avocado Company Limited – Avoco – has been established as a single purpose not for profit entity and is accordingly constrained through its Shareholders' Agreement and the MOU, which included Team Avocado as a signatory, to only operating the Avoco Pool, the grower needn't be overly concerned.

That is, the business of Avoco is our Pool income and expenditure, plus managing on behalf of PPL and SPL entity-specific expenditures such as local transport, food safety elements, incentives, R&D, quality, etc.

Thus, given the constraints outlined above, the Special Purposes Financial Statements Audit, on behalf of the Avoco Shareholders is arguably a de facto Pool audit to FOB on behalf of growers.

Prior to the audit of the current season Pool, we will discuss with the Auditor if / how we can express this in a way that gives growers more comfort.

On behalf of the AGRC may I wish you and your families a safe and enjoyable festive season. ■



AGRC Chair, John Schnackenberg

AGRC COMMITTEE MEMBERS

John Schnackenberg	021 731 437	jschnack@outlook.com
Deon Cartwright	027 596 2963	deoncartwright@gmail.com
Hugh Moore	021 935 243	hugh@mmfl.co.nz
Ron Bailey	0274 524 538	baileyfarms@xtra.co.nz
Ross Mutton	027 648 5577	ross.lesley@slingshot.co.nz
Terry Ridder	021 671 231	avocadosnz@gmail.com
Trevor Seal	07 552 4485	trevseal@xtra.co.nz
Mark West	027 534 6349	m.k.west@xtra.co.nz
John Cotterell	027 451 3138	jccotterell@gmail.com
Ross Woods	021 407 361	rosswoods@xtra.co.nz
Alistair Young	0274 929 486	alistair@southernproduce.co.nz
John Carroll	0274 959 388	JohnC@primor.co.nz

Q&A

CITY FRESH DIRECTOR,

Wongsakorn (Bill) Chatamornwong

Thai importer City Fresh doesn't consider itself a fruit importer or fruit seller, but a "place for those who are passionate about fruits".

Founded in 1989, City Fresh Fruit Co Ltd is Thailand's premier fresh fruit importer, and supplies quality fruits to local supermarkets and wholesalers across Thailand. AVANZA Market Manager Henry McIntosh explores the City Fresh relationship with director, Wongsakorn (Bill) Chatamornwong.

How long has City Fresh been importing AVANZA avocados?

City Fresh has been importing AVANZA since 2014. A strong relationship has been built and friendships developed between the two companies during this period. A good example of our close relationship is Henry attending Bill's wedding in 2018.

What makes New Zealand AVANZA avocados special for your customers?

AVANZA was the first brand that introduced New Zealand avocados to Thailand. Avocado back then was an unknown fruit in the Thailand market. AVANZA exclusively and actively invested in promotions to educate consumers about avocados. Also, for several years, New Zealand avocado was the only legally imported avocado in Thailand. So, AVANZA was and still is the top-of-mind brand when it comes to avocado.

How do you promote AVANZA avocados?

We promote AVANZA avocados as being the best in quality, and most consistent in quality. Many customers struggle to find a good avocado. So, we want customers to look for the AVANZA sticker and be confident that their purchase won't disappoint.

What are some of the favourite ways City Fresh customers enjoy eating avocado?

Avocado is great to eat fresh, but it is also an excellent ingredient for various food dishes. So, sharing recipes on our platform or cooking demonstrations in stores has always been very effective.

We also focus on the healthier diet trend by emphasising the nutritional aspects of avocado through a lot of our customer communication.

See how Cityfresh promotes AVANZA avocados by visiting their website cityfreshfruit.com or [Facebook page](#). ■



Executives from Gourmet Market and City Fresh, and the NZ Ambassador of Thailand cook up a storm at the cooking promotion.



City Fresh director, Wongsakorn (Bill) Chatamornwong



Avocado magic at the Avanza Avocado event at Gourmet Market in collaboration with CityFresh, Thailand

At the opening event of AVANZA Avocado at City Fresh, in collaboration with Gourmet Market, Siam Paragon branch, a chef created a special menu for a cooking workshop using avocado as the main ingredient. There was also a magic show using avocado cocktails honouring Mr Jonathan King, the New Zealand Ambassador of Thailand. The event was also attended by executives from Gourmet Market and City Fresh Fruit Co Ltd to promote the premium AVANZA product sought after by customers.

Shipping chaos disrupts trade, intensifies challenges

Strong competitive conditions and shipping interruptions disrupt Asia's export programme, but AVANZA's fruit quality stands up.

Avoco marketing and communications manager Steve Trickett says this year has proven to be the toughest for ocean shipping reliability since Covid arrived two years ago. Issues with shipping and logistics have impacted all markets served by AVANZA with the result that markets across Asia have finished earlier and the export focus turned to Australia.

Programme volumes continued to dwindle throughout the season compared to the pre-season plan as a result of a combination of port congestion issues and vessel delays, rain events, limited small fruit size availability, and market compliance factors.

"Quality remains generally good and will provide a stronger opportunity to rebuild customer confidence to further grow volume in these markets," says Steve. ■



CHINA AND TAIWAN

Season cut short

Due to the significant reduction in volume, AVANZA scaled back planned promotional activity to focus primarily on cost-effective social media postings to maintain its brand profile.

Market manager for Taiwan and China Steve Trickett says continuing unreliable and irregular shipping schedules and logistical challenges meant the export season to China was cut short.

"These challenges have been worse than the previous two seasons and, coupled with rain events, had a significant impact on the supply chain.

"Consequently, AVANZA was unable to serve retail customers on a regular weekly basis which meant fruit had to be sold primarily in the wholesale market.

"Across the eight weeks of the planned supply programme to China we faced four weeks with no vessel available to load and one week of cancellation due to rain," says Steve.

"This resulted in gaps with arrivals which is very difficult for an importer distributor to manage with retail customers, and wholesale is

not where we really want to be selling."

As well as an increase in imported fruit from other major players, more locally grown Chinese avocados became available this season.

"Chinese markets were well supplied with Peruvian fruit early, followed by the first crop of domestically grown Hass from Yunnan, then Chile.

"With progressively increasing volumes imported from Chile weakening the market to unsustainable levels for our fruit and with a reducing crop estimate, it was prudent for us to reprioritise the remaining fruit for Australian retail orders," says Steve.

"It was positive to hear our importer's sales team report they felt the quality of our fruit had improved on the previous season."

China is described as an emerging avocado market with international industry data projecting import volumes will grow from 36,000 tonnes in 2019/20 to 196,000 tonnes by 2028.

"There are plenty of opportunities in the China market and although there is an increasing supply of avocados, China has only one percent share of the world market and is indicating a growth rate of three percent per annum. Clearly there is a huge opportunity to grow the market, and in time the value too.

"Considerable investment is being made in infrastructure such as warehousing, ripening facilities and cold chain as well as consumer education and promotion which will help support this forecast growth." ■

Check out our influencer videos on YouTube.



AVANZA Report

TAIWAN

Air freight programme pays off

Volumes to Taiwan have been down on the previous season, however returns remain the best out of Asia.

Airfreight shipments mean the Taiwan market is not as exposed to the chaos associated with shipping by sea as seen with most other markets, but there has been only modest market growth over the past three seasons.

“New Zealand volume did lift last year by around 60 percent on the season prior, but this represents just 144,000 trays, which this season will fall back to a projected 127,000 trays,” says Steve.

New Zealand is well placed to further grow this market because Taiwan is the only country that allows New Zealand fruit in during our

window which runs from July to February, with the USA a counter-seasonal supplier and the only other origin with import access.

“As New Zealand crops allow, both in terms of volume and size profile, with larger sizes preferred, AVANZA aims to expand its reach into Taiwan, however unfortunately with volume constraints this season it was not possible to pursue new channels.”

Food Safety and compliance remain a big area of concern in the minds of Taiwanese regulatory authorities such as the Taiwan Food and Drug Administration (TFDA) and Steve says growers and AVANZA must remain vigilant.

“This season we have seen a record four cross-border checks of our cargo with TFDA taking samples for residue and heavy metal testing, all of which passed, highlighting the effectiveness of AVANZA’s Residue Testing Protocols and our market compliance programme,” says Steve. ■



In Taiwan AVANZA continues to focus primarily on the Costco retail programme involving twice weekly airfreight shipments of prebagged fruit.

SOUTHEAST ASIA

Fruit quality strong, volume down but demand increasing

The total volume exported by AVANZA across South-East Asia this season will be less than half of last season due to a falling export volume, large-size profile fruit and an increasingly difficult shipping environment, says Henry McIntosh, market manager for South-East Asia.

“Sea freight programmes to Singapore and Hong Kong have been heavily affected by shipping schedule changes, which has turned out to be the most challenging season so far for logistics.

“Growers, packers and operations staff deserve a pat on the back for handling a difficult situation as well as possible,” he says.

By the end of the season, Hong Kong will be New Zealand’s largest Asian market for the second season running. Customers continue to enjoy the fruit from New Zealand which supplements the supply from South America. Henry says generally, fruit quality has been strong and

the demand in the markets is increasing as the season progresses.

AVANZA uses a majority of air freight across South-East Asia markets not accessible by sea and Henry says the higher dry matter this season has caused isolated issues with fruit ripening too quickly, but generally, the air freight markets have been impressed with supply from AVANZA. He stresses strong fruit quality remains very important to maintain AVANZA’s position as a preferred supply option.

This season included the addition of two new customers in South-East Asia to continue the growth of AVANZA across Asia.

“In November we started packing for Indonesia, which is a new market for AVANZA, and we are progressing with new developments in India. We are only planning a small exploratory programme this season with a view to increasing volume in 2023-24 all going well.”

Social media campaigns have remained consistent as retailers also allow in-store marketing activity again after being on hold during the worst period of the Covid pandemic. In-store sampling has proven to be the most effective way to introduce the brand and product to new consumers.

“AVANZA runs successful social media campaigns targeted to specific regions and this has been successful in reaching a lot of consumers. I encourage growers to search ‘AVANZA avocados’ on Facebook or Instagram to see some of the content,” says Henry. ■

AVANZA Report

KOREA

Market forces reduce sales, compliance remains important

A buy-back retail purchase scheme was reinstated for the second year in retail stores, and a 30-second New Zealand video played in the leading Korean retail chain's seven E-Mart stores.

Martin Napper, AVANZA'S market manager for South Korea, says market volume is down and will end up about 22 percent below last year's record volume of 3.1m trays due to a combination of rising inflation, a weakening currency, and an aggressive sales campaign from a new Korean importer.

Avoco's Korean programme is expected to finish at about 30 percent of the projected marketing plan mainly due to irregular vessel schedules compounded by port congestion, the wettest season on record, and insufficient compliant fruit not being available to pack.

"Other origin avocados have made inroads into Korea in recent seasons, most notably from Peru.

"Maximising shipments to Korea is a key focus area as we rebuild this important Asian market for the future," says Martin.

Peruvian supply extended into November, and Mexican supply recommenced again after an absence in 2021 due to better returns from the United States market. Some Chilean fruit also made an appearance.

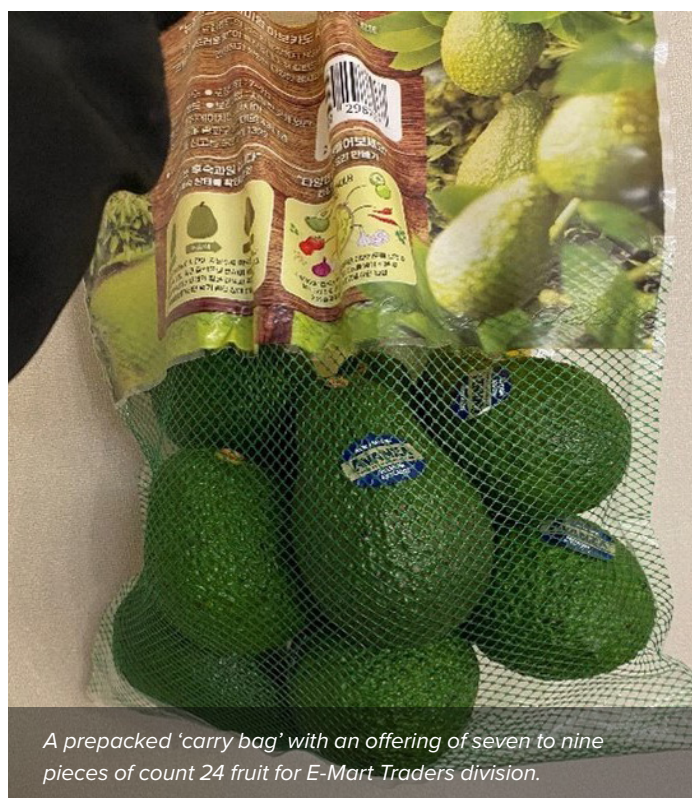
The fortnightly shipping schedule reduced Avoco's ability to conduct its planned programme this season and it is hoped that by the start of the 2023 season shipping will be back to a more reliable weekly service. Avoco trialled one container on the final Korean Zespri charter vessel, which was successful, and will look at using this service next season.

New Zealand's higher seasonal dry matter also reduced storage time in the market which has caused a number of customers to move to more robust lower dry matter Mexican and Chilean fruit, although to date, container out-turns and fruit quality have been pleasing.

Martin advises although New Zealand's fruit quality remains high and is favoured by the trade and consumers, allowing AVANZA to retake some market share, maintaining quality, and achieving 'all market compliance' will help rebuild confidence in New Zealand avocados.

A buy-back retail purchase scheme was reinstated for the second year, as well as a 30-second New Zealand video in seven retail stores of leading Korean retail chain E-Mart. The video ran 104 times a day for a month reaching a potential audience of 105 thousand per week.

"It was successful in helping consumers decide to purchase AVANZA fruit rather than Mexican fruit, even when frustrated by the fortnightly shipping schedule," says Martin. ■



A prepacked 'carry bag' with an offering of seven to nine pieces of count 24 fruit for E-Mart Traders division.

View the retail video that ran in leading Korean retail chain E-Mart.



AVANZA Report

JAPAN

A discerning market for a quality product

Despite only modest tray volumes having been exported to Japan in recent seasons due to previously reported quality issues, this market continues to hold a very important place in AVANZA's 5-Year growth plans. Our objective is to rebuild volumes back to the 200,000+ tray levels AVANZA were exporting to this discerning market back in 2014-15 season, and earlier.

The Avoco 5-Year Business Plan projects the 2026-27 season will require 60 percent of the Export Pool volume to be sold in Asia and other markets beyond Australia. A consistent supply of good quality fruit will be pivotal to achieving this objective.

This season AVANZA shipped 16,119 trays to Japan representing 63 percent of New Zealand industry's 25,667 trays total exports there. It is both encouraging and pleasing to report that all fruit out turned well from a quality standpoint, with controlled atmosphere shipping and closely monitored temperature management in transit contributing to that outcome.

Shipping issues were again a major challenge for AVANZA's programme in Japan, disrupting importer Farmind's ability to serve retail customers, consequently requiring AVANZA to scale back the volumes planned.

Japan market manager Ted Thomas says shipping is a significant competitive advantage for New Zealand in supplying Japan, given the shorter vessel transit time compared to South American origins allowing us to stake a claim as being the closest and therefore freshest source of avocados to the market.

"The secret to AVANZA's success in Japan will be the return of reliable shipping services and continuing improvement of our fruit quality," says Ted. "AVANZA believes Japan definitely offers potential for growth; however its discerning nature continues to test New Zealand's quality standard."

Import volumes of avocados to Japan have been very steady since 2018, however, 2022 has seen a reduction in import volumes, and this season the market is tracking approximately 77 percent of last season.

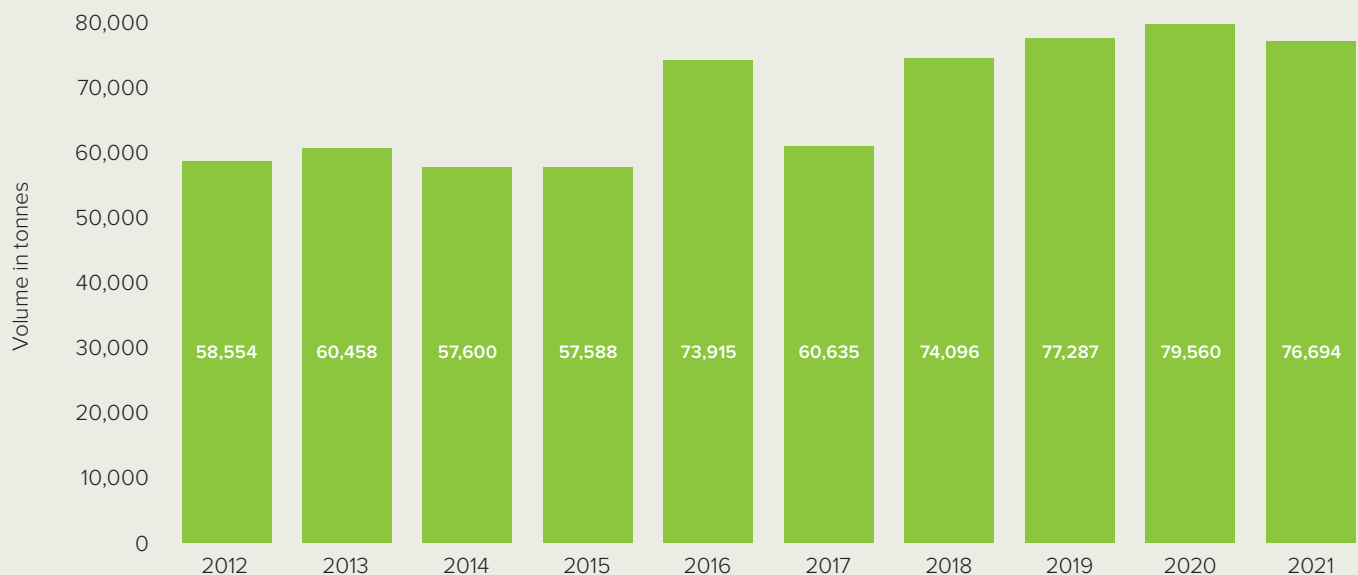
Ted says the weakening yen will have no doubt played a part in declining volumes as the retail shelf prices rise. The yen has slumped to a 24-year low against the USD, driven by the difference between interest rates in Japan and the USA.

Asia contributes to seven percent of the world's imports of avocados. Japan is the main consumer of avocado in the Asian market and is the seventh largest importer in the world. Mexico continues to dominate supply to Japan at around 72 percent, with Peru at approximately 26 percent. The balance of supply is made up from Californian, Chile, Columbia, Australia and NZ.

AVANZA's in-market promotions and PR agency Candlewick continue to execute a comprehensive range of promotional activities in Japan. These include social media and print campaigns using cooking specialist influencers emphasising the taste, nutrition and freshness of New Zealand avocado when in-season, as well as the sustainability of our growing practices. Recipes on news feeds emphasise the health benefits of avocados and their immunity-boosting properties targeting the home cook, family, and health-conscious women. ■

IMPORT VOLUME OF AVOCADO IN JAPAN

Source: UN Comtrade



Technical & Quality Spotlight

Our technical team, technical manager RICHARD KOK, quality and export systems manager DANNI VAN DER HEIJDEN, and JEROME HARDY update growers on how to get the best out of their trees, what to avoid, and how to manage growth in this very wet spring.

Finding the right balance

There is no doubt that we have come through a difficult period with erratic weather events over the past couple of months. There has been everything from frost, strong winds, heavy (almost never-ending) rain and cooler than expected temperatures. On top of this, there has been very little sunshine about.

Some red flags are being raised on how these weather events have impacted pollination, fruit set, fruitlet development, and overall tree health. Frost and/or cold ambient temperatures can result in embryo abortion or pollination without fertilization (i.e. cuke development).

This is where the flower has been pollinated by a pollinator, but the pollen tube has not successfully fertilized the embryo. Bee activity is also significantly reduced when the daytime ambient temperatures are low. Despite a very strong and heavy flower, it was not taken advantage of due to the inclement weather. The lack of heat units and sunshine during the spring period appears to have resulted in the fruit set and fruitlet development being slightly behind the norm.

Tree condition is also something we need to keep an eye on following a heavy flower and very wet spring. If there is a lighter fruit set on the trees there could be an excessive vegetative flush that pushes through, and if there are trees with a heavy set it may result in a delayed flush pushing through. Finding the right balance at this time of year is essential to ensure we nurse the trees in holding the fruit set as well as managing a controlled vegetative flush to help support the new crop without compromising fruit quality.

It is a bit too early to gauge with any certainty on where we may be with regard to overall crop load, but initial indications will help with the decision-making on fertiliser applications. Having had some calcium nitrate application over the fruit set and early fruit development will assist in effective calcium uptake along with a 'soft' form of nitrogen to help coax that vegetative flush through the inflorescence. As we feel confident with the fruit set and have a better understanding of the crop load, we can have our main nitrogen applications come in to support the tree in relation to the crop load in order to maintain tree health.



An illustration of fruit set at the same time, one being a viable and developing fruit and the other having a dead seed.

Something to keep an eye out for is trees exploding with a vegetative flush when the sun comes out and temperatures ramp up. To keep the balance of the tree it would be advisable to make sure that this new summer flush does not 'run away' and is kept in check with some maintenance pruning. Tipping and removing some flush will help reduce water shoot and overcrowding within the canopy structure. ■

The Avoco Orchard Management Guide is now finalised and available for viewing in the [Members Only](#) area of the Avoco website.

The guide contains sections on each aspect of growing and is designed to assist our growers in producing good, consistent crops of premium quality fruit.

If you would like a hard copy of the Guide, Avoco can post this out at a cost of \$30.00 incl. GST per copy. Please email danni@avoco.co.nz advising your PPIN number and postal address should you require a hard copy.

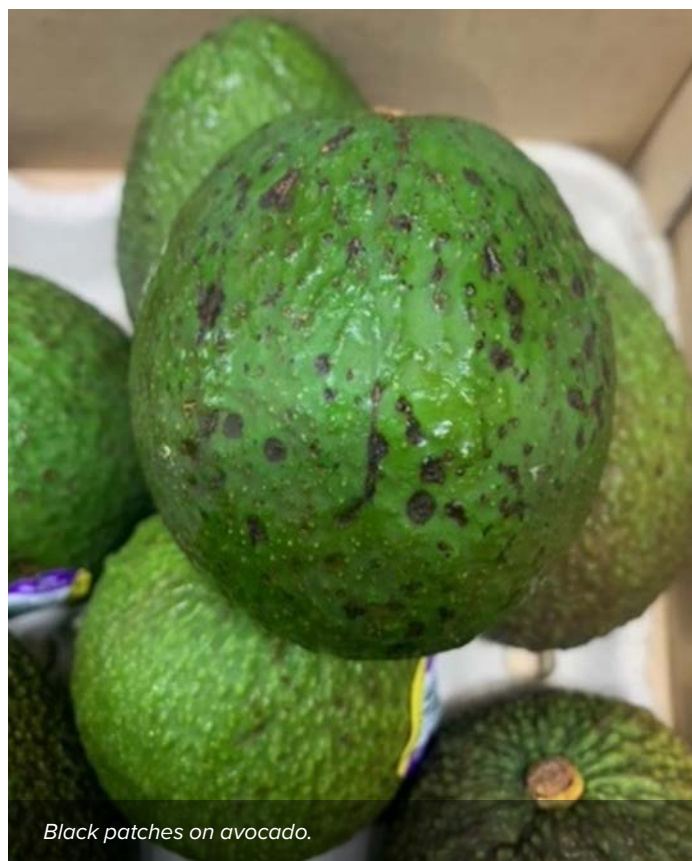
Technical & Quality Spotlight

Fruit quality

Despite the weather, we have had relatively good fruit quality outcomes for most of the season so far. However, we are starting to see higher incidences of black patches on fruit arriving in Australia and are repacking some pallets.

We must follow the Quality and Harvest Guidelines, including:

- **Not using dropped picking bags on elevated working platforms.**
The pressure on fruit in the bottom of a dropped picking bag is much higher than that on fruit in a non-dropped bag or in a bin after harvesting. It is also a safety issue.
- **Not picking wet fruit or after more than 5 mm of rain has fallen in the past 24 hours.**
- Keeping bins cool and in the shade.
- Ensuring fruit is delivered to the packhouse on the day of harvest.
To improve the quality of future crops, follow the [on-orchard guidelines](#) (including nutritional aspects). ■



Black patches on avocado.

Be aware - what is in your fertiliser?

We are seeing greater scrutiny in export markets in relation to fruit contaminants. This relates not only to pesticide residues but also heavy metals (lead, arsenic, cadmium, mercury, chromium).

Products applied to avocado trees, or the soil can have long-term impacts on the trees, fruit and/or soil environment. Ensure that you know the contents of any product applied to your orchard – if a product doesn't state the contents, ask for an analysis (including cadmium and lead).

Products marketed as “natural” or “biological” are not always beneficial to your soil and trees. Ensure that what you are applying

Ensure that you know the contents of any product applied to your orchard – if a product doesn't state the contents, ask for an analysis.

contains appropriate nutrition for your orchard and doesn't contain unwanted nutrients or contaminants.

We strongly recommend not to apply any products containing bird guano or manure (e.g. chicken manure).

- They contain heavy metals. Once introduced to the orchard soil, heavy metals can only really be removed via the crop.
- They contain high levels of phosphorous which is often unnecessary and can contribute to fruit quality issues.
- They often have a varied nutrient content, and nutrient application rates can't be controlled.
- The availability and release rate of the nutrients is variable and may not be available to the plant at the right time.

If in doubt, get in touch with Danni, Richard, or Jerome. ■

Packhouse Reports

Challenging conditions - all hands to the harvest

TOM CLARK, owner of Far North Packers says it has been another tough season however open communication, focus and a dedicated crew is paying off.

The Far North region unexpectedly had clearances for dry matter in early May but, for the first time I can recall, held back orchards from picking due to the volume of old season fruit still in the market – a hangover from the poor market conditions throughout 2021.

Last season was certainly rough, but we have spent most of the 2022 season to date battling constant weather, low packouts, shipping

issues, an overwhelmed local market, crate supply problems, oil bin supply problems, pending Covid outbreaks and general sickness.

Fortunately, there are excellent channels of communication between Avoco headquarters, the pack sheds and our suppliers, so together we are getting the job done as best we can. Thanks very much to growers for your participation and discipline at harvest.

We are currently about 55 percent through the crop estimate, which is a little behind where we would usually be at this time of the year – but we have two big packing weeks prior to Christmas and there is a lot of picking happening in January so the numbers will ramp up quickly.

Our export average is currently sitting at 53.5 percent, which is 7.4 percent down on this time last year – but this will drop as we are now moving into second picks and older orchards. It was a windy year throughout New Zealand so the main packout killer has been ridging area/height and blemishes.

Fruit size is substantially larger than last season with 23.9 fruit per tray (25.8 this time last year) and 27.3 percent of export fruit weighing in at 28 count and smaller (40.6 percent this time last year). This too will drop, but so far has been surprising.

Despite too many oil bins, the packhouse has been running efficiently with production and compliance targets achieved thanks to our excellent and dedicated crew. There are a few more weeks to go so here's hoping things smooth out a bit and in the future we can reflect upon the current season as 'character building'.

On behalf of the crew here at FNP, I would like to wish you all a safe and happy Christmas and New Year. ■

Teamwork makes the dream work

'Kāhore taku toa i te toa takitahi, he toa takitini'. 'We cannot succeed without the support of those around us' is this year's resonating proverb for KauriPak grower services manager AIMEE BARKER-GILBERT.

At the start of this year, we began the operational integration of the avocado and kiwifruit businesses. When Hugh and his family stepped away from the business, KauriPak lost a combination of 200 years of experience. Little did we realise, we made up that time with the experience already embedded throughout both KauriPak and Hume Pack-N-Cool when the businesses merged.

Our growers may have picked up on new names and new faces but one thing we didn't compromise on was disrupting the flow for our avocado growers. Instead, we have provided many upgrades and improvements that have been greatly received.

All operations and procedures were reviewed, updated, and implemented with a new reporting structure and a dedicated team wanting to give assurance to growers, and give the KauriPak business a new lease on life. It's fair to say we did just that, only the wallpaper and carpet remain the same to remind us of the history that we inherited.

While we bid farewell to many legendary faces, we also welcomed new team members, including our new grower services representative, Matt Royackers. Having grown up around avocados, Matt's knowledge, experience, and connections in the industry are something to be desired. Working alongside Toni Morrison, the two reps are a force to be reckoned with.

Despite thinking this season couldn't be any worse than last, we as an industry have managed to deflect numerous curve balls threatening to throw us off our game. Wind, frost, rain, more rain; mother nature reminds us to stay humble as we navigate our businesses while adhering to the powers that be. It's not for the faint hearted that's for sure. But let's not be a fool in thinking we are going through this alone; numerous other crops throughout the country are feeling the same pain and frustration.

With that in mind and the festive season upon us, I would like to wish everyone a very merry Christmas and good luck for the rest of the picking season. We will see you in the new year. ■

Packhouse Reports

Moving mountains just one setback

Apata avocado manager LOGAN WHENUAROA says challenges aside, we need to be more adaptable in this industry and pick to match orders, especially in these competitive market conditions.

When we consider the continued logistical disruptions from a coronial hangover and the abysmal weather recently, the cliché that comes to mind for the current season is, “when it rains, it pours”. We admire our growers’ continued resilience in light of modest OGR returns and difficult growing conditions and also Avoco’s ability to adapt on the fly. We have not been without our share of challenges at Apata too. We literally had to move a mountain to pack avocados this season, courtesy of a landslide onsite.

The change in emphasis of picking to match orders as opposed

to flow plan continues to be a work in progress with a shift in mindset for growers and packers needing to be more widely adopted. The competitive market conditions and long-term OGR outlook mean we need to drive a culture change. How we collectively operate as growers and packers needs to give Avoco the best opportunity to maximise and extract value from the market. For us, this comes from strong adherence to the weekly orders of quality fruit that can go to all markets.

At Apata we certainly try our hardest to achieve this, but mother nature and shipping have been playing games with us all year. We have particularly felt for our picking contractors as harvesting started slowly and has continuously been stop-start.

Some positives in amongst the madness have included our Apata harvest teams and pack shed (when operating!) are both running with great efficiency. We are also fortunate that our continued focus on having many ‘all market’ access growers has made handling the perpetually changing shipping schedules largely manageable when the weather has been favourable.

Like many other post-harvest operators, we’ve been plagued by poorer export packouts, and in some instances, less overall fruit than estimated. However, a silver lining for us internally is that our growers continue to outperform industry averages. For the export season to date, on average we’re packing out just under 60 percent class 1 fruit, whereas the industry has been closer to 40 percent during the same period and our percentage of smalls has been 11 percent vs 18 percent for the industry.

With a glass half full, there’s still plenty of runway and we’re hopeful that the balance of the season will be fruitful for us all. Best Christmas wishes and a Happy New Year from the team at Apata. ■

Another testing year

Trevelyan’s avocado grower liaison representative Laura Schultz looks back on another challenging year and the factors affecting growers this season.

As we head into the silly season it is a good opportunity to sit down to write and reflect on the year we have had and the harvest season so far. It is week 50 and we are 55 percent through our export harvest with the weather continuing to challenge us after another rainy weekend.

This year we continued our smaller discussion groups with topics ranging from on orchard costs to how to manage water shoots, which growers have been enjoying as a chance to engage with our growers and share ideas.

We have all been put to the test with another challenging year, following on from last year’s difficult market conditions but this time quality has been our biggest hurdle. Packouts have been averaging between 40 to 60 percent in comparison to the same time last year when we were sitting around 60 to 70 percent.

Trevelyan’s report continues next page...



Discussion groups have been popular with growers.

Packhouse Reports

Trevelyan's report continues...

We are seeing the result of last summer's storms and high winds with skin rub damage the main reason fruit isn't making class 1/ export grade. Last summer we also saw prolonged and high levels of thrip with the warm conditions and this is also showing through in our packouts. Thrip damage in fruit has been the second-highest reason for rejects but this, of course, varies from orchard to orchard depending on location and spray programs.

As most of you know the result has been high levels of fruit put on the local market resulting in lower returns making harvest decisions difficult as growers weigh up their returns. On the upside export returns are expected to be much higher this year which will be a welcome reprieve for growers. On top of that, NZ Avocado approved

Two contrasting seasons

This year brings another mixed bag, but our team proves it is up to the job writes PHIL CHISNALL general manager business development at DMS Te Puna.

Things are certainly different this season compared to last with reduced volumes and poorer quality fruit – not to mention the inclement weather.

DMS is currently 70 percent through its estimated 150,000 trays of export and on target to complete harvesting for export in Week 5. Our volume is 25 percent down on our original forecast of 200,000 trays due to poorer than expected export packouts, a common experience across the industry. Personally, I have not experienced such variable packouts in the six years I have been involved in the DMS avocado business or as a grower of nine years. Ex-Tropical cyclone Dovi which struck New Zealand on 12 February this year certainly caused widespread damage to many crops.

Harvesting has generally tracked well throughout the season for DMS growers with the exception of a couple of weeks where the heavens opened with continual rain disrupting harvesting. Crews have performed extremely well, maintaining their discipline and focusing on quality and 'no dropped bags'. They have been very productive in helping to reduce our grower's harvesting costs. DMS would like to take the opportunity to thank all our harvesting crews for the quality of harvesting.

Pollination has been a real mixed bag due to variable weather with cold wet spring conditions on the onset of pollination and then warmer wet conditions in the later stages of pollination which has caused extreme vegetative tree vigour and had an impact on pollination. We are seeing more fruit set at the tops of trees on a majority of orchards and a lot less lower pollinated flowers than last season. We are observing firsthand the importance of pollinators within orchards, with

the export of class 2 fruit and we have been exporting class 2 to Australia for the past couple of months.

Fruit set seems to have been quite variable with less fruit being seen in the Katikati region following the cooler weather we had during pollination. Last week I spoke to a grower who said their fruit set looked much better than they originally thought as it begins to size up and becomes easier to see.

Christmas is just two weeks away now and we have several growers making the most of the holiday incentives and harvesting through the holiday period. Let's cross our fingers and hope the weather plays ball and we all get some family time in to recharge the batteries. ■



DMS client services manager Willie Herder beside a well-pollinated avocado tree in close proximity to an Edranol polliniser. This photo illustrates the value of pollinisers.

trees in close proximity to pollinators showing far superior fruit set.

A majority of our orchards have had their first leaf roller spray applied. We are putting a real emphasis on looking after next season's crop and ensuring all market access compliance by using the correct chemicals.

DMS and our avocado business are focused and well-equipped for the challenges that lie ahead. Each member of our client services team owns an avocado orchard and we certainly empathise with growers regarding the challenges we have faced these last two seasons.

We feel very positive about the future of avocados, knowing that we are producing a recognised superfood with great nutritional value that consumers want, and are aligned with AVOCO the biggest exporter of avocados in New Zealand. As an industry we are all experiencing tough times that most primary industries experience from time to time. Together we will navigate through these difficult times and come through better equipped for the challenges ahead.

Our avocado team would like to take the opportunity to thank all our growers for their loyal support to DMS and to wish all our growers a Merry Christmas and a safe and happy prosperous New Year. ■

Packhouse Reports

Last year was just a warm up

Juggling weather and keeping up with scheduling have been a logistical challenge writes BRETT JEEVES, managing director Golden Mile Fruitpackers.

Well, what a season so far. We thought last season was challenging, but as it turns out, it was just a warm-up for what this season has thrown at us.

In the earlier part of the season, shipping was a real struggle. We often had to heavily reduce the number of bins we scheduled to be picked up due to ships dropping out. This created frustrations for growers at having their picking plans changed at short notice, as well as our grower reps who were constantly making changes to the schedule, and here at the packhouse as plans were changing so often. In fact, I recall one week we started packing to a plan on Monday morning, and by halfway through Wednesday we were up to version eight of the weekly pack plan.

As the season progressed, shipping got a bit better, but then the big issues started around the weather. It's hard to believe how wet it has been, and as I write this, I look out my office window at the

constant rain. We've had some weeks where we only get four days or less to try and pick the required volume, and it appears in this current week (Week 50), we will be lucky to get two full days picking in. This is causing huge frustration among growers. Orchards are so wet that even after a couple of fine days, all we need is a light shower, and the picking machinery starts to slide around all over the place.

To date, although packouts in this district have been lower than 'normal' it does appear we've had better averages than some other areas. We've definitely had some rougher lines, down as low as 25 percent export, but we have also had some excellent fruit come through, with some growers packing out as high as 90 percent export. The main issues have been wind damage from storms earlier in the year, and we've noticed a high incidence of thrip damage.

Fruit size in this area hasn't been as large as some of the other sheds are reporting, but it has been a good middle ground at an average of 23.5 count to date. This has given us a reasonable percentage of smaller fruit which has meant we've had a pretty good success rate fulfilling orders to Asia (around shipping and weather), although over recent weeks this has become more difficult with growers starting to apply sprays that affect 'all market compliance.'

The pack shed is humming along nicely, all systems are working really well, and when we get breaks in this crazy weather and get decent bin numbers in, we are packing good volumes on a daily basis.

Well folks, to close, I would like to sincerely thank our growers and staff for their support, and for coping so well with the season's frustrations. I would like to also thank and congratulate the Avoco logistics and marketing teams for doing such a brilliant job of navigating the stormy waters this season has presented ... well done everyone.

Merry Christmas and Happy New Year everyone and let's all hope for some decent fine breaks moving forward. ■

Avoco is proud to be a sponsor of the World Avocado Congress 2023

In less than four months representatives from more than 28 countries and some of the smartest minds in the industry will come together at the Aotea Centre in Auckland to address topics such as the future of food, sustainability, climate change, food trends, food security, water and carbon lifecycles for avocado production, research and practical on-orchard application of research to achieve high-yield, agritech innovation, global supply chains, grower returns, and the ongoing challenges of food supply, to name a few.

Field days are always a highlight for congress attendees and a perfect opportunity to showcase New Zealand's leadership in avocado growing, sustainable environmental practices, ethical worker treatment, and beautiful, lush orchards.

There will be four field day options on Saturday and two options on Sunday at locations across Auckland, Northland, and the Bay of Plenty.

The global avocado community will experience New Zealand's unique avocado growing systems and supply-chain processes first hand at on-orchard field days as part of the World Avocado Congress NZ, 2-5 April 2023.

FOR MORE INFORMATION AND TO REGISTER FOR THE WORLD AVOCADO CONGRESS VISIT THE WEBSITE:

WWW.WACNZ2023.COM



Grower Services Profile



Apata Avocado Business Manager Logan Whenuarua (centre) pictured with newest growers services team members Justin Shirtcliffe and Elizabeth Leonard.

Grower success and loyalty is the ultimate end game

Apata is one of six packhouses partnered with Avoco. This year there is a change of the guard in the Apata grower services team with some new faces bringing in new ideas and expertise.

Apata's Avocado manager Logan Whenuarua sets a high standard. He says looking after growers is the ultimate goal and drives a culture aiming to be better than the rest. "Apata prides itself on having a high percentage of all-market access growers," he says. "We are focused on export – that is where the best returns for our growers are. We support our growers to be high calibre export growers that keep up with all-market monitoring, spray appropriately and essentially grow good quality fruit. Providing the best service to growers will in turn present the opportunity for them to achieve the best return possible."

Logan recently moved into the role of avocado manager from grower services and technical support. Armed with a B.AgSci Logan came from the research team at NZ Avocado. He says the team is both committed and inclusive, which stretches beyond the grower liaison representative team.

"We have our packhouse systems in place, the latest fruit handling technology and amazing support staff which sets us apart. Warwick

Verry looks after our harvest management and people in charge of compliance, while Kate Truffitt oversees the entire programme. We are as good as anyone – if not better - at putting fruit in a box."

Kate is Apata's avocado programme manager and started at Apata in 2015. Kate works at the governance level as a link to the Apata board and senior leadership team and has been a director at Horticulture New Zealand for the last two years. Along with implementing improvement strategies, Kate has a lot of experience with a focus on safe and sustainable practices that add value.

Apata is also a harvest contractor which enables them to provide services across the grower value chain from orchard to export.

"It gives us flexibility and sets us apart," says Logan. "It is easier for us to ramp up or slow down more easily and allows us to have a substantial labour force."

Apata grower services profile continues next page...

Industry stalwart Peter Sneddon agrees wholeheartedly. Peter has been in the business for more than 20 years. He started with Aerocool, a stand-alone Team Avocado shed, working as a picker contractor before the merger with Apata. He has leased and run orchards and is a grower himself. His career has covered everything from GLOBALG.A.P. to harvest management, transportation, and grower services – essentially a ‘one-man band’. But being part of a wider inclusive team is what Peter prefers.

“The merger of the two exporters Team Avocado and Primor Produce to create Avoco as the largest exporter of avocados in New Zealand back in 2013 was the best thing that happened in this industry.

“We all work under one umbrella now and the consolidation has made a huge difference for the industry, bringing us together as a team. The Avoco JV partners have had retail programmes in Australia for nearly 30 years. That and the work of AVANZA in developing new markets has given me the confidence to stay in the industry.”

Peter is recognised for being straight up and honest. Logan says that is what growers like about him, along with his experience.

“He has seen it all, been there and done that and doesn’t mince his words.”

“We have a lot of support in the decision-making process about how and when we pick orchards. It is done collectively as a team along with our support staff, and we have an incredibly capable pack shed, operating with a great team spirit.”

Justin Shirtcliffe has been working as a grower liaison representative for nearly five months. He started in the avocado business after moving to the Bay of Plenty from Taranaki and to be near his father’s orchard in Katikati. Justin learnt how to manage orchards from Apata executive and grower Jack Crozier who also offered him experience at the packhouse before going out on his own as a contractor. Justin says contracting was a real eye-opener.

“Knowing the growers and Apata staff was an easy way in, after having learnt so much behind the scenes. There was a whole side of this job I didn’t know as a contractor and I have found there are a lot of moving parts,” he says.

“Mainly the logistics like the packing plan, flow planning, the issues associated with shipping, contractor, and grower management, picking, spray diaries and compliance. I didn’t realise there was so much to plan for.”

With first-hand experience gained on the orchard, Justin has helped growers understand the importance of pruning and spraying and keeping up with market compliance.

“When I first started no one ever pruned. People have started to see the results getting higher yields and packouts, and I expect in the future everyone will be on board with it.”

Logan says quality improvement comes down to how they operate as a business.

“We have a lot of support in the decision-making process about how and when we pick orchards. It is done collectively as a team along with our support staff, and we have an incredibly capable pack shed, operating with a great team spirit.”

The avocado season follows on the heels of kiwifruit so is a welcome change, and the timing allows Apata to retain a lot of key staff.

New Apata grower liaison representative Elizabeth Leonard says that the positive team spirit was one of the things that attracted her to the job, with staff exhibiting an enormous amount of pride in their work.

Elizabeth, who is also an avocado grower, brings a wealth of experience from across the agriculture sector. She stepped into her role at Apata three months ago after an initial career in agriculture, followed by a job as a breeding consultant at Livestock Improvement Corporation agri-technology co-operative and then more recently as a nutrient specialist at Ballance Agri-Nutrients. Along with her diverse range of skills and down to earth approach, Elizabeth is already achieving a great rapport with the growers.

Elizabeth hopes to utilise her knowledge of nutrients in the avocado industry and add more data research and analysis to her role. Sampling can vary across an orchard with variations in climate and topography. More granular sampling will provide a better understanding of how an orchard and its trees are performing on an individual basis. Elizabeth is also starting up small discussion groups for growers to share information.

“When I worked in agriculture, we had a lot of data to work with and this is something I would like to help my clients with – how to get more data around soil testing and leaf sampling to make better fact-based decisions.”

Logan says it is a diverse but cohesive team with good camaraderie. Everyone enjoys sharing experiences and working together to get the best result for their growers.

“Ultimately, we all care a lot about our growers, and we want the best outcome for them because it reflects on us all positively. I am very big on process improvement and making smart decisions with the team to ensure the success of our growers.

“Quality improvement comes down to how we operate as a business and we are continually looking for ways to improve to deliver the best result,” he says. ■

Your Avoco Grower Services Team

TECHNICAL ENQUIRIES	Richard Kok	027 355 5247
	Danni van der Heijden	022 062 0602
	Jerome Hardy	027 233 4380

BAY OF PLENTY

APATA	Kate Trufitt	027 809 9779
	Logan Whenuaroa	027 373 9859
	Peter Sneddon	027 205 7496
	Justin Shirtcliffe	027 859 6134
	Warwick Verry	027 405 7032
	Elizabeth Leonard	027 335 2201

DMS	Phil Chisnall	027 4820 271
	Hamish McKain	027 220 2005
	Hugh O'Connell	027 245 1817
	Willie Herder	027 667 3849
	Warren Sargent	027 900 0292

KAURIPAK	David Hill	027 234 9811
	Matt Royackers	027 200 0788
	Toni Morrison	027 265 4469

TREVELYANS	Daniel Birnie	0274 866 969
	Jonathan Cutting	027 973 3513
	Katherine Bell	027 211 9181
	Anne Partridge	027 612 6636
	Laura Schultz	027 362 9074

GOLDENMILE FRUITPACKERS

TEAM AVOCADO	Louise Hailes	021 506 775
	Greg Stansfield	021 486 519

FAR NORTH PACKERS

TEAM AVOCADO	Alistair Young	027 492 9486
PRIMOR	Ross Mutton	027 6485 577

Avoco NEWS is published by The New Zealand Avocado Company Ltd. © 2022. This publication is subject to copyright in its entirety and its contents may not be reproduced in any form, either in whole or part, without the written permission of The New Zealand Avocado Company Ltd.