

## QUARTERLY PROGRESS SUMMARY: July – September 2017

### *New Zealand Avocados Go Global*

#### Background

The New Zealand Avocados Go Global programme began in June 2014 with five key objectives: market entry and growth; consistent and sustainable supply; efficient supply chain; products from waste; and Information transfer and adoption. This is a five year programme with a vision that by 2023 an integrated New Zealand avocado industry will deliver NZ\$ 280m annually in net sales and have tripled productivity to 12 tonnes per hectare.

### Summary of progress

#### Market entry and growth

- New Zealand avocado has established strong connections with retailers and presented the avocado promotions strategy and retail education information at produce managers training event in October.
- NZ Avocado’s New Zealand social following has significantly increased as a result of new imaging and strong messaging - Facebook follower numbers are up from 24,000 to 27,000, and Instagram follower numbers are up 43% from 3,000 to 4,300.
- A China planning workshop was held for exporters in November. The purpose of the workshop was to support exporters to develop a robust China market entry strategy by sharing NZ Avocado market contacts, learnings and research. Speakers included Nick Siu from Agency 88 and Charlie Gao from Mahon Group.
- NZ Avocado social media now has over 20,000 followers across our priority markets in Asia, with an aim to double this number by the end of the 2017-18 season.
- Season launch press engagement events were held in Thailand and Singapore in late September.



*NZ Avocado season launch media event took place in Thailand on 26 September to engage with Thai media and health, beauty and chef influencers.*

#### Consistent and sustainable supply

- An animation highlighting common principles of pruning has been published and presented at grower forums in Whangarei and the Bay of Plenty, and positive feedback was received from members of the canopy management working group.
- The final dry matter accumulation tests have taken place for Maluma and Carmen spring-set fruit with results sent out to working group members and those involved in testing.
- A draft report of electromagnetic soil surveys has been provided to tree decline working group members. Regional minimum, maximum and average readings fit expectations in terms of Whangarei having the highest values associated with their high clay soils, Far North have the lowest values associated with sandy soils and the Bay of Plenty is in between. Currently no strong correlation has been observed between high EC values, indicating heavy soils, and poor tree health.
- Weather stations have been purchased and plans have been put in place to install one centred in the Katikati area and the other at the geneblock in Te Puke.
- Updated spring assessment monitoring reports have been provided to members that include photo comparison of trees, EM soil survey info and changes to graph formatting as requested by members.



### Efficient supply chain

- The rot working group have identified five on-orchard management best practice messages for the mitigation of rots with an overriding message of a comprehensive and integrated approach.
- The industry continues to work alongside the Plants Market Access Council together and MPI to investigate options for providing the horticultural industry with food safety assurances for our major trading partners

### Products from waste

- Discussions with the processing sector has yielded some further information regarding the opportunities to add value to their waste streams while also highlighting the challenges the processors currently have when managing the four main waste products from avocado oil processing: skin, stones, green water and fruit pulp.

### Information transfer and adoption

- Meetings and conceptual design work is continuing with chosen IT developers as NZ Avocado develops a new Industry Relationship Management system and data management software to provide an online solution for growers and the post-harvest sectors commercial interactions and compliance requirements.
- The requirements for the new industry spray diary (including AvoGreen reporting) have been agreed between industry and IT developer is beginning build process.

## Key highlights and achievements

- The season is well underway with strong pricing and demand across most markets.
- The NZ Avocado annual Grower Forums held in Whangarei and Tauranga were a great opportunity to update growers and the industry on technical information, in market activities, industry systems updates as well as share the planned activity going forward.
- The latest results from the pruning to balance work were delivered at the recent NZ Avocado field days – these findings show that flower thinning can have an impact on irregular bearing.
- The on-orchard phase of the rot project is now complete with best practice guidelines produced and agreed to by the rot working group that detail an integrated, on-orchard, approach to controlling postharvest rot infection.
- A contract has been signed with the chosen IT developers to progress the build of the new industry spray diary and Industry Relationship Management (IRM) system.

## Collaboration with other PGP and industry programmes

- The programme manager and MPI’s investment manager attended the MPI sponsored Governance course in Wellington delivered by Westlake consulting.
- NZ Avocado has discussed value from waste opportunities with another industry processor (Olivado) and provided this information about the processing sector to Anagenix who are scoping up a report on the options of moving forward on some value add opportunities for the significant amount of waste the sector is currently paying to dispose of.
- Discussions with exporters on the potential investment options and collaboration model under a PGP extension regarding China market development.

## Upcoming

- IT developers will present the first live stages of the new spray diary, IRM and associated AvoHub applications.
- PGP extension business case to be developed for the extension of previous objectives, a focus on industry sustainability and strategies of China market entry
- Industry trials and research will take place on a range of post-harvest pest and disease initiatives.
- Rot research working groups will begin consulting on and developing the post-harvest element of the industry rot strategy
- Digital promotions strategy to increase consumer and market presence will continue in priority markets through local websites, social media and up to date consumer and market research.

## Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$295,969	\$295,969	\$591,939
Programme To Date	\$2,198,585	\$2,198,585	\$4,397,170