

Talking Avocados

- **Promotion of Avocados in Malaysia**
- **Changing landscape of the industry**

Chairman's Perspective

Markets

The last three months of 2005 have proven to be a difficult period for the avocado market. Large volumes of fruit from New Zealand, combined with higher than anticipated volumes of Australian fruit, resulted in the market remaining well supplied. Consequently, prices did not improve at that time of the season as has been the case in previous seasons. This situation highlights a number of issues of which we as Australian growers need to be aware.



The Australian industry's lack of capacity to forecast crop volumes has meant that the major retail buyers have started their New Zealand fruit supply programmes earlier than necessary. The crop forecasting module of the 'Infocado' system provides us with the most cost effective option yet to improve our crop forecasting. However, its effectiveness will rely on the majority of growers/packers supplying accurate information.

New Zealand avocados are going to continue to be a major influence on our domestic market. This season they do have the 'big crop' they have been expecting for a couple of years, given the plantings that have occurred in recent years. The New Zealand crop is going to continue to increase and Australia will remain the major market for that fruit while it provides the best net returns. The introduction of a mandatory promotion levy on all avocados imported into Australia, as supported by the New Zealand Avocado Growers Association Board in September 2005, will be critical to building consumption here to ensure the net returns for Australian growers are adequate.

The entire avocado supply and marketing system in Australia is undergoing rapid and dynamic change. With major changes in the ownership of supply in the Australian industry and as the major buyers look to reduce the number of suppliers with whom they have to do business, category management developments will present challenges to many in our industry. Any grower or packer who believes their current 'long term relationship' with their wholesaler or retailer will not be affected by the developments is naïve.

Levy Vote

The strong endorsement of the recommendation to increase the Marketing and R&D levies and make the other adjustments, as indicated by the strong Yes vote, was appreciated by the Avocados Australia Board. Particularly gratifying was the number of growers who made the effort to contribute to the decision. I appreciate that some of you did not support the proposal and I see this as an important message to the Avocados Australia Board that we must continue to improve our communication with you all.

Director Resigns

It is with considerable regret that the Board received Wayne Franceschi's resignation as a Director in late September. Wayne cited personal reasons for his difficult decision. Wayne's contribution to the Avocados Australia Board, and previously to the AAGF Board, was outstanding. The time commitment needed to represent Western Australia is significant with many 'red eye' flights involved, together with long drives to and from the airport. Wayne always hung his Western Australian hat behind the door when he sat at the Board table. I know his constituents in Western Australia did not always appreciate his doing this. However, as a Director, we must all be prepared to represent the position of our constituents and then make decisions in the best interests of the industry as a whole. Wayne's commitment, bluntness and honesty will be missed.

The coming season will be a challenge given the volume of fruit still to come out of New Zealand and initial fruit set in most of the regions. Let's all try and improve our communication to minimise the problems associated with erratic supply. The last thing the industry needs this season are consumer confidence problems associated with quality problems caused by fruit age (storage) or immaturity. Remember that our aim is to sell more avocados to the consumer at a higher return rather than more avocados to the buyer than our neighbour, regardless of price.

I trust the New Year brings us all a return to 'normal' seasons and that your crop has not suffered too severely from the extreme weather conditions many have been experiencing over the festive season.

Rod Dalton

Rod Dalton
AAL Chairman
and Director for the South Queensland Growing Area.



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Industry Matters

Written & compiled by Antony Allen
CEO of Avocados Australia

Avocado growers vote yes to levy changes

All four proposed changes to the avocado industry's levy system have been resoundingly endorsed in voting held at the Annual Avocado Levy Payers Meeting.

The meeting held in Nambour, Queensland, was the final step in a six-month consultation process undertaken by Avocados Australia, the peak industry body for Australian avocado growers.

The four motions were each passed by a clear majority.

The nationally conducted poll produced the following results:

1. An increased 'R&D/marketing levy' rate from 3.83 cents a kilogram to 7.5c/kg for fresh avocados - passed by 71% of growers;
2. Implementation of a reduced avocado 'processing levy' from 3.83c/kg to 1.0c/kg - passed by 89% of growers;
3. Implementation of a zero 'Emergency Plant Pest Eradication levy' - Passed by 94% of growers; and
4. Avocados sold by a producer to the consumer at roadside be exempt from levy if the levy is less than \$100/yr - passed by 91% of growers.

According to Rod Dalton, Chair of Avocados Australia, the industry can now work effectively towards a sustainable future.

"A strong majority of growers have supported the levy changes, so now we begin the hard work in front of us," Mr Dalton said.

"Over the next five years we have to double consumption from the current 2.2kg per person to 4.5kg per person."

Mr Dalton says avocado growers have benefited through investing in their industry in the past and now growers are clearly supporting the need to invest in the future of the their industry.

He says avocado growers have always been progressive and this result shows that they continue to see the benefits of working together.

The levy changes will not take effect until the second half of 2006.

CRC for National Plant Biosecurity now operational

Plant Health Australia wishes to congratulate the Cooperative Research Centre for National Plant Biosecurity which became formally operational on the 17 November 2005.

Professor Emeritus John Lovett, Chairman, CRCNPB said today, "We are delighted at this outcome which comes after two years of intense negotiations."

Simon McKirdy has now resigned from PHA today to join the new CRC as the inaugural CEO. PHA wishes Simon all the very best and looks forward to working with him over the next seven years on projects designed to enhance the National Plant Health System

HAC welcomes new CEO

Horticulture Australia Council finally appointed a new CEO. Ms Kris Newton commenced work recently and will work on the range of issues confronting horticulture at the moment.

Kris has a wide range of experience in a variety of backgrounds: as a small business owner for 15 years; in the public sector (policy, and program implementation); and in peak national representative associations. She says she is looking forward to this exciting role at a crucial time for horticulture in Australia.

WARNING

Avocados Australia has for a number of years paid a large amount of money for the industry's right to use the Heart Foundation "Heart Tick" on avocados.

If you are using a "Heart Tick" logo from anyone other than the label companies Label Press, Spicer Labels, Sinclair International and Warehouse Packaging and Design you are acting illegally.

No other label printers are able to legally print the "Heart Tick" for use on avocados. Avocados Australia is undertaking a clean up of the "Heart Tick" printing. We will lose access to the "Heart Tick" logo if it is used illegally.

Avocados Australia, AUF and the Heart Foundation will enforce their Registered Trademark rights to the fullest extent.

If you have non-genuine labels do not use them. If you know of label companies offering to print non-genuine "Heart Tick" labels for you please let us know on **1300 303 971**, so we can all help keep this valuable tool.

All growers could lose access to the "Heart Tick" logo if you don't act now.



CERT TM

Industry Matters
continued

The first avocado industry biosecurity group meeting

Program Manager Robert Moore and Project Officer Kendle Wilkinson attended the first Avocado Industry Biosecurity Group, (IBG) meeting in Brisbane this week, to outline the components for a successful industry biosecurity plan.

Robert also outlined the Deed, PLANTPLAN and other important PHA projects and documents. Antony Allen was elected the chair for the group and the meeting identified a preliminary list of key pest and disease threats to the avocado industry. These will be examined before the next meeting and then prioritised based on advice from scientific experts.

Members of the avocado IBG include scientists from Queensland Department of Primary Industries and WA Department of Agriculture as well as representatives from the NSW, Qld and WA state governments. A representative from Biosecurity Australia, industry leaders, growers, consultants and R&D members of Avocados Australia were also present.

The next meeting of the IBG will be held in Brisbane on 19 April 2006.

Senator commends horticulture industry

Speaking to industry leaders at the Horticulture Australia Limited (HAL) AGM in Sydney today, Parliamentary Secretary to the Australian Government Minister for Agriculture, Fisheries and Forestry, Senator Richard Colbeck, commended horticulture on its coordinated and cooperative approach adopted in relation to international market access issues.

“By bringing solutions to the table you have created an opportunity for all to benefit,” Senator Colbeck said.

“It is my sincere hope that the outcomes continue to be positive for horticulture as we move forward.”

Australian Agricultural Women

The Foundation for Australian Agricultural Women is seeking expressions of interest from rural women for a rare opportunity to take part in a high level workshop aimed at increasing their potential to be on boards. Three two-day workshops will be held in NSW, Queensland and one other state for rural women interested in taking up directorships or senior management positions. The Ambassadors program aims to provide rural women with the inspiration, awareness and understanding required to enable them to engage in leadership roles in their region, industry or nation. It will provide insights into what it takes to succeed as a director on the board of organisations and associations. The workshops promise to be a powerful experience for those who attend.

Application forms are available from www.faaw.org.au

Addressing the industry the previous day in relation to the current China FTA negotiations, Department of Foreign Affairs and Trade FTA Lead Negotiator Agriculture, Virginia Greville, emphasised the importance of industry consultation in the Government’s negotiation process.

“While we can’t guarantee we’ll get you everything in the end, we need to know what you want,” Ms Greville said.

Horticulture research delivers \$150m benefit

A new weapon against anthracnose in avocados has delivered about \$40 million in benefits to the industry, according to a new study.

The study, to assess the impact of 10 research projects run by the Co-operative research centre for Tropical Plant Protection, was conducted by Agtrans Research.

Anthracnose is a soft brown rot that spoils avocados, and research by the CRC has found that use of certain Guatemalan rootstocks for avocado tree graftings can halve the incidence of anthracnose and cause an 80 per cent decrease in the severity of infection.

CRC Chief Executive, John Irwin, said anthracnose could also cause significant losses in other tropical fruits such as mangoes and lychees.

He said the avocado industry had adopted the research results and nearly all Hass avocados, the most common variety, were now grown using Guatemalan rootstocks.

The study found the overall benefit of the 10 projects, which were run between 1992 and 2004, was \$150 million.

They included research with bananas, avocados, sunflowers, lucerne, sugar cane and wheat.

Source: *The Land, NSW, horticulture news service*

Ms Greville was speaking at the horticulture industry biannual forum. This was part of several days of meetings in which horticulture industry leaders discussed Government and industry priorities including FTAs and the Horticulture for Tomorrow program, which seeks to help growers care for the environment more effectively.

The forum was followed by the HAL AGM at which HAL Chair, Dr Nigel Steele Scott, welcomed the Walnut Industry Association as the 35th member of HAL. The walnut industry is the sixth new industry to become a HAL member since 2001 when the company was formed by 29 grower peak industry bodies.

“Horticulture is Australia’s fastest growing agricultural industry, largest agricultural employer and is valued at \$6.8 billion,” Dr Steele Scott said.

“The relationship between Government, industry and HAL is a complex one and it is vital to the success of horticulture. It is through transparency and a collegiate approach that we can tackle the challenges and maximise the opportunities that the industry faces.”

Some 86.3 per cent of votes attended the AGM with unanimous support for every resolution and Dr Steele Scott said he was delighted to note that the three HAL directors who were standing for re-election, Sandra Hook, Terry Hill and Peter Walker, were returned to office.

Source: *HAL*

New Country of Origin Food Labelling Standard

Food Standards Australia New Zealand (FSANZ) today gazetted the new Country of Origin Food Labelling Standard for Australia. The standard will come into full force for unpackaged fruit, vegetables, nuts and seafood products in six months' time, for unpackaged pork products in 12 months and for packaged goods in two years' time.

The Parliamentary Secretary to the Minister for Health and Ageing, Christopher Pyne, said that he welcomed the new standard.

"Australian consumers have indicated that they wish to know the country of origin of their products. The new standard means that they will be able to go into a supermarket, or their local shop, and be able to clearly see which country any packaged food or unpackaged fruit, vegetable, nut, seafood and fresh pork, ham and bacon product comes from," Mr Pyne said.

The new standard includes:

- A) broadening the scope to include unpackaged fresh pork, ham and bacon products and processed unpackaged seafood, vegetables, nuts and fruit;
- B) a requirement that unpackaged products included in the standard have a specific country of origin label – not just a statement that the product is imported;
- C) distinct statement of origin information on packaged products;
- D) a requirement for country of origin declarations for packaged and unpackaged foods to be consistent with trade practices

Primary producers appointed to industry code

After intense pressure and a long campaign from the Horticulture Australia Council (HAC) and the National Farmers' Federation (NFF), primary producers have finally won an additional three seats on the Produce and Grocery Industry Code Administration Committee, including a representative from horticulture.

The appointment of these new members brings the ratio of producers to retailers/wholesalers up from 1:7 to 4:7. The new members include Stuart Swaddling, Chairman of HAC, who has been closely involved in Horticulture Code of Conduct reforms in the horticulture sector.

The committee is responsible for overseeing the code of conduct which covers the relationships between primary producers and those further up the supply chain. The code aspires to be a key instrument in promoting good supply chain relationships.

Unfortunately, apart from a successful dispute resolution procedure, this code has so far failed to address the concerns of growers. Avocados Australia hopes that this move will be the catalyst for a more constructive era for the code. Growers want to work in a positive way with wholesalers and retailers, and this code should support this outcome.

The new mandatory code of conduct for the horticulture sector under the Trade Practices Act will come into effect during 2006 and will automatically lift the bar for the existing voluntary Produce and Grocery Industry Code, particularly as it relates to contractual clarity between growers and wholesalers

Go for 2&5® Licensing

It's been talked about for so long and now it's here. The opportunity to play your part in a national Go for 2&5® campaign!

Thanks to a licensing arrangement with the Western Australian Department of Health, Horticulture Australia is now able to offer industry, commercial companies and non government organizations the opportunity to participate formally in the campaign.

Sub licensing is open to any organization that agrees to comply with existing campaign conditions covering issues such as nutritional criteria and use of Go for 2&5® branding. Sub licensees will be able to access campaign materials and branding to help drive home the Go for two fruit and five vegetables message.

In terms of cost it has been recognized that Go for 2&5® supporters will have different needs and be able to bring different things to the campaign. The sublicensing approach takes into account these differences and discounted fee arrangements will be considered where the benefits of the partnership can be quantified.

If you are interested in being part of the Go for 2&5® campaign (or know someone who may be interested) please email on gofor2&5@horticulture.com.au

legislation and trade practices law; and

- E) strengthened requirements for legibility and print size on labels and signs used to declare the country of origin for unpackaged foods.

"Enforcement of all food standards, including Country of Origin Labelling is a state and territory responsibility. I am pleased to note that the Implementation Sub-Committee is developing a national enforcement strategy for Country of Origin Labelling to be implemented by the states and territories," Mr Pyne concluded.

The new standard is available on the FSANZ web site at www.foodstandards.gov.au A user guide to assist industry, retailers, enforcement agencies and consumers understand the new standard will be available on the FSANZ website in the next few weeks.

In October 2005, the Australian Government directed FSANZ to undertake further work to assess the merit of extending country of origin labelling to two or less fruit or vegetable whole food components packaged together, including where other incidental ingredients are included. FSANZ has commenced this work and will be seeking public comment in February 2006 before reporting in March 2006.

Source: FSANZ

Industry Matters

continued

Timbercorp reports record profit up 63% to \$ 67.1 mln

Leading agribusiness investment manager, Timbercorp Limited, today reported a 63% increase in full year net profit (after outside equity interests) to a record \$67.1 million following a 61% increase in total revenues to \$310.8 million. Basic earnings per share increased 44.2% to 24.8 cents per share.

The strong earnings growth led to a 17% increase in net assets to \$425.7 million, or the equivalent of 126.8 cents per share.

New business revenue (project sales) for the year to 30 September 2005 increased by 63% to \$127.3 million and the company's annuity style revenue from existing projects continued to grow, increasing 44% to \$126.6 million. All of Timbercorp's projects sold out prior to 30 June, with its horticultural projects all closed by the end of May. Annuity style revenue will increase by over 20% in 2006 to more than \$150 million.

Operating cashflow was strong at \$57.9 million leading to a strong cash position of \$71.8 million at 30 September 2005. Gearing (net debt / equity) remained below target levels at 41% with interest cover increasing to 6.2 times. Return on equity increased to 18.4%.

Chief Executive, Robert Hance said the company aimed to build on the strong 2005 result with further growth in 2006. "Based on continued economic growth and the early indication of strong demand for our projects, we expect to increase our project sales in 2006".

Australia: orange import breach inquiry

Coles Supermarkets is being investigated for a potential breach of state quarantine regulations by importing oranges from Queensland to sell in its Riverland stores. The breach is in contravention of a quarantine ban outlawing the importation of citrus following the citrus canker outbreak at Emerald in Queensland in July 2004.

South Australian Fruit and Plant Protection Act legislation provides a maximum penalty for offending companies of \$20,000. The Department of Primary Industries and Resources SA confirmed last night that it was investigating a potential quarantine breach.

It is understood that another supermarket company was also selling Queensland oranges in the Riverland several months ago, but agreed to stop. Citrus Reform Association spokesman Ron Gray said the news was extremely disappointing. "It indicates the need for a watchdog, a mandatory code of conduct and rules for the supermarket industry," he said.

South Australian Farmers Federation horticulture chairman, John Mundy, said the concentration of market power was one of the major problems facing the industry.

Mr Mundy said supermarkets were buying more offshore, decreasing the number of items in each category, using more own brands and stocking fewer food brands (and more non-food items). Minister for Agriculture, Food and Fisheries, Rory McEwen, has defended the state Food Plan against criticism from industry leaders.

Mr Hance said Timbercorp's capital management plan was proceeding well with the recent sale and leaseback of approximately \$65 million in assets to the Timbercorp Agribusiness Trust, in which Timbercorp holds 45% equity.

"Importantly, we will have more than \$300 million in horticultural assets available for sale into the trust over the next three years. When combined with increasing annuity style cashflows these asset sales will facilitate growth whilst at the same time enabling an increase in dividends over the medium term."

The result also includes information relating to the adoption of the Australian Equivalents to International Financial Reporting Standards (AIFRS) which applies to reporting periods beginning on or after 1 January 2005.

The final fully franked dividend of 4.75 cents per share is payable on 16 January 2006 with a record date of 30 November 2005. The final dividend brings the full year dividend to 7.75 cents per share fully franked, an increase of 41% on the 2004 dividend.

Source: *AFR*

Working holiday maker – Visa extensions

Earlier this year the Federal Government announced that from 1 November 2005, Working Holiday Makers (WHM) who have worked as a seasonal worker in regional Australia for a minimum of three months while on their first working holiday visa, will be eligible to apply for a second working holiday visa and stay for a further 12 months.

Two common questions asked regarding these changes are:

How do WHM's apply for visa extensions?

How long will it take to process an application?

The Department of Immigration (DIMIA) has advised that this information is not currently available and DIMIA will be provided with this information on 1 November 2005.

The information will be uploaded on the DIMIA web site on this date. www.immi.gov.au

Source: *NTHA*

Mr McEwen maintained the industry could still achieve the Government's ambitious target of reaching the \$15 billion Food Plan target by 2010 "if everything goes right". He said the main reason the industry had failed to achieve the desired level of growth was a 42 per cent drop in the value of the state's grain crop last year and three poor crops in a row.

"There is as much optimism in the Food Scorecard as there are challenges," he said. "The scorecard has to be put in context of what we're doing." Mr McEwen said the Government could not control weather and exchange rates. A Coles Supermarkets spokesman yesterday declined to comment.

Source: *The Advertiser*

Industry Matters continued

Australia: fresh produce logistics is crate

Viscount Plastics and Coles Myer Limited (CML) are set to transform fresh fruit and vegetables logistics in the Australian marketplace. An innovative foldable plastic crate is at the centre of the transformation. The Viscount Returnable Plastic Crates (RPC), offer the fruit and vegetable industry a new, cost-effective and flexible means of getting fresh produce to market. The crates are durable and re-usable and can be used to transport, store and display fresh produce.

When empty, they fold flat thereby requiring less storage and transport space, a significant cost saving. As part of an agreement between Viscount Plastics and Coles Myer, the crates are being progressively introduced to the supply chain and retail stores.

They are part of Coles' "one touch" supplier to shelf concept. "Working with customers to help them reduce waste and improve efficiencies in their supply chain is a key objective for us," Viscount Plastics' managing director Mike Dwyer said.

"With the constant need to improve all aspects of their businesses, this innovation should assist fruit and vegetable growers as well as the retailer," Dwyer said. "Returnable transit packaging is a focus of the Viscount Plastics Materials Handling Solutions team and we work with customers to reduce waste and increase efficiencies in their supply chain."

Shane Moloughney, Viscount's General Manager Australasia said: "We are delighted to be working with the Coles Myer team and believe Viscount's experience, design expertise, plant facilities and international affiliations have put us in a good position to partner with Coles Myer on this exciting industry initiative".

Viscount is an Asia Pacific manufacturer of innovative rigid plastics packaging and materials handling solutions and is owned by the UK based Linpac Group.

Source: ferret.com.au

Timbercorp adds WA avocados to agribusiness offering

Leading agribusiness investment manager, Timbercorp Limited, will expand the production base for its first avocado project to include a further 300 hectares of avocado farms to be developed in south west Western Australia.

Including its recent acquisition of more than 600 hectares of avocado forms in Queensland, Timbercorp's avocado project, which will be offered to investors in the 2006 financial year is now expected to generate more than \$120 million in project revenues during the next five years, and given its geographic diversification will enable a year-round supply of avocados to the Australian market.

Primary Growth Pty Ltd, a specialist horticulture manager, will be responsible for managing the Western Australian orchards and co-ordinating the packing of the avocados in that state. Timbercorp's existing alliance partner, Chiquita Brands South Pacific Limited and Simpson Farms Pty Ltd will co-market the avocados from both states, to a range of customers, including the major retail chains in Australia.

Source: *Timbercorp*

Intercontinental goes healthy with room service

The InterContinental Hotels Group is tapping into increasing consumer demand for healthier food choices with the launch of a new specially designed room service menu.

The hotel group is planning to roll the new healthy room service concept out in its Crowne Plaza hotels across Australia.

Called Body and Soul the concept was developed by the group in conjunction with Food Group Australia, a nutrition consultancy that services the food and retail business.

Body and Soul had been developed to provide "broader and more informed choices when it comes to dining and staying at Crowne Plaza hotels, the group said.

It will be particularly aimed at frequent travellers who are conscious of maintaining a healthy lifestyle while they are away from home.

The move follows the announcement by the Accor hotel group that it had signed a deal with Olympic swimming champion Ian Thorpe which will see Thorpe's Thorpedo-branded range of health foods stocked in its hotel mini-bars as part of its continuing strategy to promote healthier dining in its hotels.

Guests of Accor's hotels will initially be able to select from two products, a spring water and a packaged yellow fin tuna steak product.

Source: *Australian Hospitality News*

The electronic version of avocado "Final Reports": now available

Using your login details you can now access the following avocado "Final Reports" on the avocado.org.au website:

1. Reducing Summer Fruit Drop in Avocados AV00016
2. Development of a Crop Prediction System for Avocados AV01013
3. Review of the Effectiveness of the Avocado R&D Program AV02014
4. Fruitspotting bug management using hotspots for targeted monitoring and control AV02002
5. Analysis of Canopy Management Options for Use in Avocados AV02006
6. Australian Avocado Market Development Opportunities in Hong Kong AV02016
7. Residues of methomyl following applications to avocados for ectropis looper control AV02019

Infocado Update

An update on what's happening with Infocado

The successful rollout of Infocado to packhouses and grower packers across Australia continues. As growing regions have come into production more participants are beginning to contribute data to Infocado and they are starting to realise the benefits of how the information collected can be of benefit to their business, mainly because of its potential to provide information to help manage the flow of fruit.

Avocados Australia has developed the Infocado system as a management tool to enable industry to smooth out the peaks and troughs in volumes of fruit coming on to the market during the year.

It takes packhouses and grower packers about 15 minutes each week during the packing season to enter data. This is then aggregated and a weekly industry report showing volumes and varieties of fruit dispatched by market destination is produced for contributing packhouse operators and growers to use.

Growers from the southern States are currently contributing the most data on Australian production given the time of the year. In recent weeks New Zealand exporters have also started contributing their Australian supply figures to Infocado. The Avocado Industry Council of New Zealand collates the data on behalf of all New Zealand exporters before entering their figures into the system.

Avocados Australia Chief Executive Officer, Antony Allen said "Packers are now for the first time able to see what is happening in the Australian market. The contribution of New Zealand data is certainly helping to complete the picture," he said.

"The industry's response to Infocado has been overwhelmingly positive because growers and packhouse operators know that the volume of fruit in the market at any particular time has a key influence on price.

"Having meaningful data on volume and varieties throughput available each week will greatly assist with short and long-term management and marketing decisions."

"It is important to have as many packers as possible contributing to the system so that the figures reflect what is happening in the market as accurately as possible. We are now planning for the Atherton Tableland and Bundaberg packers to join the system through February and March," he said.

What the figures are showing

The first dispatch figures were collected in mid September 2005 as part of a staggered rollout. Since then the number of contributors and the volumes of throughput have grown. Many packhouses and grower packers from WA, SA, Victoria, NSW and Queensland have contributed consistently through this period.

The weekly industry report provides detailed information on:

- Variety,
- Fruit size,
- Number of trays or bulk packs,
- Destination market type (wholesale market or direct to supermarket, processors)
- Destination market (Brisbane, Sydney, Melbourne etc)

A snapshot of this information showing total number of trays (all markets) of all varieties entering the market is show below.

What's next! Forecast the future...

There has been consistent feedback from packhouses on how Infocado can be improved. One of the common requests has been for the development of a forecasting module so that packers can know in advance what volumes are expected to be coming on to the market. With this in mind, AAL is currently developing a forecasting module. This will collect data on a rolling 4 week basis. The launch of this module is expected in February 2006.



Fig.1: Number of trays(000) of avocado flowing through the Australian market. The jump in fruit volume on the 18/11/05 corresponds to the start of the inclusion of data from NZ

Upcoming events

Mareeba / Atherton: 30 Jan – 3 Feb 2006

An industry meeting will be held at Mareeba Leagues Club on Monday, 30 January 2006 @ 7.30pm. One of the key topics of discussion will be Infocado.

Training workshops on how to access Infocado, input data and retrieve reports will also be held on 31 January and 1 February in Mareeba and Atherton.

Interested growers should contact Avocados Australia to register.

Be a Winner

Packhouses and grower packers contributing volume data for at least 80% of their season go in the draw to win 7 nights at a Plaza Hotel of your choice (conditions apply). Plaza Hotels have a range of business and holiday accommodation across Australia. The draw will be held in September 2006.

What's being said!

"This is great. It is exactly what industry needs. Now we'll know what product is going where and it will definitely assist us with our marketing decisions."

*Judy Prosser,
Manager, Sunfresh.*

"Over time this will be a fantastic tool for understanding the relationship between volumes and pricing throughout the year."

*Daryl Boardman
Owner, Sunnyspot Packhouse.*

Be involved

- Want to know more?
- Need help with accessing the system?
- Need training for you or your staff?
- Have ideas on how we can do things better?

If so, email Infocado@avocado.org.au or phone 1300 303 971

Australian Roundup

Tri-State Report

By Colin Fechner, AAL Director for the Tri-State Growing Area



Before Christmas all growers had finished picking their Hass with only some Gwen and Reed still to be picked. The Hass crop was as light as forecast and the Gwen and Reed crop was quite good. Prices have been very disappointing. With a huge volume of fruit from New Zealand coming into Australia, local growers are asking why no promotion was paid by them. They are seen as trying to get a larger slice of the pie instead of increasing the size of the pie. I saw Hass in the Adelaide Market from New Zealand that was over 6 weeks since it was packed.

Enough doom and gloom. This region has had a great spring; rain and mild temperatures, combined with a heavy flowering. There is a huge fruit set and the trees are generally looking very healthy. Providing we don't get a bad heatwave there should be a large crop of all varieties next season.

Our stand at the Royal Adelaide Show will not be in Centennial Hall in 2006, as the Hall needs major work done to it. Our stand will be in Ridley Hall along with Citrus and Apple and Pears.

I wish all growers a happy Christmas season and all the best for the New Year.

Sunshine Coast Report

By Henry Kwaczynski, AAL Director for the Sunshine Coast Growing Area.



I hope everyone had an enjoyable Christmas holiday period and will have an excellent year in 2006. What we are after is high prices for avocados, perfect growing weather and above average crops - wouldn't that be good?

Many people from the Sunshine Coast attended the very successful joint Australia and New Zealand conference in Tauranga, in September 2005. There was lots of learning and linking with avocado growers and scientists from many parts of the world. On behalf of local growers, a sincere vote of thanks is due to all those who made the conference such a success, in particular, Antony Allen, CEO of Avocados Australia, whose efforts were over and above all expectations.

In November, the Sunshine Coast hosted the national levy payers' meeting where voting took place regarding the proposed increase for the marketing and research and development levies. After some spirited discussion, the vote count revealed a large majority of levy payers were in favour of the increases. I believe that this is a very significant step towards the successful management of the industry, and paves the way forward to success in the challenging years ahead.

On a less positive note, we saw very low prices for fruit in the last quarter of last year – a time which traditionally gives very good returns for many growers. We need to look at lessons in relation to this situation. Unless growers are united in marketing and act in a cohesive manner, we will continue to be at the mercy of agents and supermarkets, who can successfully exploit all but the very largest of growers or marketing groups.

Of considerable concern to growers in South East Queensland, is the continuation of very high temperatures for the last several weeks, having a potentially damaging impact on current and future crops. Hopefully this situation will ease and we will return to more favourable conditions. In case you have been feeling the heat, you will be interested to know that statistics reveal that 2005 has been the hottest year on record for all parts of Australia except for the South West of WA.

Again I wish you all a happy New Year.

South Queensland Report

By Rod Dalton, AAL Director for the South Queensland Growing Area.



A very well attended farm walk was held recently at "Balmoral Orchard" at Cabarlah. John Leonardi, Simon Newett and Graeme Thomas gave presentations on canopy management, the New Zealand conference papers and the latest root rot control strategies. All presentations were well received, although periods of heavy rain on the steel shed made it difficult to hear at times.

There was also a wide ranging discussion amongst the attendees about the challenges associated with marketing avocados from the area during the August/December timeslot. It was agreed that all growers and packers needed to communicate better on their likely production and supply timelines. Without better communication the area would continue to suffer in the marketplace when others, be they New Zealand exporters, Timbercorp, or whoever, were able to offer the major buyers long lines of assured supply. As a first step there was strong encouragement for AAL to develop the crop forecasting module of the Infocado system for the coming season and for all in the area to utilize the system.

Thanks to the owners and management of "Balmoral Orchard" for providing access to their orchard and shed for a productive and informative gathering.

Despite useful storm rains in October and November 2005 the area remains in a green drought. Water supply is still a serious concern for many given that most orchards are carrying an excellent crop for 2006. Final crop volumes will obviously depend on the impact of the weather be it hailstorms, heatwaves or whatever between now and the end of summer.

North Queensland Report

By Jim Kochi, AAL Director for the North Queensland Growing Area.



Wednesday, 30 November 2005 will be a day to remember for the Atherton-Tolga growers. We were subjected to a heavy storm of hail and driving rain (60 mm in 20 mins). Many growers in this area sustained heavy hail damage to fruit and the financial losses will be great. Two properties have recently changed ownership and the new growers sustained severe damage. We extend our sincere and heartfelt sympathy to all growers affected by these violent summer storms. My own property was also hit

by hail, but thankfully the damage was not as harsh as some other growers experienced.

Weather effects like these storms are things that we have no influence over and therefore we must accept what nature gives us. We can, however, have an influence over other things that can also inflict severe financial damage to our crops. I refer specifically to the present situation where the supply of Australian fruit was not accurately forecast and therefore clashed with the coming New Zealand crop. New Zealand fruit was sent to our market in anticipation of a light supply from NSW, Riverland and WA growers. The current sale prices are dismally low and are expected to remain so until the peak of the fruit volume clears.

Atherton Tableland growers and especially those in the Shepard Australia group are very aware of the financial damage that can come from supplying unannounced fruit to the market. The group has given their forecasts every year for the past 12 years since we last clashed with New Zealand. As a result of accurate forecasting the group has successfully placed its crop into the chain stores and wholesale markets without any financial problems. Accurate forecasting will lead to better marketing, but that is a story best left till another time. The lesson here for all Atherton Tableland growers is to go out and look at your crop, forecast a yield and then tell your agent, or your marketing group and your Avocados Australia director. We want to avoid the nasty situation that presently affects the southern growers occurring again.

Oh, and keep your fingers crossed for the coming cyclone season.

Central Queensland Report

By Lachlan Donovan and Ron Simpson, AAL Directors for the Central Queensland Growing Area.

With the plentiful spring rain and the good fruit set that most of us have enjoyed in this region it is looking to be a very good crop for this 2006 season. Price wise let us wait and see. New Zealand has a huge crop which will continue to be available for sale through the Shepard harvest time frame. In some respects this will be good, as it may well delay the start of the Shepard season and we will have better tasting Shepard being sold to the consumer. The overlap has always been a problem at the start of the season for any variety of fruit. It's also a problem for the end of season fruit. Let's hope the New Zealand fruit quality is still good at the end of the season and the poor quality fruit from both ends doesn't destroy the consumer's confidence.

A big welcome to Danielle Le Lagadec, the new Senior Horticulturalist for Avocados and Macadamias based in Bundaberg who is Chris Searle's long awaited replacement. Danielle is from South Africa with a strong background in tree crops and is very keen to get into the extension role.

Thank you to Simon Newett and Terry Campbell for organizing the farm walk in late November and arranging the speakers including Peter Hoffman and Danielle Le Lagadec. These type of farm walks and talks are a bit rare these days especially in this area and we all look



forward to having more regular "field days" to exchange ideas and information and ultimately grow better and more fruit.

Our industry is still in a rapidly expanding phase where we should all be working together to grow the "pie". Internationally there is huge potential but at a price: we have to be efficient enough to be able to compete and have enough quantity to be a player.

With the levy going ahead, this has put us in a strong position to spend more on R&D. This will improve quality, yield and also promotion, which will increase consumption and ultimately dollars in the grower's pocket. These next few years are going to be very interesting and if we can all work together everyone will prosper.

We hope everyone has a fantastic 2006

Central NSW Report

By Chris Nelson, AAL Director for the Central New South Wales Growing Area.



Most growers have finished for the season, with only a few in the cooler areas still to go. Crop volumes were even better than expected and prices have also been very good for most of the season. It is probably now clear that summer promotion is required to sustain the demand throughout the year.

The set for next year is looking good, with the spring rains providing a good start for the new fruit.

I will also take this opportunity to pass on some of the general farming news from NSW Farmers:

- 1) *Native Vegetation Act*: Members should be aware that more information is now available on the Department of Natural Resources' Native Vegetation website www.nativevegetation.nsw.gov.au following the commencement of the Native Vegetation Act 2003 on 1 December this year.
- 2) *Horticulture Code of Conduct*: The Association has been made aware that the Code was not finalised in 2005 given that Federal Parliament has finished sitting for the year. It is understood that the Code will now not be introduced into Parliament until February 2006 meaning that a 1st July implementation date seems likely.

The Mid North Coast group met in December for their Christmas barbeque at Cassegrain's winery near Port Macquarie. It was a well attended meeting with some growers traveling a long way to join us. Apart from a good social meeting, there was keen discussion on topics of prices, imports and future directions. We also started planning our 2006 meetings and will continue the farm visit, guest speaker and barbeque format, which was agreed as the most enjoyable and rewarding.

All the best for 2006.



Update on the Development of Canopy Management Strategies (AV04008)

By John Leonardi
Avocados Australia, Brisbane.

The project aims to identify canopy management strategies that can be successfully implemented in all major avocado growing areas across Australia. A total of 16 sites from the five major production areas (North Queensland, Central/Southern Queensland, Northern/Central New South Wales, Sunraysia and Western Australia) have been selected as case studies (Table 1). At these sites several canopy management strategies are being used including: tree removal; stag-horning/stumping, selective limb removal; selective and mechanical pruning; cincturing and plant growth regulators. At many sites a combination of strategies are being used (eg. mechanical pruning, selective pruning and application of plant growth regulators).

Table 1 Summary of canopy management sites used in this project

Site	Region	Variety	Canopy management system/s
1	Nth Qld	Shepard & Hass	Selective limb removal & plant growth regulators
2	Nth Qld	Shepard	Mechanical pruning, selective limb removal & plant growth regulators
3	Central Qld	Hass & Shepard	Mechanical pruning, selective limb removal & plant growth regulators
4	Central Qld	Hass & Shepard	Mechanical pruning, selective limb removal & plant growth regulators
5	Southern Qld	Hass	Mechanical pruning, staghorning and plant growth regulators
6	Southern Qld	Hass	Selective pruning & staghorning
7	Southern Qld	Hass	Selective pruning
8	Nth NSW	Hass	Selective limb & terminal pruning
9	Central NSW	Hass	Mechanical & selective pruning
10	Central NSW	Hass	Topping and selective pruning
11	Sunraysia	Hass	Selective/mechanical pruning & cincturing
12	Sunraysia	Hass	Selective/mechanical pruning & staghorning
13	Sunraysia	Hass	Selective/mechanical pruning & plant growth regulators
14	WA	Hass	Selective pruning
15	WA	Hass	Selective limb removal
16	WA	Hass	Mechanical pruning and tree removal

Several of the sites in Central and Southern Queensland and Northern NSW were visited during the past few months and information on the 2005 harvest was collated.

Growers from each site have provided information on tree age and spacing; nutrition, irrigation and other management practices; and

the timing of flowering, vegetative flushing, and harvesting. The timing and costs (\$/ha) of their canopy management strategies and the impact on yield (t/ha), fruit size (pack-out figures) and quality (reject %s) have also been provided. The effectiveness of each canopy management system in terms of cost of operation, impact on yield, fruit size and quality, tree size control and the net return per hectare is being evaluated.

In addition trials investigating ways to assist canopy management systems are being evaluated.

Trial 1: Prohexadione-calcium (Regalis®)

A trial was established in Central Queensland in the 2004/05 season to investigate the effect of application of prohexadione-calcium (a GA biosynthesis inhibitor) on shoot growth, fruit yield and quality in 'Hass' avocado. Foliar applications at 0.5, 0.75 and 1.0 g/l were applied to five year old trees at full bloom (15/09/04) and again two weeks later (29/09/04). An unsprayed and water sprayed treatment was included for comparison. There were 8 treatments with 6 trees per treatment

Spring and summer growth flush were measured on 10 shoots per tree were made in December 2004 and March 2005, respectively. Fruit was harvested at maturity in May 2005 and the number and weight from each tree recorded. Mean fruit size was calculated from the data.

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Update on the Development of Canopy Management Strategies (AV04008)
continued

Table 2 Effects of prohexadione-calcium on shoot growth, number of fruit, mean fruit size and yield in 'Hass' in 2004/05.

Treatment	Total growth (spring + summer) (cm)	No. of fruit	Mean fruit size (g)	Yield (t/ha)
Unsprayed control	13.4	416	219.5	18.1
Water sprayed control	12.2	401	220.5	17.6
<u>prohexadione-calcium</u>				
0.5 g/l	12.6	409	223.9	17.9
0.75 g/l	10.0	475	214.2	20.1
1.0 g/l	10.5	457	215.7	19.1
0.5 g/l x 2	9.3	497	218.8	21.6
0.75 g/l x 2	9.8	539	209.1	22.2
1.0 g/l x 2	9.4	401	233.6	18.3

There was no significant effect of treatment on shoot growth and yield in the first year of the trial.

The trial was continued for the 2005/06 season. Foliar applications at 0.5, 0.75 and 1.0 g/l were applied to six year old trees at full bloom (05/09/05) and again 10 days later (15/09/05). Shoot measurements will be made in December and March and the effect of treatment on fruit size and yield will be determined in May 2006.

Trial 2:
Naphthalene acetic acid (NAA)

Preliminary trials identified that NAA applied to branches following pruning reduced regrowth (shoots) in the treated area; however, regrowth occurred further down the branch.

Two experiments were carried out to study the effects of NAA on growth of 'Hass' trees in northern NSW. In the first experiment, the upper branches of five year old trees were pruned in December. Branches, 2-3 cm in diameter were painted with acrylic paint or with a 0.5 or 1% NAA + paint formulation. The paint was applied to the cut surface and 20cm down the branch. Treatments were applied to 10 branches from two trees. In the second experiment 14 year old trees were pruned 'hard' in December and branches 8-15cm in diameter were painted with acrylic paint or with a 0.5 or 1% NAA + paint formulation. Treatments were applied to 12 branches from four trees.

In both experiments the number and length of regrowth shoots within and below the painted section of the branch were measured 4 months after treatment.

Application of NAA to branches following pruning reduced regrowth in the treated area however shoots occurred further down the branch (Table 3). Further trials with NAA are required.

Table 3 Effects of NAA treatment on regrowth in pruned branches in 'Hass' trees. Data are means of 10 branches from two, 5 year old trees and 12 branches from three, 14 year old trees. Means

followed by the same letters are not significantly different ($P > 0.05$).

Treatment	No. of shoots in treated area	Length of shoot (cm)	No. of shoots below treated area	Length of shoot (cm)
5 year old trees				
Paint only	3.8a	89.6a	0	0
Paint + 0.5% NAA	0.1b	4.0b	2.3a	43.9a
Paint + 1% NAA	0	0	2.2a	41.8a
14 year old trees				
Paint only	4.9a	65.1a	0	0
Paint + 0.5% NAA	0.9b	19.4b	3.9a	64.4a
Paint + 1% NAA	0.2b	7.5b	2.3a	58.9a

Further work on the effect of NAA treatment on shoot growth, flowering and fruit quality and yield will be conducted during 2006.

Acknowledgements

Thank you to all growers who have provided information on their canopy management operations and pack-out and yield figures for the 2005 season.

This project is funded by using avocado grower R&D levies which are matched by the Australian Government through Horticulture Australia.

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Avocado oil processing in Australia- benefits and prospects

By Peter Hofman, Cecilia Requejo-Jackman, Barbara Stubbings, Roberto Marques, Allan Woolf

Background

Oil has been commercially extracted from avocado for many years, using several different extraction processes. Solvent extraction produces the highest yield of oil, but oil quality is often reduced when this extraction method is used. Solvent-extracted oils are mainly used for industrial purposes in the pharmaceutical and cosmetic industries.

Recognition of the health benefits of avocado and its oil has increased interest in its culinary uses. This has been further stimulated by the development of the exciting new “cold-pressed extra virgin” avocado oil. This product retains many of the health and taste characteristics of the original avocado, and demand is rapidly increasing.

Avocado oil is composed mainly of mono-unsaturated oleic acid (similar to olive oil), and it is a good source of antioxidants and phytochemicals such as vitamin E, beta-sitosterol and lutein (Bergh, 1992; Duester, 2001). Research has also emphasised the beneficial effects of these compounds on human health and nutrition (Colquhoun et al., 1992; Kalt, 2001). The extra virgin avocado oil is a new product

with unique culinary and health properties. This oil is extracted at low temperatures thus preserving the fruit’s aromas and health promoting components that are partly damaged, or even removed entirely during traditional avocado oil extraction and processing (Requejo et al. 2005). The final result is a bright green, high quality, good-tasting oil, which is now being sought by restaurants and homes for cooking and use in salad dressings.

Two companies started cold pressed extraction in New Zealand about 5 years ago. The development of one of these was underpinned by important research with HortResearch (The Horticulture and Food Research Institute of New Zealand Limited). Both companies started processing in Australia in mid-2004. A three year project started in Australia in 2003 (in collaboration with HortResearch) to provide similar support to the development of an Australian oil processing industry. The project aimed to provide information on the oil yield from the main cultivars. The fruit % dry matter (DM) was also measured since this is often a good indicator of the total available oil. This indicator has been used as a standard measure of fruit maturity in most avocado producing countries. As cultivar, growing location and time of season can influence oil yield, all have been evaluated to determine the potential for processing of commercial varieties in both Australia and New Zealand.

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Avocado oil processing in Australia- benefits and prospects continued

A commercial avocado oil industry provides an alternate use for reject fruit (thus reducing fruit wastage). It also indirectly improves fresh fruit grower returns through a positive impact on local market prices. In addition consumer awareness of the nutritional and health benefits of both avocado fruit flesh and oil would grow. The project is funded by HortResearch, the Queensland Department of Primary Industries and Fisheries (QDPI&F), and Horticulture Australia.

Methods

Fruit were sampled from selected commercial growers in Queensland and major growing areas in New Zealand over the last three seasons and assessed for % DM and maximum oil yield. Fruit were obtained from three orchards at 3-5 maturity times, starting at the beginning, and finishing near the end of the commercial harvest season in each district. The % DM was determined at the DPI&F Maroochy Research Station, Nambour, then samples were sent to HortResearch at the Mount Albert Research Centre, Auckland for oil yield and analysis. The maximum potential oil yield was determined by extraction with the solvent hexane.

The focus of research activity in Australia is on the two most important cultivars 'Hass' and 'Shepard' while in New Zealand the focus is on 'Hass', which is the main cultivar grown and the only one exported. However, some research has been completed on several other minor cultivars.

Results

The % DM results for the Australian 2005 season are presented. Oil yields are still being assessed, but we have presented some of the results from the 2003 season.

Dry matter

The % DM increased during the season for all districts sampled in 2005, for both 'Hass' and 'Shepard' fruit (Figure 1). In most cases the early harvested fruit were below the minimum 21% DM. There was a large variation in % DM between districts for the same cultivar, and differences of 2-4% DM between orchards in the same district. This confirms the need for individual maturity testing on each orchard, and sometimes on each block. This variation between orchards in the same district was larger in Bundaberg and the coastal south east Queensland compared with North Queensland. Results in 2004 were similar, but most of the early season samples were above the minimum 21% DM (data not presented).

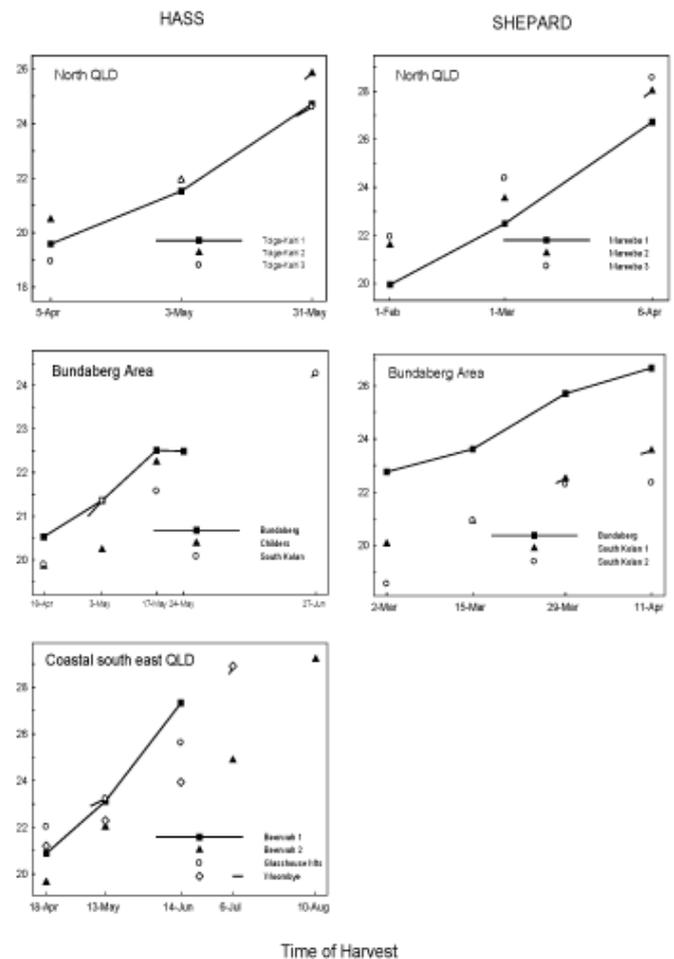


Figure 1 Percentage dry matter of 'Hass' and 'Shepard' avocado harvested in 2005 from different areas in Queensland, and from three orchards in each district. The first harvest was at the start of the commercial harvest season for each district. Each point is the mean of three replicates of 20 fruit.



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Avocado oil processing in Australia- benefits and prospects
continued

The relation between % dry matter and oil yield

There was a very strong relationship between the % DM and maximum oil yield in 'Shepard' avocado fruit harvested in 2003 from both the Tablelands area ($r^2=0.97$) and the Bundaberg area ($r^2=0.99$, Figure 2). Similar strong relationships were observed with other cultivars, indicating that the % DM can be used as a good indicator of total available oil.

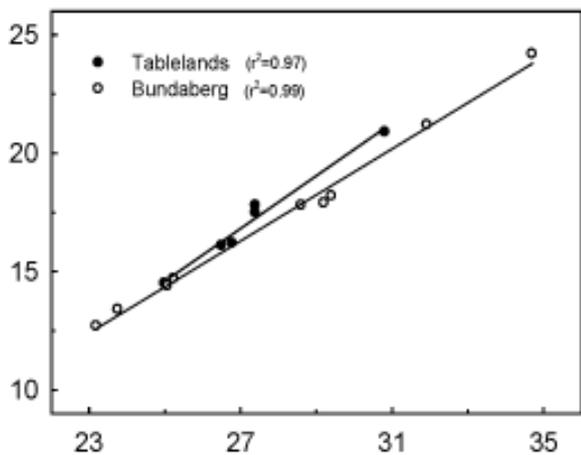


Figure 2 Linear correlation between maximum oil yield (% fresh weight) and % dry matter in 'Shepard' avocado fruit harvested in 2003 from two different areas in Queensland, Australia.

Oil yield

Results from the 2003 season show that the maximum oil yield is similar for most cultivars, when compared at the same stage of about 24% DM (Table 1). The only difference was a lower yield from 'Hazzard'.

Table 1 The maximum potential oil yield (at 24% dry matter) for several avocado cultivars sampled in 2003 from several locations. The data for 'Shepard', 'Sharwil', 'Fuerte', 'Wurtz' and 'Pinkerton' were derived from the relationship between % DM and oil yield for each cultivar similar to that illustrated in Figure 2. The remaining results were from individual samples.

Cultivar	DM (%)	Oil (%)
From regression equation		
Shepard	24.0	13.3
Sharwil	24.0	13.8
Fuerte	24.0	14.1
Wurtz	24.0	13.2
Pinkerton	24.0	14.8
Single samples		
Reed	23.7	13.3
Hazzard	23.1	8.6
Edranol	24.5	16.3
Rincon	24.6	13.3

Commercial cold press extraction is less efficient than solvent extraction, since some of the oil remains trapped in the flesh during extraction. Therefore, the commercial yields will be lower than those with solvent-based laboratory extraction. Oil extraction operations in Australia commenced in July 2004, when fruit were typically about 25% DM. The average commercial cold press extraction yields for the 12 months was 11%. These results are lower than the average yield in New Zealand (about 15%), and could have an impact on long-term commercial viability. Factors that may have affected commercial processing this season were:

- The fact that fruit are generally harvested earlier, at a less mature stage, in Australia than New Zealand, reduces the amount of oil available to extract. In most instances fruit were harvested below the minimum maturity standard in 2005.
- It appears this season that the fruit reached the required % DM (21%) earlier in 2005, but the oil yield did not increase at the same rate. Therefore, oil yield was lower at the same DM, compared with other seasons. This may have been partly caused by drier weather during fruit growth of the 2005 crop. This, combined with the lower % DM of harvested fruit compared with New Zealand, would have magnified the effect on commercial oil yield.
- Supply of reject fruit was low this season, presumably because of the high fresh fruit prices.

Oil quality

Specific samples will be fully analysed for quality, particularly the concentration of the healthy mono-unsaturated oleic acid, vitamin

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Avocado oil processing in Australia- benefits and prospects continued

E and beta-sitosterol, and the ratio of saturated to unsaturated fatty acids. This may allow blending of oils for targeted purposes.

Conclusions

- There appears to be significant potential for a viable avocado processing facility oil processing to reduce fruit wastage and potentially increase return to growers, but a consistent supply of fruit with acceptable oil yield is essential to achieve this.
- The % DM is a good indicator of maximum oil yield.
- The oil yield at the same % DM is fairly similar between cultivars. However, oil quality may not be the same. Characteristics such as the concentration of health-enhancing components, as well as other physical characteristics, can influence its commercial potential.
- Average commercial oil yield in Australia has been slightly lower than in New Zealand. Harvesting at the correct maturity is important in this respect.

Following the establishment of the avocado oil industry in New Zealand, the increased returns to growers was estimated to be worth \$4m/year. The presence of the oil industry may have contributed to the increased returns by providing a good outlet for reject fruit and increasing the quality and returns for the fresh fruit. However, reliability and consistent supply of acceptable fruit for oil processing is vital for similar benefits to be realised in Australia.

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Changing landscape of the avocado industry

The Australian avocado industry has been so successful in recent years that it has now attracted corporate interest, with agribusiness investment management group Timbercorp recently buying out the second largest avocado orchard while investing heavily in the largest orchard in the nation.

Avocados Australia Chief Executive Officer, Antony Allen, said the corporate attention will inevitably change the landscape of the \$75 million industry and put pressure on all growers to seriously rethink matters external to their orchard.

Mr Allen said avocados offer plenty of opportunities for professional operators, both large and small, and Australian production has grown by 50 percent since 2000 with production up from 20,000 to 30,000 tonnes during the past five years.

The corporatisation of horticulture is a common theme in overseas countries. Smaller growers are slowly being squeezed out of the market due to the large supermarket chains limiting supplier numbers and creating economies of scale that are attractive to larger corporate entities.

Australia's major supermarket chains are simply following the pattern set by their European, United Kingdom & United States counterparts

as they strive to maintain market share in an increasingly competitive and regulatory environment.

These moves within the industry will make it more difficult for smaller growers to gain access to supermarket chains and will leave them facing increasing costs with doing business solely within the central market system.

Mr Allen said the need for collective bargaining and economies of scale within the small to medium sized grower base will be paramount to their survival in a tightly regulated professionalised industry that is shifting to reduced contact with fewer input points coupled with larger volumes.

“For growers and packhouse operators to be successful in the future, they will need the ability to provide a flow of fruit throughout the year by banding together as a marketing group in the same way that overseas avocado growing countries have been doing for a number of years,” he said.

There are now 1.1 million avocado trees planted in Australia, with a 10 percent increase in plantings – 100,000 trees – being put in the ground around the Bundaberg region during the past 12 months alone.

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Changing landscape of the avocado industry continued

Building Strategic Relationships and Working Together

This is already happening within the industry, with innovative national avocado marketer Natures Fruit Company recently achieving the strategic goal of being able to supply a smooth and seamless flow of quality-assured fruit into the avocado supply chain on a year-round basis.

During the past 18 months, Natures Fruit Company has been steadily building strategic relationships and creating linkages with satellite packing sheds in all avocado-growing Australian states to straddle the different seasons and develop a reliable 12-month supply chain.

As a small grower, Maryborough avocado producer, Frank Ekin, says it is his association with a large packhouse that ensures he achieves access to supermarket orders that would otherwise be out of his grasp.

"I see that those large customers (supermarket chains) want consistency of quality and supply and by being part of a proactive marketing group with other like-minded growers we can achieve this," Mr Ekin said.

Mr Ekin also believes belonging to a well operated pack house that creates value through its marketing efforts means growers can ensure the value of their fruit and more importantly, the value of their farm.

Source: *Natures Fruit Company*

The Rise of Retailer Private Labels – Threat and Opportunity for Australia's Food Industry

The rise of retailer private label products is both a threat and an opportunity for Australia's food industry, according to a report from leading global agribusiness financier Rabobank.

In its just-released *Global Focus Report on private label strategies*, Rabobank says that the private label is a global phenomenon, which has achieved significant penetration in every developed country, and also has some presence in many developing countries.

"In the majority of cases, its market share is continuing to rise," the reports says.

"In Australia, retailers are moving to increase the penetration of their own brand via the development of 'premium' private label products, and in doing so, they are changing the nature of their business and retailer/supplier relationships, and ultimately challenging traditional business models in the food processing sector."

Processors have a range of strategies available to them as they adjust to this most recent change in the retail landscape - standing still is not one of them.

Rabobank food processing analyst, Tim Hunt says the take-home food retail market is the largest and most important channel that Australian food processors have to the consumer, accounting for around 76 per cent of food retail sales.

"For suppliers, the concentrated nature of the retail sector means two things: firstly, Woolworths, Coles and Metcash have substantial market power when dealing with suppliers, and secondly, due to the high share of suppliers' sales accounted for by these retailers, their strategies have important flow on impacts on the food processing sector," Mr Hunt says.

New retailer strategies

Retailers have succeeded in establishing a

significant foothold for private label in the Australian market – with 15 per cent of sales (by value) of packaged groceries now accounted for by private label (including Aldi sales).

However, private label has underperformed in the Australian market, with penetration low compared to many other similarly developed countries, Mr Hunt says.

"Growth has slowed in recent years and only limited progress has been made in developing higher quality 'second tier' private label products," he says.

Each of the three largest Australian retailers has recently unveiled strategies to increase sales of private label packaged goods. Coles Myer is leading the charge with plans to increase private label penetration to 30 per cent of all sales in Coles and Bi-Lo supermarkets by 2006/07, up from 13 per cent today.

The drivers behind the new private label strategies of Coles, Woolworths and Metcash are somewhat different from those which initially drove generic private labelling into the market place.

"Instead of slashing prices to defend against discounters and build store traffic, 'premium' private label is about differentiation, competing directly with brands and increasing retailer control over product categories," Mr Hunt says.

By developing 'premium' private label ranges offering high quality products not available anywhere else, retailers hope to build store loyalty, retail brand equity and ultimately higher margins.

Potential penetration of private label in Australia

The impact on food processors of the renewed focus of Australian retailers on private label will clearly depend in part on how successful these strategies are. Retailers will have to

The Rise of Retailer Private Labels – Threat and Opportunity for Australia’s Food Industry continued

overcome several obstacles if they are to achieve 20 to 30 per cent penetration in the Australian market.

“Coles and Woolworths will need to develop greater trust in retailer/supplier relationships than has existed in producing generic private label if processors are to invest the resources and time in developing ‘premium’ private label ranges,” he says.

“On the consumer side of the market, retailers will also have to overcome consumer association of house brand with base quality products, and ultimately consumers will have the final say in whether the current private label strategies of retailers succeed.”

Overcoming these obstacles has proved elusive for Australian retailers to date. Overseas experience suggests it is achievable, but will take more than just a couple of years.

Impact on food processors in Australia

Increased private label penetration and the development of ‘premium’ private label ranges will have significant impacts on food processors in Australia.

Supplier numbers are likely to continue to reduce (part of a longer term trend in manufacturer consolidation), lower ranked brands will be cut, ‘premium’ private label manufacturers will be asked to align with retailers and specialist producers may develop in time.

While still early days in the evolution of ‘premium’ private label in Australia, both supermarkets and suppliers envisage a more stable and partnership driven approach for ‘premium’ private label lines.

Competitive pricing will remain a key, but as supermarkets build brand equity based on quality and innovation, the field of available suppliers narrows, as does the capacity of supermarkets to auction down prices and switch suppliers.

Further, supermarkets will be more likely to recognise the investment made by suppliers in product and packaging innovation.

One development seen offshore that is unlikely to be replicated in Australia is retailers manufacturing private label products themselves.

Australian processors face a range of strategic options in positioning themselves for the further development of private label in Australia, Mr Hunt says.

“Companies looking to maintain a branded business will need to have a strong suite of brands, preferably ranked one or two in their category, or a strong niche position. Companies will need to continually invest to maintain brand strength and engage in research and development as well as advertising and promotion.”

Processors looking to supply generic private label will have to be low cost manufacturers with a good grasp of their own cost structures.

‘Premium’ private label manufacturing will require different capabilities, Mr Hunt says.

“Processors will need to be innovative and have strong research and

development capabilities and be willing to partner with supermarkets to achieve whole of category growth,” he says.

“Wherever a processor is selling to supermarkets they will have to stay close to their customer and ensure they understand their strategy.”

Some Australian processors may opt to focus on the development of alternative market channels for their products. The route trade, food service and export markets all offer viable alternative channels depending on the strengths of the individual processor.

These strategic options are not mutually exclusive. There is plenty of opportunity to blend two or more of these options in a successful business model, Mr Hunt says.

“Private label seems unlikely to create growth opportunities for the food processing sector as a whole. Broadly speaking, food prices will fall, consumption will not rise, a greater share of margins will be passed to retailers and, at least in the short term, industry capacity utilisation will not increase.”

However, as with almost any market development, some players stand to benefit from the development of private label in Australia, while others will find the competitive landscape more difficult. In particular, private label creates a real opportunity for players with processing expertise who have typically operated outside the retail space to gain a foothold in the market.

Source: *CFA news*



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News from Around the World

California Avocados Foodservice: IFEC SUCCESS

To keep Fresh California Avocados top of mind with U.S. restaurateurs, the California Avocado Commission foodservice team maintains a solid schedule of press coverage during each calendar year. One of the principal tactics to ensure we meet our publicity goals is annual attendance at IFEC, the International Foodservice Editorial Council (this year in Savannah, Georgia, October 25-27).

Unique in its conference format, content and results, IFEC connects foodservice trade editors with publicists for restaurant chains, onsite foodservice providers, foodservice manufacturers and commodity boards. The California Avocado Commission uses the event to promote innovative fresh avocado menu applications by participating in a chefs' showcase demonstration of fresh avocados with a regional flair (Tuna Tartare with California Avocado and Green Tomato created and prepared by Chef Kelly Yambor of Elizabeth's on 37th).

Through the relationships we've forged with the trade editors, we've secured an exciting calendar of feature coverage and product placements for Fresh California Avocados in 2006.

USA Country of Origin Labelling Delayed Until 2008

The recently approved Congressional conference report on agriculture appropriations contains a further two-year delay for mandatory country of origin labelling. The new effective date for mandatory country of origin labelling is September 30, 2008. The House and Senate are expected to pass this, and the President is expected to sign it. To update the industry on its activities concerning this key issue, PMA is offering a country of origin labelling workshop during its Fresh Summit 2005 International Convention & Exposition in Atlanta, Georgia.

Source: PMA

Italy: a new law protecting "made in Italy" fresh products

Rome - Paolo Bedoni, president of the Italian agricultural organization Coldiretti, has expressed his contentment on a new law approved by the government for a larger protection on the "made in Italy" products. The law establishes that a fixed percentage must be reserved in the supermarkets for the fresh products of the Italian firms only.

Nowadays 23% of the products sold by the big distributors comes from foreign countries and the imports have increased 35% during the last four years. Half of the imported fruits comes from South America, but also the percentages of imported fruits from Spain, Africa, Argentina and China are very high. The total value of imported fruits is 1.7 mld: a colossal business that puts the Italian production (16 mln. MT of vegetables and 20 mln. MT of fruits) at risk, which is one of the most important in Europe.

Mexican Industry 2005 Summary

PRODUCTION

For MY 2005/06, Mexican avocado production is forecast at a record 1 million metric tons (MMT) due to favorable weather conditions, implementation of phytosanitary programs which have successfully controlled pests, and more trees coming into production. The cessation of the producers' practice of harvesting only 2 MT per hectare has also contributed to the high production level. In past years, this practice has been utilized in order to avoid saturating export markets, and thereby causing price reductions in the international markets. Because avocados do not ripen until picked, they can stay on the tree for months.

This unique quality has allowed producers to work with exporters in order to harvest and ship at the most optimal times of the year.

Despite the fair weather conditions that prevailed in MY 2004/05, production is estimated at 934,282 MT, 9.29 percent lower than the initial forecast. Unexpected rains at the blooming stage, combined with the down year of the alternate bearing cycle, contributed to a drop in production. Moreover, the enforcement of conservative harvesting practices during five months of MY 2004/05 also contributed to the lower than expected production numbers. MY 2003/04 figures remain unchanged and reflect official data.

Michoacan is the main avocado producing state in Mexico, accounting for more than 88 percent of total production, followed by the states of Mexico, Morelos, and Nayarit.

CROP AREA

The official forecast for total national area planted for MY 2005/06 is 111,834 hectares, approximately a 9-percent increase over MY 2004/05 planted area. Planted area has increased because there is greater international demand for high-quality Mexican Hass avocados. In addition, several municipalities in Michoacan have been added to the APHIS list of authorized pest-free municipalities. These additions have also had a slight impact on the area planted in MY 2004/05. According to state authorities, Michoacan boasts roughly 90,000 hectares devoted to Hass avocado production. Area planted for MY 2003/04 remains unchanged.

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News from Around the World
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Chile Hass Growth

Chile's avocado volumes are set to skyrocket next season. However, with fluctuations in international trade agreements, exporters will no longer be able to rely on the neighbouring US to absorb their increasing yields. So where will they look to take up the slack? Elspeth Waters visited Chile to discover the reasons for the industry's tremendous growth and how it is preparing for such colossal change.

Chile's avocado industry has been growing at a phenomenal rate during the last couple of decades. The main producing area, north of Santiago, in the country's central fifth region, has become emblazoned with endless rows of ploughed ridges working their way up the hillsides. And a surge in output is following swiftly.

The general consensus is that volumes will be stable this year. However, Adolfo Ochagavia, general manager of the Chilean Hass Avocado Committee (CHAC), has already reported a surprising step up in volumes sent to the UK in the season to date, which began five weeks earlier than that of 2004/2005. "This year for the 2005/2006 season the first 42 tonnes departed from Chile in week 30 (July 25-31) and last year the first 226t departed in week 35 (August 30-September 5)," says Ochagavia. "Until week 38 (September 25) the total exports to the UK jumped from 1,393t last year to 1,716t this season, an increase of 23.2 per cent."

According to the committee, shipments to the UK look strong for the coming season, with a total forecast pitched at 4,300t. Considering

Chile's overall avo production measures in at around 175,000t, the UK share is but a trifle. However, this could be set to change before long, thanks to a combination of increasing demand, product availability and fluctuations in the global market.

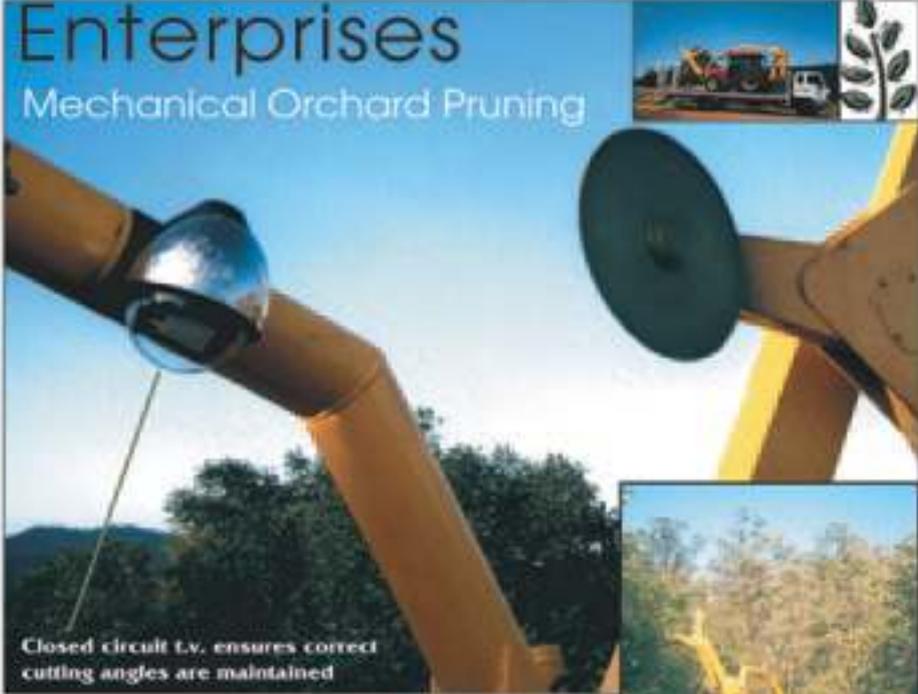
Avocado has been an important resource for Chile for some time but it is only in the last decade or so that the sector's growth has become so visibly apparent. "It is only in the past 10 to 15 years that avocados have been planted up in the hills," says CHAC's operations manager, Ricardo Waissbluth. "It used to just be down in the fields but because of the big interest in producing avocados in the last few years, there isn't enough land left in the valleys."

However, there is a distinct physical advantage to cultivating at increasing altitudes, says Waissbluth. "The difference in temperature between the plain and the hill is at least 3°C and the higher you go, the higher the temperature which is better for Hass. Hass can survive at 0°C but no lower." In the early years the novelty of planting on the hills meant land prices were relatively cheap. However, increasing shortages of flat space has heightened the necessity of progressing higher, resulting in increased competition and prices as all viable land is seized for production.

Desarollo Agrario, one of the country's largest production sites is a prime example of the scale of growth. "We started planting avocados 11 years ago in 1994," says managing director, Arturo Gubler. "Since then our plantations have grown from 30 hectares to 330ha. We get around

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News from Around the World continued

15-20t per hectare, compared to a Chilean average of 8t per hectare, which means we produce between 4,500t and 6,000t per year.”

However, it is not just the level of planting causing volumes to rocket but the increasingly dense organisation of trees. “In our older plantations the trees are six- by-six metres apart. Then about seven years ago we changed the structure so that all new plantations would be three-by-three metres apart,” Gubler explains. As such the investment involved is significantly greater. Not only does this concentrated planting constitute many more trees per hectare, but the process is much more labour-intensive owing to the additional pruning and irrigation required.

On the other hand, the trees bear more fruit more quickly owing to the competitive nature of their roots. As such, a tree may produce commercial volumes in two years rather than three or four, and producers can expect to harvest 16-18t per hectare rather than 12-14t.

According to Ignacio Cifuentes, managing director at Huerto California, a tree nursery managed by major Chilean exporter Safex, agronomists have discovered the trees grow most successfully in ridges. “The avocado roots only need around 40cm depth because they extend laterally but in some areas, especially on high slopes, the soil is as thin as 10cm on top of compacted rock,” says Cifuentes. “Therefore growers have started to plant the trees in ridges built up above the ground level to give the trees the best chance to thrive.”

Despite the effort involved in preparing the plantations, Gubler and Cifuentes agree the rewards of investing in a stable product like Hass avocado are considerable. “An avocado tree can produce fruit for more than 50 years, so you would only need to replace them if they became diseased.” says Cifuentes. “It is totally different from all other fruit. With avocados, people will be talking about Hass forever. No-one is trying to replace Hass – rather, all new developments are new types of Hass, whereas in other sectors, such as stone fruit, new varieties are wanted every few years.” This knowledge gives growers confidence to make huge investments, to which the nursery bears witness on an increasing basis, says Cifuentes. Huerto California sells around 200,000 trees a year and, with this year’s quota already accounted for, the business is already taking orders for next year.

Another distinct advantage of growing avocado is the flexibility in harvesting, according to Gubler. “The picking season is what we want it to be,” he says. “The fruit keeps on ripening so we can keep it on the trees, unlike any other product.” Despite the obvious incentive to prolong the period of supply, Cifuentes advises against over-manipulation of the natural season, however. “It is important to harvest early in order to give the next generation of fruit time to grow and become a decent size,” he says. “Otherwise you get two years’ production in the same tree, so in December you get small and ripe fruit together.”

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* Quoted by Tony Whitley, Industry Consultant at the Australian and NZ Avocado Growers Conference 2001

News from Around the World continued

Propal, one of Chile's top three avocado exporters, is hoping to extend its current five-month season to eight months in the near future, according to export manager, Reimundo Lira. By having member-growers in all of the country's viable growing regions, Propal will increasingly be in a position to harvest fruit for longer than many smaller companies. "We have found a couple of fields in the south which we think might allow us to pick fruit beyond the end of our season, but we are only at a trial stage this year," Lira explains.

Despite Propal's considerable standing within the industry, up to 50 per cent of its avocado production comes from holdings which are not yet certified by EurepGAP or Tesco Nature's Choice (TNC), which inevitably limits the volumes available for Europe, and the UK in particular. However, Lira claims the incidence of certification is increasing year-on-year.

Despite the all-consuming nature of the business, both agronomically and commercially speaking, which he admits may seem unduly arduous for some older or smaller producers, Gubler has no intention of slowing down. "Last year we planted 36ha and we are in the process of buying more land in this region," he says. "There is land available because there are always people wanting out of the business."

While conceding the need to keep on top of technical developments, Gubler claims the differing success experienced by producers is down to knowledge rather than an ability to embrace modernity. "It is not a

question of technology: that is available to all. It is a question of doing what you need to at the right time." To ensure it continues to adhere to this prescription, Desarrollo Agrario enlists the advice and support of agronomists, on both a full-time and occasional basis, as well as researching the experiments of fellow avocado enthusiasts around the world, Gubler adds.

Whatever the reason, broadly speaking the Chilean avocado industry has clearly been getting things right in recent years because forecasts indicate volumes are set to rise by a staggering 25 per cent for next season. Yet this boom will be met with a mixture of anxiety and excitement, Gubler suggests. "Up until now the expansion has been theoretical, but the newer trees have all been maturing and next year we will see the results," he says.

To date, Chile's main export market for avocados, as well as most other products, has been the US, which until recently absorbed 99 per cent of its exportable volumes. Last year this figure dropped to 90 per cent, as demand grew elsewhere. However, this US bias is not sustainable, and has urged the industry to reevaluate its marketing strategy in a drastic fashion.

Not only is the US' own production in California expected to surge next year, but by then Chile's nearest rival, Mexico, will be granted access to all states of the US, which will decrease Chile's dominance. As such the onus is on exporters to ensure they have developed alternative routes

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News from Around the World
continued

for their produce before next season.

Despite this urgency, Gubler is philosophical about the potential shift in trade alliances. "Up to now the US has been the best market for us," he says. "The difference between prices from the US and Europe has been as much as 50 per cent." However, this differential is widely expected to decrease as volumes expand worldwide. And, while Mexico may prove successful in the US, Gubler believes Chile will come out on top when it comes to more distant markets. "For a country like the UK, there are two possible sources," he claims. "There are wet countries, such as Mexico, South Africa and New Zealand which have rain all year round. This makes a difference in terms of the shelf-life because the avocados are at risk from fungicides which are difficult to control once they get into the leaf stems." According to Gubler, European buyers are now realising that these wet countries are not as reliable as dry countries, such as Chile and Peru, whose rainy seasons are confined to their non-harvesting winter months.

Lira says Chile is developing a strong reputation in the UK. "Last season we stole some of Spain's share because it suffered from frost so we kept supplying the UK until March and this season seems to be similar, but we are also stealing some of Mexico's."

With consumption of avos rising by around 20 per cent every year, Europe is an attractive market for Chilean producers, although larger producers will need to look further a field.

However, producers agree that further development in post-harvest techniques will be essential if Chile is to succeed in tapping into the vast potential suggested by the eastern European or Asian markets.

Promotion is another vital consideration – a point not lost on the industry's major players. CHAC has implemented a successful promotional campaign in the US, supported by the "check-off law", a mandatory tax issued for every imported box. This year, CHAC has turned its attention to Europe, and the UK in particular. While avocado has become a firm favourite among Chileans, with consumption projected at around 7.5kg per year, UK shoppers are only eating an average of 150g, with three quarters eating none at all. With this in mind the committee has gone back to basics to appeal to the unaccustomed palate.

This autumn will see Chilean avocados in all the major UK retailers packed with booklets containing basic tips about ripening and preparation of the fruit, nutritional information and four simple recipes to try, using avocados in salads, sandwiches and the already widely popular Mexican dish, Guacamole.

One successful venture has been the increased take-up of avos in Chilean branches of McDonald's. According to one branch manager, the avo-topped burgers and hotdogs, salads and sandwiches have proven increasingly popular in the two years since they were introduced. The advantages of establishing an in-road into such an omnipresent entity as McDonald's are apparent and the committee is optimistic that with the right level of exposure, the benefits for Chile, as well as other avocado producing countries, could be massive in the not too distant future.

Source: *Freshinfo*

Grower Member Application Form

Avocados Australia Limited

ACN 105 853 807

For Associate and Affiliate membership application forms please go to www.avocado.org.au or call **07 3391 2344**

Member Details

Business name and/or trading name: _____

ABN: _____

Key contacts: _____

Preferred address (postal): _____

Address of property (if different): _____

Contact Details

Business phone no: _____

Home phone no: _____

Fax no: _____

Mobile no: _____

Email: _____

Corporate Structure

How would you describe the nature of your operations (please circle)?

Individual	Partnership	Company	Trust
Lessee	Cooperative	Other (please specify)	

Please indicate the area of property that you crop for avocado production (please circle)

0.5 - 5 ha	6-19 ha	20-49 ha	50-99 ha
100-149 ha	150-199 ha	200-499 ha	500 ha+

Special Interests

Please tick your main areas of interest from any of the following:

- | | |
|-------------------------------------------------------------------|--------------------------------------------------|
| <input type="checkbox"/> Consumer information | <input type="checkbox"/> Production management |
| <input type="checkbox"/> Environmental management/ sustainability | <input type="checkbox"/> Quality Assurance |
| <input type="checkbox"/> Organic farming systems | <input type="checkbox"/> Technology/innovations |
| <input type="checkbox"/> Water management | <input type="checkbox"/> Marketing |
| <input type="checkbox"/> Field days | <input type="checkbox"/> Supply chain management |
| <input type="checkbox"/> Pest management | <input type="checkbox"/> Key political issues |
| <input type="checkbox"/> Food safety | <input type="checkbox"/> Other (please specify) |

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Grower Membership of Avocados Australia is \$110 pa (including GST). You can pay your membership by cheque or credit card. To pay your membership fee, please choose one of the following options:

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Australian Fresh Promotion of Avocados in Malaysia

By Henry Kwaczynski

In partnership with Horticulture Australia and Avocados Australia, Sunfresh conducted a promotion for avocados in Kuala Lumpur, Malaysia in July 2005. In a range of different market situations, (wet markets, wholesale markets, night markets) avocados were available for tasting and purchase. There was some adaptation of the tasting experience to align with local flavour: the desire for “sweet and crunchy”. Examples of this were the use of local ingredients, like sweet chilli sauce and soy sauce with avocados. This made the product more palatable and identifiable for the local taste.

The goals of the Malaysian promotion were:

- Promotion of “ripe for tonight” avocados
- Demonstration and advice about appropriate handling techniques, especially for ripe avocados
- Discuss and determine logistics of export (quantities, routes, costs and sourcing)
- Relationship building with importers in Malaysia
- Increased knowledge and understanding of cultural differences, in an endeavour to enhance business relationships
- Evaluate effectiveness of “ripe for tonight” campaign
- Visit a range of markets

During the promotion, ripe and hard green avocados were selling for 10 Malay ringit for 3 fruit. This equates to around A\$3.50. Two Sunfresh Directors attended these promotional activities. There was also strong involvement with the local importer of avocados.

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Australian Fresh Promotion of Avocados in Malaysia continued

There was evidence of avocados in all the market places visited, however, sales were very slow and the level of knowledge about handling fruit and its nutritional values was extremely low. There was product competition from other countries, such as South Africa and Chile, but there was no evidence of promotional activities, either at the time of our visit or in the past.

The effect of our visit was significant and the customers were keen for information about the product. The level of sales during all promotions increased substantially and in some markets there was a ten-fold increase. An important part of the promotions was communication with both retailers and customers of various ethnic and socio-economic backgrounds. Customers in these markets demand a high quality product and also demand to know about its nutritional value and what effect it has on their health. It is imperative that this lesson be taken into any future export arrangement and promotion, and appropriate literature (brochures and posters relating to nutrition and health) must be provided and readily available to both retailers and customers.



Avocados in a wholesale market

desire for close personal relationships to be developed and for face to face contact to take place. For the business of Asian import/export to be successful, these relationships must be established and nurtured. There is strong need for regular visits to the importers to ensure business success. This concept is strongly recommended by organisations such as Horticulture Australia Limited and Austrade.

All identified goals of the trip were achieved. Ripe avocados were made available to importers, retailers and customers and the take up was significant and positive. Information was shared, lessons were learned, and the path to the way forward in the marketing of ripe avocados in Asia gained clarity. The trip was most successful – for importers in Malaysia and Singapore, and for Australian exporters of avocados, destined for a “ripe for tonight” market.

This project was funded cooperatively using Avocado Marketing levies through

Horticulture Australia and funds from Sunfresh. Avocado levies (\$10,000) were used to produce promotion materials, in-store demonstrations and out turn reporting. Sunfresh provided funding for all other areas of the project.



Local Importer

The feedback from retailers was that when ripe fruit was available during the promotion sales figures for avocados increased substantially. With this very positive result, it is understandable that retailers are very keen to pursue the availability of ripe avocados for the market place.

Valuable and ongoing business relationships were established and these will provide a sound basis for future operations and business transactions. An important element of the Asian way of doing business, is the



Promotion at Wet markets



Avocado Coast Nursery

(formerly Batson Avocado Nursery) has supplied quality avocado trees to growers for over twenty years. Varieties available include:

Hass, Pinkerton, Sharwill, Wurtz, Reed and Fuerte

For more information or to place your order, contact Greg Hopper on Phone/Fax: **07 5442 2424**, PO Box 213 Woombye Qld 4559

ANVAS accredited

Avocado Growers Organisations

Regional Avocado Grower Organisations

Atherton Tableland

Avocado Growers' Association

Merrilyn Land, President 07 4093 2206
Col Cummins, Secretary 07 4095 8121
Fax: 07 4095 8122

Bundaberg & District Orchardists' Committee

Geoff Chivers 07 4153 3007
Fax: 07 4153 1322

Sunshine Coast Avocado Growers Association

Henry Kwaczynski, President 07 5442 1767
Fax: 07 5442 1767

West Morton Avocado Growers' Group

Rod Dalton, Convener 07 5466 1316
Fax: 07 5466 1497

Tamborine Mountain

Local Producers' Association

Bruce Bartle, President 07 5545 1527
Bev Buckley, Secretary 07 5545 2617

New South Wales

Avocado Growers Association Inc.

Gordon Burch, President 02 6550 4055
Alison Tolson, Secretary 02 6569 0872
Fax: 02 6569 0885

South Australia

Avocado Growers' Association

Colin Fechner, President 08 8541 2819
Greg Liebig, Secretary 08 8541 2174
Fax: 08 8541 2174

Avocado Growers' Association of Western Australia

Alan Blight, President 0417 179 127
Eleanor Press, Secretary 08 9776 1332
Fax: 08 9776 1332

Directory of Government Contacts

Australian Government Departments & Agencies

Department of Agriculture, Fisheries and Forestry

02 6272 3933 www.daff.gov.au

New Industries Development Program

1300 884 588 www.daff.gov.au/agribiz

Agriculture Portal

www.agriculture.gov.au

Austrade

13 28 78 www.austrade.gov.au

Australian Bureau of Agriculture & Resource Economics

02 6272 3933 www.abare.gov.au

Australian Bureau of Rural Sciences

02 6272 3933 www.brs.gov.au

Australian Bureau of Statistics

1300 135 070 www.abs.gov.au

Australian Competition and Consumer Commission

02 6243 1111 www.accc.gov.au

Australian Customs Service

1300 363 263 www.customs.gov.au

Australian Pesticides & Veterinary Medicines Authority

02 6272 5852 www.apvma.gov.au

Australian Tax Office

13 28 66 www.ato.gov.au

Australian Quarantine and Inspection Service

02 6272 3933 www.aqis.gov.au

Business Entry Point

www.business.gov.au

Department of Employment and Work Place Relations

02 6121 6000 www.dewr.gov.au

Department of Environment and Heritage

02 6274 1111 www.deh.gov.au

Department of Foreign Affairs and Trade

02 6261 1111 www.dfat.gov.au

Department of Industry, Tourism and Resources

1800 024 095 www.industry.gov.au

Department of Transport and Regional Services

02 6274 7111 www.dotars.gov.au

Food Standards Australia New Zealand

02 6271 2222 www.foodstandards.gov.au

Grants Link

www.grantslink.gov.au

IP Australia

1300 65 1010 www.ipaustralia.gov.au

The Ministerial Council on Consumer Affairs

www.consumer.gov.au

State Government Departments & Agencies

Australian Capital Territory

Business ACT
1800 244 650 www.business.act.gov.au

New South Wales

NSW Agriculture
02 6391 3100 www.agric.nsw.gov.au
Dept of State and Regional Development
02 9228 3111 www.business.nsw.gov.au

Northern Territory

Dept of Business, Industry and Resource Development
www.nt.gov.au/dbird/dpif

Queensland

Dept of Primary Industries
07 3404 6999 www.dpi.qld.gov.au
Dept of State Development
07 3225 1915 www.sd.qld.gov.au

South Australia

Dept of Primary Industries and Resources
www.pir.sa.gov.au
Food for the Future
08 8226 0585 www.food.sa.gov.au

Tasmania

Dept of Primary Industries, Water and Environment
03 6233 6496 www.dpiwe.tas.gov.au
Dept of Economic Development
1800 030 688 www.development.tas.gov.au

Victoria

Business Victoria
13 22 15 www.business.vic.gov.au
Dept of Primary Industries
136 186 www.dpi.vic.gov.au
Food Victoria
www.food.vic.gov.au

Western Australia

Department of Agriculture
08 9368 3333 www.agric.wa.gov.au