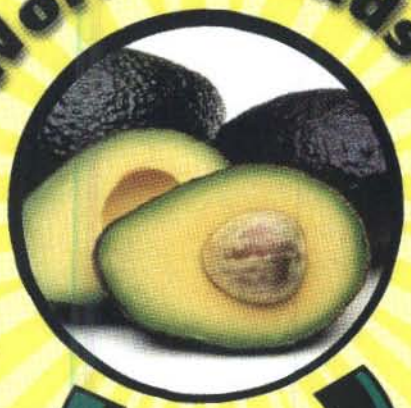
Talking Avocados

Future World Trends Feature



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The Australian Newsline

WINTER 2002 ISSUE

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MY COMMENT

Welcome to the 2002 Winter Issue of Talking Avocados.

Believe me when I say – "Getting the last issue of TA out and about was no easy task." It was one of those occasions when everything that could go wrong – did go wrong and more.

Left here in Sydney in mid to late March to attend the Australian Chamber Conference in Brisbane and, along the way, attended the AAGF Board Meeting and Dinner – also in Brisbane. And I must say *Thank You* to Rod Dalton, Rob Donkin and the AAGF Board for their hospitality. It was greatly appreciated and a good opportunity to meet with some of the movers and shakers in the avocado industry.

Well, from there it was all down hill - believe me!

Went up to my place at Hervey Bay for a week of rest expecting to check the TA proofs on the Tuesday (it's printed in Bundaberg, Queensland) with the publication expected to be packaged and out before Easter.

Well my printers had all sorts of problems. Two key art room staff had moved on in a period of three weeks. The last one had finished the publication on the Friday but when the replacement tried to open the publication on the following Monday – no go! The result was that the whole 28 pages had to be redone – just wonderful!

Then there was a problem with one supplied article that was replaced but, unfortunately, someone forgot to replace the table. Big mistake, huge, which ultimately meant an extra posting out to all recipients of TA – a major embarrassment for all concerned.

The final straw came when a grower rang me concerning the supplied article 'Avocare and bruising in Avocados', supplied by Peter Hofman, but attributed to a Greg Sandoval. "Where did this name come from?" From another article but how it got there is anyone's guess – certainly not from this desk. My apologies to Peter Hofman for this error.

Well, what I felt was my best effort to date as your TA editor turned out to be an issue of which I am more than a little disappointed.

As I write this 'Comment' I trust that all difficulties have been resolved and that this issue will be trouble free. There is some excellent information regarding overseas developments – important for future export opportunities. Any feedback would be appreciated and I hope this issue is a 'good read', out on time and error free – not too much to ask?

Col Scotney - Editor

THIS ISSUE FEATURES

TALKING AVOCADOS

Talking Avocados is the official publication of the Australian Avocado Growers' Federation and published in conjunction with Horticulture Australia Ltd.

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We all make mistakes: If we make a mistake please let us know so a correction may be made in the next issue.

MEETING NOTICE

Annual Avocado Levy Payers Meeting

Avocado Industry Advisory Committee and the AAGF Board advise that the Annual Avocado Levy Payers Meeting will be held at -

Yandilla Park
Chowilla St
RENMARK SA 5341

On Tuesday 24th September 2002, commencing at 1.30pm.

Purpose of the meeting:

For Levy payers to receive presentations from the Avocado Industry Advisory Committee and the AAGF Board on the Industry Strategic Plan, the Annual Investment Plan and the IAC Annual Report (including reports from Horticulture Australia on R&D and Marketing).

The meeting will be followed by drinks and a bar-b-que. If you are attending from the Sunraysia, Riverland or Riverina Areas please advise the South Australian Avocado Growers' Association for catering purposes. If you are attending from outside these areas, please advise the AAGF Office for catering purposes.

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Avocado Growers' Association of Western Australia
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Alan Blight 0417 179 127
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PRESIDENT'S PERSPECTIVE

Benefits of "Managed Marketing"

The returns to Australian and New Zealand avocado growers last summer are an indication of what can be achieved in a supply/demand marketplace if the supply is carefully "managed".

As reported in *Avoscene* March 2002 (the NZ industry journal) the effects of September 11 were dramatic for their export programme. "It was a sad disaster. But we had to get together to manage the crisis, and people communicated in a way that they never had before," said Brett Jeeves of Golden Mile Fruitpackers Ltd.

"The drop-off in American consumption was immediate and we could see that if the remaining fruit was sent to Australia it would crash the Australian market. But the co-operation between exporters in managing this crisis put an extra $5 per tray in growers' pockets this season. It's just a shame it took a disaster for it to happen."

Harvey Gray, a shareholder and grower for the packhouse, also welcomed the level of co-operation that was achieved.

"For the first time we had exporters leading the industry and telling us how much fruit needed to be picked and when. At the same time exporters were talking to each other and ensuring everyone was working together. Hopefully that will continue."

This co-operation and communication between all sectors of the NZ industry resulted in them exporting in excess of 900,000 trays to Australia for the season, significantly more than had been achieved in the past, at very good prices.

The Australian crop was down over that period which contributed to the outcome, as did the level of communication between the NZ and WA growers.

Unfortunately for our domestic market such "communication and co-operation" between growers/packers would be "frowned upon" by the ACCC. In the export market such co-operation is encouraged with an excellent example being the success of the Riversun group managing the export of navel oranges to the USA from Australia.

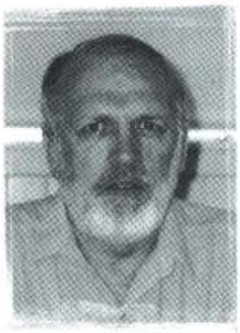
The lessons for our industry are that good returns for avocados are sustainable over long periods of strong supply. Fruit moving quickly through the system with consumer satisfaction levels being kept up, must be a strong positive.

A "single desk" market would offer the growers some clear benefits. As it will not be allowed domestically, our best option currently is to continue to reduce the number of brands in the marketplace and increase the level of communication between all sectors so that the supply/demand situation is better managed. While we continue to offer the two major buyers a wide range of product/brands/volumes we will remain in a weak position as price takers.

A Thought - Does the future lie in all supplying an offshore company who then "exports" the product to the Australian marketplace?

By Rod Dalton – President AAGF – June 2002

FROM YOUR FEDERATION



The AAGF and Horticulture Australia have recently received the final report "Avocado Export Market Intelligence Study". The report identifies a number of potential export opportunities for Australian Avocados. I expect to have an electronic copy for general distribution and I will have a synopsis for a future edition of TA.

In this column I want to elaborate on two aspects of the report. The first is that in terms of world Avocado production Australia is a small player. We currently produce between 30,000 & 40,000 tonnes per year. This is less than 2 % of total world production. World trade of avocados is 310,000 tonnes.

While we would not be big players, there are opportunities for us to develop export opportunities. Indeed we must, if only to protect our home market. And that should be a priority for us, protecting our home market and strengthening this market. But export opportunities will have to be in very selective niche opportunities, if we are not to be usurped by the bigger world players. It is not going to be a simple or easy process.

The second point I would like to make is that, from hereon-in, how these international markets are developed will depend on how supply chain operatives pursue the opportunities for possible export, be they growers, wholesalers or exporters. The AAGF will be encouraging such efforts and use our office to help facilitate any commercial options. I am aware of one exporter currently looking for supporters to help in trial exports of avocados. I have offered assistance to their endeavours. Nevertheless, export development must now primarily progress as a commercial enterprise.

Closer to home, the Avocado Industry Advisory Committee (IAC) has been established. Mr Bob Granger accepted the Board's invitation to chair the IAC. Bob was manager of QFVG for many years and is well respected for his knowledge and stewardship for the horticulture industries in Queensland. In particular Bob helped bring together the agreement that founded Horticulture Australia Limited. Bob provides the disinterested chairmanship necessary for the IAC.

The IAC is composed of the chair plus the AAGF Board. The IAC had its first meeting in March where the annual investment plan for the avocado industry for 2002/2003 was finalised. Wayne Prowse details this plan in his article in this issue of TA.

In this issue of TA Rod Dalton makes a good point in his perspective on co-operative marketing. Success in any such venture depends on a sound knowledge of the crop. Right now the industry goes with a best guess. It is not too bad but there is much room for improvement. The first step will be a better approach to crop estimates.

Horticulture Australia has just commissioned a project to look at crop estimation techniques. This is a start. But in the end, and I have said this before, the industry will have to consolidate information on the Australian crop so that growers can all work off better information in making individual decisions for their enterprises about production, supply and marketing. The industry needs a better overview of its supply chain to ensure good fresh fruit is supplied to the customer. This overview starts with a reasonable estimate of crop size.

Crop estimation is an issue at the moment as the Marketing Forum finalises promotion activities. The perception is that there is not much fruit around; wholesalers apparently are finding it difficult to source fruit to meet demand and prices are doing well. However, my figures tell me that currently there is more fruit moving through the Brisbane market than at this time last year.

I attended the NSWAGA Annual General Meeting in April in Coffs Harbour and the SAAGA Annual General Meeting in Renmark in early May. It was good to get out and meet more growers and see something of what is happening in NSW and SA. .

I have had a number of informal approaches from the Sunraysia and Riverina areas about re-forming/forming their local avocado growers' association. I encourage such moves. In the end the industry can only benefit from good local associations to meet the local grower needs, to deal with local industry issues and to provide a voice at the AAGF and IAC.

Renmark in late Sep is the venue for the AAGF Annual General Meeting and the Avocado Industry Annual Levy Payers Meeting. The notice for the Levy payers Meeting and AAGF Report to industry is in this edition of TA. As always, for those who cannot be at Renmark there will be a written report in TA. The meeting in Renmark is also an opportunity for your industry leaders to meet Riverland, Sunraysia and Riverina growers and identify local issues. If you have an issue for the Board, please bring it up through your local association and/or your representative on the Board.

I have been monitoring activity on the AvoInfo net over the last three months. I have been surprised at the lack of activity. Over the next few months the latest edition of Avoman will become available with training seminars conducted in every area. Please try and find the time to attend a seminar. Avoman should be a great adjunct to your business, not the answer to everything but a good management tool.

The Avocado World Conference/Congress will be in Spain from 19-24 Oct 2003 near Malagas. I will keep your informed as I receive more information.

You will note that in this issue of TA there is an advertisement for the valuable reference text "Avocado; Botany, Production and Uses" edited by Dr T Whiley and others. Congratulations to Tony and his colleagues for bringing the book together.

The jury is still out on the avocado oil producing facility. I am still optimistic the facility will become a reality, but probably not in the very near future. Given the current demand for fresh avocado, it is probably just as well it is not on line right now.

By Rob Donkin – Industry Manager

NEW MEMBERS – WELCOME

Talking Avocados welcomes the following New Members to its readership:

Don Reynolds at Palmwoods, Queensland and **Garry Frazer** at Capalaba, Queensland.

CHAIR CHANGES IN WA

The Avocado Growers' Association of Western Australia has a new Chairman - Alan Blight. Alan replaces Wayne Franceschi who had served in that position for some time.

Alan's can be contacted on 0417 179 127 or
Email: blight@eon.net.au

THE PASSING OF INDUSTRY STALWART - 'ALL THE BEST'

IT WAS A VERY SAD DAY WHEN THE AVOCADO INDUSTRY LEARNT OF THE PASSING OF PETER MOLENAAR SNR.

Maybe if it was not for the Dutch military presence in the neighbouring former Dutch East Indies, where Peter served as a young First Lieutenant with the Royal Dutch Marines in 1949/50, then the Avocado Industry may not have been blessed with such a man as Peter. On discharge he immigrated to Australia and settled in the Brunswick Valley at Palmwoods near Mullumbimby.

He took up banana growing. He planted his first avocados in 1968 and proceeded to become active in the affairs of the Industry.

One finds it difficult, to say the least, to document Peter's involvement in the Avocado Industry. He was a vehement go-getter for the common grower, a tireless worker and his achievements were many and varied covering every single facet of the Avocado Industry.

Over many years, the Minutes of the Brunswick District Avocado Growers (a branch of the NSW Avocado Assn) bear testament to his considerable involvement at Branch, State and Federal level. Those who knew and worked with Peter would wonder in amazement as to where he got his energy and time for such heavy involvement. Bearing in mind he was also very active in the Banana Industry holding executive positions in that industry at Branch level for some years and as a Director of the Banana Growers' Federation.

He was elected to the NSW Avocado Growers' Association Committee in 1975 and was elected president of the NSW Association in 1979. This was the first of a number of stints in the Chair over the ensuing years.

Peter was elected Inaugural Founding President of the Brunswick branch of the NSW Association in 1979.

Peter was a NSW Director of the Australian Avocado Growers' Federation for a number of years and served as Chairman of the Federation in 1984/85 during which time the Federation became an Incorporated Body.

One of Peter's passions was the 'Promotion of the Avocado'. This commenced in May 1982 with a recipe competition at Mullumbimby Ex Services Club in conjunction with 'Avocado Week' to 'open' the NSW Avocado Season. The Tweed Mall Promotion, featuring Avocado Cookery Competitions, continued for a number of years. Peter also regularly involved himself in assisting the Adelaide growers to promote their fruit at the Adelaide Show.

The early eighties also saw the very popular start of the Brunswick Branch's Chincogan Festival Avocado Promotion held in September each year. This Festival continued for many years with Peter at the forefront helping to organise.

The Industries Sydney Royal Easter Show Promotion in 1985 won first prize for best exhibit in the Agricultural/Horticultural section. This was a proud occasion for Peter.

On a more serious note - in 1983 Peter helped to determine that a legal agreement had been breached when the Federal Director General of Health authorised Californian Imports of Avocados without consultation with industry. As a consequence, imports were stopped.

In 1985 Peter was instrumental in helping fast track the use of MDKP solution (Phosphoric Acid).

For all his work for the Avocado Industry, Peter was awarded the AAGF *Award of Merit* in 1990.

Peter is survived by his wife, Anneliese, children Marina, Madeliene, Peter, Tony and Robert and 11 grandchildren.

As he always signed off, *'All the Best'*.

By Phil Connor, NSW Avocado Growers' Association.

All the Best

Talking Avocados

CHANGES TO THE BOARD OF SCAGA

Effective – March 2002

Secretary:
Hank Steffens
PO Box 47, Palmwoods, Qld. 4555
Phone/Fax: 07 5445 0824

Treasurer:
Ursula Starkovsky
PO Box 159, Glasshouse Mountains,
Qld. 4518
Phone: 07 5493 0605,
Fax: 07 5493 0608,
Email: starkov@ozemail.com.au

New Executive Member:
Frank Ross
23 Akala Street, Flaxton, Qld. 4560
Phone: 07 5445 7246,
Fax: 07 5445 7546

All the other positions have remained the same.

AUSTRALIAN ROUNDUP...

ATHERTON TABLELANDS

With the Shepard season all but over, we can reflect on the production estimates for the 2002 year.

Firstly, let me thank the Transport Companies that regularly supply me month by month figures. Without their assistance this would clearly be only a 'ball park' estimate. There is still some fine tuning required to be 100% accurate but for this season I would say that the following information is very close to the mark.

Up to 13/4/2002 there were some 497,647 trays and approximately 59,031 bulks shipped out of the Atherton Tablelands by four transport companies. These figures were close to the estimates with the general feeling from growers that there has been an increase in the percentage of small fruit coming off farms.

The first Hass fruit was found in Brisbane markets in the week commencing 18/3/2002 – mainly small fruit and, on inspection, I was not impressed with the quality. One has to wonder why place Hass fruit of dubious quality on a market when Shepard is reaching a peak supply.

Come on you Hass growers, let's try to get only the best fruit to the consumer so we all have a 'win win' situation.

Whilst I am in a *stirring the pot* mood, let's look at the issue of Marketing/Advertising and to those people who are concerned as to where our levies are spent. We all had a chance to talk to Wayne Prowse from HAL at our last members' meeting and really get our arms around where our industry is going.

All I can say is that it was a lost opportunity for most of our members who did not even bother to attend to get, first hand, some very relevant and important information. Those who attended can now see the broader picture.

Thanks you Wayne for your efforts.

By Col Cummings

WA ROUNDUP

Production for the year looks to be around about the same as last year. There are still quite a large number of trees still being planted in the South West. The future estimates put WA up to 1.5 - 2 million trays of which most of this will be October to February.

There are some concerns on the amount of fruit that will be on the markets later in the year with large crops forecasted for SA, VIC and NZ. What this will mean to prices is anybodies guess but one hopes that, with a little bit of communication between growers and regions, we can minimise large price drops and fruit back log.

As it seems with most of the country, the West is also experiencing dry conditions. It looked like a start to winter however it was short lived and only little bit of rainfall since.

NEW SOUTH WALES

The northern growing havs been severely affected by summer heat, drought and storms. The 'greenskin' harvest is currently underway, and Hass has started in some early areas. Fruit is good size, and prices very encouraging. Crops are not huge, but quality and price may make up the shortfall in income for most growers.

The NSW AGM was held recently in Coffs Harbour, with guest speakers Bryan Raphael (CEO of NFC), Rod Donkin, and Wayne Prowse. The NSW Association is now part of NSW Farmers, providing a very strong lobbying body - the strongest in Australia and useful information link for members.

Membership of the NSW Association now appears to be concentrated in the southern areas, with the Holiday Coast Branch (renamed from Coffs Harbour) and meetings very well attended.

Reminder

The next meeting for the Holiday Coast Branch is Saturday 3rd August. Planning is underway for a trip to South Australia in early 2003 (more details later) and any interested growers welcome.

SOUTH AUSTRALIA

The AGM of South Australian Avocado Growers Association was held on May 2nd in Renmark with 30 growers from around SA and Sunraysia.

Guest speaker for the day was Graeme Thomas, who spoke on various topics. He spoke on the importance of a good rootstock to have good and more consistent crops. He also spoke on the R&D projects that are in progress by the AAGF. There was a lot of interest in his talk and lots of questions. Later in the afternoon the growers had a walk and discussion on Yandilla Park's Avocado plantation. The day finished with a BBQ and drinks at Nick Hobb's place.

During February a survey was sent out to all growers from Victoria and SA who receive TA asking for tree numbers, age, and estimation for this coming year. After a reminder there was a 60% reply by the SA growers but only a disappointing 11% by the growers over the border.

There is a large crop hanging at this stage with an estimated 300,000 trays in SA and an estimated 600,000 trays in Sunraysia. With this large volume of avocados in the area the many packers should start looking at forming a marketing group to be able to talk to the large retail outlets.

Reminder to SA growers

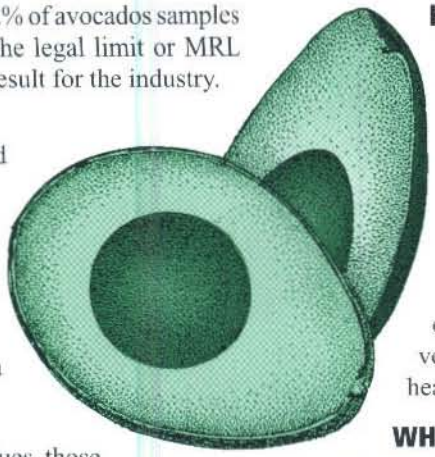
To all the SA growers a reminder that the Royal Adelaide Show is coming up in the end of August and we will be looking for helpers. If you are able to spare a day, call me. Also during the last week in August there will be an Avoman workshop being held in Renmark.

99% OF AVOCADOS ARE OK!

Pesticide residue monitoring has shown 99.2% of avocados samples tested for pesticide residues were within the legal limit or MRL (Maximum Residue Limit) - an excellent result for the industry.

A summary of the results were:

- 118 samples of avocados were tested during the period 1992/2000 for up to 26 pesticides.
- One sample, azinphos methyl, exceeded the legal limit.
- 47 samples came from NSW, 67 samples from Queensland and 4 samples from South Australia and Victoria.
- Most samples had no residues.



While many samples had no pesticide residues, those that had residues had them in minute amounts, the levels being less than half the legal limit. However, the fact there were residues is an indication the some pesticides could easily present problems if growers don't follow good agricultural practices. The three chemicals most commonly found were fenthion, dimethoate and chlorpyrifos.

WHERE IS THE SURVEY DONE?

Each week samples of fresh fruit and vegetables are collected at Sydney Markets as part of a pesticide monitoring program designed to ensure the quality of fresh produce. The program, which has operated since 1987, is run jointly by Sydney Markets Limited and NSW Agriculture. The survey is based on collecting 500 bulk lot samples each year (ten samples per week) comprising over 30 different fruit and vegetables direct from the market stands. Avocados have been sampled as part of the program since 1992.

WHAT HAPPENS TO THE PRODUCE SAMPLED?

After purchasing produce direct from the market stands the bulk samples are sub-sampled and the sub-samples sent to the NSW Agriculture's chemical laboratory at Lismore for analysis.

The analysis looks for up to 26 pesticides, mainly insecticides.

HOW ARE THE PRODUCE AND CHEMICALS SELECTED?

The program is a targeted survey, not randomised, based on selecting crops and areas during the period of heaviest pesticide use and, pesticides with the greatest likelihood of causing problems. In other words, the survey is actively looking for residues or the 'worse case scenario'. The excellent results over the survey period illustrates, regardless of looking for the worst cases, fresh fruit and vegetables are consistently meeting the strict legal and health requirements for safe food.

WHAT IS DONE ABOUT GROWERS FOUND TO HAVE EXCESSIVE RESIDUES?

In NSW, growers who are found to have excessive residues in their produce, are visited by an inspector of the NSW Environment Protection Agency. Legal action against the grower could result. For produce from other States the appropriate authority in that State is contacted.

WHY DO THE SAMPLING IN THE WHOLESALE MARKETS?

There are major advantages in using a city wholesale market, such as Sydney, for a monitoring program. Firstly, large volumes of produce of many types are available at one location; secondly, produce comes from all parts of Australia which means the survey covers most states and, thirdly, produce destined for both the local and overseas markets can be sampled.

WHY DO THE SURVEY?

Firstly, consumers, as is their right, demand their fresh fruit and vegetables are both safe and healthy. Also, they are not prepared to accept government or industry's word that it is safe without evidence. A government/markets program with the results being available to the public meets the consumer's requirements. This is shown by the acceptance of the program by consumer groups.

Secondly, the survey is an indication of whether growers are following good agricultural practices with regard to pesticide use. Excessive residues are an indication of misuse by a grower and this misuse reflects on the whole industry.

Finally, what great publicity it is to be able to say 98-99% of fresh fruit and vegetables are OK! - a level of compliance as good as anywhere in the USA or Europe.

The avocado industry is up there with the best and it should ensure its growers continue to follow good agricultural practice as part of their QA program.

Finally, thanks must be given to Sydney Markets Limited and NSW Agriculture for the foresight in developing and funding this survey and their continuing comittment to the project

By Lawrie Greenup - Fresh Produce Watch

INDUSTRY WORKSHOPS PLANNED FOR HORTICULTURE 2002

A series of workshops targeting the fresh fruit & vegetable industry's senior management, leadership and promotions is planned for the lead up to *Horticulture 2002*. The 'Meeting Place' for the industry, *Horticulture 2002* will be held from 10 to 13 September at Sydney's Homebush Olympic Park site.

The Australian United Fresh Fruit and Vegetable Association is coordinating the event that will focus on Australian industry successes, issues and importantly, the opportunity for cross sector meetings. Association National Executive Officer Col Scotney says the workshops planned in the lead up to the conference would provide an excellent opportunity for the various industry organisations to meet 'under one roof'.

"The decision to facilitate the workshops at the conference has been reflected in the positive feed back we have received since the announcement," he said.

"Senior Management officers, Directors and Promotional people at regional, state and national level have little opportunity to discuss issues common to all outside their own industries. If there is contact, often it is over the telephone or occasional meetings at grower conferences."

Mr Scotney said that those participating in the workshops were being given the opportunity to set the agenda and recommend a facilitator. "This gives the participants ownership of their workshop as well as insuring that issues raised are on track."

"We're keen to see *Horticulture 2002* as a forum for the whole of the industry from growing through to retailing and the workshops will play an integral part in that process."

Mr Scotney stated that the role the association played in facilitating this forum should not be underestimated. "It's a role we have always played in the industry and the only body that can bring the various sectors together under one banner – *United for Strength and Independence*."

The workshops will run on Wednesday 11 with a Welcome Cabaret that evening and the Official Opening to take place on the Thursday morning followed by the main conference two-day program. Tuesday has been set aside in the program for industry meetings.

Mr Scotney said that the conference theme of *Made in Australia* said it all. "This is a conference targeted at the whole horticulture with a program designed to encompass all aspects of fresh fruit and vegetable industry."

For further information contact Conference organisers Acclaim on
Phone: 07 3254 0522,
Fax: 07 3254 0406,
Email: acclaimsemm@bigpond.com

FRESH PRODUCE WATCH

Fresh Produce Watch was established a number of years ago as a Project of the Australian United Fresh Fruit and Vegetable Association Ltd or AUF. As part of AUF, Fresh Produce Watch is based at the association's National Office at the Sydney Markets. Lawrie Greenup is engaged as a consultant to Fresh Produce Watch. The industry 'watch dog' is supported by a growing number of national and state bodies through sponsorship. Fresh Produce Watch Sponsors are as follows –

- **Australian Apple & Pear Growers' Association**
- **Australian Chamber of Fruit and Vegetable Industries Ltd** comprising – Brismark, Chamber of Fruit & Vegetable Industries of Western Australia, Fresh State, NSW Chamber of Fruit & Vegetable Industries, Newcastle Chamber of Fruit & Vegetable Industries, South Australian Chamber of Fruit & Vegetable Industries
- **Australian Fresh Stone Fruit Growers' Association**
- **Australian United Fresh Fruit & Vegetable Association**
- **Australian United Fresh Fruit & Vegetable Association – NSW Branch**
- **Australian Vegetable and Potato Growers' Federation**
- **Adelaide Produce Markets Limited**
- **Association of Banana Wholesalers**
- **Brisbane Market Corporation**
- **Melbourne Market Authority**
- **New South Farmers Association**
- **Perth Market Authority**
- **Queensland Fruit & Vegetable Growers**
- **Sydney Markets Limited**

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AVOCADO EXPORT MARKET INTELLIGENCE STUDY

Prepared by Graham Ferguson – **Australian Business Limited**

The project was funded jointly by the Australian Avocado Industry Federation and Horticulture Australia Ltd with project delivery awarded to Australian Business Ltd on 24 October 2001.

SUMMARY

Forecast Australian avocado production to 2005 suggests that significant growth in the Australian avocado production base will not be totally matched by a growth in domestic per capita consumption such that export opportunities will need to be found for some 4,000 tonnes per annum of product in 2005. Current levels of Australian exports are 200 tonnes.

The project was initiated as part of the Australian Avocado Growers' 2000 – 2005 Strategic Plan which, as part of its vision ".....intends to focus increasing resources on the development of high value market opportunities in Europe, in the US, and selected Asian markets."

The avocado industry globally has shown positive growth in consumption and is believed to offer a bright future as the fruit is introduced to regions such as China and Eastern Europe where it is still little known. New plantings however are also growing rapidly and prospects will favour those countries who can find a competitive edge. That edge might be found in seasonality 'windows', in 'time to market' (the fruit having a time sensitive element), or in being able to take advantage of a global consumer trend from greenskins to Hass type avocados which offer the consumer the advantage of being more easily able to ascertain the ripeness of the fruit.

Australian production of Hass is also reflecting this trend with new plantings taking place across most regions including the newer growing regions such as the Pemberton region of Western Australia.

Despite the fact that Hass is now available across some 10 months of the year, production is still located predominantly in South East Queensland (some 60% of national production) and only restricted quantities are available for export outside the S.E. Qld/N.E. NSW region. This is especially so given the attractive domestic prices available for those regions that can supply in the lead up to, and after, the Xmas/New Year period. This uneven product availability will eventually change but is some time off. In the meantime most Hass fruit available for export will be available in the April/May to August/September period.

Opportunities for time sensitive produce depend greatly on reaching markets with the product in good condition and achieving high outturns. Thus a lot of our work focussed on determining the shelf life of avocados under ideal conditions, what those conditions were, and assessing the fastest shipping times to market. From this work it was possible to identify what markets were within reach for Australian exports, how they could be reached, and at what cost.

We examined some 33 markets covering Western and Central Europe, North and South America, the Middle East, and North East and South East Asia. We chose primarily markets that were already accessible to Australian supply and from these selected 14 markets for more in-depth study. This in-depth study included purchasing country avocado import data which showed imports by month, by supplying country. This would then highlight seasonal windows where they existed. We then recommended what we saw as the 'best prospects'.

The 'Best Prospects' we selected were Spain, Sweden, and the UK but could really encompass most of the European Union (EU) members. It would appear the markets can be reached by sea within an acceptable period of 30-33 days transit time but Controlled Atmosphere (CA) shipping containers are needed and the condition/remaining shelf life of the avocados on arrival should be thoroughly assessed through actual trials.

Shipping through the port of Brisbane and unloading in the Spanish port of Algerica would seem to offer the fastest transit times (24 days) to the EU. The EU is the world's largest consumer of avocados and our avocados have no major market access problems. The main competitor in our seasonal window is South Africa who are a major supplier of greenskins to Europe and who are still planting a minority of Hass varieties. South Africa also believes that consumption of avocados in Europe during our supply season is capable of being expanded.

Other potential prospects outside the EU which appear practical are Hong Kong and New Zealand but both are relatively small markets, whilst in the longer term the USA is a large avocado import market but one which will require considerable work to gain access. South Africa is a market worthy of further examination since they have a high per capita consumption and local produce is reported as unavailable over the December/January/February period.

Other opportunities exist to grow markets/consumption in selected Asian countries, but with our low level of exports into the foreseeable future insufficient weight of promotional expenditure would seem available to be a market builder.

RECOMMENDATIONS

Our recommendations include that the industry visit the EU to confirm the opportunities seen and to establish contacts, that trials be initiated/facilitated to confirm that the proposed supply chain to the EU is viable, that the industry conduct more research on controlled atmosphere options, product shelf life, and packaging options, with the aim to develop a best practice export manual.

It is felt that the industry also needs to gather much more information about itself, especially the actual and forecast increase in production by growing region. We also suggest that a closer relationship and information exchange (similar to that with New Zealand) with other Southern Hemisphere growing nations such as South Africa could be beneficial.

FUTURE WORLD TRENDS FOR THE SALES, MARKETING, PACKAGING AND CONSUMPTION OF AVOCADOS

By Avi Crane - *Vice President, Calavo Growers, Santa Ana, California USA*

Vision 2020 Conference

OVERVIEW OF THE WORLD AVOCADO PRODUCTION

The Food and Agriculture Organization (FAO) tracks avocado production in 50 countries. Obviously, many of these industries are very small and most do not grow the Hass Variety. The major Hass producing industries are listed below.

Year 2000 Yield (MT) - All Varieties:

• Mexico	939,118
• United States	164,500
• Chile	100,000
• Spain	68,000
• South Africa	64,000
• Israel	53,400
• Australia	20,200
• New Zealand	14,000

Industries with Hass acreage increases:

- Australia
- New Zealand
- Chile
- Mexico (Currently 38,453 hectares)
- Dominican Republic

Industries with stable or declining acreage:

- United States (California)
- Spain
- Israel

Potential Emerging Industries:

- Peru
- Portugal

POTENTIAL YIELD IN 2020

- 90% of world avocado commerce will be in the Hass (or Hass-like) variety. I believe our research community will discover improved growing techniques that will produce higher yields, keeping the Hass #1. My apologies to growers of other varieties. However, these varieties will always have a niche market.
- Total world Hass production will be 1,818,181 MT (4,000,000,000 pounds).
- Mexico will export 25% of its crop, or around 181,818 MT (400,000,000 pounds).

OVERVIEW OF WORLD AVOCADO CONSUMPTION

Most of avocado producing countries have a very high per capita consumption. For example, Mexico, the largest producer exports less than 5% of its crop due to its strong domestic demand. In the United States, almost none of the California Avocado crop is exported due to the high demand for the product. Indeed, over 30% of the avocados sold in the USA this year (2001) will be imported avocados. This figure is expected to rise as consumption increases and California production stabilizes at current levels.

The key world markets that consume either domestic or domestic and imported avocados are as follows:

- USA
- France
- Canada
- UK
- Germany
- Scandinavian Countries
- Japan
- Hong Kong

FUTURE MARKETS FOR AVOCADOS

It is hard to predict future growth of the world consumption of avocados. Ten years ago, the markets for avocados were similar and during this period, world production has focused on supplying these profitable markets. I suspect that in the next 20 years these countries will be added to the list as major markets for the avocado:

- China/Taiwan
- Korea
- The Former Soviet Union

In addition, I see the following developments in the USA market:

- Consumption will be 40,000,000 11.2 kg cartons
- 65% of the avocados sold will be imported

OVERVIEW OF PRODUCE MARKETING

The marketing of produce in the industrialized nations is changing drastically. Improved shipping and storage techniques have accelerated the commerce of produce from producer to consumer.

The competition between domestic producers and exporting producers in their historically exclusive home markets is increasing. The market place has more sourcing choices for products and more products. Competition in the markets has intensified. All of this makes for an uncertain future.

What we do know is that people need to eat - and the avocado is one of the best providers of nutrients of all fruits and vegetables - and it appeals to a diverse consumer base.

Unknown in France in the 50s, that nation now has the highest per capita consumption of any non-producing (Continental France) nation in the world. And if the French can learn to eat avocados, everyone can!

A recent study at the University of California - Los Angeles (UCLA) shows that avocados have nearly double the Vitamin E that was previously thought. It is the highest fruit source of this important antioxidant - about 2.5 times kiwifruit, the next on the list. Vitamin E is known to slow the aging process and protect against heart disease and the common forms of cancer. This study also revealed that avocados are the highest source of lutein - instrumental in protecting against eye disease.

MARKETING PROGRAMS IN FOUR MARKETS

I will now review the current marketing programs in four markets and make some projections for the future. I will focus the majority of my discussion on the avocado market in the United States. I do this because I am most familiar with this market. But also, more importantly, because I believe it is the most competitive and, therefore, will see the most changes in the future.

This is not to say that innovative marketing is not happening everywhere else. It certainly is. I was very impressed and learned from the work done by Woolworths here in Australia when I had the pleasure to hear Jon McAtamney talk at last year's meeting of Team Avocado in Auckland.

Jon told us about the great things his company was doing to promote Australian and New Zealand avocados in their stores. The ultimate beneficiary of these efforts by Woolworths is the avocado grower in Australia and New Zealand.

THE USA AVOCADO MARKET

Produce Marketing in the USA. The best word I can use to describe the present state of the Produce business in the USA is revolution - but I am tempted to use the word anarchy. I say this, because the changes we have seen have been unpredictable and we are still in a process that is continuing to evolve before our eyes. Let me review some facts from the recently released study by the United States Department of Agriculture.

- In 1987, there were 173 items in the supermarket produce section- by 1998 it has increased 100% to 345 items;
- 48% of Americans food dollars are spent out of the home at foodservice operations;

In 1999, the top 20 largest retailers had 52% of the grocery store sales revenue; up from 39% in 1987 - a 33% increase.

Supermarkets Top 10

	Share	Sales*
WalMart Supercenters	11.1%	$57.2
Kroger	9.6%	$49.2
Albertson's	7.1%	$36.4
Safeway	6.1%	$33.2
Ahold USA	5.3%	$27.5
Supervalu	4.5%	$23.3
Fleming	2.9%	$14.7
Publix Super Markets	2.7%	$13.8
WinDixie Stores	2.7%	$13.8
Loblaw Cos.	2.7%	$13.8
Delhaize America	2.5%	$12.7

Hass = +90% of USA Avocado Consumption

SOURCE: CAC

GENUINE CALIFORNIA AVOCADOS 2001 AVAILABILITY

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
HASS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
BACON	✓	✓	✓									✓
FUERTE	✓	✓	✓	✓								✓
GWEN				✓	✓	✓						
PINKERTON	✓	✓	✓	✓	✓							
REED					✓	✓	✓	✓	✓			
ZUTANO										✓	✓	✓

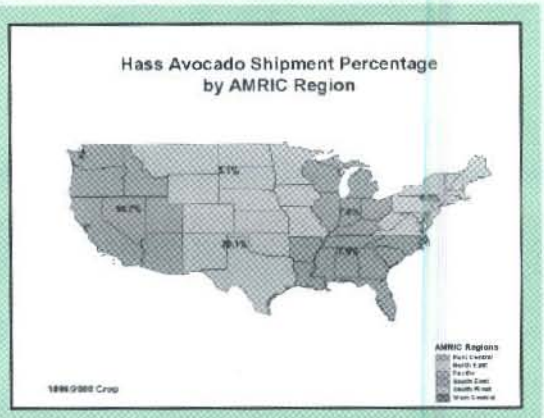
Product Availability

Avocados have been grown commercially in California since early in the 20th Century. Our company is one of the oldest producers and marketers of avocados having been founded in 1924 as a Growers Cooperative. We are 100% owned by California avocado producers.

Our Board of Directors has the overall responsibility for our company. Calavo is the largest marketer of domestic and imported avocados in the USA. Our sales and marketing efforts are supported by an well-experienced logistics department responsible for running two packinghouses in California and one in Mexico - as well has handling the logistics of our imports.

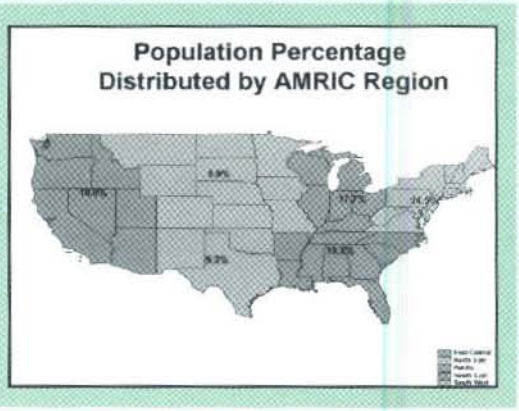
Our field departments in California and Mexico are a critical part of our marketing effort as they help to assure a stable/even harvest. Our accounting and information system management department assures our financial stability.

Over the past two years, we have been able to drastically reduce our operating costs, without impacting on our quality and service to our customers. Our market share has increased by a third. We sell around 40% of the domestic California production and close to 30% of the imported production. We are growing in both areas under the leadership of our Board and its Chairman and President, Mr. Lee Cole.



Avocado consumption by region

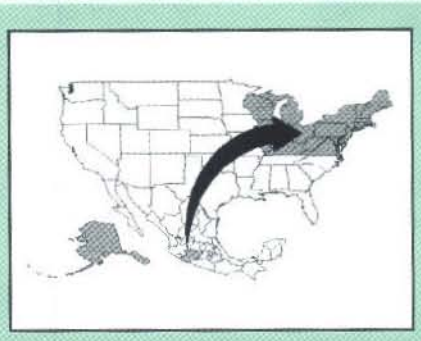
The growth potential for sales of California and imported avocados in the USA is tremendous. Over 70% of all consumption is west of the Mississippi River, but just 38% of the population lives in this region. 62% of the population eat just 34% of the avocados. 44% of all USA households purchased avocados in the year 2000 and 85% of all households in core markets purchased avocados. These are very encouraging figures and help us predict the potential for avocado consumption in the USA.



The West, including California, accounts for 50.7% of all avocado purchases, but has only 19.8% of the population. 8.2% of the sales are in the Northeast, which has 24.5% of the population.

The California Avocado industry has had tremendous success in handling the competition from imports. Close to 100% of the New Zealand Hass imports are sold by California avocado shippers. California handlers sold around 80% of the Chilean imports and, last season, 75% of the Mexican imports. Calavo was the largest with 33%.

This has helped stabilize the market for avocados in the USA. Customers can rely on shippers to supply them everyday and the exporters work closely with their receivers to coordinate and time shipments to domestic harvest declines. The result is that domestic and imported avocado producers do not get leveraged against each other in the market place. Returns for all growers marketing their avocados in the USA are higher due to the resulting market stability.



In the past 4 seasons, Mexico has had access to 19 Northeast States through a USDA protocol allowing access from November 1st to the last day of February. This has brought an additional 880,000 - 11.2 kg cartons to this region a year during this period. The Mexican Hass volume has allowed the supermarkets in this area to maintain an avocado shelf for 12 months. Historically, these markets were under-supplied during the low period of avocado production in the winter months.

CALAVO MARKETING

As the market leader, Calavo constantly strives to develop innovative programs with our customers. One of the most successful programs at Calavo and other California handlers is the Ripe Program, which is strongly promoted the California Avocado Commission.

The retail trade has been educated and shown that ripe avocados move out of their stores twice as fast as hard green fruit. This is also crucial to movement during the beginning of the season when the fruit takes longer to ripen on the consumer kitchen table. This year (2001) at Calavo we increased our pre-conditioning capacity by 100% to ensure our customers of the entire pre-conditioned product they need. During the season, preconditioned fruit represents 20% of our sales and is close to 50% at the beginning of the season. Also, many customers pre-condition their own avocados.

Recently, Calavo began a field-marketing program that employs two experienced Division Marketing Managers who will call on the retail, wholesale and foodservice trade. The objective is to work with our internal sales people on establishing sales objectives and developing strategies and services with retailers to accomplish those goals.

Division Marketing Managers work with retailers as chief communications on our industry – from Calavo's perspective. And, as category management becomes more and more important to our increasingly demanding retailers, DMM's will present scan data that clearly benchmarks our customers with their competition in weekly, monthly, quarterly, yearly sales. This information paves the way for us to educate customers on new merchandising techniques and avocado best practices.

Education is a big part of Calavo's marketing portfolio. As mentioned earlier, preconditioning is a fact of any retailers healthy sales program. To facilitate this, Calavo's DMM's are trained in the ripening process so they are able to train retailers and wholesalers to the effect of creating "Calavo Certified Ripening Centers". Further, our DMM's also participate in produce manager training seminars.

At the end of 2001, Calavo will be unveiling its new, state-of-the-art website, www.calavo.com.

Many companies have websites, but what is new and seamless, will be our ability to have separate sites within the main address. These 'extranets' are designed for specific audiences: internal communications for employees, sales, brokers; growers will be able to actually speak with their field men and log into our computer network to view their deliveries, payments and get market conditions anytime; and retailers will be able to log into our system as well to view their sales history, request quotes, buy directly online, transfer fundsÉthe extent of this service is truly unlimited.

Calavo prides itself on being the innovator as the leader in our industry – we should be. Calavo participates in all major industry-marketing organizations and exhibits at our annual Produce Marketing Association (PMA) convention. We advertise in the primary domestic and international trade magazines to keep our brand at top-of-mind.

Our processed products are above the rest with Superior ratings from food safety inspections. In fact, we have received kosher certification on all our processed products and an organic certification for our fresh packing facility in Santa Paula.

As the industry responds to change, so will Calavo. Our marketing services are built to enable Calavo to grow seamlessly and define our marketing approach to our customers, be seen as true partners, selling the #1 Calavo brand while offering value and solutions, every day.

CALAVO SALES

Our 9 person Calavo Area Sales Managers team has a collective 130 years in the business. Our sales staff, who sits on the front line every day, is supported by our management, logistics and accounting departments.

Weekly sales plans by Area Sales Manager, by variety, by size are developed based on projected production. Daily sales strategies are directed toward the sales team. The objectives are clear: constantly improve business with the best customers in the market while returning top returns to growers. Sales volume and prices are monitored constantly during the day by the Sales Vice Presidents. Inventory control is an everyday strategy.

Business is conducted with 1,000 different destination entities. Sales are nationwide. Sales are made to retailers, wholesalers, food service distributors and produce brokers. More than 100 orders are placed daily, and more than one-half of all orders pertain to more than one size or variety. Daily sales volumes during the much of the season equal 20 full semi-trailers per day.

Our main objective is to maximize returns for our grower/owners and those growers overseas who turn to Calavo to market their product in the USA.

CALIFORNIA INDUSTRY PROMOTIONS

The California Avocado Industry has been fortunate to be blessed with qualified and devoted past and current leaders with vision and concern for the future of our industry. These individuals have endeavored to assure the success of our industry through an aggressive industry-funded production research program. These programs have helped make the California avocado grower competitive in an ever-changing environment by increasing per acre yields and decreasing costs.

In addition, our leaders assured the marketing success of our product when they set up the California Avocado Board, the predecessor to the California Avocado Commission in the early 60s. This organization has been instrumental in increasing consumption of avocados in the USA.

continued pg 17... ▶

AVOCADO PROMOTIONS

By Wayne Prowse

The movement of avocados through the Brisbane market following TV campaign in 2001 (from week 25 to week 33) showed that in comparison to 1999 (1), the throughput was higher and the prices increased following the start of the TV campaign - indicating that the TV campaign contributed to increasing demand for avocados and the momentum generated flowed on for the remainder of the year.

(Note: we did not compare with 2000 as volumes were much higher and prices lower and did not allow a realistic comparison)

Similar price patterns emerged in Melbourne and Sydney, though volume data is not accurately available. Melbourne achieved the highest number of consumers buying avocados ever during the months of the TV campaign, even more that in 2000 (2).

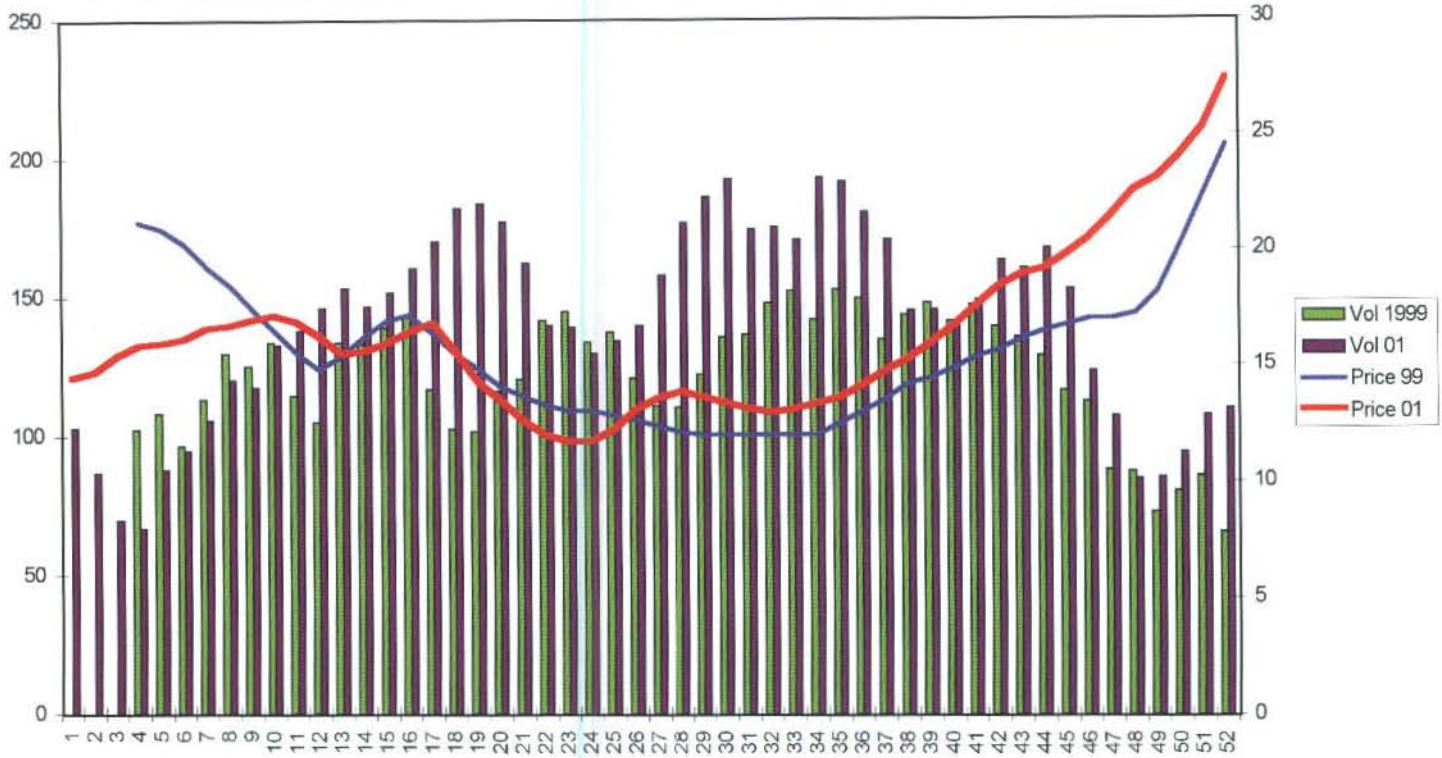
Source: (1)Ausmarket Consultants, (2). AC Nielsen

PUBLIC RELATIONS PROGRAM

Some of the outcomes of constantly pushing the health messages of avocados have been rewarded with Avocados taking a prominent place on the cover of a health food supplement in the Sun Herald (Sydney 10 June 2002). Whilst not directly related to our PR program, it is good to see that food writers now strongly position avoacdos as a healthy product.

None the less our PR program has generated over $600,000 in publicity over the last 12 months and is a clear sign that food writers are recognising that consumers are interested to read more of the nutritional and usage values of avocados.

Brisbane Markets - Avocados 1999 vs 2001 Volumnes and Values 4 week moving average



The avocado crop has not been as strong as expected in the later part of 2001 and early 2002. This has reduced the promotion levy income by $200,000.

The promotions committee has recommended a short high impact TV campaign in the largest consumer market – Sydney – during late July/ August to give the market an important promotion boost though the predicted higher volume period ahead of the warmer weather when demand traditionally increases. The strategy will help reduce over supply, keep "fresher" stock in the market through less stockpiles, provide better quality to consumers, keep demand strong into the warmer months and overall help maintain better prices for growers as the above chart shows.

Once there is a return to higher market throughput, not likely before March 2003, a national campaign can be implemented. At this stage a Brisbane based TV promotion is scheduled for April/May 2003. The situation is being monitored regularly.

Our PR program is targeting three specific areas of interest:

- Parents and Baby Care Magazines – for the nutrition values as a first food;
- Health Care magazines – for the superior health benefits; and
- Women's Food magazines - highlighting the value of avocados in everyday usage situations.

Readers who have seen the avocado TV campaign would have seen that these three elements have all be incorporated.

POINT OF SALE

We are taking a more education approach to the point of sale material this year to help assist consumers to select the best quality avocados. As more people enter the market and experience the desire to use more avocados, we want to make sure that they are aware of how to select the best ones and avoid disappointments. The new material will focus on the changing colours of Hass avocados as they ripen. Samples of the new material will be available for the next issue of TA.

For more information contact: Wayne Prowse - **wayne.prowse@horticulture.com.au**

I want to recognize one of the leaders of our industry who serves on both the CAC and Calavo Board - Alva Snider.

Calavo works closely with the CAC and holds 50% of the seats on its Board of Directors. The CAC programs are developed with the input of the Industry's 12 major marketing organizations. At Calavo, we augment the CAC programs with our own. I will now review some of the CAC programs.

- The CAC has a wide range of programs with the trade.
- The CAC works closely with the industry's customers in providing technical information, crop information and promotions.
- Point of Sale Material is provided to stores to display next to the avocado display.
- Coupon Programs in the Sunday paper are designed around peak harvest periods.
- The growers, marketers and trade are kept advised of the CAC activities during the season through mailings, trade advertising and the CAC website.
- The major retail trade is given feed back on the movement of ripe fruit in their stores by the CAC.
- Successful marketing by CAC, Calavo and the other industry marketers results in extensive newspaper ad activity. In addition, strong radio coverage with CAC produced advertisements run in the core avocado markets during this period. These promotions are coordinated with growers around peak harvest periods. The grower is an instrumental player in making sure there is product to support these promotional pushes. The growers are almost always cooperative, the weather is not!
- The CAC works with other food companies to execute cost-effectve, co-marketing programs. This is an example of a current program that will include Gallo Wines, Ready Pac Salad and California avocados.
- The CAC also has an aggressive print campaign focusing in innovative advertising in major food and consumer magazines.

THE FUTURE

Produce marketing in the USA has changed drastically over the past two decades. This is a result of many factors. But the key factors, as I see them are:

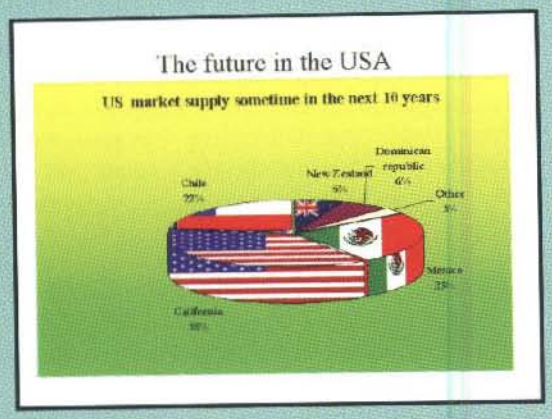
1. Improved growing/packing/shipping/storage techniques.
2. The changing diet of Americans, which is influenced by both health concerns and the changing demographics of our population.
3. The increase of imports in our domestic market place.

Along with these changes, the retail trade in the USA has seen a tremendous transition in just the past few years. There have been mergers among the major supermarkets and Wal*Mart has emerged as the #1 retailer. Wal*Mart is planning on opening 180 Super Centers this year. They have a 5-year target of $40 billion in food sales.

Recently "The Packer," the US produce weekly newspaper, attempted to predict changes the produce industry in the USA will see over the next 5 years. I have adapted these to the avocado market over the next 20 years:

1. **Retailers will reduce number of avocado suppliers.** Having a large avocado supply (grower base) will be a must for any marketing organization. Three shippers will have 75% of the avocado sales in the USA; today 5 shippers have 75%.
2. **Retailers will demand service** - supply will not be an issue. This is a major change in how the produce business has worked in the past. Many marketing organizations, such as Calavo, are grower owned. They are production driven and the norm has been to sell the inventory. This single model will not work in the future. Inventory management and having a pulse on the market will always be part of a winning battle plan. However, successful produce marketing organizations will have to adapt to the changing environment. "Pre Selling" of expected harvest or import volume will be a must. Customers will demand level supply 52 weeks a year - with increases during promotion period. Seasonal and annual supply programs will be the norm. I believe that Christmas, New Year's and the Chinese New Years, will become a major avocado promotion period in the USA. In the past, supplies of California avocados have been inconsistent during this period. Today, New Zealand, Chilean and Mexican avocados are in the market providing 90% of the volume.
3. **Marketers will keep customers through innovative approaches in shipping, packaging and financial conditions.** RPC containers (returnable plastic containers) and recyclable pallets will account for 50% of sales and almost 100% of sales to the retail chains; private labeling will be limited for fresh avocados; paper work will be decreased as sales/payments are made through electronic means.
4. **Supermarkets will continue to merge and consolidate** - 5 chains will represent 75% of the avocado retail business.

5. **20% of the avocados will be sold in bags of 3-5 pieces.**
6. **Contract pricing will increase to 50% of avocado sales.**
7. **Organically grown and packed avocados will have a niche market and represent 15% of all sales.**
8. **Product identification and case coding will become the norm.**
9. **50% of fruits and vegetable sold in the USA will be imports.** Americans will consume 1 billion pounds of avocados in 2020- 65% from imported avocados.



WESTERN CANADIAN AVOCADO MARKET

Per capita consumption of fresh fruits and vegetables in Canada is much greater than in the USA. The Canadian Government and produce industry trade associations (CPMA) have aggressively pushed the health benefits of increased consumption of fresh fruits and vegetables and consumers are following this lead.

Consumption is projected to increase annually over the next decade.

The Canadian avocado market has changed drastically in the 90s. The California industry used this market as a 'burial ground" (my words) for our Green skin varieties. It became a very cheap market with few direct retails sales. Industry and marketing promotion is limited. This market was and remains a broker market.

Mexican began sending Hass to this market around a decade ago. The Canadian avocado market quickly became a Hass market and Mexico became to sole supplier to this market.

Wholesale and retail prices of Mexican Hass avocados in this market are relatively low compared to markets in the USA. Product is sold at retail by the unit with the most popular size being count 20 (200 grams). This size and pricing structure makes avocados an inexpensive option for most consumers. The population base is expected to grow significantly in the future. Avocado demand in this market is inelastic with respect to price and import quantities are relatively stable year round.

We have determined that Calavo is well positioned to make strategic partnerships with the consolidating and merging trade that will allow us to obtain their exclusive support for a Calavo supplied avocado program. Electronic Data Interchange (EDI) capability also gives Calavo a competitive advantage, as more retailers demand this level of service from their suppliers.

There exist many challenges in this market today. There is a constant threat of offshore imports from South Africa (in Eastern Canada) and Peru (in western Canada). Many Mexican packers send low priced product to this market when they have no other outlet. Also, fruit of inferior quality periodically enters the market causing price reductions for export quality product.

Canada does not have a large Hispanic population and ad periods for avocados do not produce the higher increase the other products such as apples and oranges achieve.

Importers must bring in full loads when they only have sales for partial loads. The remaining product tends to be sold at lower prices.

Avocado demand is stable throughout the year, but peaks in the summer months. But it is difficult to persuade accounts to advertise September through May when avocado production in Mexico is at its peak.

Calavo has been shipping Mexican avocados to Canada for over a decade. However, with the opening of our own facility in Uruapan, Michoacan in 1998, we were able to provide our customers with a consistent quality supply of Calavo label Hass from Mexico.

For over two years, Calavo was affiliated with a quality broker in Vancouver, Canada. Weekly shipments were sent on consignment and returns were relatively good. However, this is a very low margin business. In order to maintain this business, we determined that we needed to have direct representation in this market.

Calavo avocado bag - retail store Vancouver

The Calavo label is well known to buyers for its consistent and superior quality. This provides us with a competitive advantage over other importers- and a fighting chance to succeed!

Avocado loads shipped from Mexico through to Canada must travel in bond through the USA and cannot travel through any States that border the State of California. Most Western Canada customers cannot buy in load quantities and we need assistance to consolidate orders on straight truckloads.

This market requires a broad customer base of retail chains, independent wholesalers and foodservice accounts to move the product in a timely manner that ensures optimum quality and condition.

Calavo offers a year round supply of Mexican product, but if required, we can substitute product from California, Chile or New Zealand. This provides a great service for buyers that demand our management of their avocado 'category'.

Calavo's fully integrated operation from harvest through to the final consumer results in control of quality and pricing - direct sales representation for improved customer relations, quality control and pricing to achieve maximum market share.

As the chain stores consolidate and merge and become larger, they demand to deal directly with suppliers and Calavo is now positioned to provide this service to them.

THE FUTURE

The Canadian avocado market has grown to demand of 10 loads a week (180 MT per week). This has been achieved with little promotion. With the expenditure of promotion and advertising dollars by marketers and trade associations, this market will grow during the next 2 decades. I believe per capita consumption will triple and this market will consume 500MT per week, every week of the year in the year 2020.

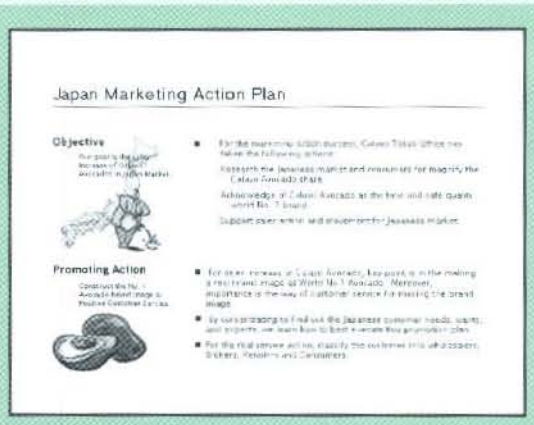
JAPANESE AVOCADO MARKET

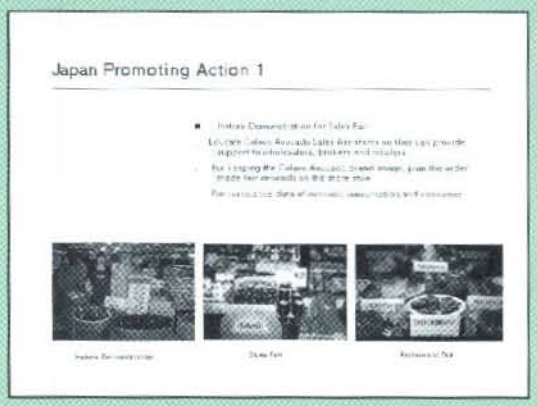
California shippers, starting in the late 70s, initially developed the Japanese avocado market. By the 1990s there were weekly shipments from 4 or 5 packinghouses in California to Japan. However, Mexico began shipping into Japan at lower prices and within a couple of seasons accounted for 50% of the market.

California crops have been low since 1993. This has allowed Mexico to be almost the sole supplier of avocados to Japan. I must add, however, that when I left California, we were packing fruit in our Temecula, California packinghouse for Japan since the prices in Mexico have surpassed the price in California.

Today this market is around 200,000 kilos per week (or around 54,000 4kg cartons). Calavo is one of the main suppliers of this market. Until 1999, the California shippers used their own funds along with funds from the United States Department of Agriculture for a promotion program in Japan. However, this was discontinued since virtually all the product was from Mexico.

At Calavo, we determined that the best avenue to pursue was building our own label that had become well recognized in the Japanese market. To that goal, we are funding a promotion campaign in Japan. We have hired a consultant, Ayumi Yamagata.





THE FUTURE

This is a growth market. The avocado fits in well to the diet of the Japanese and its acceptance has been tremendous. The market for avocados has also weathered the economic conditions in Japan over the past decade. For 2020, I see the following:

- Annual consumption increased by 200%
- Increased imports from various producing areas (Australia, New Zealand, Chile);
- Direct contract between Grower/Shipper/Exporter and Retail chains;
- Joint Market development by Growers/Shippers.

KOREAN AVOCADO MARKET

The marketing of imported produce in South Korea is done through import brokers. There are high tariffs on imports and the South Korean government provides some relief to cooperative marketing entities.

The Korean market received limited promotions by California growers in the early 90s. Demand has been stable for the past several years - only a few loads a season. The market is very sensitive to over-supply situations.

Calavo has been able to supply this market with California and New Zealand avocados 2000/2001. We have partnered with The PALMCO COMPANY. Brochures and POS materials have been produced to support the limited volume shipped to this market.

A more aggressive approach by Calavo and others will be needed to increase consumption in this market. I am confident it can be done. This will require the same type of groundbreaking work done in Japan 20 years ago. We will need to better understand the market and its needs.

Technical support for storage and handling techniques will be needed to be offered by the shippers of avocados to Korea. Initial retail incentives and promotions will be required to jump-start consumption. Calavo is considering these options at this time.

Garak in Seoul is the main producce market in South Korea

Calavo and other California bases companies, such as Mission Produce, have shipped both Californian and New Zealand avocados to this market. Currently, avocados from Mexico are NOT permitted in South Korea.

THE FUTURE

The population of South Korea is similar to Japan. If we look at the progression of the Japanese market since the early 80's, we can see where the potential for South Korean avocado consumption is in the year 2020. I predict weekly shipments of 12 loads of avocados - an annual total of 1,000,000 - 11.3 kg cartons. The fruit will be supplied from (in alphabetical order) Australia, California, Chile, Mexico and New Zealand.

CONCLUSION

My answer is a resounding YES when I am asked if I see a bright future for avocado growers around the world in the year 2020. I believe we produce one of nature's most extraordinary products. This is a product that is a stable in the Mexican and most South American diets, extremely popular in Japan on "California Rolls," and used in Paris with shrimp as an entrée. Virtually every ethic group in our world, once exposed to our product, has adapted it to their cuisine.

I enjoy giving the example of my own road to become an avocado consumer. My parents moved to California from Chicago after my father finished his tour of duty in the Navy during WWII and before I was born. My mother, of blessed memory, remembered eating avocados in Chicago and avocados quickly became a regular item on the Crane Family dinner table. My uncle always called them "CALAVOS." I learned later that Calavo had done a promotion in the 30s in Chicago - the first ever in that city. This promotion still pays dividends to all avocado growers, as the grandchildren of consumers who started eating avocados are now consumers themselves!

As I mentioned, 85% of the households in the core avocado markets in the USA buy avocados. With increased avocado availability in the market, there is nothing stopping this from becoming a national statistic in the USA. This is how I can confidently predict the consumption increase in the USA in 2020.

If we look at the avocado consumption growth in France and Japan in the past 20 years, we can also predict the levels it can reach in China, Taiwan, Korea and the former Soviet Union. Yes, much of this is dependent on economic growth. I believe we will see extraordinary economic growth in these and other countries, which will provide additional markets for avocado growers.

I want to make one last comment. I am a strong believer that growers around the globe need to communicate regularly. This includes research and it includes marketing. I urge all of that are able to attend the next Congress in Spain.

This presentation is really a collaborative effort of the following individuals:

Acknowledgements

From Calavo:

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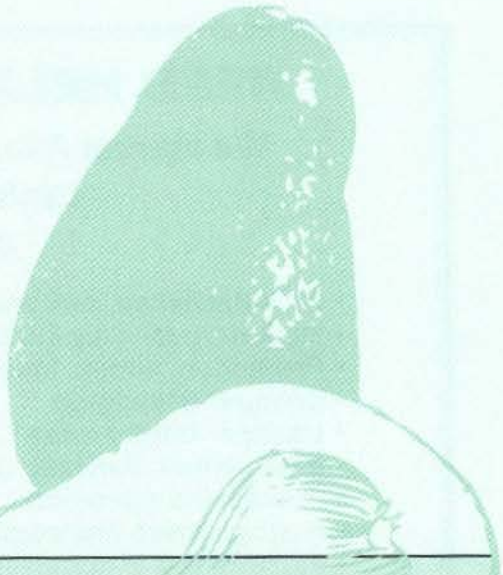
- Kari Brestchinger

From Palmco Corporation

- Jedd Bennett



Editors Note: When reproducing this presentation a number of graphics were deleted due to publication size limitations. The complete presentation can be obtained on CD from the AAGF National Office.

TAKING FRESHCARE FORWARD

The *Freshcare* On-Farm Food Safety Program was developed to meet an industry need. Growers wanted a food safety program that was credible, practical, national, industry owned, cost effective and suitable for all produce. Retailers, wholesalers, packers and processors wanted an upstream (on-farm) program focussed on food safety that would integrate with their own quality and food safety systems.

Launched in July 2000, *Freshcare* is an industry owned, not for profit program dedicated to making it as easy as possible for growers to implement their own QA system.

However, the market place is filled with a confusing array of food safety and quality management programs. *Freshcare* has recognised the need to more effectively promote the program whilst providing maximum support and communication to its owner industries and the wider fresh produce industry.

Through the newly established *Freshcare* office in Sydney and an enthusiastic network of approved trainers across Australia, access to the *Freshcare* program has been greatly simplified. The *Freshcare* package now guides growers through a streamlined process from initial registration to full certification, whilst at the same time maximising the opportunities for FarmBis funding.

Two packaged options are now available and provide the simplest route to *Freshcare* Accreditation:

1. Full *Freshcare* Package	2. *FRESHCARE* FOLLOW-UP PACKAGE
For growers who are new entrants to the QA process. This package includes: • *Freshcare* Membership • Initial training (one day) • Follow-Up Training (half day) • Third Party On-Farm Training Assessment • *Freshcare* Accreditation Certificate This option should be available at a total cost of $1,000 - $1,200.*	For growers who have undertaken an Approved Supplier course. This package includes: • *Freshcare* Membership • Follow-Up Training (half day) • Third Party On-Farm Training Assessment • *Freshcare* Accreditation Certificate This option should be available at a total cost of $700 - $900.*

** FarmBis funding is available to subsidise this cost in most States eg NSW and Queensland, 75% funding is available for Freshcare Packages.*

Within the chosen package, the administrative aspects of the program will be looked after by the trainer, from initial registration through to scheduling of the final assessment, thus leaving growers to focus on training and the implementation and adoption of *Freshcare* on their properties.

A third party training assessment is included in the *Freshcare* package to ensure that the delivery of the training has been effective and implemented on-farm. In subsequent years it will be necessary to have an Annual Third Party Audit conducted by a *Freshcare* approved QA auditor. Every effort will be made to maximise cost savings, for both individual growers and grower groups, through coordinated scheduling of annual audits wherever possible.

Through the newly established *Freshcare* office, the active marketing and promotion of the *Freshcare* Program, and 'hands on support' in its implementation, is a priority.

With the commitment of the *Freshcare* Board, *Freshcare's* individual owner industry groups, committed regional trainers and the strong involvement of key stakeholders such as wholesalers and industry champions, *Freshcare* has been strengthened to ensure its ongoing position as the only National On-Farm Food Safety Program that has been endorsed by the whole supply chain.

For further information contact Clare Hamilton-Bate Phone: 02 9764 3244 or Email: freshcare@freshmarkets.com.au

Freshcare Owner Groups

Queensland Fruit & Vegetable Growers (QFVG)
Australian Banana Growers Council
Australian Vegetable & Potato Growers Federation Inc (Ausveg)
Australian Chamber of Fruit & Vegetable Industries Ltd
Australian Apple & Pear Growers Association Inc
Australian Avocado Growers Federation
Australian Passionfruit Industry Assoc Inc
Australian Mushroom Growers Association
Australian United Fresh Fruit & Vegetable Association Ltd (AUF)
Australian Lychee Growers Association Inc
Horticulture Group, Victorian Farmers Federation
Australian Potato Industry Council Inc.
South Australia Farmers Federation
Australian Custard Apple Growers Association Inc.
NSW Farmers' Association
Australian Melon Association
Australian Fresh Stone Fruit Growers Association
Australian Mango Industry Association Ltd

Freshcare is owned by the Fresh Produce Industry and further supported by Horticulture Australia Ltd.

STRUCTURES, RELATIONSHIPS AND ISSUES FOR GROWER ORGANISATIONS IN 2020

By Jonathan Cutting, New Zealand Avocado Growers Association

Grower organizations exist primarily to promote grower interests and to ensure adequate grower participation and representation in the management of their sector. A more recent development has been the development of a negotiation "interface" with government or government agencies. Historically grower organizations were not concerned about market issues other than local market promotion and export market development as government provided reasonable levels of protection to the local industry through phytosanitary or tariff barriers. Most fruit industries around the world were highly subsidized in terms of research and development and export certification.

The early 1990's started to bring about change, particularly economic change, as the world "shrunk" and became a global trading village. Globalization and WTO negotiations started to reduce trade barriers and the national issue of food security became less important politically. The way that fruit was traded and finally sold also changed as fruit volumes grew through the 1990's.

The multiples became larger, increasingly influential and fewer and this impacted on grower profitability. Government became less sympathetic with primary industry, introduced "user pays" and generally moved rapidly to remove research and development subsidies.

Grower organizations were forced to respond. The primary goals of nurturing the sector changed to something more professional, businesslike and more akin to the new world. Growers began to perceive a world that had become more economically hostile and competitive and expected their representative organization to assist them through this time of change. The organizations generally were poorly prepared to achieve this. The duality of maintaining the status quo (grower socialism, regional parochialism, market access, academic sharing and profitability) and embracing the new world (globalization, immediacy, technology advancements, intellectual property, vertical integration and disintermediation*) required steady and profound changes to grower politics, structures and attitudes.

*Disintermediation = elimination of non-value adding middlemen.

2020

Change over the next two decades will be swift. Consider the rate of change over the past 20 years. In 1980 there were almost no PC's, food safety was not really an issue and anyway who had even heard of cell phones, bankcards, DOS, Microsoft or Bill Gates? What will be the issues for the next two decades and how do grower organizations go about addressing them.

Globalization

The impact of globalization will be profound. The biggest impact will be on the market place. Consumers will be the winners as competition improves fruit quality and at the same time drives price down. Phytosanitary barriers will be aggressively tackled, particularly if they protect high priced, and therefore profitable, markets. Domestic producers will look for opportunities to load additional costs onto imported fruit. There are many examples of this already, export certification requirements, promotion orders, food safety requirements, phytosanitary requirements and imported trade tariffs.

Trade, particularly supply chain issues, will move away from growers to fruit handlers and exporters. Vertical integration will result in larger, capital expensive and more efficient service providers such as pack houses and exporters. More importantly, growers and grower organizations will less and less influence this shift or the outcome. Commercial relationships between commercial partners will play an increasingly important and dominant role and provide both stability and supply continuity.

What will be the role of grower organizations? There are three important tasks to achieve.

- Grower organizations must play an important part in ***nurturing the industry environment*** and ensure that the commercial trade incurs the lowest possible cost to growers. There are many ways as to how this can be achieved and include: strong focused strategy and business plans, setting appropriate industry standards, facilitating clear and deliberate communication between the organization and growers (crop estimates, growth projections, off shore market conditions) and between growers and other industry stake holders and finally ensuring a clear mandate through democratic and robust industry structures.
- Globalization is still about competition and it is important to do it better and smarter than anyone else. Grower organizations should focus strongly on ***ensuring a continuing competitive advantage*** for their growers. This can be achieved in many ways from tariff barrier and phytosanitary barrier removal to developing grower education tools that improve national orchard performance.

  Producing more fruit at a lower unit cost that the competitors' still provides a measure of competitive advantage. It is equally important to identify at an early stage issues that reduce competitive advantage, for example, legislative changes, increases in compliance costs, introduction of new requirements such as new food safety requirements or the introduction of differentiated tariffs across different countries.
- The grower organization's relationship with Government will become increasingly important. This is important ***to ensure that grower interests are not traded away politically*** as politicians scramble to implement "best national interest" programmes and set up global trading blocks fully compliant with WTO principles. It is very important that the playing field is level and that grower stakeholders are not unnecessarily put in a position of unfair competition.

  Compliance costs for growers are continually increasing as government shifts the cost from itself onto growers. Examples of such cost shifts included work place health and safety, employment compliance, taxation

collection, worker insurance, food safety programmes etc. Subsidies from government to primary industry will decline and traditional fully or partially funded activity such as near market research and development is less likely to be considered attractive "government investment priority".

Governments are increasingly looking to develop 'knowledge economies' and primary industry is not a good fit with that vision. The biggest political change will be demographically driven as cities and towns (urbanization) become increasingly important politically and politicians respond by approving legislation that appeals to urbanites (often with no links to rural communities). Examples are typically greening legislation such as the Resource Management Act in New Zealand

Immediacy

The information age, particularly speed of information and decision making, will make all participants more promiscuous and dynamic. ***Grower organizations need to provide stability and discipline*** in an increasingly busy, exciting and less faithful world. Access to people and organizations will become easier and the speed of both human and organizational turnover will increase. This will place new pressures on traditional relationships both within organizations and between organizations.

Information "gate keepers" will be consigned to the scrap heap. The Internet and computer based on-line search engines will ensure that the latest information is available at the click of a mouse. There will be increased pressure to make information available particularly through Web pages or their equivalent. The challenge will be to separate out useful from useless information. It is also likely that the volume of misinformation will increase and make business more difficult (the information equivalent of an electronic virus). Business that rely on or create value by with holding or managing information flow will be increasingly at risk.

It is expected that the level of transparency in business, particularly fruit trading and marketing will increase. An example is the avocado price in any week in California available on the California Avocado Commission web page. The intrigue and mischief making potential of any supply chain will be minimized and the business focus will move more strongly to performance in the market.

Technology and Intellectual Property

Technology will play an ever more important part in the future. The technology flow on will affect every aspect of the avocado business from production through the postharvest chain and even the product finally offered to the consumer.

Technology will improve orchard performance and therefore squeeze orchard margins. More importantly it will be essential to adopt new technology rapidly to ensure profitability. The margin for production error will be small. Inefficient growers, reliant on orchard income, will cease production. This will impact on land values as an increasingly portion of the land value becomes locked into the production system.

It is likely that as production systems become "smarter" there will be issues associated with intellectual property (IP) ownership. Should external organizations own the IP growers would become intellectual peasants totally captured by intellectual fiefdoms (technology companies). **The challenge for grower organizations is to management technology development investment to ensure that growers share in the technology rewards of the future**. There is real risk of polarization within a sector should one party or business within a sector gain exclusive IP protected technology which discriminates against other growers. Intellectual property ownership will become a key issue for all growers and grower organizations.

Vertical Integration and Disintermediation

"The future is about fewer middlemen". This is a bold statement but immediacy, technology and globalization will ensure that fewer middlemen (brokers) "clip the ticket". There will always be middlemen but they will have to add value to the transaction and ultimately not cost the grower money.

Vertical integration will drive all aspects of the business into more effective and efficient participants. In some cases (but not all) this will result in fewer larger businesses. That will put stress and tension on grower organizations as most individual grower businesses (orchards) will not have grown at the same proportional rate and most growth will be through an increasing number of new entrants.

THE WORLD AVOCADO SCENE IN 2020

Growers and Avocado Orcharding

This is well covered in other papers and presentation however, the culture behind producing avocados will change. There will be a shift from the present "science and art" mix that currently constitutes knowledge to a more "technology and science" mix as newer technologies and particularly high-speed diagnostic tools become more evident and influential in decision-making. **Increasingly fruit will be grown to order** (market driven) in contrast to the present model of "how to we market all the fruit we grow" (supply push). For example:

- portable and instantaneous nutrient and dry matter diagnostic tools
- GPS based harvesting, infrared controlled individual tree irrigation systems
- smart fertigation
- real time, climate driven, reliable computer based support systems
- high speed, programmable robotic harvesters which select fruit to be harvested on maturity, size and blemish criteria
- the use of very smart pest control strategies including new generation pesticides and sophisticated bio-control
- accurate and reliable long term climate forecasting and weather prediction.

The new production systems will be technology hungry, expensive, efficient, profitable and labour unfriendly.

Postharvest Supply Chains

The supply chain will be much shorter with fewer distinct businesses handling transactions. Vertical integration and disintermediation effects will be most strongly felt in this area as the supply chains move to reduce transaction costs and eliminate or unnecessary commissions. Market requirements will become stronger drivers and influencers and demand and supply management will be essential to ensure profitable pricing. Profit margins will become progressively squeezed and transaction transparency will become more obvious. The partnerships between growers and grower groups and supply chains will become closer, formal and more robust.

International Competition

The international supply situation will change rapidly and dramatically. Nowhere will this be more evident that in the world production dynamic. The traditional larger

producers such as Israel, California and South Africa will experience new competition challenges from countries such as Chile, Mexico, New Zealand, Kenya, The Dominican Republic and Peru. Production skills and capital will be mobile and some of the traditional suppliers will become less important, may contract substantively or may even become domestic supplier only. The world market will grow from about 1.8 million tons to about 2.8 million tons annually.

GROWER ORGANIZATIONS IN 2020

Avocado grower organizational structures will be influenced by the strategies the sector adopts. The primary roles will be:

- the broker of industry information
- managing collective grower politics
- the vehicle for defining and achieving the industry vision, strategies and long term profitability.

There will be a requirement to achieve **separation of grower politics and industry management**. This will be a bigger issue in grower organizations where the supply chains are part of the grower organization and commercial advantage can be garnered from political confusion and misdirected activity.

Grower organizations will need to **be more professional**. This will be difficult as the "grass roots" growers assuming a certain image conflict with the requirements to interact successfully with corporate business and government. The involvement of impartial and dispassionate directors will become a requirement as both necessary skills and wider influence are brought into the governance role within grower organizations.

The industry strategies and decision-making processes will need to **be more transparent**. This will be most evident in the management of the business and the requirement for fiscal discipline.

All industry stakeholders and participants will become increasingly dependent of **good quality, reliable and complete information and information flow**. This will become a common and key activity of all grower organizations. There are several aspects to information flow:

- Data gathering
- Data capture into a suitable database
- Data interpretation
- Information development
- Information flow

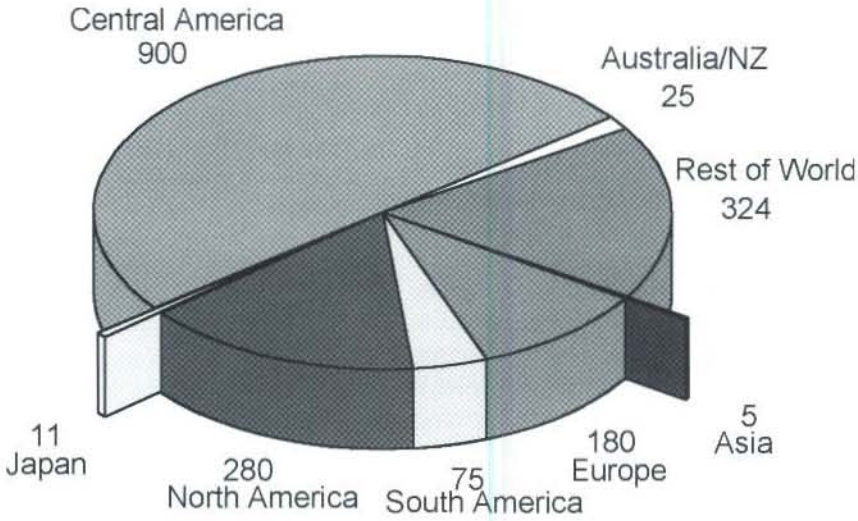
Outcomes include crop estimation and crop forecasts, season progress, industry size, pricing trends, packing trends, seasonal trends, competitor situations, fruit outturns and fruit quality assessments etc. All stakeholders will use independent and reliable information to maximize long-term income and prevent pricing collapse.

Grower organizations will need an **absolute focus on the "core business"**. Core business will vary greatly between different avocado grower organizations and it is likely the current similarity between most avocado grower organizations will change and they will become quite diverse.

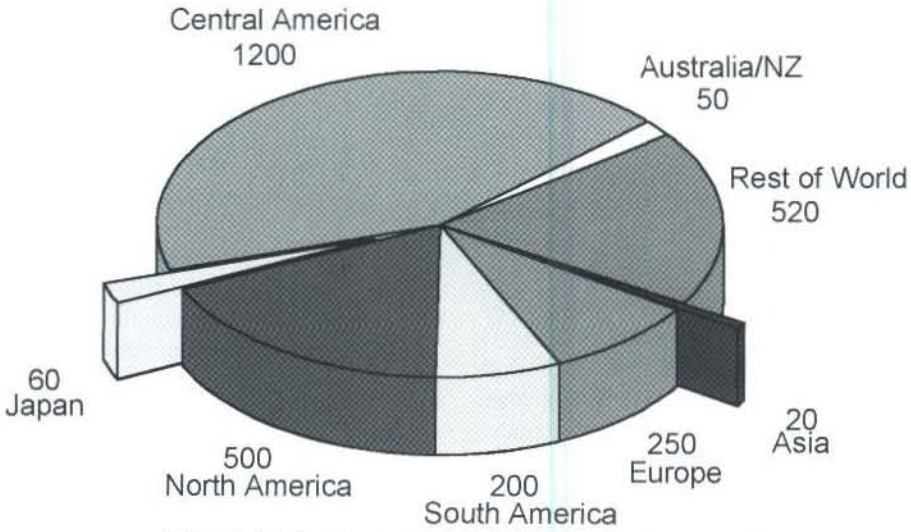
For example some grower organizations will take on a stronger technical and intellectual property focus, particularly if they are largely export focused whereas grower organizations that are more domestic market focused will be more interested in promotion, market growth and market price protection as core business. Quite different strategies and therefore structures and skills will be required.

In summary growers organizations have already started to move from a largely supply push orchard focus position to smarter, opportunity creating, market led environment-influencing businesses. This evolution will continue into the future. The challenge will be how to maintain a grower identity and collectively retain grower confidence while embracing a dynamic, opportunity filled, hostile, profit driven and promiscuous future. **The future will still be about growers making a dollar from their fruit, anything else will mean industry contraction and even collapse.** It will be a case of shape up or ship out !

Note: This presentation was given at the 2001 Avocado conference.



World Markets 2000 (x 1000 tonnes)



World Markets 2020 (x 1000 tonnes)

Study Reveals Avocados Highest Fruit Source of VITAMIN E AND OTHER DISEASE-FIGHTING NUTRIENTS

SANTA ANA, Calif. (April 22, 2001) Research from UCLA indicates that California avocados have nearly twice as much Vitamin E as previously reported, making avocados the highest fruit source of the powerful antioxidant. Vitamin E is known to slow the aging process and protect against heart disease and common forms of cancer by neutralizing free radicals, which may cause cellular damage.

In addition to the Vitamin E findings, the study also revealed that avocados are the highest fruit source of ***lutein*** *— a phytochemical known as a carotenoid, which helps protect against eye disease such as cataracts and macular degeneration, the leading cause of blindness in the elderly.*

According to Dr. David Heber, director of the UCLA Center for Human Nutrition, the data strengthen the healthful profile of the avocado. "Avocados are recognized as an excellent source of monounsaturated fat which is known to lower cholesterol levels, but the antioxidant and phytochemical properties of avocados are less well recognized. These plant nutrients naturally found in fruits and vegetables work together to reduce oxidant stress and prevent disease."

Other phytochemicals found in avocados include ***glutathione****, which functions as an antioxidant like Vitamin E to "mop up" free radicals. Avocados also contain four times more* ***beta-sitosterol*** *than any other fruit, which helps lower blood cholesterol levels. The avocado's beta-sitosterol content combined with its monounsaturated fat content help avocados to lower cholesterol levels in some studies, according to Heber.*

Dr. Heber, along with 35 scientists at the UCLA Center for Human Nutrition, has long encouraged a diet based on five to 11 servings per day of a diverse selection of fruits and vegetables like the California avocado. Worldwide research demonstrates that a high intake of fruits and vegetables is associated with better health due largely to their disease-fighting properties.

Talking Avocados

Top 5 Fruits* for Vitamin E Content

(Per 100g Raw, Edible Portion Fruit)

1 – Avocado	4.31 IU
2 – Kiwifruit	1.67 IU
3 – Nectarine	1.33 IU
4 – Grapes	1.04 IU
4 – Peach	1.04 IU

Source for data: UCLA Center for Human Nutrition and USDA Nutrient Database for Standard Reference.

Top 5 Fruits* for Lutein Content

(Per 100g Raw, Edible Portion Fruit)

1 – Avocado	284 mcg
2 – Plum	240 mcg
3 – Kiwifruit	180 mcg
4 – Pear	110 mcg
5 – Grapes	72 mcg

Source for all data: UCLA Center for Human Nutrition and USDA Carotenoid Database.

Top 5 Fruits* for Glutathione Content

(Per 100g Raw, Edible Portion Fruit)

1 – Avocado	27.7 mg
2 – Lemon	8.7 mg
3 – Grapefruit	7.9 mg
4 – Nectarine	7.4 mg
4 – Peach	7.4 mg

Source for all data: Jones DP, et. al. Nutrition & Cancer 17:57-75, 1992.

Top 5 Fruits* for Beta-Sitosterol

(Per 100g Raw, Edible Portion Fruit)

1 – Avocado	76 mg
2 – Orange	17 mg
3 – Cherries	12 mg
4 – Apple (w Peel)	11 mg
4 – Banana	11 mg

Sources for data: Duester KC, JADA 101(4), 2001, and Weihrauch JL & Gardner JM, JADA 73(1), 1978.

*Based on 20 Most Frequently Consumed Raw Fruits in the United States

Made from recycled paper, biodegradable & 100% recyclable

The Natural Alternative

Huhtamaki's moulded fibre inserts offer superior protection for your fruit by absorbing moisture. Your fruit remains drier, reducing the moist environment (as created by plastic inserts) that enhances the fungal spores that contribute to premature fruit breakdown.

For more information on Huhtamaki inserts contact your local authorised distributor or pack house.

BGA Rural, Kingaroy	Scott Ward	0418 718 359
Grow Force Aust. Your local store or phone	Paul Lindsay	0438 002 936
Kane Rural, Yandina	Phil Gissing	(07) 5446 7728
Northern Rivers Rural Buying, Alstonville	Tony Cammeron	(02) 6628 5444
P & H Rural, Bundaberg	Greg Keirnan	(07) 4150 0500
Tobacco Growers Trading, Mareeba	Vince Giacometti	0438 922 044
Woombye Fruit Growers Co-Op, Woombye	Brian Fazel	(07) 5442 1135

Or your Huhtamaki representative.

QLD & Nth NSW	Kevin Strachan	0419 607 386
WA & NSW	David Bourke	0418 413 660
VIC & SA	Ralph Inglase	0418 521 399

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