



## QUARTERLY PROGRESS SUMMARY: October – December 2015

### *New Zealand Avocados Go Global*

#### Background

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

### Summary of progress

#### Market entry and growth

- PGP-created resources continue to add value and provide consistency to co-investor marketing, promotional and retail training programmes.
- Contestable fund activities are enabling co-investors to collaboratively resource and develop innovative PGP related promotional programmes in both domestic and export markets.
- New Zealand Avocado in store avocado sampling sessions continued through to early December at Countdown, PAKn'SAVE and New World supermarkets across New Zealand with the introduction of additional PGP themed collateral.
- Rapid market testing underway in Japan to identify target consumer groups and refine category story themes, imagery and messaging.
- Programme Partners AVANZA and JP Exports have successfully implemented education and promotion programmes in priority Asian markets.
- Exporters undertook extensive in-store sampling campaigns promoting avocados from New Zealand in Korean hypermarkets and supermarkets.



#### Consistent and sustainable supply

- Instructional videos on canopy management and further reporting of new cultivar trials presented on industry website.
- Working groups continue to meet and help with the monitoring and evaluation of clonal root stock performance with variety specific management protocols under development.
- Spring and harvest assessments now completed with temperature monitoring and its effects on fruit set being measured and assessed by the MBIE technical working group.
- A new R&D manager will start at NZ Avocado on the 15th February 2016 and take on the project management role for Objective 2 - consistent and sustainable supply.
- The link to the MBIE research programme has been strengthened with a technical working group meeting focused on MBIE projects being held on the 25th November.

#### Efficient supply chain

- Electronic spray diary enhancements and design of data collection systems underway for the industry pest monitoring and management programme AvoGreen®.
- Industry data collected from the spray diary, library trays and grower benchmarking to analyse trends in fruit quality, spray use and provide a national comparison across a range of industry practices.
- Ongoing consultation with the Avocado Exporter Council (AVEC) and the Packer Forum has identified that supply chain efficiency will result from improvements or streamlining of industry administrative and compliance systems.

#### Products from waste

- Research completed to identify product opportunities from avocado skin and seed waste streams, including assessment of extracts and their composition.

- Callaghan Innovation also performed further work on the avocado paste to powder process, including a full understanding of the lipid content and other properties.

### Information transfer and adoption

- User stories describing industry needs have been grouped into specific work areas allowing a Request for Proposal (RFP) to build the information portal to be developed.
- good participation to an industry survey with results being summarised direct the focus of further extension work.
- Industry data being analysed to identify national and regional trends to support recommendations relating to orchard and post-harvest fruit management practices including spray use, quality control and pest mitigation.

## Key highlights and achievements

### Programme-wide highlights

- NZ Avocado promoted the PGP category story at Taste of Auckland food festival to 25,000 foodie consumers over a three-day period.
- A number of PGP outputs including the supply demand model and consumer research reports for Singapore, Korea and Thailand have assisted avocado exporters to develop season specific marketing and promotions plans.
- NZ Avocado visited China in December 2015 to progress discussion on market access and to meet potential in-market partners.
- The signing of the Trans Pacific Partnership Agreement (TPPA) will eliminate tariffs in key export destinations and will offer significant opportunity for the avocado industry.
- During October NZ Avocado with Hong Shin Ae hosted a special event titled “New Zealand Avocado Festival” The New Zealand Ambassador to the Republic of Korea, Clare Fearnley was in attendance along with influential South Korean bloggers.



*Korean PGP collateral in use at sampling/power blogger event*

## Collaboration with other PGP programmes

- PGP thematic workshops continue to be of benefit to a number of projects within the Go Global programme and to PGP co-investors.
- NZ Avocado staff will attend the Mobile Tech Primary Industries Technology Day in Rotorua during March 2016 where other PGP programmes are presenting.

## Upcoming

- Implementation of the agreed export market promotional strategies with ongoing technical support and educational resources developed for retailers and consumers across both NZ and export markets.
- Developing consultative process to prioritise consumer and market research into new or existing markets.
- Establishing industry wide management strategies and ongoing performance monitoring of orchards involved in Canopy Management, Tree Decline and New Cultivar trials.
- Software updates to continue on electronic spray diary platform to streamline post-harvest data handling and reporting.
- Next steps in skin and stone ‘products from waste’ project to be finalised by steering group and research providers.
- Design and costing of communications portal to be investigated further with RFP being delivered to service providers.

## Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$180,733.50	\$180,733.50	\$361,467.00
Programme To Date	\$788,140.50	\$788,140.50	\$1,576,281.00

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