

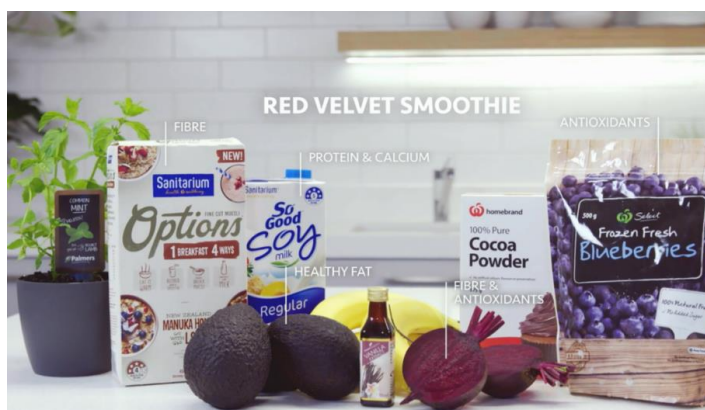
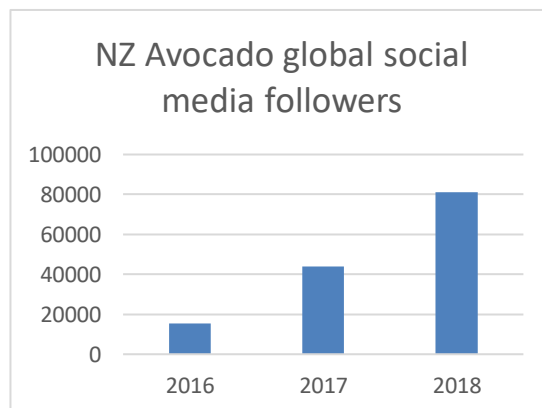
### Background

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

- Positive growth continues on NZ Avocado social media platforms in our key export markets Australia, South Korea, Japan, Singapore and Thailand. Social media follower growth is being driven by activities with key online influencer personalities in each market, grower stories, recipe and nutrition content and competitions which often link avocados from New Zealand with local café's and restaurants in each market.
- The New Zealand domestic market achieved a record total value of \$45m at first point of sale for the 2017-18 season. This result puts it on track to deliver the \$75m New Zealand market goal of the industry five year plan by 2023.
- Steady growth in social media follower numbers was delivered with 36,300 New Zealanders now following NZ Avocado on Facebook and Instagram
- NZ Avocado continued to reinforce these nutrient properties of New Zealand grown avocados through social media activity in New Zealand throughout the season.



NZ partnered with the Healthy Food Guide to create eight avocado recipes for their TV show

### Consistent and sustainable supply

- Two tree phenology videos have been published on industry website and are being promoted through Facebook group. One video relates to regular bearing tree and the second relates to an irregular tree.
- Results of new cultivar assessments and profiling these against other varieties and regions continue to be added to the industry website with efforts point growers to these valuable resources.
- Draft orchard diagnosis decision tree has been sent to Tree Decline working group members for feedback.
- Questionnaires have been sent to growers with weather stations on their orchard. Responses will inform case studies of weather station and digital soil moisture monitoring equipment.



*New video(s) describing the Phenology of the avocado tree to aid in best practice canopy management*

### Efficient supply chain

- The fruit quality discussion group met in June to identify and prioritise fruit quality issues and identified key issues. NZ Avocado, its supply chain partners and the research community are now exploring specific areas of the supply chain to target further research and trials:
  - Seeking alternative fungicides both pre and post harvest.
  - Defining a dedicated project looking to decrease unsound fruit by developing/confirming best practice on orchard through good scientific practice.
  - Working with packhouses and exporters to identify key areas of post-harvest research in terms of fruit quality, allocate resources and alternative sources of funding to complete these projects.
  - The impact of calcium on fruit quality.
  - Supply chain temperatures, work with packers/exporters to collect temperatures through the supply chain.
  - Fruit maturity influence on quality.
  - Getting outturn data back to growers.
- A consultative group including packhouses and exporters is currently investigating the impacts and significant changes in the Food Safety area with the changes to the Food Act 2014 coming into force for Horticulture in the coming months and are identifying a strategy moving forward.

### Products from waste

- NZ Avocado has maintained limited communication with Callaghan Institute and Plant and Food Research to stay informed of related projects to progress value from waste research.
- Although a defined project is not confirmed at this date the 2018-19 PGP annual plan sets out the ability to capitalise on any future projects if they arise in the value add space of fruit processing.

### Information transfer and adoption

- Cucumber have now completed development sprint 7 of 7.
- Some items within NZ Avocado's requirements were not completed within the 7 development sprints and are therefore being sized up for further development if required.
- The first iteration has allowed growers to have access to all related orchards, their orchard relationships (packers, sprayers, exporters), their own personal details, including their AvoGreen and export registration status of these orchards. This is great boost to compliance visibility and the first of many steps to automate the administrative processes run by NZ Avocado and the post-harvest operators.
- The full PPIN database has now been migrated to the underlying IRM Agiloft database and is being used daily by NZ Avocado. The export registration process is fed directly into the Agiloft database and is working very well and is a great improvement over the old system.

## Key highlights and achievements

- The New Zealand avocados industry produced 4 million trays in 2017-18, exporting 57%, selling 38% in the NZ market and processing 5%. Total volume was only 51% of the previous year but overall value only fell 25% and growers received record orchard gate returns from both export and the New Zealand markets.
- Values delivered throughout the late season period were exceptional and will have contributed to the record total New Zealand market value for the 2017-18 season of \$45 million. This is a 12% increase in total value growth for the market on the previous season from only 60% of the volume, which equates to great per-tray returns for growers that were able to supply fruit.
- The New Zealand domestic market achieved a record total value of \$45m at first point of sale for the 2017-18 season. This result puts it on track to deliver the \$75m New Zealand market goal of the industry five year plan by 2023.
- NZ Avocado has appointed a promotions agency for China in 2018-19. they will use consumer insights and testing to adapt the Premium Avocados from New Zealand category story category story for China, and implement a promotions campaign in China for 2018-19.
- The current high interest in avocados is evident by the good turn-outs being recorded at recent field days. The field days are drawing on both MBIE research and PGP trial outcomes to cover a range of orchard management topics and providing the opportunity to view the performance of a number of new cultivars and clonal rootstocks.

## Upcoming

- [The New Zealand International Avocado Growers' Conference](#) will be held 29-31 August 2018 in Tauranga. The conference will bring together over 250 delegates from across the New Zealand and Australian avocado industries and speakers from around the world. Presentation topics will cover avocado growing, research, supply chain and marketing. Prime Minister, Jacinda Arden will be attending the welcome event and officially opening the conference.
- Reaching the milestone of China market access strongly supports the Go Global focus of supporting new market development for the industry's increasing volumes. The first shipments likely to be in mid to late September 2018.
- Three videos describing our top grower pruning methods are in the final editing stage.

## Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$303,900	\$303,900	\$607,800
Programme To Date	\$3,111,538	\$3,111,538	\$6,223,076