

The First Fresh Team

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The Satsuma season seems to have come to an end for most growers and I think we only have a handful of growers who still have some crop to come in. I am sure Phil will be providing you with all of the season stats in the near future but I thought I would take the opportunity to reflect on my observations of the season. What I can tell you is that a 7500 -8000mt crop is infinitely easier to market than a 10,500mt crop (total for 2011 season). This season the reduced crop volume and a decent chunk of export out of Keri Keri certainly helped to keep the local market on an even keel. Growers, packers, marketers and retailers all seem reasonably satisfied with the result. The small crop profile meant that pre-packing was a huge part of the overall product mix. I know our prepack volumes are up nearly 70% on last year. Taste was pretty good. Quality by and large was excellent. Quality was good because fruit didn't sit around (at least in our pack house) as processed or unprocessed inventory for any length of time. Fresher stock = less waste. Less waste = happier customers and less claims. I think you get the picture. I also think that the season was helped by a degree of cooperation between the major marketing companies. Better dialogue and information flow allows for better decision making.

The big question is then what will next season be like? I think we can sensibly handle 8000-8500mt. Our preseason forecast was way off the mark this season. Let's hope we have a better handle on it in 2013.

It's good to see the new and improved First Fresh web site attracting some attention especially from growers. The on-line access to line reports and packing data means all of that information is now at your fingertips and you no longer have to try and delve through your own paper records or get us in the office to find it for you. The grower

section will soon be expanded to include access to other in-house documents including weekly pricing, crop protection programs and spray diaries. Further down the track we will also create an electronic version of the reject analysis report so that they can also be posted on-line.

I hope to see a good grower turnout at today's NZCGI AGM and dinner. This is your opportunity to give your views on how you see the industry and the national body that is NZCGI. Last season there was of course significant debate around the Satsuma Mandarin deal. What will it be this year? The dinner afterwards will be a good chance to relax and swap a few war stories with fellow growers and other industry members. It will be interesting to hear what the representatives from both supermarkets have got to say. They represent a fair chunk of the citrus business in NZ so their views and attitudes are hugely important for our industry.

Have you noticed how I haven't talked about the weather these last couple of months? I think the less said the better. What did astound me during July and August was the preparedness for growers to continue harvesting where and when they could often to the detriment of in-orchard conditions. It was amazing to see and I know our customers certainly appreciated it.

A handwritten signature in black ink, reading "Ian Albers", is centered on the page. The signature is written in a cursive, slightly slanted style.

PERSIMMONS

We have completed our export programme for 2012 and there is only one 20ft container left to arrive at its destination. Our customers in Australia purchased the last of our remaining stock. Traditionally returns for sales in Australia are above average but this season a record 146,000 trays of N.Z Persimmons have been sent to Australia and returns are reflecting this oversupply and the large quantity of small fruit that was sent across the Tasman.

Arrivals on the whole have been pleasing and our importers have worked hard to keep fruit moving, a strategy that has seen a reduction in claims for poor quality but average prices slip a bit for the last containers that we dispatched.

In order of total volume shipped we have exported Persimmons to the following countries; Australia, Malaysia, Singapore, Thailand, Canada, Hong Kong, and Indonesia.

We improve our average returns for Choice grade Persimmons in the domestic market by bagging and storing fruit in the peak of the season when the prices available would return growers a loss. This season we have had good demand for our bagged fruit but selling the large quantity of small fruit is proving to be quite challenging.

The graph below shows what percentage of our total crop was packed in each Size/Count. Comparing this season with 2011, we packed 83 tonnes (55%) less 14 count and 67 tonnes (450%) more 28 count than last year! (Size/Count relates to how many fruit in a 4kg single layer Tray).

First Fresh Persimmon Size Profile



TAMARILLO

Demand is still strong but better supply nationally has seen prices ease a bit over the month of August. The national crop is still rebuilding from the devastating effects of the bacterium spread by the Tomato/Potato Psyllid, so relatively short supply means that market prices are still well above what was being achieved a few years ago.

LOCAL MARKET

MEYER

The local market is still slowly chugging away through fruit we have got on hand from export packing and although we still have reasonable amounts of SS fruit and T2 on hand we are now starting to see a glimmer of light at the end of a long tunnel as we have worked through most of the SM fruit. There are still low numbers of fruit to be harvested in some orchards around the district and we will ensure that all growers are able to get the rest of what's left of their crops off in a timely fashion so they can start setting up their blocks for next season. The keeping quality has been pretty good so far this season even with the exception of Brown Rot rearing its ugly head around the district late in the season due to the wet weather. Most growers harvested the bulk of their main winter crop in June to early July so avoiding most of the challenges that was faced towards the latter part of the season with the rain. Quite a few growers are reporting a 'light' summer crop. All in all this points to a potentially good summer (As long as it stays Dry). As many of you know there have been significant plantings of Meyers over the last couple of years and we are expecting a substantial increase in supply from now onwards as these trees get closer to full production and because of this we have increased volume into the US and Japan yet again.

YEN BEN LEMONS

Whilst there are still plentiful supplies of high colour, good quality Meyer in the market place the demand for Yen Ben tends to take a relative "back seat". This will gradually change as the Meyer supply winds down and Yen Ben gain better colour and more importantly volume. Yen Ben tends to be preferred by the food-service trade and some independent retailers. Like the export Meyer deal every kilo shipped offshore at better than or equal to local market returns is a kilo less we have to worry about pushing on to the already exhausted locals during this time of year. Fruit size continues to be an issue with Yen Bens particularly when planted on tri root stock. Growers should look to confine harvesting to 55mm + and leave the smaller fruit to size where possible.

EXPORT LEMONS

It has been a record season for Meyer lemon exports for us this year having broken the 500mt mark earlier this week. Quality has been excellent and customers in both Japan and the USA are reporting good demand and stable pricing.

Yen Ben exports to Japan have been challenging in face of very cheap lemons from Chile, however we managed to maintain a regular program of shipments. Quality has been pretty good just the odd bit of decay. We will continue to export right through until late October provided market conditions allow. By then the local market should also be showing signs of improvement.

LIME

Lime supply declined a lot over the past few weeks and as a result buyers have started to purchase the darker imported fruit from New Caledonia there are not huge volumes of these limes on the market as yet so buyers still have a keen eye for local produce. We are still getting good returns for any locally grown limes that have good green colour, as hard as they are to find. But due to the amount of yellow limes we have been supplied we will also be offering our buyers this as an alternative to the greener imported variety. These are being marketed as 'juicing' Limes in prepack form.

GRAPEFRUIT

As is usual at this time of year Grapefruit colour has improved dramatically and the supply exceeds demand. Most growers understand that Grapefruit hangs on the tree well and there is no rush to pick it all just because the colour now looks acceptable. Grapefruit pricing is fairly inelastic so discounting or slashing prices does not help to increase sales as it would for some other citrus varieties. It is more a case of trying to match supply with demand and stretching the season out for as long as possible

Product Report—Phil Croy

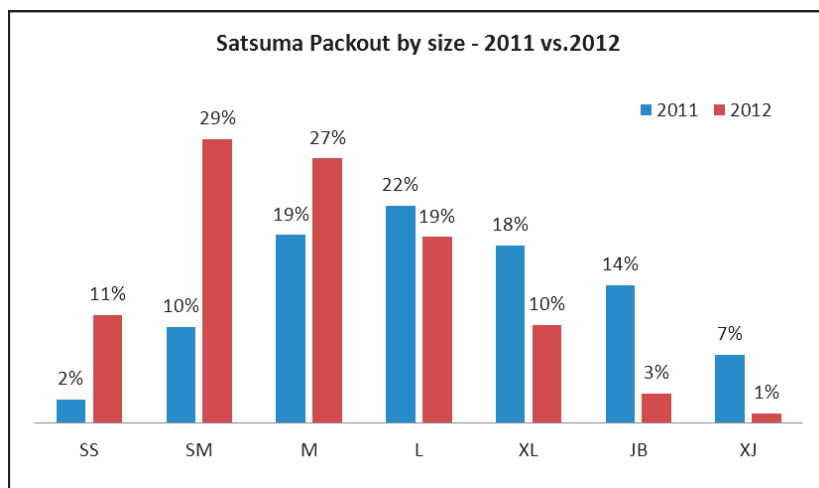
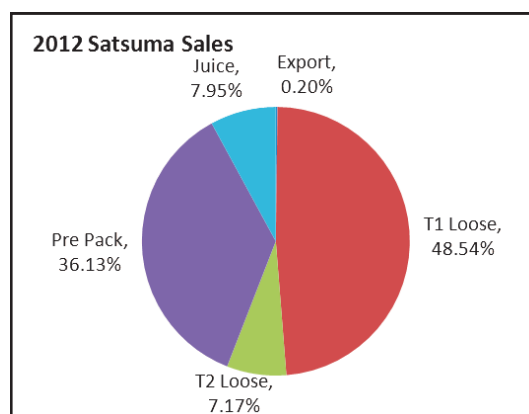
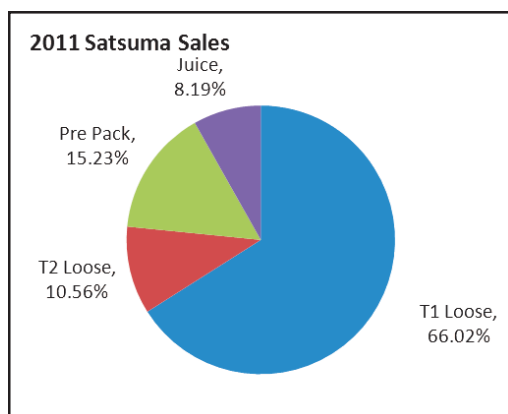
SATSUMA MANDARINS - 18 weeks down, one more to go?

One thing I can say for sure is that this time last season I was certainly feeling a lot less jubilant than I am currently. Although the season has been a long one, and not without its challenges I'm pleased to say that it looks like we'll make it through and out the other side relatively unscathed.

Six months ago the picture was not looking so pretty, but luckily for all growers especially those in Gisborne, Northland volumes ended up well down on what they had originally indicated as small fruit size impacted severely on their overall production.

We've also had our own issues with fruit size and it took the first couple of weeks for us to all realise how small the fruit actually was and that we were not going to see a lot of improvement in fruit size as the season progressed.

On average this season we have sold just over 50,000 pre packs per week. When you look at the pie chart below, you can see how important pre packing has been to our sales program this year. Total pre pack sales made up just over 36% of our total sales compared to just 15% last season.



With statistic's like the ones above it's easy to see where all the prepack fruit came from.

One pleasing number which always appeals to growers is the average grower return paid this season vs. last year, shown on the chart below.

2011 vs. 2012	
% Choice Grade	-2%
Average fruit size	-6mm (-9.5%)
Average Net Return	+36.7% (Inc. All Sizes, all grades)

Data from 01/04/11-20/08/11 vs. 01/04/12 – 20/08/12

Product Report—Phil Croy

ENCORE MANDARINS

Let's face it, thinning Encores has never been that high on any growers list of priorities when it comes to **"Must do jobs"** BUT this year those who have not thinned will be wishing they had!

From what we have seen to date there is a very big crop of very small fruit in most orchards. This follows on from the trend we have seen this season for all things citrus especially Satsuma Mandarins.

We are already underway with pre pack promotional planning as unless these promos are taken up by the supermarkets it will be nigh impossible to move this volume of small fruit at a return that's beneficial to all parties involved.

When harvesting gets underway growers should approach harvesting this season facing the reality that in general s its going to be a *"Season of many picks"* and that they should be *"Select picking"* for size on their first pick, targeting fruit that is 55mm and above, allowing for up to 3 to 4 picks during the season which normally runs from October to March.

Over recent years Encores have proven to be a very popular Mandarin and one which does have a lot going for it. This fruit will hold well on the tree, and continues to gain size after the initial pick has taken some of the loading off the tree.

The time that we tend to come unstuck is when growers harvest more small fruit than the market can handle at the time with the consequence being a drop in returns to secure market share and move volume.

The Australian Afourer is currently the supermarkets "mandarin of choice" now that the Satsuma season has finished. We will get a foothold with NZ Encores but we need to ensure our product offering in terms of price, quality and taste is spot on.

Australia



New Zealand



The above shows prices W/C 20th August 2012, one would expect to see the NZ price drop back very quickly to close what the Australian supermarkets are selling fruit for and this will not bode well for Encore returns.

Dave and Tim have started some size monitoring work in a couple of blocks and once I see some numbers from them I will send out some more information re the state of the Encore Nation.

I will be out and about in the coming weeks working my way around the Encore blocks so I will see you all soon.

Product Report—Stuart Mansill

NAVEL ORANGES

Most of the early Navelina and Newhall blocks are now harvested. Fruit quality for the first harvested fruit was excellent. However, since the extended period of rain the pack outs have dropped off slightly with Oleocellosis and water spot being the main problem. All the Parent/Washington blocks are now suitable for harvest and some are working through their blocks.

Totals harvested so far this year are around 10% behind this time last year. This has mainly been because of wet weather delaying access to crops. It has been good to see the Brix levels lift now that we have some decent weather. The weather forecast looks more settled now so hopefully spring is here. We are hoping for demand to lift now that Satsuma Mandarins have all but finished. However, there still are large numbers of Australian Oranges coming in giving retailers cheaper options.

We have good support from the major supermarkets although some stores tend to run both Australian and New Zealand Oranges and are able to offer stickered Australian fruit at significantly cheaper prices. I know some growers are still holding off harvesting until the prices lift. But it must be noted that our prices are significantly higher than this time last year. We have held our prices even when there was pressure to drop the price and this has also caused some reduction in demand. The next lift in prices may depend on when Australian fruit disappears from the market.

We generally expect demand to lift during September, but with harvesting being delayed as written above, we are seeing increased volumes coming in now and so a lift could also be delayed by these increased harvests. A sudden influx of fruit could have the opposite effect and bring pressure to drop prices so I am looking for growers to maintain regular harvests, not mass stripping of fruit. The market is well supplied with fruit and with Apples also being pushed right now we may not see a big lift in demand until towards the end of September.

And of course we have school holidays in the first 2 weeks of October. With flowering appearing to be early in some blocks it may be wise to select pick blocks with heavy crops before flowering to ease the load and give next year's crop a better start, but also leave some fruit for later sales.



EXPORT FRONT

Sales in Japan have been steady, and we are on target to exceed last year's 230 tonne total. We are still sending orders weekly but we do need to be selective regarding quality and taste. We have orders for despatch until the middle of October if suitable fruit is available. Our customer is insisting on a minimum brix standard of 11 and we do need to ensure that Oleocellosis is not showing at packing.

PRUNING CITRUS TREES

The pruning field day held at Wi Pere's Tiniroto Road block was a great success with over 30 growers attending. My thanks again to Wayne for allowing us to use the block as a venue and showing growers what he has achieved at Wi Pere and that he does in fact practice what he has been preaching for all those years about pruning.

For anyone who missed out on attending there are technical notes available on the First Fresh website on the Grower Resources page under Technical Services.

Just a reminder that following pruning it is a good idea to put on a copper and .5% oil mix to help get rid of any sooty mould on leaves. The copper also assists protect cuts or wounds from disease getting into the tree. There is still a lot of sooty mould about in trees and this can be produced by more than just whitefly. Scale and Mealy bug also produce this annoying excretion so as well as pruning and spraying copper/oil mixes, a well timed Diazinon and oil application in mid to late November when scale are just starting to crawl and the population of Mealy Bug is just starting to increase will help control. While Movento use controls Whitefly, Thrips and Scale, it only suppresses Mealy Bug numbers so we need to ensure we keep an eye on them to make sure we don't get complacent and numbers don't explode on us.

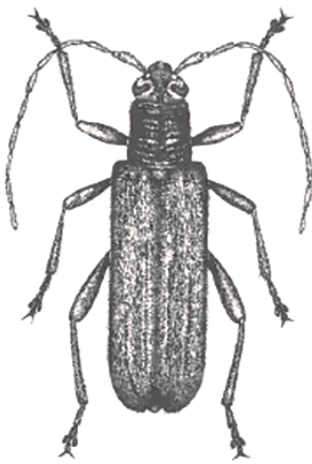
BUG OF THE MONTH

A new addition to the monthly fresh focus will be the focus on pests that are active at the time of publication. This month's star is the native Lemon Tree Borer.

For those pruning Lemons (or about to) remember that the native Lemon Tree Borer will commence its flight in September and is most active in October and November. Pruning cuts should be painted and an addition of Ripcord or Mavrik at 20ml/litre with your pruning paint will help prevent them using these cuts as entry points.

There are several natural predators of the Lemon Tree Borer, the most common known as the Lemon Tree Borer Parasite. It is actually a small parasitic wasp, easily identified by its black and white body and orange and black legs. It is found throughout New Zealand but unfortunately like most predators, they tend to breed slower than the pest and use of broad spectrum, non targeted pesticides (especially organo phosphates) mean the wasps are not about in enough numbers to fully control the borer.

Shelter belts such as Sheoak and Alders should be chosen if redeveloping blocks as more traditional Ha-kea and Poplar shelter belts can become infested making it difficult to control the populations and the amount of damage caused by this pest.



Lemon tree borer adult.

Lemon Tree Borer

Oemona hirta (F.)
(Coleoptera: Cerambycidae)

Lemon tree borer has a wide host range attacking many woody plants. Lemons, grapefruit and oranges are preferred hosts but this insect is becoming particularly troublesome in grapes.

Description

Adults are typical longhorn beetles with long antennae; an elongate body (15-25 mm long) and light brown hairs on the wing cases. White eggs are laid singly on dead twigs, under bark crevices or on pruning wounds. Larvae are up to 35 mm long, pale cream with distinct body ridges which help hold the larvae in their tunnels.

Life history

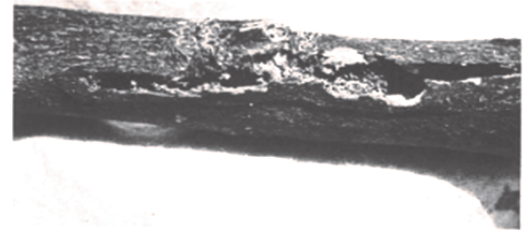
Eggs are laid from September. Larvae tunnel directly into the wood eventually forming long tunnels. Periodically side tunnels are formed to permit frass ejection. Boring activity (hence frass production) increases during summer. Pupation begins in June and occurs in an enclosed cell within the tunnel. The emerging adult then cuts its way through the side of the branch. Peak flight activity is October-November.

Economic importance

Dieback of young twigs is often the first symptom of injury, particularly in late summer. As larvae mature, whole branches may show dieback and breakages due to wind are common. Lemon tree borer is most important in citrus crops but with expansion in grape production, its importance in that crop is increasing. Some shelter trees such as hakeas and poplars also support populations which can invade commercial crops.

Control

As it lives largely within branches, this insect is particularly difficult to control using conventional chemical approaches. Several alternative strategies can be adopted: pruning and burning of infested branches, pushing a fine wire down the frass exit holes to

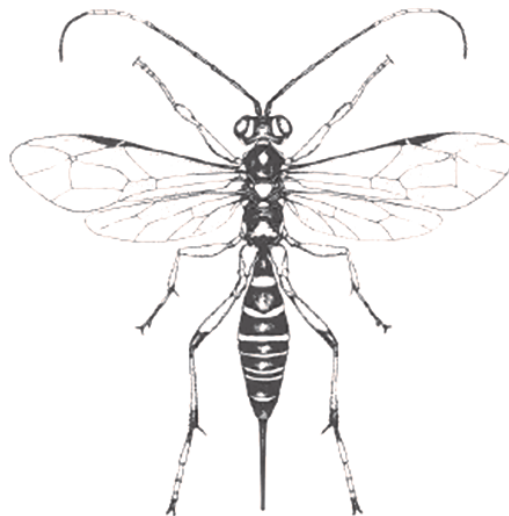


Lemon tree borer damage to a lemon tree branch.

puncture the larva, covering pruning wounds in spring and early summer with an insecticide such as dieldrin in paint to prevent larval emergence, and the use of nematodes as a biological insecticide. This last approach is particularly promising where suspensions of the nematode *Neocleptana bibionis* are sprayed on trees. High humidity is essential for best control since the nematode needs moisture as a carrier in which to swim into larval entrance holes.

Lemon Tree Borer Parasite

Xanthocryptus novozealandicus Della Torre
(Hymenoptera: Ichneumonidae)



Xanthocryptus novozealandicus
adult female.

This native ichneumon is found throughout New Zealand and also in Australia and Papua New Guinea. It is a solitary parasite of larvae of various wood-boring beetles (Cerambycidae) but its importance to horticulture lies in parasitism of lemon tree borer, a pest of citrus and grapes (see chapters on 'Berry Fruit Pests' and 'Subtropical Fruit Pests').

It is easily recognised because of its black and white coloration with orange and black legs. Females are 9-15 mm long and males 5-11 mm long. It can be found from October-May, but peak activity occurs in March when females seek hosts. Initial host searching is apparently a visual response to cerambycid damaged wood followed by antennal palpation. During palpation, the white antennal bars appear to play an important role for it is this region which makes contact with the wood. Once a larva is found the ovipositor is quickly inserted through the wood and into the larva. Oviposition must be rapid since beetle larvae can move rapidly within their tunnels. Lemon tree borer has a 2 year life cycle and *Xanthocryptus* prefers second year larvae; it is not yet known how long the parasite takes to complete development. Between 10-20% of lemon tree borer larvae have been found parasitised in the Auckland region. (Information supplied by J. R. Clearwater.)

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