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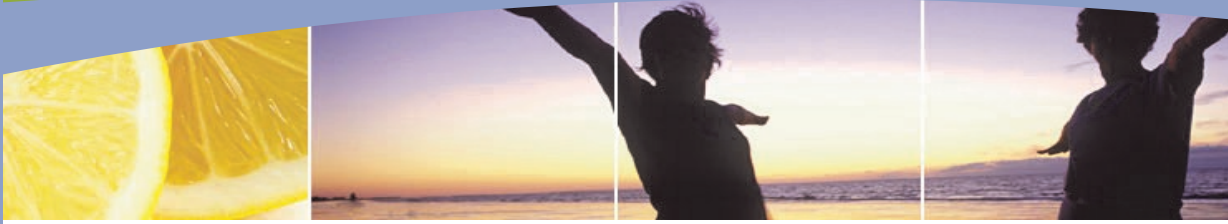
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Oishii!

We have just come off what I think was one of the biggest weeks we have ever had. A NZ Citrus week promotion on Satsuma's, Navel Oranges and Meyer Lemons by one of the supermarket chains went surprisingly well despite the fact it was the first week of the School holidays. Added to that we continue to pack Lemons and Navels for export and Brian was loading out the last of this season's Persimmons. The timing of this national promotion couldn't have been better as it was also a big week from a harvesting and packing perspective. NZ Fruits was working 6am – 4.30pm six days per week and we threw in a few night shifts for good measure. The lousy weather on Friday and over the weekend will slow things down a bit but I think that with Satsuma's running later than normal and both Navels and Lemons continuing to pump, we are in for another couple of 'big' weeks.

It's times like these when you can see the advantages of one packhouse, one marketer. Even internally it was quite a juggle to make sure all crops were given fair and ample packing time and that we met our customers orders. Imagine having to do that for three different marketers in the same packhouse! It would be a nightmare, especially from a stock rotation point of view.

I have been buoyed by our citrus export program this season. We have been exporting Meyer Lemons to the same customer in Japan for 10 years and we are in our fourth year of exporting to the US. Both programs continue to grow – mind you they need to when you see the volume that is going to come into production over the next few years!

With Yen Ben we finally have a good regular program in place to Japan. This is crucial for our grower suppliers as it is allowing them to pick through the Winter as and when the fruit is required to be harvested. All the arrivals to date have been well received with no quality issues. Long may that continue.

The success story of this season has to be Navel Oranges. We all know that from a flavour perspective Gisborne Navels are hard to beat. It's just taken a while to convince our customers that this is the case. About 3 weeks ago we hosted one Japanese buyer and their supermarket customer. Wherever we tasted fruit the one word they uttered was Oishii...delicious! We have shipped every week since then and with our first container out turn last week the orders suddenly ramped up by another 3-4 containers. And this is a new customer! We still have our customer from last year who starts his program in about 3 weeks time. I am quite excited about the future for Navels. We have a distinct advantage over Australia in that we can supply "Post Harvest Chemical Free" fruit that tastes great. Not many Aussie packers are capable of packing the non-chem fruit but there is an increasing demand for this type of fruit from Japanese retailers. Right now we are looking for more fruit to fill our export orders so if you think you have fruit that is suitable please contact Stuart in the first instance.

NZCGI will be holding its AGM in late August. One would imagine that Satsuma growers have a lot to talk about and I would strongly encourage that you all get along and have your say. No use in complaining about it later.



Product Reports — Phil Croy

SATSUMA MANDARINS.

If this season really is a snapshot of what the Satsuma Mandarin market is going to be like in the future, then I may well find myself un-married before too long!. Having a wife who is a Winemaker, one gets used to the seasonal demands of the wine/ produce industry, but a winery vintage only lasts 10 weeks at the most!

This year my "vintage" started on the 18th April and is looking like it will be at least the last week of August before things wind up. My calculations make that 19 weeks, that's the longest "vintage" I've heard of! No wonder I'm getting tired and grumpy.

This season has thrown everything at us (and more) usually at a time when we just did not need anything else to complicate matters. The sheer volume of fruit Northland produced this season and the implications that their drawn out harvesting has had on Gisborne growers is nothing but catastrophic.

The huge increase in production saw returns drop quicker than ever before - down to levels that took us a long time to recover from and where grower returns were well below the cost of production. The late season premiums that Gisborne growers usually enjoy have not yet eventuated. In fact growers who were holding off harvesting until returns lifted were hit with a sudden cold snap that saw a drop in quality, and reduced the shelf life of fruit, further adding to their woes.

We have of recent seen a noticeable drop in TAG1 pack outs, especially with Aoshima Mandarins. Even in the best season we often have small issues with small wet rots on the underside of Aoshima. This year we have had major issues with this variety in particular. This is something that I have discussed with Wayne in regards to how we can keep the skins on this variety tighter and more resistant to rots....watch this space.

Growers who held onto fruit too long this year before harvesting, (due mainly to lower than expected returns) must remember that NZ Fruits is a Pack House, not a hospital. Once fruit quality is compromised there is no miracle cure that can be applied, all we can do is harvest the remaining crop, and attempt to recover as much saleable fruit as we possibly can.

However it's not all doom and gloom. As we head through the last four weeks of the season we have also seen some very nice fruit, with Kawano's in some blocks this year nothing short of magnificent. One of our larger growers has had the best Kwano crop I myself have ever seen. These growers must be commended for their efforts in a very challenging season in being able to keep their late crops clean and sound.

As always once the Satsuma season is done and dusted and the last payments have been processed we will sit down and complete our end of season reports. This year there will be a strong emphasis on "Where to from here?", as we all need to look forward and ascertain how we can make the future rosier for Gisborne growers if this year's Northland crop is not a one off.

I am dead certain that if we are not proactive with the issues we have faced this year we are heading in the wrong direction.

Product Reports — Brian Pepper

2011 PERSIMMONS

We completed our local market sales programme last week and have dispatched about 95% of our Class 1 fruit. The Class 1 that is still on hand is going to be inspected by the Australian Quarantine and Inspection Service in Auckland on Monday and if it passes inspection it will be off to Australia next week.

Australia will be the New Zealand's and First Fresh's, largest market this season. Thailand will fall from a 25% market share in 2010 due to much tougher phytosanitary restrictions being introduced this season. A large proportion of the fruit that did not meet the new Thai requirements has been sold in Australia which has put more pressure than normal on the prices as importers work to sell fruit in a timely manner.

In addition to sales in Australia and Thailand we have sold good quantities of fruit to Malaysia, Singapore, Hong Kong, Canada and smaller quantities have been sent to Indonesia and the Pacific Islands.

We have continued to receive good feedback from all of our customers and the effort that is put in to picking and packing fruit with good colour, and taste, has resulted in good demand for First brand Persimmons. Unfortunately the strong New Zealand dollar is taking a little of the "gloss" off the grower returns from our customers that do not trade in our currency.

As already mentioned, we have just completed sales of the local market grade fruit that we bagged and placed into cool store. By bagging Persimmons for delayed sale we have avoided the poor prices that were on offer in the period of peak supply and our average returns have benefited greatly.

TAMARILLO

Even though our supply has improved dramatically over the past month the national crop is still well down on previous seasons. This has allowed us to lift prices now that Tamarillo consumers are expecting them to be available from their retailers. The good demand for the Gisborne crop is due primarily to poor production in other growing regions where the Liberibacter /T.P.P (Tomato Potato Psyllid) combination has debilitated, and even wiped out, Tamarillo trees on some orchards. Prices should remain firm as Northern growers are completing their harvest for this season.



Product Reports — Stuart Mansill

NAVEL ORANGES

Navel Oranges commenced a week ahead of last year on the 15th June. The excellent taste and colour encouraged our customers to start buying Gisborne Navel Oranges early despite the large supply of cheap Californian and Australian Navel Oranges already in the market. It has been pleasing to see our customers continue to support us. To date we have packed and sold more than twice the supply compared to last year. However, Pack outs of first grade fruit have dropped from last season. This has been disappointing and has created a challenging start to the season with large numbers of second grade fruit to move. The last of the early varieties will be packed this week and we are already packing the first of the Washington lines. Fruit size for the early navels was up. Extra Jumbo Oranges did become difficult to sell at first but it is now pleasing to see the Washington Orange size down to a more manageable level. We expect our prepack programmes to kick in once the school holidays finish.

Our export programme to Japan looks like it will be a very successful year this year. This is a new and exciting programme with an existing customer and reports from the first arrivals would suggest that demand will increase and we can plan for a larger programme next year. Just what we need!



MEYER LEMONS

These are always a popular Lemon in the New Zealand winter. We have worked hard at ensuring that fruit has been harvested at the optimum colour and response from our customers has been excellent. We have seen very few rots and most lines are free from insect damage. Demand has been steady in New Zealand and a recent supermarket promotion including TV Advertising has given sales a lift just at the right time. The success of the Meyer Lemon programme does depend on export. Without export we would see returns drop to an uneconomical level and trees being removed from the ground. For export and local market sales to be successful we need clean medium sized fruit. This year's crop has generally been too big. The main reason for this is that the crop loading is down this year and the warm, wet conditions during Autumn and early winter has lifted the crop beyond the desired sizes.

YENBEN LEMONS

We went into this season with confirmed export orders and talked to our growers about this pre-season. So far we have shipped 4 containers to Japan. We have orders for regular shipments to Japan for the next 2 months. We expect to be able to build on this season's success as we have 2 customers in Japan who will commit long term. Local market sales have gone well this winter with a number of our regular customers happy to stay with Yen Ben now that we have good supplies of first grade fruit available.

The challenge for Yen Ben Lemon growers is to lift the size profile. We cannot export Small fruit at decent returns.

LIMES

The main crop has finished, so green Limes have become very short. Crop loading was well down this season and demand has been good. Although prices dropped over the flush early on we have now been able to lift returns as harvests of green Limes have dwindled. Demand for green Limes is steadily lifting as more and more limes are used in the kitchen. But the demand is only for green Limes. Yellow inferior grade Limes have little demand.



GRAPEFRUIT

We have been selling Morrison and Cutlers Red Grapefruit since the middle of June. Demand continues at a steady rate. The main requirement is for clean fruit between 80 and 100mm. Anything else doesn't give decent returns. There are several juice options available for the fringe grades but unless packouts have a good percentage of the desired sizes it can become a costly process.

OUT IN THE FIELD

Recent wet conditions not only make working in citrus blocks challenging, but put trees under stress which may lead to a decline in tree health. This process may take several years to appear in an orchard and ultimately affects the orchard profitability. In past issues I have discussed the importance of purchasing healthy trees from a reputable nurseryman when deciding to plant your orchard. It is equally important to ensure your soil type is suitable for long term horticulture production. By this I mean study the characteristics of the soil type you are considering planting. Is it a higher performing silt loam, or a harder to manage clay loam? The clay based soils are less fertile and often much harder to drain in the winter months, when care needs to be taken to manage soils when ground conditions are wet.

Ensure a well designed drainage system is incorporated when considering planting. Removal of surface water from an orchard needs to take place as soon as possible following rain events. Often a pumping system may need to be installed to help remove excessive water.

THE IMPORTANCE OF HEALTHY SOIL

It is very important that soils are able to provide the right conditions and nutrients to a growing plant. It is not only nutrients and water that plants require. The roots of plants also require the right balance oxygen to function properly. Often at this time of the year soils that have a high degree of compaction can lead to root diseases such as phytophthora. These soil borne diseases are partly due to a lack of oxygen around the soil particles that are in contact with the plant's root system.

It is fair to say there is a wide range of tree performance around the district and a lot of the visual problems can be attributed to unfavourable soil conditions. It is important to remember that what you can see above the ground is a reflection of how well a tree is performing underground.

This month I have included this excellent article on Soil Compaction from the University of Minnesota.

SOIL COMPACTION ISSUES

As farm tractors and field equipment become larger and heavier, there is a growing concern about soil compaction. Soil compaction can be associated with a majority of field operations that are often performed when soils are wet and more susceptible to compaction. Heavy equipment and tillage implements can cause damage to the soil structure. Soil structure is important because it determines the ability of a soil to hold and conduct water, nutrients, and air necessary for plant root activity. Although much research has been conducted on soil compaction and its effects on yield, it is difficult to estimate an economic impact because fields vary in soil types, crop rotations, and weather conditions.

WHAT IS SOIL COMPACTION?

Soil compaction occurs when soil particles are pressed together, reducing pore space between them (**Figure 1**). Heavily compacted soils contain few large pores and have a reduced rate of both water infiltration and drainage from the compacted layer. This occurs because large pores are the most effective in moving water through the soil when it is saturated. In addition, the exchange of gases slows down in compacted soils, causing an increase in the likelihood of aeration-related problems. Finally, while soil compaction increases soil strength—the ability of soil to resist being moved by an applied force—a compacted soil also means that roots must exert greater force to penetrate the compacted layer.

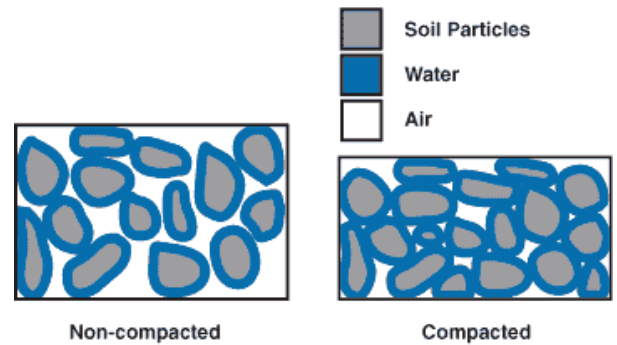


Figure 1. Effects of compaction on pore space.

Soil compaction changes pore space size, distribution, and soil strength. One way to quantify the change is by measuring the bulk density. As the pore space is decreased within a soil, the bulk density is increased. Soils with a higher percentage of clay and silt, which naturally have more pore space, have a lower bulk density than sandier soils.

WHAT CAUSES SOIL COMPACTION?

There are several forces, natural and man-induced, that compact a soil. This force can be great, such as from a tractor, combine or tillage implement, or it can come from something as small as a raindrop (**Figure 5**). Listed below are several types of soil compaction and their causes.

Raindrop impact - This is certainly a natural cause of compaction, and we see it as a soil crust (usually less than 1/2 inch thick at the soil surface) that may prevent seedling emergence. Rotary hoeing can often alleviate this problem.

Tillage operations - Continuous moldboard plowing or disking at the same depth will cause serious tillage pans (compacted layers) just below the depth of tillage in some soils. This tillage pan is generally relatively thin (1-2 inches thick), may not have a significant effect on crop production, and can be alleviated by varying depth of tillage over time or by special tillage operations.

Wheel traffic - This is without a doubt the major cause of soil compaction. With increasing farm size, the window of time in which to get these operations done in a timely manner is often limited. The weight of tractors has increased from less than 3 tons in the 1940's to approximately 20 tons today for the big four-wheel-drive units. This is of special concern because spring planting is often done before the soil is dry enough to support the heavy planting equipment.

Minimal Crop Rotation - The trend towards a limited crop rotation has had two effects: 1.) Limiting different rooting systems and their beneficial effects on breaking subsoil compaction, and 2.) Increased potential for compaction early in the cropping season, due to more tillage activity and field traffic.

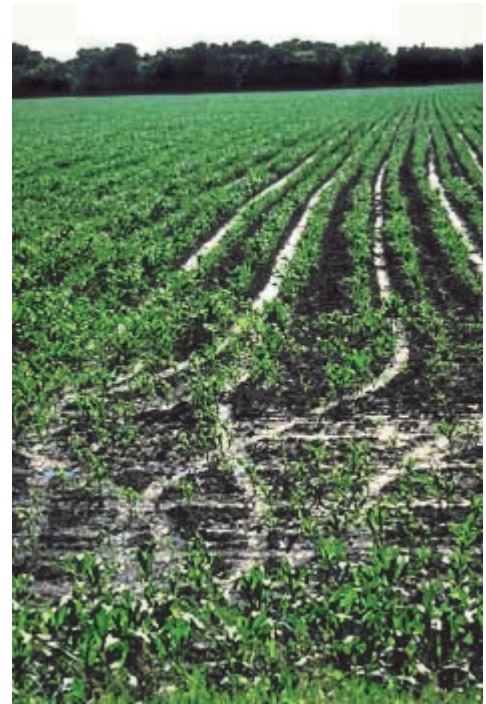
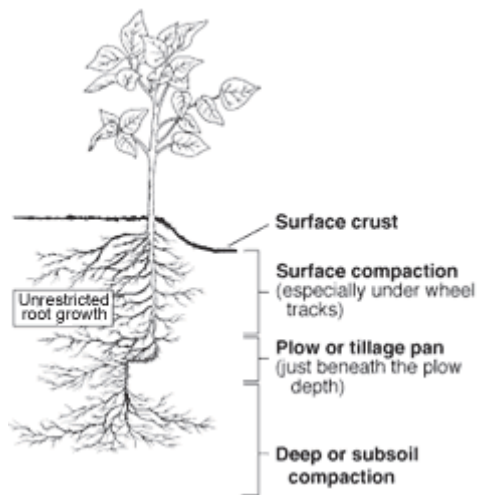


Figure 5. Reduced root growth due to compaction from raindrop impact, tillage, and wheel tracks.

Source: Compaction-Soil Management Series 2. University of Minnesota Extension Service, BU-7400

End of article

IMPROVING SOIL CONDITIONS.

It is never too late to improve the condition of the soil in your orchard. Any addition of organic matter will assist with improving the level of microbial activity in the area of soil around the plant's root system.

When planting a new block it is a good idea is to incorporate compost, either mixed with the soil in the hole, or alternatively apply to the soil surface directly after planting. When it is applied to the soil surface the mix also acts as mulch and will help prevent the soil surface drying out and cracking in the summer months.

Side discharge mowers allow green matter to be thrown back on to the tree row rather than being wasted on the mowing strip. For this to be effective it is best to leave mowing until there is some bulk to the grass rather than mowing too regularly. This will allow a thicker swath to develop around the base of the trees.

Ripping just out from the tree drip line is another method of improving plant root activity. The aim with ripping is to create a shattering effect and improve aeration around the plant. If the ripper used is set deep enough drainage may also be improved but ripping should not be seen as a substitute for effective sub service drainage using plastic piping.

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