



on the vine

The 2011 OPAC Grower Newsletter

Issue 3

from the Managing Director

Who has the best OGR? I note with interest some publicity from our "competitors" regarding the best OGR's in the industry. Seems like a good time to remind ourselves of the awesome result that your fruit achieved in the OPAC pools for the 2010 harvest.

2010 OGRs	Green	Gold
OPAC	\$4.47*	\$9.64*
Industry	\$4.09	\$8.72

**excluding rebates and dividends*

For Opotiki the 2011 season has had an eventful start with Gold maturity more variable than previous seasons, apart from Gisborne maintaining its early harvest reputation, and Green simply not ready to harvest until a mad rush this last weekend of clearances, picking and packing. This however will hopefully be behind us as clearances are now starting to progress in a more patterned manner for both Gold and Green and the weather looking to be okay at the moment. Over the hill in Gisborne we have had a good start with 80% of the OPAC Gisborne Gold crop already in a box.

The Gisborne packhouse is well and truly in full swing with good numbers of both Gold and Green going across the Sizer. Total reject rates seem to be tracking along as expected, although grade defects on Gold are lower and size defects higher and Green table rejects are running higher class II recovery rates.

Contracted supply weeks are now underway and the harvest team are working to ensure that we fill our allocation

and to ensure that it is beneficial to both the grower and the inventory. A key component of the harvest team's job is to now target orchards that are suitable for an April harvest. If you are thinking about this but want to look at some numbers please contact Brendan and he will work through an OGR calculator which will show you approximately the returns for your orchard by week. From May onwards we will be targeting lines that have been historically good storage performers to harvest them at optimal maturity for long term storage

At an industry level the packed volumes at the end of week 14 are behind what was achieved in the 2010 season. However OPAC volumes for 2011 packed are similar to those achieved in 2010. We have achieved more than our market share in both GREEN and GOLD to date (Refer to the below table).

OPAC Growers once again are delivering high taste in GOLD with over 70% of volumes packed to date achieving Y or T taste band. The grade reject rates are running at 2.7% and 3.8% for GREEN and GOLD respectively, however including Class 2, Non-Standard supply and undersize are bring the total non class 1 fruit up to normal reject levels.

Our 2010 Annual Report has now been sent out to OPAC Shareholders. This report outlines a very sound financial results and if you are interested in seeing a copy please do not hesitate to contact Ian Coventry.

Craig Thompson

End of Week 14	Gold		Green	
	2011	2010	2011	2010
OPAC Packed	491,957	553,219	361,726	361,368
OPAC Avg Size	33.18	33.23	33.18	33.47
Industry Packed	5,876,378	8,384,768	6,824,728	10,427,752
Industry Avg Size	33.48	33.04	32.58	34.33

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Grower Update
Wednesday 27th April @ 4pm
OPAC Opotiki

OGL Meeting
Wednesday 11th May @ 9am
OPAC Opotiki

Grower Update
Wednesday 25th May @ 4pm
OPAC Opotiki

Technical Update

Now that harvest is upon us in general we have done what we can for this year's crop. As maturity areas are getting harvested OPAC is recommending applying a fine particle copper such as Kocide Opti™ or Nordox™. We would also recommend this for new varieties as well.

If the weather conditions remain quite warm and the soil temperature stays up then OPAC would advise substituting a post harvest foliar feed with CAN as a hard fertiliser. OPAC would apply this banded at around 50kg/ha. Liquid foliar feeds can be beneficial but it is risky to add nitrogen in with a copper application as it would exaggerate any leaf burning that you could get.

So far this season water stain hasn't been too bad on Hayward, but as we start to get leaf breakdown OPAC would recommend applying a Lactic Acid based clean up spray pre harvest to maximise your class 1 trays packed.

As we progress through harvest it may become beneficial to look at splitting maturity areas or testing parts of maturity areas separately. If you would like to look at this or want to discuss it further then please feel free to contact either Mark or Brendan.

Grower Pool Update

	Gold April	Gold YTD
Average	\$0.04	\$9.36
Highest	\$0.04	\$11.92
Lowest	\$0.04	\$7.39

	Green April	Green YTD
Average	\$0.06	\$4.26
Highest	\$0.09	\$5.79
Lowest	\$0.04	\$2.56

Grower Reports

Those growers who wish to view their fruit being packed please contact Mark Wootton on 027 277 2672 and he will organise this for you.

The reports are being uploaded onto the Grower website. If you are having any trouble with the site or cannot see your orchards reports please contact Katie as soon as possible so this can be rectified.

Your interim packouts should be available on the site within 36 hours of packing. These are reports at packrun level so you may notice that you have several depending on the number or bins that are picked in a maturity area.

A final reconciled report along with reject analysis should be available within 72 hours of the last fruit of the maturity area being put into a box. If you have any questions please contact Mark, Brendan or Katie.

OPAC Grower Website

Our OPAC Grower website is now in its second year and continues to receive positive feedback.

If you are new to OPAC or wish to get a refresher in how to operate the website please do not hesitate to contact Katie. Either give her a call or call into our Opotiki office and she will be more than happy to run you through how to operate it and where to find the information.

Also if there is something you would like to see on our site please let Katie know as we would like to receive feedback to what growers want to see so we can develop the site further.

Picking Update

The harvest teams this year are made up of 6 Island crews, 5 local crews and 3 contract crews. Across all crews we have built up a vast experience for picking which is being reflected in our results to date. Currently our bin efficiency is running at an average of 0.74 bins/hour/person which is great for the early part of the season. Another great result we are seeing is that less than 1% physical damage is being reported for Gold at the bin tip. Historically we have been up around the 3.3% physical damage during weeks 13 & 14 so we are very pleased to be tracking along as we are.

Graham Howard will be carrying out an Orchard Pre Work Hazard Inspection prior to OPAC harvesting your orchard. If there are any hazards identified that make it too dangerous to harvest your orchard you will be notified and expected to remedy these prior to picking. As part of the process Graham is trying to catch up with growers when he is doing the inspection to go through the assessment and notify you of any hazards. However if he is unable to see you this will be emailed out to you. We would appreciate it if you could let us know when you have received the email.



Reminder that all OPAC Grower reports are available on the OPAC Grower Website
www.opac.co.nz

Health & Safety

We look forward to seeing all Growers visiting to see their fruit being packed. You will be informed (phone call) prior to your fruit being packed. OPAC would like to take this opportunity to remind visitors that OPAC sites are multi-hazardous sites and our workplace Health and Safety and Food Safety policies require all visitors to complete an OPAC induction. This will then fast track access to the packhouses where you will only be required to sign in at the main office (or outside of hours at the packhouse office) in order to begin viewing your fruit being packed. Please make sure that your orchards are safe for our workers to pick. Any protruding wires, broken structures, or other hazards, that could cause injury will need to be remedied prior to picking and any new hazards that we were not aware of last season need to be notified to OPAC.

Industry Updates

There has been an extensive round of industry consultation on what mechanism should be used for the release of new variety licences in 2011. Fixed-price and closed tender bids will run simultaneously for 2011.

Consultation included discussion at a number of grower meetings, new variety field days, NZKGI Forum, NZKGI Questionnaire, Industry Advisory Council (IAC) and direct grower submissions. The ZESPRI Board met in late-March to consider these submissions and establish a licence allocation mechanism for 2011. Chairman, John Loughlin, felt the two types of licence application meet the differing needs of growers most effectively. "The combination of licence allocation methods allows for a range of growers to be able to make the most of the new variety opportunity," John said.

In January, ZESPRI announced that at least 200 hectares worth of one or more varieties (including both new varieties and Hort16A) will be released this year. ZESPRI is now working to develop the allocation process rules and application documents for growers to apply for new variety licences. ZESPRI aim to have these with growers in early May to allow sufficient time to consider their participation in the release of licences in June 2011.

Fixed-price Bid Process Key aspects of the 2011 fixed-price bid process include (changes from the 2010 process are marked):

Price:

- Licence price per hectare under the fixed-price bid will be the same as the final price in 2010:

Fixed-price Bid Prices	
Zespri Variety	Licence Price/H (incl GST)
Green14	\$3,000
Gold3	\$12,000
Gold9	\$12,000

Bid Area:

- Minimum bid area of 0.5 hectares (or smaller areas where this represents 100 percent of the KPIN or is needed to 'finish off' a block that was partially grafted in the same variety in 2010). Note: All bids will be treated equally i.e. no preference will be given to 'finishing off' bids.

- [NEW] Maximum bid area of 0.5 hectares or 10 percent of the planted area on the KPIN (whichever is the greater). Note: Includes planted rootstock.
- Multiple bids on the same KPIN for different varieties will be allowed but must be ranked in order of preference:
- If the applicant is not successful in their first preference (due to a ballot) then their second or third preference will be considered.
- [NEW] Each KPIN can only be successful for one variety under the fixed-price bid which allows for a wider allocation of licence.

Over and Under-subscription:

- [NEW] If there is over-subscription of a variety the evaluation panel will consult with the ZESPRI Board to determine whether further licence area may be released in order to avoid a ballot. If further licence is not possible, or if it is still over-subscribed
- after further area is released, a ballot would be carried out to allocate the available area. Note: Those unsuccessful in any ballot will not be awarded any area (but may get their second or third variety preference if they submitted a multiple bid, see above).
- [NEW] If there is under-subscription of a variety, any unallocated area will be transferred to the closed tender for allocation.
- [NEW] Applicants may express an interest for additional hectares on the application form of any variety i.e. not just the variety they applied for.

Amalgamation:

[NEW] Amalgamations will be allowed but must be:

- Applied for in writing at the time the licence application is submitted;
- Of the same variety; and
- In the same legal entity name

All successful fixed-price bid applicants will be required to be grafted by 31 December 2011.

Closed Tender Process

The closed tender process will be very similar to the 2007/08 Hort16A Licence tender. Key aspects of the 2011 closed tender process include:

Price:

- Price is the main criteria used to determine the success of a valid bid application.
- The minimum price will be the price for each variety under the fixed-price bid (see earlier table).
- If there is more than one bid at the cut-off price in the closed tender, area available will be pro-rated across those bids.

Bid Area:

- Minimum bid area of 0.5 hectares (or smaller areas where this represents 100 percent of the KPIN or is needed to 'finish off' a block that was partially grafted in the same variety in 2010). Note: All bids at the same price will be treated equally i.e. no preference will be given to 'finishing off' bids (same as fixed-price bid).
- No maximum area.
- The application is attached to the tenderer and not the KPIN.
- The tenderer is not required at the time of application to specify where the awarded area will be planted if successful. However, due to time constraints around the grafting window, they must identify the property and provide a GPS map prior to collection of the licence and budwood.

Over and Under-subscription:

Over-subscription will be managed by accepting the highest priced valid bids. If there is under-subscription the unallocated area will be transferred to the fixed-price bid for allocation.

Other Requirements:

The licence must be issued in the name of the same legal entity of the successful applicant.

All successful closed tender applicants will be required to be grafted by 31 December 2012. The decision of how many hectares of which varieties to be released under each allocation method will be made on 16 June 2011 once further market research data and storage results are available from this year's new variety crop. More detail on both allocation methods will be available in the coming months, in a similar way to last year.

Extract from March Kiwiflier

Industry Updates

ZESPRI Donates to Christchurch

ZESPRI will donate \$100,000 of corporate profit to the Christchurch Earthquake Appeal to support victims of the devastating February earthquake. Chief Financial Officer, Merv Dallas, said: "Our hearts go out to Christchurch residents and visitors who have been affected by this tragedy. In considering how ZESPRI could assist, we felt a significant cash contribution would be the most effective means of support, and we've paid this through to the Christchurch Earthquake Appeal.

In fantastic gestures of support, kind messages and generous cash donations were made to relief funds by ZESPRI customers and distributors around the world. "It has been most humbling," Merv said.

ZESPRI is also providing packaging with old branding to supermarkets and collection points to assist with the collection of food and other items. Hundreds of care packages full of donated goods have arrived to suburban Christchurch homes in a ZESPRI box already.

ZESPRI staff in New Zealand and around the globe wore red and black and contributed hundreds of dollars in cash donations towards the relief fund on Red and Black Day for Christchurch, Friday 4 March.

Pollination Risk

Dr Mark Goodwin, Plant & Food Research, conducted testing after Auckland beekeepers reported a varroa mite control product as much less effective than usual: "Everything we have so far suggests we may have varroa resistance to Bayvarol and Apistan. Further testing is required but this situation is much more serious than varroa mite being confirmed in New Zealand as we may be losing our way to

control it," said Mark.

Varroa mite is a small, parasitic mite the size of a pinhead that feeds on honey bees. The mite was confirmed for the first time in New Zealand in 2000 and spread rapidly. Since confirmation, many treatments have been trialled and used to control varroa mite. Around 97 percent of colonies have controlled varroa mite with three different chemicals. The other 3 percent of colonies largely control varroa mite organically, however these have shown variable effectiveness, are labour intensive and costly. As with any treatment, there is a risk that pests will build resistance to the controls.

Unfortunately it appears this has now happened for two of the main varroa mite control options. Bayvarol and Apistan® miticide strips were the two reported products to have resistance to varroa mite. Apistan's active ingredient is Fluvalinate and Bayvarol's is Flumethrin. Products with the active ingredient Amitraz (e.g. Apivar®) are still proving effective in treating varroa mite. However, with fewer options, the risk of varroa mite resistance to Amitraz products will increase.

The impact of increased varroa mite to the kiwifruit industry will be on hive availability, quality and price. Resistance to the three most-used control chemicals in New Zealand has been common overseas since the 1970's. Many of the global options to manage varroa mite are impractical in the more commercial New Zealand beekeeping environment. The United States beekeeping business is similar to New Zealand and lose around 30 percent of their colonies annually, mainly due to varroa mite attacks.

Currently New Zealand hives have an annual loss rate of around 5 percent

from a variety of causes. Plant & Food Research recommend beekeepers treat for varroa early in the autumn and check varroa levels at the end of the treatment to ensure it has worked. They should alternate the use of the potentially less effective treatments with the Amitraz products to maintain varroa mite control without increasing the risk of resistance to Amitraz. Ideally, Amitraz products will be applied in early autumn and one of the other two products in early spring. Mark says it is important for growers to know their beekeepers plan. "Ask questions about their hives resistance levels to varroa mite and plan to manage them to ensure they can still provide quality hives in spring," advised Mark.

For more information on varroa mite and control refer to KiwiTech Bulletin #18 'Bee Safety' or www.biosecurity.govt.nz/pests-diseases

Extract taken from March Kiwiflier



Information Disclaimer

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