

## FROM THE DESK OF THE CEO (44/10)

Justin Chadwick (12 November 2010)

QUOTE OF THE WEEK ***"I have not failed. I've just found 10,000 ways that won't work"***

Thomas Edison

### WESTERN CAPE FARMER OF THE YEAR

Brothers Alwyn, Lieben and Gerrit van der Merwe (ALG Estates) are the winners of the prestigious Western Cape Farmer of the Year Award for 2010 – congratulations!!! ALG was founded in 1974 and the brothers presently farm 600 hectares of navels, soft citrus, Valencia, lemons and grapefruit. Good to see the citrus flag flying high in the Republic of the Western Cape.

### GRAPEFRUIT FEEDBACK SESSIONS

Jeff McNeil from Market Makers, Japan will be in South Africa to report back on the grapefruit promotions conducted in Japan during 2010. The following meetings have been arranged: Monday 22<sup>nd</sup> November **NKWALINI** 10h00 @ Nkwalini Farmers Hall; Tuesday 23<sup>rd</sup> November **ONDERBERG** 09h00 @ Malelane Citrus Koop Offices; Wednesday 24<sup>th</sup> November **HOEDSPRUIT** 09h00 @ Hengeklub; Wednesday 24<sup>th</sup> November **LETSITELE** 15h00 @ Letaba Junction.

The agenda includes feedback on the Japan grapefruit promotions, UK grapefruit promotions, shipping coordination to Japan and planning for 2011. On Thursday 25<sup>th</sup> November Jeff will travel to Cape Town to meet with export agents (Stuart Symington is organizing this). If there are any other regions that would like feedback please contact

[justchad@iafrica.com](mailto:justchad@iafrica.com).

### LOGISTICS FOCUS GROUP

Building on the success of the Variety Focus Groups, CGA plans to form a Logistics Focus Group (LFG) in 2011. The objective is to ensure that CGA keeps in close contact with the regions in terms of what logistics issues need to be addressed, while also giving a feedback conduit for activities being conducted by CGA. Since the addition of the logistics portfolio, Mitchell Brooke has progressed many issues to a point where regional input is required, the LFG will ensure that this is done on an ongoing basis. All regions will be invited to elect representatives onto this group during the CGA ROADSHOWS (due to take place late February 2011) – so please start thinking about your regions most suitable candidate.

### PACKED AND SHIPPED

IT seems the 2010 citrus season is finally over with no increases in packed figures for the past week. So we will have to retire on 99 (million!!)

PPECB have adjusted their shipped figures to take into account high cube pallets. Comparing 2008 shipped against 2010 shipped (given the lower volumes and disrupted markets in 2009) it is evident that exports are moving into newer markets – whereas in 2008 52% of total citrus exports went to the EU (continental Europe and the UK); in 2010 these markets only received 44%. Exporters preferred to send their citrus to Middle East (2008 18%; 2010 22%) and Russia (2008 9%; 2010 12%). A recent Fresh Produce Journal article covered fresh produce trade between the US and UK – the following extract is thought provoking "What was the point of supplying food to UK supermarkets who were discounting them so heavily that supply chain profitability became so difficult? The report mooted that if the situation continued, US suppliers might instead consider the ever-expanding and financially attractive range of markets that were opening up around the world" – with South African citrus exports to the UK dropping from 13% (2008) to 10% (2010) maybe we are already seeing this trend [exacerbated by the myriad of UK supermarket standards, certification etc].

| To Week 43<br>Million 15 Kg Cartons | Packed | Packed | Packed | Shipped | Shipped<br>* | Original<br>Estimate | Latest<br>Prediction | Final<br>Packed | Final<br>Shipped |
|-------------------------------------|--------|--------|--------|---------|--------------|----------------------|----------------------|-----------------|------------------|
| <b>SOURCE: PPECB</b>                | 2008   | 2009   | 2010   | 2009    | 2010         | 2010                 | 2010                 | 2009            | 2009             |
| Grapefruit                          | 12.8 m | 14 m   | 12.5 m | 13.7 m  | 12.2 m       | 12.6 m               | 12.5 m               | 14.2 m          | 13.7 m           |
| Soft Citrus                         | 7.3 m  | 6.8 m  | 7.5 m  | 6 m     | 7.1 m        | 7.5 m                | 7.5 m                | 6.8 m           | 6 m              |
| Lemons                              | 9.6 m  | 8.6 m  | 9.6 m  | 7.6 m   | 9.4 m        | 9 m                  | 9.6 m                | 8.7 m           | 7.7 m            |
| Navels                              | 21.5 m | 19.4 m | 22.9 m | 19.1 m  | 22.6 m       | 21.4 m               | 22.9 m               | 19.4 m          | 19.1 m           |
| Valencia                            | 43 m   | 38.4 m | 46.5 m | 35.1 m  | 45.9 m       | 41.3 m               | 46.5 m               | 38.5 m          | 35.3 m           |
| Total                               | 94.2 m | 87.2 m | 99 m   | 81.5 m  | 97.2 m       | 91.8 m               | 99 m                 | 87.6 m          | 81.8 m           |

\* shipped 2010 figures based on new conversions to take high cube pallets into account

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GROWERS' ASSOCIATION, CITRUS ACADEMY AND CITRUS RESEARCH INTERNATIONAL**