

FROM THE DESK OF THE CEO (11/13)

Justin Chadwick (15 March 2013)

QUOTE OF THE WEEK *"I can feel guilty about the past, apprehensive about the future, but only in the present can I act. The ability to be in the present moment is a major component of mental wellness." -- Abraham Maslow*

INTERDEPENDENCE

As sure as night follows day, a poor northern hemisphere citrus season is followed by a poor southern hemisphere season, and vice versa. South Africa has learnt this the hard way – in the recent past climatic factors meant that a major northern hemisphere exporting country undersupplied a major market. In the belief that this meant low stocks and increased demand from the southern hemisphere, South Africa dispatched more than usual early season fruit to that market.

Unfortunately retailers had allocated the vacant shelf space to alternative fruits, and warehouses were full of these alternatives as other countries took advantage of the situation. To claw back shelf space for citrus was no easy task. In addition consumers had substituted citrus for other fruit kinds, and in some cases had developed a liking for the alternative; resulting in lost consumers from the citrus category. Retailers like year round supply of major products such as citrus – they will substitute should citrus not be available.

In Europe the interdependence is even more pronounced as packing, transport and distribution infrastructure and personnel are used for southern hemisphere citrus during the European off season. As a result of year round employment and use of infrastructure European citrus industries can spread overheads and improve returns to European citrus farmers. At a time when the economics of citrus farming are under threat and employment is important a stable southern hemisphere season is essential for all.

The best situation for all citrus industries around the world is a consistent, reliable supply of citrus throughout the year. Disruption in supply, for whatever reason, is as disastrous as an oversupply. The global citrus community needs to jointly protect our consumers and ensure that they are not tempted or forced to choose alternatives due to supply disruptions.

AGRI-HUB

Information provision to the fruit industry takes a leap forward with the creation of the Agri-HUB. This joint venture between the information service providers (ISP's) and industry associations (CGA, SATI, HORTGRO and FPEF) means that we can look forward to reliable shipped information in 2013 and beyond. Recognising the importance of protecting proprietary information, only high level information will be shared, and only with the permission of all role-players. All association members will be asked to complete a permission letter allowing information to be collected and aggregated information to be shared for informed decision making.

SOCIAL COMPACT

The National Development Plan (NDP) developed by the National Planning Commission (NPC) has been adopted as THE government plan. Although I cannot claim to have read all 400+ pages of the NDP, I have read enough of it to recommend it to all who hold South Africa dear. It is written in an easy to read style, and resonates with those who have a long term vision for this country. Based on the NDP, and with reference to the Fruit Industry Plan, Fruit South Africa is now developing a Social Compact for the fruit industries, labour and government. As a starting point all stakeholders are invited to complete a questionnaire that will be fed into the process. The questionnaire can be found on www.cga.co.za. Unfortunately there is a very tight deadline and questionnaires must be completed by Tuesday 19 March.