

FROM THE DESK OF THE CEO (42/14)

Justin Chadwick (31 October 2014)

QUOTE OF THE WEEK "A sense of humour is part of the art of leadership, of getting along with people, of getting things done" Albert Eisenhower

TWITTER

Thanks to a spate of new followers I am now followed by 60 people on twitter – fast catching up on Katy Perry's 50 million! Please follow me at justchad_cga to get some insights between newsletters. My goal for end December 2014 is 100!!

A QUALITY PRODUCT

Those who play ball sports know that there is one rule – whether you have the best backhand volley in the game (Roger Federer); the best cover drive (Jacques Kallis) or the best interception (Jean de Villiers) – the one rule is "keep your eye on the ball". In the fresh produce industry this translates to "keep your eye on quality". In any market quality sells; in an oversupplied market indifferent quality gets punished. I have the privilege of travelling extensively as a servant of citrus growers in southern Africa and my spirits are lifted by the consistent message that is given – southern Africa produces good to excellent quality citrus and the price/quality balance serves importers well. For sure there are always some exceptions to this rule – but that is the general perception.

The quality is assured through a number of factors – growers who know their stuff (they have been in this business for over 100 years and know what they are doing); a quality standard that has been refined (and continues to be refined) as markets demand; an inspection agency that ensures quality standards are met; an infrastructure that is adequate to maintain quality; research and technological capacity for continuous improvement, exporters with years of experience in exporting quality produce; a government that is supportive of enhanced quality as a competitive edge; and all those in the value chain who recognise the importance quality plays.

CITRUS MARKETING FORUM (CMF)

I hope some of the almost 200 who attended the CMF on Thursday had a serendipitous event (see last newsletter). It was refreshing to have such a good turnout, and to have such good discussions regarding a season that most termed "tough". There were different experiences depending on what product and what market was discussed – most grapefruit exporters will say that "tough" is an understatement (with words not appropriate for this newsletter); while lemon growers will wonder what the fuss is about (as they reverse their new luxury sedan out of their garage). The content of the CMF would fill many pages – CMF members can get the presentations off the member section of www.cga.co.za (uploaded by next week at the latest). One aspect that lends a little humour to an otherwise "tough" season is the awarding of prizes to the variety focus group representative who has an estimated volume closest to the final volume packed; while a calculator, pencils and eraser are awarded to the poorest performer to assist in upping his/her game.

Overall the work done by **John Edmonds** (CGA Information Manager) and his team within the **variety focus groups** was nothing less than spectacular (**with 115 million cartons the overall estimate was a mere 1% out**). The Valencia Focus Group (VFG) estimate was spot on!!! In other words in March 2014 the VFG estimated the 50 million cartons that would be packed!! The Navel Focus Group with 26 million cartons was a mere 1% out. The other three focus groups were all within the 10% that is considered acceptable. The performance of John and his teams are given below, illustrating the increased accuracy of the CMF estimate (figures show % that actual volumes exceeded or are below estimates)

	2008	2009	2010	2011	2012	2013	2014
Grapefruit	2%	8%	1%	-9%	-15%	-14%	-7%
Soft Citrus	1%	9%	Spot on	14%	Spot on	3%	10%
Lemons	-16%	8%	-6%	-9%	-6%	-5%	8%
Navel	-8%	11%	-6%	-8%	7%	2%	1%
Valencia	-3%	12%	-11%	-3%	-1%	6%	Spot on
Total	-5%	10%	-7%	-5%	-1%	5%	1%

This year the winner of the calculator and other handy rehabilitative equipment was **Charl Tibshraeny of Sundays River soft citrus** – the region packing 28% more than estimate. He was followed by **Stephan Bruwer (Boland soft citrus)** 19% over estimate and **Phillip Dempsey (Patensie navels)** 15% over estimate.

The top three closest to the estimate were separated by 1 decimal point; **Hannes de Waal representing Sundays River lemons** was 0.8% out on his regions estimate (not bad for a region with 6 million cartons of lemons). He was followed by **Barend Vorster of Letsitele valencia** who was 0.9% out; and **Piet Smit of Letsitele grapefruit** who was 1% out (a fantastic recovery after his 48% underestimate in 2013).

PACKED AND SHIPPED

To Week 44 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction (Packed)	Final Packed
SOURCE: PPECB	2012	2013	2014	2013	2014	2014	2014	2013
Grapefruit	13 m	18 m	15.6 m	17.8 m	14.9 m	16.5 m	15.6 m	17.9 m
Soft Citrus	7.6 m	8.4 m	9.9 m	8.5 m	9.6 m	9.2 m	9.9 m	8.4 m
Lemons	10.5 m	10.6 m	13.2 m	10.6 m	12.9 m	12.1 m	13.2 m	10.6 m
Navels	24.6 m	25.4 m	26 m	25.4 m	26 m	25.8 m	26 m	25.4 m
Valencia	47 m	51 m	50.3 m	49 m	47.5	49.5 m	50.3 m	51.4 m
Total	102.7 m	113.4 m	115 m	111.3 m	110.9	113.1 m	115 m	113.7 m

GROWERS' ENSURE A COMPETITIVE AND SUSTAINABLE SOUTHERN AFRICAN CITRUS INDUSTRY BY FUNDING AND GUIDING THE CGA GROUP (CRI; CITRUS ACADEMY; CGACC; RB AND XSIT)