

ORCHARD to MARKET

EastPack update EastPack lifts Green OGR above \$4.00 per tray

Due to the low level of Green fruit loss on EastPack's late storing Green fruit, we are pleased to confirm a further lift in the Green OGR forecast for the 2011 season.

It is now predicted that the 2011 Green average OGR would lift from \$3.94 to \$4.02 per tray, this will be reflected in the February 2012 payments.

Growers will receive an updated individual OGR forecast in March, after Zespri announce their updated forecast later this month.

Growers, who have investor shares, were paid $7.5 \notin$ /share (Gross) on the 25th January 2012. A further and final dividend for the 2011 year will be declared by Directors at their meeting later this month and paid in early March.

2012 Season

At the time of writing over 850,000 new trays from Growers have become EastPack Growers for the first time. We welcome all new Growers to EastPack and thank them for their support and confidence.

Planning is well underway for the 2012 season. Our first crop estimates show the Class 1 volume to be in the

vicinity of 18m trays (2011 – 21.3m trays). This is pleasing and is at a higher volume than was anticipated in October and November.

As we all know the spread of Psa has not been as rapid and has not brought about widespread destruction to Hort 16A as initially expected. However, we are realistic and expect further vine removal and a subsequent reduction in Hort 16A volumes especially in the Te Puke area for the 2013 season. What strategy our industry adopts to replace the Hort 16A volume is a very important discussion for us all. Hopefully information/data will provide for a logical and agreed strategy to be implemented to allow the kiwifruit industry to recover and increase volumes in the medium to long term for Growers and all stakeholders.

Currently EastPack is working closely with Grower groups in areas that have little or no Psa – attempting to ensure that the spread of Psa is minimised and in some regions (Hawkes Bay & Waikato) that all is done to ensure Psa is kept out of these regions for as long as possible.

Within EastPack, a number of areas have been identified for improvement

under our "Growing Excellence" programme for the 2012 season. Not having any significant capital expenditure this year has allowed everyone to focus on maximising your crop. With the lower volumes this year, one major area of focus is reducing waste right through the supply chain to the end consumer.

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Tony Hawken – CHIEF EXECUTIVE

Technically Speaking

February Canopies

Kiwifruit canopies should be complete, stable and nicely open.

The key things to watch for are:

In Green and Gold

- A minimum number of growing tips.
 - These growing tips are competing with the fruit for dry matter and will not be contributing anything essential to the plants.
 - Growing tips can be controlled with a quick round of squeeze tipping.
 - Late grown shoots should be broken out and removed.



Late grown shoots can be broken out

- No areas of heavily shaded leaves.
 - The canopy should be producing a nicely dappled shadow on the ground below. There should be no areas of heavily shaded leaves.



- Thick spots in the canopy can be seen by the heavy shadows cast on the ground below and in extreme cases a lack of grass cover.
- These should be thinned out by zero leaf pruning the tangled fruiting laterals and removing excess replacement wood.
- Gold fruiting canopies can be allowed to close over slightly towards the end of the season as

this will help with the de-greening process prior to harvest.

- Leaf colour and condition should be healthy.
 - Leaves should be green, flexible and thick to the touch.
 - There should be an absolute minimum of dead leaf in the canopy and no leaf drop. The exception is where there has been some copper phytotoxicity and these leaves should be continuing to yellow off and drop.
 - If you are not happy that it looks as good as it should, talk to your fertiliser adviser or your Grower Services Representative about a possible foliar programme.
- Next year's fruiting wood should be well lit with the leaves on these growths in the full sun.



Kiwifruit canopies should be settled, in the sun, producing lots of carbohydrates for dry matter and size going into the fruit. Next year's fruiting wood should be mostly in place and in the sun. There should be some carbohydrates going off to stored reserves for the spring start up and not much else should be happening.

Male pruning

Male plants of both Green and Gold will be growing quite vigorously now.





Cane growth should be either broken out or stubbed very short.

Weak spur growth close to the leader or permanent arms of the male is the most ideal growth for your males.

Trunk Girdling

Trunk girdling is a normal part of orchard management in both Green and Gold and there is more than one advantageous response to applying the technique.

Benefits

Trunk girdling can:

- Increase dry matter.
- Give a significant increase in fresh weight.
- Advance maturity.
- Reduce the variation within the maturity clearance.
- Increase return bloom.
- Reduce vigour.



A nicely healing trunk girdle

How does it work?

The theory is that the girdle prevents the flow of carbohydrates from the canopy to the roots making the fruit more competitive in the allocation of carbohydrate within the plant for the short time the girdle is open. The technique involves removing a strip of bark tissue and the subtending cambium layer, around the whole circumference of the trunk. Use a hand held chainsaw chain, much like a garrotte to remove the bulk of the material and then clean out the cut with a girdling knife or screwdriver, or use a special double



bladed girdling knife.

- The cut must be deep enough to remove the cambium layer between the bark and the wood.
- Avoid cutting into the wood.
- The cut is usually 4.5mm (or 3/16th") wide. This allows enough time for the carbohydrates to accumulate above the girdle, but will still callous over and heal relatively quickly.
- Apply the girdle at a comfortable height on the trunk.
- Choose a straight and round part of the trunk.



- Use a fresh site on the trunk for each new girdle where possible.
- If using an existing girdle site, select the oldest one first.
- Leave the cut neat and tidy.

The wound remains a clean white colour when properly cut to the wood, but quickly oxidises to brown if the cambium is not properly removed.

Girdles need to be checked after the initial cut to make sure that the cambium layer has been completely removed.

A properly applied girdle will heal relatively quickly when applied in summer and autumn. The healing is characterised by healthy greenish callus growing out from each side of the cut. This should be able to be seen starting a week to ten days after girdling.

Risks and Cautions

Generally trunk girdling has proved to be a reasonably safe and reliable technique when applied correctly.

However it would make sense to observe some cautions:

- Do not trunk girdle young vines until they have achieved a full canopy.
- If the trunks of the young vines are a very small diameter, such as in a double planted orchard, the trunk girdle should be applied with a girdling knife rather than a chain.
- Sterilise the girdling tools by soaking them in methylated spirits or some other sanitiser between plants.
- Trunk girdling severely stressed vines may hasten their demise.
 This may not be a bad thing in the case of armilleria as it will force the replacement of vines that are at risk in your production system.
- Vines that are showing symptoms of water stress should not be trunk girdled.

Timing

 The autumn trunk girdle should be early enough to provide the required effect prior to harvest and to have the girdle fully healed before winter.

Usually this is around the middle of February.

Trunk girdling and fruit storage

A recent review of the practice of trunk girdling conducted by Dr Errol Hewitt, professor of Horticulture at Massey University, has confirmed that there is no effect of trunk girdling on fruit storage. However trunk girdled fruit may have different maturity characteristics at harvest than fruit from vines that have not been trunk girdled. These differences should be taken into account at harvest and during inventory management to ensure best storage results.

Trunk girdling and Psa

There has been some trial work done recently in Italy and France that shows

that trunk girdling kiwifruit vines subsequently reduced the development of Psa symptoms.

There is some thought that trunk girdling may be having an elicitor effect on kiwifruit plants, helping switch on their bacterial defence response and reducing their susceptibility to Psa.

All hygiene precautions should still be observed when trunk girdling is being done and in particular

- Girdling tools should be sterilised between vines.
- Girdling cuts should be sprayed with a sanitiser and protectant solution as soon as each cut is completed.

Sooty Mould – Passion Vine Hopper

Sooty mould is a complex problem. It is a fungus that grows on the sugary residue deposited onto fruit by insects feeding on the sap of the kiwifruit plant. The most significant of these insects is the passion vine hopper (*scolypopa australis*). Because the problem occurs some time after the cause, the control strategy must be one of prevention. Once the sooty mould is present there is no really successful way of dealing with it except for thinning the fruit to waste on the ground.

Sooty Mould - The problem

Sooty mould is the growth of a group of fungi on the sugary honeydew secreted by the feeding PVH (and other insects). A black sooty stain, made up of the dark fungal mycelium, appears as the fungi grow on the honeydew.

The presence, or absence, of the sooty mould is not directly related to the presence of the PVH. They simply need to have been there and left their calling card and the fungi will begin to grow at some later stage.

Sooty mould on Hayward fruit

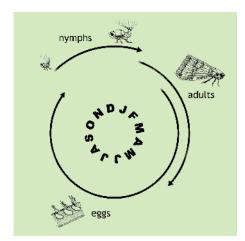


Technically Speaking continued

PVH and sooty mould are separated in time. Sooty mould can still be there and growing after you have exterminated the population of PVH.

Passion vine hopper (PVH) – the cause.

PVH has one life cycle per year. In the Bay of Plenty overwintering eggs hatch from late October through to the end of November or early January. The emerging nymphs are about 1mm long and grow to be 5-6 mm long before beginning to emerge as adults in early January. Eggs are laid in a row on dead plant stems 2 to 3mm in diameter, commonly ferns, bracken or blackberry and many other plants found in the orchard vicinity. Sometimes eggs are found on the edges of sawn timber or splinters of kiwifruit poles. After they emerge, nymphs feed on the phloem sap of host plants and start secreting sugary honeydew. Survival of the nymphs to adulthood is better on some plants than others. For example mahoe and pigeonwood are better than kawakawa or blackberry.



Life cycle of the passion vine hopper.

Nymphs often feed in clusters on the underside of leaves and towards the growing tips of plants. Nymphs do not fly so do not spread widely from where they emerge. They move with a characteristic hop when they are disturbed. From emergence until adulthood in the Bay of Plenty takes about eight weeks. Adult PVH begin to become apparent in early January and like the nymphs,



Adults of passion vine hopper.

feed on the phloem sap of host plants secreting sugary honeydew. Adult PVH can fly limited distances but can disperse over several tens of metres over time. Favourable winds or positions overlooking the orchard can assist the adults spread even further.

It is most likely that populations of PVH will be concentrated in areas of adjacent bush, scrub and wasteland so that the PVH concentrations will be greatest in the orchard closest to these areas.

Control strategy – prevention, the answer

Preventing the establishment of PVH in the orchard will likely be the most successful strategy.

Key steps are:

- Removal of host plants inside and outside the orchard
- Elimination of PVH within the orchard preferably at the nymph stage
- Elimination of PVH outside the orchard preferably at the nymph stage
- Defending the borders.

Removing host plants

The removal of known host plants has been effective in helping to control PVH. Creepers, blackberry, barberry, ferns and bracken growing in shelter belts or waste areas inside the orchard should be removed. A buffer zone cleared of host plants in the boundary shelter and immediately outside the orchard that the PVH nymphs and the adults have to cross will help to prevent invasion of the orchard. A cleared track outside the orchard boundary will also make it easier to spray boundary shelters and buffer zones.



Removal of host plants inside the orchard.

Control of nymphs inside the orchard

PVH nymphs will start hatching early in November and be present right through till early January when they will start to emerge as adults.

PVH nymphs should be aggressively targeted as they are much less mobile than adults and are easier to kill. We also have more options in the period up until flowering in Hayward and most of our pre-flowering scale sprays have at least some activity against the nymphs. Post-blossom oil sprays are also likely to have a level of activity against PVH nymphs. There is also the option of spraying shelters inside the orchard up until the new year, though a JA must be obtained before you do this.

After the new year spraying with pyrethrum products is the only option inside the orchard.

Control of PVH outside the orchard

In situations of high pest pressure from PVH, the establishment of a buffer zone outside the orchard boundary can help prevent the spread of adults into the orchard.



Passion vine hopper nymphs showing typical anal wax filaments

Spraying to eliminate the nymphs will delay the adults becoming established close to the orchard and will help in creating a zone that you can defend against possible invasion. The advantage of doing this outside the orchard is that we have a lot more options of sprays that we can use.

When spraying, especially outside the orchard, be discreet. None of us will be best served by practices which alienate our neighbours.

Defending the borders

Think of your orchard as a country at war. The enemy is PVH, intent on over-running your territories and subverting your population.

Declare war now. Eliminate the enemy from within your country. Define your borders and establish lines of defence against invasion.

Set up your intelligence gathering network and identify the presence of the enemy.

Take the fight to the enemy and conduct the battle where you have the greatest range of weapons.

Vigorously defend your borders.

Sooty mould – dealing with the problem

Once you have sooty mould in the orchard the only practical method of dealing with it is to remove the affected fruit prior to harvest. The sooty mould is growing on the honey dew that is already there. Elimination of PVH at this stage will not get rid of the sooty mould or even stop it from spreading on the honey dew that is already there.

Products for the removal of the honey dew from the fruit in the orchard have not been successful to date but trial work is continuing.

Rain over late January and February can both limit the amount of honey dew that settles on the fruit and limit the spread of PVH in the environment.

Anecdotal observations have implicated the feeding activities of both wasps and bees on honey dew as it is being deposited by PVH. Wasp nests and populations of Bees may well be a positive asset in your orchard environment over the height of summer

Summary

The Battle Plan

- Remove host plants from within the orchard and establish a clear buffer zone between the orchard and the areas of high pest pressure.
- Choose your pre-blossom scale sprays for activity against PVH nymphs.
 Consider using Calypso immediately before flowering.
- Use oil sprays immediately post-blossom.

- Monitor for the presence of PVH nymphs.
- When PVH nymphs are present spray your boundary shelters and your internal shelters. After flowering you will need a JA up until the new year. (After the new year, pyrethrum is the only spray you can only use inside the orchard.)
- Where possible spray outside the orchard boundary to prevent PVH getting into the orchard. You have a much wider range of options.
- Prevention is much more successful than dealing PVH adults within the orchard.
- Prevention is much more successful than dealing with sooty mould within the orchard.



Staff Profile



Cathy Faulkner is the Health and Safety Manager for EastPack's three sites and has

CATHY FAULKNER

been with the Company for approximately 5 months. Cathy's role at EastPack is to advise, coach and manage the implementation of health and safety procedures, processes and initiatives to deliver a sustainable future. This year Cathy is working with our operational teams on implementation of fatal risk controls particularly in traffic and pedestrian interaction, safe stacking and racking, fatigue management and machine guarding. Cathy has worked at Fulton Hogan, Opus International Consultants and latterly Fonterra. She has an extensive background in health and safety, quality and business systems, environmental management and training and organisational development. In her spare time Cathy enjoys time with her partner, Aaron, and two children (Ashlee,15 and Mikayla, 7). She enjoys walking, non-competitive cycling and travelling – of which she has done a fair bit! Her next goal is complete the Te Araroa walkway over the next few years and see New Zealand from a back country viewpoint.

Financial Update

EET Average Forecast Class 1 payments for February 2011 are as follows:

	Zespri	ENAD Y	Net	Base Charges and	Estimated
1 States	Progress	Taste	Incentives	Port & Transport	February Average
Green	\$0.10	\$0.01	\$0.18	-\$0.05	\$0.24
Gold	\$0.45	-	\$0.08	-	\$0.53
Organic	\$0.11	\$0.01	\$0.04	-\$0.02	\$0.14

The average fruit value rates per Class 1 tray are shown in the table below.

These payments will be direct credited into your account on 15 February 2011

Progress payments by size are shown below.

	Zespri Fruit Payment To 15/12/2011	Zespri Progress 15/02/2011	Total Zespri Receipts	EP Base Coolstorage YTD	EP Port & Transport YTD	EET Advance (Base CS, P&T and Progress)	EET Total Paid YTD (December inclusive)
Green							
18/22	3.65	0.35	4.00	-0.71	-0.15	-	3.15
25/27	4.10	0.10	4.20	-0.71	-0.15	-	3.35
30/33	4.05	0.15	4.20	-0.71	-0.15	-	3.35
36/39	3.30	0.05	3.35	-0.71	-0.15	-	2.50
42	2.05	0.00	2.05	-0.71	-0.15	-	1.20
Gold							
16/18/22	5.30	0.30	5.60	-0.73	-0.15	-	4.72
25/27	5.90	0.40	6.30	-0.73	-0.15	-	5.42
30/33	5.35	0.50	5.85	-0.73	-0.15	-	4.97
36/39	4.47	0.45	4.92	-0.73	-0.15	-	4.04
Organic							
18/22	4.40	0.10	4.50	-0.71	-0.15	-	3.64
25/27	4.95	0.00	4.95	-0.71	-0.15	-	4.09
30/33	5.60	0.10	5.70	-0.71	-0.15	-	4.84
36/39	4.90	0.20	5.10	-0.71	-0.15	-	4.24
42	3.40	0.15	3.55	-0.71	-0.15	-	2.69

EET Indicative Average Class 1 Payments for 15 March 2012 are as follows:

A starter	Loyalty	Base Charges and Port & Transport	Estimated January Average	E.
Green	\$0.10	\$0.01	\$0.11	
Gold	\$0.25	\$0.01	\$0.26	
Organic	\$0.12	\$0.02	\$0.14	

Illegal workers

Growers and harvesting contractors must ensure their labour is legally eligible to work in NZ. This includes verifying their work status by obtaining copies of their passport and proof of their work permit. Copies of this documentation should be kept on file and accessible to any audit conducted by Department of Immigration or other appropriate organisations.

Grower Profile peter and JAN MCADAM



Peter and Jan McAdam's 3.2ha conventional Hayward orchard in Echo Valley Lane (near Tauriko) is EastPack's 2011 top OGR/hectare orchard out of 372 orchards. Peter says "that if you want results you have to maintain the inputs." Peter manages the orchard but works closely with Pickers and Pruners contractor Dave Robertson, with whom he discusses each activity on the orchard before they commence work. The orchard is isolated from other orchards but is surrounded by lifestyle blocks and houses. When it comes to spraying, Peter has all 25 neighbours grouped on his mobile as he has found text messaging the most efficient way to communicate with so many. The McAdams have been packing with EastPack for nine years now.

Peter completed a Bachelor of Agricultural Commerce from Lincoln before working for a petrochemical company for two years and then travelling overseas doing various jobs. On returning to NZ, Peter and Jan went sheep and beef farming in the Southern Waikato for seven years before the lovely Bay of Plenty beckoned and they sold out

and moved to Tauranga. They purchased a small avocado and kiwifruit orchard in Katikati which they owned for two years before buying their current orchard which they have had for 11 years now. Jan comes from a sporting Waikato family and completed a Dip.PhysEd from Otago University. She is now contracted to Sport BOP to run after school programmes for secondary schools with the aim of getting more children into sport. They have three teenage

children Harriett, 21, studying **Business Management and** Accounting, George, 19 who is in his second year studying Engineering at Canterbury and Burton, 15 who is in Year 11 at Tauranga Boys College. When they took over the orchard it was run down, doing approximately 15,000 trays total, so they cut out the internal shelters, an external shelter and did some severe pruning. It was an instant improvement. Dave Robertson from Pickers and Pruners does all the pruning, canopy work, girdling, fruit thinning and harvesting, and he leaves the mowing to Peter. According to the McAdams', "since Dave has taken over the canopy management there has been a steady increase in performance over the last 10 years" excluding outside

factors. They are very happy with the results. Peter and Dave discuss each orchard activity prior to the work beginning but generally Peter is guided by Dave for most of the work. They have followed the same pattern as previous years and girdled last spring. Hort Force does all the spraying on the orchard although Peter was considering getting an old sprayer in the shed up and running with the threat of Psa, but as yet he has managed with the contractors still doing it. He will review this in the coming year.

Every year they do a soil and leaf analysis and then after getting the fertiliser recommendation through EastPack he applies a winter base dressing and then side dressings at bud burst, flowering and then again in December.

In the last two seasons he has changed his pollination strategy and believes he has seen the benefit of this. In the past he had only seven hives/ha and applied artificial pollination, but in 2010, with the threat of Psa, he decided to forgo artificial pollination and instead increased his bee numbers to 11 hives/ha. He noticed when he walked into the orchard he could see and hear bees everywhere. In the past he wondered where the bees were. Even though 2011 was windy when the bees

were in the orchard, they had excellent pollination.

They have been hit hard in the last two seasons by nature, losing 50% of the crop to a frost just prior to flowering in 2009 and then being hit by hail just prior to flowering this season. The hail shredded leaves and bruised the flowers and they won't know the true result until packing time. Peter has considered a frost fan for protection but does not see the cost justifying the potential benefit.

The crop that is currently on the vines is sizing up nicely after thinning. They are expecting to get around 40,000 trays. They currently do not have Psa-V but know it is only a matter of time. Looking forward Peter and Jan are keen to consider new varieties but with a good performing Green crop and the unknown threat of Psa, are not keen to change over just yet.

The result for the last season say it all.

Hectares	Total Trays	· ·	Avg. size	TZG	Export	OGR/ha
3.21	48,164	15,004	32	0.59	87.2%	\$64,931

Maximising Productivity Reduced rates and thinning

As is the case on the orchard, the focus of the February edition of EP Prunings is on thinning and reducing reject rates. It is also a good time to congratulate growers for the excellent results achieved in all regions and across all varieties in 2011. This undoubtedly contributed to EastPack's record crop, efficiency gains and top OGR performance. The challenge is now to replicate this result in 2012. In this edition. Growers will be re-introduced to EastPack's reject rate project. Additionally, Growers will be able to utilise a simple cost/benefit analysis which illustrates the advantages of thinning fruit effectively.

EastPack's Reject Rate Project for 2012

As part of EastPack's co-operative business plan we aim to deliver low reject rate lines of fruit to our packhouse. Directors, management, shareholders and Growers will be aware of the advantages of achieving this target. These can include;

- 1. Reduced pack prices
- 2. Higher OGRs
- 3. Reduced fruit loss
- 4. Improved fruit characteristics (eg, fruit size, shape, dry matter)
- 5. Improved throughput in the Packhouse.
- 6. Improved asset utilisation (better use of plant and capacity)
- 7. Improved throughput during Kiwistart, mainpack and CA
- Improved returns to shareholders through better asset utilisation and cost efficiencies
- 9. Less waste throughout the supply chain

To help support EastPack Growers, and to work towards achieving our reject rate targets, the EastPack Grower service and EKO team has implemented an On-Orchard Reject Rate Assessment process. This process aims to identify reject rates soon after the first round of thinning. Results can be used as guide in assessing the effectiveness of the thinning job to date and/or, form the basis of a plan going forward. It is also a good chance to update growers and their contractors in regards to grade standards.

Another benefit of the On-Orchard Reject Rate Assessment process is that Growers receive an export fruit per m² figure which can be valuable for crop estimation purposes.

In addition to the On-Orchard Reject Assessments, EastPack has made the following resources available to Growers to help them and their contractor's thin effectively.

- 1. Zespri grade standards posters
- 2. EastPack A4 grade standards booklets
- 3. Flat fruit profiles
- Cost /benefit of thinning calculator 5.
 Packhouse grade standards advice from your GSR and Sheryl Flett
- 6. EastPack multipliers (included in this edition of EP Pruning's)

In the meantime, here is a list of the different reject rate categories which should help Growers and contractors thin effectively. These types of rejects do not make it into a class one or class two tray. If this type of fruit makes it to the grading tables it will add to the reject rates and could also end up as fruit loss.

Blemish – any blemish bigger than 2 sq cm

Flats – all fans

Squares – wider than they are high Hayward marks – beaks which are severely distorted (protruding) Surface deposits – bird lime, dirt, sooty mould

Superficial damage – cuts and punctures

Grower Achievement - Hayward

In February 2011 EP Pruning's profiled Barry & Jeananne Ward who had in 2010 produced an outstanding grading table reject rate of 6.25%. Obviously this wasn't good enough, as in 2011 they managed to almost halve their previous best in achieving a 3.46%. Not to be outdone Jeananne's brother and fellow EastPack Grower Graeme McKenzie, his wife Karyn and orchard manager Phil Young managed to achieve 3.36%! What makes both of these results even more remarkable is that it has been achieved at scale, with both orchards being approximately five hectares.

Under EastPack's revised pack price for 2012, if the Wards and McKenzies were able to repeat their performances of 2011, they would pack their fruit for \$1.14 per tray equivalent this season (this takes into account the 20c packing rate discount, 20c cash packing rebate and \$0 charge for class 2 rejects). Can anyone beat \$1.14 a tray?

To discuss any of the above, including booking your orchard for an On Orchard Reject Assessment, please speak to your Grower Service Representative/EKO Orchard Manager or Anthony Pangborn.

Cost/benefit – February fruit thinning

Green

Scenario: There are 11,000 trays per ha (36 fruit per m2 at size 33) Current reject rate is approx 20% (not thinned)

Please note, this evaluation does not include EastPack's 20c packing rebate

1 ha			Cost/ha	Cost/tray
Packing charge if no thinning is co	mpleted (based on 2012 re	vised rates \$1.31 base)		
11,000 trays packs out at	8,800	\$1.69 per tray	\$14,872	\$1.69
Picking/Cartage				
143 bins cartage		\$5.50 per bin	\$786	\$0.09
143 bins picked		\$28.00 per bin	\$4,000	\$0.45
Total cost no thinning			\$19,658	\$2.23
Cost for a team to thin orchard and	d reduce reject rate from 20			
440 Approx bays per ha		\$3.50	\$1,540	\$0.17
Assume reject rate has been redu	uced from 20% to 10% + c	ains in size and travs		
1 ha		,	Cost/ha	Cost/tray
10,250 trays packs out at	9,225	\$1.42 per tray	\$13,100	\$1.42
Picking/Cartage				
133 bins cartage		\$5.50 per bin	\$732	\$0.08
133 bins picked		\$28.00 per bin	\$3,724	\$0.40
Estimated Gains				
Dry Matter (est increase in 0.15 DM points @ 4 cents per point)**			-\$554	-\$0.06
Size (est increase in size by 4% + approx 350 trays + fruit payment inc)**			-\$1,000	-\$0.11
**Refer: Kiwifruit Journal Mar/	Apr 2007			
Total cost after thinning			\$17,542	\$1.90
Difference		\$0.33		

Gold

Scenario: There are 16,000 trays per ha (est average size 33)

Current reject rate is approx 22%

1 ha			Cost/ha	Cost/tray		
Packing charge if no thinning is comple	eted (based on 2012 re	vised rates \$1.81 base)				
16,000 trays packs out at	12,480	\$2.26 per tray	\$28,205	\$2.26		
Picking/Cartage						
235 bins cartage		\$5.50 per bin	\$1,294	\$0.10		
235 bins picked		\$38.00 per bin	\$8,941	\$0.72		
Total cost no thinning			\$38,440	\$3.08		
Cost for a team to thin orchard and rec	luce reject rate from 22	% - 12%				
40 Approx bays per ha		\$4.50	\$1,980	\$0.16		
Assume reject rate has been reduced from 22% to 12%						
1 ha			Cost/ha	Cost/tray		
14,400 trays packs out at	12,672	\$1.95 per tray	\$24,710	\$1.95		
Picking/Cartage						
212 bins cartage		\$5.50 per bin	\$1,166	\$0.09		
212 bins picked		\$38.00 per bin	\$8,056	\$0.64		
Estimated Gain in Dry Matter and Siz	e					
Approx \$1,000 per ha**			-\$1,000	-\$0.08		
**Refer: Kiwifruit Journal Mar/Apr 2007						
Total cost after thinning			\$34,912	\$2.76		
Difference				\$0.33		

Growing Excellence

As part of Growing Excellence we are continuously evaluating where in the business our greatest "losses" are occurring, prioritizing these losses, and putting action plans in place to reduce the waste and increase our profitability. Often the overall greatest losses are not due to major events, but due to many little deviations. One example of this is fruit handling. Any deviations from best practice fruit handling from the orchard to the market, will lead to increased fruitloss.

To deliver a consistent quality outcome we need to have a consistently applied robust process ie best practice. Best practice is to choose from the many different methods, the one safe method which is able to consistently achieve the required quality with the same amount of resources (time and materials). Once we have eliminated variability, we can then focus on improving our best practice.

As an EastPack Grower/shareholder you may have noticed a shift towards establishing the one best way, training everyone in this method, and then checking that everyone is using the best practice. We then aim to work as one team to improve best practice.

Health and Safety Trip hazards

With employees at orchards busy doing fruit thinning it's the time of year to remove trip hazards so we can avoid injuries.

Some examples of hazards are: Hazard: Un-mulched plant material underfoot is hard to see on the orchard floor, and may not be seen when people are looking up into the canopy. Solution: Mulch material or remove it to stockpiles away from pedestrian movements.

Hazard: Rabbit and other holes pose a trip hazard especially when people are looking up into the canopy Solution: Fill in rabbit holes and shallow holes. For deeper holes that cannot be filled in immediately place a suitable board over the top (sturdy enough to hold people's weight) or alternatively place a barrier around the hole until it can be filled.



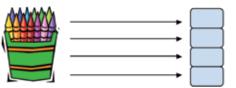


This concept extends to the orchard in areas such as growing practices and harvesting best practice. This season EastPack, harvesting contractors and Growers will again focus on reducing harvest damage. This will involve a consistent audit process, regular fruit monitoring and effective checks to ensure pickers are following best practice picking technique.

Traditional = People doing whatever they can to get results



Best Practice = People using standard processes to get results







Classified

For Sale

3 x Kiwifruit Bin Trailers Very good condition Ph Mark 021-60292

Electric Motor with Grundfos

pump attached Grundfos Pump: Model 100 x 65 - 200. Impellar diameter 198. Motor is a 2009 model 22Kw TECO high efficiency (93.5) 3 phase induction Pump is attached to the motor. Please ring Mike on 07-312 3198

evenings.

Mulcher

Trimax Mulchmasta, 2.2m width. Excellent condition. \$2500 Phone Pete on 07-315 6849

Vinetech Birdscarer LPG fueled Steel framed, on wheels and has drawbar

Phone Jenny on 07-573 4828

Casuarinas

1000 Casuarinas in PB5 1 metre \$3.50 ea (+GST)

1000 Cryptomerias in PB5 \$3.50 ea (+GST) Phone Hugh Stuckey on 027-223 5007

Two pneumatic pruning hand pieces \$250.00

Phone Alan on 027-485 9910

Grass Master Mulcher \$1500.00 Buckton Mower 3.7m wide \$1200.00 2m Mower \$500.00 \$250.00 **500 litre Diesel Tank** Contact Noel on 07-573 6464

EP Prunings Deadline

For articles and advertising 1st of each month. Please also advise when your adverts are to be removed. Contact Kyra Sharplin:

Phone 07-573 9309 | Fax 07-573 9310 | kyra.sharplin@eastpack.co.nz

For Sale

Irrigation Laterals

Complete with Tornado Ray Jets 2 x 55 litres/hr Per 5m bay 19mm, 16mm 13mm Call Geoff Harcourt on 027-498 0672

Wanted to Buy

Swing Arm Mower Ph Pat 0274 735 099

All Terrain Mast Forklift

AUSA CH150X4 preferred, but all forklifts considered. Phone Mark on 021 460 292

G3 Licence Contact Kevin Massey on 027-285 4956

Houses To Let

Cottage available to rent

Small Cottage available , long term rent. 1¹/₂ kms from Te Puke township. Suit two quiet adults. No dogs sorry. Ph 07-573 8611

Trade Services

Active 4 Solutions

Taca Tungsten Grit Hardfacing Proven solution for worn mulcher flails Applying Taca will increase flail life by up to 4 or 5 times depending on conditions. We can supply all types of mulcher flails, complete with Taca.

For enquries please phone Terry on 021-274 2814

Trade Services

Fox Contractors (Edgecumbe)

Quality pruning and harvest contractors. Our focus is to supply the highest quality harvesting standards available. Edgecumbe based. Ph Steve 07-304 6000 or 027 304 6001

Bay Farm & Industrial Pumps

Pumps and water meters Frost protection and irrigation systems Design, supply and install. Free Quotes **Phone Daryl Richardson** 027 277 5295 or 07 578 4405 56 Fifteenth Ave, Tauranga

Email: daryl@bayfarmpumps.co.nz

Bay Sluicing

For all your sluicing needs. Call Kevin Massey on 0800 877 566

BOP Trenching Services

- Irrigation systems for orchard or farm ٠
- Frost and irrigation, bores, rivers or dam supply
- Diesel or power pumps ٠
- Design, supply and install
- Free quotes.
- New systems or reinstate old systems

Phone Roger Johnson on 07-533 1517 or 027-452 5330

Kiwi Haulage Ltd

- We will collect your recyclable plastic and other waste.
- Free Removal.

Contact George Cruse on Freephone 0800 199 998 or email kiwicartage@yahoo.com

Courses

First Aid Courses OSH, GAP, NZQA. Held monthly in Te Puke Phone Doug 021-108 1515 Email: dougallan@slingshot.co.nz Summer is finally here – a lot of family fun to be had at the beach... and it doesn't cost much either!

Contacts

Edgecumbe Site Phone 0800-722 554 Fax 07-304 8262

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Grant Allen Grower Services (Edgecumbe/Te Puke) 027-203 4456

Paul Manson EKO Orchard Manager (Edgecumbe) 027-677 4502 **Te Puke Site** Phone 07-573 9309 Fax 07-573 9310

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Peter Savory Grower Services (Te Puke) 027-742 6778 Alan Kale Grower Services (Hawkes Bay) 027-286 4797

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ORCHARD to MARKET

www.eastpack.co.nz