

SUPPLYLINE



NEWS FROM MG MARKETING

GROWER PROFILE.

RIVERLEA LTD

GROWING A FAMILY LEGACY

The Riverlea story begins with family. Lionel and Margy Whitehead started on bare land in the Manawatu a little over 30 years ago and, along with their sons Dion and Brendan, have grown the business to be a leading producer of hydroponically grown gourmet lettuces in New Zealand.



↑ Brendan Whitehead, MG Representative Andrew Body & Dion Whitehead



**23 Bays in 9 sheds
10 Acre property**



Fancy Lettuce

The inspiration to take the plunge into this type of growing came from a trip overseas where Lionel and Margy saw the hydroponic system in action. On their return to New Zealand they investigated further and found there was strong demand from Foodtown as well as restaurants and cafes.

“Our first child, Dion, was a baby and I’d finished working but Lionel was still a bank manager,” says Margy.

“We actually started as a hobby but we could see what the future looked like in the banking sector with computers having a larger role and the impact on staff, so thought we’d have a real dab at growing.”

“Dion literally grew up in the business. I’d strap him on my back and carry him around while I worked.”

“He’s only 32 but has about 30 years’ experience,” Margy jokes.

Over the years things have evolved, they have extended, built a modern, new, automated tunnel house and also introduced a produce order and delivery service for the hospitality industry.

“We’ve had a lot of good years and had to ride out some tough times and have had to adapt,” says Lionel.

Dion, who now manages the day-to-day operations, said he couldn’t see himself in any other industry as working on the land has a huge number of rewards. As the eldest son, he was entrusted with a lot of responsibility on the farm and learnt valuable lessons that have helped stand him in good stead.

“It’s busy and every day seems to get busier,” says Dion. “It’s a five in the morning start to get harvesting underway as well as packing orders.”

“Then it’s planting, sales and concentrating on the business side of the business.”

Brendan, who is three years younger, is also a key part of the team, overseeing the maintenance and supports the planting programme.

“I had ambitions of getting a building apprenticeship when I left high school, but it was around the time of the financial downturn. I was 16 and I stayed around the farm to help Dad out who has been the one who did a lot of the jobs I do now.”

“I started picking and packing when I was young but now take care of a lot of hands-on jobs like engineering, maintenance, building – you name it.”

There is plenty to be proud of, particularly in terms of what has been achieved by the family, with very little external help.



↑ MG Representative Andrew Body with Margy & Lionel Whitehead

“Everything we’ve developed, we’ve done on our own, as far as how we grow, how we want the place to operate and how we’ve evolved the business,” says Lionel.

“We haven’t used consultants, we learnt from our errors, and all worked together.”

“The business side of things was easy, cash flows and controls, but we all had to learn on the job to be sparkies, plumbers, and handymen.”

Margy described it as a real Kiwi number-8 wire approach to get it off the ground. “It’s still that way,” added Brendan.



↑ Top right Brendan Whitehead with son Douglas

Riverlea is a little unique in the fact they also purchase product from MG Marketing’s market floor for their food service side of the business while also relying on Procurement Manager, Andrew Body, and the wider MG team to help market and sell their gourmet lettuce.

“Andrew’s great,” says Margy. “He’s been around a long time and knows his stuff.”

“Dion regularly talks with Andrew and it’s good to see him out here at our place throughout the year.”

The team at Riverlea also have a great day-to-day relationship with Pio Hurinui from MG Palmerston North.



A FRESH OUTLOOK ON THE SUMMER FRUIT MARKET



Crops grown across 20 Ha



Cherries, Plums, Nectarines, Peaches & Apricots

Strode Road Orchard was a long-established business by the time Lochie and Gretchen McNally took ownership two and a half years ago. Having grown up on beef and sheep farms, the couple had a passion for working out in the open and were determined to get back to the land.

Lochie ditched his career as a rural banking specialist while Gretchen continued nursing during the first year of business, however, the day-to-day demands of managing the new venture meant her skills were also required full-time on the orchard.

Located a short drive from Clyde in Central Otago, Strode Road Orchard use 20 hectares of fertile land to grow cherries, plums, nectarines, peaches and apricots every year. The wide-range and long season can make it difficult, but Lochie says it's part of their recipe for success.

"I like the way the ownership flows further through the value chain and when you're paying commission on the fruit you sell, you know you'll get it back in other ways."

"It's a fairly even spread across all summer fruit categories," said Lochie. "We start in December and go through to late-March."

"Growing different fruit extends our season and spreads risk and gives consistent work to all our employees. It allows us to keep the shed busy so we can be efficient and productive."

In developing the business, they have been careful to maintain the high standards put in place by previous owners of the then Forrest Orchard, Bill and Kathy Forrest.



↖ Top left Lochie & Gretchen McNally ↗ Top right Lochie McNally and MG Representative Roger Georgieff

A lot of the growing has been learnt on the job and an advantage they have is the skills they bring from their life outside of horticulture. While they have been careful to listen to advice and stick to practices that have proven to be successful, they also bring a new way of thinking and have fresh ideas to enhance the business.

"You learn a lot in banking that you don't learn in a lot of other occupations," said Lochie. "It helps that I have an agri-background but I draw on my time in banking quite often."

"It's not just the financial side of the business, I spend a lot of time analysing how we do things, including the fruit, the varieties and how they are linked to our effort and returns."

"Bill and Kathy have been extremely helpful as we've transitioned. They built a really good business and along the way we've made subtle changes to the way we operate and we've also had to make a number of big decisions about what varieties to pull out and what to plant."

They're kept busy 12 months of the year growing, packing, harvesting, spraying, pruning and planning. It's never ending, but they find it incredibly rewarding.

← Lochie McNally with MG Representative Roger Georgieff

"We really enjoy the hands-on way of working but it's full-noise and we probably underestimated just how busy it would be for an extended period," says Gretchen.

"We've both grown up on farms so we know what it's like to be mad-busy shearing or tailing for a couple of weeks. This is like that, but for four months and then the rest of year is hectic catching up and getting ready to go again."

Lochie says he enjoys working with MG Marketing and involves Procurement Manager's, Roger Georgieff and Andrew Cross, when he's planning for the future. He says they also like the way the co-operative model provides benefits for its members.

"The summer fruit industry in New Zealand is relatively small so a co-operative model helps everyone - you're much stronger when you're all together," says Lochie.

"I like the way the ownership flows further through the value chain and when you're paying commission on the fruit you sell, you know you'll get it back in other ways."

"The MG co-operative gives you a better understanding past the farm gate and the real transparency that all farmers need to run a successful business."





DOLE BOBBY® BANANAS BANDS REDUCE PLASTIC

Sustainable packaging is becoming a priority for both brands and consumers. Reduce, reuse and Recycle are part of consumer vocabulary and both Dole and MG Marketing understand how important it is to reflect those values.

As such, both businesses are on a journey to minimise the environmental impact of packaging over time.

An example of this is the initiative to transition from bags to a significantly smaller band for Bobby Bananas and Snack Packs, eliminating 8.2 million bags or 32 tonnes of plastic from landfill annually.

The band still protects the product and it does not deteriorate when transported or ripened while retaining the distinction from cluster bananas and meeting customer requirements.

The project is now in the commercial trial phase and currently being used in some stores. The new bands will be increasingly visible as more international packhouses convert to the bands and the aim is to have fully transitioned away from plastic bags by December 2020.

The new band is a great step forward on the sustainable packaging journey. This is an ongoing focus for MG Marketing and Dole, who will continue to explore even better alternative solutions in the future.



United Fresh
New Zealand Incorporated

SUSTAINABLE FARMING FUND – TRACEABILITY

HAVE YOUR SAY

- Industry Consultation on Draft Traceability Guidelines

United Fresh recently developed the Draft Traceability Guidelines that have evolved from the Sustainable Farming Fund Project "Effective Produce Traceability Systems". United Fresh views this project as a signature project for the domestic produce industry.

The Draft Guidelines are a consultation document.

By adopting the Guidelines, the team delivering the project believe that the New Zealand fresh produce industry will be able to significantly improve the ability to achieve a robust and accurate External Traceability System, that covers the entire fresh produce supply chain, and not just individual companies.

To download and view the Draft Guidelines visit: www.unitedfresh.co.nz



The United Fresh website also has a link to an online survey form or feedback can be send via email to info@unitedfresh.co.nz.



MG Marketing business partner, Dole, has announced 'The Dole Promise'; a global company initiative that aims to increase access to sustainable nutrition, and decrease food waste, packaging waste and carbon emissions for the benefit of its stakeholders, employees, customers, and the planet.

To find out more visit: www.sunshineforall.com

NEAR-INFRARED (NIR)

TECHNOLOGY AS A TOOL TO MONITOR CROP NUTRIENT STATUS IN REAL-TIME

University student, Jeremy Aditya Prananto, is delivering a research project aimed at using near infrared spectroscopy for monitoring crop health conditions.

What does that mean? Jeremy is studying and researching how to calculate fertiliser requirements using crop nutrient status information combined with other factors to apply nutrients. To be proactive and 'real time' reactive to nutrient application. This includes the type and amount of nutrients, as well as the when the plants need them.

"Instead of playing a guessing game, what if we can scan the plant to know its nutrient content. Wouldn't it make managing nutrient for crops much easier?" said Jeremy.

Stefan Vogrincic from Grower2Grower spoke to Jeremy about his work.

Jeremy said: My research project focuses on the use of Near-Infrared (NIR) Technology as a tool to monitor crop nutrient status in real-time. It is funded through CSIRO aimed for the cotton industry, however, this technology is generic and ideal for horticulture crops grown in controlled conditions. I hope to solve nutrient application inefficiencies which is one of the main problems in agricultural production.

Efficient agricultural enterprises should optimise nutrient application based on plant needs. The key to an efficient crop nutrient management relies on the ability to manage a

balance between the demand from the crop with the supply from the soil or other growing media. It is also important to consider that the demand from the crop changes throughout the season. To understand this dynamic demand, we need the ability to frequently monitor the crops nutrient status throughout the growing season.

Current methods for determining plant nutrient requirements are based on either soil or plant analysis which is not only expensive, but also time consuming. Analysis requires sampling of soil or plant materials, sending them to a laboratory for analysis and waiting for the results. The process could take two to three weeks. This has forced growers to only be reactive in how nutrients are managed which has led to inefficient nutrient management and reduction in yield potential. Therefore, a method that can reliably measure the crops nutrient status throughout the season is highly desirable.

My research aims to establish an NIR sensor which can estimate the nutrient content of a cotton leaf reliably in real-time. Knowing the crop's nutrient status enables us to formulate precise fertiliser prescription which would allow growers to be more proactive in how they manage their nutrients.

A future development of this technology is to automate this NIR technology in a crop production system. The automation of this

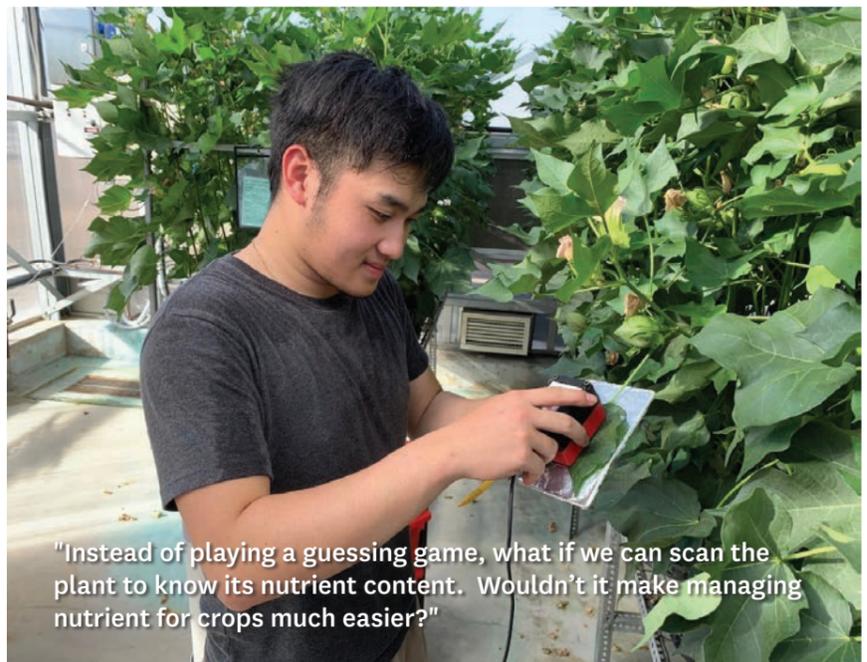
technology can be incorporated into the whole nutrient control process which would suit glasshouse and hydroponic systems. An NIR sensor can provide nutrient status of individual plants in real-time, and combined with information on microclimate and crop developmental age would allow an automated nutrient application system that can make micro-decisions on an individual plant.

I have already collected around 5000 cotton leaf reflectance spectra which was conducted

for around one month on the Australian Cotton Research Institute in Narrabri. The preliminary results have shown great promise especially in estimating the total Nitrogen content in cotton leaves. The NIR sensors can also estimate macronutrients such as K, Ca, and Mg.

This article was originally published on grower2grower.co.nz and is republished with permission.

↓ Student Jeremy Aditya Prananto



"Instead of playing a guessing game, what if we can scan the plant to know its nutrient content. Wouldn't it make managing nutrient for crops much easier?"

M3 & GDA

MG rolling out new IT system

COVID-19 has caused some delays with MG Marketing's launch of the new M3 IT system. However, the project is now being progressed and the MG IT team are working towards the roll-out phase. This will start shortly at our MG Nelson branch before being implemented in other locations throughout the country across a number of months.

What benefits will the new M3 IT system deliver?

- Enhance the way MG transacts business.
- Improved warehousing and office automation.
- Provide more meaningful and timely information.
- Enable MG and growers to make better decisions.

MG Grower Delivery Advice (GDA) essential for all growers

The new M3 IT system being rolled out this year requires all growers supplying to use the GDA system.

GDA is an online portal that allows consignments to be recorded electronically with a MG branch, ahead of the produce arriving. It is customised for each grower and includes a full range of products normally supplied.

Once a consignment advice has been created and confirmed, a copy can be printed for office records, along with a copy to be despatched with the produce.

Nearly all produce currently supplied to MG is pre-receipted using the GDA system.

Not yet signed up to use the MG GDA system?

The MG team will help growers get set up and provide guidance about how to use the GDA system.

Contact Nigel Bridge on nbridge@mgmarketing.co.nz or 027 591 4911.

MG SUSTAINABILITY ROADMAP

For more than 90 years MG has been involved in a number of initiatives that promote sustainability, including activities related to the environment, people and the communities in which MG operates.

MG is now ready for the next phase and aim to take our performance to a new level. We have developed a roadmap which will provide the foundation for our future focus on sustainability.

In developing the sustainability roadmap, we considered what areas were of most importance. This led us to the four pillars above which underpin our approach, our commitment to sustainability and provides a framework for us to measure our success.

01 Economic Resilience
Protect the future of the co-operative and make sure the benefits are enjoyed for generations to come.

02 People and Community
Build and maintain an active involvement in supporting communities in which we operate and treat employees fairly.

03 Environmental Stewardship
Constantly look for ways to make our business more environmentally friendly and promote environmentally sustainable practices.

04 Partnerships
Work together with all stakeholders to drive growth, value, trust and a willingness to work closely alongside each other.

NZFS RESIDUE GUIDANCE POSTER

New Zealand Food Safety (NZFS) has released a guidance poster on the use of Acephate and Methamidophos Organophosphate insecticides.

The poster, included as an insert, acts as a guide for growers to support the legal use of agrichemicals. MG recommends that growers use the poster to assist in the interpretation of residue test results.

STANDPOINT.



DOING BUSINESS IN UNCERTAIN TIMES

The COVID-19 outbreak has meant we've had to move fast and make important decisions with extraordinary frequency. As each new day passes, we have to be more accustomed to dealing with the unknown.

While the situation related to COVID-19 in New Zealand is vastly different to a large number of other countries, it would be foolish to get complacent. After all, we are a part of a global community and what is happening in other parts of the world has a knock-on effect, even for businesses who are not involved in international trade.

The past few months have proven that our "business-as-usual" can change rapidly, especially given the resurgence of COVID-19 in New Zealand this month.

We only have to look to our neighbours across the Tasman to get an appreciation for the damage that can be caused by a sustained period of dealing the virus. Our

Australian business, LaManna Premier, have faced wide-reaching challenges related to the ongoing disruption. They vary from increased operational costs, through to huge market volatility and difficulty moving product

many in our industry head towards the busy summer season. We know there will be a reduction in workers from off-shore, so now is the time to plan for what that looks like in your business.

"Responding to your people and business partners transparently and with respect will remove confusion and ensure everyone is pulling in the same direction."

between states. A large number of their Melbourne based staff have not been able to work at their Support Office since March 2020.

Closer to home we have growers and customers who are feeling uneasy about the future.

With so much uncertainty it is difficult to plan, however, it's important to direct our energy towards what we do know and think about the future to help us prepare for what may lay ahead.

By this I mean be proactive. Sometimes planning for worst-case scenarios can put you in a good place to make reasonable decisions for your business.

Draw on past experiences to help cope, seek advice from trusted advisors and tap into the information available to help to manage the new challenges brought about by the pandemic.

An obvious challenge facing our industry is the availability of skilled labour, especially as

Clear and consistent communication is a powerful business asset during uncertain times. Responding to your people and business partners transparently and with respect will remove confusion and ensure everyone is pulling in the same direction.

Moving forward, all businesses need to be firm when it comes to the health of your people. If they are unwell or showing signs of illness, insist they do not come to work.

Everyone should also consider how to handle ongoing outbreaks and put plans in place to imbue resilience into your business.

Now, more than ever, it's important we all work together. Keep in touch with your contacts at MG, continue sharing information and seek advice.

® Together. Stronger.

Peter Hendry - CEO