



Kawhatau Valley



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Nestled in the Kawhatau Valley in the heart of Rangitikei is Fairview Orchard, home to the largest producer of peacherines in the country. With high rainfall, the very real possibility of four seasons in one day, -5 degree frosts and often snowfall during the winter months, growing summerfruits in this environment is not for the lame-hearted. But then again Diana and Grant Baird, owners of Fairview Orchard, are not your average couple.

01 Diana, Hamish and Grant Baird with MG's Rob Hollier.

02 Fairview Orchard makes a striking contrast to the rugged landscape typical of Rangitikei.

Grant is a second generation farmer who developed a passion for horticulture, while Diana comes from a corporate IT background. Together they have made their mark on the Baird family farm by greenfielding a summerfruit orchard in the midst of sheep country and 510m above sea-level. After years of experimenting with different varieties, the Bairds settled on growing peacherines and plums and have developed a finely-tuned and highly successful business.

While Fairview sits in a microclimate perfect for growing peacherines and other stonefruit, the success of the business is a result of hard work, determination and a true passion for growing fruit that tastes like Mother Nature intended.

"Our ultimate goal is to produce fruit that has that traditional, fullsome flavour," says Diana. "We developed a variety which is the premium of peacherines.

Being the latest producing season in the country, allows for very complex flavours and fragrances to develop."

With the environmental challenges presented by the region, frost and disease management practices have been critical to ensuring the sustainability of the growing operation.

"Growing fruit is a huge lottery," says Grant. "Up here there's severe risk of frost and we have

Grower Profile.

Fairview Orchard.

spent thousands on frost protection."

But it is not just their steadfastness through environmental challenges that allows this family-run business to succeed. Grant bought the family farm from father, Colin, almost a decade ago and has approached the running of the agricultural and horticultural operations as one truly integrated business.

Farm and orchard operations are managed to complement each other, rather than compete, and key decisions are made in relation to what's best for the big picture. It also allows for the leveraging of opportunities and investment across the business.

"It's taken a long time to perfect it but running the farm and the orchard as a single entity allows for economies of scale, both in terms of investment in resource and opportunity, that we otherwise wouldn't realise. It also helps spread risk," explains Grant.

Being the only orchard in the region has meant that the Bairds have had to be fairly self-sufficient in terms of knowledge, production, skilled labour and infrastructure.

"We depend solely on ourselves to have a successful season. We have to be smart and innovative to be successful," adds Grant. "Our constant focus is all about how we can do things

better and how we can improve," explains Diana.

The Bairds have won a number of environmental awards for water use, innovation and nutrient management. Their horticultural bent has also led to research around the sowing of hill country brassica crops by helicopter; a practice now adopted throughout New Zealand.

Fairview consistently produce an opulent array of peacherines, peaches, plums and quinces. Marketed under the brand, Diana's Fruits, demand for Fairview's premium produce is increasing season-on-season. The Bairds today supply retailers all over the North Island.

The Baird's association with MG stems back to the early days of their orcharding.

"MG took us on as we took our first steps in horticulture, encouraging us to continue to invest, negotiating with reliable customers and assisting us to develop our brand," says Diana. "We decided on Diana's Fruits because of the classical and opulent associations with the fruit."

"We are just so grateful for their (MG's) support. We really enjoy working with them and the enormous value they contribute to the business."

LaManna merger with Premier Fruits Group



The merger of MG's Australian-based subsidiary, LaManna Group, with Australia's Premier Fruits Group last month has resulted in the formation of one of Australia's leading fresh produce supply chain companies. The new company will offer an expanded and complementary range to customers across key product categories.

The merger is a natural extension of a highly successful partnership, spanning more than a decade, between the two companies through Fresh Choice in Western Australia.

For MG Marketing, this will see even greater benefits from the investment in the shareholding in LaManna Group and provides MG the opportunity to access significant industry capability and tap into consumer trends.

Brian Gargiulo has been appointed as Chairman of the combined group board.



ABOUT PREMIER FRUITS GROUP:

- Grows tomatoes in Victoria, and capsicums, zucchini, eggplants and melons in Queensland, and owns Freshway farms in South Australia
- Australia's second-largest wholesaler of fruit and vegetables
- Premier Fruits and LaManna formed a joint venture 11 years ago when together they bought Fresh Choice WA, a relatively small fresh fruit and vegetable wholesaler, that has since grown into a (AUD)\$60m business

THE MERGER WILL BRING:

- An expanded and complementary range of key product categories
- Diverse growing operations throughout Australia focusing on key product categories
- Central market selling operations in each Australian capital city for all growers and customers to access
- Combined infrastructure of ripening and distribution centers in each Australian capital city to better service growers and customers
- A more efficient and sustainable supply chain

MG purchase a stake in IP business

MG Marketing has recently purchased a suite of marketing rights and trademarks from Fresh New Zealand for a range of fruit varieties. This purchase includes shareholding in both New Zealand Fruit Tree Company Limited (NZFTC) and Zeesweet Limited, as well as the New Zealand fruit marketing rights for particular programmes including Sun World International. The marketing rights are nonexclusive and are shared with Johnny Appleseed Limited. The summerfruit trademarks include Golden Belle® for the hugely successful range of yellow flesh, yellow skin peaches and Hunny® for the low acid, yellow flesh nectarines that have been extremely popular with consumers for their sweet flavours, amongst others.

This exciting development for MG has come after Fresh New Zealand sublicenced their rights to MG five years ago. The growth in summerfruit volumes from licenced varieties has led marketing activity for the

category. Fantastic flavours and excellent grower yields have been welcomed by growers and consumers alike.

NZFTC is the largest private importer of commercial fruit varieties in New Zealand. The company is a member of the Associated International Group of Nurseries, an international group of nurserymen collectively working together for the benefit of each other.

NZFTC represents many of the major breeding programmes across a diverse range of crops both within New Zealand and overseas, including Bradford Farms, Star Fruits, Rutgers University and many individual selections managed by AIGN and/or its members. NZFTC is responsible for the administration, introduction, development and commercialisation of the varieties it represents.

Zeesweet Limited is a New Zealand based company that represents Zaiger's Inc. Genetics, the largest privately owned stonefruit breeding programme in the world. Zaiger's is a family-owned business that was founded in Modesto

by Floyd Zaiger and his wife in 1958. Through their breeding programme, the Zaiger's have created and produced completely new varieties and selections of certain deciduous fruits through conventional crossing of different prunus species. This has resulted in a wide range of unique products with novel appearance and flavour. John Morton is the CEO and manager of both NZFTC and Zeesweet Limited.

MG Marketing can now offer its growers the latest varieties from some of the best breeding programmes in the world. Exciting new selections in the pipeline include red skinned apricots from the Star Fruits breeding programme in France. These highly attractive, fully blushed apricots have good adaption in a wide range of growing regions. Red fleshed apples are also all the rage and several selections are being imported for trials.

For more information contact Julie Greene 021 458 590.



GDA Improving Business Efficiency

MG's Grower Delivery Advice (GDA) web portal is now well established, with close to half of all growers using the facility and well over 60% of all produce currently supplied now being prebooked online.

A number of enhancements have been made to the GDA programme since its introduction to improve its ease of use and overall efficiency. For those growers who have their own stock control/dispatch software programmes the GDA portal can receive EDI files. If you would like to know more about this, please contact Ian Reisma from the MG's procurement team (021 749644).

MG is also exploring a cost-effective alternative

to the online programme for those growers who do not have computer or internet access at or near their packing shed/dispatch area.

Over the next few months, the procurement team will be visiting growers who are either not yet using the facility or not using it on a regular basis. In the meantime, however, please don't hesitate to contact Ian Reisma, in the first instance, if you would like to discuss how the GDA programme could benefit your operation.

The efficiencies that GDA brings to the business have proven to be significant and the company is looking to have all growers actively using the GDA web portal, or an EDI alternative, by July 2017.

Grower Profile.

H C Godfrey.



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Harvey Godfrey has been gardening near Raetihi since the early 1970s. For the past 45 years he has been a passionate grower, experimenting with all manner of crops from swedes, carrots and parsnips in the early years, to cauliflower, cabbage and brussels sprouts.

He has had forays into exporting, with the most notable being the export of Koyo carrots to Japan. While the fickle nature of the market proved challenging for several years, Harvey is the first to admit that such a venture was financially rewarding when you got it right.

Today, carrots and potatoes form the mainstay of his growing enterprise. Currently Harvey gardens on approximately 80ha per year, while rotating crops and farming sheep and beef on a further 450ha.

Harvey affords his initial interest in growing to his uncle, LW (Len) Godfrey, one of the founding commercial growers in the central North Island, who was gardening in nearby Ohakune.

The family interest in gardening is something that has carried on post Uncle Len. Godfrey's three daughters, Leonie, Heidi and Kelly, have all been involved in the business over the course of the past 20 years. Leonie and Kelly, in particular, have

played a large part in the ultimate success of the business, while Kelly's husband, Glenn, helps to run the sheep and beef operation. Harvey's partner, Pana Windle, supports with the administrative demands on top of her full-time job.

Harvey has witnessed many changes to the industry in the four-plus decades he's been growing vegetables commercially.

"The introduction of automated harvesting in the early 80's was a huge advancement for the growers, along with the arrival at a similar time of 4-wheel drive tractors—in those days only reaching 60 to 70HP," says Godfrey.

"In the earlier years they would hand-harvest swedes, continuing as the weather deteriorated until they could no longer see the swedes buried under the snow. The odd incidence of hypothermia occurred!"

However, the biggest challenge over the years has been something that not even advances in technology could beat—the weather.

"Being prepared for whatever the weather in the Central North Island can throw at you is a constant challenge. It requires a lot of planning ahead, and carrying of just enough produce to meet the market demand, without getting too far ahead."

"The introduction of automated harvesting in the early 80's was a huge advancement for the growers, along with the arrival at a similar time of 4-wheel drive tractors—in those days only reaching 60 to 70HP,"



80ha of carrots and potatoes



450ha of rotating crops and farming sheep and beef



Did you know?

The potato became the first vegetable grown in space aboard the spaceshuttle Columbia in 1995.

01 Harvey Godfrey's love of the land is shared by daughters Kelly (left) and Leonie (right).

02 MG Marketing have been advising to the Godfrey operation for more than 30 years..

Standpoint.



Peter Hendry
CEO

Our co-operative has a clear strategy built around the pillars of resilience, partnerships, value, growth, capability and co-operative behaviour. With another financial year ended, I believe it is appropriate to reflect back on the last 12 months and highlight some of the achievements that this strategy has delivered.

Particular areas of note are:

- A record high in sales both domestically and by way of exports
- Our purchase of the New Zealand Fruit Tree Company/Zeesweet (IP) summerfruit licences. Previously MG has operated its summerfruits innovation programme through subleasing these IP licences. The benefits of exclusivity that these varieties bring to MG are superior taste, colour and yield
- The continued growth in support for MG Direct. As a business model, MG Direct continues to make a significant and positive difference to many growers and suppliers. In a highly competitive market, MG Direct has allowed us to work more closely with all parties to better plan and manage supply and ensure a win-win outcome

As I often talk about, the MG team is there to support you in achieving your success and as such we can play an important role by working constructively with growers and retailers to generate demand for product and optimise returns.

- The strong uptake by growers of the Grower Delivery Advice (GDA) system. With the support of our procurement team around implementation and transitioning from a manual to electronic system, most have adopted the system. The benefits to growers in terms of efficiencies and real-time information are proving to be significant to their overall operation
- Our commitment to support the professional development of those within the co-operative, in the form of Growing You and the Graduate Programme, has been met with pleasing support over the 2015/16 year to date

The Growing You programme was introduced last year to support development, training and education of growers. The grower workshop component of the programme proved to be extremely popular and we have continued this into 2016, again partnering with Lincoln University.

- The director internship is another arm of the Growing You initiative and also forms part of the MG Board's strategy to broaden the knowledge and experience base of our shareholders and their families and give those with an interest in the governance of MG Marketing a taste of what is involved

Further afield, MG has focused on securing opportunities to grow our knowledge base and

logistics capability. To this end, we were delighted with the recent announcement of the merger between our subsidiary Australian company, LaManna Group, with one of Australia's leading produce companies, Premier Fruits Group. The specifics of the merger are detailed elsewhere in this issue of SupplyLine but I would just like to emphasise the strategic importance of this merger for the company.

Together, a great deal has been achieved and the business continues to go from strength to strength. As CEO of the business, I have the benefit of oversight but I am acutely aware of the need to ensure that you, our growers, have context for the decisions that are made on behalf of and in the best interest of the co-operative.

A commitment was made to our shareholders in 2014 to review the company's constitution, to ensure its continued relevance in today's business environment and how MG operates within that. You will have recently received an overview of the proposed changes to the MG Constitution. This details the nature of the proposed changes and the implications of those changes to the business and you as a grower-shareholder. MG's shareholders will have the opportunity to vote on the proposed changes to the constitution at the MG AGM in November of this year.

As spring approaches, I wish you all the very best for what will be a busy period for many of you. Thank you again for your trust and confidence in the MG team. The closer we can work together, the greater the benefits for the co-operative and everyone in it.

Grower Profile.

Lincoln Roper.

Teen knows the growing ropes

Sixteen-year-old Canterbury high school student, Lincoln Roper, has been helping out on his family's horticultural property since he was seven, driving a tractor to weed pumpkin rows before they started to run. Even at that tender age, he was already starting to make decisions in the paddock without his father, such as deciding to double disc the top of a stubble paddock before ripping.

So when it came to competing against much older contestants for the title of New Zealand Young Vegetable Grower of the Year, Lincoln took it in his stride.

The annual competition, run by Horticulture New Zealand, is now in its tenth year and showcases the finest young fruit and vegetable growers in the country. The winners of the Young Vegetable Grower and Young Fruit Grower progress on to compete for the supreme title of Young Grower of the Year.

Lincoln, the youngest ever to compete in the history of the competition, was more than competitive with challenges ranging from finance and marketing tasks to quad bike safety, seeder cleaning and fertiliser. He eventually finished runner-up in the regionals.

Lincoln was initially encouraged to participate by Christchurch horticultural stalwart, Graham Martin, a long-time organiser of the event. With three contestants from Pukekohe lined up, Martin wanted to ensure there was also a Canterbury contestant in the mix. Confirmed as a contestant only 10 days or so before the competition in Christchurch, Lincoln didn't have much time to prepare. However, the year 12 Lincoln High School student has had a lifetime of experience with his family's business, Roper and Son, near Lincoln. The 60 hectare property grows red onions, pumpkins, squash, processed peas for Heinz Wattie's, wheat and barley.

Given that Lincoln is only 16, and the rules of the competition state that entrants must be at least 18 years of age, he wasn't eligible to compete for the national Young Grower of the Year title but Lincoln was still keen to participate.

Lincoln's parents, Lance and Makereta Roper, fortunes are so closely linked with red onions that icing versions of the vegetable even decorated their wedding cake. The couple were struggling to make an income from vegetable growing about 20 years ago when MG Marketing suggested that they specialise in peeled red onions, a relatively novel vegetable back then. They are now the biggest red onion grower in the South Island, supplying many



MG marketing clients throughout the South Island. Their onions are sold in varying packs along with loose.

Lincoln mainly helps out in the school holidays and sometimes after school during the peak harvest period.

"I try to stay out of the packhouse. I prefer the outdoors. I enjoy planting and watching plants

come up and knowing that you have done the job right."

He studies agriculture and horticulture at high school and future plans include a diploma of agriculture at nearby Lincoln University.

The Young Grower of the Year title was eventually won by Andrew Hutchinson, 28, from Pukekohe.

01 Lincoln Roper, aged 16, is eager to pursue studies in agriculture and horticulture at Lincoln University.