

Grower Profile.

Eyrebroom Fresh Limited



01. MG's Shaun Bowie, Rebecca & Ryan Kiesanowski (left), MG's Wayne Webbley & Philip Kiesanowski (right)

Growing vegetables is in Ryan Kiesanowski's blood - and no wonder. He is the fifth generation of former Eastern European immigrants to work the land.

It all started in the late 1880's when Valentine Kiesanowski emigrated to the Thames area before moving down to Marshland, near Christchurch, and establishing the family farm, parts of which Ryan still works today.

Grandfather Bernard and father Phillip have both tilled this land and now it is left to Ryan.

"It all started when Dad started growing a couple of winter crops for me when I was 10 or 11 and once I had left school 17 years ago I was straight into it fulltime," says Ryan.

Ryan's love affair with the land may have been cut short had he had his sister's prowess on the bike, but whereas she (Jo Kiesanowski) went on to represent New Zealand and cycle professionally in Europe for many years, Ryan was back on the farm.

"My sister Michelle also had a crack at cycling but neither of us could match Jo, so Michelle headed off to Auckland and I am here."

Ryan's passion for the land has matched his sister's for road cycling. Not satisfied with the old family location of Marshland, about 10 years ago he and his wife Rebecca purchased another block of land at Swannanoa, north of the Waimakariri River.

"It's an ever-changing market and you need to be aware of the market trends and not just continue to grow the same things. My grandfather was heavily into potatoes but he did grow a lot of other things as well, whereas Dad's emphasis was growing onions, carrots, pumpkins and greens."

"I'm slightly different again. As an example of change, kale was in vogue several years ago and it now looks like cauliflower could make a strong return."

Ryan's holding is spread over two geographic areas and two distinct soil types. He has 40 hectares in Swannanoa and 30 hectares in Marshland. Swannanoa is typified by free-draining stony soils, while Marshland has much wetter, heavier soils.

"I'm still more of a traditionalist farmer when it comes to manual labour ahead of mechanisation," admits Ryan. He does strongly rely on advancements such as GPS guidance when planting and sowing.

"You can now guarantee perfectly straight rows and exact spacing which makes it so much easier when cultivating and harvesting. Our efficiency has increased tremendously."

"You can't afford to stand still, as the marketplace and environment are continually changing. In Marshland I now have a 2600-home subdivision over my back fence. Even in Dad's day we were deemed to be out in the country, whereas now, post earthquakes, we are being surrounded by the urban sprawl with the subsequent increase in rates."

Because of the scale of Ryan's business, they do not have an office and administration staff, so rely on MG Marketing for much support beyond the farm gate.

"We supply the local market in Christchurch and also New World, Pak 'N Save and Four Square in the South Island. For us, MG Marketing acts as a buffer between ourselves and these large retailers

whom they have a strong relationship with which is also comforting."

Even with urban creep and global warming, Ryan is excited about the future and the continuation of the Kiesanowski name in the industry.

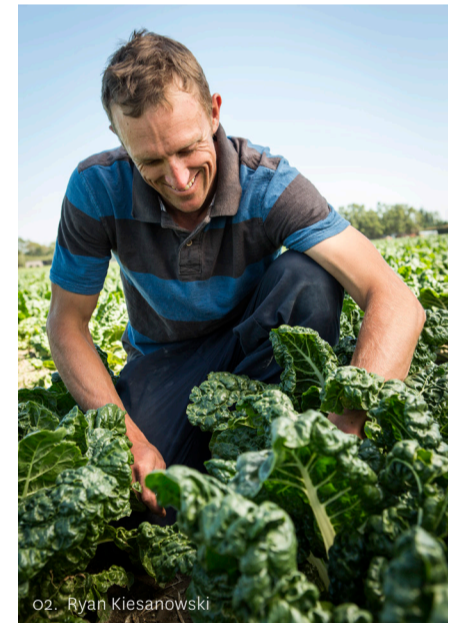
"Going right back, our family has always been risk takers. Coming out to New Zealand in the first place was probably a giant risk for Valentine.

"Just about everything you hear about vegetables today is positive. While there are always challenges, there is also strong demand. We have a 130-year history of cultivating this area and there is great pride in being able to continue the family tradition," he said.

"Granddad may have been a potato grower, but he was also a marketer, buying in potatoes from other growers and selling them to fish and chip shops, while Dad opened up a retail shop at our gate."



70 acres orchard



02. Ryan Kiesanowski



03. Jade dog (left) Ryan & Rebecca Kiesanowski, baby Hudson (right)

United Flower Growers (UFG) acquisition of the FloraMax business and assets.



As you may be aware Market Gardeners Limited (MG) auctioned and wholesaled flowers for many years. In 2010 MG's flower business was merged with United Flower Auction Limited (UFA) to form a new company, United Flower Growers Limited (UFG), with MG having a 50% shareholding which it still holds today.

On 31 March 2017 UFG entered into an agreement to purchase the FloraMax flower auction business and certain assets from Turners and Growers Fresh Limited, a subsidiary of T&G Global Limited, in what has been described as one of the most significant developments in the history of New Zealand's flower industry.

As of 1 April 2017 the Auckland and Christchurch operations of UFG and FloraMax will be fully integrated into single auction houses in each of these regions. Going forward the UFG network will consist of auction and wholesaling facilities in Auckland, Wellington and Christchurch with wholesaling facilities also in Dunedin and Invercargill.

UFG's purchase of the FloraMax business will provide the flower industry with a consistent auction platform throughout New Zealand, accessible to all growers and customers

through UFG's on line connectivity, regional auction houses and distribution hubs. UFG will continue to focus on investing in streamlining processes, product consistency, improved logistics and effective marketing of the New Zealand cut-flower industry encouraging demand for New Zealand-grown flowers.

This is an incredibly exciting time for the UFG business and the New Zealand cut-flower industry as UFG embarks on expanding an already sound business model and ensuring a sustainable future for all that are involved in the flower industry.



Grower Profile.

Davis Orchards Limited



A passion for producing the best quality produce while maintaining an environmentally sustainable business is pivotal to the success of Davis Orchards Limited. The Hawke's Bay-based operation is owned by Mike Davis, a second-generation grower who has over 18 years' experience running his own orchard.

Davis Orchards sits on 100 acres across six properties and specialises in apples, nectarines and peaches. The orchard's IP nectarine varieties have proven popular with marketers so Mike is currently focused on developing these further to get even better yield and flavour.

"We are always looking at ways to improve our products to ensure we are meeting market demand. Investing in developing our nectarine varieties is part of our long-term goal to boost our summer fruit production."

As well as producing top quality products, Mike ensures that his growing practices are as environmentally friendly and sustainable as possible.

Davis Orchards is part of the Hawke's Bay Clean Growers Marketing Group. The group aims to strengthen the position of independent family orchards in the Hawke's Bay and members of the group commit to producing exceptional quality products in an environmentally friendly way.

"It's about trying to do as much on the orchard as naturally as possible to get a uniform quality of fruit from growers. Being part of this group with like-minded growers allows us to have better control of the quality of fruit we supply to the market place."

"When we decided to join the group, times were tough for summerfruit growers in the region. We needed to improve the quality of our products and develop a better way of running the orchard. There is now much better planning in place so it's not a guessing game for growers and marketers know what's coming."

"We operate under Integrated Fruit Production (IFP) to maximise crop control without filling the atmosphere with undesirable chemicals. We live in such an amazing country so we want to protect it as best as we can."

Demonstrating his commitment to the industry, Mike believes in keeping an open mind to the various technological advances that get introduced.

"You've got to move with the times and keep up-to-date with the latest technology. Even if the next best thing isn't the right fit for your business, it's best to be aware of what's happening in the market."

Technology can also help protect the orchard from the elements. Davis Orchards has taken a beating from three severe hail storms over the past four years and while this comes with the territory, Mike is looking to invest in specialty hail netting to protect his crops in the future.

"Running an orchard can be challenging at times, especially when you're relying so heavily on the weather. But our drive to continually produce the highest quality product keeps us going and

investing in technology when we can to help our business is an important part of this."

Mike's association with MG Marketing dates back as long as he can remember.

"I remember Dad's involvement with MG Marketing back when he was orcharding so as a family, we've had a long association with them. I couldn't tell you exactly how many years though!"

"MG Marketing has been with us through it all and we're really grateful for the support - together we're a good team."

At the end of the day, the quality of his products is the most important thing for Mike.

"I still get a thrill from producing a great crop. The whole team here really care about what we do which is crucial to our success - you've got to live and breathe the job."



100 acres orchard



01. MG's Rob Hollier & Mike Davis

Grower Profile.

Fresh West Ltd



01. Vanessa & Gaven Naylor (left) with MG's Mark Middleton (right)



02. MG's Timea Sivertsen (left) discussing packaging with Vanessa

Being real foodies, Gaven and Vanessa Naylor knew they had stumbled onto something special when they first tasted Sweet Palermo capsicums. Looking like a giant chili, but without the heat, they are renowned for their intense flavour.

Such was their liking for this Dutch variety of capsicum that they are now New Zealand's biggest producer of King Sweeties (Sweet Palermo) capsicums through their company Fresh West Ltd.

Based in Glenbrook, near Auckland, the Naylors cultivate 10,000sq m of crops under cover on their one-hectare property.

"When we were looking for a new property to buy back in 2004, Vanessa and I wanted to be able to control our own destiny. We didn't want to follow the big growers and have them basically dictate our destiny, but were keener on being involved in a niche market which we could develop," admits Gaven.

"We have been growing Sweet Palermos for 10 years. It introduced a new era as you don't get new vegetables regularly coming on to the market," he said.

Due to the long ripening process, the flavour of Sweet Palermo develops more slowly than other peppers and is therefore more intense. Furthermore, this versatile vegetable has a longer shelf life thanks to its unique shape.

"We have been involved with MG Marketing from the very beginning. When you are developing new products, you need to have a strong marketing foundation and that is something we could not have done without MG's expertise. Our strength is in the production side, theirs is once the product has moved beyond the farm gate. We would not have had the success we have had without their support."

Gaven has been in the produce market his entire working life. Having completed a Diploma of Horticulture, he started growing tomatoes for a company in the Whitford – Howick area.

"That company started to grow melons for Japan and I spent four years travelling to Japan, learning how to grow melons then teaching New Zealand growers how to grow melons for export. I think I was only 19 when I made my first trip. The key to it all was to supply exactly what they

wanted, not what we wanted to send them."

After a couple of years enjoying their OE, Gaven and Vanessa returned to Glenbrook and grew melons and outdoor vegetables, but after a couple of years the melon market fell away. He also worked for a company Sunrise Coast helping them with their exports.

"Hypericum flowers were a new crop at the time so we brought another property, at peak times during harvest we employed up to 20 people. Japan was our key market. Hypericum did well until Zimbabwe and Ecuadorian growers started to eat into our market. This brought about our decision to sell that property and buy Fresh West," he said.

Originally covering 7000 sq m under cover, this has now been expanded by 40%.

"With such a large area, we are looking for all-year-round production with the peak being from October to March. We employ six full-time staff and have invested heavily in technology to control our heating, watering, CO2 levels and all other aspects of the production cycle."

Fresh West is a family business with Vanessa having a full part to play.

"Originally, she was a hairdresser, but when the boys were born it was easier to stay at home and

be involved in this business rather than carrying on hairdressing. With the boys now well grown (Ben 21 and James 17) she has become more and more involved in the day-to-day operations."

"We both enjoy looking at new products, markets and sectors. Right back from when I first went to Japan, I loved this sharp end. We are constantly in touch with the Dutch breeders and trialing new varieties. The first test is always the taste test. If it doesn't taste good then it goes nowhere. If it does, then it gets another season of trialing."

"Sweet Palermo is getting great reviews around the world, so it is pretty exciting times for us," he said.

"We have seen year on year growth with the King Sweetie program. Working with Gaven and Vanessa on promotional activity and consolidating their varieties has proved to be beneficial for both parties," says Mark, MG Auckland's sales representative.

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 70% of all produce currently supplied now being pre-receipted 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.

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.

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 31 December 2017.

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.

If you would like to know more about this or would like to discuss how the GDA programme could benefit your operation, please contact Ian Reisma from MG's procurement team. 021-749-644

Standpoint.



Peter Hendry
CEO

Excellent planning, sharing of information and good communication are the key ingredients to ensure that we all can profitably grow and develop our businesses from grower through to the retailer.

The success we have had this season with key categories such as Cherries, Summerfruit, Berryfruit and Green Vegetables reiterates the importance of excellent planning, accurate information and good communication throughout the entire supply chain.

The entire MG team, from procurement, sales, marketing and key accounts are collectively working together to ensure that all parties involved in the supply chain are engaged in providing and sharing of key information to

maximise value, sales, ensure continuity of supply, extend product seasonality and provide to the consumer the best possible eating experience.

The more accurate information, we know in advance, the more prepared and better placed we are to ensure successful outcomes for those involved in the supply chain.

When we reflect back in time, growers were very guarded when it came to the sharing of information for the fear that it may impact on the value of their products if they disclosed the size / volume of their crop.

As mentioned previously, MG has demonstrated in key product categories that by working closely together and sharing of key information on projected product availability, we are able to convert this valuable information into providing excellent customer service to our retail partners and maximise returns that will ensure a profitable and sustainable future for our valued growers.

Our industry, like many others, is under continued pressure to contain costs. All of you will be aware of the on-going escalation of compliance and labour costs just to name two. Operating in an industry where supply and demand influences price on a daily basis, the importance of sharing information provides us the opportunity to better plan and accommodate the various volumes in the market place and maximise value of the product benefiting all parties in the supply chain.

For long term success, we must continue to work closely together with a focus on sound business planning and sharing of information to enable all businesses to further develop and grow sustainably.

MG has the people with the knowledge and expertise to enhance positive outcomes.

Plan and communicate together and we will prosper together.

Board Profile.

Mike Russell



A strong interest in governance and the fact that there were no deciduous fruit growers on the MG Marketing board were two prime reasons that attracted Mike Russell into successfully standing for election last November.

A first-generation grower with 35-years' experience, he is in a full partnership with his wife Julie in their specialised plum growing business on their 55ha Heretaunga Plains property, south of Hastings, one of New Zealand's most fertile areas.

Before this he had grown flowers, fruit and vegetables.

"We started to specialise in plums 12 years ago. We are on great soils that are well drained with an abundance of water so have beautiful land for growing," says Mike.

"By focusing almost entirely on the New Zealand market, our operation does not become over complicated. We grow nine varieties of plums and only 15% of the crop is processed, the balance goes to MG Marketing,"

Mike and Julie also fatten lambs and are involved in annual process cropping.

Mike first became associated with MG Marketing nine years ago through the procurement manager for the area, Rob Hollier. "I like the nationwide reach of MG Marketing and the co-operative nature of the company,"

"Julie and I both love being shareholders and that drew me into looking at the board position. I have been involved in Rotary for many years, as well as farmer discussion groups and am a past trustee in the local rescue helicopter service. The opportunity to be more involved with MG at board level was very compelling,"

Alan Thompson



Alan Thompson maybe a newcomer to the MG Marketing board, but he is no stranger to the company.

Alan's family business, LD Family Investments Ltd, of which his wife Helen and three children are strongly involved, holds a 25% shareholding in Te Mata Exports Ltd and he is also a director and financial controller in the company.

MG Marketing has a 50% share in this successful export company, which has worldwide markets for apples, cherries, citrus and vegetables.

Alan graduated from Massey University with a Bachelor of AgriScience in Management and Valuation and started his working life at the Rural Bank.

"We moved to Kerikeri in the early 1980s and began growing crops for domestic and export markets. Initially our main business was squash, melons and other vegetables, and then we diversified into citrus and kiwifruit."

"During this time I served on the inaugural New Zealand Squash Council, and was Chairman of our Local Fruit Growers Society."

A highlight for Alan during this period was the identification and commercialisation of the Yen

Ben Lemon variety which is now a recognised premium lemon in domestic and international markets.

"The business grew to become one of the larger horticultural companies in Northland, with plantings of over 300ha. During this time we developed significant trade volumes with both domestic and international supermarkets in a variety of categories. In 2008 we sold the business,"

Today the Thompson family business, Kainui Pack and Cool, is involved in the growing and packing of citrus, kiwifruit, avocados and melons, with packhouses and cool stores in Kerikeri.

"I am first and foremost a grower, and I fully endorse the MG philosophy of 'Together. Stronger' aimed at enhancing grower returns and increasing shareholder value," he said.

Earlier this year Alan and Helen won the Northland Balance Farm Environment Awards, as well as the Agri-Business Management Award and the Harvest Award.

Obituary.



James (Jim) Clayton

On May 11, Jim peacefully passed away at home in his 100th year. A passionate grower and one of MG's longest serving growers, Jim grew both fruit and vegetables. Jim was a very innovative grower and was one of the best summerfruit growers of all time. Jim had also served as a company director on MG's board from 1959-61.

A full tribute and story will be featured in the next issue of SupplyLine.