

# SUPPLYLINE



NEWS FROM MG MARKETING

## GROWER PROFILE. KEEPING SUCCESS IN THE FAMILY

When Brian and Loretta Eades began life as a young married couple in the '60s, they took a punt on market gardening on a small leased plot near Ohakune.



Tyler and Brian Eades with Ian Reisima



Almost 50 years on, their 'garden,' as they lovingly refer to it, produces 150 tonnes of Brussels Sprouts and 400 tonnes of potatoes to market per annum, making them a large supplier of Brussels Sprouts and potatoes in the North Island. Recently, the reins were handed over to grandson, Tyler Eades – an enthusiastic, hard-working young man who shares his grandparents' passion for producing fresh, quality vegetables, and a drive for long-term sustainability for the business.

Situated 1 kilometre out of Ohakune, the Eades' gardening operation farms more than 35 hectares, across five properties – two of which are leased from neighbouring farms. As with all longstanding businesses, it has been subject to a fair amount of experimentation in its time, evaluating new ways of doing things to increase production, cost-efficiencies and value to the bottom-line – from varieties grown to the introduction of automation. Things haven't always delivered on their promise though, and for Brian and Loretta adaptability has been key.

"We were the first growers to bring in a mechanical stripper for the Brussels Sprouts", reflects Brian, "but it damaged the produce, so we went back to hand-picking. As highly labour intensive as that is, it's best for the overall quality of product that you can deliver to the consumer."

But for all the trials and tribulations, Brian

and Loretta wouldn't change a thing and now they can sit back and watch what happens next with all care and no responsibility.

"I still get lots of phone calls and because I'm doing a bit of labouring for Tyler I have an eye across the business and can therefore give the odd bit of advice when needed. But it's Tyler's company now and you have to let go and let new thinking guide the next chapter," says Brian.

Family has always been at the heart of the business and they were ecstatic when Tyler expressed his wish to carry the farm into the 21st century.

"You always hope that somewhere along the family lineage someone will show an interest in the fruits of your labour and will be willing to continue it on, but it was never an expectation," says Brian Eades. "So, when Tyler showed some interest Loretta and I were nothing short of delighted! It's very nice to have Tyler pick up the reins."

And for Tyler's part he appreciates the uniqueness of a strong family business that has been part of the local community for so long.

"When you're working with others in the community ... many who you've grown up with and who have been working with grandad and Uncle John since the day they started growing seriously... that's pretty special."

Not only do Brian and brother, John, remain a visible part of the day-to-day operation, so too does MG's Procurement Team and Marketing Reps across the North Island.

Although Tyler may well be the man-in-charge now with a vision to the future, he has no plans to throw the baby out with the bathwater.

"Things have been done pretty much the same way for the last 48-years and have worked just fine, so why change? My short-term focus is on maintaining quality and production levels, with a view to updating some of our machinery, but other than that, my view is if it's not broke then don't fix it."

Brian is quietly confident in terms of what lies ahead, although he does see the future of the industry resting with the larger growing operations.

"It's a very honest business to be in ... providing good food ... market gardening has done more for mankind than any other of my jobs. I encourage these young ones to take a step back and consider it as an exciting and enormously important contribution to the sustainability of humans as a race."

And, as Tyler enters his fourth growing season as the boss, that's exactly the confidence he is determined to carry forward. He has clear plans for expansion when the time is right. Much of this timing Tyler attributes to finding the right 2IC to bring into the business.

Until that person is found, Tyler plans to maintain production at current levels to ensure a consistently high standard of delivery to the market. And fair enough – with the phone ringing from around 6am most days and with at least a 10-hour day working in the business, there's not much time to take a step back and plan.

**"I'm very hands-on ... you have to be in this business to ensure that standards are kept at the level you expect. There are no shortcuts on my watch", laughs Tyler.**

"I wake up every morning and think, 'how lucky am I'. In charge of a successful business at 26, still with the support of those who did the hard yards in the first place, and another 50 years ahead of me to make Eades a 100-year company, producing the very best quality and best tasting produce for the world to enjoy - everyday."

Life doesn't get much better more rewarding than that.



150 Brussels Sprouts tonnes per annum

## COMPANY PROFILE. ELECTED DIRECTOR

Lynn joined the MG Marketing Board in 2012 as a shareholder-elected Director and is now in his third term – having been re-elected last year.

First and foremost, Lynn is a grower. He has astutely run the family owned business – Lynchris Farming at Brookside, Canterbury - for almost 50 years. From humble beginnings, today, he and his family are a major supplier of potatoes, onions, carrots and sweetcorn to the market. Lynn is also a past director of Fresh Vegetable Packers Ltd.

His credentials are more than fit to be representing the grower members of the Cooperative at the boardroom table, and his re-election last year is clear testimony to this. Being at the coalface of the industry, Lynn is acutely aware of the vulnerabilities faced by growers on a daily basis and of the difficulties associated with adapting to change, so as not to be left behind.

When quizzed about his priorities for the Cooperative going forward, he is resolute in his view that the business must

continue to build on initiatives that support growers in finding practical and achievable ways to address increasing compliance demands around quality assurance, and in realising realistic and sustained value for their produce.

“No other market is better suited to selling growers’ product than MG. Our team is exceptional in the relationships that they have forged with growers and customers, alike. Marry this with the work MG is doing with growers around planned growing programmes that deliver optimal value at the time of harvest, and the future is looking more and more encouraging for many”.

“As a passionate grower and director, I am proud of the things MG has achieved on behalf of our shareholders over recent years, but I’m incredibly excited about what will be achieved going forward”.



Lynn Crozier

## TEAM PROFILE. MARKETING EXPERTISE MAKES LIFE A WHOLE LOT EASIER

From paddock to plate is a phrase that rolls off the tongue so easily these days – so much so that it’s likely to have found its way into the urban dictionary! And by way of definition, well that would probably be something along the lines of ‘straight from harvesting to consumption in the minimum amount of time possible so the produce is fresher than fresh’, or words to that effect.

What you might miss, however, is an insight into the importance marketing plays in fulfilling this promise and in making sure that it’s your lettuce, your bunch of springs onions, your potato, and your berries that have navigated their way from your paddock to the Smith family’s dinner table.

As retailers and consumers demand more transparency over sourcing, the brand story becomes more and more important. It’s not just a case of a catchy name or an aesthetically pleasing logo that’s required. Making sure that that particular story and the articulation of that story works across all parts of the supply chain is critical to success.

Led by Marketing Executive, Beena Bhana, MG’s Auckland-based marketing team has helped many a grower navigate their way through a market that is constantly demanding differentiation, increased compliance and adaptation to consumer trends.

Timea Sivertsen (Design and Marketing Assistant) and Monika Patel (Marketing Assistant) complete this team of three incredibly talented and experienced women. Between them, they have degrees in marketing, commerce and graphic design and more than 40-years’ experience - much of which has been within the fresh produce industry.

Aside from their marketing support role within MG, the team is frequently involved in supporting growers to develop their grower brand story and in guiding the articulation of this across all touchpoints - such as logo design, packaging design, website and social media, as well as instore promotions.

“Having an intimate knowledge of the fresh produce sector from a business perspective, has been a great help to many of our growers as they develop their brands”, says Beena.

“However, in some instances developing a grower’s

brand may not necessarily be the best option, depending on where their business is at. Packing under a retailer’s house brand may be the best business decision for some growers to optimise opportunities to market. Naturally, these conversations are in collaboration with our procurement and marketing reps.

“If they do head in the direction of developing their own brand, then it’s all about keeping their heritage in mind and thinking about how that can translate into a meaningful relationship with the consumer. The vast majority of people do really care about what they’re buying.

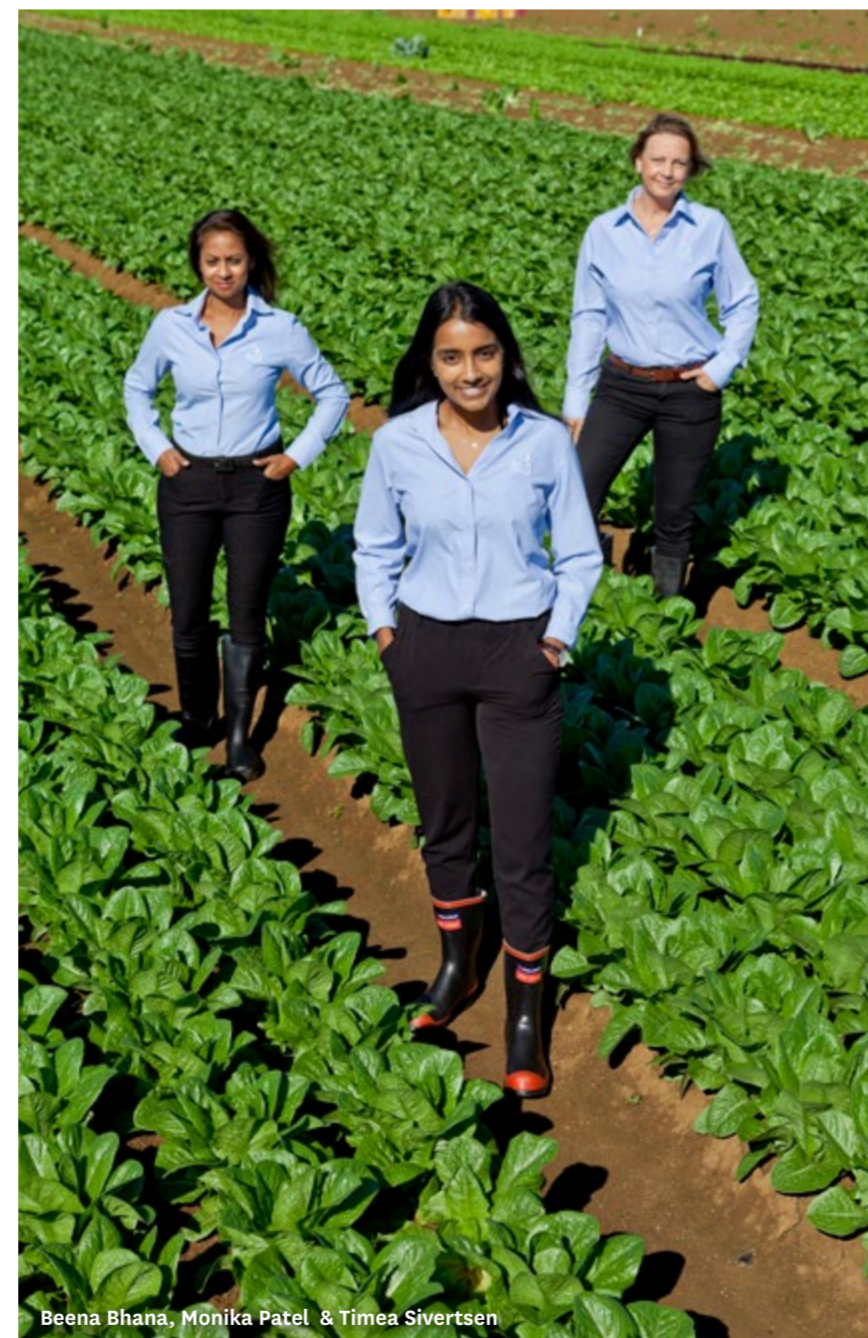
“It’s also things like understanding the practicalities of packaging and what works at retail and what doesn’t that can make the difference between a grower’s produce ending up in the shopper’s trolley or not.

“And then there’s having the inside knowledge of where the industry is heading around compliance that may impact how a grower presents their branded product. The current packaging debate is a classic example of this.”

This understanding of the market coupled with their technical expertise in design and print makes for an effective and cost-efficient marketing proposition for many growers.

“The devil is in the detail”, reflects Timea, “and it can be a very expensive exercise when you get it wrong ... like printing packaging which doesn’t comply with industry regulations.”

The team works collaboratively with MG’s procurement arm to help new and existing growers with everything from competitor analysis, their own brand-retailer brand decision, generating ideas around brand names, developing the visual aspects of the brand execution, securing trademarks through to project managing the rollout of brand to market and ongoing management.



Beena Bhana, Monika Patel & Timea Sivertsen

If you’d like to discuss your marketing or branding needs with the team, please just let your Procurement Manager know.

## INDUSTRY. NZGAP CERTIFICATION IS A MUST FOR ALL GROWERS

NZGAP (NZ Good Agricultural Practice) provides an efficient and cost-effective framework for ensuring growing practices are safe, sustainable and compliant with food safety regulations under the Food Act 2014.



Furthermore, NZGAP enables you to comply with New Zealand regulations that are not covered in market standards, such as regional council requirements on environmental issues and, in the case of new growing operations, certification may also be helpful in obtaining a consent to grow.

The NZGAP programme is owned by Horticulture New Zealand on behalf of New Zealand growers and is benchmarked to GLOBALG.A.P, affording it recognition by retailers worldwide. NZGAP certification covers a significant proportion of suppliers, contractors, pack houses, wholesalers and transport providers and plays a pivotal role in standard-setting for horticulture in New Zealand.

“Around 97% of growers supplying MG are already NZGAP certified”, says Rob, “and the goal is to have 100% of our growers certified by 1 July of this year.”

“NZGAP offers a number of programmes and certification options that cover off a range of issues and different market requirements domestically and globally so there’s something for every grower situation.”

The process is relatively straightforward, and involves:

- Registering your business for NZGAP with Horticulture NZ
- Obtaining the NZGAP Manual of best practice and checklists that align on-farm procedures
- Completion of food safety audit by NZGAP within one year of registering

For more information on becoming NZGAP accredited, visit: [www.newzealandgap.co.nz](http://www.newzealandgap.co.nz) or contact Rob Mulholland by emailing [rmulholland@mgmarketing.co.nz](mailto:rmulholland@mgmarketing.co.nz)



### FOOD SAFETY

We help prevent food safety issues including food illness, harmful contamination and agrichemical residues.



### ENVIRONMENT

We actively promote sustainable farming practices including the protection of soil, water and natural resources.



### SOCIAL PRACTICE

We are committed to protecting the welfare and safety of all workers.

## INDUSTRY. SOCIAL PRACTICE STANDARDS GIVE ADDED QUALITY ASSURANCE

Increasingly, good social practice is being recognised as an integral part of the long-term sustainability of our sector. NZGAP is working on the development of a social practice standards module which can be offered to growers as an ‘add on’ to NZGAP Food Safety certification. This standard will be aligned to global best practice; specifically GRASP or SEDEX SMETA standards.

The focus is on helping growers protect their most valuable asset – their people - through adopting a positive and responsible social management system within their businesses that ensures worker needs around health, safety and welfare can be assessed and then appropriately addressed.

Setting social practice standards for horticulture is not only an opportunity for New Zealand growers to offer confidence to buyers about their compliance with obligations they have as an employer under New Zealand law, it tells a positive people story for the New Zealand horticulture industry.

Ian Reisma, MG’s National Procurement Manager is a member of the industry working group working with NZGAP to develop this programme, and says that this is an industry

response to retailers, world-wide, demanding full visibility around sourcing.

“Traceability is no longer just about the product ... it’s about all of the elements that go into the production mix, and people are a huge component of that.”

Phase one of the programme is a self-assessment questionnaire for growers that covers employment law and current practice. Feedback from this questionnaire will be used to build an industry baseline for social practice compliance and to form the development of the programme overall. Growers can register their interest in this self-assessment questionnaire by visiting [www.NZGAP.co.nz](http://www.NZGAP.co.nz)

Phase two is a grower audit programme which is expected to be rolled out in April 2019.



## INDUSTRY. THROUGH THE LENS OF HORTICULTURE NZ

Mike Chapman is a name that is known to virtually everyone involved in the New Zealand horticultural industry - not only as the CEO of Horticulture New Zealand, but as one of the most active advocates for advancement of best practice within the sector.

Whether it's pushing for country of origin labelling, driving collaborative thinking around water storage solutions, promoting the value of migrant labour, or providing a platform for the formal recognition of successes in horticulture among iwi, his name is never absent from the conversation.



In a recent interview with Mike Chapman, it's clear that he has a single-minded purpose - to ensure the long-term viability of healthy horticultural food production for the nation, thereby securing the long-term viability of the sector - and especially that of our small/medium growers. It sounds simple enough but, as Chapman points out, achieving the vision is complex and thwart with challenges that require a unified approach to finding solutions.

"Increasingly, there's a move to encourage people to eat more plant-based meals for the betterment of their health. There's been a discernable shift in eating behaviours in very recent times and producers of food are needing to respond to this. But to profit off the back of this, as an industry, we must find better ways of working together, and better ways of working together as a nation."

Chapman makes the point that unlike the agricultural industry, horticulture hasn't been forced to look at synthetic production

to align with consumer trends. But if some of the basics aren't sorted - such as sustained access to water resources, plentiful access to skilled seasonal labour, and fair and equitable policy-making - then that could potentially become the frightening reality.

"We're already witnessing the impact of climate change on key growing areas, especially eastern parts of the country such as the Nelson/Tasman region which is experiencing severe drought, yet as a nation, we don't have a water policy in place to ensure that these growers have access to the water they need when they need it.

"Furthermore, there's this growing divide between rural and urban perspectives on water usage. Urban New Zealand seems to be largely unaware of its water consumption versus that of the horticultural sector.

"A favourite statistic of mine is this ... on 29 January 2019 it was a hot day all around New Zealand. On that one day, Auckland used 524 million litres of water. That 524 million litres is equivalent to the amount of water 10,500 hectares of horticultural land would have used for one day of irrigation. There are just 120,000 hectares of land growing fruit and vegetables in New Zealand and not all of that land is irrigated.

"Urban New Zealand needs to realise that the protection and usage of our water resource is a collective responsibility."

And with regard to the proposed water tax? Well, Chapman is fervently opposed and is driving a campaign to Government on behalf of the sector to have this conversation stopped in its tracks.

"I'm 100% opposed to this thinking ... next it'll be a tax on air ... a crazy notion. But so is a water tax. Both are plentiful in New Zealand and, with the right incentives - rather than penalties, taxes and ETS charges - good and sustainable environmental outcomes can be achieved.

"We should use the carrot, not the stick, to make our practices more sustainable.

Taxing growers for feeding New Zealand healthy food does not seem logical to me and the unintended consequence could just be that we end up having less healthy food being grown."

The urban rural divide is not only contained to the water and environmental arguments. The urban sprawl around our major cities - especially Auckland - also poses a threat to access to prime horticultural land. According to Chapman, this is yet another battle ground set to emerge.

Chapman is also hot on the heels of Government to find a solution to the seasonal labour shortage facing the sector - especially for harvest periods. With the low unemployment rates in New Zealand, local labour solutions simply aren't a complete option, explains Chapman. And while the RSE programme has been a saving grace for the industry in the past, this year growers are facing a major shortage because there's been a Government cap on the number of RSE workers allowed.

"While the next three to five years will see greater automation it won't resolve the labour issue, so we need to make sure Government understands this and that immigration policy development doesn't unintentionally derail the sector's access to an important and valued labour resource."

The recent biosecurity risks in Auckland with finds of Queensland fruit flies and *Bactrocera facialis* fruit flies have also heightened for Chapman the need for a national food security policy.

"We have a huge amount at risk if we don't get this right. If we're to feed New Zealanders healthy food, then it's not only land, people, water and sensible nutrient allocation regimes which are required, but a robust biosecurity system."

For now, Chapman remains staunch in his conviction to chalk up wins for our sector and there's no doubt that advocates like him who will play a critical role in what the future looks like.

## STANDPOINT. WHEN RELATIONSHIPS FORM COMMUNITIES

Two very commonly used words - relationships and communities. Politicians default to them when they have not much else to say, and marketing agencies use them to create a sense of belonging towards something we possibly weren't that interested in, in the first place.



It's not until you get a community response to a crisis, that you truly understand what each of these words really means, and the share power of each when they're applied to the real world.

It was while travelling recently with a large customer of MGs, I was reminded of the value and importance of relationships. We were discussing the challenges that our glasshouse operation and other MG cooperative members were facing in the Nelson region as a result of the drought conditions. The area had been particularly hard-hit and was heading toward a crisis situation that had the potential to cripple many of our growers.

Great progress had been made by our team on ground in Nelson in locating available water in a neighbouring region, however, how to transport the water into the region, cost-effectively, was another question. Our valued retail partner took it upon themselves to reach out to other suppliers within their network with whom they had strong relationships, to provide a solution.

Overcoming a challenge of such proportions also requires the full support of the community, including that of local business and local government proactively working together. When the governing bodies of the area - Tasman District Council and neighbouring Nelson District Council - involved themselves as part of the solution to the water crisis in this region further

options for those desperately requiring this vital resource were enabled.

Without the strength of these relationships, an eagerness to find a solution to the problem, and a willingness to work together for the greater good, the pending crisis may well not have been averted.

I want to take this opportunity to publicly acknowledge our gratitude as a cooperative to our business partners for their support. I also want to congratulate Tasman District Council and Nelson District Council for their commitment to the businesses that drive the region's economy; and their preparedness to work together with industry to ensure the resources that are required for long-term success are not only made available but are actively planned for.

Let me leave you with this thought - building great client relationships starts with realising that it's personal.

®Together.Stronger.

Peter Hendry  
CEO