

## Results of the 2017 Gold3 licence release process

Zespri announced the outcomes of the 2017 Gold3 licence release on 4 April, with the 400-hectare tender attracting strong participation from across the industry.

The release attracted 938 bids (representing around 550 bidders) at a median price excluding GST of \$235,000 per hectare. There were 235 successful bids (representing 156 bidders) and the median price was higher than the 2016 release with a similar distribution between cutover bids from either Hayward or Green14 and unrestricted bids.

The majority of successful bidders are located in the Bay of Plenty but licence was also allocated to growers in Auckland, Nelson, Northland, Poverty Bay and Waikato. This is based on information from bidders who disclosed a KPIN. The average size of successful bids was 1.7 hectares, and 202 hectares went to growers for cutover of producing Hayward or Green14. No legal entity was permitted to bid more than 20 hectares.

Licence packs will be sent out to all successful bidders by post from 28 April. Please notify Zespri if by mid-May you haven't received your licence pack.

Further 400-hectare tranches of licence are expected to be released in 2018, 2019 and 2020 depending on performance and subject to future Zespri Board approval. These prospective releases are based on projected Gold3 demand versus supply positions, and the amount of hectares released in each year is also subject to review at the completion of each selling season.

Dave Courtney, General Manager for Grower and External Relations, comments: "We recognise the Gold3 licence round, mechanism, and outcomes is the subject of intense interest and discussion in the industry. We will take time to review the release mechanism in the context of the outcomes of this most recent round. NZKGI will collate grower feedback and provide this to Zespri as part of the review process".

Further information on the licence release is available on The Canopy.

### Financial Implications

Licence revenue from the allocation of 400-hectare will be approximately \$98m exclusive of GST. There is no deferral mechanism, with the full licence amounts due in late July 2017.

Taking into account this licence revenue, the Zespri Board approved the forecast range of corporate profit after tax for the 2017/18 financial year of \$98 million to \$103 million. This is a strong increase by comparison with our February 2017 forecast corporate profit range after tax for the 2016/17 financial year of \$71 million to \$74 million.

Item	
Median Price (\$ GST excl)	\$235,000
Median Price (\$ GST incl)	\$270,250
Minimum Accepted Price (\$ GST excl)	\$221,000
Minimum Accepted Price (\$ GST incl)	\$254,150
Total Area allocated (Ha) RCTB	202ha
Total Area allocated (Ha) UCTB	198ha
Total number of bids	938
Total number of successful bids	235
Average size of successful bids (Ha)	1.7ha
Total Hectares bid for (Ha)	1,277ha

## 11-day peak season delivery to North Asia

This season Zespri has worked closely with key shipping partner Hamburg Sud to bring its South American ASPA service into Tauranga as a peak-season kiwifruit service for North Asia. The 7,500 twenty-foot equivalent unit Santa class ships on this service have 1,600 reefer plugs, a huge capacity which makes them perfectly suited to the New Zealand reefer trade. Once loaded in Tauranga, the ships will steam directly to Keelung port in Taiwan which will see fruit arriving in market in just 11 days, which is best in class.

Shipping Manager Mike Knowles says this means Taiwan's sales season, Zespri's fourth-largest country market, will have its earliest-

ever start securing all-important shelf space nearly a week ahead of previous years.

"It's testament to the great partnership we have built over many years with our shipping partner Hamburg Sud, that they have introduced the Tauranga call on their ASPA service - which connects Latin America to North Asia - for our New Zealand peak export season. The service is fast and direct, calling at the key kiwifruit discharge ports of Keelung and Shanghai as well as offering fast transshipment options to Busan and Xingang," says Mike.

General Manager Hamburg Sud, Simon Edwards, says the company is thrilled to be able to deliver a peak season programme to the New Zealand export market.

"This helps to address some of the structural capacity challenges faced in these high demand weeks. We look forward to working with Zespri and the market, to ensure these opportunities are realised," says Simon.



Earliest-ever start to Taiwan kiwifruit season, thanks to Hamburg Sud peak season delivery programme.

## Trade conference marks the start of Japan season

The Japan Trade Conference successfully brought together around 240 of Zespri's customers and distributors from all over Japan in early April to officially launch the 2017 season.

CEO Lain Jager launched the conference and welcomed the guests, celebrating last season's record sales of 24 million trays and recapping the strategy for the season ahead.

"Japan has been our largest market by volume and value for many years and the long-standing partnerships we have built in Japan over these years are the drivers of this success. We worked with our partners to increase sales by more than 15 percent last season, which is a fantastic result," says Lain.

This season's marketing campaign builds on the Kiwi Brothers, two cartoon characters introduced

last season to build awareness of the Zespri brand and the great taste and health benefits of our fruit in a light-hearted, humorous way. They have replaced the celebrity endorsements used in Japan for many years. Trade partners were updated on the 2017 marketing strategy, along with the season outlook and larger size profile.

The New Zealand's new Ambassador to Japan, Stephen Payton, joined the reception to celebrate the season start as well as the 20th anniversary of the Zespri brand and guests also got to enjoy a movie from Japan Rugby Association, showcasing the upcoming Rugby World Cup 2019. Zespri Kiwi Brothers - Green and Gold - warmed up the party and are rapidly becoming Japan celebrities.

SunGold hit the shelves in Japan earlier in the month supported by newly-developed point of sale materials promoting its great taste and sweetness. The marketing campaign goes into full swing from 8 May.



Newly-developed point of sale materials for Japan retail stores.



# From the markets

## Zespri SunGold speeds to market in China

With the arrival of the first vessel charter to China earlier this month, the Zespri China team delivered over 3,500 pallets of SunGold within two days across the whole of China. Zespri market development managers worked with distributors to distribute fruit to every region, every channel and every single store within the shortest time possible. Pre-sales to customers such as retailers, wholesalers e-commerce and fruit shops has resulted in sales of around half a million trays in two days.



Zespri on show at a Chinese wholesale market.



www.zespricanopy.com

## Top 5 PAGES

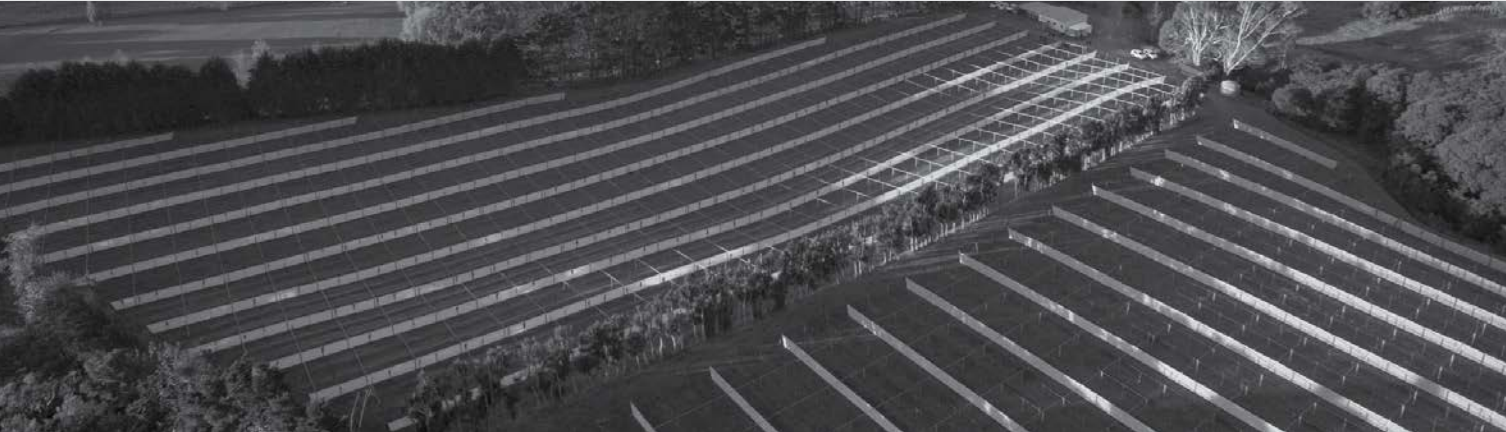


1. Quality Manual
2. 2017 Gold3 Licence Release
3. Up-2-Date
4. Maturity & Harvesting
5. Pest ID Manual

# Major Māori kiwifruit investment launched

One of the largest greenfield developments and the single largest kiwifruit investment ever made on Māori land was announced on 20 April. The \$30 million investment, supported by Te Tumu Paeroa in partnership with Quayside Holdings, will build 10 kiwifruit orchards on Māori land in the Bay of Plenty and Gisborne over the next 18 months. The initiative was launched in Omaio, attended by Māori Development Minister Te Ururoa Flavell and by Māori Trustee and Chief Executive Officer of Te Tumu Paeroa, Jamie Tuuta. The unique model developed by Te Tumu Paeroa allows full ownership of the orchards to transfer to land owners in an estimated 12 to 17 years,

after achieving a targeted rate of return on capital invested. In the interim, the land will be leased and Te Tumu Paeroa will build and operate the high-performing businesses, carrying the financial risk. Over 90 hectares of semi- and unproductive land will be converted into successful grower businesses for the long-term benefit of owners and their community. Te Tumu Paeroa has successfully piloted the approach, building two new orchards in the Bay of Plenty over the past three years. Over nine hectares of kiwifruit vines were planted in 2016 and the first fruit will be harvested from the orchards next year. The properties are managed by kiwifruit management companies Southern Cross Horticulture and OPAC.



Ten new orchards will be established on Māori land in Bay of Plenty.

# Northland Ballance Farm Environment Awards

Bay of Islands orchardists Alan and Helen Thompson have won the Northland Ballance Farm Environment Awards. Along with lemons, melons and grapes, the Thompsons grow kiwifruit on 70 hectares at Kerikeri. Their win was announced last month at a gala dinner at the Waitaha Events Centre at the Copthorne Resort Bay of Islands, Waitangi. They also won the CB Norwood Distributors Ltd Agri-Business Management Award and the Hill Laboratories Harvest Award and will host a field day in early May. The Thompson family-run business is one of the biggest employers in the Kerikeri district employing a permanent workforce of between 25 and 30 and up to 100 seasonal staff members, many of them in the leased Kerikeri packhouse. The judges said Alan and Helen were a team with complementary skills and their vision, passion and drive had provided employment for many people. A generous community spirit was evident by hosting various events and continuing to improve access and attractions for up to 5,000 people at one time. The concert areas and the surrounding vineyard, with adjacent three-hectare rejuvenated wetland, board walk, bush tracks and waterfall showed Alan and Helen's love for the land and drive for continual improvement with sustainability, the judges said. Kiwifruit is the foundation of the orchard side of the business, consisting of 14 hectares of SunGold kiwifruit converted from PsA-affected Hort16A, and 6.5 hectares of Hayward. Total production across green and gold in 2016 was over 200,000 tray equivalents, although yields were down because of conversion. The Thompsons have integrated growing, packing and exporting activities to add business stability and have been active in kiwifruit risk management with PsA disease responses that include conversion to the new gold variety, industry variety trials and shelter construction. The Thompsons will host a field day on Wednesday 3 May at the Kainui Road Vineyard, 15 Conifer Lane, Kerikeri.



Alan Thompson - winner of Northland Ballance Farm Environment Award.

## Zespri Spain launches Instagram profile

Zespri Kiwifruit Spain has come to Instagram, the photo-sharing social network, under the name @zespri\_es. The attitude towards daily life and the pleasure of enjoying Zespri Kiwifruit will be the inspiration for discussing healthy lifestyle recommendations, delicious recipes using both Zespri Green and Zespri SunGold Kiwifruit, moments of pleasure and tips for enjoying each minute to the full. All this is provided through a fresh, carefully designed image that perfectly conveys Zespri Kiwifruit's positive attitude and values. In doing this, Zespri Spain opens a new direct line of communication to younger consumers, at the cutting edge of the latest trends, and people who live a healthy lifestyle. Instagram also provides numerous possibilities for the brand to create synergies with the influencers at the forefront of health trends in such fields as nutrition, sport, maternity, well-being and mindfulness. Zespri Spain's investment in the fastest-growing social network over the last year comes on top of the brand's presence on other social media such as Facebook, where it has 109,342 fans, Twitter, with 6,973 professional followers and YouTube, where its videos have had 1,915,694 views.



Animations used to launch Zespri Spain's Instagram profile.



Briefs

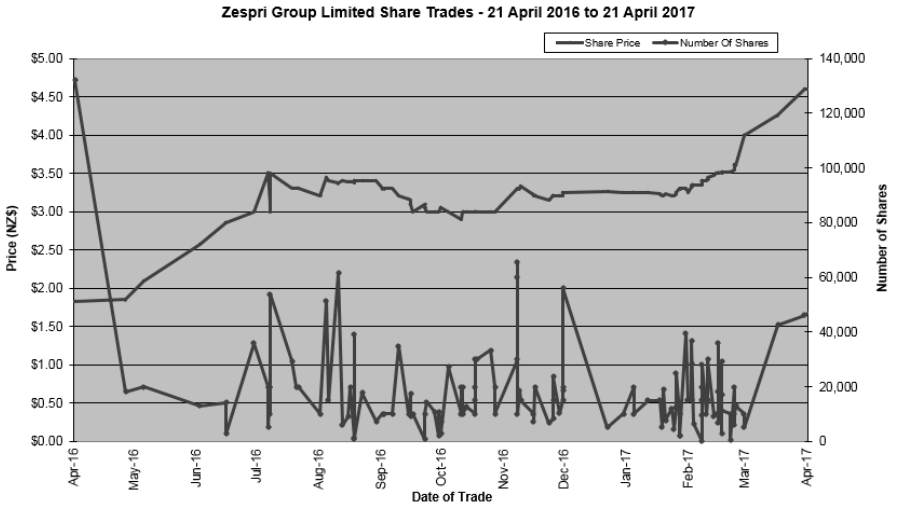
Share Briefs

As at **21 April 2017** the last Zespri share price trade was **\$4.60** traded on **20th April 2017**. There were nine buyers at **\$4.60, \$4.55, \$4.40, \$4.35, \$4.20, \$4.15, \$4.05, \$3.56, and \$3.07**. There were **3 sellers** at **\$5.00, \$5.10 and \$5.25**.

To trade Zespri shares please contact one of the registered Unlisted brokers – See canopy.zespri.com/EN/grow/zespri/Shares for more information.

For all other general shareholder enquiries, please contact the Zespri Grower Contact Centre on 0800 155 355.

The graph below shows the price per share that has been traded with Unlisted and the corresponding number of shares for each trade.



Want to see current buyers and sellers?

To get a list of the price for current buyers and sellers and the associated shares go to [www.unlisted.co.nz](http://www.unlisted.co.nz). The Zespri Group Limited listing code is ‘ZGL’.

The Unlisted website shows:

- Latest Prices
- Market Depth - to see the parcels of shares for sale and the parcels and price that buyers are seeking
- Last 10 trades
- Market Announcements

Below is the current Market Depth information as at **21 April 2017**

Quote Line at Wednesday 22.03.2017 at 8:38am								
Code	Bid (\$)	Offer (\$)	Last (\$)	At	High (\$)	Low (\$)	Volume	Value (\$)
ZGL	4.600	5.00	4.60	20/04/17 9:10	4.60	4.60	10000	46,000.00

Market Depth					
BIDS			OFFERS		
Orders	Quantity	Price (\$)	Price (\$)	Quantity	Orders
1	20,000	3.950	5.000	11,280	1
1	10,000	3.900	5.100	14,500	1
1	15,000	3.800	5.250	7,500	1
1	5,000	3.750			
1	10,000	3.700			
1	15,000	3.650			
1	15,000	3.560			
1	20,010	3.550			
1	25,000	3.540			

Last 10 Trades				
	Date/Time	Quantity	Price (\$)	Value (\$)
	20/04/17 9:10	10,000	4.60	46,000.00
	19/04/17 10:56	20,000	4.60	92,000.00
	7/04/17 12:05	10,000	4.26	42,600.00
	21/03/17 15:35	5,000	4.00	20,000.00
	21/03/17 15:07	10,000	4.00	40,000.00
	17/03/17 10:53	12,915	3.60	46,494.00
-	16/03/17 16:31	10,000	3.62	36,200.00
-	16/03/17 16:31	6,000	3.60	21,600.00
-	16/03/17 9:07	20,000	3.55	71,000.00
-	14/03/17 13:22	400	3.52	1,408.00

Director share trading

For the month of April (**21 April 2017**), there were **45,000** shares traded by entities associated with Zespri Directors. See the Canopy for details: Canopy > Growing Zespri Kiwifruit > Working with Zespri > Shares. Alternatively search for ‘Director Shares’ using the search function.

Annual Meeting

The Zespri Annual Meeting will be held at 1pm on 24 August 2017 at ASB Arena at Baypark, 81 Truman Lane, Mount Maunganui.

Nominations for Zespri directors and shareholder members of the Director Remuneration Committee will open on 1 June and remain open until 30 June. Nomination forms will be available from the Zespri Grower Contact Centre on 0800 155 355, by emailing [contactcanopy@zespri.com](mailto:contactcanopy@zespri.com) or on the Canopy.

This year, two directors retire as required by the Zespri Constitution. The directors who will retire in 2017 are Nathan Flowerday and Peter Springfield. Nathan and Peter are both standing for re-election.

In addition to the election of directors, shareholders will be asked to elect a shareholder member to the Director Remuneration Committee. Michelle Dyer, John Griffin and John Cook are currently shareholder members of this committee. John Griffin will retire by rotation at the 2017 Annual Meeting and intends to stand for re-election.

In advance of the Annual Meeting, shareholders should consider whether their shares and production are owned by the same legal entity, to ensure that they are able to vote at the Annual Meeting. In addition, if the shares are owned by a corporate entity i.e. if the shareholder name ends in Inc., Ltd, Limited, Incorporated etc., the shareholder must either vote in advance by proxy, or appoint a representative to attend the meeting and vote on their behalf.

Proxy forms and further information relating to the appointment of representatives will be sent to shareholders in July.

Collaborative marketing update

The Single Point of Entry (SPE) was created by the Kiwifruit Industry Restructuring Act 1999 and the Kiwifruit Export Regulations 1999. Under the SPE, only Zespri and approved collaborative marketers can export kiwifruit to all countries around the world except Australia.

Under these regulations, Kiwifruit New Zealand (KNZ) has authority to issue export approvals to exporters to operate sales programmes in collaboration with Zespri. KNZ administers the annual application and approval process and independently approves or declines applications.

KNZ’s criteria for approving applications is largely based on successful applications meeting the test for wealth creation for New Zealand suppliers (growers). For the 2017 export season KNZ approved 13 individual companies operating 21 separate sales programmes, which vary in volume and brand and often operate alongside Zespri-run sales programmes in the same market.

Since 2016 Zespri has been active in establishing collaborative marketing partnerships with other New Zealand export companies for market development with Zespri branded Green and gold kiwifruit. These partnerships cover Zespri branded kiwifruit sales in Thailand, Myanmar and Cambodia, Philippines, parts of Indonesia, Far East Russia and Pacific Islands.

Following approval by KNZ, Zespri is required to contract with each of these companies covering the various aspects of the programme arrangements. Where a third-party gold sales programme is approved, there is no financial component in the contract as the revenue from these programme are not part of Zespri grower pool funds.

Collaborative Marketing Manager Warren Young provides liaison between collaborative marketers and Zespri markets.

Zespri backs Good Neighbour to support essential services for the community

Zespri is delighted to support the Good Neighbourhood Trust as a Gold Sponsor, helping its work in delivering food rescue and firewood for people in need and creating community gardens in Tauranga and the wider area.

As a supporter, Zespri will contribute \$10,000 a year for three years to Good Neighbour, adding to its annual funding for community projects, and this partnership was formalised at a low-key event in Good Neighbour’s Tauranga headquarters this month.

General Manager for Grower and External Relations Dave Courtney says Zespri is proud to support Good Neighbour in their valuable work.

“Good Neighbour is a wonderful local organisation, involving many volunteers who dedicate their time to help people and transform communities.

Zespri’s success as a business is intertwined with the strength of our local communities, which makes this partnership an excellent fit.”

The Good Neighbourhood Trust opened in 2013 and today supports around 45 local charities and community centres, such as Tauranga Foodbank, Women’s Refuge and Maketu Health and Social Services.

Trust Manager and co-founder of Good Neighbour Campbell Hill says Zespri’s support is hugely appreciated. “This sponsorship will help us bring together people in our own communities to make our local neighbourhoods a better place to be, support those who are struggling, share resources and build relationships,” says Campbell.



(L to R) John Paine and Campbell Hill from Good Neighbour with Zespri's Dave Courtney at launch event.



(L to R) Good Neighbour's Campbell Hill, Zespri GM Grower & External Relations Dave Courtney, with John Paine and Andrea Green from Good Neighbour.

**The main agenda items discussed were as follows:**

- The next meeting will be held 18 May.**



(Including Loyalty Premium)

The following charts show when Fruit and Service Payments including Loyalty are made throughout the season to two decimal points.

Actual payments made YTD as at 15 April 2017 are above the dotted line with the average amount paid.


Payments yet to be made are indicated below the dotted line.


- Advance is paid in the early months when fruit is submitted into inventory.
- Pack and Time, KiwiStart and Taste Zespri is paid on FOBs, i.e. when fruit is shipped. Some of the supplier accountability payments are subject to SLA terms.
- Progress will be paid in the remaining months at levels subject to Zespri Management approval.


- Average payments per TE are based on the 2016/17 actual trays and actual payments to date.
- YTD amounts for Pack and Time may move from previous *Kiwiflifiers* due to SLAs being paid late in a month.
- Due to corrections paid in March, Total Fruit and Service Payments for Hort16A have changed because of pooled fruit value.

**Note 1:** The advance and progress payments detailed in the tables are based on net submit trays.


**Note 2:** Rates per TE of \$0.00 have values of less than \$0.005.

Zespri Green14									
	ISO Month	Submit	Pack and Time	KiwiStart Accountability Intercheck	Taste Zespri	Progress	Loyalty Premium	Total payment / FOB'S TE	% of Pool paid YTD
	Apr-16	\$2.80	\$0.11					\$2.91	31%
	May-16		\$0.21					\$0.21	33%
	Jun-16		\$0.11					\$0.11	34%
	Jul-16		\$0.02		\$0.66	\$0.18		\$0.86	43%
	Aug-16		\$0.01	-\$0.05	\$0.67	\$0.37		\$1.00	54%
	Sep-16		\$0.00		\$0.13	\$1.34		\$1.47	70%
	Oct-16			\$0.37		\$0.38		\$0.75	78%
	Nov-16				\$0.36	\$0.47		\$0.83	87%
	Dec-16					\$0.30		\$0.30	90%
	Jan-17						\$0.10	\$0.10	91%
	Feb-17		\$0.00			\$0.40		\$0.40	95%
	Mar-17		\$0.00	-\$0.06	\$0.03	\$0.17		\$0.14	97%
	Apr-17					\$0.08		\$0.08	97%
	May-17					\$0.09		\$0.09	98%
	Jun-17						\$0.15	\$0.15	100%
	Paid YTD	\$2.80	\$0.46	\$0.26	\$1.85	\$3.69	\$0.10	\$9.16	
Balance to pay		\$0.00	\$0.00	\$0.00	\$0.00	\$0.09	\$0.15	\$0.24	
Total fruit and service payments –2016/17 Actual								\$9.40	


Zespri Hort16A and Organic Hort16A										
	ISO Month	Submit	Pack and Time	KiwiStart Accountability Intercheck	Taste Zespri	Progress	Gold OB Premium	Loyalty Premium	Total payment / FOBs TE	% of Pool Paid YTD
	Apr-16	\$2.80	\$0.13						\$2.93	26%
	May-16		\$0.13						\$0.13	27%
	Jun-16		\$0.26						\$0.26	29%
	Jul-16		\$0.02		\$0.98	\$0.28			\$1.28	41%
	Aug-16		\$0.02	\$0.40	\$1.04	\$0.12			\$1.59	55%
	Sep-16		\$0.19		\$0.79	\$0.85			\$1.84	71%
	Oct-16		\$0.02	\$0.71		\$0.23			\$0.96	80%
	Nov-16				\$0.70	\$0.25			\$0.96	88%
	Dec-16		\$0.00			\$0.09			\$0.09	89%
	Jan-17							\$0.10	\$0.10	90%
	Feb-17		\$0.00			\$0.56			\$0.56	95%
	Mar-17		-\$0.02	-\$0.09	-\$0.10	\$0.30			\$0.09	97%
	Apr-17					\$0.09			\$0.09	98%
	May-17					\$0.07			\$0.07	99%
	Jun-17							\$0.15	\$0.15	100%
	Paid YTD	\$2.80	\$0.75	\$1.02	\$3.41	\$2.78	\$0.00	\$0.10	\$10.86	
	Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.07	\$0.00	\$0.15	\$0.22	
Total fruit and service payments – 2016/17 Actual									\$11.08	

Zespri Gold3 and Organic Gold3										
	ISO Month	Submit	Pack and Time	KiwStart Accountability Intercheck	Taste Zespri	Progress	Gold OB Premium	Loyalty Premium	Total payment / FOB\$ TE	% of Pool Paid YTD
	Apr-16	\$2.80	\$0.10						\$2.90	23%
	May-16		\$0.14						\$0.14	24%
	Jun-16		\$0.22						\$0.22	26%
	Jul-16		\$0.06		\$0.90	\$0.37			\$1.33	37%
	Aug-16		\$0.25	\$0.23	\$1.26	\$0.54	\$0.02		\$2.30	55%
	Sep-16		\$0.33	\$0.01	\$1.22	\$0.55			\$2.11	72%
	Oct-16		\$0.21	\$0.30	\$0.15	\$0.53			\$1.19	81%
	Nov-16		\$0.09	\$0.01	\$0.94	\$0.08	\$0.01		\$1.13	90%
	Dec-16		\$0.01	\$0.00	\$0.01	\$0.07			\$0.08	91%
	Jan-17			\$0.02				\$0.10	\$0.12	92%
	Feb-17		\$0.00		\$0.00	\$0.36			\$0.35	95%
	Mar-17		\$0.00	-\$0.01	-\$0.03	\$0.37	\$0.00		\$0.34	97%
	Apr-17					\$0.10			\$0.10	98%
	May-17					\$0.10			\$0.10	99%
	Jun-17							\$0.15	\$0.15	100%
	Paid YTD	\$2.80	\$1.42	\$0.56	\$4.44	\$2.96	\$0.03	\$0.10	\$12.31	
	Balance to pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.10	\$0.00	\$0.15	\$0.25	
	Total fruit and service payments – 2016/17 Actual								\$12.56	





OPC tech tips



Orchard management

- Record areas of unhealthy vines and ensure fruit samples are not taken from these vines. Look to address the underlying issue (e.g. drainage, armillaria etc) and unload these vines early next year to help them recover. For more information refer to Kiwitech Bulletin N41 on the Canopy > Zespri & The Kiwifruit Industry > Publications > Kiwitech Bulletins > Bulletins > N41 Armillaria.
- Lift low-hanging fruit in the centre of rows as it can be damaged during spraying. Hayward in particular can suffer from late-season damage resulting in rejects or compromising storage.
- What's the value of a pre-harvest thin? Check the calculator on the Canopy > Zespri & The Kiwifruit Industry > Tools & Calculators > Calculators. As a quick rule of thumb, you need remove six fruit a minute for it to be financially worthwhile.
- Work with picking gangs and provide immediate feedback on picking performance. Focus on encouraging and recognising good practice and don't tolerate bad practice.
- Follow all KVH harvest hygiene recommendations. Minimise leaf material getting into bins and ensure fruit bins entering your orchard are clean of organic matter.
- Make sure you don't stack bins with muddy bases on top of bins full of fruit.
- Growers targeting long storage of Hayward should regularly monitor brix and firmness to ensure any rapid changes in fruit maturity are known. Picking at optimum maturity is a key factor in providing long-storing fruit.
- Begin planning for next season.
  - Pre-harvest is a good time to assess what wood types have worked best in your orchard.
  - Assess pack-out results and identify constraints to production. Develop plans to address them next season.
  - Think about winter pruning strategies. Males might need work to remove late season growth and reduce crowding to improve spray penetration.
  - How have the structures coped?
  - Now is the time to identify low-hanging areas and other maintenance issues that are most easily addressed over winter.

Crop protection

- Get your spray diary up-to-date and run a test audit to check for any issues and or errors. Do not leave it until the last moment to make the final submit.
- Add clean-up sprays to spray diary as a proposed spray only – not an actual spray. This will ensure the product usage is recorded, but does not apply a withholding period, allowing harvest anytime.
- Maintain Psa-control sprays – copper products can be applied up to one week before harvest. Apply a protectant spray immediately after a hail event.
- Aim to apply copper and Actigard immediately after harvest. A post-harvest Actigard, which can be applied in combination with copper, has been shown to minimise spring Psa symptoms.
- Ensuring good spray coverage of fruit stalks and later leaf scars is key to preventing Psa infection in the autumn.
- When applying fruit cleaning sprays, ensure the sprayer is setup correctly to get good coverage of fruit and consider a double pass traveling in both directions. These sprays have not shown any efficacy against Psa in product testing trials.
- Be particularly cautious when using your sprayer to spray both pre and post-harvest sprays. Traces of non-approved products in the tank or from spray drift could result in unacceptable fruit residues. Report any concerns to Zespri.
- In-season cleaning sprays have not been shown effective for removing sooty mould. Rubbing with a wet glove in a pre-harvest round has shown to be effective on gold varieties. Refer KiwiTech Bulletin N61 Cicada Bulletin on the Canopy > Zespri & The Kiwifruit Industry > Publications > Kiwitech Bulletins > Bulletins > N61 Cicada.
- Best results with leaf drop sprays are achieved when spraying is delayed until natural leaf fall has begun.
- Plan post-harvest cicada and passion vine hopper spraying now to ensure you have supplies of Talstar and Engulf for post-leaf fall application. Refer to KiwiTech Bulletin N61 Cicada Bulletin on the Canopy > Zespri & The Kiwifruit Industry > Publications > Kiwitech Bulletins > Bulletins > N61 Cicada.

Change to Zespri allowed compound list

Zespri has removed all Biosea products from its Allowed Other Compound (AOC) list until further notice, and recommends that no further use of these products is made prior to harvest 2017.

This precautionary measure has been taken after tests confirmed the addition of an undisclosed agrichemical in the products. While only one grower has been affected in this isolated incident, all Biosea products are withdrawn from the programme until further notice.

- Biosea products removed from the AOC list include:**
- Biosea Omega + Horticultural Oil
  - Biosea Bud Break
  - Biosea Omega + O2 Plant Tonic
  - Biosea Organic N+
  - Biosea Understory

Protecting orchards from Psa through autumn



Autumn is a high-risk period for Psa as cooler, wetter weather conditions favour multiplication and spread of disease.

Growers should step up protection in line with these seasonal changes and individual orchard risk. For those harvesting later in the season applying a copper spray, when weather and ground conditions allow, will begin to rebuild protective cover across vines. Growers are reminded that leaf spots can provide a source of inoculum so should be considered when making decisions on spray applications.

Immediately following harvest, growers should get copper spray programmes underway to help prevent Psa entering their vines through harvest wounds and leaf scars.

Incorporating Actigard into a post-harvest programme will reduce the likelihood of disease symptoms appearing the following spring. Actigard can be tank mixed with copper and is most effective when applied to leaves that are still in good condition. Extreme care must be taken to avoid spray drift onto unharvested blocks. After spraying Actigard ensure that spray tanks, lines and nozzles are cleaned thoroughly before spraying other products on unharvested fruit.

Any growers concerned they may not be achieving the expected levels of Psa control from copper applications at label rates should contact KVH on 0800 665 825 or email [info@kvh.org.nz](mailto:info@kvh.org.nz). More information is available on the KVH website at [kvh.org.nz/best-practice](http://kvh.org.nz/best-practice).



Actigard can be tank mixed with copper, as a Psa protectant.

New estimator tool

You are planning to harvest your Gold3 but your 39s and 42s haven't cleared yet. So are you financially better off to harvest anyway and go for KiwiStart or wait for sizes to improve?

This was the question many growers struggled with last year and to try and work through what options make the best financial sense for individual growers, the OPC team has developed the OGR Estimator. This is used to calculate an **estimated** OGR (emphasis on the estimated!) for up to three different harvest dates, using your Eurofins sample result. Used alongside your knowledge of your orchard, plus post-harvest advice (and not a replacement for common sense), the estimator can give an indication of the financial difference between harvesting at different dates.

The estimator is available on the Canopy website or by going to [nzbackpocketgrower.co.nz/ogr](http://nzbackpocketgrower.co.nz/ogr).

- Read the limitations and disclaimer.
  - Select the variety you want, enter a series of information from your Eurofins sample report, select three different harvest dates and click on the calculate button. This will present you with a table showing different financials for the different harvest dates.
  - Click on 'view full result set' to understand more about the calculations. Or email the results to yourself for future reference.
- Please note that the estimator uses industry averages and doesn't take into account regional or orchard specific information. Please carefully read through its limitations and use along with your knowledge and your post-harvest facility's knowledge of your orchard.

Fieldays 2017

Visit Zespri at the Central Precinct for 2017 Mystery Creek Fieldays 14 - 17 June

Come and sample the pre-commercial new green variety and mingle with Zespri staff and other growers industry marquee located at site E66/F65 (the same location as 2016), marked as the white line on the map to the right. This year's Mystery Creek Fieldays theme is 'Leading Change' with a focus on driving prosperity in New Zealand's primary sector.

New this year will be a Zespri site inside the Mystery Creek

Fieldays pavilion (P19-22). We will sample Zespri Green and Zespri SunGold fruit - sharing the 20-year birthday of this New Zealand brand and product with the New Zealand public. Further information along with ticket access to the industry-only site will be available in the May *Kiwiflier*.

For more information and to use the interactive site map, visit the Fieldays website [www.fieldays.co.nz](http://www.fieldays.co.nz).



KVH single entity formalised



Kiwifruit Vine Health Incorporated and the KVH Foundation Incorporated will now operate as one entity under the Government Industry Agreement (GIA).

The Minister for Primary Industries approved the application late March, which confirms and completes the

legal requirements of moving to a single legal entity - Kiwifruit Vine Health Incorporated - to represent the kiwifruit and kiwiberry sectors from 1 April.

Further information will be presented at the KVH AGM in July to liquidate the former KVH Foundation.



Contact Industry Liaison Manager Neill Malcon (027 442 3450) or Grower Liaison Managers Sue Groenewald (027 493 1987), Tom MacMorran (027 511 2005) or Sylvia Warren (022 101 8550) for further information or to suggest questions.



Q1: Will Zespri supply budwood for grafting for the 2017 licence release?

A1: Yes Zespri will provide budwood to growers who do not have their own Gold3 budwood on their KPIN. In consultation with KVH it was agreed Psa risk is reduced where a grower is practicably able to use their own budwood from their existing Gold3 at an individual KPIN level. Zespri will collect a provision of budwood for failed grafts in spring however, where possible growers are encouraged to collect a provision for themselves too. Growers who stated that they were going to use their own budwood on their licence application but now require budwood from Zespri should phone Tom MacMorran on 027 511 2005 to organise budwood.

Q2: Why was my March Progress Payment different to what was approved in the February Kiwiflier?

A2: In November last year, Zespri communicated with the industry about errors made in the 2016 August forecast. To recap March progress payments were adjusted to ensure all growers were paid correctly for their 2016 supply. No grower received a negative March progress payment as a result of the adjustments. The adjustments by size were as follows:

New progress rates paid in March											
	16	18	22	25	27	30	33	36	39	42	Average
Zespri Green	0.21	0.21	0.21	0.30	0.30	0.21	0.21	0.25	0.25	0.09	0.23
Zespri Organic Green	0.28	0.28	0.28	0.22	0.22	0.21	0.21	0.42	0.42	0.32	0.32
Zespri Green14	0.36	0.36	0.36	0.48	0.48	0.43	0.43	0.08	0.08	-0.03	0.17
Zespri Hort16A	0.07	0.07	0.07	0.36	0.36	0.34	0.34	0.35	0.18	-	0.30
Zespri SunGold, including Organic	0.39	0.39	0.39	0.39	0.39	0.40	0.40	0.39	0.18	0.02	0.37

Q3: My bid in the 2017 licence release was unsuccessful. Why has my cheque not been returned to me?

A3: For unsuccessful tenders in the 2017 Licence Release, Cooney Lees will return all bank cheques to the unsuccessful bidder. However, all personal cheques will be destroyed by Cooney Lees Morgan and not returned to the bidder.

Q4: I would like to participate in a pre-commercial block trial, how do I become a trialist?

A4: Zespri is seeking expressions of interest from growers keen to participate in a pre-commercial block trial that may start this winter. Each year, the Zespri Board reviews data on each potentially promising new cultivar in clonal trials of the Zespri new variety programme and decides whether to put some into pre-commercial block trials. Expression of interest forms are available on the Canopy website or by calling the Grower Contact Centre on 0800 155 355. Expressions of Interest close at 5pm, 5 May and growers must submit their forms by this time to be eligible.

Q5: Smart Monitoring is being carried out on my Gold3/Hayward vines. How can I get the results of the monitoring?

A5: Smart Monitoring results are available through the Eurofins website and can be accessed the same way as clearance reports. Growers can log on to the Eurofins website through the Canopy to view their Smart Monitoring results.



# Keep the reports coming

Kiwifruit Vine Health (KVH) often receives phone calls and emails from members of the public and growers who think they may have found a pest or bug from the Kiwifruit's Most Unwanted list. This is a good thing – it's exactly the type of behaviour we want to see as it shows people are on the lookout and aware of not just biosecurity risk in general, but also of the look and size of the organisms that are considered the highest risk to the kiwifruit industry.

A lot of people are on orchards for harvest at this time of the year so we're getting an increased number of reports. They have all turned out to be native brown soldier bugs which are very similar to the Brown Marmorated Stink Bug (BMSB) but can be differentiated because they're much smaller.

The message remains the same for growers, contractors and anyone else on-orchard: **stay vigilant, be on the lookout, and report anything unusual.** Please take a photo (very rarely will we need to see the actual specimen) of what you find and send it to us at [info@kvh.org.nz](mailto:info@kvh.org.nz) so we can have a look at it for you. Don't be afraid to report any suspect finds – the sooner you alert us the more we can do to help.



IF YOU SEE ONE OF THESE IN YOUR ORCHARD:



CATCH IT. CALL US.

EXOTIC PEST & DISEASE HOTLINE 0800 80 99 66

The brown marmorated stink bug can ruin your orchard and infest your home. They're also a major threat to our primary industries and environment.



New Zealand Kiwifruit Growers Incorporated (NZKGI)  
ph: (07) 574 7139 or toll free on 0800 232 505  
[www.nzkgi.org.nz](http://www.nzkgi.org.nz)

# Growers start harvest in wet and windy weather

While some growers were affected in the recent flooding in Edgecumbe and its surrounding areas, it is unlikely that the flooding and wind is unlikely to have a significant impact on the overall season.

There are around 80 grower entities based in the Edgecumbe/Whakatane region, which represents 3 percent of New Zealand's total exportable volume of kiwifruit. Of this, only a small handful of growers in Te Teko and Edgecumbe experienced significant damage from the flooding. The small number of orchards with fruit touched by flood waters will not be harvested due to food safety reasons.

The weather event from ex-Cyclone Cook which followed on from ex-Cyclone Debbie was not as severe as forecasted and no further significant damage has been reported.



Hon Nathan Guy (Minister for Primary Industries) and Hon Anne Tolly (MP for East Coast and newly appointed Lead Minister to Edgecumbe) talk about the flooding situation with grower Ian Kinvig. Photo Jamie Troughton/Dscribe.

Supporting kiwifruit growers has been a top priority for stakeholders across the whole industry during the recent flooding.

Grower assistance has been focused around three core areas. This involved identifying severely affected orchards and providing information and support where necessary. NZKGI also helped provide pumps for getting water off orchards and thirdly, communicating the availability of pastoral care for those experiencing stress.

On Tuesday 11 April, Zespri CEO Lain Jager, NZKGI Chairperson Doug Brown and NZKGI representative Matthew Moore met at grower Ian Kinvig's orchard in Edgecumbe to discuss issues surrounding the flooding with Ministers Nathan Guy and Anne Tolly.

Moments before the meeting, the Government classified the flooding from ex-Cyclone Debbie as a medium-scale adverse event. This classification made extra recovery assistance measures available including recovery coordination, increased support through Enhanced Task Force Green teams and Bay

of Plenty Rural Support Trust, as well as tax flexibility. It also allowed for Rural Assistance Payments which can be made available to help with rural families' essential living costs in extreme events. Minister Guy had also classified the Tasman Tempest storm in March which damaged the Franklin Ward, Hauraki District and Thames-Coromandel District as a medium-scale adverse event.

However, Cyclones in harvest time make grower lives tricky not just on – but also off the orchards. Throughout ex-Cyclone Debbie and ex-Cyclone Cook, growers had to deal issues including cordoned roads and damage to infrastructure such as the Pekatahi Bridge project on State Highway 2 and road closures such as State Highway 2 near Waimana Gorge and at Edgecumbe.



Zespri CEO Lain Jager (right) discusses the impact that severe weather can have on kiwifruit to Hon Nathan Guy (left) Photo Jamie Troughton/Dscribe.

The primary industry is always susceptible to adverse events. Kiwifruit growers are used to dealing with flooding and the industry has retained its knowledge of previous floods such as from Cyclone Bola and the storm of 2005. This knowledge helps responding quickly to adverse events and working to retain vine health on flooded orchards.

Special note must be made of Matthew Moore and Paul Edkins of NZKGI as well as Kiritapu Allan of Māori Kiwifruit Growers Incorporated who supported growers voluntarily in the Whakatane/Edgecumbe/Te Teko areas since the first rainfall.



Photo Jamie Troughton/Dscribe.