

Nico Kotze - Bonaire

South-African export to the east on the rise

The South-African company Bonaire has been developing itself on the world market for citrus. While the company has a significant amount of acreage in the northern regions of South-Africa like the Limpopo-province, a lot of citrus is sourced abroad from countries like Egypt. This allows the company to be able to offer a year round supply.

"We started exporting citrus to the east 5 years ago. It was quite interesting to see recently on Lemons into Asia our prices were the same as Spanish fruit," says Nico Kotze of Bonaire.



The citrus that is exported by Bonaire is mainly meant for the European and Eastern markets. "We market our fruit in South East Asian and Far Eastern countries like China, Malaysia, Singapore and Indonesia. We try to aim to export 20% of our produce to the Far East. It's been a good market for us. The European market is also getting very competitive, offering a very stable market that doesn't really interfere with our activities in the East. Basically we can service both markets at the same time, with great success."

A trend Nico is definitely seeing is that specific customers want to have a bigger basket from one single supplier. "For example, say we got a customer in Malaysia. We're supplying them with South African citrus, top fruit, grapes and stonefruit. A customer like this wants to see a larger offering of worldwide products and wants to buy these from a single source. This means we need a year round supply."

"At the moment we're using three brands. Bonaire is our flagship brand, while the other two are to differentiate for different countries. While in Europe customers are not that specific about brands, Asian customers are really specific on a brand. They get familiar with the products they buy. This poses a bit of a risk, as you need to make sure that the quality of the fruit you put into your brand is good. It is a fine balance of good colour, internal features and an excellent skin texture. One bad container and your whole reputation could be in jeopardy," explains Nico.

The Middle Eastern market has become very competitive. This year about 852 352 cartons of lemons (end of week 15) was exported to the Middle East, which is an increase of 65% compared to last year. However, Nico thinks that this market growth comes with some risk. "The debate is always what is the optimum capacity of a specific market? If South Africa as an industry send fruit of good quality, then this market will be alright. If everyone just dumps their fruit on the market regardless of size, colour or quality, it could end in disaster," warns Nico.





Though Bonaire has plans for more international expansion, a major focus of the company right now lies with cooperating with growers in Egypt. "At the moment, we're getting our activities just right in Egypt. Growers in Egypt are quite open about working together and value our marketing and growing skills highly," says Nico.

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