



FROM THE DESK OF THE CEO (43/09)

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Citrus Growers Association (CGA)

QUOTE OF THE DAY: "The price of greatness is responsibility" Sir Winston Churchill

GREETINGS FROM TOKYO

After 24 hours of travel the incredible efficiency, cleanliness and attention to detail in this great city is a relief. Ronald Ramabulana (CEO of the National Agricultural Marketing Council), Stuart Symington (FPEF) and I are in Japan to meet with importers of South African grapefruit, promotion agencies and the South African Embassy to discuss with them the proposal for a consumer education/market development campaign in 2010. Per Knudsen has been a tremendous help in navigating our way around the city and in the various meetings – his fluent Japanese and knowledge of Tokyo has meant that everything has gone without a hitch. Importers are an important partner in the supply chain, and as such their support and suggestions are essential in planning such a campaign. Without exception the importers met so far have been confident that such a campaign is essential if we are to get shelf space, move fruit quicker and reduce stock build up in our season. However, there are differences in opinion as to how it should be structured and what will work and what will not. What is clear is that an agency would need to be contracted to put it together, and to work with other role players in the implementation. We have received a lot of advice which will assist in guiding the campaign should growers decide to proceed.

The South African Embassy is also very keen to be involved, and the Ambassador himself (Gert Grobler) has offered to assist in any way he can. I have had the privilege of being hosted by the previous Ambassador (Dr Ben Ngubane) at his official residence in Tokyo in the past – and was angling for a launch event at that venue should the grapefruit promotions take place in 2010. The residence is right in the middle of Tokyo, close to the busiest night life section – it is a house amongst all these high rise buildings that dates back to the early 1900's (probably South Africa's most valuable real estate abroad). The house is undergoing refurbishment – hopefully it will be completed early next year. We hosted the Ambassador, the Economic Counsellor (Ms Tshepo Makhene) and the Marketing Officer (Shinji Yamamoto) for dinner – where we found out that the Ambassador is a Cheetah's supporter (and I have a bottle of red wine on the Bulls for Saturday's match). Shinji Yamamoto is a person who has done incredible work in Japan for the South African citrus industry – he has managed to resolve many sanitary and phytosanitary issues over the years – and has promised that there is going to be more good news in the near future. The Ambassador informed us that 2010 marks 100 years of diplomatic relations between Japan and South Africa, and as such there will be many events and occasions to mark the milestone in 2010 – which could be used to boost a 2010 grapefruit promotion. Of course the 2010 World Cup, and the fact that Japan has made the World Cup Finals, will also boost South Africa's image in Japan.

What has also been made clear by the trade in Japan is that the promotion needs to be accompanied by a sensible supply programme. Sensible in terms of sending fruit that is required by the market, and sensible in terms of supplying the right quantity consistently throughout our season. 2009 has been a difficult year for South African grapefruit in Japan for many reasons – these need to be analysed and if possible addressed to ensure that any market development campaign is backed up by sensible exporting.

In the next week growers will be asked to vote on the market development/consumer education campaign – should there be sufficient support then steps will be taken to raise a statutory levy to fund the campaign. At the end of last week there were 450 000 cartons of grapefruit still in stock in Japan (similar to 2008), and the first shipments from Florida are starting to arrive. On Monday Florida have their launch event in Tokyo for their 2009/2010 season.

PACKED AND SHIPPED 2009

To Week 43 – Million 15Kg cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
Source : PPECB	2007	2008	2009	2008	2009	2009	2009	2008	2008
Grapefruit	14.3 m	12.8 m	14 m	12.4 m	13.7 m	15.1 m	14 m	12.8 m	12.4 m
Soft Citrus	6.8 m	7.3 m	6.8 m	6.5 m	6 m	7.4 m	6.8 m	7.3 m	6.5 m
Lemons	7.3 m	9.6 m	8.6 m	8.7 m	7.6 m	9.4 m	8.6 m	9.6 m	8.8 m
Navels	18.7 m	21.5 m	19.4 m	21.2 m	19.1 m	21.6 m	19.4 m	21.5 m	21.2 m
Valencia	43.4 m	43 m	38.4 m	38.6 m	35.1 m	43 m	38.4 m	42.8 m	40.4 m
	90.4 m	94 m	87.2 m	87.4 m	81.5 m	96.5 m	87.2 m	94 m	89.3 m

YOUR LEVY WORKING FOR YOU – GROWER LEVIES ARE USED TO FUND THE ACTIVITIES OF CGA, CRI AND THE CITRUS ACADEMY