

FROM THE DESK OF THE CEO (11/10)

Justin Chadwick (19 March 2010)

QUOTE OF THE WEEK “*It is not the strongest that survives, it is the most adaptable to change*”

Charles Darwin

GRAPEFRUIT MARKET DEVELOPMENT - UK

RED Communications this week met with the four biggest retailers in the UK to explain what is being proposed for the grapefruit promotion campaign. Without fail all those who they met were very supportive of the initiative, and keen to be part of turning the UK South African grapefruit market around. For years now South African grapefruit has been declining in both value and volume terms in the UK market – and now growers have decided to do something about it. What was pleasing about the visits was the positive position that these retailers have about the grapefruit category in general, and about South African grapefruit in particular. The UK grapefruit campaign will aim to increase the number of grapefruit consumers – since in most cases the frequency of purchase is not likely to change. Those consumers that presently consume grapefruit generally do so every day, and so you are not going to convince them to consume more. What you may convince them to do is to use grapefruit in new ways – such as in a salad, or a dessert. To this end the campaign celebrity chef, Sophie Michell has developed some fantastic recipes which will be available in small brochures at point of sale, on websites and in the retailer magazines.

Another goal is to attract new consumers to eat grapefruit. Many consumers remember grapefruit as a sharp tasting, rather bitter fruit. But that is not the grapefruit of today – through good horticultural practices (the rewards of well directed research), superior cultivars and good standard setting regulations the grapefruit of today is unique in taste – with regular consumers gushing about the “buzz” that it gives them when they start each day with their grapefruit for breakfast. The campaign aims to get new consumers to try grapefruit – through in store tastings, as well as media releases on websites and in the press. Regular grapefruit consumers are passionate about the product – we need to “spread the passion”.

The campaign will kick into gear in mid May – and will continue through into October. UK buyers stated that they wanted to extend the South African season as long as possible, as early fruit from other sources just did not match up.

Interestingly most of the grapefruit buyers indicated that grapefruit had been doing fairly well at the tail end of the northern hemisphere season. This campaign will stimulate interest in grapefruit – and aims to put us on a path of increasing volumes and increasing returns in the UK market.

It is interesting to note that the news out of Japan is that 2010 has started poorly for grapefruit sales – in week 9 sales were 10% lower than week 9 in 2009 (and that was 14 or so % less than 2008).

This was attributed to cold weather, economic hardship and competition from Mandarins.

FLOODING

It seems that many citrus growing countries have experienced excessive rains over the past week – Spain reports 1000 hectares of citrus under water, Queensland in Australia has experienced flooding, while Morocco reported heavy losses of citrus due to excessive rain, and India reported that heavy rains damaged their orange industry. Is it that weather events have become more frequent and more severe, or is it that global communication is such that we get to hear about it as it happens? I fear it is the former!!

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