

Trevelyan's Newsletter

Trevelyan's
Growing a better future

Overview »



James Trevelyan
Managing Director

If only the vines could talk

The 2024 season stood out for its exceptional fruit quality, with explosive fruit disappearing almost overnight—a stark contrast to the previous five seasons. However, one anomaly puzzled me during harvest: the smaller-than-expected fruit size in Hayward. While Gold3 sized up reasonably well, the Hayward fruit lagged. Could there be a common cause between the lack of explosive fruit and the size of Hayward? It's possible.

As we progressed through the coolstore period, monitoring and loading fruit for Zespri orders, the quality remained outstanding, and the postharvest processes ran smoothly. By Week 37, however, we noticed an uptick in soft fruit in Hayward and a rise in Storage Breakdown Disorder (SBD) in Gold3, diverging from previous years' trends. At the industry level, Zespri's technical team shared data indicating that challenges with Hayward fruit quality were surfacing two weeks earlier among four suppliers in the Te Puke region. Theories were floated at the Te Puke roadshow—had all four suppliers made mistakes or was a localised factor at play? Both possible.

The inventory team are currently analysing seasonal results by variety, comparing the top 10 performing KPINs with the 10 most challenging ones to identify patterns. Over the past week, I visited several of these orchards, both high-performing and challenged. A noticeable trend emerged to me: in the high-performing Hayward KPINs, the girdles had healed from both the top and bottom. In contrast, many vines at the more challenged KPINs had healed only from the top, with no visible growth from the root zone. I'm eager to see what insights the inventory team uncovers as they delve deeper into the data.

My hypothesis is this: Hayward vines that bore heavy crops during the cooler, drier season, struggled to recover from the second dry matter girdle. This may have compromised both the fruit's storability and the return bloom.



Operations »

John Lewitt
Head of Operations &
Logistics

Exciting times

We are looking forward to the upcoming harvest season and are preparing to pack a similar volume of fruit to 2024. We also have several exciting projects and trials we will be working on in 2025:

- We are upgrading Packing Line 2 from a 6-lane to an 8-lane sizer. This will increase our packing capacity on this packing line by 33%.
- We have purchased a second K1 automated layered packing machine that assists with packing our IT and IJ layered packs. Each machine has the capacity to pack 10 trays per minute, allowing us to pack up to 20,000 layered packs per day through these machines.
- We plan to maximise our CA (Controlled Atmosphere) storage; we have 12 rooms that each hold 720 bins of fruit. Fruit is picked and loaded into our CA stores in the period just prior to the SunGold peak harvest window, assisting in smoothing out that peak. We will then pack this fruit from July onwards, targeting large shipping weeks to complement our Repacking operation.
- We have expressed an interest in being involved in a Zespri early-packing trial for SunGold. This will assist in smoothing out our peak harvest window again, as this fruit is shipped prior to the peak storage period, helping to relieve pressure on our coolstore capacity.
- In the packaging space, we will be working with Zespri on trialing a linerless pack, which eliminates the need for a plastic bag.

All of these trials are in the very early stages, but we are keen to be involved and help progress their implementation.

Alongside the above initiatives, we are looking forward to welcoming back our seasonal workforce and getting underway with another exciting and enjoyable packing season.

Kiwifruit »



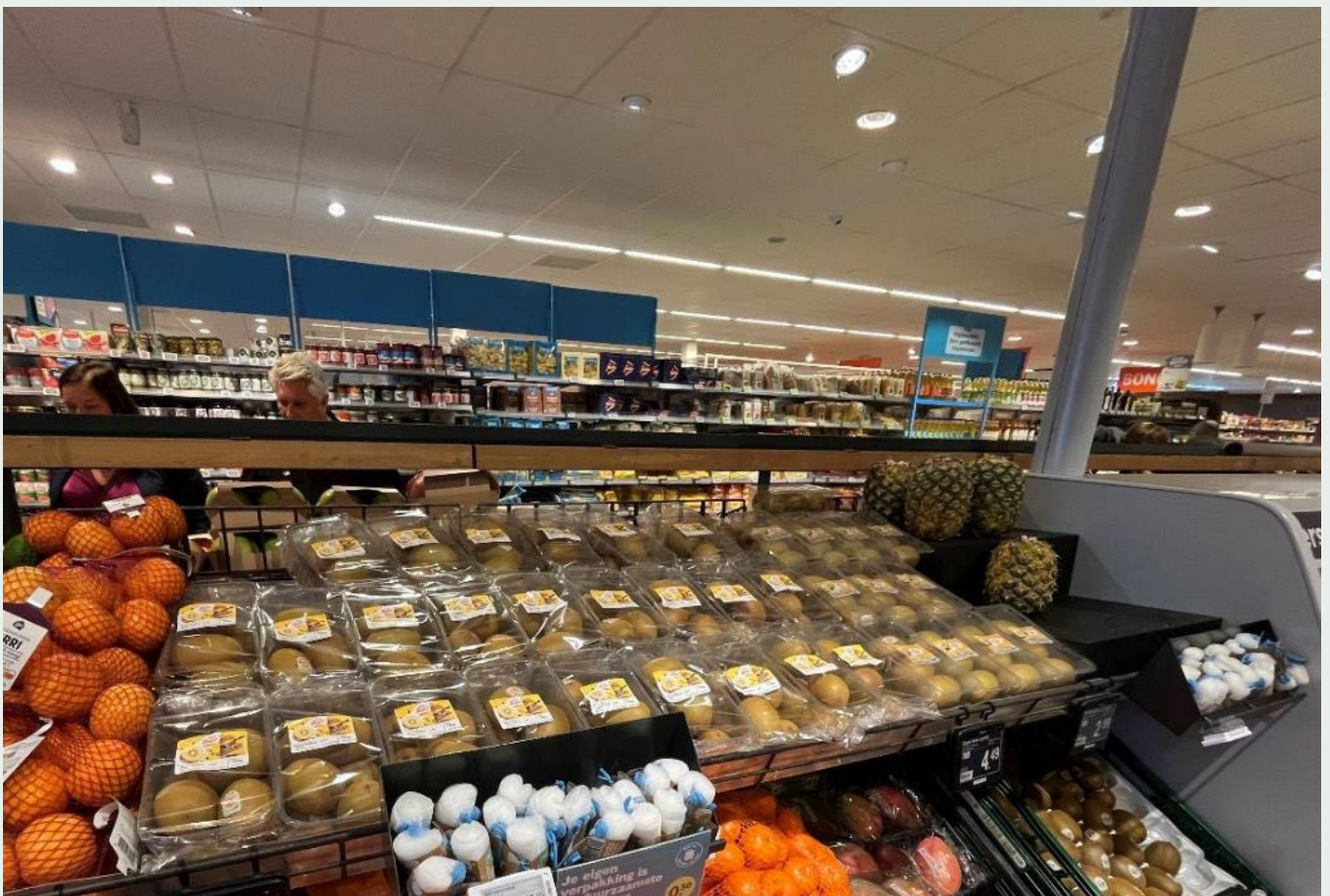
Mike Perrett
Head of Kiwifruit Grower
Services

Europe trip - October 2024

In October, James and I travelled to Europe to meet and hear from Zespri's European team, look at the markets, visit ports, coolstores, orchards and postharvest service providers in Italy, and attend the Fruit Expo in Madrid.

The Zespri brand is well-recognised and respected by European consumers. In fact, if I were to rank consumer recognition/association with 'kiwifruit' based on the consumers I met, they would associate with 'Zespri' first, 'kiwi' second and 'kiwifruit' third.

The quality and presentation of Zespri Gold and Green at retailers were excellent, and the values attained by Zespri Green and Gold place the category in a class of its own—significantly higher than bananas, apples, citrus, watermelon, and stone fruit on a per-kg basis. Gold retail pricing ranged from 6 to 10 Euro per kg—Green, 5 to 6 Euro per kg. 90% of both products were pre-packed with 4 to 8 pieces per pack, with some retail outlets focused on sustainable packaging.



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Post-COVID, there has been an increase in home consumption, and food with healthy attributes is more likely to end up in the food basket. However, the day-to-day life of the average European consumer is becoming more difficult due to inflationary pressures. Wealthy consumers have no problem with choice, but the middle class is starting to have limited purchase options. To this end, supermarket discounters (Lidl, Aldi, Rewe) are increasing their market share year on year, with a prediction that they will have 78% of the market by 2027.

For Gold, there are opportunities in the market for increased early (Week 17) and late (Weeks 38 to 40) sales to meet consumer demand. Zespri believes growth rates of 5 to 10% per annum are currently achievable. The four Italian postharvest providers we visited were very professional and keen to assist NZ with providing coolstore facilities if required.

There has been an increased focus on sustainability in Europe, including food miles, the potential for carbon/border taxes on carbon emissions, and an expectation of increased regulation around corporate reporting of quality and sustainability. Government audits will commence over the coming years, with consequences of not reporting/being involved leading to potential fines and market restrictions on products.

In summary - the future of the New Zealand kiwifruit industry looks bright. A focus on cost control and/or an increase in yields will be required to maintain margins and we must also remain acutely cognisant of changing regulatory focuses in our overseas markets.

Avocado »



Dan Birnie
Head of Avocado

Local market performance

Zara has written this article, summarising our local market performance over the past season and looking ahead to 2025.

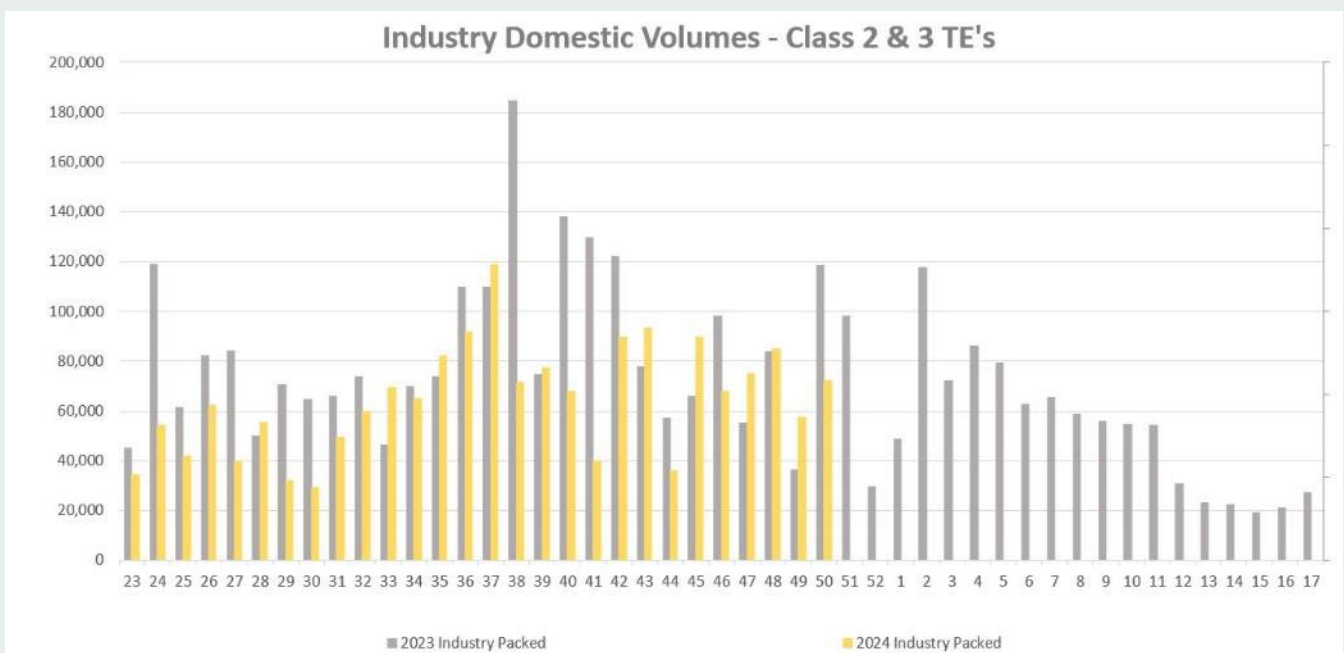
As a reminder, BayFarms is a 50/50 partnership between Trevelyan Pack and Cool and Trevelyan's Avocado Growers Ltd (TAGL). BayFarms markets Class 2 and 3 fruit (selling fruit to retailers, wholesale markets and via online shop to restaurants, cafes and the home consumer), and Class 1 is via our exporters.

The season to date

The early volumes this season were down from 2023 due to two main factors:

1. later maturities and,
2. growers choosing to hold for a promising export season.

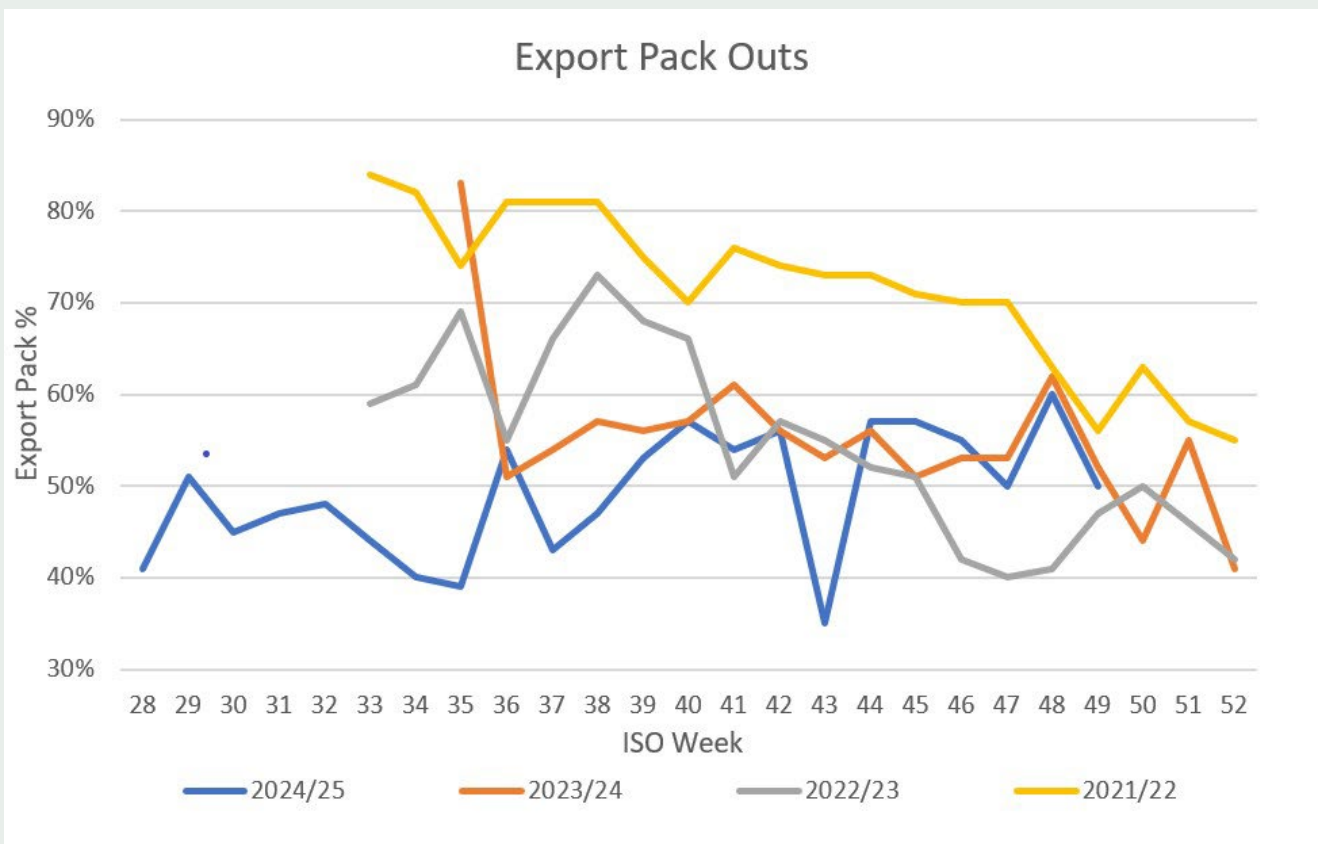
The market remained steady, although volumes were significant for winter. Exporters were able to apply for a special dispensation that allowed them to export at 23% dry matter over the standard 24%, and this approval resulted in earlier opportunities to move volume.



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The commencement of export volume brought both pros and cons for the Class 2 and 3 programmes:

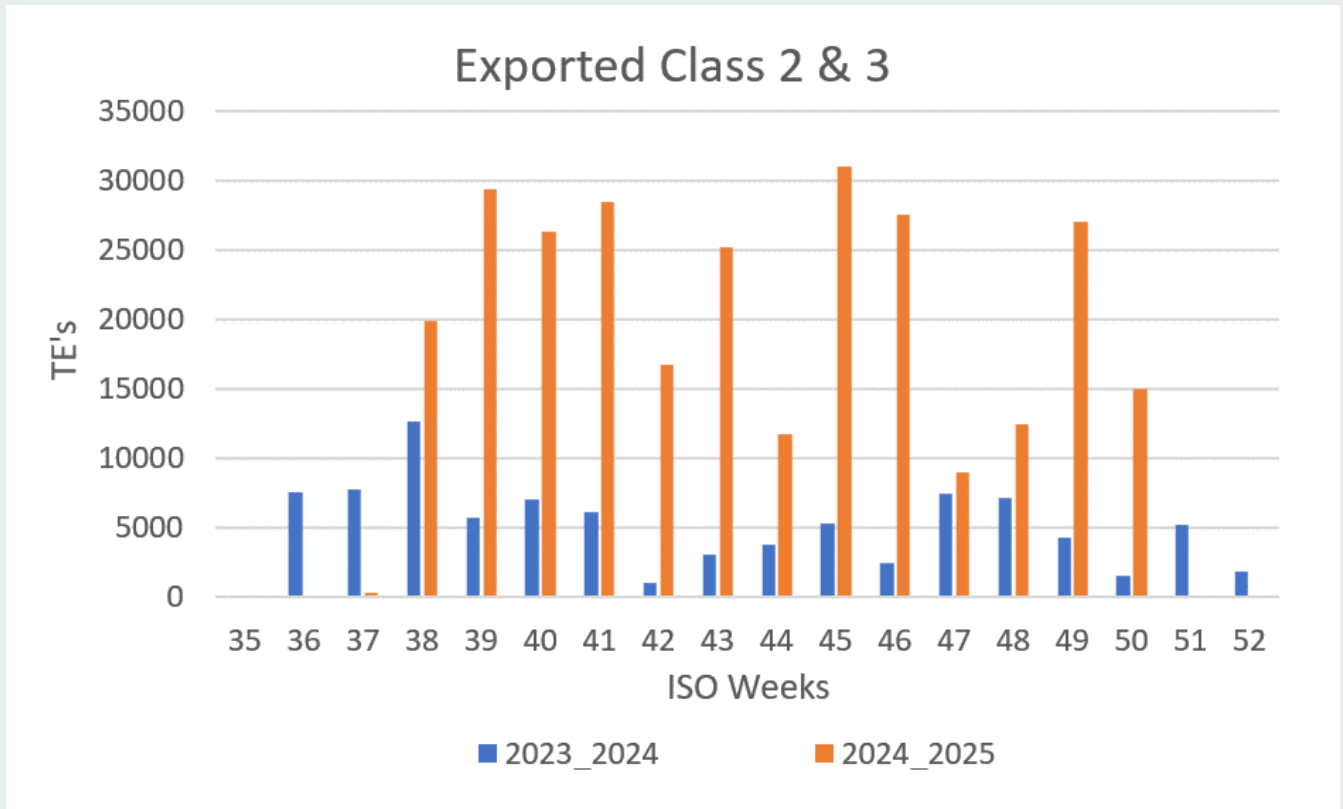
- Challenges around fruit quality were evident in the packouts.
- Export packouts averaged under 50%, leaving behind a larger than anticipated volume for domestic. The graph below shows the average packout history.
- By mid-September, downward pressure began to deplete values below \$10 per TE return.
- The heightened awareness from the Commerce Commission meant promotional activity was less frequent this season; this impacted the ability to move peaks when required.
- Fortunately, the demand and returns offshore were promising; this allowed the opportunity to increase the Class 2 and 3 export programmes (the 'Exported Class 2 & 3' graph below shows the volume comparison between the 2023 and 2024 export programmes).
- The increase in the Class 2 and 3 export programmes supported the recovery of the domestic values, lifting sale returns above \$10 per TE in late November, which remains to date.



Whilst the current market is flat, we are confident that the lower pack weeks during Christmas and the New Year will release pressure and not deplete values. Data reveals we are over 80% through the avocado export season and 60% through the domestic forecast: late season values will determine the market state for the start of the 2025 season.

2025 Forecast

The unofficial forecast for 2025 is 7.2 million trays, 200k up on this season's crop estimate. Australia, New Zealand's largest export market, expects a large crop from Western Australia; we have yet to determine the impact Australian volumes will have on the demand for Class 2 and 3 export fruit. The opportunity for Class 1 programmes is expected to increase in North America, Canada, China, and Korea, and these opportunities, along with export packouts, will influence the domestic outlook. To maintain a sustainable domestic programme, we rely on higher export packouts with Class 2 and 3.



In conclusion, there are many factors that affect the stability of the domestic market. Despite the low packouts, the strong export market and offshore demand for Class 2 and 3 have supported a somewhat stable market this season.



Bex Astwood
Organic Category
Manager

Organics update

Welcome to the January newsletter. I hope you had a great Christmas and New Year. Before we start 2025, let's recap how the 2024 Organic submit went.

Organic SunGold:

Trevelyan's packed 44% of the industry GAOB submit and was the largest supplier out of six. 27% of our crop was packed for Japan, exceeding the target of 24%. In 2024, approximately 35% of our crop was 'OK Japan' (met the taste and pest requirements to be shipped to Japan), which was less than three other suppliers. This is something we can improve on for next season.

The industry met the demands of Japan, Taiwan and Korea, which was great to see, and it shows that the loadout premium is working. However, the industry underpacked the US' unlabeled demand by 30,000 trays. The US was the highest-paying market for Organics this year, overtaking Japan.

With Organic popularity and price within the US increasing, we must meet the demand for this market. The export standards to the US and Canada have restrictions on using tanned timber posts. Biogro released a document clarifying this, which can be found [here](#).

Organic Hayward:

Trevelyan's packed 13% of HWOB submit, and we were the 4th largest supplier out of five. 49% of our crop was packed for Japan, exceeding the target of 29%. As with SunGold, the industry met the demands of Japan, Taiwan and Korea. Approximately 53% of our crop was OK Japan.

Japan/Taiwan loadout premium:

The Japan/Taiwan loadout premium for 2024 was announced in August 2023, for the second season. Based on the November 2024 OGR, the maximum payment per tray was \$0.32 for GAOB and \$0.28 for HWOB. The loadout premium has already been announced for 2025, and is a great way to increase your OGR.

KiwiGreen monitoring will begin in January, so this will help you assess how you are looking regarding pests. Fruit counts will also begin on January 13th.

As I write this in December, let's hope there is some nice weather to enjoy over the summer, and I look forward to catching up soon.

Supply »



Debbie Robinson
Head of Supply

OGR – For some growers, potentially the hardest to understand acronym in the kiwifruit industry.

We recently sent growers updated individual Orchard Gate Returns (OGR) based on information provided by Zespri and published in the November Kiwiflier.

The following are a few frequently asked questions from growers:

- **What are the key components I should focus on to understand why my OGR is either better or worse than average?**

Fruit value, taste Zespri, base packing and packaging charges, KiwiStart incentives and net storage are the key components for a quick check to see why OGRs are extremely good or to highlight areas that could be improved on.

- **I participated in KiwiStart and want to know why my OGR only increased by 20 cents (e.g.) when Zespri announced a 50-cent increase?**

The first thing you should check is the change in the fruit value portion of the increase as the total overall increase is likely to include changes to time-related income that won't flow through if you are a KiwiStart grower.

- **Why is the TGL total showing less KiwiStart income than the industry?**

The percentage of trays that harvest early and earn KiwiStart incentives differs to the industry and other supply entities. The timing of harvest also influences the total KiwiStart income earned. The same logic applies to Storage incentives and Time Service payments.

The following tables show the last 5 years of Trevelyan Growers Ltd (TGL) OGRs at a per hectare and per tray level, compared to the industry average. The 2024 OGR is based on the November Industry figures, so is not final yet.

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OGR - 5 YEAR COMPARISON

OGR per Hectare

HWCK			
Season	Trevelyan	Industry	Diff
2024	98,548	86,947	11,601
2023	77,017	65,717	11,300
2022	64,640	57,636	7,004
2021	86,521	75,494	11,027
2020	90,455	76,722	13,733

HWOB			
Season	Trevelyan	Industry	Diff
2024	84,713	86,154	- 1,441
2023	75,044	56,086	18,958
2022	75,217	60,912	14,305
2021	94,495	67,752	26,743
2020	98,041	66,453	31,588

GACK			
Season	Trevelyan	Industry	Diff
2024	180,138	162,289	17,849
2023	171,133	146,987	24,146
2022	161,643	137,524	24,119
2021	186,304	176,026	10,278
2020	193,720	177,846	15,874

GAOB			
Season	Trevelyan	Industry	Diff
2024	175,631	147,296	28,335
2023	150,376	131,449	18,927
2022	153,189	133,548	19,641
2021	164,751	143,772	20,979
2020	187,206	158,599	28,607

RSCK			
Season	Trevelyan	Industry	Diff
2024	97,196	71,047	26,149
2023	72,493	40,741	31,752
2022	55,635	42,063	13,572
2021	-	-	-
2020	-	-	-

OGR per Tray

HWCK			
Season	Trevelyan	Industry	Diff
2024	\$ 8.30	\$ 8.10	\$ 0.20
2023	\$ 9.65	\$ 9.55	\$ 0.10
2022	\$ 6.17	\$ 5.78	\$ 0.39
2021	\$ 6.46	\$ 6.35	\$ 0.11
2020	\$ 7.82	\$ 7.51	\$ 0.31

HWOB			
Season	Trevelyan	Industry	Diff
2024	\$ 11.31	\$ 11.17	\$ 0.14
2023	\$ 13.98	\$ 12.53	\$ 1.45
2022	\$ 8.96	\$ 8.68	\$ 0.28
2021	\$ 9.90	\$ 9.74	\$ 0.17
2020	\$ 10.82	\$ 10.53	\$ 0.29

GACK			
Season	Trevelyan	Industry	Diff
2024	\$ 11.28	\$ 11.22	\$ 0.07
2023	\$ 12.85	\$ 12.92	-\$ 0.07
2022	\$ 10.83	\$ 9.97	\$ 0.86
2021	\$ 11.23	\$ 11.51	-\$ 0.28
2020	\$ 12.56	\$ 12.46	\$ 0.10

GAOB			
Season	Trevelyan	Industry	Diff
2024	\$ 14.53	\$ 14.32	\$ 0.21
2023	\$ 14.48	\$ 14.71	-\$ 0.23
2022	\$ 12.65	\$ 12.28	\$ 0.37
2021	\$ 12.48	\$ 12.61	-\$ 0.13
2020	\$ 15.47	\$ 15.36	\$ 0.10

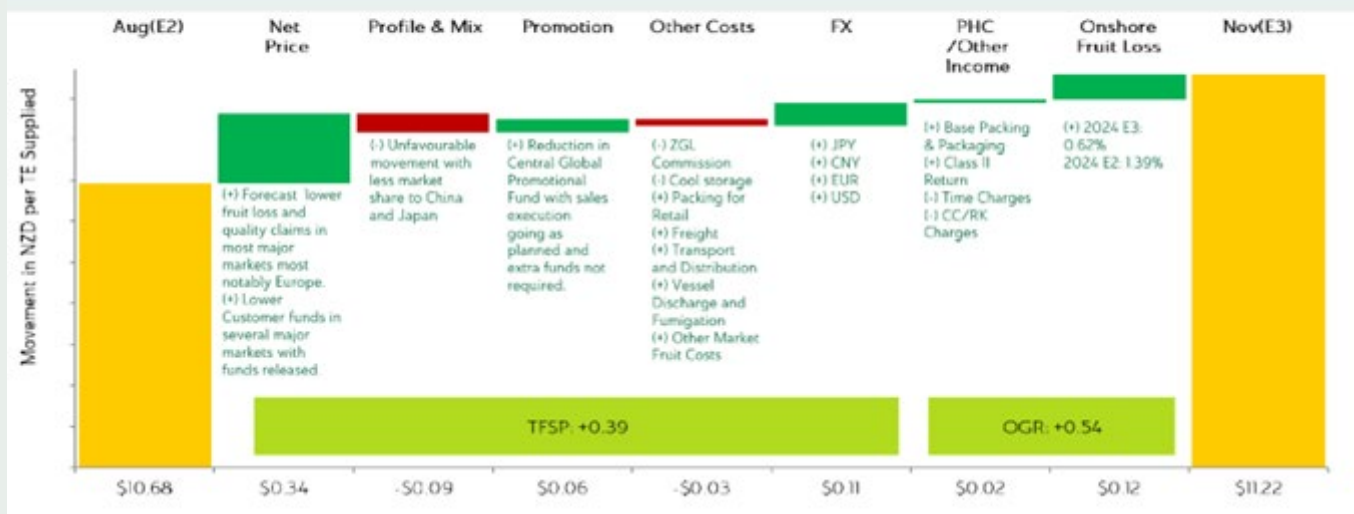
RSCK			
Season	Trevelyan	Industry	Diff
2024	\$ 17.26	\$ 16.60	\$ 0.66
2023	\$ 22.08	\$ 26.34	-\$ 4.26
2022	\$ 21.78	\$ 22.27	-\$ 0.49
2021	\$ -	\$ -	\$ -
2020	\$ -	\$ -	\$ -

In years when fruit loss (both on and offshore) is low, the differences between different service providers are not as extreme. However, in years where the fruit is more challenging, like 2022, having a highly-skilled operation focused on minimising fruit, loss both on and offshore, supports strong grower OGRs.

The following is a SunGold example of the waterfall charts that the Zespri team take us through at the regional roadshows. I find these an excellent high-level way to understand where the gains and losses are being made, and how they will be reflected in grower OGRs. Best of all, it's on one page.

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ORCHARD GATE RETURNS – SUNGOLD



We understand that individual results are important to growers to help inform on-orchard and commercial decisions - harvest timing etc. If you would like to know more about how to read and understand your OGRs, one of our Grower Payments Team will happily help you.

Technical »



Gordon Skipage
Head of Technical

The benefits of Integrated Pest Management (IPM) for New Zealand growers

In recent years, New Zealand kiwifruit and avocado growers have increasingly turned to Integrated Pest Management (IPM) as a critical tool for managing pests, improving yields, and sustaining environmental health. IPM isn't just about complying with regulations—it's a smart, holistic approach that can provide long-term benefits for your business, the environment, and the community. Our industry programs, KiwiGreen and AvoGreen, are designed to help businesses implement IPM in an effective, and sustainable way.

IPM is a comprehensive approach to managing pest populations through a combination of biological, cultural, mechanical, and chemical control methods. It emphasises prevention, monitoring, and the careful use of pesticides, aiming to keep pest populations below harmful levels while minimising environmental impact. By using IPM, growers can reduce reliance on chemical pesticides, protect beneficial organisms, and preserve the long-term health of their crops and soil.

KiwiGreen and AvoGreen are essential IPM programs developed by New Zealand industry bodies to support growers in adopting best practices for pest management. Both programs emphasise sustainable practices that lead to healthier crops, better-quality produce, and more profitable outcomes.

KiwiGreen, for instance, provides guidelines and resources on pest monitoring, pest thresholds, and the use of safe pesticides, all aimed at reducing the ecological footprint of kiwifruit production. Similarly, AvoGreen helps avocado growers implement strategies to protect their orchards from pests while enhancing both environmental sustainability and crop quality. These programs are not just about pest control—they are tools for achieving greater productivity and fostering long-term orchard health.

While it's true that IPM is an industry requirement for export, it should be viewed as more than a compliance obligation. Implementing IPM practices can serve as a powerful business tool. By carefully managing pests and promoting biodiversity, growers can reduce input costs, improve crop resilience, and boost marketability. For example, healthier orchards are less likely to experience pest-related damage, resulting in better yields and fruit quality, which are essential for meeting premium market standards.

Furthermore, IPM practices can mitigate the risks associated with pesticide resistance. Over-reliance on chemical treatments can lead to resistant pest populations, making pest control more difficult and costly. IPM reduces this risk by encouraging growers to adopt a variety of pest management strategies, thereby helping to sustain the effectiveness of pest control methods over time.

Continued

One of the key benefits of IPM is its positive impact on the environment. By reducing pesticide use, IPM helps protect non-target organisms, such as pollinators, beneficial insects, and soil microorganisms. This biodiversity is crucial for maintaining the ecological balance in orchards and beyond. Moreover, using fewer chemicals reduces the risk of pollution to water sources, contributing to the health of local ecosystems and the surrounding community.

Incorporating IPM also enhances a grower's reputation. Consumers are increasingly concerned about sustainable farming practices, and demonstrating a commitment to IPM can differentiate growers/brands in the market. When the New Zealand kiwifruit industry started KiwiGreen in the 1990s, it was one of the first industries in the world to do so. This showed customers that the industry was serious about being environmentally and socially responsible. A lot of the Zespri brand's reputation comes from this commitment to quality, safety, and caring for the environment.

Integrated Pest Management is not just a compliance tool for New Zealand's kiwifruit and avocado industries; it is a forward-thinking business strategy that offers real, measurable benefits. By adopting IPM principles, growers can enhance productivity, safeguard the environment, and ensure the long-term success of their orchards. With programs like KiwiGreen and AvoGreen providing valuable support, the future of sustainable pest management looks promising. It's time to see IPM not just as a requirement, but as an essential tool for a successful, sustainable farming operation.

Sustainability »



Sarah Lei
Head of Sustainability

Growing a better future

As we approach the festive season - and following the custom of the last few years - I like to take the time to pause and reflect on the year that has passed, to remind ourselves of some of the challenges we have encountered on our sustainability journey and celebrate our successes.

Reviewing our Sustainability Performance

At the beginning of 2024, we completed the first assessment of our performance against our Sustainability-linked loan targets. We were pleased to report that we had achieved all three of our targets for 2023.

- Waste to Landfill – Reduced by 28.4% compared with a target of 20%
- Scope 1 and 2 Carbon Emissions – Reduced by 11.2% compared with a target of 5%
- Science-based Targets - Established and submitted for validation
- Gold Workwell - Accreditation achieved

Low fruit volumes in 2023 made it comparatively easier to achieve our waste and emissions targets, but with a record volume of fruit for Trevelyan's in 2024, we're truly testing our mettle this year. The monitoring and reporting systems we established in 2023 have been valuable in 2024 to ensure we are closely tracking our performance with higher fruit volumes. At this stage, we are on track to meet our 2024 targets.

Sharing our Sustainability Journey

Each year we share our business performance, highlights and progress against our sustainability targets, in our Sustainability Report.



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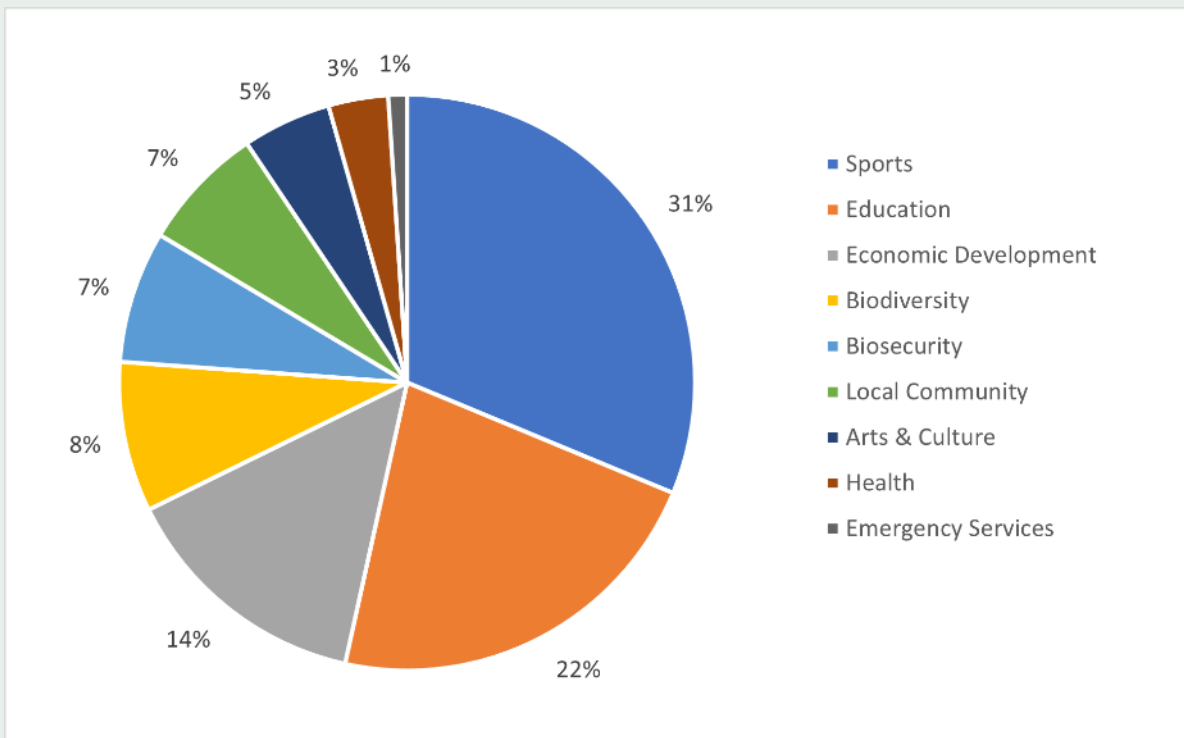
This report is prepared in accordance with the latest Global Reporting Initiative Sustainability Reporting Standards (GRI Standards). The GRI Standards are the world's most widely used sustainability reporting standard.

It always takes a while to collate and present the data, but for the second year in a row, we prepared the report in-house and were pleased to be able to share our 2023 Sustainability Report with our stakeholders in June 2024.

[Read our report here.](#)

Supporting our Local Community

We recognise the key role we play in our local Te Puke community as a large business and a significant local employer. It is a privilege to be able to support so many great people and organisations in our community that are doing awesome things. In 2024 we provided just under \$60,000 of sponsorship towards community initiatives and events.



As well as the financial support, we are always pleased to be able to assist in a variety of different ways:

- Partnering with one of our growers to send fruit to school children in the Chatham Islands.
- Supplying fruit bins to be used as a stage at the Te Puke Matariki Festival, Te Puke High School Ball and School Production.
- Donating over 30m³ of compost to Te Puke High School for their Seed to Plate Programme.
- Employing a Summer Student from the Toi ki Tua Maori Internship Programme.
- Loaning hi-vis vests to be used by volunteers at the Mount Pickleball Classic and the Te Puke Spring Clean-up.

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Sustainability Successes

In 2024 we continued to work hard to reduce our environmental impacts and help create a “ripple effect”, both within our business and beyond our boundaries. Some of our successes included:

- Reducing the number of hairnets purchased by 43% by encouraging staff to reuse their hairnets.
- Reducing the landfill waste generated from RSE accommodation by 47% by improving recycling efforts and food waste recovery.
- Participating in Recycling Week 2024 with onsite presentations and social media presentations.
- Hosting tours with a range of different stakeholders to showcase our sustainability efforts.

I'd like to wish everyone a very Merry Christmas and a Happy New Year. If you are stuck for Christmas ideas and you would like to help grow a better future, check out this gift guide from the [Sustainable Business Network](#).

The logo for TGL, consisting of the letters 'TGL' in a white, sans-serif font followed by two white chevrons pointing to the right, all set against a dark green rounded rectangular background.

Colin Olesen
TGL Chair

One step at a time

With the Zespri Producer Vote successful, we can now look forward to the challenge of filling the Northern Hemisphere retail shelves with Zespri branded and Zespri quality fruit twelve months of the year. Your Directors, who travelled to Greece and Italy on their self-funded trip back in September / October, all agreed that a positive producer vote was needed. Thank you to those growers who attended our 'report back' meeting on this trip in early November.

The Trevelyan Orchard Gate Return December forecast has been issued to all growers. Again, the very low fruit loss achieved by growers and TPCL has meant our growers have excellent returns. Early in the new year, we will be conducting a grower vote, likely via 'Survey Monkey', on the appointment of a replacement auditor. Full details will be issued to all growers shortly.

Your Directors have spent quite some time reviewing our annual Supply Agreement that all growers are required to sign. It was an ever-enlarging document each year. We have engaged with our solicitor to have this contract rewritten, hopefully in plainer language, as well as being smaller in size, with the overall layout also much clearer. The proof will ultimately be in your receiving and reading of the document!

We have also discussed a proposal from TPCL to enable a better and more consistent flow of fruit throughout the packing season, with a strong focus around Week 15 when fruit supply is at its lowest. More information on this will flow from TPCL to those growers that could be affected.

Your Directors agreed to leave all Pool Splits unchanged and noted that other Supply Entities are progressively moving their Pool Splits towards ours. To summarise, Green, Green Organic, Gold, and Gold Organic are 50% direct and 50% pooled, while Red and Sweet Green are 100% direct.

We continue to have a strong focus on improving fruit quality in our orchard management, harvesting, delivery from orchard to packhouse, packhouse through to coolstorage and delivery of fruit to the wharf. While our results are improving, our attitude must always be that we seek ways to further improve. Your Directors acknowledge the great effort that growers and TPCL have contributed to date.

All the very best for 2025.



TAGL »



Ashby Whitehead
TAGL Chair

Crop estimates

As I pick in my hydalada, listening to the 'between two beers' podcast and dreaming of snapper fishing off the Coromandel, I do wonder about crop estimation and what we could do to be better.

Over the course of the season, numbers are usually within 10-20% or so of the early estimate, however, there can be wild swings even within individual orchards. Recently we went in to pick 42 bins off an orchard in Te Puke and ended up with 116.

I understand the challenges of crop estimation, what with the size of trees, the fruit being the same colour as the leaves, the inconsistent nature of crop loading - both within an orchard and then between seasons too, but the impact of our accuracy is huge - especially at this time of year when we are trying to get around as many orchards as possible before Christmas.

NZ Avocado have some helpful tools on their website around crop estimation, see [HERE](#).

Some growers use flowering as the main indicator of crop load; Anna Haycock has had some success using this. I hear that Robert Jefferies has had success in the past rating trees depending on their cropload and mapping it over seasons.

When the Trevelyan's Grower Representatives visit to do the crop estimate in the autumn, please take some time prior to estimate your crop yourself and then discuss and debate. I think the coming season is going to be particularly challenging with the patchy fruit set.

Anyway, that's my rant for the time being. It's raining as I write this, so time for some maintenance. Have a good holiday period and I hope your fruit set is looking promising for the coming season.

General »



Trevelyan's Top 10 Wins 2024

Narrated by James, check out our Top 10 wins for Trevelyan's in 2024!

Click the thumbnail below and it will take you through to our YouTube channel.

