



### DMS Annual General Meeting

The Annual General Meeting for the 2010/2011 year was held in a packed Mills Reef Winery and Restaurant on the 6<sup>th</sup> September. DMS Shareholders and Growers received presentations by the Chairman Mr Peter De Luca, Directors Paul Jones and Craig Greenlees, plus the Chief Operating Officer Derek Masters. The election of Directors to DMS Progrowers Ltd and to the Grower Pool Committee, DMS Progrowers Supply Entity, took place. Tony Leicester was elected unopposed as an additional Director to DMS Progrowers with no further changes to that Board. Grant Luscombe replaced Nathan Flowerday, who had resigned, to the Supply Entity.

### DMS Operational Results 2010/2011

Another great year for fruit storage results for both Green and Gold for the 2010 crop.

- DMS Grower Orchard Gate Returns were well above industry average
  - 3% or \$0.13 per tray – Green
  - 9% or \$0.76 per tray – Gold
- Grower rebate maintained at \$0.20 for the third consecutive year
- Shareholder dividend maintained at 12%
- Continuation of the refinement of “L.E.A.N.” successes in improving efficiency, productivity and controlling costs
- An introduction of “L.E.A.N.” principles to our Management Operations
- Continuation of staffing with the right skills and experience – morale is high
- A significant gain of new volume business
  - Gold volume up 85%
  - Green volume up 9%
- Packhouse capacity expanded through nightshift and all coolstores were full due to the extra volumes
- We packed a significant portion of the New Variety crops for 2011, 29,800 trays (11% of the industry)
- Avocados – significant growth in the market share and post harvest activity
  - 2009/2010 – 3,600 bins packed
  - 2010/2011 – 3,300 bins packed
  - 2011/2012 – 8,300 bins predicted

DMS strategy as per previous years with the harvest and post-harvest are again proving successful in minimising fruit loss and maximising fruit storage earnings.

GOLD FRUIT STORAGE – A CONTINUING SUCCESS STORY			
FRUIT LOSS	NET STORAGE \$ PER TRAY	(ALL TRAYS)	(MAIN PACK TRAYS)
2010 : Industry 2.4% DMS 0.1%	Industry DMS	\$0.18 \$0.72	\$0.35 \$1.19
Current Season To Date: Industry 2.48% DMS 0.53%	Industry DMS	SUPERIOR RESULT AGAIN	

GREEN FRUIT STORAGE – A CONTINUING SUCCESS STORY			
FRUIT LOSS	NET STORAGE \$ PER TRAY	(ALL TRAYS)	(MAIN PACK TRAYS)
2010 : Industry 4.3% DMS 2.8%	Industry DMS	\$0.30 \$0.36	\$0.41 \$0.52
Current Season To Date: Industry 2.43% DMS 0.39%	Industry DMS	SUPERIOR RESULT AGAIN	

DMS Grower average fruit storage earnings are forecasted to be significantly greater than industry average for 2011 as was the case in 2010. The forecasted 2011 fruit loss is on track to be very low and be significantly better than industry average overall. The 2011 result is in the best 25% of industry.

### Operational Priorities for 2011/2012

- Continue to exceed best practice standards both in orchard practices and post-harvest performance
- Continue the DMS operating system for minimal fruit loss
- Pack fruit at optimum Brix/curing times/trays
- Increase capacity and resource utilisation through the rationalisation of sites and increase of packing through nightshifts
- Support DMS clients in their fight against Psa
- Support the industry fight against Psa
- Continue initiating strategies with a focus on “Increasing Grower Profit”.

### AGM Guest Speaker – Rob Hamill

This year the selection of Rob Hamill as our guest speaker was particularly poignant as he had overcome unimaginable adversities by rowing across the Atlantic with Phil Stubbs in 1997. Rob managed to intertwine the challenges he faced, with those that Growers are going through with Psa. With an excellent delivery style, Rob had a captive audience. He incorporated a recent personal journey to Cambodia that had created a “gap in his life” after the torture and murder of his brother Kerry by the Khmer Rouge in 1978.

For those Growers who missed the evening he has a book called “The Naked Rower” plus a documentary has recently been launched about his brother called “Brother Number One”. Both are well worth a look.

While DMS are not sponsoring Rob in his next venture to cross the Trans-Tasman from Sydney to Auckland, we have been instrumental in helping him secure sponsorship. For those of you who had the opportunity to listen to Rob deliver a powerful and motivational speech at the AGM we are delighted to have been able to assist him with this. To thank us for our efforts Rob will be putting our name on the boat – so watch this space and see Rob undertake his next challenge!

## Harry Fredrickson Award

The Harry Fredrickson Award is awarded annually to a staff member who has exhibited outstanding personal and work ethics which has contributed to the success of the business. The Award comes with a financial contribution for personal development.

This year's recipient of the award was made to Klyta Inman – DMS Accounting Supervisor. Klyta is an exceptional person who performs a key role ensuring the accounts function at DMS runs smoothly and puts in every effort beyond what is expected, to achieve this. She is a person with high integrity, honesty, personal value, truly caring for her team and colleagues. Well done Klyta on this fantastic achievement!

## Who Is Working For You

### Amit Pathak



Amit Pathak has joined DMS as an Orchard Manager based at our Pukepack packhouse in Te Puke. With experience working on Kiwifruit orchards in Te Puke since 2004, and previously in a science teacher position, Amit is fitting into the team well. Please introduce yourself if you see him around.

### Goodbye Linda Peacock – DMS Technical Manager



DMS want to thank Linda for her huge contribution to the business over the last ten years. Many of our growers would have had a core association with Linda through GAP and other activities and we are sure you join in with us in wishing Linda all the best in her new role with

KVH. Linda has a wide knowledge of orchard practices and packhouse operations and was therefore identified by KVH as a best fit to head up the Tech Transfer function. It is DMS's loss and KVH's gain – however Linda is not too far away and has offered us her assistance which is reassuring! We thank you again Linda and wish you every success.

## Ten Year Service Awards

Paul and Craig would like to thank the following staff for their service and support in achieving 10 years' service with DMS:

- Linda Peacock – Technical Manager
- Phil Chisnall – Te Puna Site Manager
- John Wapp – Tray prep Supervisor, Te Puke
- Neil Brake – Production Supervisor, Te Puke

## Up & Coming Events

### Momentum Kiwifruit Industry Conference 2011

13 – 14 October 2011

TECT Arena Baypark, Mt Maunganui

## Ladies Day Out

Ladies keep a watch out for your invitation for the popular annual DMS "Ladies Out" which will be posted to you soon. The date for this has yet to be finalised however, Madeleine is working day and night to put together another successful day for you all!

## Pollination

### KiwiTech Pollination Tips

#### Do:

- Have a pollination agreement with your beekeeper
- Have some hives audited and agree on action if they fail
- Undertake a pollination assessment
- Notify your beekeeper of orchard hazards
- Feed hives with sugar syrup
- Do split hive introductions
- Place hives in a warm location
- Put hives close to the crop
- Use at least 8 hives/ha
- Mow swards before spraying
- Introduce hives at 5% flowering
- Assess the effectiveness of artificial pollination
- Apply supplement pollination in Hayward if you believe your pollination system is not optimal

#### Don't:

- Place more than six hives in a group
- Spill sugar syrup
- Feed bees outside their hives
- Move hives
- Remove hives too early
- Spray any product while bees are foraging
- Spray bee toxic sprays to open flowers (male or female or sward)

© To access these resources visit

[www.zespricanopy.com](http://www.zespricanopy.com) or email [opc@zespri.com](mailto:opc@zespri.com).

## Beehive Auditing – Part Of Your Pollination Plan?

Auditing of beehives has proven its value to DMS over the last 2 years.

By verifying the strength of hives, we have confidence in their ability to do their job, and we see the benefit in pollination results. We have had hives that failed the audit, and these were promptly replaced by the beekeeper.

While DMS has used artificial pollination in some cases, our preference is for well set up orchards and strong hives, to give the most efficient pollination. The preference to avoid artificial pollination is even stronger given the Psa risk environment.

The DMS hive auditors are returning from last year, adding to our confidence in the results, and helping build the relationship with the beekeepers. We will be running the audit program across all our leased and managed orchards again this year. We recommend all growers discuss hive auditing with their beekeepers now as part of pollination planning for 2011.

## Keeping Yourself Updated

Growers need to keep themselves abreast of the current Kiwifruit information, especially regarding Psa, but the sheer amount of information available and how to get it can be daunting. To assist you DMS has put together a list of resources and websites where you can go to update yourself.

- NZKGI has a weekly newsletter that is emailed out on a Friday. This newsletter gives a great summary of the “week that’s been” for all things kiwifruit and gives the latest on Psa. To register visit [www.nzkgi.org.nz/register.html](http://www.nzkgi.org.nz/register.html) for this service.
- KVH has its own website [www.kvh.org.nz](http://www.kvh.org.nz) which is the one stop shop for anything regarding Psa. This page on the top left has a [User Login](#) area to click where restricted information can be accessed. If you have not registered for access click on the [Register](#) area to fill in your details to gain access. The ‘quick find information’ area is a useful place to start your quest for information. To be included on KVH’s information mailing list send an email with “subscribe” in the subject line to [info@kvh.org.nz](mailto:info@kvh.org.nz)
- ZESPRI has a great site with all things kiwifruit - [www.zespricanopy.com/login.html](http://www.zespricanopy.com/login.html) If you don’t already have a username and password click on the [Click here to register](#) tab, fill in your details and gain access to this site. ZESPRI also produces the Kiwifruit Journal every two months. This has all the current related information for your orchard.

## GAP Compliance

By now Growers should have received a copy of their Grower Manual. If you have not, please contact the Zespri Contact Centre on 0800 155 355.

Please read the manual and update the appropriate pages. There are a few changes to the check list this year. Below are the important control point changes most likely applicable to you.

**4.2.1** All orchard sites now must have a Risk Assessment completed and reviewed annually. This is a **major** control point. You will find a template in your folder.

**6.6.3** For Organic Orchard Growers: A new **major** control point has been added for the timing of organic fertiliser application.

**11.6.1** This is now a **major** so you must be compliant in this point. You are required to have a current CAV for your Sprayer, Harvester and Fertiliser contractor. All other contractors, (i.e. beekeeper, shelter belt trimmer, mower etc) must have read and acknowledged (signed) the Health and Safety and Hygiene policies and procedures for your orchard.

For specific GAP related queries please contact Lesley McLean at the DMS town office on 07 578 9107 or the Zespri Contact Centre on 0800 155 355.

GAP inspections will begin in early October. All Growers need to have had their inspection and be GAP compliant by Christmas 2011. You will be contacted shortly to confirm your inspection time, alternatively if you would like to book for this time, please phone Lesley or Jacqui at the DMS office on 07 578 9107.

We look forward to having your inspection completed prior to Christmas.

## Psa Monitoring

With the recent findings of Psa-V in areas other than Te Puke, we would like to remind DMS Growers of responding to our questionnaire regarding the two compulsory monitoring rounds that need to be completed before the end of December 2011 and February 2012. To assist us with our planning please return now. Please note DMS trained staff will monitor at least 50% (KVH recommendation 25% minimum) of an orchard area following KVH best practice methods.

If you have already returned it but you have now decided that you would like us to conduct the monitoring, don’t hesitate to let your Client Services Manager know, the sooner the better would be great.

DMS will exercise all reasonable skill, care and diligence in the monitoring of orchards for Psa but shall not be liable for the outcome of either finding or not finding Psa after any monitoring round.

## Avocado News

### Export:

The talk from exporters is not as encouraging as it was a few months ago, with the Australian market soft at present and not much expectation of a lift. The USA market was very strong, but by the time our fruit was mature enough to send, it too had softened. There is good news out of Japan however with strong demand for fruit and reasonable pricing. Korea too is looking for fruit, but with a zero tolerance for scale it is difficult finding suitable product.

What once was looking like a \$14 to \$15 season is now more likely to be \$12 to \$13.

### Local Market:

This market too has dropped significantly, as would be expected when the large volume started to fill the supermarket chains. The drop was sudden dropping from \$40 to \$20 in the matter of a week with a lift not expected until February or March next year.

### From The Field:

Frosts damaged many orchards during the late part of winter and fruit is now colouring red and dropping off with some properties also having had damage to this spring's flowers. Growers who applied a double strength copper prior to the two heavy frost events appear to have suffered less damage.

Flowering potential is a mixed bag across the Bay and looks to be a week or two behind where it normally is. Those orchards that had a light crop this year in general have higher flower numbers. Many orchards are showing poor flower initiation and this is most likely attributed to a heavy crop load.

Pests other than six spotted mite are in low numbers. Mites are showing up in the usual hot spots and it is this time of the year when regular monitoring and some thought is needed for a plan to control mites if you have them. A new miticide is on the market called Paramite which has label claims for all stages of mite control, adult, juvenile and egg. It has poor knock down, but a very long control period after application.

Growers have been audited for NZGAP over the past few months and I am happy to report that DMS clients have been passing with ease. The feed-back from the auditors is that growers who are responsible for their own GAP accreditation are better placed than those that operate under a pack shed GAP system.

Picking is well under way and with plenty of fruit on the trees hydraulic ladders are getting good tallies for the day. I have been using ground pickers, picking off apple orchard pickers ladders with great success as well. This is working particularly well on Motuhua Island with its large blocks.

I have inspected some of the trees that were treated with the new pill that is injected for phythothora control. Initial results look very promising, with an improvement in tree health, minimal damage coupled with very good healing. This product should hopefully be registered in time for autumn applications.

There is a lot of talk regarding bees this year. With some Kiwifruit Growers considering the use of KeyStrepto (an antibiotic spray) this is causing some concern for beekeepers and what impact that could have on the honey. If you have a Kiwifruit orchard neighbouring your avocados please talk to the Grower and find out what their plan is around the use of KeyStrepto, as it is vital that swards are mown and no drift occurs onto your flowering trees.

### October Tasks:

- Continue with pest monitoring to keep an eye on leaf roller and six spotted mite levels.
- Consider potash and low level nitrogen fertilizers if you have heavy crop loading.
- Plan Harvest.
- Bees into the orchard.

John Emett  
Avocado Business Manager  
0274 769 087  
[john.emett@dms4kiwi.co.nz](mailto:john.emett@dms4kiwi.co.nz)



**Bruce Macdonald**

027 222 4700

[bruce.macdonald@dms4kiwi.co.nz](mailto:bruce.macdonald@dms4kiwi.co.nz)



**Jeff Wagstaff**

027 280 3546

[jeff.wagstaff@dms4kiwi.co.nz](mailto:jeff.wagstaff@dms4kiwi.co.nz)



**Matt Moore**

027 203 4506

[matt.moore@dms4kiwi.co.nz](mailto:matt.moore@dms4kiwi.co.nz)



**John Emett**

027 476 9087

[john.emett@dms4kiwi.co.nz](mailto:john.emett@dms4kiwi.co.nz)

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