

World Potato Congress New Zealand March 2009

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Elders Limited (SA)

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Know-how for Horticulture™

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World Potato Congress New Zealand
22nd to the 28th of March 2009

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Elders Rural Services Australia Limited



Know-how for Horticulture™



Bayer

Science For A Better Life

Project: PT08031

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Statement: The purpose of the report is to provide an overview of the Study Tour to New Zealand attended by 20 Participants to participate in the 7th World Potato Congress, and visit several potato related enterprises. The objectives of the tour were to:

- Attend the 7th World Potato Congress in Christchurch New Zealand
- Attend the South Island Field Days
- Visit the New Zealand Plant Food & Research Breeding Facilities
- Visit retail operations
- Visit packing and value adding operations
- Visit Grower operations

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Media Summary

The 7th World Potato Congress convened in Christchurch, NZ during March 2009 provided a great opportunity for Australian potato industry representatives to attend and learn about the latest R&D being undertaken around the world. Twenty Participants from Australia including Elders Rural Services Australia Limited and Bayer CropScience staff and Potato Growers from WA, QLD, VIC, and SA spent a week together in NZ increasing their understanding of the global potato industry.

The key objective's of the study tour was to facilitate the Participants learning and understanding of the world potato industry, and expose them to new ideas that could be developed and adopted in their own business. Key areas of focus included Consumer demand for fresh potatoes, industry competitiveness, and leadership capabilities. The week of activities also included 2 days travelling to various potato related sites on the South Island of NZ and provided a great opportunity for the Participants to discuss what they had seen and learnt with other industry Peers.

The theme of the Congress was "Nourishing our Future" and key note Speakers addressed many interesting topics that covered everything from the history of the potato through to the retailing of potatoes to Consumers and their perceptions. The variety of Speakers and topics provided many useful insights and examples for the Participants to learn from and develop in their own enterprises. The Participants visited the South Island field days to see the latest farming technology on display. Visits to other facilities also provided the opportunity to see and discuss machinery developments, breeding, local packaging and retailing, value adding, and seed and ware potato production.

The Participants have been exposed to a wide range of industry related topics and have all gained a great deal from the weeks activities, and the many new Contacts made. The study tour has also provided a framework for individuals from different states and districts to come together and discuss topics of mutual interest and learn from their Peers. The Participants have all indicated that they will be looking to investigate further or look at adopting some of the technology that they were exposed to whilst on the tour.

Expected outcomes and how they were achieved

The expected outcomes of the study tour were to strengthen the Participant's knowledge and skills in areas deemed to be important in the Fresh Potato Industry Strategic Plan as outlined below.

1. Improving Consumer demand for Australian fresh potatoes

The Congress provided a range of key note Speakers that discussed various topics related to improving Consumer demand for potatoes. The topics included the opportunities for potatoes into the future, food safety, value chains, Consumer perceptions, marketing, and all the great features and benefits of the potato that could be utilised in driving greater awareness with the Consumer leading to increased demand.

The South Island tour again presented the Participants with how things are done on a local level in NZ. The packing and retail facilities visited highlighted packaging and marketing of potatoes in NZ. There was a range of paper bags used to pack both washed and brushed potatoes that were used predominately for larger pack sizes and value offerings. This was interesting in that the Consumer in NZ has a high trust of what is in the paper sacks and were prepared to purchase the potatoes without being able to visually see them. The segmentation of potatoes also was of interest, as the majority of potatoes are sold pre-packaged with the variety name also being displayed. The smaller potatoes have been targeted as a premium product as gourmet potatoes and are also packaged into small cardboard boxes with very good marketing information displayed on the box. The tour provided some great examples of packaging and marketing conducted in NZ and these ideas will be of use in helping the Australian potato value chain plan their future marketing strategies.

2. Improving industry competitiveness

The Congress again provided some key insights into remaining competitive. Sessions on crop management, the plant, environment and energy, and the soil borne disease sessions were all useful in terms of maximising the efficiency of your business whilst also considering it in the context of long term sustainability. The trade stands at the Congress along with networking with other industry people also provided many opportunities to discuss relevant issues and new ideas.

The South Island tour again presented many new ideas and concepts to the Participants. The South Island Field Day showcased the best of the NZ farming industry and the size of the field day and range of exhibits was outstanding, with all Participants having seen some new ideas that could be further investigated on their return. The opportunity to visit Wyma Engineering, and the pack houses provided a practical demonstration of the range of handling and washing equipment used in NZ. The visits to Raewards and Oakleys also provided insight into value adding opportunities at a farm and packing level. The visit to the breeding facility at Lincoln provided a very good overview of the breeding program and varieties grown, and how these varieties are commercialised both in NZ and Australia.

3. Improving leadership and management capabilities

All of the Participants have been exposed to a wide range of potato related issues and solutions, and have made and fostered many new contacts during their time spent in NZ.

The Participants from Elders Rural Services Australia Limited and Bayer CropScience Limited are specialist advisors to the potato industry and will be able to disseminate and relate their experiences to the wider potato industry through their daily contact with local Growers and potato related operations.

For the Grower Participants it has given them the opportunity to travel and understand more about the potato from an international perspective. These key insights will enable them to make better decisions within their own business, and provide additional input at a local industry level. The information gained and contacts made will provide them with a greater understanding of the potato industry and better equip them to engage in local and national industry initiatives. They have all gained a better understanding on issues that present themselves on a regular basis in their own business, and these valuable learning's will provide a solid foundation for them to continue their development within the Australian potato industry.

Results of discussions

During the meals discussions were had on the day's activities and a survey was also filled in along with a diary for the Participants to take home and remind them of what they would develop further or put into practice. The visits during the tour also provided good interaction between the Participants and Staff from the various sites and many small discussions were carried out in a group situation.

The individual Participants each came away with many new ideas and contacts that will be followed up on their return to Australia.

Some key actions Participants spoke about following up on their return to Australia included

- Recommending to management the benefits of installing a Wyma washer and polisher.
- Following up on some new varieties that could be appropriate for their farming operations.
- Implementing the use of some new strategies in controlling certain soil borne pests.
- Increasing their focus on food safety and traceability.
- Improving their understanding of the supply chain and what could be improved.
- Developing new marketing strategies taking into consideration some of the comments heard at the Congress.
- Following up on some equipment viewed at the Field day.
- Considering their effect on the environment and long term stability plans.

Implications for Australian Horticulture

The study tour touched on many facets of potato production and marketing over the course of the week, and some of the implications for Australian horticulture are summarised below

- Environmental concerns and sustainable production will continue to be a focus for all countries.
- Resource management and maximising efficient use of these will continue to drive change within the horticulture industry.

- New potato varieties will continue to play an important role in terms of increased pest and disease resistance, improved efficiency of inputs used, and provide more innovative options for marketing and driving Consumer demand.
- Understanding the complete value chain is important to enable gains in efficiency and margins for all within the chain.
- Populations are aging in all countries resulting in changes in how disposable income is spent on food.
- Consumers perceptions continue to change over time and regular engagement and surveying these changes is required to ensure the potato industries understanding of their demands and requirements is relevant.
- Value adding will continue to increase as Consumers seek more convenience and meal solutions for the weekly meals.
- Food safety programs and Consumers expectations of these programs will continue to be a focus of the retail sector.
- Population growth will provide greater opportunities for countries such as Australia to feed the growing international demand for food.
- Potatoes are seen as an efficiently produced source of starch in the diet in terms of water and production area required which Australian farmers can take advantage of in terms of lifting export sales opportunities.
- Improved Consumer education and awareness of the many benefits potatoes provide in the diet needs to be addressed to increase domestic sales.
- Increased marketing activity in terms of segmentation and differentiation of potatoes could realise additional value to the category
- Bio-security and quarantine standards need to be maintained to ensure the opportunities that present in the future can be maximised in terms of trade access to foreign countries, and to minimise the costs of any exotic pest incursions.

How the information gained will be disseminated

The Elders Rural Services Australia Limited and Bayer CropScience staff will be able to provide updates to the wider industry as part of their ongoing job activities, being involved regularly with potato industry personnel. The Grower Participants will also provide relevant feedback to Peers in their local community.

An article will also be written up and provided to Potatoes Australia for inclusion in a future issue.

The World Potato Congress committee has videoed the congress sessions and kindly placed these onto their international website for individuals to view or download. The web address is <http://www.potatocongress.org> for those that wish to view the presentations.

Itinerary

- Saturday 21st March 2009** -QLD Participants travel to Christchurch
- Sunday 22nd March 2009** -Remaining Participants travel to Christchurch
-Registration and attendance of opening of Congress
- Monday 23rd March 2009** -Attend 7th World potato congress
- Tuesday 24th March 2009** -Attend 7th World potato congress
- Wednesday 25th March 2009** -Attend final day 7th World potato congress
- Thursday 26th March 2009** -Visit Wyma Engineering Ltd and looked at the manufacturing facilities and discussed the benefits of using the Wyma vegetable washer and polisher
- Attend the South Island field days at Lincoln the largest agricultural demonstration field day in NZ
- Visit NZ Institute for Plant Breeding and Food Research Limited facilities at Lincoln and viewed the breeding facilities and trial fields
- Visit Oakleys Premium Fresh Vegetables Ltd to view packaging operation and discuss value adding opportunities
- Friday 27th of March 2009** - Visit supermarket Christchurch PAKnSAVE to view retailing of potatoes
- Visit Raeward Fresh Christchurch an integrated retail business to view their value adding facilities for vegetables and meat
- Visit Wilcox wash and pack operation to view washing and packaging operations and hear about the local retail industry
- Visit Dean Pye Rakaia to view and discuss local ware potato production
- Visit Martinus Lepoutre to view and discuss local seed potato production

Recommendations

The World Potato Congress provides an invaluable opportunity for individuals to gain a better understanding of the potato holistically and make new contacts to further their ongoing education. The comments received from the Participants were all very positive and the enthusiasm exhibited over the week was to be commended. I would recommend that Horticulture Australia Limited continues to look favourably upon such requests for funding to groups or individuals that express an interest in conducting future study tours that encompass the World Potato Congress as part of their itinerary. The comments from some of the younger Participants were very encouraging to see in terms of their enthusiasm and praise for being afforded the opportunity to attend the study tour.

All of the sites visited on the tour provided some key insights and thought provoking examples of how we could all improve our industry. The staff members at the sites welcomed us warmly and were all very open in their dialogue and explanations to any questions asked of them.

Acknowledgements

I would like to acknowledge the following organisations for both their financial support and help in organising the study tour.

Horticulture Australia Limited
Elders Rural Services Australia limited
Bayer CropScience Pty Limited
Elders New Zealand Limited

Special mention must also be made of Wendy Stewart and Graeme Walsh from Elders New Zealand Limited who made the local arrangements in NZ, and facilitated the 2 day tour of the South Island.

I would also like to thank the Owners and Staff that took the time out of their busy schedules to warmly welcome our group and provide an open and honest insight into how they operate and run their operations.

And finally I would also like to thank the Participants that attended for their enthusiasm and interaction with each other, and with the people we visited over the course of the week. Their positive feedback to the value of the study tour to them personally, and for the wider potato industry they represent has again shown the positive results that can be achieved by such activities.

Contact list

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Alex McDonald (Merchants) Ltd

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422 Cryers Road, Canterbury, NZ
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PAK'nSAVE

Northlands Shopping Centre
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Web: www.paknsave.co.nz

Hellaby Meats (SI) LTD Incorporating Raeward Fresh

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Plains Produce Limited

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List of Participants

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Mr Robert Cerchiaro, VIC
Mr Laurie & Jan Eldridge, WA
Mr David Muster, SA
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