

Vegetable Growers Study Tour - Berlin, Israel, and Spain

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AUSVEG Ltd

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VG09174

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Grower Tour
Israel, Berlin and Spain
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Project Number: VG09174

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Abstract

The 2010 Grower Tour to Israel, Berlin and Spain saw six Australian growers visit vegetable growing regions in the southern parts of Israel and Spain.

In addition to the farm visits, the growers were given the opportunity to attend the Fruit Logistica in Berlin, Germany.

Ranging in age from 27 to 70 years and hailing from VIC, WA, QLD, and SA, the growers travelled from their home states to Israel, via Singapore and London, on 27 January 2010.

Led by AUSVEG Chief Executive Officer, Richard Mulcahy, the growers arrived in Tel Aviv on 28 January 2010 and spent their first evening transferring to Jerusalem, where they would begin a four day tour through the southern half of the country. This included a visit to Netafim, the inventors of drip irrigation, and the opportunity to view a presentation at the Israel Export and International Cooperation Institute.

The growers departed Israel on 2 February 2010 and arrived in Berlin for the Fruit Logistica, a leading international trade fair for fresh produce businesses, the same day. The 2010 Fruit Logistica brought together more than 2,000 companies from across the entire fresh produce value chain around the world.

The growers began the third leg of their tour in Madrid, Spain on 6 February 2010, and after transferring to Murcia in the South-East region of the country, participants spent several days visiting farming operations. Highlights included a visit to fresh produce cooperative Surinver and a visit to one of the largest lettuce growing operations in the country, where nearly 2,000,000 lettuce plants are planted every week.

Returning to Madrid, the growers visited the Madrid Wholesale Market early on their last day of the tour on 11 February 2010. Following their visit to the market, participants viewed a presentation and discussed what they'd learnt on the tour at FEPEX, the Spanish Federation of Associations of Producers and Exporters of Fruits, Vegetables, Flowers and Live Plants, before making their way home to Australia that day.

One participant gave feedback stating: "It was great to see how the rest of the world operates. I'd recommend any grower attend this eye-opening tour."

Introduction

The Australian vegetable industry's strategic plan, VegVision 2020, includes five pillars which outline the priority areas for R&D to build and strengthen the industry into the future. Pillar five, "Strengthen the enabling environment, industry capacity, motivation and commitment to meet the VegVision 2020" is concerned with leadership and change.

To support VegVision, the AVIDG commissioned a study in 2007 to investigate the training requirements of Australian vegetable growers. The report concluded that vegetable growers require more leadership and business management skills and that these skills should be firmly tied to the profitability of the business.

People development needs which were identified included improving business management skills based upon:

- Business evaluation and planning
- Understanding costs of production and financial reports
- Better communication
- Developing negotiation and conflict resolution skills
- Improving decision making and managing change
- Creating marketing opportunities

The vegetable industry has, therefore, clearly identified "leadership and people development" as a priority area for investment in order to build capacity, ensure sustainable and profitable business practices are implemented, and to create future leaders. Numerous strategies have been employed in recent years to meet these people development needs through various "Industry Development" projects.

It has been widely recognised that study tours are an important and effective industry development project, providing individual capacity building and the creation of new learning outcomes. Australian growers have been attending grower tours for years with great success. With support from the National Vegetable Levy, grower tours have allowed Australian growers to expand their knowledge and build relationships between Australian and international industries.

The purpose of the 2010 tour was to provide opportunities for growers to undertake formal development programs and build their skills and knowledge so that they may assist in the advancement of the Australian vegetable industry in the future. In order to achieve this goal, six growers from across Australia were taken to Israel and Spain, where they visited many operations including vegetable growers, merchants, packers, research facilities, seed facilities, and markets, as well as attending the Fruit Logistica in Berlin, Germany.

The 2010 tour provided the opportunity for participants to form relationships, develop personal skills, identify alternative business management practices and compare production systems (including costs and profit) with their European and Middle Eastern counterparts, as well as with members of the global horticulture industry in attendance at the Fruit Logistica. Growers were able to explore the differences, and similarities, between the European, Israeli and Australian

vegetable industries. The group saw cutting edge water technology being used to grow vegetables in the Israeli desert and were exposed to the enormity of the European horticulture industry.

AUSVEG Chief Executive Officer Richard Mulcahy assisted participants throughout the tour. Two non-growing members of the industry also paid for a non-subsidised place on the tour. Members of the group evaluated the tour throughout the trip with evaluation forms submitted at the tour's conclusion.

Acknowledgments

The Israel leg of the tour, including farm visits, accommodation, transport, and many meals, was arranged with the assistance of Naftali Tours, through AgriSupportOnline. The tour through the south of Spain was arranged with the assistance of AgTechTours.

Thanks must go to the many growers and business managers that showed participants through their operations and enlightened them with their business skills and knowledge.

The tour was facilitated by HAL in partnership with AUSVEG and was funded by the National Vegetable Levy. The Australian Government provides matched funding for all HAL's R&D activities.

Tour Participants

State	Name	Crops
VIC	Richard Hawkes	Parsley, beetroot and spring onion.
WA	Michael Nixon	Basil, corn, and pumpkin.
QLD	Richard Gorman	Carrot, beans, and pumpkin.
VIC	Luis Gazzola	Celery, broccoli, Asian vegetables, lettuce, and carrot.
WA	Kate Sutcliffe	Pumpkin
WA	Harry Sutcliffe	Pumpkin

Itinerary

Date	Travel	Activities
Day 1 - 27 Jan 2010	Melbourne - London	Tour participants flew from their nearest Australian capital city to London, via Singapore.
Day 2 - 28 Jan 2010	Melbourne - London - Tel Aviv - Jerusalem	The group travelled from London to Tel Aviv, arriving at Ben Gurion Airport where they met tour operator, Naftali Steg and their bus driver for the transfer to their hotel in Jerusalem.
Day 3 - 29 Jan 2010	Jerusalem	Friday and Saturday is Israel's weekend and most businesses are closed. The group visited the Mt. of Olives to see a spectacular view of Jerusalem, visited the Garden of Gethsemane, and toured the Old City for a tour of the Jewish and Armenian Quarters. The tour also took them to the Temple Mount to see the famous Dome of the Rock. They walked the Via Delorosa to the Church of the Holy Sepulchur and visited the Arab Market where they saw colourful Bazaars filled with small shops. The group ate dinner at the hotel where they stayed overnight.
Day 4 - 30 Jan 2010	Jerusalem - Dead Sea - Tel Aviv	The tour departed Jerusalem and descended to the lowest place on earth, driving along the shores of the Dead Sea to the rock fortress of Masada. They visited Herod's palaces, dating back 2,000 years, and heard about the zealots who defied the Roman Empire from that location. Participants had an opportunity to swim in the Dead Sea, which is so rich in salts and minerals that you float. The group transferred to Tel Aviv and checked into their hotel.
Day 5 - 31 Jan 2010	Tel Aviv - Arava Valley	The group checked out of their hotel and visited the Israel Export and International Cooperation Institute (IEICI) where they heard from Mr Yitzhak Kiriati, the head of the Agrotech Department. After the presentation, they toured southwards to the Arava Valley "where the desert blooms". After a general overview of the Ein Yahav agricultural area, the group visited the regional experiment station where they saw new developments in growing methods, new irrigation and water control methods, and irrigation solutions for water with high salinity. Accommodation that evening was at a B&B in Arava.
Day 6 - 1 Feb 2010	Arava Valley - Tel Aviv	The group checked out of their accommodation and visited greenhouses with a variety of crops, as well as greenhouses concentrating on irrigation, climate control, fertilisation and water treatment. They observed post harvesting treatment and visited packing houses. The tour then travelled to the Netafim factory in Kibbutz Hazerim where they took a tour. The group then transferred back to Tel Aviv and after checking into their hotel they enjoyed a festive traditional Middle Eastern farewell dinner.

Day 7 – 2 Feb 2010	Tel Aviv – London – Berlin	The group met for coffee and cake very early before checking out of the hotel in Tel Aviv and heading to the airport. Arriving in Berlin late that afternoon, tour participants met an interpreter and driver at the airport for transfer to their hotel. After checking in, the group met for dinner with the interpreter.
Day 8 – 3 Feb 2010	Berlin	Tour participants registered for Fruit Logistica. Some of the speaking sessions and forums scheduled included: <ul style="list-style-type: none"> • “The retail trade in Europe – making the most of the crisis” – looked at the international food retail trade, the economic crisis and how fresh produce fits in on a global scale. • “Mexico – a partner with great potential” - looked at Mexico’s produce growing history, its role in international trading markets and what the world can expect from it in years to come. • “Brazil at Fruit Logistica: Exporters’ presentation and press conference” – This conference was held in the Press Room and covered the third largest producer of fruit in the world, Brazil. Coordinated by IBRAF (Brazilian Fruit Institute) and supported by Apex Brasil (Brazilian Trade and Investment Promotion Agency), Brazilian producers, exporters, associations and government bodies took part in Fruit Logistica for the eighth time and occupied an area of 300m2 at this year’s event.
Day 9 – 4 Feb 2010	Berlin	Fruit Logistica continued with the following speaking sessions and forums scheduled: <ul style="list-style-type: none"> • “Agribusiness – partnerships in the produce food chain” – looked at the close cooperation between production, the agricultural industry and the retail trade, including notes on food safety. • “New marketing norms in Europe –how is the trade coping?” – New norms have been adopted, forum looked at how this has and will affect the retail trade, the issues that need addressing and featured a panel of experts for question and answer sessions.
Day 10 – 5 Feb 2010	Berlin	Fruit Logistica continued with the following speaking sessions and forums scheduled: <ul style="list-style-type: none"> • “Improving sourcing through product coding and standardisation” – Electronic media in the fruit and vegetable business. Wholesale and retail experts offered insights and advice. • “Innovation in the fresh produce business – new trends in packaging” – The role of packaging in success of failure on the shelf. The forum topics include logistic issues and packaging costs. • “Presentation of the Fruit Logistica Innovation Awards 2010” – Top innovations in the fresh produce trade were honoured. Fruit Logistica closed.
Day 11 – 6 Feb 2010	Berlin – Madrid	The group checked out of the hotel and enjoyed a free day to explore Berlin. The group met the driver at the hotel at 4pm for transfer back to the airport for their flight to Spain. After arriving in Madrid late that evening, the group transferred to their hotel for check in.
Day 12 – 7 Feb 2010	Madrid – Murcia	After breakfast at the hotel, the tour began at 9:30am with a bus and walk city tour in Madrid, followed by a traditional lunch at a local restaurant in 2:00pm. The group then travelled to the south of Spain where the best crops can be seen at this time of the season.
Day 13 – 8 Feb 2010	Murcia	The group visited one of the leading companies in the sector of drip irrigation and greenhouse related technologies. The company has developed and executed projects around the world in countries such as Morocco, Mexico, Chile, China, and Romania. Participants then attended field visits to greenhouses where the latest and most innovative technologies were applied. After lunch, participants saw a presentation by a member of the John Deere Water CropSense Technology team. CropSense Technologies represent a suite of integrated crop management products

		that allow growers to monitor the levels of soil moisture and nutrients and adjust those levels based on recommendations provided by a one-of-a-kind database containing optimal soil profiles for over 110 crops throughout the growing cycle.
Day 14 – 9 Feb 2010	Murcia	Participants began the day visiting the largest cooperative in the area, Surinver, including the testing and research fields. Tour participants also visited their installations, production processes and packing houses. The tour then visited one of the largest growers of lettuce in Spain, followed by further field visits and installations. After lunch, the group visited a horticulture nursery and organic horticulture production fields (open fields and greenhouses).
Day 15 – 10 Feb 2010	Murcia – Madrid	The tour transferred to visit the two leading companies in Integrated Pest Management. Participants were presented with various products and visited fields where biological control is being applied in greenhouses and open field locations. After lunch the group transferred back to Madrid, visiting onion growers on the way.
Day 16 – 11 Feb 2010	Madrid – London	After breakfast the tour visited FEPEX, the Spanish Federation of Producers and Exporters of Fruits, Vegetables, Flowers and Live Plants. Participants viewed a presentation of the organisation and met with management to exchange experiences. After lunch the group transferred to the Madrid airport for their flight home.
Day 17 – 12 Feb 2010	<i>In transit</i>	
Day 18 – 13 Feb 2010	Arrive in Australia from London.	

Tour Report

The following report is a collation of the information collected on the tour during farm and merchant visits, the Fruit Logistica, and in participant evaluations of the tour.

Farm, merchant & related activity reports

The tour moved through various farms, greenhouses, packing facilities, merchants, markets and cooperatives in both the southern parts of Israel and Spain, with a visit to the Fruit Logistica trade fair in Berlin, Germany in the middle of the trip.

The tour, which was eighteen days long including travel time, included many valuable and informative visits, as well as networking opportunities for the tour participants.

Farms, greenhouses, packing facilities, research stations, cooperatives and merchant visits:

Israeli greenhouse and cooperative visits

Tour participants visited the Arava Valley in Israel, “where the desert blooms,” including growing areas near the Dead Sea. Participants were given an overview of the Ein Yahav agricultural area.

Participants visited greenhouses that had been declared clean fruit fly areas, which supports exports destined for the USA and Japan. Sterilisation techniques are used on fruit flies in Israel to combat the issue. Many greenhouses concentrated on irrigation, climate control, fertlising, and water treatments. Many facilities also included post harvest treatments and packing houses.

Cooperatives were once called ‘Kibbutz Farming Communities’ but the newer ones are called ‘Moshav Farming Communities’. Greenhouses making up approximately 5,000 hectares across seven communities are run by roughly 1,000 growers.

These cooperatives mostly comprise organic growers who use sterilised compost to avoid nematode issues that arise through the use of raw manures.

Tour participants found it interesting to see greenhouses in the middle of the desert and the way the growers dealt with water shortages. Intensive water use is used to grow produce and control salinity. Participants viewed date plantations that were set amongst the greenhouses with trickle irrigation delivering 800 litres per tree, per day.



Tour participant Luis Gazzola in an Israeli greenhouse.



Capsicums in an Israeli packing house.



Greenhouses in Israel.

Avacal Research Station, Israel

The group visited the Avacal Research Station where they saw new developments in growing methods, new irrigation and water control methods, as well as irrigation solutions for water with high salinity.

Participants found the research station impressive in the way water is irrigated to maintain yield.

Participants viewed 'evergreen' capsicum crops at the research station, which stay green for export and yield 200 tonnes per hectare. Eggplant varieties grafted onto nematode resistant eggplant stock were also examined and were found to be very impressive by the group.

Netafim in Kibbutz Hatzerim, Israel

A visit to the Netafim offices, as well as the Research and Production Factory, took place on Day Six on the 1st of February.

Tour participants were told about the company's history by Netafim's Director. The first Netafim irrigation dripper was invented in 1945. The group learned about a Russian orange grove in the centre of Israel. A farmer noticed one tree was of outstanding quality due to extra water dripping onto the ground around the tree from a unique source. This was where the farmer first thought of the concept of drip irrigation. He designed a dripper but it was not researched and funded until 25 years later when Netafim began production in 1970. Drip irrigation was a revolution for the agriculture industry, particularly in the southern parts of Israel.

The Netafim Research and Production Factory is the biggest drip irrigation manufacturer in the world with five major production factories around the globe. All products are patented to protect against competing R&D. The company researches and develops new, more efficient dripper lines each year. Controllers are made in Israel under the company's supervision. Production of piping for the drip irrigation is made at the Tel Aviv plant at the rate of 100 metres per minute of production and approximately 1,000,000 metres per day. The group saw large, six kilometer reels of the piping during their visit.

The group also visited the Netafim Testing Laboratory. The company tests their own products, as well as their competitors' products, on a daily basis. Any complaints made about Netafim products around the world are sent to the Israeli testing laboratory. The drippers currently on the market are expected to last 20 years in the field.

The company is constantly striving to improve dripping to handle dirtier water. Drippers are self-cleaning and Netafim is the only company that has produced a dripper that drips at a rate of 0.6 litres per hour. The company also ensures to regulate the drippers so they fit any size dripper line. Other manufacturers make drippers that often need to be changed depending on pipe sizes.



Netafim, Israel.

Spanish farm and cooperative visits

Participants visited one of the leading companies in the sector of drip irrigation and greenhouse technologies. The company has developed and executed projects around the world in countries such as Morocco, Mexico, Chile, China, and Romania.

Tour participants visited a cooperative packing factory supplied by 1,000 growers and with 400 employees. Produce from the packing factory is mainly exported from Israel and the lesser quality or damaged product is made into sauces.

The tour visited a 3,000 hectare lettuce enterprise in Spain. The farm, owned by two brothers, grows iceberg, cos and mini cos lettuces and exports 70 per cent of its yield to Europe and Asia, while 30 per cent is consumed locally. The enterprise includes 500 hectares of lettuce farms in China for export to England during summer. A company Director manages each section of the business, including machinery and soil preparation, irrigation, nursery, picking and field harvest, pack house and value adding, and, marketing and promotion. Growers viewed the farm's completely robotic pack house and learned that two million lettuce plants are planted per week with an average of 160,000 plants per hectare. The enterprise is also associated with Langmead Farms in England, which allows direct access to supermarkets. Workers at the farm earn 6.11 Euro per hour in the pack house and 6 Euro per hour in the field, which is equivalent to approximately \$9 to \$10 Australian.



Open field harvesting.



Packaging of lettuces in-field for retail.

Participants visited several greenhouse complexes with the latest technology installed. The region has many greenhouses as well as open field lettuce and artichoke crops.



Some of the latest greenhouse technology being used in Spain.

Four participants visited Surinver, the largest cooperative in the area. Participants visited testing and research fields, installations, packing houses and viewed production processes.

Surinver is the national leader in capsicum production with 39 million kg per year, with the crop in production year-round. Surinver also distributes more than 40 million pieces of lettuce per year, along with a variety of fruit and citrus products.

Surinver boasts 300 hectares of greenhouses, some equipped with heating and thermal screens, and 1600 hectares of outdoor production. Distribution and sorting processes are carried out by machines as well as workers, ensuring the highest product quality possible. After produce is boxed, the produce is put into pre-chilled chambers to optimise the temperature of the product before loading, and the loading zone is also totally automated.

Surinver has also had a fully-operative insect farm since 2003, which is a pioneer project of its kind in Spain, developing insecticides for use in winter. Surinver is also a state-of-the-art company for

R&D projects in the fruit and vegetable sector. The company acquired a seedling nursery in 2007, which comprises facilities with sowing machinery and germination chambers with controlled temperature and humidity. Mesh greenhouses, totaling 21,000 m² in size, gradually accustom the plants to the outdoors. Other greenhouses include 6,500 m² of mesh greenhouses for growing plants for ecological cultivation, as well as 18,000 m² of plastic greenhouses with controlled temperatures, humidity and illumination for the correct rooting and growth of those plants requiring a specific temperature and light.

The agricultural assessment team at Surinver decides dosage, watering time, and fertilisation plans for each crop. Harvest quantities, efficiency and productivity of fruit and vegetables are optimised.



Tour participants at Surinver, Spain.

Tour participants also visited organic onion growing areas and packing houses through contacts they'd made at the Fruit Logistica in Berlin, as well as visits to a horticulture nursery and organic horticulture production fields, including open fields and greenhouses. A visit to the Syngenta Seeds Research Facility in Murcia was also included.



Syngenta Seeds Research Facility, Murcia, Spain.

John Deere Water CropSense Technology, Spain

Tour participants enjoyed a presentation by the John Deere Water CropSense Technology team. CropSense Technologies represent a suite of integrated crop management products allowing growers to monitor the levels of soil moisture and nutrients and adjust those levels based on recommendations provided by a one-of-a-kind database containing optimal soil profiles for over 110 crops throughout the growing cycle.

Integrated Pest Management company visits, Spain

The tour visited two leading companies in Integrated Pest Management (IPM). Participants were presented with various products and visited fields where biological control was being applied in greenhouses and open field locations.

Associations, organisations, market and government visits:

Israel Export and International Cooperation Institute (IEICI), Israel

The Israel Export and International Cooperation Institute is a not-for-profit organisation serving 23 agriculture industries. Tour participants met with the head of the Agrotech Department, Mr Yitzhak Kiriati on 31 January, to discuss issues facing Israeli horticulture.

With a budget of \$15,000,000, ownership of the IEICI is comprised 50 per cent private and 50 per cent government with membership fees and payments made in exchange for services. The IEICI's Board is made up of three government representatives and six industry representatives.

Water shortage in Israel is a key issue affecting the vegetable growing industry and there is a need to invest more money in water initiatives. Desalination plants operate, however, these plants carry significant costs. Recycled water is used in agriculture to reduce costs with 75 per cent of the country's waste water recycled back to farmers. Many farmers have bores and when storm water is available drains can be blocked and water pumped into the storage dams.

Export and import issues were discussed at the meeting, along with the workings of cooperatives and labour practices. The Israeli Government is very supportive of the agriculture industry. Tour

participants learned that 90 per cent of produce from the south of the country is exported into Europe and Asia. With regard to cooperatives, small scale farmers are unable to sustain their businesses alone so they form cooperatives, where they can obtain seedlings, fertilisers, chemicals, marketing techniques, packing, and value adding strategies. The system works well for Israeli growers. Many of the country's foreign horticulture workers are sourced from Thailand. Workers can enter the country on two year work visas, after which they must return to Thailand and re-apply for another two year visa.

FEPEX, Spain

The tour closed in Madrid, Spain with a visit to the Spanish Federation of Associations of Producers and Exporters of Fruits, Vegetables, Flowers and Live Plants, otherwise known as FEPEX. Participants viewed a presentation of the organisation and met with management to exchange experiences from the tour. Participants learned about the Quality Assurance systems for export and the FEPEX Trade Exhibition scheduled for later in the year.

Market visits, Israel and Spain

Tour participants visited the Arab Market in Israel, which included many fresh produce stalls. Participants viewed further fresh produce stalls in Madrid, which they found highly impressive. Participants also visited the fresh produce markets in Madrid on their last morning of the tour. The Madrid Market was a 'central' market with everything on the same 170 hectare site. The market incorporated fruit and vegetable wholesaling, retailing, distribution centers, logistics, transport, meat, fish, dried fruit and flowers. Approximately 8,000 people work at the complex.



Fresh produce stalls at the Arab Market in Israel.



The Madrid Market.

General observations from farm visits:

- “The Regional Experiment Station was quite amazing”.
- “It was a good opportunity to see the method in which the Mushav undertake experiments to provide information to all the growers in the region”.
- “The eggplants at the Regional Experiment Station were unbelievable”.
- “The large reels of piping at Netafim were amazing”.
- “The cooperative packing factory in Spain was an eye opener and the best ever to see”.
- “Spain’s irrigation and fertigation systems are better than those in Australia”.
- “The glasshouses we visited in Spain were great”.
- “The visit to the lettuce operation in Spain was great. There were good, new ideas for improving production efficiency”.
- “Spain takes agriculture very seriously”.
- “The co-op (Surinver) was first rate and the techniques of harvest and handling were the world’s best”.

General observations from association, organisation, market and government visits

- The Madrid market finished the trip off brilliantly.
- The construction of a new wholesale produce market is currently underway in Melbourne, Australia. One participant commented they’d wished their market planners had visited the Madrid market before planning the new Melbourne market.
- The Madrid Market was very impressive.

Fruit Logistica 2010

Tour participants found the Fruit Logistica 2010 to be a highlight of the tour. Participants had the opportunity to meet potential new trade partners, view new technology in action, and visit equipment providers.

Several forums, press conferences, award ceremonies, and exhibitor events were held over the course of the event and growers had the opportunity to learn about aspects of the international fresh produce industry most relevant to them.

Day One – Wednesday 3 February 2010

Vegetable related events included:

- **Fruchthandel Magazine Hall Forum**
 - The retail trade in Europe – making the most of the crisis
This session covered the economic crisis and its affect on Germany, Europe, and the global horticulture retail trade.
 - Mexico – a partner with great potential
As the official Fruit Logistica 2010 partner country, Mexico has played a valuable role in the global fresh produce trade for many years. Specialists from the production and export sector presented the latest developments and showed what customers can expect from Mexico in the coming years.
- **Press Conferences and Workshops**
 - Multi-way – Measurably Sustainable!
A tool was presented measuring and comparing environmental effects on the transportation of fruit and vegetables in Europe. The savings potential of the “Environmental Impact Calculator” was demonstrated for both the individual user, and for the EU Market as a whole.
 - The new Italian export-oriented fruit and vegetable cluster
The press conference demonstrated an innovative network of producers, suppliers and service providers in south-eastern Sicily targeting international markets.
 - Brazil at Fruit Logistica: Exhibitor presentation
Brazilian producers, exporters, associations and government bodies took part in Fruit Logistica 2010 for the eighth time, occupying an area of 300 m². A presentation took place at the Press Centre where Brazil’s global involvement in the fresh produce industry was explained.



Brazil exhibit at Fruit Logistica.

Day Two – Thursday 4 February 2010

Vegetable related events included:

- **Fruchthandel Magazine Hall Forum**

- Agribusiness – partnerships in the produce food chain

This forum looked at the close cooperation between production, the agricultural industry and the retail trade. Agricultural technology plays a key role in ensuring consumers are guaranteed product safety and the competitive position of growers, and retailers, is strengthened. Further potential for optimization was explored in the forum by experts from the produce food chain.

- New marketing norms in Europe – How is the trade coping?

A panel of experts answered questions and brought forum participants up to date on issues relating to the withdrawal of 27 specific marketing norms for fruit and vegetables in Europe since 1 July 2009.

- **Award Ceremonies**

- Almeria Award Ceremony

The Province of Almeria, Spain, acknowledged the careers and dedication of people, institutions and companies working in support of the sector.

- **Exhibitor Events**

- Food Chain Partnership Mexico: An innovative approach to improve farmers' business through strategic alliances

This event explained Bayer CropScience's Food Chain Partnership concept. The success of this concept has been demonstrated with numerous fruit and vegetable projects globally, and particularly in Mexico. The concept acknowledges the need to establish alliances between growers, certification bodies and traders in order to face the challenges of the agro export markets. Important alliances with major certification entities such as Mexico Calidad Suprema, a non-profit body supporting farmers through training and advice, are designed to boost the competitiveness of Mexican fruit and vegetable growers.

- Is organic food eco-friendly? Perspectives for a more sustainable agriculture
Issues surrounding the organic produce industry and its sustainability were discussed by a panel of representatives of retailing, farming, journalism and BASF.

Day Three – Friday 5 February 2010

Vegetable related events included:

- **Fruchthandel Magazine Hall Forum**

- Improving sourcing through product coding and standardisation
This forum related to the rapid impact electronic media is having on the fruit and vegetable business, and the increasing electronic management of sourcing activities. Electronic management results in faster transactions, more transparency and lower costs compared to conventional methods; however it is essential business participants speak the same “language” for the system to work. With Global Product Classification (GPC) and the Global Trade Item Number (GTIN, formerly EAN), GS! Germany has developed a new coding system to clearly identify products and services. In this forum, GS1 Germany explained the new standards and applications of its global coding system, while wholesale and retail experts offered insights into everyday practice.
- Innovation in the fresh produce business – new trends in packaging
This forum took a close-up look at packaging innovations and trends in 2010, from small packs at point of sale, to fresh-cut products and other special product groups. The forum topics included logistic issues and packaging costs.
- **Award Ceremonies**
 - FRUIT LOGISTICA Innovation Award 2010
The top innovations in the fresh produce trade were honoured at Fruit Logistica 2010.

For more information about the Fruit Logistica please visit: http://www1.messe-berlin.de/vip8_1/website/Internet/Internet/www.fruitlogistica/englisch/index.html



Tour Leader Richard Mulcahy and AUSVEG Chair John Brent at the Australian exhibit at Fruit Logistica.



Tour participants at Fruit Logistica.

General Observations from the Fruit Logistica 2010:

- “It was amazing and very large. I visited the stands of other countries, which were very impressive”.
- “It was world class, I will go again”.
- “All growers should find the time to go to the Logistica, mainly to see how successful other countries are with regards to marketing and promotion”.
- “It was great to see how the world operates”.

Participants' observations and recommendations about the European and Middle Eastern vegetable industries:

- Most countries subsidise agriculture.
- For many countries going through poverty, wars, famines, persecution, and dictatorships, agriculture is treated as a lifeline. By contrast, in Australia, produce is easy to obtain.

The following observations and discussion points were submitted by one of the tour participants following the tour:

Labour supply dilemma

The cost of labour is a real threat to Australian horticulture. All of our foreign competitors use some form of cheaper itinerant labour supply – either in the form of low socio-economic traditional inhabitants, or third world refugees keen to send money to their families back home.

Both sources of labour are considered reasonable by all governments other than our own. The flow of money out of the country replaces the direct funding otherwise paid by governments, while still providing add on benefits from helping the agricultural industry within the host company.

Over time the skills gained by the itinerant workers filter back to the refugee population and provide the building blocks for primary industry within their own countries. Primary production is always the first industry required by a developing country to improve their sustainability, and lift their standard of living.

If Australia is to remain globally competitive, the playing field needs to be leveled. We either need to take advantage of our close proximity to third world neighbours and offer them the opportunity to gain basic skills, or we must place trading tariffs on countries which do utilise these cheap labour sources.

We must strive to keep Australian farming globally competitive.

As an example from the tour, the Spanish Government is in consultation with industry bodies to ensure immigration laws are being managed to match the requirements of production. They are very supportive and respect the needs and importance of food production in their country.

100% Australian Fresh

This tour has shown us that in Australia we have a great food industry with quality at its heart.

We must promote the celebration of food in Australia, and focus on our skill at growing fresh food, region by region.

Australian producers need to develop a closer relationship with the customer – not only the mums, dads and children who eat the food, but also with the retailers who sell it.

Australians should reconnect with their country cousins.

Customers should be told where their food was grown. Country of origin should be on menus and specials boards, not just the supermarket shelves. It is a real shame that often buyers sourcing food for commercial kitchens don't know where the food has originated from. This erosion of our market is being done by stealth and through technicalities. No Australian wants to eat the imported frozen produce they are regularly served, but often they don't even realise the produce they are eating isn't Australian. Let's get the message out in the open and expose this trend before it's too late. Let's get the big guys on side. It will be hard but worth it.

Summary

The farm visits and related activities provided an opportunity for the tour participants to explore new production methods, compare production systems, and investigate state-of-the-art water technologies in countries with similar, or even more severe, climates to Australia.

In Israel, growers were given an introduction on the close working relationship between the Israeli Government and the vegetable growing industry, and were educated on the advanced water technology available to growers faced with the task of producing vegetables in the desert.

In Spain, tour participants visited highly advanced farming operations and were privy to the inner workings of advanced co-operative style farming.

Through their attendance at the Fruit Logistica 2010, tour participants were able to develop international networks and examine the state of the international fresh produce industry.

One of the major issues identified with the tour was its timing. Many Australian growers were unable to attend as they were in the midst of their peak summer/autumn harvesting. In Israel and Spain, however, it was winter and there were few open field crops for growers to view. Given the Fruit Logistica is held annually in February, this is an issue that is difficult to avoid, as it is clear the Fruit Logistica was a highlight of the tour. Future tours might begin with the Fruit Logistica and continue with the rest of the tour afterwards as the season improves.

Participants' comments on the value of the tour:

- "The mix of people on the tour and Fruit Logistica was great".
- "It was a good time of year for me to travel and Fruit Logistica was something I wanted to attend".
- "I will never forget the people on the tour and the information gained was diverse and world class".
- "The tour was a unique experience that will benefit me for a long time".
- "The networking opportunities are great and the tour provides an opportunity to improve my businesses".
- "I'd recommend any growers that can afford to go on the tour, to go, especially if it's subsidised. It's very eye-opening".

Recommendations for future tours

1. One grower said the best time for the tour is January and February as it incorporates Fruit Logistica and this is not a harvest period for some growers. For others, it was a harvest period and this made it difficult. Some recommended travelling to these locations during Australia's winter; however, the Fruit Logistica was acknowledged as an extremely important aspect of the tour.
2. Future tours should visit more open field crops in a variety of areas.
3. There is a need to put together a bank of contacts from this trip and build on it, and try hard to cut travel time. The tour had a good balance across work and social activities.
4. There were too many greenhouses in the tour. The north of Israel might be a better region to visit next time.