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Special Issue

AgEnt International Marketing
inputs at the 3 day
Agri-Business/Marketing Workshop
Presented in association with
University of Mississippi's
Agri-Business Institute

*Presented/prepared by
Anthony Dalglish
International Marketing/
Agro-Processing
Advisor.*



HELPING SRI LANKA TO GROW !

AgEnt is a dynamic USAID funded private sector agro-enterprise development initiative successfully assisting companies and entrepreneurs with viable business/marketing plans to expand existing operations or start-up new ventures targeted at both domestic and export markets.

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INTRODUCTION AND QUALIFICATIONS

The international marketing component of the workshop is a short/intense session (drawing on actual case histories) to briefly :

- a. Illustrate how countries such as Thailand/New Zealand successfully develop/position/market their fresh/processed food products in the highly competitive international arena, together with AgEnt's strengths/weaknesses assessment of Sri Lankan agro-enterprise companies/entrepreneurs at an overview level.
- b. Highlight the considerable information resource which is freely available through AgEnt's BIC/Business Information Center, linked to how AgEnt can assist a client (refer page 2.) to develop/expand their business utilising the project's "shared investment grants" program provided they can present a viable business/marketing plan and meet the necessary criteria.

Participants interested in learning more about how the BIC may be able to assist them should make direct contact with the BIC Manager, Mrs. Gayatri Abeydeera.

Because AgEnt works with clients on a "confidentiality basis", we are naturally restricted in terms of the type/level of information which can be openly discussed at a workshop of this nature.

The data contained within this workshop handout comprises the majority of main charts which will be presented. Participants can make their own session notes on the blank page opposite each chart.

If time permits this component of the workshop will be supported by a number of video presentations and discussion of selected competitive product samples.

Session material has been kept relatively broadbase in view of the diverse participant and experience mix noted in applicants letters to attend the workshop.



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24th April 1994

AgEnt can make available "shared investment grants" (50% coming from AgEnt - 50% coming from the client) in a number of Agro-Enterprise sectors. Below we have outlined typical illustrations of where AgEnt can or cannot make "shared investment grants" related to a finally approved client project.

Sectors where AgEnt can make "shared investment grants" available

1. Purchase of pieces of new equipment and technology which will lead to increased sales, open new markets, create higher added value marketing opportunities etc. However, in this sector AgEnt can only make "shared investment grants" up to US\$5000 per equipment/ technology item of a non United States source. AgEnt does not make "shared investment grants" available for the purchase of second hand or rebuilt equipment/technology.
2. Export product opportunity or new equipment/technology assessment trips.
3. Sending product samples overseas for Buyer evaluation.
4. Production of export promotional material.
5. Participation in trade fairs.
6. New product development utilizing facilities available through identities such as the CISIR, HDRI etc.
7. Environmental Impact assessment studies.
8. Buying/Bringing into Sri Lanka new planting material/seed varieties etc.
9. Trialling new crops, post harvest handling and processing technologies

Sectors where AgEnt does not make "shared investment grants" available

1. Purchase of buildings, vehicles, major capital plant, freezer/chiller facilities, boilers, transformers, generators, compressors, electric motors, air conditioners etc.
2. Land and land development
3. Loans and working capital

AgEnt also only works with clients on a phase by phase basis i.e. we seek to evaluate the success outcome or otherwise of Phase I activities before deciding whether AgEnt will assist a client at the next stage of development.

The Island

Wednesday 24th November, 1993 Registered in Sri Lanka as a Newspaper Vol. 13 No. 278 PRICE Rs. 7.1



ECONOMY AND BUSINESS

Business Editor: Eriq Dewanarayana

A dynamic company wins export

The Hiran Cordials Co., of Moratuwa, a small privately owned foods manufacturer and distributor, has recently secured its first export orders valued in excess of Rs. 350,000 for their "all natural" tropical dried fruits range, supported by a substantial number of export enquiries following overseas promotional trips in recent months.

The company, which is jointly owned by Mr. & Mrs. Henricus and Helen Fernando, strongly believed a few years back that Sri Lanka's abundance of quality tropical fruits could represent an outstanding dried fruits export marketing opportunity.

Mrs. Fernando, who heads the company's research and development department, was specifically responsible for developing the company's quality dried fruits range via small scale/low risk batch production, to en-

sure that the company's products could firstly beat competitors from Thailand at a quality/price performance level, as this country is widely recognized as the No. 1 producer/exporter of many tropical dried fruits. The company then sent its samples and pricing to overseas buyers in target export markets to establish "whether they truly had a quality, price competitive product range".

As a result of highly favourable overseas buyer responses, USAID's private sector Agent agro-enterprise project assisted the company to identify and purchase via a "shared technology investment grant", an ultra modern overseas fruit dryer capable of producing a volume, uniform quality export product.

Agent's international marketing/

orders

agro-processing advisor — Anthony Dalgleish — has also assisted the company at a marketing/promotional advice level, and to travel overseas to study competitive fruit drying technology and make sales at the recent major German Anuga World Food Fair.

Richard Hurelbrink, Agent's Chief of Party, stated that the Hiran Cordials Co's dynamic husband and wife busi-

ness partnership, illustrates that even a small Sri Lankan company can "make it happen" in the highly competitive international export arena, by adopting from the outset a professional and determined export marketing development approach.

USAID's Agent project is working alongside many other Sri Lankan private sector agro-enterprises in a similar manner to help them to develop and successfully launch export products.

YOU CAN DO
IT TO!

THE REALISM OF EXPORT
MARKETING

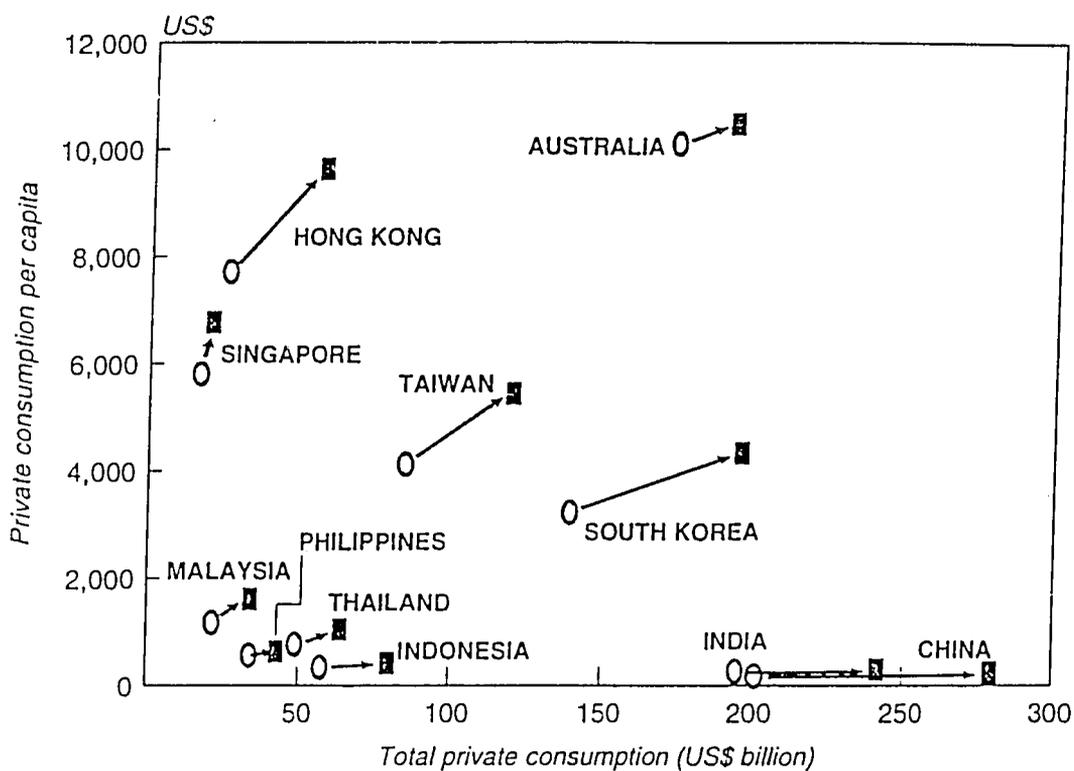
4.

KEY POINTERS

- | | |
|--|--|
| <p>1. STRENGTHS OF MAJOR IMPORTERS/PLAYERS =</p> <ul style="list-style-type: none">. LARGE VOLUMES. COMPETITIVE PRICE. PROMOTION. DEMANDING DELIVERY DICTATES <p>ETC</p> <p>2. WEAKNESSES OF SMALLER IMPORTERS/PLAYERS =</p> <ul style="list-style-type: none">. LOW VOLUME/ RESTRICTED DISTRIBUTION. TOUGH TRADING TERMS. EXCESSIVE COMPETITION i.e WIDE IMPORTER CHOICE | <p>THE "HALLMARKS" OF A SOUND PROFESSIONAL EXPORTER -</p> <ol style="list-style-type: none">1. DOING THE HOMEWORK WELL =<ul style="list-style-type: none">. SOUND MARKETING PLAN. AND IDENTIFYING / BUILDING A BETTER MOUSETRAP2. STAYING POWER - GOING THAT EXTRA MILE !3. SALESMANSHIP/CREATIVENESS4. START WITH ONE MARKET AND GET IT RIGHT; MINIMIZE RISK5. KEEPING UP WITH THE PLAY; STAYING AHEAD ! |
| <p>ALL TEND TO DEMAND -</p> <ul style="list-style-type: none">. EXCELLENCE IN PACKAGING. SUPERIOR PRODUCT QUALITY. UNIQUE PRODUCT POSITIONING. COMPETITIVE PRICING. SUSTAINED/ON TIME ORDER DELIVERY | <p>PROBLEMS OF LIMITED SRI LANKAN PROCESSING/ PACKAGING TECHNOLOGY</p> <p>AND</p> <p>HARNESSING OF PRODUCT !</p> |

Asia's Consumer Markets

(Per capita spending and relative market sizes, 1990 & 1995)



○ 1990 ■ 1995

Note: Japan: Per capita: US\$13,827 (1990) — US\$15,786 (1995)

Total consumption: US\$1.7 trillion (1990) — US\$1.9 trillion (1995).

*All numbers in real 1990 terms.

Source: Business Asia, Business International

SRI LANKA'S INTERNATIONAL
MARKETING IMAGE - WEAKNESSES
AND STRENGTHS

(Selected illustrations)

WEAKNESSES

1. EVERYTHING BRANDED
"INDIA"; AND PERCEIVED
AS INDIAN IN ORIGIN.

2. OTHER THAN TEA, NO
UNIQUE IDENTIFIABLE
SRI LANKAN POSITIONING
BENEFITS PERTAINING TO
 - . PRODUCT QUALITY
 - . SECTORS/VARIANTS

3. OTHERS TURN/BLEND MANY
OF OUR COMMODITIES INTO
"OWN POSITIONED", "NON
SRI LANKAN IDENTIFIED
PRODUCTS".

SPICES AND SEASONING
MIXES WOULD BE CLASSICS!

4. NO STRONG/HISTORICAL
INTERNATIONAL
IMPORTER/DISTRIBUTION
RELATIONSHIPS I.E.
INDIAN/CHINESE
RESTAURANT TRADES

ETC

STRENGTHS

1. OVERSEAS SRI LANKAN
COMMUNITIES; BUT MOST
OFTEN RESULTS IN "WRONG
PRODUCT POSITIONING"!

2. TOURISM IMAGE; BUT VERY
WEAKLY LINKED!

3. MARGINAL INTERNATIONAL
PUBLICATIONS/MAGAZINES
FREE PUBLIC RELATIONS
COVERAGE (PARTICULARLY
AT A TRADE LEVEL)

4. OTHER?

HOW DO WE BEAT THE
INDIAN IMAGE/SOURCING/
POSITIONING EQUATION?

SPICES AND SPICE MIXES
ILLUSTRATIONS

MCCORMICKS -
US - SPICES

- . CARDAMOM/
INDIA
- . CURRY
POWDER/
INDIA
- . CUMIN/
INDIA

SCHWARTZ -
UK - MIXES

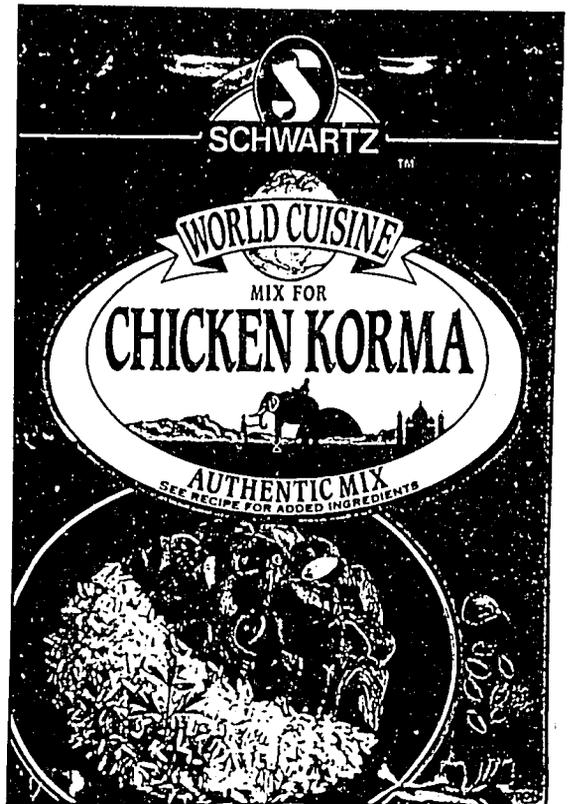
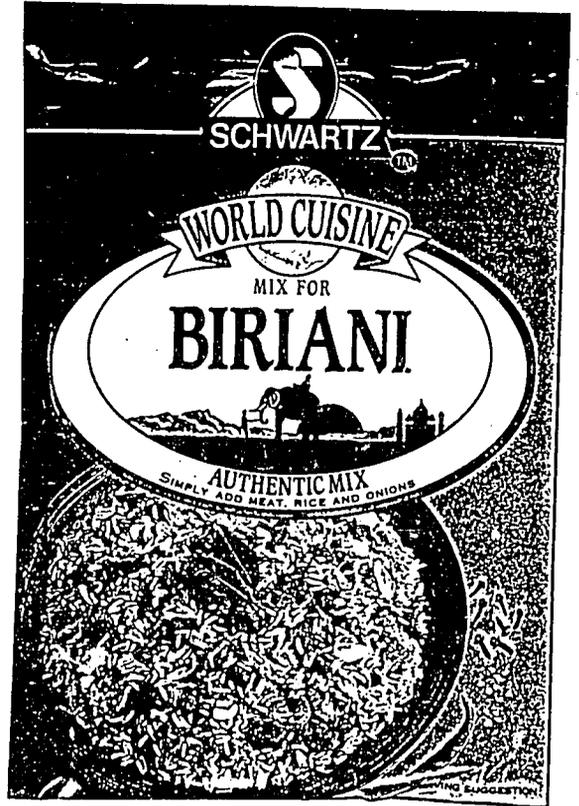
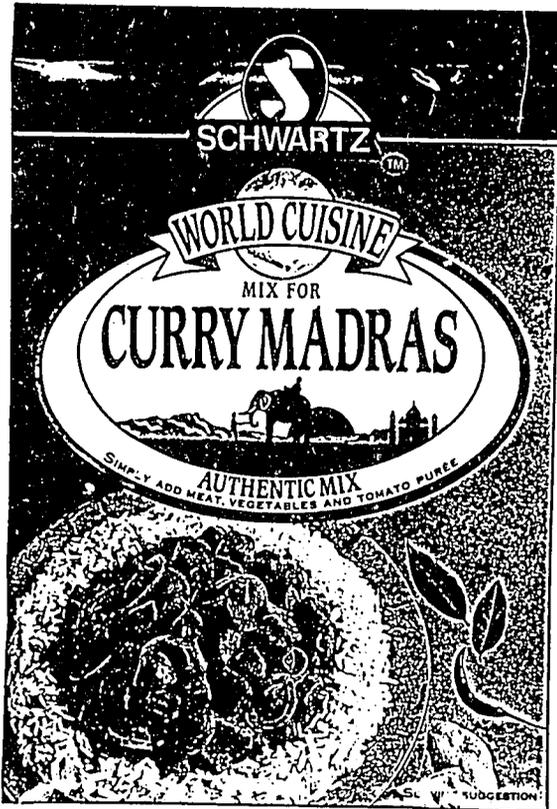
- . BIRIANI/
INDIA
- . CURRY
MADRAS
- . CHICKEN
KORMA

OTHER

CINNAMON STICKS NO
COUNTRY MENTION!

VANILLA - MADAGASCAR

SCHWARTZ (UK)
INDIAN SPICE/
SEASONING MIXES
RANGE



HOW IMPORTANT IS PACKAGING/
PRESENTATION TECHNOLOGY IN
THE EXPORT MARKETING OF HIGH
VALUE SPECIALITY FOODS?

VERY SIMPLE!

BASIC PACKAGING TECHNOLOGY
WEAKNESSES CAN BE OVERRIDDEN
BY -

1. ON TARGET "COUNTRY AND
PRODUCTS POSITIONING"
i.e. WHAT YOU CLAIM/SAY
ABOUT YOUR PRODUCT, AND
HOW YOU BRAND/DESIGN
YOUR LABEL

2. OFFERING SUPERIOR
PRODUCT QUALITY AND
TASTE IN LINE WITH
TARGET CONSUMER
REQUIREMENTS

Chart 6 SELECTED EXTRACTS FROM 5 PRIME WORLD MARKETS FOOD
IMPORT-DISTRIBUTORS SURVEY

A. Prime I-D requirements demanded of a new exporter

Unless an offered new food product range is quite unique, they will demand of a new exporter with no previous market experience the following:

1. Resource base of company, experience and success in competitive world export markets
2. Track record in ongoing, innovative new product development
3. Proven ability to service on time placed orders
4. Competitive pricing and appropriate promotional support programmes
5. Correct product adaptation for the market eg product, packaging, promotion etc
6. A specific 1st year establishment support programme eg trade fair participation, trade magazine advertising, availability of a senior export marketing/sales person to assist the I-D at the initial key accounts sell-in etc
7. An effective ongoing systems and inter company/I-D communications package

B. Key import-distributor dynamics, Numeric
& %

- | | Numeric
& % |
|---|----------------|
| 1. Per annum approaches to large and medium size import distributors seeking first time market representation | 31 |
| 2. Number of export companies handling import-distributors (large and medium) together with total product (variants) range | 9/81 |
| 3. Level of direct sales outlet penetration | 23% |
| 4. Time devoted to selling/administration of major profit lines | 77% |
| 5. Level of true promotional influence at end consumer buying points | 11% |
| 6. Promotional support expenditure (% ex I-D warehouse points) by leading export companies during 1st year new market establishment | 3-14% |
| 7. Average number of visits to key export markets by major export company personnel on a per annum basis | 2.9% |

Time to sell specialty/gourmet foods

By Anthony Dalgleish

Anthony Dalgleish is the principal partner in Anthony Dalgleish & Associates, a New Zealand based international marketing development consultancy working for the private sector, multi-nationals and overseas governments.

One of the most dramatic export growth sectors continues to be mid and premium foodstuffs, often aptly classified as specialty or gourmet foods.

Against this background it remains sad to note that Australia and New Zealand (Australasian) food manufacturers have by and large seriously failed to capitalise on this significant export marketing opportunity.

This article seeks to cover, in a series of six overview charts, the dimensions of the opportunity and requirements needed for Australasian food manufacturers to make the running in the burgeoning specialty/gourmet foods sector.

Major reasons for the growth of specialty and gourmet food include:

- Far more adventuresome (not just Western influence) consumer food habits within markets as diverse as the USA, Singapore, Saudi Arabia, West Germany, Japan and many others.
- A rapidly emerging, well travelled world mid-upper social class with high disposable income.
- A high belief among many consumers that 100% pure products are far more healthy, particularly if they are imported and more expensive than domestic counterparts.
- The efforts of a grouping of large and small international foodstuff manufacturers who have always believed that higher margins for the trade and themselves could accrue through imaginative new product development and marketing of mid and premium foodstuffs.

This distinction is most valid in the battle against both low profitability generics/house brands/loss leaders etc and a number of import markets which offer limited import volume access (hence the need to achieve the highest possible export/import-distributor/retail margins).

Market size

Taking the US market alone (see chart 1) the 1983 market size for selected products is around \$US825 million (growing fast), and firm Australasian opportunities exist in at least 14 sectors.

Recent client new product development studies have established that the overall international (all products) specialty/gourmet foods market ap-

pears to be well in excess of \$US4 billion a year.

In a recent close evaluation of the Singapore market — admittedly a highly competitive and open entrepreneurial environment — nine clear Australasian unworked/untapped product opportunities were identified.

Notwithstanding the size and dimension of the US market, the Australian and New Zealand presence remains sadly lacking.

Quality

Chart 2 illustrates the ability of selected, existing Australian and New Zealand products (with no change to product quality) — if properly repositioned and packaged — to stand up against mid premium US and European export competition.

All things being equal, the fact that effective repositioning can move a

number of Australasian food products from a position of below medium image strength to one of good in the consumer's mind (including the propensity to pay more) is little understood by regional food manufacturers.

Whilst many Australasian food industry sectors have strong management/financial/manufacturing resource bases capable of identifying international specialty/gourmet food opportunities, they are surprisingly weak in the six key areas indicated in chart 3 as important requisites for success in this specialised product sector.

In summary, most Australasian food manufacturers remain strongly inward looking, eg they are uniquely wary about stepping outside of the existing culture of their business, with very few appearing to operate an international market research system capable of identifying and recommending to management the true dimension of the specialty/gourmet foods opportunity worldwide.

An EEC company's example

Chart 4 illustrates that whilst the company stumbled by accident on this sector, it was a non-executive board director who first gleaned that an opportunity existed.

Importantly, the company quickly established that for minimum investment (risk), this sector offered a 40% plus higher return per averaged sale unit compared to that presently being achieved within the home market.

Chart 5 kernels the five very high/high reasons for the company's judged success in the specialty/gourmet foods arena during the last six years, most notable was a long term

Chart 1

Selected base dynamics of the largest specialty/gourmet foods market in the world — the USA:

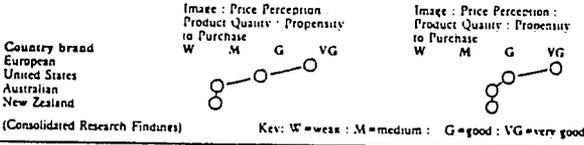
1. Questimated 1983 market size by selected sectors — \$US825 million
2. Potential Australasian brand opportunities by sector type — 14
3. Major import/retailer trade show is the twice yearly national fancy food and confection show eg participating/attending the summer venue — 450 exhibitors and 17,500 visitors
4. Nine key publications cover the trade and consumer in depth
5. Purchasers of specialty/gourmet foods fall mainly in the \$US40,000-60 per annum income bracket equal to around 15% of the US population
6. Specialty/gourmet foods are sold through a diverse group of retail outlets eg specialty supermarket sections, cheese shops, department stores, gift shops, specialty shops, mail order catalogues, restaurants & institutions.
- As an illustration there are well over 5,500 specialty/gourmet and department stores promoting the category, with over 19,000 supermarkets featuring such sections.
7. Dependence on the brand, the US distribution can be complex, involving importer-import distributor-agent-distributor broker
8. Around 25 specialty/gourmet food importers account for the bulk of the import volume.

Chart 2

Opportunity for Australasian brands to increase export sales: profit margins through effective packaging positioning within the specialty/gourmet foods sector:

Product category: preserves
1st qualitative research groups utilizing "off the shelf" existing packaged products

2nd qualitative research groups featuring repositioned/designed Australasian product labels but with no change in product formula



(Consolidated Research Findings) Key: W=weak; M=medium; G=good; VG=very good

board commitment to support and make the venture work from the very outset, linked to a determination to learn the dynamics of a new — but closely akin — business sector.

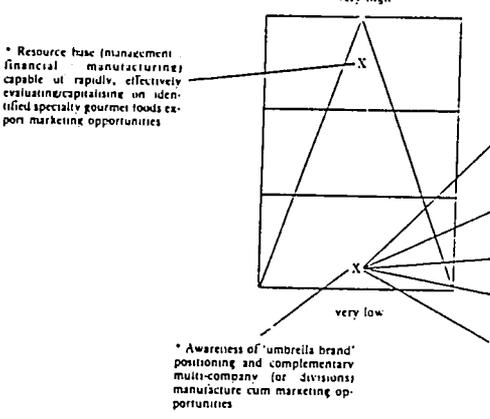
Import/distributor demands

Item B, chart 6 indicates that selling to import-distributors around the world is a highly competitive and professional activity, particularly when upward of 30 plus new exporters beat a path to the top flight import-distributors who really count within key markets each year.

Next, import-distributors — notorious for their promises to new exporters — still tend to place well over 70% of their time and effort behind the brands which account for the major profit return.

Any new specialty/gourmet foods exporter — if they are determined to succeed with a newly appointed import-distributor — should take careful note of the product support demands covered under item A, chart 6. If these are met, true import-distributor support for your brand will be immediately forthcoming, and success should be assured similar to the European case history covered earlier.

Chart 3



Australasian Food Industry's Surprisingly Low Awareness of the Specialty/Gourmet Foods Export Marketing Opportunity

- * Resource base (management/financial/manufacturing) capable of rapidly, effectively evaluating/exploiting an identified specialty gourmet foods export marketing opportunities
- * Understanding concept of specialty/gourmet foods marketing eg upward (higher margin) elasticity in pricing, creative product/packaging segmentation etc
- * Awareness of prime product mix and key market opportunities (short & long term)
- * Understanding of multi-layered distribution systems
- * Awareness of marginal promotional investment required to enter this food category
- * Weakness of existing domestic & export marketing personnel in terms of category attitudes and knowledge of food marketing outside of a company's own narrow business culture
- * Awareness of 'umbrella brand' positioning and complementary multi-company (or divisions) manufacture cum marketing opportunities

Chart 4

A Significant European Company's Reasons (Kernell) for Entering the Specialty/Gourmet Foods Export Market:

1. Non-executive board director — holidaying in the USA six years ago — stumbled by accident on the category. At this juncture per annum company turnover was \$US74 million comprising high volume/low margin packaged foodstuffs plus 1% plant under utilisation.
2. He persuaded the chief executive to evaluate the US market in depth — impartially and independently.
3. Research clearly identified:
 - six potential mid premium specialty/gourmet foods opportunities akin to the company's manufacturing resource base
 - cost (at highest risk level) of product development — including USA West/East Coast test market exercise considered very low at \$US127,000.
4. Subject to a successful test market outcome, corporate net profit contribution at end of full year 2 outperformed domestic return by 41% per averaged sale unit.

Chart 5

1. Realising the unique disciplines required in marketing specialty/gourmet foods, a totally separate division was created, headed by a divisional manager with direct access to a main board director. The latter was held finally accountable for the development and execution of the new venture.
2. A firm financial commitment to the concept was given for a 2 year period, including R & D marginal additional plant investment; packaging design; qualitative market research; promotional funding support etc
3. The company sought to 'buy-in' the best available specialty/gourmet foods R & D/marketing team plus external support services
4. Whilst the company's 'own country of origin — particularly within the product groups selected — was not held in high regard in the US market, the company rightly judged that a well conceived range of mid premium and premium products would stand a sound chance in their own right
5. Implementation in tandem with the US test market phase, an international desk research programme designed to isolate the next most important target markets

The above was linked to a determination to truly learn the dynamics of the specialty/gourmet foods sector

Major reasons for a significant European company's success within the specialty/gourmet foods export arena during the last 6 years

Chart 6

SELECTED EXTRACTS FROM '4 PRIME WORLD MARKETS' FOOD IMPORT-DISTRIBUTORS SURVEY'

- A. Prime I-D requirements demanded of a new exporter
- Unless an offered new food product range is quite unique, they will demand of a new exporter with no previous market experience the following:
1. Resource base of company, experience and success in competitive world export markets
 2. Track record in ongoing, innovative new product development
 3. Proven ability in service on time placed orders
 4. Competitive pricing and appropriate promotional support programmes
 5. Correct product adaptation for the market eg product, packaging, promotion etc
 6. A specific 1st year establishment support programme eg trade fair participation, trade magazine advertising, availability of a senior export marketing/sales person to assist the I-D at the initial key accounts sell-in etc
 7. An effective ongoing systems and inter company-I-D communications package
- B. Key import-distributor dynamics
- | | Numeric | % |
|---|---------|---|
| 1. Per annum approaches to large and medium size import distributors seeking first time market representation | 31 | |
| 2. Number of export companies handling by import-distributors (large and medium) together with total product (varieties) range | 9/81 | |
| 3. Level of direct sales outlet penetration | 23% | |
| 4. Time devoted to sales/administration of major profit lines | 77% | |
| 5. Level of 'true' promotional influence at end consumer buying points | 11% | |
| 6. Promotional support expenditure (% ex I-D warehouse points) by leading export companies during 1st year new market establishment | 3-14% | |
| 7. Average number of visits to key export markets by major export company personnel on a per annum basis | 2.9% | |
- * Copyright AD & A, 1983 updated world markets survey

In Australia many food manufacturers continue to cry that the generic onslaught has hurt them bad, whilst their New Zealand counterparts bemoan the smallness of the domestic market and await the possible onslaught from the more creative and aggressive Australian food manufacturers once CER really gets under way.

Yet for both countries there is a beckoning, exciting, profitable and hungry international specialty/gourmet foods market sitting out there for those willing to professionally get up and go. □

WITH AgEnt IT ALL STARTS
WITH THE "MARKETING PLAN"!

FIRST, YOU MUST CONVINCe US
THAT YOU HAVE COMPLETED
SOUND HOMEWORK TO IDENTIFY
THAT A MARKETING
OPPORTUNITY EXISTS, AND
THAT YOU HAVE
THE RESOURCE/CAPABILITY
TO MAKE IT REALLY HAPPEN!

WHEN AgEnt REVIEWS A
CLIENT'S "MARKETING PLAN",
THESE ARE THE TYPICAL
COMPONENTS WE EXPECT TO BE
SUBSTANTIATED TO VARYING
DEGREES

BEARING IN MIND THAT WE
TREAT OUR ADVICE:
ASSISTANCE:GRANTS LIKE ANY
OTHER PRIVATE SECTOR COMPANY
ASSESSING THE
" RISK/RETURN " ON AN
INVESTMENT !

TO WHAT DEGREE HAS THE CLIENT
SUBSTANTIATED THE
FOLLOWING MARKETING AND
OTHER COMPONENTS IN THEIR
PROPOSAL SEEKING POSSIBLE
AgEnt ASSISTANCE ?

1. WHICH MARKET(S) IS THE
AGRO-ENTERPRISE
TARGETING; TO WHOM DO
THEY PLAN TO SELL THEIR
PRODUCT; IN WHAT VOLUME
AND BY MONTH; AT WHAT
PRICE; AND ON WHAT BASIS
HAVE THESE JUDGEMENTS
BEEN MADE?
2. CAN THE AGRO-ENTERPRISE
PRODUCE " CLEAR CUT "
EVIDENCE OF BUYER
INTEREST IN THE
CONCEPT/PRODUCT; AND WHAT
TRADING TERMS/MARGINS ETC
APPLY IN EACH MARKET?
3. WHAT MARKETING EXPERTISE
HAS THE CLIENT RELATING
TO THE CONCEPT/PRODUCT;
INCLUDING SPECIFIC EXPORT
MARKETING SKILLS/
KNOWLEDGE ETC ?

- 4 . WHAT IS THE MANAGEMENT/
PEOPLE RESOURCE STRUCTURE
THAT THE CLIENT PLANS TO
PLACE BEHIND THE
CONCEPT/PRODUCT TO ENSURE
SUCCESSFUL IMPLEMENTATION
OF THE MARKETING PLAN ?
- 5 . WHO DOES THE CLIENT
PERCEIVE THEIR MAIN
COMPETITORS TO BE -
- . BY SECTOR, PRODUCT
AND MARKET ?
 - . AND AT WHAT PRICES
DO COMPETITIVE
PRODUCTS SELL IN
EACH MARKET ?
 - . AND WHO ARE THE MAIN
BUYERS/IMPORTERS/
DISTRIBUTORS WHO
HANDLE COMPETING
PRODUCTS IN EACH
MARKET ?
- 6 . HAS THE CLIENT ANY
COMPETITIVE PRODUCT
SAMPLES/BROCHURES/PHOTOS/
GRADING AND PACKAGING
STANDARDS ETC WHICH IT
CAN SHOW AND DISCUSS WITH
AgEnt?

7. HOW DOES THE CLIENT PLAN TO -
- . SOURCE (AND FROM WHOM) RAW MATERIALS AND/OR PRODUCTS; AT WHAT PRICES; IN WHAT VOLUMES; DURING WHAT PERIODS?
 - . IF APPLICABLE, HOW DOES THE CLIENT INTEND TO ADD "HIGHER ADDED VALUE" TO THE CONCEPT/PRODUCT?
8. WHAT MARKETING BENEFIT/COMPETITIVE ADVANTAGE DO YOU BELIEVE YOUR CONCEPT/PRODUCT POSSESSES?
9. HOW MANY NEW EMPLOYEES WILL THE PROPOSED AGRO-ENTERPRISE CONCEPT/PRODUCT DURING THE FIRST 3 YEARS EMPLOY?

10. HAS THE CLIENT PRODUCED A PRODUCT BUILD UP SHEET EMBRACING THE FOLLOWING BROADBASE COST COMPONENTS? i.e.

COMPONENT (*)	RPS	%
. PRODUCTION OR PRODUCT/RAW MATERIAL PURCHASE	_____	_____
. PROCESSING	_____	_____
. PACKAGING	_____	_____
. STORAGE/HANDLING	_____	_____
. DISTRIBUTION	_____	_____
. PROMOTION	_____	_____
TOTAL GROSS PRODUCT COST	_____	_____
DESIRED PROFIT MARGIN	_____	_____

(*) State whether component costs are based on per kg/unit/other volume measurement (describe)

11. IS THE PROPOSED CONCEPT/PRODUCT LIKELY TO CREATE ANY ENVIRONMENTAL PROBLEMS?

HAS ANY ENVIRONMENTAL IMPACT ASSESSMENT REPORT BEEN COMPLETED?

THE MARKETING VEHICLE
SRI LANKAN ETHNIC FOODS
COMPANY

A LOW OVERHEAD/PROFITABLE
MARKETING-COORDINATION
VEHICLE!

BENEFITS OF SELECTED SRI
LANKAN SECTORS/COMPANIES
WORKING TOGETHER AT AN
EXPORT DEVELOPMENT AND
MARKETING LEVEL

1. CAN PRODUCE
COMPLEMENTARY PRODUCT
RANGES IN LINE WITH
WITH THEIR SPECIALIST
SKILLS/EXPERIENCE
2. CAN PRODUCE A VOLUME
PRODUCT RANGE MOST
LIKELY TO BE OF
INTEREST TO SERIOUS/
STRONG IMPORTERS
3. CAN SPREAD PROMOTIONAL
COSTS AND CREATE VIABLE/
EFFECTIVE CAMPAIGNS
4. CAN EXPORT PRODUCTS IN
20 FOOT SEA CONTAINERS
WITH ALL THE COST/
EFFICACY BENEFITS THIS
IMPLIES

The English Daily with the largest circulation in Sri Lanka

MONDAY JUNE 20, 1994



The Export Development Board's ornamental fish exporters stall at the INTERZOO '94 world pet trade fair held recently at Nuremberg, Germany, was designed and built with assistance from USAID's AgEnt Project. Eight local breeders/exporters of endemic tank and pond-reared ornamental fish were overwhelmed by the advance orders they received at the four-day exhibition. (Picture by courtesy of AgEnt)

Boost for Lanka's aquarium fish export

Sri Lanka's aquarium fish display at the Interzoo '94 pet trade fair held recently in Nuremberg, Germany, has provided a major boost for the country's aquarium fish exports, according to the Export Development Board (EDB) and USAID's private sector agro-enterprise development project AgEnt.

Both the EDB and AgEnt, assisted eight Sri Lankan aquarium fish exporters to participate in Interzoo, the world's largest fair for the pet trade with aquarium fish being one of the major product groups.

Tank and pond raised ornamental fish from Sri Lanka was one of the highlights and sales success stories of the show, accord-

ing to AgEnt. Some of the exhibitors were considering returning to Sri Lanka before the show was even over as a result of advance orders for their anticipated production.

AgEnt also collaborated with the EDB in organising the Lankan stall and international market promotion. Other assistance given to exporters included free stall space with basic fixtures and fittings, aquaria with complete accessories for exhibiting the live fish products and the provision subsidised air fare and daily subsistence allowance to the eight breeders/exporters who participated.

These were Messrs Ocean Tropical Fish Exports, Samudra Aquarists

Fish Gate (Pvt) Ltd., Wet Pets, Aquapets, Aquarium Sea Horse, CDE Aquariums, Golden Scalare Business Enterprises, and Ruwini Aquatics.

AgEnt has been providing technical assistance for the expansion and breeding of freshwater aquarium fish and marketing assistance for export to selected local aquarium fish breeders/exported under an EDB/ITC/UNDP funded project. As a result of this program, those who were predominantly exporting marine tropical aquarium fish have commenced captive breeding of freshwater tank-reared fish for the export trade.

One of the catalysts responsible for this transition

has been the lobbying by various international and conservationists' organisations for the preservation of the natural environment.

For Interzoo '94, AgEnt created and provided two colourful endemic fish posters to create an identity for Lankan tank and pond raised fish. Fourteen aquariums with fish ranging from guppies to goldfish were placed at the back of the Lankan stall, so that one had to really walk in to view. This promotional strategy had an outstanding impact in that the stall was patronised by over 1,000 visitors during the four-day exhibition.

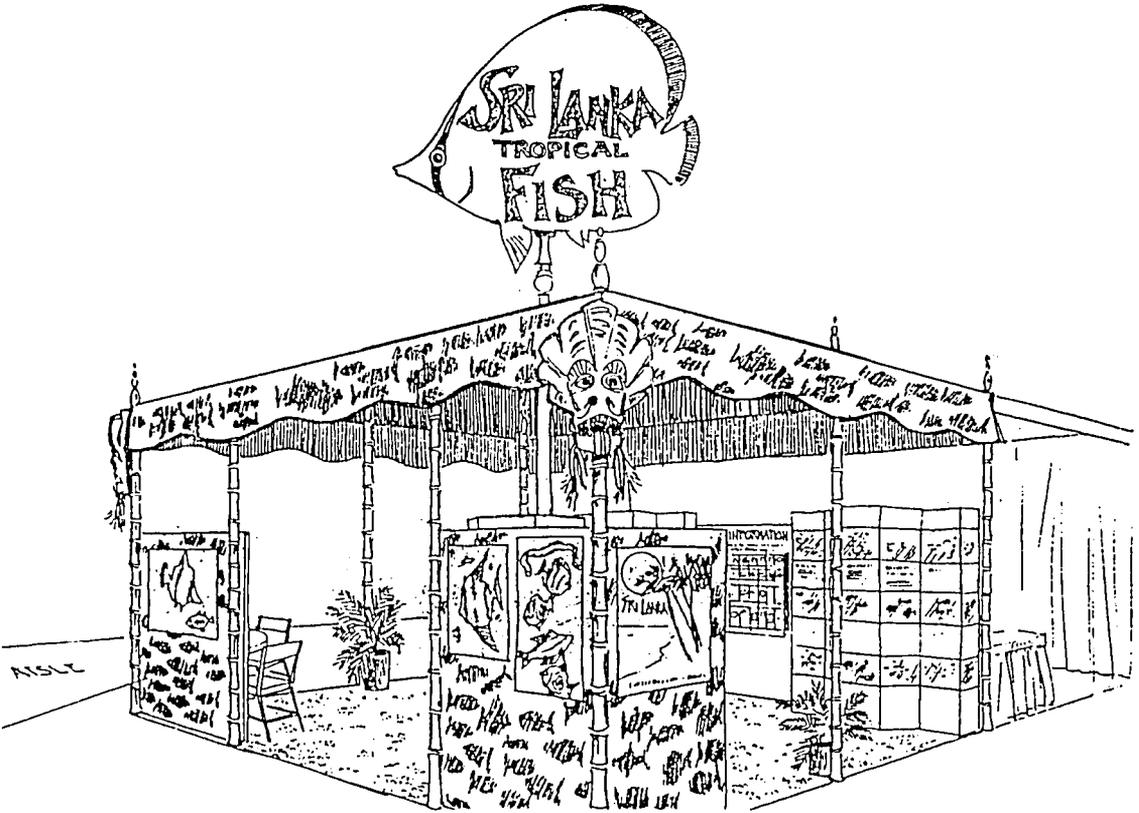
As a result the representatives of the eight participating companies had a

combined total of nearly 500 sit-down discussions with existing and potential new buyers during the show.

According to AgEnt, the main producer of ornamental fish in the Asian region is Singapore, whose export market last year reached US\$ 50 million.

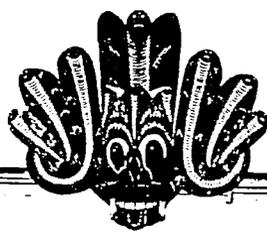
While Sri Lanka has a long way to go to reach such a figure, given the strength and talent of the local industry, the marketing and promotional approaches introduced at Interzoo, and land availability for breeding, both the EDB and AgEnt are confident that foreign exchange earnings should grow significantly in the near future.

UTILISING A UNITED STATES STAND
 DESIGNER AgEnt ASSISTS THE SRI LANKAN EXPORT
 DEVELOPMENT BOARD TO MAXIMISE SRI LANKAN
 ORNAMENTAL FISH EXPORTERS PRESENCE & SALES
 IMPACT AT THE UPCOMING GERMAN INTERZOO TRADE FAIR



AND MUCH MORE ...

1. SELF-LIQUIDATING RETAIL FISH POSTERS
2. BUILDING A DIRECT MARKETING IMPORTER PROFILE/SALES BASE



DON'T LET POOR QUALITY FISH EAT UP YOUR PROFITS!

THE STRONG POINTS OF AQUARIUM FISH FROM SRI LANKA!

Some of you have been ordering aquarium fish from Sri Lanka for many years, whilst others have yet to try our increasing quality and variety. Few of you probably realise that Sri Lanka has been exporting aquarium fish since the 1930s. Of course, times and especially technology have changed since those early beginnings. Now Sri Lankan aquarium fish farmers are preparing for the 21st Century. Here are a few examples:

- 1 **GROWING LIST OF TANK BRED FISH!**
Sri Lanka is expanding their portfolio of tank bred fish faster than any other country.
- 2 **PIONEER CULTURE OF SELECT MARINE FISH SPECIES!**
Sri Lanka should have their first tank raised marine fish ready for sale in 1995.
- 3 **NO DRUGS!**
Sri Lanka has long been a leader in the export of drug free aquarium fish.
- 4 **CAREFUL ANTIBIOTIC USE!**
Sri Lankan fish farmers use antibiotics very sparingly. No resistant bacteria strains.

- 5 **COMPETITIVE PRICES!**
Sri Lankan fish farmers take advantage of skilled low cost labour and abundant land and water resources for ornamental aquaculture use.
- 6 **TALENTED FISH BREEDERS!**
Colombo, Sri Lanka's capital city, has more aquarium fish stores than most other major cities anywhere. Over 300 at last count! Aquarium fish keeping and breeding is a popular hobby in Sri Lanka which ultimately produces talented fish breeders.
- 7 **IMPROVED HANDLING SYSTEMS!**
More and more exporters of aquarium fish from Sri Lanka are moving to centralised filtration systems to maintain their export fish in top quality.

BUY SRI LANKAN FISH!



ENTER NOW THE DAILY 12:00 NOON AND 5:00 P.M. COMPETITIONS TO POSSIBLY WIN A SUPERB SET OF FREE SRI LANKAN FISH COLLECTORS' POSTERS!

JUST COMPLETE/
SIGN AND DEPOSIT
YOUR ENTRY FORM
IN THE ENTRY
FORMS BOX ON
THE SRI LANKAN
INTERZOO
STAND!

Hall H
Booth 4-23

**ENTRY
FORM BOX**
**SRI LANKAN
FISH POSTERS
COMPETITION**

SRI LANKAN FISH POSTERS COMPETITION ENTRY FORM AND RULES

Please print all details

1. Date: _____ 2. Time: _____
3. Name and initials: _____
4. Title: _____ 5. Company/organisation name: _____
6. Address: _____
7. Telephone: _____ Fax: _____
8. Fish Importer: _____ Fish Wholesaler: _____ Fish Retailer: _____

Other (describe) _____
List two reasons why Sri Lankan aquarium fish can increase your profits-

One _____
Two _____

NOW PLACE YOUR COMPLETED ENTRY FORM IN THE COMPETITION FORMS BOX LOCATED ON THE SRI LANKAN INTERZOO STAND Hall H Booth 4-23

RULES

- 1 The judge's decision will be final and binding and no correspondence will be entered into
- 2 Only those individuals who complete all components of the entry form will be eligible to enter the competition
- 3 Prizes. Each day throughout the Interzoo Trade Fair, the opportunity exists for 3 individuals during the morning, 3 individuals during the afternoon to each win 10 Sri Lankan aquarium fish posters (5 marine, 5 fresh water)
- 4 Prizes will be drawn and awarded each day at 12:00 noon and 5:00 pm. Prize winners names will appear daily on the Sri Lankan stand notice board
- 5 Winners will be the first drawn correct entries each day at 12:00 noon and 5:00 pm
- 6 All winning entries must claim their posters no later than 5:00 pm on Sunday May 15

Entrant's name: _____ Signature: _____

SELECTED THAI PROCESSED FRUITS/VEGETABLES EXPORTS -
12 MONTHS ENDING DECEMBER 1991

Product Sector	Tons	Number of export countries
1. <u>Vegetable/Gherkins</u> , prepared or preserved by vinegar etc	4,634	38
2. <u>Tomatoes</u> whole or in purees, prepared or preserved otherwise than by vinegar etc	8,510	23
3. Other forms of <u>Tomatoes</u> , prepared or preserved otherwise than by vinegar etc	4,571	18
4. <u>Mushrooms</u> prepared or preserved otherwise than by vinegar etc	6,940	50
5. <u>Bamboo Shoots</u> prepared or preserved otherwise than by vinegar	66,960	56+
6. <u>Young Corn</u> prepared or preserved otherwise than by vinegar etc	41,145	62+
7. <u>Pineapples</u> preserved by sugar	7,647	26
8. <u>Bananas</u> preserved by sugar	92	17
9. <u>Jams, Fruit Jellies, Marmalades etc</u>	1,255	30
10. <u>Pineapples</u> in airtight containers, otherwise prepared or preserved	417,670	59+
11. <u>Pineapples</u> not in airtight containers, otherwise prepared or preserved	3,278	16+
12. <u>Rambutan</u> with <u>Pineapple</u> in syrup	4,603	43+
13. <u>Rambutan</u> prepared or preserved in airtight containers	1,707	45+
14. <u>Lichee</u> prepared or preserved in airtight containers	4,371	46+
15. <u>Longans</u> prepared or preserved in airtight containers	4,073	44
16. <u>Papaya</u> prepared or preserved in airtight containers	2,702	26

cont:

cont:

Product Sector	Tons	Number of export countries
17. <u>Mangoes</u> prepared or preserved in airtight containers	6,270	44
18. <u>Pineapple Juice</u> unfermented and not containing added spirit etc	75,161	65

THAILAND FRESH FRUITS/VEGETABLES CROP PRODUCTION/AVAILABILITY CALENDAR

	<u>J</u>	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>
1. Durian										-----		
2. Mangosteen										-----		
3. Mango				-----								
4. Litchi				-----								
5. Longan							-----					
6. Guava		-----										
7. Jackfruit		-----										
8. Pineapple	-			-----								-
9. Papaya		-----										
10. Young Coconut		-----										
11. Strawberry	-----											-----
12. Pummelo								-----				
13. Rambutan					-----							
14. Asparagus		-----										
15. Baby Corn		-----										
16. Baby Carrot		-----										
17. Egg Plant		-----										
18. Radish		-----										
19. Okra		-----										
20. Straw Mushroom		-----										
21. Turnip		-----										
22. Bush Bean		-----										-----
23. Beet	-											-----
24. Soy Bean		-----										
25. Potato		-----										
26. Lemongrass		-----										
27. Peppermint		-----										
28. Bamboo Shoot		-----										

cont:

STRENGTHS OF THE THAI CANNED VEGETABLES/
FRUITS EXPORT SECTOR

1. Evaluate Market In-Depth and Invest for the Longer Term

Most Thai companies soundly evaluate/determine whether export market prospects truly exist before taking an investment decision; and if " yes " they invest for the longer term i.e. few companies are interested in short term gains

2. Adoption of Aggressive Marketing Strategies

Most companies chase export business in a highly determined manner

Because of the size/number of Thai processed food companies (over 110 participated in the 1993 Food Exporters Fair alone), competition to win over/hold major volume importers/retailers in the export markets that count can be very fierce

Profit margins tend to be sound/average

3. Commitment to Product Quality, Sound Packaging and Brand Presentation

Thai processed food companies are growing in strength in this sector, particularly in a product quality context

4. Fast, On-time Order Deliveries

Because of the sheer size of the Thai processed foods sector/product mix/overseas import-distribution network, the majority of exporters can offer fast delivery of export orders on both a full/mixed or part container lot basis through an efficient system of consolidators/deconsolidators if required

5. Wideness of Product Mix

Underpinning strengths in this sector include -

a. Ability to deliver volume lines to the large, continuously expanding Chinese/Thai restaurant trade i.e. bamboo shoots, baby corn, variety of mushrooms, wide range of pineapple variants

b. Growing appeal among retail buyers/consumers for products under a. category

c. Strength/loyalty of the Chinese import-distribution structure around the world (notwithstanding clan conflicts)

d. Due to a., many food processors are able to successfully export many low volume, but growing canned fruit lines on the back of volume sellers

6. Competitive Can Costs

Many of the larger Thai food processors manufacture their cans i.e. This is a major weakness area in a Sri Lankan food industry context

7. Competitive Pricing, Trade Terms and Promotional Support

Besides highly competitive pricing, exporters often offer extended/delayed payment terms to their major import customers, including wide ranging below the line promotional support (mentioned elsewhere in this report)

8. New Product Development

The very competitive nature of the canned processed vegetables/fruits sector is driving many Thai companies down the new product development track; and particularly in the sauce mixes, prepared meals sectors (i.e. such as retort/pouch technology) etc

9. Internal/External Sub-Contract Manufacture

Many Thai food processors sub-contract out production of lines they do not produce themselves, whilst others sub-contract manufacture for well known international brand names

PRODUCT RANGE, PACKAGING MIX AND IMPORTER/
RETAILER PROMOTIONAL SUPPORT PROGRAM OFFERED
BY A LEADING THAI EXPORTER OF CANNED FRUITS
VEGETABLES AND JUICES

A. Product Range

1. Palm Fruit
2. Jackfruit
3. Jackfruit /mixed Palm Fruit
4. Mangosteen
5. Lychee - Whole
6. Rambutan - Whole
7. Rambutan stuffed with Pineapple
8. Papaya - Chunk
9. Longan - Whole
10. Longan mixed with Pineapple
11. Guava - Quarter
12. Mango - Slices
13. Tropical Fruit Salad (Guava /Pineapple/Papaya/Banana or Mango)
14. Tropical Fruit Cocktail (Pineapple/Guava/ Papaya or Mango/Palm Fruit or Palm Fruit/ Grape or Longan/Grape)
15. Young Corn Spears
16. Young Corn Cut
17. Cream Style Corn
18. Whole Kernel Corn
19. Water Chestnut
20. Baked Beans
21. Green Peas
22. Champignon Mushroom
23. Salted Mustard Leaf
24. Fruit Juices - Guava/ Pineapple/Lychee/Mango/Passionfruit/Orange/ Apple/Grape/Tomato/Grass Jelly/Chrysanthemum /Penny Wort Leaves

B. Packaging Mix

1. Glass Jars

- . 370 ml squat with gold screw cap
- . 580 ml tall with gold screw cap

2. Cans

- . Aluminium rip top -
 - . 5.5 oz tall
 - . 8.5 oz super tall
 - . 5.0 oz squat
 - . 6.0 oz squat
 - . 8.0 oz squat

Tinplate -

- . 8.25 oz
- . 15.0 oz squat
- . 15.0 oz tall
- . 20.0 oz
- . 30.0 oz
- . 43.0 oz
- . 108.0 oz

C. Promotional Support

Typical components include -

1. Point of purchase material for international use
2. Trade magazine advertising
3. Availability of additional price discount support for major importer retail customers
4. Often conducts own key target markets qualitative market research
5. Produces correctly positioned " mutual profit product sales brochures "

etc

NB: Most large company export managers travel upwards of 4 months a year; and visit key target markets importers/customers 2-3 times per annum

TYPICAL APRIL 1993 EXPORT PRICE LIST OF A MAJORTHAI FOOD CANNING COMPANY

This company is able to offer -

- * A 20 product line-up
- * 36 variants
- * 57 pack sizes (including large pack sizes for volume offtake lines/institutional users)

An importer could buy from this Thai exporter on a " one stop basis ", and have little difficulty in filling a 20' (foot) dry container.

Normal Thai exporter terms would be through a " 100% irrevocable letter of credit at sight "; and a 5-10% discount can often be negotiated with Thai exporters off published export price lists provided full container lots are purchased.

Product Description	Packing size : can X gr	D.W. (gr)	N.W. (gr)	US\$ Ctn - FOB Bangkok
* Tropical Fruit Cocktail in Syrup	24 X 565	340	565	9.00 - 12.50
* Papaya in Syrup	24 X 565	250	565	10.50
* Mango in Syrup	24 X 425	225	425	8.50
* Jack Fruit in Syrup	24 X 565	250	565	15.00
* Toddy Palm in Syrup	24 X 565	250	565	15.00
* Lychee in Syrup (Fancy)	24 X 565	250	565	23.50
* Lychee in Syrup (Choice)	24 X 565	250	565	22.50
* Lychee in Syrup	24 X 565	230	565	19.75
* Lychee in Syrup (Sub Standard)	24 X 565	230	565	18.50
* Lychee in Syrup (Crushed)	24 X 565	230	565	14.75
* Rambutan in Syrup	24 X 565	250	565	16.00
* Rambutan with Pineapple in Syrup	24 X 565	283	565	18.75
* Longan in Syrup (Fancy)	24 X 565	250	565	23.50
* Longan in Syrup (Choice)	24 X 565	250	565	22.50

cont:

Product Description	Packing size : can X gr	D.W. (gr)	N.W. (gr)	US\$ Ctn - FOB Bangkok
* Longan in Syrup (Standard)	24 X 565	230	565	19.75
* Longan in Syrup (Sub Standard)	24 X 565	230	565	18.50
* Longan in Syrup (Crushed)	24 X 565	230	565	14.75
* Baby Corn in Brine (Size SS)	24 X 425 6 X 2,950	230 1,500	425 2,950	11.75 17.25
* Baby Corn in Brine (Size S)	24 X 425 6 X 2,950	230 1,500	425 2,950	11.00 16.00
* Baby Corn in Brine (Size M)	24 X 425 6 X 2,950	230 1,500	425 2,950	9.75 15.00
* Baby Corn in Brine (Cut)	24 X 425 6 X 2,950	230 1,500	425 2,950	6.95 11.00
* Bamboo Shoots in Water (Slice/Strip/Diced)	24 X 227 24 X 565 6 X 2,950	140 300 2,000	227 565 2,950	6.50 10.50 12.75
* Bamboo Shoot in Water (Whole/Halves)	24 X 565 6 X 2,950	300 2,000	565 2,950	9.25 11.25
* Waterchestnut in Water (Slice)	24 X 227 24 X 425 6 X 2,950	140 300 1,800	227 425 2,950	6.95 10.95 12.50
* Waterchestnut in Water (Whole)	24 X 425 6 X 2,950	300 1,800	425 2,950	9.50 11.25
* Whole Kernel Corn in Brine	24 X 425 24 X 565 6 X 2,950	255 330 1,800	425 565 2,950	9.00 10.00 12.00
* Red Kidney Bean in Brine	24 X 425 6 X 2,950	230 1,800	425 2,950	8.50 11.50
* Bean Sprout in Brine	24 X 425 6 X 2,950	230 1,500	425 2,950	6.75 9.50
* Green Bean in Brine (Whole)	24 X 425 6 X 2,950	230 1,500	425 2,950	8.75 12.50

PROFILE OF THE LARGEST THAI
DEHYDRATED FRUITS COMPANY

The next largest Thai company in this sector produces around 3,000 tons per annum.

Employs 900 workers with a per annum production capacity of 5,400 tons.

Whilst Thailand exports dehydrated fruits to a large number of countries, this sector (although growing) is still not large. Because of the small export volumes involved, Thai export statistics do not breakout every product line.

One of the great strengths of this company is the diverse/innovative product mix which they can offer export customers, namely -

1. Rehydrated Fruit

This is an innovative product which may be simply rehydrated by dipping in hot water or syrup to regain original freshness, juiciness and natural flavour. The product is freeze/sterilisation stable, does not shrink or lose its gummy texture.

Product lines - Papaya, Mango, Pineapple.

Product uses - filling/topping for ice cream, yoghurt, or ice stick; filling/topping for cakes, breads, cookies, other bakery lines; flavouring ingredient for puddings/jellies; fruit mix in ready-to-eat cereals; fruit ingredient for iced desserts; fruit flesh bulking for jam, marmalade or fruit paste.

2. Dehydrated Fruit

Prepared from fresh fruits, soaked in sulfite brine and syrup before being processed by " state of the art " hot air drying.

Product lines - Pineapple, Papaya, Mango, Banana, Coconut, Guava, Crystallized Ginger.

3. Fruit Granules

Specially processed and reduced in size to become free flowing granules. Fruit granules are used as an ingredient to replace conventional coloured sucrose granules for topping /decorating cakes, ice cream, yoghurt etc; thereby offering a natural, more healthy product.

Product lines - Pineapple, Papaya, Mango, Coconut.

4. Fruit Paste

They are used as a natural /healthy filling agent for cakes, pastries, cookies etc.

Product lines - Pineapple, Mango, Papaya.

THAI EXPORTERS OF DRIED/DEHYDRATED FRUIT - ILLUSTRATIVE PRICES
AND VARIANTS

1. Export Pricing

Variant	FOB US\$ per kg (usually packed in 5 kg bags X 4 to a carton)	FOB US\$ per 100gm cello retail packs (packed in 6 kg cartons)
Mango (slices) *	4.20/4.80 †	.48
Pineapple (diced, normally 10-12 mm sizes)	1.80	.24
Papaya (diced, normally 10-12 mm sizes)	1.70	.23

Keys: * = prices apply to full sweetened, low sweetened or natural ranges

† = mango prices can vary by season

2. Typical Mix of Offered Dried/Dehydrated Fruit Configurations

. Pineapple

. Sweetened slices . Low sweetened slices . Natural slices
 . Sweetened tidbits . Low sweetened tidbits . Natural tidbits
 . Sweetened dices . Low sweetened dices . Natural dices
 . Sweetened core discs . Low sweetened core discs

. Papaya (natural or orange colour)

. Sweetened discs . Sweetened chunks . Sweetened spears .
 Low sweetened dices . Low sweetened chunks . Low sweetened spears

. Mango

. Low sweetened dices . Low sweetened slices

. Guava

. Sweetened slices . Sweetened dices

. Dehydrated Coconut (natural)

. Natural slices . Natural dices

. Banana (natural)

. Natural whole . Natural slices . Natural dices

cont:

cont:

- . Tomato
 - . Low sweetened whole
 - . Starfruit (Carambola)
 - . Low sweetened slices
 - . Jackfruit
 - . Low sweetened slices . Low sweetened dices
 - . Ginger
 - . Sweetened slices . Sweetened chunks
 - . Young Corn
 - . Sweetened chunks . Sweetened slices
- etc.

TABLE 2 - EXPORTS CLASSIFIED BY COMMODITY AND COUNTRY OF DESTINATION

EXPORTS				EXPORTS			
COMMODITY	---DEC. 1991---	---JAN.-DEC. 1991---	COMMODITY	---DEC. 1991---	---JAN.-DEC. 1991---		
	QUANTITY F.O.B. VALUE (QANT)	QUANTITY F.O.B. VALUE (QANT)		QUANTITY F.O.B. VALUE (QANT)	QUANTITY F.O.B. VALUE (QANT)		
2101.200-016/KG INSTANT TEA							
HONG KONG		1500 501,457			2210 93,493		
JAPAN	280 60,360	2520 551,916	PAPUA NEW GUINEA		200 6,012		
LAO PEOPLE'S DEMOCRATIC REPUBLIC	4 2,611	1328 55,811	PHILIPPINES		1142 9,718		
BURMA		306 177,550	POLAND		60 6,375		
NORWAY		15 6,972	QATAR		1192 25,658		
NEW ZEALAND		33 47,245	SAUDI ARABIA	14375 248,805	249837 5,381,391		
SWEDEN	75 35,515	212 63,729	SWEDEN	1272 105,623	14260 568,393		
U.S.A.	815 67,822	9065 644,980	SINGAPORE	426 27,204	6276 253,023		
VIETNAM		28 1,279	FRENCH POLYNESIA		300 17,417		
	1174 166,588	15916 2,413,980	TAIWAN	13570 41,220	19244 323,979		
2101.200-098/KG EXTRACTS, ESSENCES AND CONCENTRATES, OF TEA OR MATE, AND PREPARATIONS WITH A BASIS OF THESE EXTRACTS, ESSENCES OR CONCENTRATES OR WITH A BASIS OF TEA OR MATE							
AUSTRALIA		300 157,471	U.S.A.	99275 2,756,783	921235 26,223,774		
JAPAN	379 192,153	545 391,060	OTHER COUNTRIES		99 3,617		
BURMA		90 44,450					
U.S.A.		192 115,335					
	379 192,153	1127 708,316					
TOTAL 2101.200 (TON)							
	2 358,741	17 3,122,296					
2101.300-005/KG ROASTED CHICORY AND OTHER ROASTED COFFEE SUBSTITUTES, AND EXTRACTS, ESSENCES AND CONCENTRATES THEREOF							
MACAU		2100 35,860					
SINGAPORE		1704 53,703					
		3804 89,563					
TOTAL 2101.300 (TON)							
	4 4,904,490	360 36,539,810					
2102.200-009/KG INACTIVE YEASTS; OTHER SINGLE-CELL MICRO-ORGANISMS, DEAD							
INDONESIA		300 7,195					
		300 7,195					
TOTAL 2102.200 (TON)							
		7,195					
2102.300-000/KG PREPARED BAKING POWDERS							
CHINA, PEOPLES REPUBLIC		4000 109,570					
HONG KONG		31 823					
LAO PEOPLE'S DEMOCRATIC REPUBLIC		600 12,000					
SINGAPORE		1296 60,435					
		5927 182,828					
TOTAL 2102.300 (TON)							
		6 182,828					
TOTAL 2102 (TON)							
		6 190,023					
2103.100-002/KG SOYA SAUCE							
U. ARAB EMIRATES	8724 157,550	33750 947,745					
AUSTRIA	564 40,692	4845 180,885					
AUSTRALIA	3613 148,596	119022 3,912,355					
BELGIUM	444 14,690	3067 198,544					
BAHRAIN (COUNTRIES)		3430 107,612					
BRAZIL	159 4,303	1703 54,797					
CANADA	7065 176,214	159 4,303					
CONGO		45250 1,367,610					
SWITZERLAND	1250 67,940	255 2,691					
IVORY COAST		19362 752,778					
CZECHOSLOVAKIA		791 60,653					
GERMANY, FEDERAL REPUBLIC OF	4993 146,555	11633 432,175					
DENMARK	1066 54,373	2804 795,196					
SPAIN	163 3,903	7343 281,717					
FINLAND	597 17,902	405 18,788					
FRANCE	2733 144,793	1932 67,129					
GABON		24900 1,499,510					
U. KINGDOM	7993 366,674	1096 25,780					
GREECE		25731 981,767					
HONG KONG	6665 116,456	1096 36,866					
ICELAND		200 8,299					
JAPAN	13093 517,573	112919 4,266,783					
KUWAIT		1346 13,845					
LAO PEOPLE'S DEMOCRATIC REPUBLIC	14154 213,995	218497 4,705,821					
LIBYAN ARAB REPUBLIC		17264 128,193					
MACAU		790 7,602					
NORTHERN CYPRUS		216 13,792					
NEW CALEDONIA		447 17,399					
NETHERLANDS	493 5,707	15620 625,457					
NORWAY	470 24,336	7360 414,600					
NEW ZEALAND	2753 71,927	15633 516,757					
TOTAL 2103.100 (TON)							
		206 5,599,451					
2103.200-004/KG TOMATO KETCHUP AND OTHER TOMATO SAUCES							
AUSTRALIA		206 5,599,451					
BELGIUM	115 9,840						
CANADA		571 62,063					
SWITZERLAND		876 35,682					
GERMANY, FEDERAL REPUBLIC OF		228 11,411					
EGYPT		197 7,460					
HONG KONG	26802 669,658	2160 68,207					
INDONESIA	17442 368,221	259164 6,320,240					
ICELAND		67932 1,432,227					
JAPAN		53 2,462					
LAO PEOPLE'S DEMOCRATIC REPUBLIC	903 32,448	33438 1,923,309					
LIBYAN ARAB REPUBLIC		6850 207,182					
BURMA		29 1,201					
MALAYSIA		470 6,380					
NORWAY		6120 379,798					
NEW ZEALAND		144 8,338					
OMAN		7749 91,800					
PHILIPPINES		990 24,515					
SWEDEN		14688 332,813					
SINGAPORE	2016 74,542	227 11,864					
SIERRA LEONE		88947 2,774,983					
TAIWAN		361 60,541					
U.S.A.	274 27,251	143091 3,209,169					
VIETNAM		9539 403,542					
		53170 1,088,849					
		723679 19,084,572					
TOTAL 2103.200 (TON)							
	48 1,181,960	724 19,084,572					
2103.300-006/KG MUSTARD FLOUR AND MEAL AND PREPARED MUSTARD							
AUSTRALIA		2520 66,690					
JAPAN		130 3,260					
LIBYAN ARAB REPUBLIC		4 1,801					
BURMA		25 612					
NORWAY		219 24,246					
		2898 96,609					
TOTAL 2103.300 (TON)							
		3 96,609					
2103.901-003/KG GOURMET POWDER							
U. ARAB EMIRATES		104 17,901					
AUSTRIA		535 85,149					
AUSTRALIA	1849 257,889	33239 4,530,977					
BELGIUM	540 69,276	645 85,202					
CANADA	2214 312,563	35484 3,139,230					
SWITZERLAND	660 68,129	4774 778,151					
IVORY COAST		69 9,012					
GERMANY, FEDERAL REPUBLIC OF	1465 114,036	7786 1,006,874					
DENMARK	617 43,644	1969 125,832					
SPAIN		432 60,000					
FRANCE	120 15,227	11288 1,506,792					
U. KINGDOM	2670 483,864	28260 3,476,749					
HONG KONG	119 24,152	4013 734,986					
ICELAND		160 27,981					
JAPAN	3000 319,410	12210 1,422,098					
LAO PEOPLE'S DEMOCRATIC REPUBLIC		48 6,146					
LIBYAN ARAB REPUBLIC		1640 6,800					
MAURITIUS		3132 196,480					
MALAYSIA		877 133,600					
NEW CALEDONIA		306 47,688					
NETHERLANDS	3582 509,591	34921 4,300,073					
NORWAY		2579 373,061					
NEW ZEALAND	1120 141,671	3775 470,294					
FRENCH POLYNESIA		16 1,917					
PAPUA NEW GUINEA		22 5,619					
PHILIPPINES		27 832					
SAUDI ARABIA		18238 953,674					
SWEDEN	1312 242,998	3420 1,334,442					
SINGAPORE	5721 573,552	44285 3,584,761					
TAIWAN	3000 45,650	6000 83,820					
U.S.A.	7755 1,053,764	214432 24,304,209					
OTHER COUNTRIES		100 14,188					
		35744 4,275,626					
		494666 53,384,538					
TOTAL 2103.901 (TON)							
	26 4,275,626	495 53,384,538					

Mildan

SH. CHANDAN NEW PRIVATE LTD.

MANUFACTURERS & EXPORTERS OF FOOD PRODUCTS

31, HIGHLAND BASTI, KALANI HASRU ROAD
CALCUTTA 700001, INDIA
POST BOX NO. 418, TELE. ADDRESS "MILDAN" CALCUTTA
TELEPHONE: 26-4074, 35-3164, 35-2798 & TELE. FAX: 21 4 334 MIDAN
FACSIMILE: 91 33 242 8092
FACTORY:

NEW CHANDAN NEW PRIVATE LTD. CALCUTTA, INDIA
FACSIMILE: 91 33 242 8092

PRICE LIST IN U.S. DOLLAR

STANDARD PACKING
PER CARTON

SWEET SLICED MANGO CHUTNEY	) 684g bot @ \$ 16.50 per dozen.	1 dozen.
HOT SLICED MANGO CHUTNEY	) 342g bot @ \$ 10.50 per dozen.	2 dozen.
MAJOR GREY'S MANGO CHUTNEY	) 200g bot @ \$ 7.40 per dozen.	2 dozen.
COL. SKINNER'S MANGO CHUTNEY	) 100g bot @ \$ 5.50 per dozen.	4 dozen.
BENGAL CLUB MANGO CHUTNEY.	) *350g bot @ \$ 12.50 per dozen.	2 dozen.
CASHMERE MANGO CHUTNEY)	
MIXED FRUIT CHUTNEY	) 342g bot @ \$ 11.00 per dozen.	2 dozen.
MANGO LIME CHUTNEY	) *350g bot @ \$ 13.00 per dozen.	2 dozen.
BENGAL CHUTNEY SAUCE	- 255g bot @ \$ 6.45 per dozen.	2 dozen.
LA-ORIENT SAUCE	- 255g bot @ \$ 6.50 per dozen.	2 dozen.
CURRY SAUCE	- 255g bot @ \$ 6.70 per dozen.	2 dozen.
CHILLI SAUCE	) 200g bot @ \$ 8.80 per dozen.	2 dozen.
	) 100g bot @ \$ 6.00 per dozen.	4 dozen.
SOYA SAUCE	- 170g bot @ \$ 8.60 per dozen.	2 dozen.
WORCESTERSHIRE SAUCE	- 170g bot @ \$ 4.65 per dozen.	2 dozen.
HOT MANGO PICKLE IN OIL)	
HOT LIME PICKLE IN OIL)	
HOT CHILLI PICKLE IN OIL)	
HOT LIME & CHILLI PICKLE	) *300g bot @ \$ 12.70 per dozen.	2 dozen.
HOT MIXED PICKLE IN OIL	) 250g bot @ \$ 10.50 per dozen.	2 dozen.
HOT BRINJAL PICKLE IN OIL)	
HOT MANGO KASANDIE IN OIL)	
CURRY POWDER	) 454g tin @ \$ 20.30 per dozen.	2 dozen.
	) 350g bot @ \$ 18.55 per dozen.	1 dozen.
	) 200g bot @ \$ 13.80 per dozen.	2 dozen.
	) 100g bot @ \$ 9.90 per dozen.	2 dozen.
	) 50g bot @ \$ 7.55 per dozen.	4 dozen.
	) *225g bot @ \$ 14.90 per dozen.	2 dozen.
CURRY PASTE)	
VINDALOO PASTE)	
BIRYANI PASTE)	
TANDOORI PASTE	) *300g bot @ \$ 16.50 per dozen.	2 dozen.
TIKKA PASTE	) 280g bot @ \$ 13.50 per dozen.	2 dozen.
KEBAB PASTE)	
KASHMIRI MASALA PASTE)	
MULIGATANNY PASTE)	

C & F. AUSTRALIAN MAIN PORTS.

Terms: IC valid for 3 months through ABN-AMRO Bank N.V., Calcutta.

PACKED IN TIGHT OFF CAP BOT.

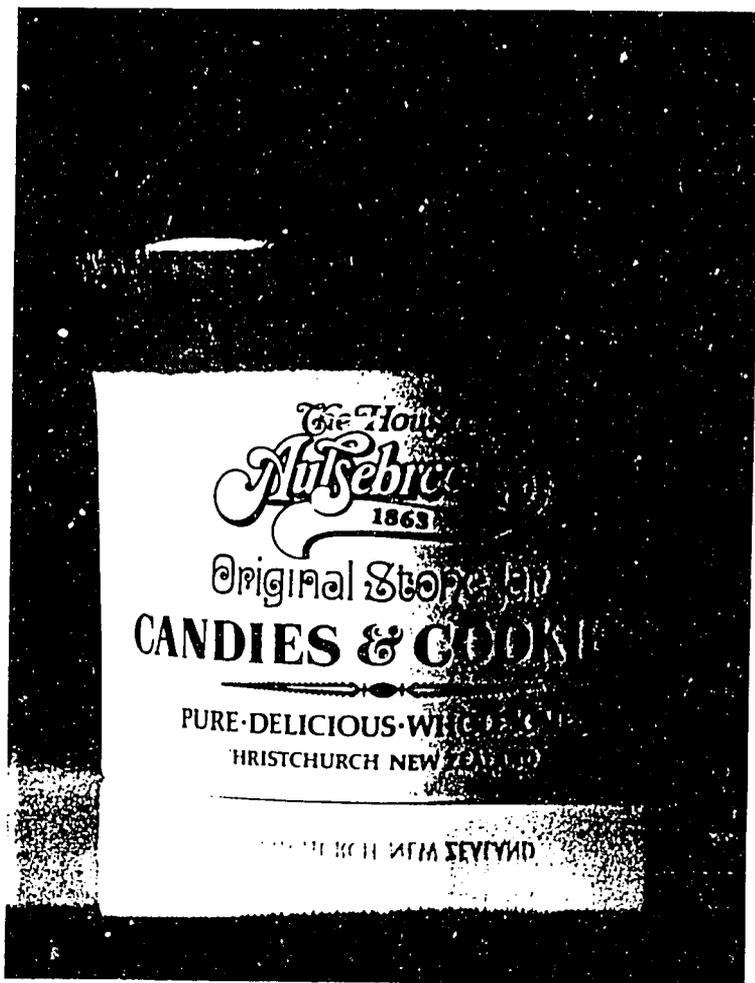
PRICES ARE SUBJECT TO CHANGE.



The House of Hulsebrooks

Founded in 1863

GOURMET EXPORT DIVISION
PO Box 357 Christchurch, New Zealand
Telegrams & Cables: CONHOLD Telex: NZ 4312
Telephone: 798000

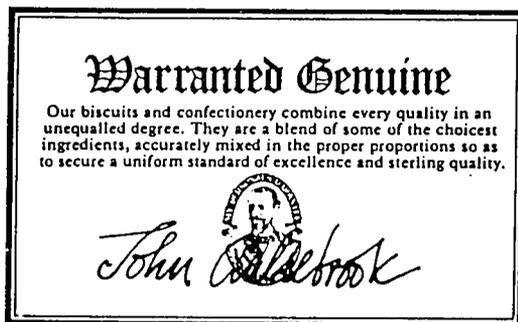


Master Bakers & Confectioners
'Purity and excellence of quality for over 115 years'



The House of Aulsebrooks
 Founded in 1863 GOURMET EXPORT DIVISION
 PO Box 357 Christchurch, New Zealand
 Telegrams & Cables: CONN KOLD Telex: NZ 4312
 Telephone 798 000

John Aulsebrooks motto of 1863, 115 years later,
 still stands today —



Anthony Dalgleish
 Private address
 5 Wilmore Way Lowry Bay
 Wellington New Zealand Tel. 687 458

The House of Aulsebrooks

Founded in 1863

CHRISTCHURCH NEW ZEALAND

John Aulsebrook first commenced baking biscuits (cookies) in 1863. His bakehouse was in a double-fronted shop in Colombo Street, Christchurch, New Zealand; while he lived in an attached dwelling.

In the biscuit department fifteen hands were employed. The bakery produced 1 ton of biscuits daily, although the size of the oven could have produced five times the quantity. But John Aulsebrook believed in quality first.

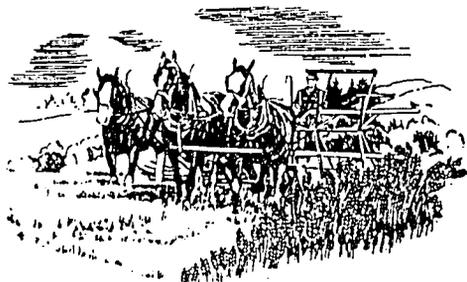
His motto in 1863, 115 years later, still stands today.

Warranted Genuine

Our biscuits combine every quality in an unequalled degree. They are a blend of some of the choicest ingredients, accurately mixed in the proper proportions so as to secure a uniform standard of excellence and sterling quality.



The Founder, the late John Aulsebrook. 1863.



A trio of magnificent Clydesdale farm horses reaping rich golden wheat on New Zealand's famous Canterbury Plains for the Aulsebrooks flour mill.

John Aulsebrook eventually brought in a partner, Mr. R.E. McDougall, who besides considerably expanding the business, commenced the manufacture of confectionery and chocolate. And which became widely known as "The perfection in prepared confectionery!" Today, The House of Aulsebrooks, still remain fastidious master bakers and confectioners in the finest tradition, with a growing reputation around the world among the more discerning grocers, confection, gourmet shops and department stores. The supremacy of the House of Aulsebrooks articles, attested by public approbation over many years, is our guarantee that your customers will wish to try our lines too.



Boiling natural sugar, and other fine ingredients, in original copper kettles.

AN 'OPEN LETTER' TO OUR IMPORT-DISTRIBUTORS

AN 8 POINT PLEDGE!

1. We will continue to produce only the finest export quality gourmet candies (confectionery) and cookies (biscuits).
2. We will continue to uphold our impressive record of on-time delivery of export orders.
3. We will continue to actively support our import-distributors at the level of viable in-store merchandising, trade fairs and trade publication advertising.
4. We will continue to originate impactful 'result-getting' trade and consumer promotions i.e. our current international 'Win one of 75 New Zealand traditional gourmet cookbooks' is a classic example, linked in selected markets to an enticing trade promotion.
5. We will continue to assess, and initiate where judged viable, packaging and positioning modifications for selected markets.
6. We will continue to regularly visit and support our import-distributors at the advice and assistance level.
7. We will continue to appoint only those distributors of the highest trade repute and marketing standard.
8. We will continue to uphold the belief that import-distributors of our products should seek to restrict distribution to gourmet shops, delicatessens, select department stores, prestigious hotel lobby and other fine outlets.

We wish you increased
success
again this year!

Yours sincerely,



BRUCE A. HANCOX
General Manager and
Vice President
International

AN ILLUSTRATION OF
A TYPICAL "ON PACK" PROMOTION
FOR A SPECIALITY FOOD PRODUCT

The House of Aulsebrooks

FOR THE GOURMETS OF THE WORLD — ORIGINAL
STONE JAR COOKIES AND CANDIES

John Aulsebrook first commenced baking his fine cookies (biscuits) in 1863. His bakehouse was a double fronted shop in Colombo Street, Christchurch, New Zealand. Shortly thereafter he expanded to include the manufacture of confectionery (candies) and chocolate, and which quickly became known as 'The perfection in prepared confectionery'.

His motto in 1863, 115 years later, still stands today —

Warranted Genuine

Our biscuits and confectionery combine every quality in an unequalled degree. They are a blend of some of the choicest ingredients, accurately mixed in the proper proportions so as to secure a uniform standard of excellence and sterling quality.



John Aulsebrook

Today, the House of Aulsebrooks still remain fastidious master bakers and confectioners in the finest tradition. Their articles, which have been tested by public approbation over many years, are your guarantee that you will wish to try our lines too.



75 New Zealand Gourmet cook books to be won!

LAND OF THE LONG WHITE CLOUD

New Zealand was discovered in 1642 by Abel Tasman, and first explored by Captain James Cook in 1769. We are a 3 island country with a population of 3 million, located in the south west corner of the Pacific Ocean, and similar in size to Gt. Britain. New Zealand is a luxuriant country of magnificent mountains, forests, glaciers, lakes and richly grassed plains . . . and is widely known throughout the world as the most efficient producer of quality dairy products, together with wool, sheep and cattle meats. We are in fact, the largest commercial exporter of dairy products and lamb.

New Zealand is also known throughout the world among discerning gourmets for its fine traditional cooking, together with a considerable respect for its superlative range of gourmet export products.

The foregoing have developed over many years from a 'pot pourri' of native (The Maoris) and immigrant influences.

As the House of Aulsebrooks has always believed in creating a greater awareness of our fine traditional gourmet cooking, we offer each year the opportunity for a large number of our international gourmet buyers to enter a simple competition (overleaf) whereby they may win one of 75 beautiful New Zealand gourmet cookbooks.

CONTENTS

The assortments may change from time to time. Cookies presentation contain — Rich Chocolate Chip, Fruit Delight, Golden Oatmeal, Butter Royal. Candies presentation contain — Old Malt, Mint Delight, Rum & Butter, Toffee Supreme, Dairy Delight, Devonshire Cream, Coconut.

The House of Aulsebrooks P.O. Box 357 Christchurch New Zealand

STRIKE FOR NEW ZEALAND KIWI GOLD!

THE WAHAIKA

This is a reproduction of a Maori fighting club. Clubs of this type were said to be preferred by New Zealand's famous Maori warriors, who were dangerous in-fighters and relied on quick footwork to get inside the guard of an opponent's longer weapon. We have sent to you this Wahaika as a symbol to take up the challenge to "STRIKE FOR NEW ZEALAND KIWI GOLD" in the Phase 2 (September/October/November 1990) European and Nordic markets Panellists sales forces incentives programme, where we will offer the opportunity for 36 panellists sales persons to win return air tickets to New Zealand, 10 days hotel accommodation and selected tours in 1991!

Hope to see you in Auckland next year.

Kind regards.



Murray Higgs
Chief Executive

New Zealand Kiwifruit
Marketing Board



PS. The winners
will fly by

 **AIR NEW ZEALAND**

THE PRIDE OF THE PACIFIC

The standard by which others are judged



IN 1991 THE NEW ZEALAND BRAND
WILL BE RELAUNCHED

AS "THE WORLD'S FINEST" KIWIFRUIT

WITH A POWERFUL GLOBAL MARKETING CAMPAIGN

TO HELP YOU SELL MORE

NEW ZEALAND KIWIFRUIT,

MORE PROFITABLY THAN EVER BEFORE!

NEW ZEALAND KIWIFRUIT'S
BOLD, VIBRANT NEW LOGO AND
WORLD LEADERSHIP POSITIONING WILL
HELP YOU TO INCREASE SALES AND PROFITS
IN THE KIWIFRUIT GROWTH SECTOR!

① Our new logo is bold, vibrant with a refreshing slice of kiwifruit. When used as a fruit label it gives "life" and "flavour" to the outside of the kiwifruit.



③ International market research has confirmed that New Zealand consistently delivers "The world's finest" kiwifruit, for which the consumer is prepared to pay that "extra premium".

②

New Zealand

"New Zealand" is recognised by both the trade and the consumer as the "brand"; no other competitive country or brand is held in such high esteem on a worldwide basis.



④ New Zealand developed the name "Kiwifruit". We will continue to use the full form of the name as opposed to the jargon "Kiwi", as it is synonymous with superior product quality.

Our striking new packaging
will instantly stand out from the crowd!



RELAUNCH OF NEW ZEALAND KIWIFRUIT AS "THE WORLD'S FINEST"

New Zealand created and developed the international market for kiwifruit. No other country has committed such a level of investment, time and effort in creating the perfect kiwifruit. That New Zealand Kiwifruit is recognised as "The world's finest", the standard by which others are judged, is the result of this commitment.



In 1991 we will globally relaunch New Zealand kiwifruit with new, vibrant packaging and fruit labelling which identifies our acknowledged trade and consumer reputation as the producer of "The world's finest" kiwifruit.

The global relaunch of New Zealand Kiwifruit will be supported by a programme of powerful trade and consumer promotions tailored to the specific needs and opportunities within individual markets, designed to maximise sales and increase returns for our valuable customers.

Murray J Higgs
Chief Executive

New Zealand Kiwifruit Marketing Board



The world's finest

Independent trade and consumer market research confirms that New Zealand Kiwifruit is the finest!

In 1990, a major trade and consumer market research programme, conducted under the auspices of Gallup International in several world markets, rated New Zealand Kiwifruit as distinctly superior to kiwifruit from other countries. Highlights from the market research programme in Europe are detailed below:

Trade Market Research

New Zealand Kiwifruit was judged on the following attributes	Major fruit importers who rated New Zealand Kiwifruit superior (%)
1. NZ's environmental image	95
2. Export standards designed to ensure that only the finest quality kiwifruit reaches the consumer	91
3. Product keeping quality	86
4. Consistency of product size and shape	86
5. Efficiency of NZ's export/import distribution structure	68

Base: 22 major fruit distributors in 8 European markets.

Consumer Market Research

In four major European markets, by far the greatest proportion of consumers considered New Zealand to consistently produce the finest quality kiwifruit.

Supply Source	Market			
	UK %	France %	Spain %	Germany %
New Zealand	42	24	48	49
Chile	3	7	13	-
Italy	3	4	2	8
France	1	11	2	1
Greece	4	8	2	13

Base: Respondents who have ever eaten kiwifruit

664	834	300	1615
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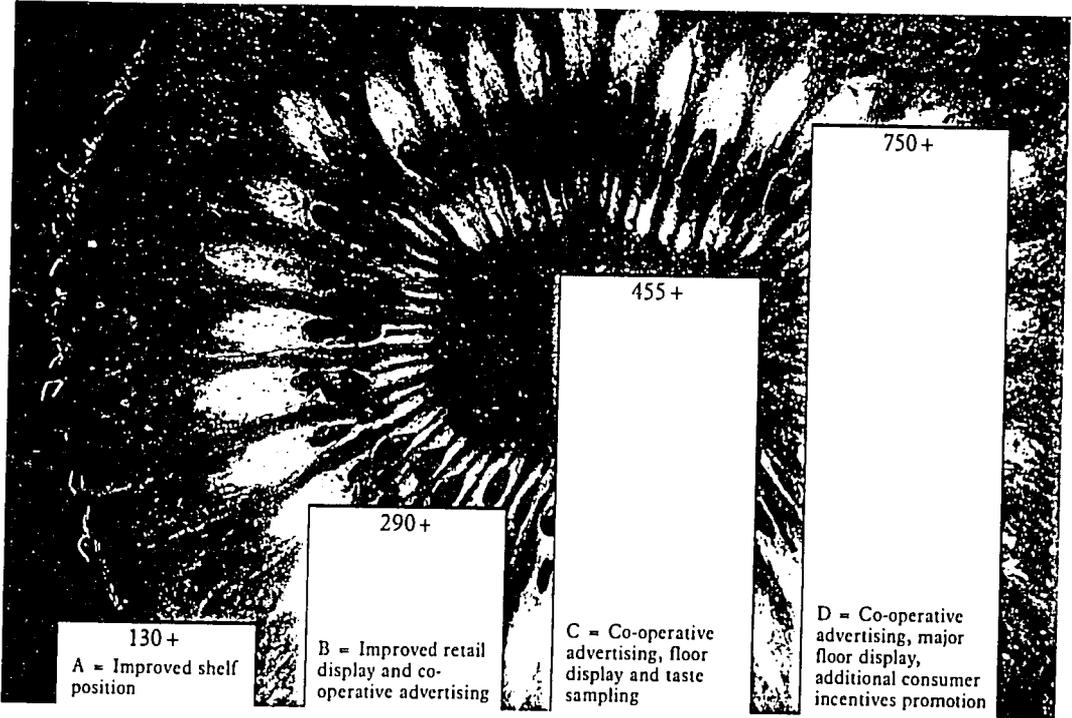
FIVE KEY REASONS WHY THE NEW ZEALAND BRAND WILL MAKE MORE SALES AND PROFITS FOR YOU!

- 1 The brand's consistent, superior product quality means that consumers around the world are prepared to pay that extra premium for New Zealand Kiwifruit - "The world's finest".
- 2 The brand's excellent fruit keeping quality and robust packaging ensures that the loss factor for New Zealand Kiwifruit is the lowest of any produce item, thus ensuring higher profits for retailers.
- 3 Globally, only the New Zealand brand invests so heavily in advertising and promotion to increase both kiwifruit consumption and trial. Kiwifruit still has enormous untapped potential.
- 4 Only the New Zealand brand offers such a wide range of "high impact" below-the-line promotional support programmes designed to profitably increase kiwifruit sales at retail and food service levels.
- 5 The New Zealand brand, when on promotion, can achieve one of the highest profit returns per square metre of fresh fruit retail display space.

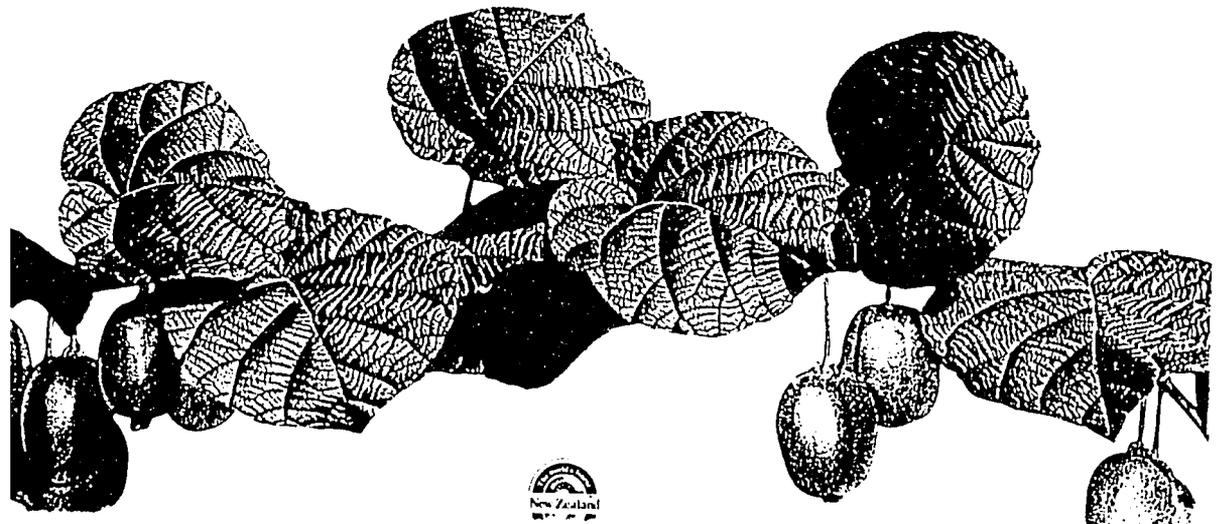
The New Zealand brand - your "Mutual Profit" partner -
helping you to make more kiwifruit sales and profits
for less cost!



WITH THE RIGHT SHELF OR DISPLAY POSITION AND/OR MIX OF MERCHANDISING AND PROMOTIONAL SUPPORT, YOU CAN INCREASE NEW ZEALAND BRAND KIWIFRUIT SALES BY UP TO 750%!



Now let's put together an unbeatable "Mutual Profit" promotional support programme!



THE 1991 NEW ZEALAND KIWIFRUIT BRAND AND CUSTOMERS "MUTUAL PROFIT" PROMOTIONAL SUPPORT PROGRAMME

This year we will be working closely with our customers to achieve a significant and profitable increase in sales and trial of the New Zealand Kiwifruit brand.

CUSTOMER PROPOSAL
YOUR NEW ZEALAND KIWIFRUIT BRAND "MUTUAL PROFIT"
PROMOTIONAL SUPPORT PROGRAMME

1 CUSTOMER NAME _____

PROMOTIONAL PERIOD _____

2 VALUE OF THE BRAND PROMOTIONAL SUPPORT PROGRAMME

COMPONENTS (*)	VALUE
a. Cooperative advertising	_____
b. Merchandising material	_____
c. Instore taste samplings/vidoes	_____
d. Additional consumer incentives	_____
e. Other promotional support	_____
Total value of support programme _____	
Value per tray _____	

3 POTENTIAL INCREASED SALES AND PROFIT RESULTING FROM THE PROMOTION

	WEEK 1	WEEK 2
a. Normal weekly sales without promotion -	_____	_____
• Trays	_____	_____
• Cost per tray	_____	_____
• Profit	_____	_____
b. Potential weekly sales and profit increase with promotional support programme -	_____	_____
• Trays	_____	_____
• % increase	_____	_____
• Cost per tray	_____	_____
• Profit	_____	_____
• % increase	_____	_____

(*) Range and level of item 2 promotional support programme ingredients will differ by customer

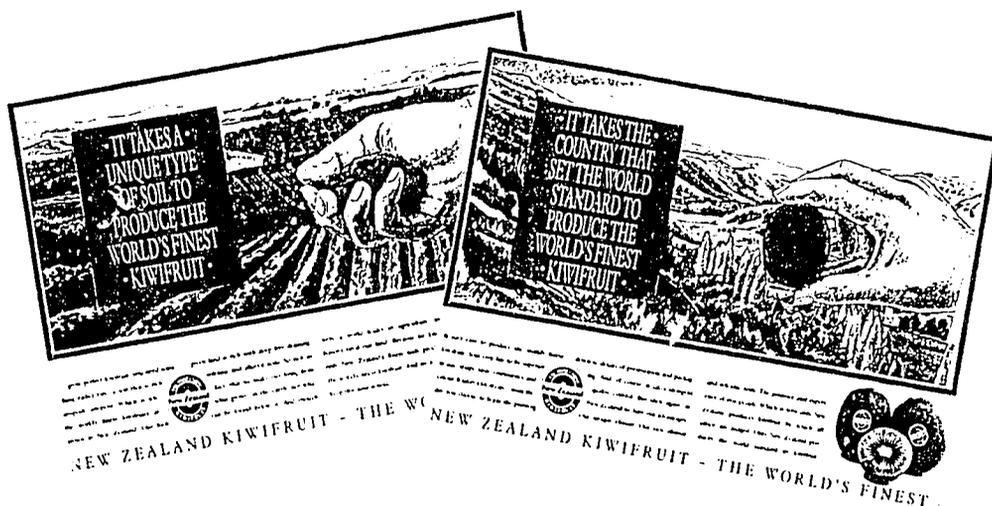
The illustration shows the typical "core" ingredients of the dynamic, result orientated New Zealand brand "MUTUAL PROFIT" promotional support programme we will be placing before our customers in 1991.

YES! Together in 1991

we will sell more New Zealand Brand Kiwifruit,
more profitably than ever before!



THE NEW ZEALAND BRAND'S
1991 GLOBAL MARKETING PROGRAMME
WILL INCLUDE A MAJOR TRADE MEDIA CAMPAIGN
HIGHLIGHTING THE UNIQUE ATTRIBUTES
WHICH HAVE HELPED TO CREATE
"THE WORLD'S FINEST" KIWIFRUIT



New Zealand Kiwifruit -
the brand that commands a premium!

New Zealand

Head Office: New Zealand Kiwifruit Marketing Board
PO Box 9906, 277 Broadway, Newmarket, Auckland,
New Zealand.

Phone: (64 9) 529-0505

Facsimile: (64 9) 529-0448

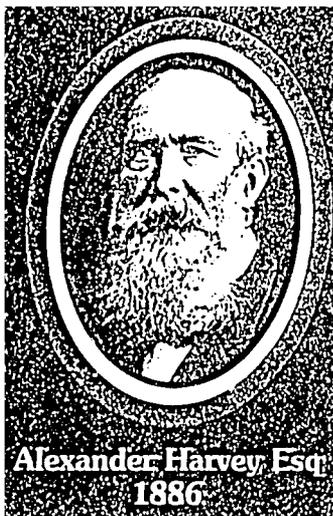
Europe

New Zealand Kiwifruit Marketing Board (Continent) NV
Antwerp Tower, De Keyserlei 5, 2018 Antwerpen, Belgium.

Phone: (32 3) 231-1324

Facsimile: (32 3) 231-7126





HARVEY'S
OF NEW ZEALAND

Purveyors of Traditional
Fine Foods



Alexander Harvey Esq
1886

HARVEY'S

OF NEW ZEALAND

Purveyors of Traditional
Fine Foods

"From the Heart of the Land and Sea"



Alexander Harvey Esq
1886

HARVEY'S

OF NEW ZEALAND

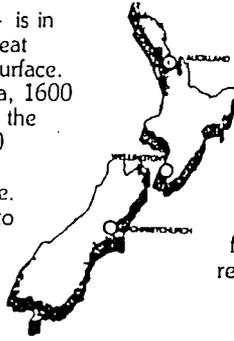
Purveyors of Traditional
Fine Foods

Anthony J. Dalgleish

New Zealand - Land of the Long White Cloud

NEW ZEALAND - population 3.1 million - is in the south west section of the Pacific, that great ocean stretching across one third of the earth's surface. To the west, beyond the Tasman sea, is Australia, 1600 kilometres away. From its position on the rim of the Pacific basin, New Zealand is a little over 10,000 kilometres from San Francisco and Panama and a similar distance from Tokyo and Singapore. In area 26.9 million hectares, it is similar in size to the British Isles and Japan.

It was first discovered in 1642 by Abel Tasman, and first explored by Captain James Cook in 1769. It is a luxuriant



country of magnificent mountains, forests, glaciers, lakes and richly grassed plains ... and widely known throughout the world as the most efficient producer of quality dairy products, together with wool, sheep and cattle meats. We are the largest exporter of dairy products and lamb.

New Zealand is also known throughout the world among discerning gourmets for its fine traditional cooking, together with considerable respect for its superlative range of gourmet export products.



Alexander Harvey Esq
1886

Strength of Umbrella Range Packaging

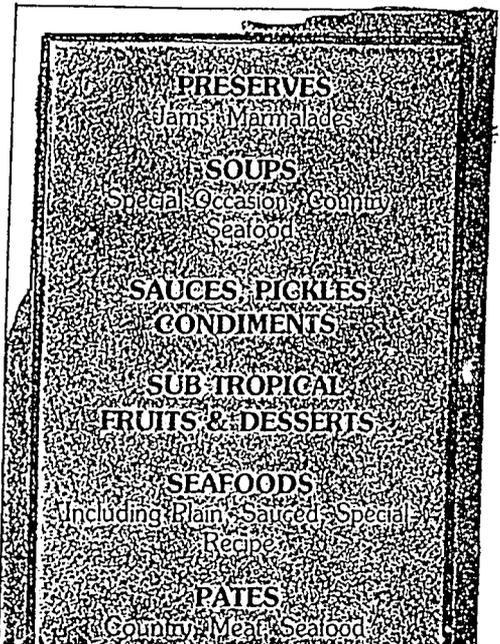
RESEARCHED AGAINST leading 'other country' competitive SF/Gourmet brands, Harvey's of New Zealand scores high on the list related to across the board 'stand out' registration and propensity to purchase among SF/Gourmet consumers when positioned at an instore shelf level or featured among mass gourmet product floor displays.

**Under one brand name
one of the largest and most varied
SF/Gourmet ranges in the world**

HARVEY'S OF New Zealand can proudly boast to be one of the few companies worldwide offering import-distributors under a singular brand name over 70 superb SF/Gourmet items embracing 7 burgeoning world foodstuffs import sectors i.e.

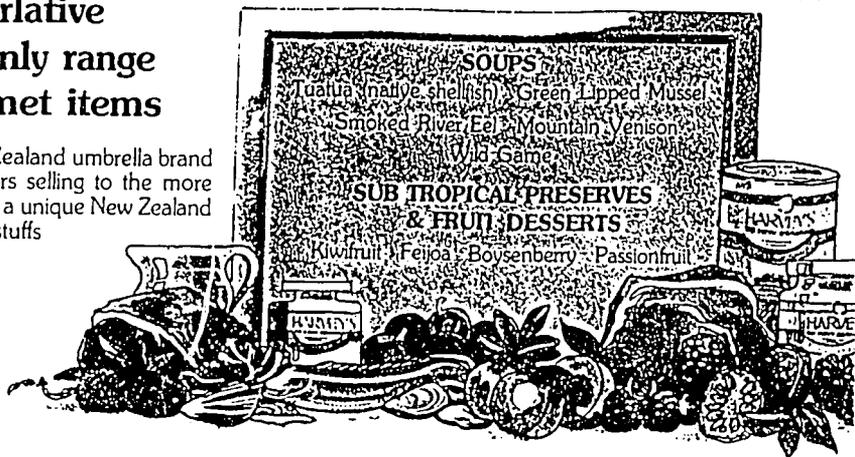
Harvey's of New Zealand - founded in 1886

THE BUSINESS was originally founded in 1886 by Alexander Harvey Esq to make milk and cream churns for the dairy industry. The company has since grown into one of the regions most significant and diversified identities, embracing sizeable exports to many countries worldwide.



Plus a superlative New Zealand only range of exotic Gourmet items

UNDER THE Harvey's of New Zealand umbrella brand we also offer import-distributors selling to the more discerning SF/Gourmet retail outlets a unique New Zealand only range of exotic gourmet foodstuffs which include -



Fresh, natural, wholesome ingredients linked to New Zealand's outstanding culinary reputation

The vast percentage of range ingredients originate fresh from the heart of New Zealand's rich, unspoiled farmlands; from unmatched hill country still teeming in parts with magnificent wild game; from unpolluted fast flowing rivers, clear lakes and a vast surrounding ocean abundant with many of the most desirable fish species.

Link the above to both New Zealand and Harvey's of New Zealand's culinary reputation and skills - the finest traditional cooking developed over many years from a 'pot poumi' of British and native Maori influences - then in Harvey's of New Zealand one has a range of SF/Gourmet foodstuffs of almost unbeatable quality.

Over 70 range items makes buying of 20 foot sea containers a sensible, economical decision

A MAJOR plus offered to Harvey's of New Zealand import-distributors worldwide lies in their ability to purchase 'hassle free' from one central source a unique total range of high quality SF/Gourmet products, culminating in economical use of full 20' containers on a regular order/shipment basis.

Price positioned to tap the lucrative worldwide Mid Premium Price Sector

HARVEYS OF New Zealand seek to offer their international import-distributors superior SF/Gourmet products price positioned to take advantage of the rapidly increasing mid premium price sector i.e. sound sales volume at a sensible profit.

Our Import-Distributor Marketing and Promotional Support Programme

HARVEYS OF New Zealand takes pride in the level of ongoing support which we offer to the majority of our international import-distributors i.e.

- i. Often we produce for individual markets specific point-of-purchase display material such as product posters, shelf talkers, instore banners; or contribute to the cost of a demonstrator programme.
- ii. Each year we develop a major international markets 'on pack' consumer promotion i.e. in late 1982 we will offer around 25 consumers per market the opportunity to win a fabulous range of New Zealand's famous "Manor House" non stick coated bake-ware.
- iii. In appropriate markets we pay the major cost toward trade press or selected import-distributor catalogue advertising; or contribute to the cost of direct mail programmes directed at media food editors, key retail buyers etc.

Finally our Export Manager seeks to visit each major market 2-3 times a year, during which period he calls on selected key accounts with import-distributor sales personnel.

In summary, we wish to make the Harvey's of New Zealand range one of the most important sales and profit earners within each of our import-distributors stable of fine imported products.

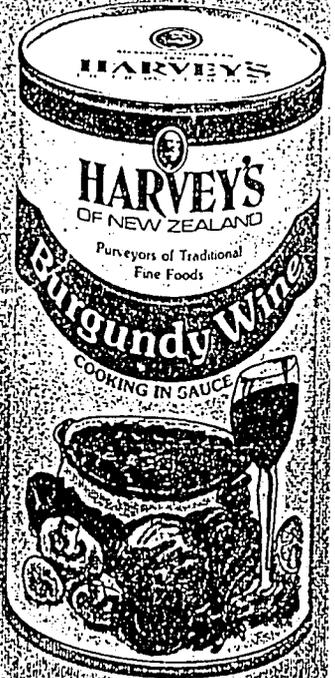
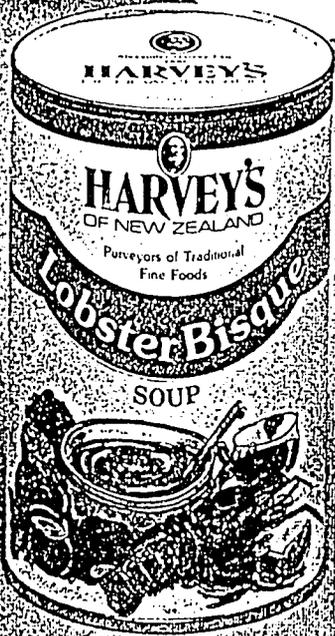
New Zealand's Frequent, Fast Worldwide Shipping Service

AS A major world exporter of dairy, meat, horticultural, fish and prepared foods, New Zealand has developed a frequent and highly competitive shipping service into the majority of key world markets.

HARVEY'S OF NEW ZEALAND

1886

Purveyors of Traditional
Fine Foods



Under one famous brand name - from the heart of the land and sea - one of the most delectable and varied SF/Gourmet ranges in the world



Alexander Harvey Esq
1886

HARVEY'S

OF NEW ZEALAND

Purveyors of Traditional
Fine Foods

"From the Heart of the Land and Sea"

HARVEY'S OF NEW ZEALAND NEW MARKETS' INTRODUCTION PHILOSOPHY

The company initially seeks to establish during the first 12-18 months in each new market the core product range described in detail overleaf, covering the following foodstuffs sectors i.e.

PRESERVES

SAUCES (COOKING, ADD-ON)

CHUTNEYS

PICKLES

JELLIES

SOUPS

Following successful establishment of the above core product range, the company then seeks to introduce other mid premium price sector items, plus a superlative New Zealand only range of SF/Gourmet items described within our brochure.



Alexander Harvey Esq
1886

HARVEY'S

OF NEW ZEALAND

Purveyors of Traditional
Fine Foods

"From the Heart of the Land and Sea"

A SELECTION OF 48 ITEMS FROM THE HARVEY'S OF NEW ZEALAND RANGE OF SUPERIOR, DELECTABLE SF/GOURMET FOODSTUFFS FROM THE HEART OF NEW ZEALAND'S MAGNIFICENT LAND AND SEA

HARVEY'S OF NEW ZEALAND

CORE PRODUCTS RANGE

JAMS, MARMALADES

JAMS

Strawberry
Apricot
Cherry
Plum
Boysenberry
Kiwifruit
Blackberry
Raspberry

MARMALADES

Vintage
Grapefruit
Mixed Fruits
Orange & Lemon
Mild Ginger

SAUCES, CHUTNEYS PICKLES, JELLIES

COOKING-IN SAUCES

Burgundy Wine
Madeira Wine
White Wine
Provencales
Lobster
Hot Curry
Mild Curry

OTHER SAUCES

Horseradish
Prawn Cocktail
Steak
Country Mustard

CHUTNEYS

Three Fruits
Peach
Hot

PICKLES

Country
Tomato
Mild Mustard

JELLIES

Mint
Boysenberry

SOUPS

SEAFOOD

Lobster Bisque
Crab Bisque
Scampi Bisque
Mussell
Bouillabaisse
Oyster

QUALITY

Clear Oxtail
Thick Oxtail
Vichysoisse
Venison
Consomme
Cream of Asparagus
Cream of Mushroom

COUNTRY

Beef Broth
Vegetable Broth
Pea & Ham

Supersedes list
dated:



Alexander Harvey Esq
1886

HARVEY'S OF NEW ZEALAND

Purveyors of Traditional
Fine Foods

"From the Heart of the Land and Sea"

HARVEY'S OF NEW ZEALAND PRICE LIST

Effective 1/1/83

	<u>Size</u>	<u>FOB \$US</u>	<u>Kuwait Dubai</u>	<u>USA W. Coast</u>	<u>USA E. Coast</u>	<u>Hong Kong</u>	<u>Singapore</u>
<u>Jams & Preserves</u>	425/450g	11.25	12.45	12.20	12.15	12.00	11.90
<u>Marmalades</u>	425/450g	10.50	11.70	11.40	11.40	11.20	11.15
<u>Soups</u>	Seafood	425/450g	12.75	13.95	13.70	13.65	13.45
	Quality	425/450g	11.00	12.20	11.95	11.90	11.70
	Country	425/450g	8.50	9.70	9.45	9.40	9.20
<u>Cooking Sauces</u>	350g	10.00	11.20	10.95	10.90	10.70	10.65
<u>Chutneys</u>	425/450g	11.20	12.40	12.15	12.10	11.90	11.85
<u>Pickles</u>	425/450g	9.50	10.70	10.45	10.40	10.20	10.15
<u>Sauces</u>	Horseradish	150/170g	8.50	9.70	9.40	9.40	9.20
	Prawn Cocktail	150/170g	7.75	8.90	8.65	8.65	8.45
	Steak Sauce	150/170g	9.00	10.20	9.90	9.90	9.70
	CountryMustard	150/170g	8.40	9.60	9.30	9.30	9.10
<u>Jellies</u>	Mint	150/170g	6.75	7.90	7.65	7.65	7.45
	Boysenberry	150/170g	6.75	7.90	7.65	7.65	7.45

HARVEY'S OF NEW ZEALAND PRICE LIST NOTES

- (1) Prices effective from 1/1/83 for six months subject to Exchange variation.
- (2) Prices quoted are based upon the N.Z. Dollar remaining at 16% of the U.S. Dollar.
- (3) Prices quoted are per dozen.
- (4) Case quantity is 2 dozen (24).
- (5) Approximate Mix per Container:

	<u>Value</u>	<u>Case Size</u>	<u>Case Weight</u>
	<u>\$US</u>		
Jams/Marmalades	425 cases 10400	301x225x131mm	12.0kg
Soups	475 cases 11400	296x222x226mm	12.0kg
Cooking Sauces	210 cases 4700	264x198x244mm	9.6kg
Chutney/Pickles	135 cases 3000	301x225x131mm	12.0kg
Other	80 cases 1500	Various	
	<u>1325 cases US\$31000</u>		

KEY COMPONENTS ILLUSTRATION
EXPORT PRODUCT SECTOR : FRESH PRODUCE
(KIWI FRUIT)

PART 1 - INDIVIDUAL COUNTRY BUSINESS MANAGEMENT :
MARKETING PLAN

1.0 Country : _____ Plan Completion Date: _____

Index

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**2.0 GROSS SALES HISTORY - TARGETS - FORECASTS : OPERATIONAL & MARKETING COSTS :
NET SALES REVENUE**

(2)

1988 +(-)% 1989 +(-)% 1990 +(-)% 1991 +(-)% 1992 +(-)%

2.1 Gross Sales

- a. SLT trays (000)
- b. Value (1)
- c. Average SLT price (1)
(7)

(3)
1988 +(-)% 1989 +(-)% 1990 +(-)% %SOC 1991 +(-)% %SOC 1992 +(-)% %SOC

2.2 Operational Costs (4)

2.3 Marketing costs

- a. Advertising (5)
- b. Public relations
- c. Trade media
- d. Cooperative advertising
- e. Merchandising
- f. Special promotions
- g. Price dealing
- h. Food service
- i. Sponsorship
- j. Trade conferences
- k. Market research
- l. Other (describe)

Total 2.2/2.3

2.4 Net sales revenue (6)

- a. Value
- b. Average SLT price

Keys : (1) state currency (2) +(-)% over previous year (3) % share of total operational & marketing costs
(4) full offshore office operational costs per Schedule A (not included) (5) TV/radio/newspaper/cinema/posters
trade magazines etc (6) deduct 2.2/2.3 operational & marketing costs from 2.1.b.
(7) = single layer tray

3.0 KIWIFRUIT MARKET SIZE AND GROWTH FORECASTS

	(1)				
	1988 +(-)%	1989 +(-)%	1990 +(-)%	1991 +(-)%	1992 +(-)%
(a) Population					
(b) Total per capita fresh fruit consumption - kg (2)					
(c) Per capita kiwifruit consumption - kg (2)					
(d) NZ per capita kiwifruit consumption - kg (2)					
(e) Total imports - kg (2)					
(f) Local production - kg (2)					

Keys : (1) +(-)% over previous year (2) State data sources

4.0 MARKETING ENVIRONMENT

Summarise in brief, key point form -

4.1 Consumer consumption, attitude and reaction profiles to kiwifruit as a fruit type and New Zealand kiwifruit in particular (1)

Strengths

Weaknesses

4.2 Trade (panellist and major wholesale/retail customers) attitude and reaction profiles to kiwifruit as a fruit type and New Zealand kiwifruit in particular (1)

Strengths

Weaknesses

4.3 Weighted wholesale/retail outlets penetration for kiwifruit as a fruit type and New Zealand kiwifruit in particular (1)

Strengths

Weaknesses

4.4 Effectiveness or otherwise of New Zealand kiwifruit advertising and promotional programmes in recent years based on a combination of internal and external assessment tracking data (1)

Strengths

Weaknesses

4.5 Scope and effectiveness or otherwise of institutional sector penetration and promotional programmes

Strengths

Weaknesses

4.6 Scope and effectiveness or otherwise of public relations programmes (trade and consumer)

Strengths

Weaknesses

4.7 Results of pre and/or post testing of major product positioning and/or advertising/promotional communication platforms (1)

Strengths

Weaknesses

Key : (1) state dates and title of market research and/or other sources; send photocopies of completed consumer/trade/other quoted research over past 3/4 years to Head Office Marketing Development Manager

5.0 EXISTING AND POSSIBLE FUTURE TARIFF, QUOTA, REGULATORY HEALTH/HYGIENE IMPORT BARRIERS (1)

New Zealand kiwifruit

Competitive kiwifruit

Key : (1) state published and/or other sources

6.0 TRADE POLICIES, TERMS AND PROMOTIONAL SUPPORT

6.1 New Zealand

Mainline competitors

- | | |
|------------------------|--|
| a. Pricing | Directions - |
| b. Duty | i Name competitors |
| c. Margin | ii Match, where applicable, their terms alongside NZKMB check list |
| d. Payment | |
| e. Order quantities | |
| f. Claims | |
| g. Stocking | |
| h. Delivery procedure | |
| i. Promotional support | |
| j. Bank guarantees | |
| k. Other (describe) | |

6.2 Brief summary of key strengths and weaknesses

New Zealand

Mainline competitors

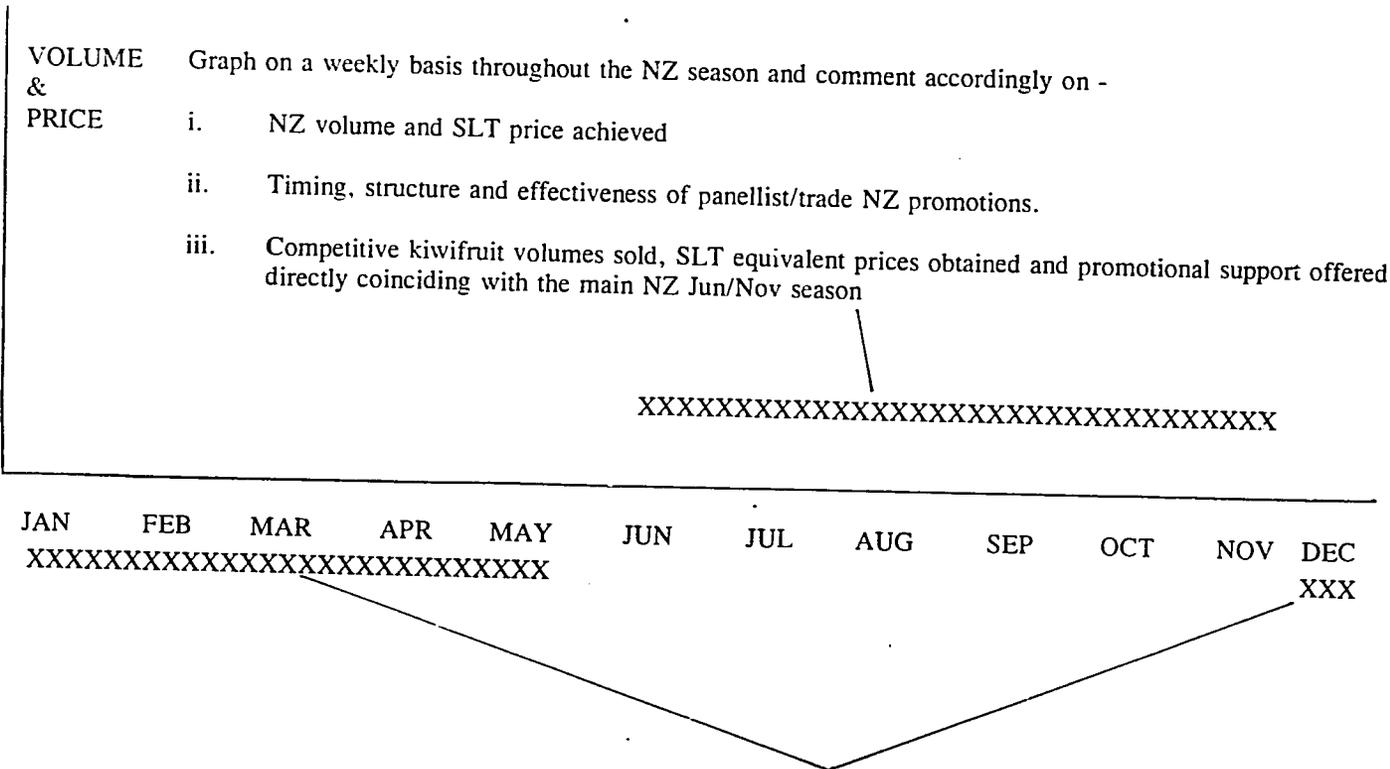
Strengths

Strengths

Weaknesses

Weaknesses

7.0 1990 SEASON NEW ZEALAND KIWIFRUIT SALES PERFORMANCE AND AVERAGE SLT PRICE ACHIEVEMENT VERSUS MAINLINE COMPETITION



VOLUME
&
PRICE

Graph on a weekly basis throughout the NZ season and comment accordingly on -

- i. NZ volume and SLT price achieved
- ii. Timing, structure and effectiveness of panellist/trade NZ promotions.
- iii. Competitive kiwifruit volumes sold, SLT equivalent prices obtained and promotional support offered directly coinciding with the main NZ Jun/Nov season

XX

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
XX
XXX

SLT = single
Layer tray

Graph on a monthly basis kiwifruit volumes sold and average SLT prices obtained outside of the main NZ season for both quality and low quality fruit.

8.0 NEW ZEALAND KIWIFRUIT ADVERTISING (MAJOR CONSUMER AND TRADE MEDIA) EXPENDITURES VERSUS MAINLINE KIWIFRUIT COMPETITORS AND OTHER LEADING FRESH FRUIT TYPES - NZ\$

	1988			1989			1990				
	(1)(2)		Press	(1)		Press	Trade Mags	Consumer		Press	Trade Mags
	TV	Mags		TV	Mags			TV	Mags		
a.	New Zealand kiwifruit										
b.	Mainline kiwifruit competitors -										
	.										
	.										
c.	All fresh fruit types										
d.	4 leading fresh fruit types -										

Key : (1) State sources i.e. published media expenditure surveys; advertising agency and trade media statements

(2) include other consumer media where applicable

9.0 **BRAND POSITIONING/ADVERTISING COPY STRATEGY AND TARGET CONSUMER VERSUS MAINLINE
KIWIFRUIT COMPETITORS**

Brand positioning/advertising
copy strategy statements (1)

Target consumer (2)

9.1 **New Zealand**

9.2 **Mainline competitors (3)**

a.

b.

c.

Key : (1) Which appears at a packaging, advertising and other promotional level;
state NZ market research justification in context of brand positioning/advertising
copy strategy statements (2) be specific by SE group category/age sex etc; state
NZ market research justification (3) supply under Schedule B colour photocopies
of mainline competitors consumer, trade and merchandising material

10. PACKAGING

10.1 Identify any likely changes to present pallet/packaging sizes which major distributors/retailers and the like are planning to introduce

10.2 Indicate New Zealand's strengths and weaknesses in a 10.1 context

Strengths

Weaknesses

10.3 Indicate present kiwifruit packaging configurations (pallet sizes, tray sizes, bulk bins, special retail packs etc)

New Zealand

Mainline competitors (1)

10.4 Identify New Zealand's strengths and weaknesses in a 10.3 context

Strengths

Weaknesses

Key : (1) supply under schedule C (not included) colour photocopies of mainline competitor packaging viewed as having a "marketing edge" over New Zealand and state why

11.0 MARKET DISTRIBUTION STRUCTURE AND MAJOR NEW ZEALAND KIWIFRUIT FINAL OUTLET PURCHASE POINTS

11.1 Describe in chart form the distribution structure for kiwifruit from point of landing and/or market entry through to final purchase points (i.e. retail, institutional and other outlets)

11.2 Estimate volume of New Zealand kiwifruit sold to major supermarket/retail groups, institutional sector and all other outlets (1)

Outlet category	NZ sales - SLT equivalent		1990	% market share	% increase 1990 over 1989
	1988	1989			

Major supermarket/retail groups -

- a.
- b.
- c.
- d.

Institutional sector
All other outlets

Key: (1) indicate basis of estimate

12.0 INDIVIDUAL PANELLIST (IMPORTER) SALES PERFORMANCE HISTORY; STRUCTURE AND DISTRIBUTION/PENETRATION STRENGTH OF EACH PANELLIST SALES ORGANIZATION; FUTURE PANELLIST REDUCTION/ADDITION STRATEGY AND JUSTIFICATION

12.1	Panellist	Sales 1988	- SLT equivalent 1989	1990	% share	Structure and distribution/penetration strength of each panellist sales organization
------	-----------	---------------	--------------------------	------	------------	---

- a.
- b.
- c.
- d.
- e.

12.2 Future panellist reduction/addition strategy and justification

13.0 1991 SALES FORECAST : MANAGEMENT AND MARKETING OBJECTIVES : STRATEGIES

13.1 Sales forecast

- a. Chart weekly SLT equivalent volume and price expectations
- b. Chart forecast weekly sales volume by pack configuration/count size

13.2 Market share

Objective

Strategy

13.3 Weighted wholesale/retail outlet and institutional penetration

Objectives

Strategies

13.4 Management

- a. Financial (refer Schedule A * - full offshore operational costs)

Objectives

Strategies

- b. Marketing (including personnel structure)

Objectives

Strategies

(*) not included

Cont:

- c. Operations and distribution (including personnel structure)
Objectives Strategies

- d. Administration (including personnel structure)
Objectives Strategies

13.5 Marketing

- a. Trade policies and terms
Objectives Strategies

- b. Pre-season panellist conferences programme
Objectives Strategies Cost NZ\$ _____
% of marketing
budget

- c. Trade sales presenter
Objectives Strategies Cost NZ\$ _____
% of marketing
budget

d. Panellist sales forces incentives programme

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

e. Trade public relations and media

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

f. Merchandising

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

g. Consumer retail floor promotions

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

h. Price dealing/cooperative advertising

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

i. Food service/institutional

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

j. Other

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

k. Brand positioning advertising copy statement (s)

Objectives

Strategies

l. Advertising

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

m. Sponsorship

Objectives

Strategies

Cost NZ\$ _____
% of marketing
budget

- | | | | |
|----|------------------------|-------------------|--|
| n. | <u>Other</u> | | |
| | <u>Objectives</u> | <u>Strategies</u> | Cost NZ\$ _____
% of marketing
budget |
| o. | <u>Market research</u> | | |
| | <u>Trade</u> | | |
| | <u>Objectives</u> | <u>Strategies</u> | Cost NZ\$ _____
% of marketing
budget |
| | <u>Consumer</u> | | |
| | <u>Objectives</u> | <u>Strategies</u> | Cost NZ\$ _____
% of marketing
budget |
| p. | <u>Packaging</u> | | |
| | <u>Objectives</u> | <u>Strategies</u> | Cost NZ\$ _____ (1)
% of marketing
budget
(1) if applicable |

NB : Offshore operations should ensure that relevant "13. Marketing objectives/strategies sectors" are soundly substantiated by internal marketing data assessment, market research findings, advertising agency/pr consultancy recommendations and the like

TYPICAL ILLUSTRATION OF AN EXPORT MANAGER'S KEY
CUSTOMER MANAGEMENT
MARKETING AND SALES PLAN
(COMPONENTS)

1.0 COUNTRY : DATE:
 COMMERCIAL MANAGER : PANELLIST NAME :
 PANELLIST COMMUNICATION DATA (Address [Street + Box No.];
 Telephone; Fax; Telex) :
 KEY PANELLIST CONTACTS & TITLES :

2.0 SALES HISTORY - TARGETS - FORECASTS

	1990 +(-)	1991 +(-)	1992 +(-)	1993 +(-) (1)

- a. SLT trays equivalent (000)
- b. % share of total country sales
- c. Value (currency?)
- d. Average SLT equivalent tray price (currency?)

 (1) % +(-) over previous year

3.0 PROMOTIONAL SUPPORT (below-the-line)

Currency - ?		1992	1993
1990	1991	target	forecast

- a. Co-operative advertising
- b. Merchandising
- c. Price dealing
- d. Sales force incentives
- e. Special promotions
- f. Other (*)

 Total
 Average tray
 tray cost

(*) describe

4.0 STRUCTURE OF PANELLIST ORGANISATION AND KEY CUSTOMER BASE

- a. Produce matrix of panellist organisation and key customer base.
- b. Support a. with company profile brochure, annual report where available

5.0 PANELLIST MARKETING STRENGTHS & WEAKNESSES

a. Strengths

b. Weaknesses

6.0 KEY PANELLIST OBJECTIVES

a. Major problems and/or issues to be resolved

b. Strategy to increase panellist sales

7.0 EFFECTIVENESS OR OTHERWISE OF LAST SEASON'S PANELLIST PROMOTIONAL SUPPORT

a. Overall

b. By major customer

8.0 THIS YEAR PANELLIST MARKETING/PROMOTIONAL SUPPORT PROGRAMME

a. Overall

b. By major customer

Customer	% Our Sales	Sales objectives/ Promotional support ingredients	Cost per: Tray	Total
----------	----------------	---	-------------------	-------

9.0 COMPETITIVE ACTIVITY ANALYSIS (MAINLINE COMPETITORS)

Observations should cover -

- a. Trade terms/policies
- b. Pricing
- c. Promotional strategies and their effectiveness or otherwise
- d. Strength of their/your key customer relationships
- e. Other

10. SCHEDULE OF PLANNED MARKETPLACE VISITS AND OBJECTIVES

- a. Panellists
- b. Key customers
- c. Wholesale/retail outlets

(PREPARED BY ANTHONY DALGLEISH - 24/8/1993)

Country Focus

Thailand

Thailand's food processing industry, propelled by a more export-oriented economy, has been moving in the direction of value added processing. APFI outlines the dominant and growing sectors, which are set to drive the industry to greater heights.

Veering towards value added processing

THE availability of relatively inexpensive skilled labour and the favourable investment policies on the opening up of the Indochina region has helped Thailand develop into a newly industrialised country. Although the economy in general has moved into areas such as textile production, manufacturing of electronic components, automotive parts, tin and steel, household

products, agriculturally-related industries remains the mainstay of the economy, representing almost 20 percent of the country total annual exports. The abundance of agricultural produce and the large coastal territory have been reasons for the country remaining as one of the major producers of agricultural products. The total export earnings reaped by the nation from this sector reached nearly US\$35.1 billion in 1992, with a large portion of this earning consisting of tapioca flour, frozen chicken, canned fruits and vegetables.

Towards value-added processing

With the rapid industrialisation of the economy and the surplus in agricultural produce, value-added agricultural processing industry has become the backbone of Thailand's agricultural industry over the years. Following the increased demand for Thai products, more and more farmers have found a market for their produce in the food processing industry. The recent years have seen more farmers producing raw materials for this important export-oriented sector, greatly boosting the value-added sectors. From a country dependent on selling commodities in bulk on the world market, Thailand has now switched to selling high quality processed foods to international markets.

Among the main components of this value-added industry are canned, frozen and dehydrated products. Between the three processes, canning is by far the most important and most widely used method to add value to agricultural produce, while dehydration is still in its

Canned food items	Volume (tonnes)	Value (US\$ million)
Canned seafood		523.0
Canned tuna	243,488	
Other canned fishes	7,565	8.7
Canned sardine	25,824	31.1
Canned mackerel	15,004	17.9
Canned salmon	1,132	3.2
Canned crab meat	9,687	51.8
Canned prawn, shrimps	39,194	304.4
Canned baby clam	5,026	12.3
Canned squid	2,454	6.6
Frozen tuna loin	35,482	82.4
Canned pet food	109,967	123.1
		1164.1
Canned fruits		491.4
Canned pineapple	491,367	322.7
Canned rambutan with pine	3,294	4.2
Other canned mixed fruits	50,435	35.7
Canned rambutan	1,558	2.0
Canned lychee	9,789	13.7
Canned longan	7,973	11.3
Canned mango	6,716	5.7
Canned papaya	1,710	1.4
Canned quava	230	0.2
Canned banana	357	0.3
Other canned fruits	16,120	16.0
Pineapple juice concentrate	65,130	66.0
Canned pineapple juice	14,148	12.2
		491.4
Canned vegetables		81.5
Canned baby corn	36,766	32.2
Canned mushroom	7,277	9.8
Canned asparagus	1,394	2.2
Canned bamboo shoots	48,683	37.3
		81.5
Grand total		1,737.0

(Source: Thai Food Processors Association 1993)

THAILAND

early stages and growing at a slow pace, as both overseas markets and domestic markets are still relatively small. This method is used to some degree for virtually all products produced in Thailand, ranging from fruits and vegetables to seafood. The canned food industry and in particular, those of seafood, tuna, fruits and vegetables and pineapple, have been showing some dynamic growth over and above all other processed food sectors, contributing substantially to the economy's foreign exchange earnings. The combined export value for these four groups for 1991 was well over US\$1.75 billion, more than 25 percent of all agricultural exports.

Growth sectors

Canned seafood Since the establishment of the canning industry, Thailand has become the world's largest manufacturer and exporter of canned seafood. Its well known reputation remains untainted for the past decades. In the top ten export ranking for Thai products in 1992, canned seafood was the 9th highest exporter, accounting for almost US\$910 million in export earnings, an equivalent of 20 percent of the total food exports in 1992. Growth prospects for this sector remain upbeat. Export earnings is projected to increase by 9 percent, reaching US\$992 million in 1993.

Of the huge volume of canned seafood exported annually, canned tuna took up the largest portion, accounting for nearly US\$400 million to

US\$600 million worth of exports. The country dominates the world market with a more than 50-percent share. Greater health and nutritional awareness amongst consumers worldwide have resulted in an increase in the consumption of and demand for white meat. As a result, tuna fishing and processing have expanded rapidly. To date, there are approximately 20 tuna canneries located in Thailand, producing nearly US\$500 million worth of products for exports every year.

Although Thailand has maintained its position as a quality tuna packer, competition has intensified in its major export markets such as the US and Europe with the stricter Food and Drug regulations. Tuna processors, in the strive to improve their competitive edge, are improving production processes to ensure that all tuna products meet international health standards, as well as the demands of consumers. Additionally, they are also placing greater emphasis on the environment in the production and processing of their products. The Thai government, in response to this, has recently promulgated

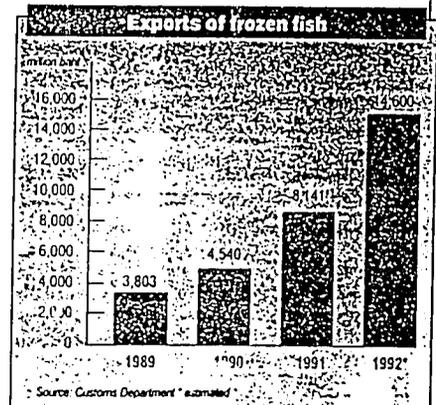
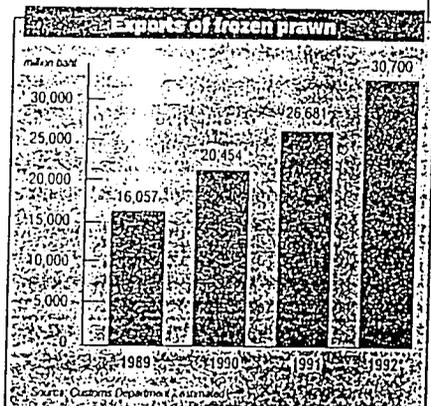
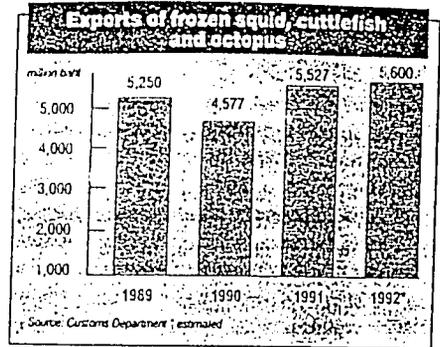


Table 2: Exports of canned pineapple in Thailand

Year	Volume (Tonnes)	Value (US\$ million)
1987	259,807	145.4
1988	341,414	182.3
1989	345,248	171.6
1990	398,337	215.4
1991	417,669	283.2
1992	491,367	322.7

(Source: Thai Food Processors Association 1993)

Table 3: Exports of pineapple juice concentrate in Thailand

Year	Volume (Tonnes)	Value (US\$ million)
1987	28,220	17.4
1988	40,167	26.1
1989	58,636	34.4
1990	73,680	62.1
1991	79,960	103.1
1992	65,130	65.9

(Source: Thai Food Processors Association 1993)

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laws curbing the use of certain fishing methods to protect dolphins, sea turtles and other marine life. Relevant authorities have also been invited to enter Thailand and monitor the production process of canned tuna to reconfirm the country's emphasis on environment-friendly fishing methods.

Besides canned tuna and fish, a variety of other products from the sea are also processed and sold successfully on the world market. Thai squid, crab and baby clams have earned a good reputation for quality on the world market, and sales of these products are soaring. For 1992, exports of squid totalled well over US\$6.5 million, crab over US\$50 million and baby

clams over US\$12.2 million.

Frozen seafood Thailand enjoys similar success with its frozen seafood sectors, exporting about 75 percent of its output. Exports in 1991 reached a total of 332,638 tonnes valued at US\$1.35 billion, representing a growth of 23 percent in volume and about 25 percent in value. Furthermore, a steady increase in freezing was noted for the marine catch from 12.8 percent in 1986 to 18.8 percent in 1990. This is evident in the number of freezing plants and cold storage facilities, which increased from 94 units in 1989 to 108 units in 1990. Among the species used for freezing, the

most important are shrimp, crab and cephalopods, most of which are exported. The exports of frozen shrimp in 1992 reached 133,892 tonnes valued at US\$1.2 billion, an amount which exceeds that of the previous year by 16 percent. Similarly, export of frozen cephalopods rose to 62,575 tonnes in 1992 from 48,208 tonnes in 1990. Exports for frozen fish, excluding fillets, in 1992 also recorded an increase of more than 60 percent over the previous year, registering some 84,000 tonnes in 1992.

With rising demand for both canned and frozen seafood comes the increasing need for raw material. However, as most varieties of seafood cannot be farmed, the processing industry is dependent on Thailand's fishing fleet for raw material supply. This is the greatest challenge for the seafood processing industry now as new ways of ensuring that the present supply of raw material be maintained have to be found and if possible, increased. Aquaculture production has since been intensified and fishing joint ventures with neighbouring countries were set up to complement the imported raw materials.

Canned pineapple Pineapple, second to tuna, is Thailand's largest exported canned commodity. Currently, Thailand ranks as the world's largest exporter of canned pineapple, with exports reaching 490,000 tonnes in 1992. Constant research to improve plant species has resulted in higher yield produce. Even though land base has shrunk, overall production has remained steady, and in most cases grown. Innovative new farming

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techniques which make use of more intensive yet environmentally less damaging methods have resulted in higher quality products.

While the market for canned pineapple has been considered saturated, pineapple juice and concentrate on the other hand, is fast becoming a growing sector, with the sector's output reaching 80,000 tonnes in 1992. The two products in particular, have experienced a two-fold increase over the past four years, increasing in volumes from 40,200 tonnes in 1988 to 80,000 tonnes in 1992. These developments have attracted new players such as K T Pineapple and Produce Co to venture into pineapple juice processing. The company recently invested some US\$3.9 million to produce 3,600 tonnes of concentrated pineapple juice. To further boost the industry's performance, the Agriculture Ministry of Thailand has recently appointed a new committee to monitor the production, processing and marketing of pineapple and its by-products. It was formed to cope with the expected global economic downturn which will in turn reduce the demand for Thai canned pineapple pieces and juice.

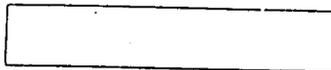
Government incentives

With the increasing importance of the canning industry in particular, and the food export sector as a whole to Thailand's economy, the government has placed greater emphasis on these sectors since its Sixth National Economic Development Plan. This is especially so in view of the increasing labour costs, costs of production of these goods as well as competition for export from countries such as

Indonesia, Malaysia, Vietnam, China and other emerging developing nations. These countries are a threat to Thailand's competitive edge.

To ensure that Thailand's food processors and farmers will continue to benefit from this highly lucrative export sector, the Thai government, through the Department of Export Promotion and the Department of Economics and Commerce, is formulating policies and implementing plans to make Thailand's value-added products more competitive and attractive to foreign buyers and consumers. These policies and plans include reduction of import taxes on raw materials used in the

production of packaging materials, packaging equipment and processing machinery. In addition, promotions of Thai food products stressing quality are organised regularly in many countries around the world through commercial offices based in the Thai embassies located there. Most importantly however, government departments are becoming more involved in the promotion of Thailand's products as well as the monitoring of production practices to ensure that the products actually meet and exceed the standards set globally for such products. []



Country Focus

Thailand

Thailand's Charoen Pokphand Group is a name well known in the food industry. APFI finds out how its relatively new fruit and vegetable division, C P Natural Produce which specialises in Individually Quick Frozen (IQF) fruits and vegetables, has managed to continue its success in the midst of competition from up and coming China and Vietnam.

Frozen produce gets a fresh approach

OVER the past two years, C P Natural Produce has become considerably export-oriented, with 95 percent of its products worth US\$3.9 million, going to markets as far as Singapore, Taiwan, Japan, United States and even Europe. Japan leads the pack of importers of fruits and vegetables, absorbing 80 percent of the company's exports. The other 20 percent of its exports is shipped to Europe and the US, and a small percentage to Singapore and Taiwan. The prospects for growth opportunities in these areas remain optimistic, with the Japanese market expected to grow at 50 percent, the European market at 20 percent and Asia at a modest rate of 10 to 15 percent in the next two years.

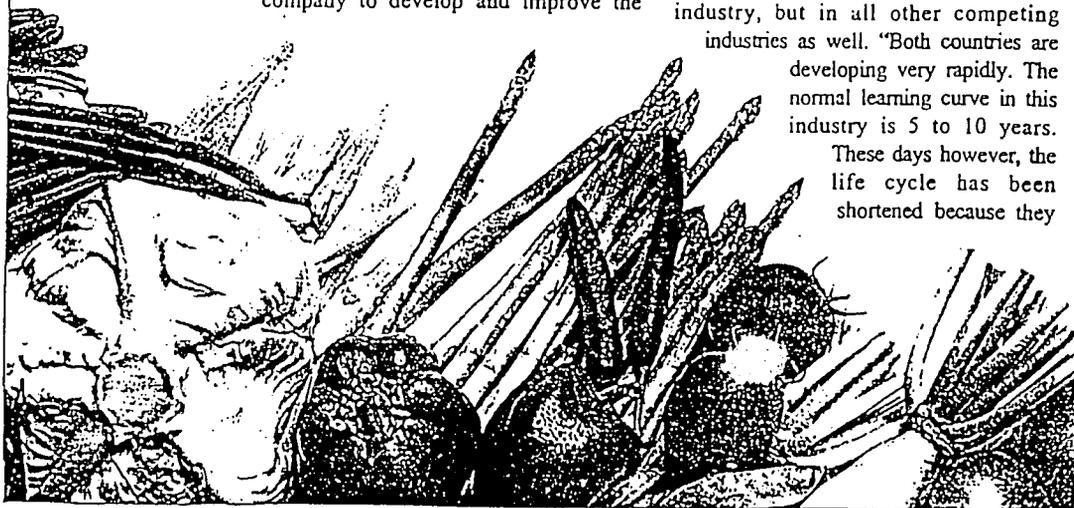
The success of C P's export trade can be attributed to the rapid development and expansion of Thailand's food processing industry. The country's abundant supply of raw materials has enabled the company to develop and improve the

quality of products to international standards. Moreover, being a subsidiary of its trading arm, C P Intertrade, the distribution of its freshly packed products has been made faster and more efficient — an important aspect for highly perishable goods like fruits and vegetables. "We have an advantage over others because we have so many trading representatives in the different countries. Such network has made us more competitive," said Prasert Chiarakul, section manager (fruits and vegetables division).

Staying competitive

Although C P's growth path has been fairly smooth in the past two years, its competitive edge in the fruit and vegetable exports may soon be eroded. Since the liberalisation of China and Vietnam, both countries have been developing its various industries, not only that of frozen fruit and vegetable industry, but in all other competing industries as well. "Both countries are developing very rapidly. The normal learning curve in this industry is 5 to 10 years.

These days however, the life cycle has been shortened because they



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learn from other's experience and are able to benefit from it," Chiarakul said.

Chiarakul explained that the investment for fresh fruits and vegetables is not very high as growth opportunities in this area is projected at a mere 5 percent. Nevertheless, new players continue to flood the market due to the absence of barriers to entry. This growing supply of fresh produce manufacturers in a stable growth industry has prompted

"The vegetable business is unlike the poultry or seafood business, where specialisation is the key to success. When supply meets demand, manufacturers have to shift to another product in order to remain competitive."

— Prasert Chiarakul, section manager
(fruits and vegetable division)



longans, rambutans, pomelo, guava, durian, mangosteen, passion fruit and young coconut.

To ensure a high quality end product, all fruits and vegetables are processed within hours of picking from the many contract farms located nearby. Each day, a total of 45 tonnes of raw material is transported via trucks to its plant. Before processing treatment, these materials are stored in a 10 tonne capacity cold room at a temperature of 5°C. On the day of APFI's visit, vegetable processing was in operation, lending an insight into the asparagus and baby corn processing — staple products for the company.



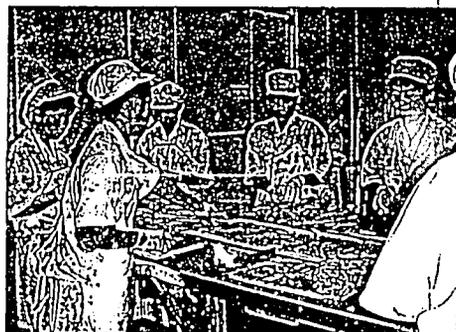
A team of six workers prepares the cooled asparagus for blast freezing by stacking them neatly into square trays lined with metal gauze.

Japan, its major importer, to seek out new and cheaper suppliers, such as those in China and Vietnam. C P has expressed a willingness to lower prices so as to maintain its competitiveness, but stiff competition from the Chinese, Vietnamese as well as new industry players have rendered a price cut an ineffective option.

Minimal processing, maximum quality

A glimpse into the processing and packaging operations on

its 3,500 sq m factory floor in Pathumthani reveals the strict sanitary standards imposed on the production. 3,000 tonnes of individually quick Frozen (IQF) produce and 2,000 tonnes of fresh produce are processed annually. Among the produce processed are baby corn, asparagus, bamboo shoots, okra, onions, spring onions, leeks, tomatoes, carrots, lettuce and cabbage and fruits such as strawberries, lychees,



Lightly blanched vegetables go through a cutting and selection process where the vegetables are selected, pruned, cut and separated according to size.

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Advanced blast freezing equipment lowers the temperature of these vegetables to -30°C .

Getting the frozen asparagus ready for the packaging operation remains a largely manual operation to allow for the last visual checks before packing.

Workers selecting the baby corn for packing.

From the blanching tank fresh vegetables are lightly blanched in a huge hot water tank with the assistance of five workers. Herein lies the most critical point of the entire processing line as this process has to be kept minimal to retain the crunchy mouthfeel of the vegetables — a top priority in the Japanese market. The blanched vegetables are then subjected to a cutting and selection process where the vegetables are selected, pruned, cut and graded according to size. A team of 35 workers perform the task of selecting only the green and blooming varieties for processing and rejecting the yellow parts, while a second team of 20 workers assist in the selection for baby corn. Both these tasks are carried out on the five selection tables lined with square metal trays and metal gauze to drain excess water from

the freshly blanched vegetables. The products are graded according to the diameter and length. Asparagus is sorted according to four different diameter sizes: 3 to 5 mm, 5 to 8 mm, 8 to 12 mm as well as 12 mm and above and lengths of 8, 11 and 15 mm for the various export markets.

Into the freezer Sorted vegetables arranged neatly onto metal trays are left to cool under ambient temperature. This is followed by a pre-cooling process, which reduces the temperature of the vegetables gradually to 0°C to retain the original texture and appearance of the product. When the temperature reaches 0°C , the trays of asparagus are slotted manually into the racks which line a 500 kg capacity blast freezer to be frozen at a temperature of -30°C . Cool air within the freezer blasts freeze

the vegetables to prolong the shelf life of the product. Depending on the type of vegetables or fruits processed, a vapour heat treatment is carried out following blast freezing for fruits like mango to kill the fruit flies.

To the consumer At the packaging station, frozen vegetables are packed manually into clear flexible bags and stored in a 150 tonne capacity coldroom for approximately 5 days. The final products are tested for appearance, brix level, bacteria count and weight by a small team of five workers before delivery to shipping containers to its various export markets.

Rewarding strategies

Commenting on the challenges in the fruit and vegetable industry, Chiarakul said, "One problem with this industry is that your future

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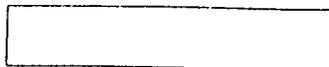
rests on natural phenomena such as the climate. As a result, the price fluctuates very often and this affects your revenue. You have to be really sensitive to the changes in order to sustain the business." For this reason, the company chose to employ contract farmers even though it has its own plantation, preferring to specialise in downstream processing as it has too many companies under its CP umbrella group. At present, C P Natural Produce has just started on its mango plantation, in which some mangoes are beginning to grow and some freshly harvested and processed.

As an added precaution to safeguard itself from risks, diversification has proven to be a good strategy. The company has since diversified its crop cultivation by growing some of its staple fruits and vegetables in different parts of Thailand. For example, mango, traditionally a crop grown and harvested in Cantaburi, is now grown on a large scale in Chiangmai and Chunpah. According to Chiarakul, China and Vietnam, hoping to accelerate the development of their respective fruit and vegetable industries, are also experimenting with this concept. However, the uncertainty over its commercial viability and the lack of relevant support technology, proper storage and handling methods, imply that their competitiveness are yet to reach international levels.

Currently, the compatibility between the demand and supply of fresh and frozen asparagus has also prompted C P to diversify and seek out a cheaper product with similar fibre content as asparagus to be promoted jointly. Justifying

this move, Chiarakul said, "The vegetable business is unlike the poultry or seafood business, where specialisation is the key to success. Considering the vast varieties of vegetables, when the supply matches the demand for

one, manufacturers have to shift to another product in order to remain competitive." **(APF)**



Feature

Pineapple Canning

Pineapple canning, a long established trade in Thailand's food industry, has had modest growth in the past few years.

Award-winning Siam Food Products' experience demonstrates that amidst intense competition, saturated export markets and rising costs of production, pineapple canners can still make a profit.

Consolidation through integration

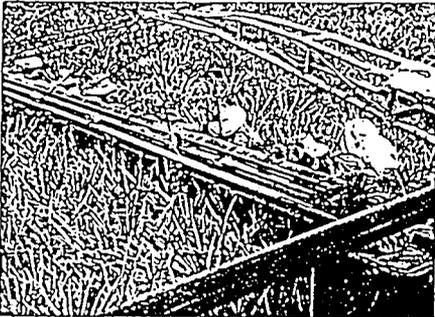
VISITING one of Thailand's largest pineapple processors, one would expect to see a high level of automation with minimal human intervention on the factory floor. Instead, what greets the eye at Siam Food Products is an imposing sight of 3,000 workers, with their nimble fingers, busily carving the freshly peeled and cored pineapples. Mechanisation is obviously not sufficient to boost a profit. In fact, according to the company's president, Adul Pinsuvana, the human eye is still the best instrument for such tasks as pruning, selecting and

toning of product quality, allowing Siam Food Products to achieve success in its export markets for over 20 years.

A fully integrated operation

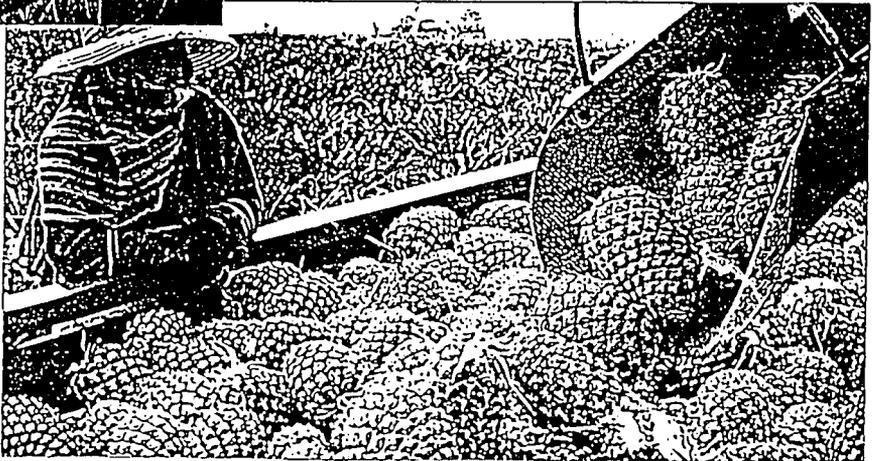
For Siam Food Products, a vertically integrated production concept has resulted in high quality products, economies of scale and lower costs of production. From farming and cultivating its own pineapple crops to manufacturing and fabricating its own processing machines and cans, Siam Food Products has integrated these challenging processes, not conventionally undertaken by other smaller canners, successfully into the entire operation. Recently, the company completed the process of extending the use of its five month old cleaning-in-place (CIP) system from the steriliser, juice evaporator and aroma recovery plant to other critical areas of the production.

At the plantation Beginning at the

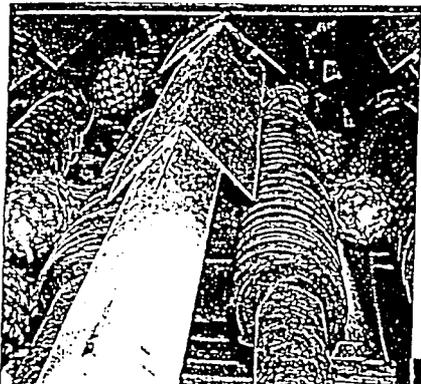


checking the appearance, colour consistency and quality of the fruits. Such highly skilled manual labour, together with an integrated production concept from farming to packaging, has ensured close moni-

170,000 tonnes of pineapples are harvested daily with a combination of manual and mechanical assistance.



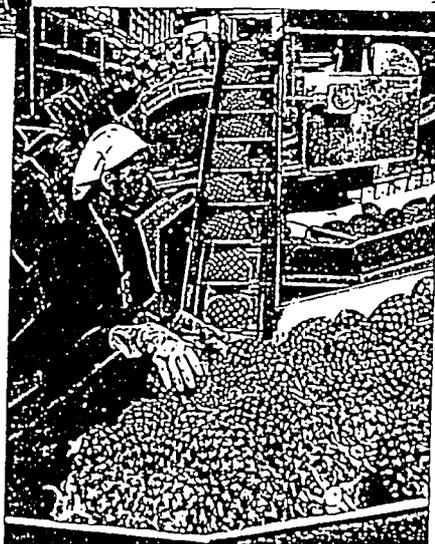
PINEAPPLE CANNING



Pineapples are graded according to size in this screw grader.

farming stage, Siam Food Products made bold steps by opting to cultivate and grow its own pineapple crops even though contract farming appeared a more prudent solution to the problem of raw material sourcing. In 1972, it invested in its own 8,000 acre plantation and pioneered pineapple growing and processing in the eastern region, where the so called "Sriracha" pineapple, well known for its better taste than the original "Pran" pineapple grown in the west coast, was grown. Today, this same plantation has grown into a 50,400 acre plain, where 170,000 tonnes of pineapples are harvested daily. Together with its contract farmers who take care of 75 percent of their production needs, the plantation can supply the pineapples for the cannery's own processing activities and even fresh unprocessed varieties for exports. To complement its pineapple canning operations, a whole host of other fruits such as papaya, banana, guava and asparagus are grown and processed, either together with the canned pineapples or on their own during the off peak seasons.

Raw material handling
From the plantation, harvested pineapples, with their crowns and suckers removed, are loaded onto lorries and trucks according to sizes to facilitate further grading. At the cannery, they are directly unloaded onto three dumping stations. Continuous conveyors which run from the dumping stations transport the pineapples to the



Even though the peeling and coring operation has been automated, two workers are still required to manually load the fruits.

washing area to be cleaned by overhead jets of warm and cold water before being transferred to the graders. Sizing is done in two main graders via pre-set screw mechanism which uses the distance between two screws to grade the fruits into large: 13cm and small: 10.5cm to 13cm.

Graded fruits are dropped onto a second set of conveyors and sent to the 20 Ginacas: two-in-one peeling and coring machines with

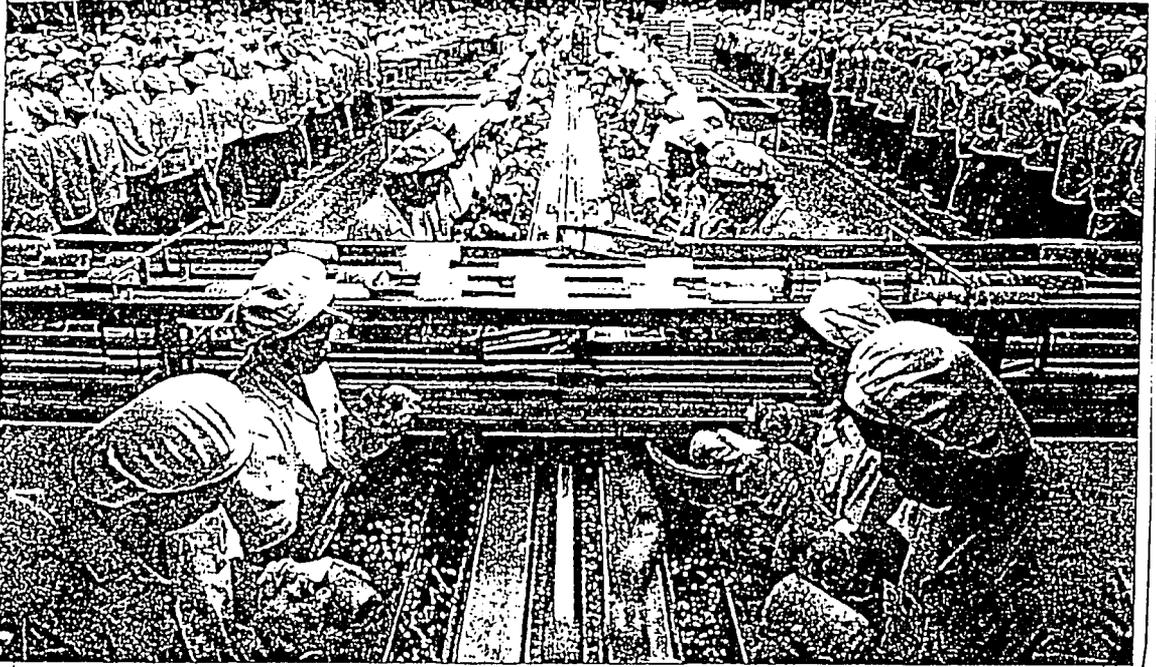
a combined capacity of 80,000 tonnes an hour, designed and manufactured by the company's own engineering department. This expertise arose mainly from experience in repairing its first few Ginacas bought from suppliers. "We were buying and repairing so many Ginacas that we subsequently learnt the mechanics of the machines and found a more cost effective way of dealing with them: manufacturing them ourselves." Pinsuvana said.

Each Ginaca is manned by two workers who load the fruits onto elevated conveyors leading to the machine. Here, a curved knife blade and chopper mechanically removes the skins, heads and tails. These rejects are transferred to the screw press via a belt conveyor running adjacent the machine. The cores, on the other hand, are removed by centrifugal forces and sent to the juice extractor via another conveyor parallel to the

machine. The pared and cored pineapples are dropped via slideways onto belt conveyors leading to the trimming/slicing/dicing operations.

Slice, dice and bite size
The most labour intensive part of the processing operation, the trimming, slicing and packing tasks are manned by 1,200 workers lining 20 conveyor tables. There are approximately 4 lines for each of the different cutting and packing styles: slices, cubes, tid bits or crushed and each line is in turn divided into three stations:

PINEAPPLE CANNING



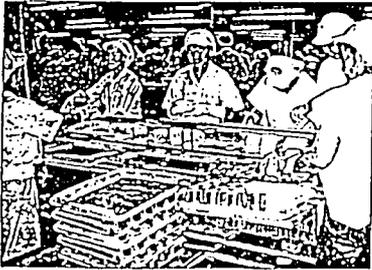
This imposing sight of 3,000 workers demonstrates that the human eye is still the best instrument for such tasks as carving the pineapple eyes and improving the appearance and texture of the fruit.

trimming, cutting and packing.

At the head of the conveyors, 45 workers carve out the pineapple "eyes" and in general, improve the appearance and texture of the fruit before placing them onto the central groove to be conveyed directly to the cutter. At the canning lines for sliced pineapples, single knife slicers cut the pineapples into rings of equal thickness and channel them to the packing station to be visually selected and manually filled into 8, 15, 20, 30 or 108 ounce cans. Urshel dicers, with 3 tonne-per-hour capacity, perform the task of cutting the pineapple into cubes at the cube canning lines while multi-plate cutters reduce the pineapples from slices to small tid bits.

Manual labour assists in the operation by pushing the fruits into the slicers and visually inspecting for any discoloured or bruised pieces occurred during cutting before they are conveyed to the filling stations.

Juice extraction The juice material obtained from the extracted pulp of the whole fruit is passed through a screw finisher, for coarse pulp reduction. This juice is then passed through an APV rising and falling film ("high pulp") plate evaporator where aromas are extracted under controlled conditions and subsequently recovered in the APV essence recovery system for eventual introduction to finished product, or for separate sale.

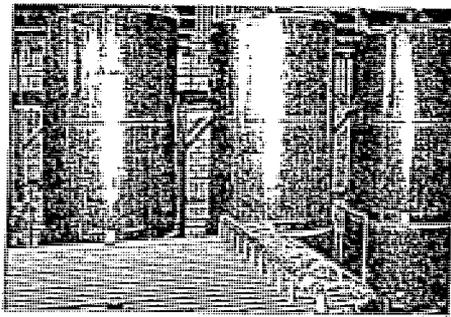
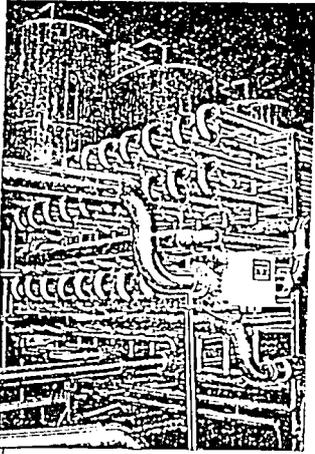


Workers stack the pineapple slices neatly and fill them into cans of various sizes.

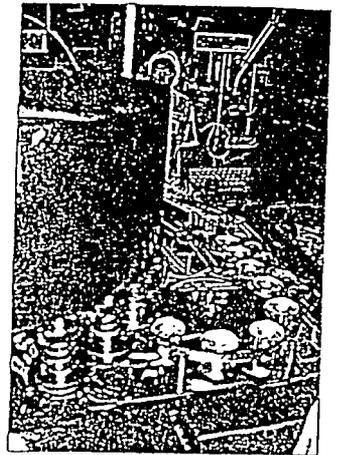


A careful selection process based on texture, colour and size is required prior to packing to ensure that only the best pieces reach the consumer.

PINEAPPLE CANNING



APV equipment complements manual labour on Siam Food's production floor.



Juice is used as a packing media for the sliced, diced and crushed pineapples.

Aromas would otherwise be lost during the subsequent evaporation process.

To reduce handling volumes during transportation, water is removed from the juice by evaporation in two 20,000 kg-per-hour APV falling film plate evaporators. Final concentration of juice may vary according to the end buyer's requirements but will vary from 60°Bx to 72° Bx. Finally, concentrate may be either frozen or processed aseptically in the APV aseptic plant for aseptic packaging on an Intasept bulk filler. A new product which Siam Foods have recently introduced is milled juice, which is obtained from peels that are chopped and pressed in a screw press and then clarified by means of ultrafiltration at low temperature through a 14,000 kg-per-hour APV mill juice evaporator. This product is popular with international blenders who require a relatively bland fruit based syrup to use as a base for some of the more exotic tropical juice blends. Thereafter, the juice is sterilised in APV sterilisers at about 100°C



"Pineapple canning is a difficult business and this being a labour intensive industry, our prices are very sensitive to labour costs. Our strategy now is to lower the costs of production." —

Adul Pinsuvana, Siam Food Products' president.

for 30 seconds and cooled to 45°C and chilled to 18°C.

Canning Due to the delicate nature of the fruit, pineapple slices, cubes and tid bits are filled manually into oncoming metal

cans transported via a newly acquired US\$1.2 million can handling system. The system transfers the cans directly from the warehouse to the packing station via chain conveyors. Cans are manufactured at the company's own canmaking plant which houses a batch of Can-o-mat machines from Krupp, the first of its kind in Thailand. Each Can-o-mat is capable of producing 38,000 20 ounce cans per hour.

After manual filling, juice is injected into the cans. The final products after seaming, are transferred into a series of retort cages before batch-sterilisation in 17 atmospheric cookers at 95°C to 97°C for 18 minutes. Sterilised products are cooled in a water bath filled by overhead jets of cool water. A Sanco dryer removes any remaining moisture from the cans. Manual palletising of cans follows this operation, after which the cans are set aside for labelling the following day.

When labelling has been done, the aseptically packed juices and concentrates are sent to the 90,000 gallon cold room for storage

at 5°C while canned fruits are stored at the dry warehouse.

A competitive market Although Siam Food Products has achieved considerable success in its export enterprise over the past 20 years, the company is faced with shrinking markets for its products. "The market is getting smaller and smaller, especially during the past two years. The demand is always there but the supply is plenty. Prices are not increasing, yet labour costs are escalating," Pinsuvana lamented. As a survival strategy, Siam Food is exploring new markets such as the eastern Europe and South America. Currently, the company exports 99 percent of its production, its main markets being Europe (45 percent), the United States (35 percent) and Japan (10 percent). Also under way are tests on extending its aseptically processed pineapple crush to tidbits and chunts, for which there will be considerable demand. To further improve its competitive edge, the company is making concerted efforts to maintain, if not, lower its costs of production. "Pineapple canning is a difficult business and this being a labour intensive industry, our prices are very sensitive to labour costs. Our strategy now is to lower the costs of production."

An abundance of resources As revealed on the factory floor, the human element is an important component in all its production stages from farming to packaging. Tasks such as removing the pineapple 'eyes', inspecting their colour and texture, sorting them for the various juice extraction and canning procedures as well as trimming, dressing and filling the fruits are still handled by the company's well-trained team of workers. As Pinsuvana indicated, depending on the time at which the fruit is cultivated, the colour consistency differs from one pineapple to another, and at times, even within the same fruit. Due to such phenomenon, the human eye is the most effective instrument for sorting the good and bad parts of the pineapple based on the colour intensity and sending them to the relevant channels for processing into either

PINEAPPLE CANNING

canned fruits or juices. After the pineapples are cut and diced by mechanical slicers and dicers, 1,500 workers are again utilised to help trim away the raw edges before filling them into cans. Even at the automated production stages such as that of peeling and coring, which is performed by Ginacas, 30 workers are needed to manually load the fruits onto inclined conveyors leading to the rotary peeler. Such labour-intensive operations has made human resource a current preoccupation with the company. "Pineapple is a commodity. Because it has been in the market for a long time, it is not

exotic anymore and demand is not as high as it was years ago. The only way to remain competitive now is to lower your production cost." In line with Thailand's rapid economic development, the level of minimum wage has increased substantially, thus making labour more expensive. Automation can save these costs but as Piusuvana explained, machines can only replace the human element for certain stages of the production such as peeling and coring.

Having realised the importance of human resources, Siam Food has executed some concrete incentives and privileges for

their 3,000 strong staff. "People are one of our most valuable resource. If you want them to stay, you have to keep them happy," Piusuvana said. For this reason, the company provides lodgings for all its employees within its plantation compound and various other welfare benefits to boost their morale. Nevertheless, the company will continue its efforts to automate in tandem with the latest developments in pineapple processing and packaging technology.

AFCI



Innovative path continues

SINCE Saphir International's first involvement with Zimbabwe eight years ago it has grown to become the leading player in the field. Today it handles a comprehensive range of fresh fruit and vegetables from the source through its links with Hortico, the country's leading exporter, having clearly defined specific niches on the marketplace.

The story started back in 1984 when growers Jeffrey Coriman and Geoff Hewson, the prime movers behind Hortico's development, visited the UK to assess its potential for Zimbabwean produce in a working relationship with Saphir was set up - particularly on the technical side - a move which proved beneficial to both organisations.

Initially mangoes formed the backbone of exports but following rapid expansion of packhouses and cold storage facilities there, Hortico expanded its production to 15000 hectares of prime land

to include asparagus, peas, sweetcorn, plus a host of other crops.

As Saphir's import manager Steve Meinck explains, Hortico's success and longevity is due to its ability to experiment with crops to assess their suitability for export - something which can take up to three years from first trials to products being shipped abroad.

Hortico's stated aim and ultimate goal is to dominate the fine vegetable range in the high end of UK's major supermarkets and this policy has enabled it to penetrate the toughest markets and achieve a continuous demand for its products, while at the same time maximising the resources available.

With this background it comes as no surprise to find that there have not been many successes on the British market.

Runner beans are a special point. As Mr Meinck points

out, "We first looked at the product over 10 years ago. Hortico was well placed to grow quality runner beans out of the UK because of the weather conditions, particularly in the level of rainfall during the April to July period. The initiative was set in motion and went from strength to strength. Today we market around 200 tonnes of the product weekly."

Baby vegetables, including baby carrots, courgettes and parsnips, have also made impressive progress and more recently, soft have been introduced from South Africa, which has yet to be reached however. There is still room for further development, says Mr Meinck. "We achieve the technical back up and combine this with the co-operation of growers. I believe we can successfully target specific windows in the marketplace through improved quality links in the future."

(continued from overleaf)

volume - particularly with the multiples and caterers taking the product on board in a big way.

Others are waiting in the wings: asparagus, courgettes, beans - both French and runner - and an expanding range of baby vegetables have also seen increases in terms of export levels, a trend which many believe will continue for some time to come.

Not all export initiatives have been successful, however. Three or four years ago growers trialed air freight sweetcorn during the November to April period and, while there was a niche to be filled at that time, the high flight costs didn't make it economically viable for many of the growers involved with the crop. More specialist baby corn is now being trialed and early responses have been very encouraging, however.

Air freight honeydew melons and mangoes couldn't pay their way, either. But as Mr Burr adds, both products still offer opportunities if a successful sea freight trade can be developed. While this is still very much in its infancy, the potential is certainly there and Zimbabwe, through improved sea freight links,

(continued on page 16)

Constantia imports increasing

FOR CONSTANTIA International based in Cobham, Surrey, involvement with Zimbabwe has been another milestone in the development of the established portfolio of exotic and out of season lines. Constantia first became involved with Zimbabwe three years ago and since then has seen its sales of mangoes rise from this source increase year on year. The season commences in the Guatemalan availability, and providing the company with quality produce on a year-round basis.

Managing Director, Jeremy Broad explains: "We identified Zimbabwe as a potential supplier back in 1990 and through close links with our suppliers, have built up a steady relationship allowing us to produce for the markets of Britain and elsewhere.

This is clearly demonstrated by the fact that this season Constantia expects to market in excess of 50,000 cartons of Zimbabwean mangoes in the UK and on the Continent, a significant increase on 1990's 29,000 cartons, and almost double the volume of 27,000 of this around 60 per cent marketed under the Sun Valley marque.

Management is not the only line to have been identified as filling an important niche. However, a passion fruit crop has also been developed with a high degree of success, volumes having risen from 3,400 cartons in 1990 to around 11,500 last season and similar levels are expected this year.

In Mozambique, Zimbabwean baby vegetables have been taken on board adding a new dimension to business and according to Mr Broad will be developed further this season. Produce is sourced largely from Sun Valley's strip of 1,000 acres of irrigated land, situated primarily in the Enterprise Valley comprising 20,000 agricultural land some 20/30 kilometres east of Harare. Links with growers further afield have also been established.

OUT-growers and independent growers involved with Sun Valley are keen to see supply expansion to a wide range of products and markets. This respect has earned the brand name an excellent reputation and loyal client base amongst wholesalers and retailers as well as at retail level. Mr Broad explains: "It is the continuity of quality provision which we believe will continue to lead toward increasing Zimbabwe's market share in its many export lines, despite the difficult economic conditions currently being experienced in Europe. This commitment is backed further by the investment being made in new and improved facilities by the country's progressive growers and improved access to European markets.

With more climates being explored as well as a wider included choice, via Johannesburg there is now direct access to Europe, thus removing the logistical problems.

(continued from page 14)

via Beira, could yet enjoy the sort of growth that South Africa has displayed in recent years.

One of the most significant developments in Zimbabwe lies with citrus. Many believe there could be great promise for future growth through the opening up of new production areas and the uptake of newer varieties which have the potential to really boost exports.

Citrus production in Zimbabwe is not new. A lot of fruit has traditionally been produced in the hot and dry Lowveld, close to the South African border. The more recent plantings in the Highveld areas appear more promising, however - with satsumas, clementines, Washington Navels,

M'Inneolas, Navels and Valencia Lates identified as potential winners.

This year could well see token quantities of Zimbabwean citrus arriving on the British and European markets though realistic volumes are unlikely to be available until about 1995. By then, grove establishment programmes are expected to be well in hand.

Zimbabwe's citrus growers have one great advantage in their favour which many believe should be capitalised on. Climatic conditions there enable them to produce fruit as early as April - in effect enabling supplies to fill a niche in the market place before South African availability comes fully on stream, in June, and during the tail end of the Israeli season.



Frank Millar, of MVM, keen to develop a wider range of produce targeted specifically at the markets of Europe.

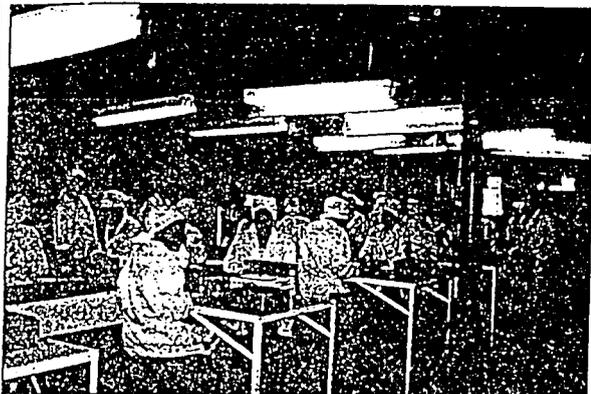
ZIMBABWEAN PRODUCE

For London based importer, Janic, citrus has certainly proved to be a growth area though true potential on the export front has yet to be fully realised, believes managing director Terry Watts: "We first became involved with Zimbabwean citrus, through an exclusive marketing arrangement with Oceanic Fruits, about six years ago. Since then we have seen sales expansion year on year - 1992 being the exception as a result of the drought and a 30 per cent reduction in sendings. Nonetheless, we

believe that further growth is achievable - growers there expanding their varietal portfolio to meet European market needs through the development of newer areas of supply."

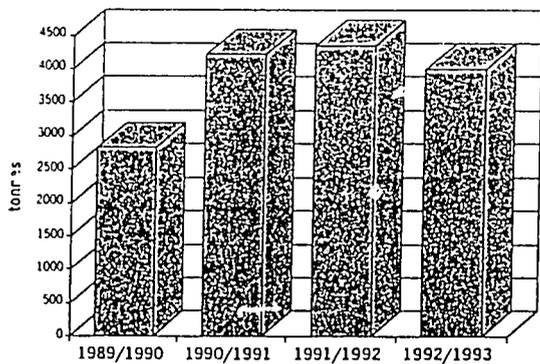
This is being backed by heavy investment in new packing and processing facilities by the country's progressive growers which will ultimately mean the total crop can be marketed quickly and effectively.

Plans to extend existing facilities at Beira will also help in sea freight developments - particularly since



Sunfresh product being packed at the MVM packhouse.

Zimbabwean produce exports 1989-93



virtually all citrus exported is currently sent via South African ports.

Fruit and vegetables apart, Zimbabwean growers are also developing their flower business. Exports have increased at a dramatic pace over the last couple of years and growers have moved away from traditional crops, such as chrysanthemums and asters, to long stemmed roses - a decision which has certainly proved lucrative to date, especially on the Dutch market.

Instrumental in the development of new export markets, whether for

fruit, vegetables or flowers, has been the Horticultural Development Council. This is a body funded by levies and membership subscriptions, which was set up in 1989 to promote Zimbabwean produce abroad.

Its role has been highly successful in setting up the export retention scheme and is now looking to increase research into new crops, plus improving facilities at the airport, quality schemes and generally moving to put Zimbabwean produce on the international supply calendar more effectively.



Packhouse grading of mangoes.

The African agenda

Straddled across the equator and with varying agro-ecological zones, Kenya has some of the most ideal conditions for year-round production of horticultural crops. But it also has more than its fair share of difficulties - transport, packaging and quality assurance systems all need urgent attention if lucrative European markets are to be kept sweet. Dr Henry Wainwright, senior lecturer in horticulture at Writtle College in Chelmsford, reports from Kenya while the Journal spoke to some of the UK's main importers.

WESTERN Europe is valuable to Kenya. In a country where the export of fresh horticultural produce is considered to be of national importance, it is perhaps not surprising to see that products and cropping programmes are being co-ordinated in such a way as to cash in on potentially lucrative marketing opportunities in Europe.

Horticultural exports represent a source of valuable foreign exchange earnings and a means of enabling the economy to diversify away from traditional agricultural exports such as tea and coffee, the world prices of which have been depressed in recent years. In addition, in the local economy horticultural crops tend to be labour intensive - a thriving industry, therefore, is an important way of creating employment and generating income in the rural areas.

Kenya has successfully expanded its exports of fresh fruit and vegetables over recent years. Volumes have increased from 20,205 tonnes in 1982 to 38,155t in 1992. However, this has not been without some disappointments. Progress in the development of export markets was slowed down by the Gulf war which depressed exports in 1990-91 and a surge of exports of fresh pineapples in 1988 proved not to be sustainable in subsequent years. The export growth of cut flowers represents the most significant success story as exports over the last 10 years grew from just under 4,000t to over 19,000t.

Export crops range from fruits (avocados, passion fruit, mangoes) to French and Bobi beans and Asian vegetables such as okra, karella and chillies. Mangoes and avocados are only produced in sufficient quantities in limited seasons - between November and April for mangoes and April to September for avocados - and this offers some opportunities for exporting into European markets when prices can be adventurous. However, for crops like French beans and okra, exports are year round with only minor seasonal fluctuations.

The UK has traditionally been the largest importer in the world of fresh horticultural produce from Kenya. In 1992, this represented just over 26 per cent of Kenya's exports by weight. However, the UK is of declining importance - as recently as 1986, the UK imported nigh on 45 per cent of all fresh horticultural exports from Kenya. The level of imports by the UK in weight terms has in fact remained relatively static over the last six years, but the increased level of imports by other countries, notably Holland and France, has led to the decline in the relative importance of the UK.

The growth in exports to Holland has been as a consequence of the dramatic rise in the production and air freight of cut flowers, whilst the rise in exports to France has been as a result of the adoption of sea transport technology which has allowed the export of large volumes of avocados.

To expand and even maintain its current market share is clearly the challenge of the next decade for Kenya. Competition from the rest of Africa (Zimbabwe and the Gambia, for example) and other world producers such as central and southern American countries represent a potentially serious threat to its market share. To complicate matters further, the market in Europe is becoming more competitive, the legislative requirements of the EU are changing and the specification for fresh produce and the quality assurances required by the multiples are becoming more demanding. Meeting these requirements is a huge challenge, particularly accessing the relevant information regarding EU standards, permitted pesticides, maximum residue levels and so on. Initially, this does not sound that complex, but when producers may be dealing with 10 commodities, exporting to 10 different European destinations all with different regulations and a mixture of languages, then the problem of

information and current rules is magnified.

The ability to establish and maintain quality assurance procedures with such a wide producer base as Kenya's (there are as many as 20,000 small scale growers of French beans, for example) with differing production techniques and in areas with no immediate access to pre-cooling facilities, has presented real challenges to exporters and the Horticultural Crops Development Authority (HCDA). A series of training courses has been run to improve the technical knowledge of personnel in both the public and private sector on post-harvest handling and seminars on sea transport have also been organised, funded by the Ministry of Overseas Development (UK) and implemented by the Natural Resources Institute (NRI) and more recently by Writtle College in Chelmsford. The introduction of sea transport technology has been the key to the success in expanding avocado exports and having established a transport technology for one crop, the extension of this technology to other crops is more realistic.

Again in a bid to keep Kenya's industry competitive, the Fresh

Produce Exporters Association of Kenya (FPEAK) has been reviewed (with USAID assistance) and is now an active organisation in promoting general awareness of the

need for quality assurance and channelling information to exporters and producers.

Furthermore, a quality assurance procedures manual is cur-

rently being prepared by the NRI in collaboration with the Kenyan produce industry with the requirements of the European markets in mind.



A group of Kenyans being trained in the different types of packaging available.

Kenya: what the importers say

DURING his recent visit to the UK, the Hon Simeon Nyache MP, Kenya's minister of agriculture, spoke of the urgent need for improvements to be made to his country's transport and produce packaging sectors. His views are echoed by the UK importers the *Journal* interviewed.

The cost of air freight is the real drawback and, say importers, it is vital that rates drop if Kenya is to remain competitive. Agricultural attache at the Kenya High Commission, Joshua Kiptoon commented: "Kenya faces stiff competition from countries which produce similar produce as ourselves, from those who are nearer to European markets and from those served by a larger number of airlines and ships whose total cost of freighting is definitely lower than ours."

Martin Hudson of Geest Tropical believes the best way of compensating to a degree for the high cost of air freight (it can account for more than 60 per cent of the value of the produce) and making Kenyan produce more competitive, is to add value at source. But, although Geest's suppliers, Home Grown Kenya, pre-pack and label product, Mr Hudson is adamant that rates will have to come down eventually as exports rely on air freight: "A lot of the lines are too perishable to send by ship," he said. Verity Broad of Constantia believes shipping to be the only viable option for heavy produce like avocados and mangoes, however, and forecasts a better service by sea this season.

The Kenya High Commission says that the price of jet fuel was reduced by nearly seven per cent

in the middle of 1993 in order to make Kenyan imports cheaper, but, as Mr Nyache pointed out, this fall has yet to be seen in the form of lower freight rates.

As if the expense were not enough, Nairobi airport can be somewhat chaotic - there are no facilities for cold storage there and delays are commonplace, said one trade source. Home Grown Kenya is one of the few export companies to have its own airport facilities: "It was the first to invest in a purpose-built cold store for produce at the airport, so even if there are delays it is not a problem. Geest Tropical has also just invested in facilities at Heathrow so that produce is back in the cold chain very soon after arrival in the UK."

Access to the airport is getting better. According to Mr Kiptoon, 'all-weather' roads linking the pro-

ducing areas with the airport and the port at Mombasa have either been built or improved in the last few years and most exporters now use refrigerated trucks: "There are advanced plans to increase their number, coupled with cold storage improvements which will help maintain and improve the quality of produce for export," he said.

Also on the upside is the fact that major airlines fly in and out of Kenya on a daily basis to serve the tourist trade. The ability to offer a daily supply of produce to the UK multiples is a key advantage which Kenya has over many other African states, says Mr Hudson.

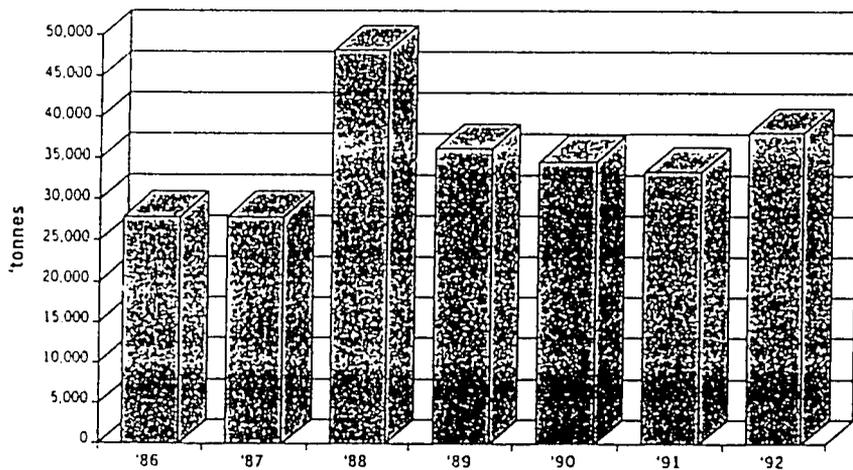
Packaging, at least of product for the wholesale markets, comes in for criticism. Mr Kiptoon's comments reflect the views of many: "At the moment, Kenya's fresh produce is exported and displayed in not too attractive packaging materials." Avnish Malde of Wealmoor is more forthright - it is no better than it was 20 years ago, he says. Kinder words come from Constantia, however - Ms Broad praises developments in the packaging of passion fruit which is now exported in an all-white flat tray and of avocados where stronger boxes are now used.

However attractively packaged and well transported, though, Kenyan produce is still changing hands for low money in the UK. This, many believe, is the reason behind the drop-off in sendings to this country reported by the HCDA: "Prices are particularly low for fine beans. On the continent, prices are far better and sendings there are probably on the up. Nobody can make money on four pounds a box, can they?" says Ms Broad.

Mr Malde sees Kenya's problems on a more general scale: "Kenyan growers and exporters need a more collective voice. In Zimbabwe they have come together and have a united front to present to the government. Kenya should be ahead of the rest of Africa by a long way, but Zimbabwe and the Gambia are catching up.

"I think that the industry has woken up over the past two or three years, though, and it is taking note of legislation in the UK and Europe. Things are changing rapidly, but unless they continue to do so, the Kenyans will find they will lose out even more to the competition."

Exports of fruit and vegetables (tonnes) from Kenya 1986-92



SOURCE: HCDA, Kenya.

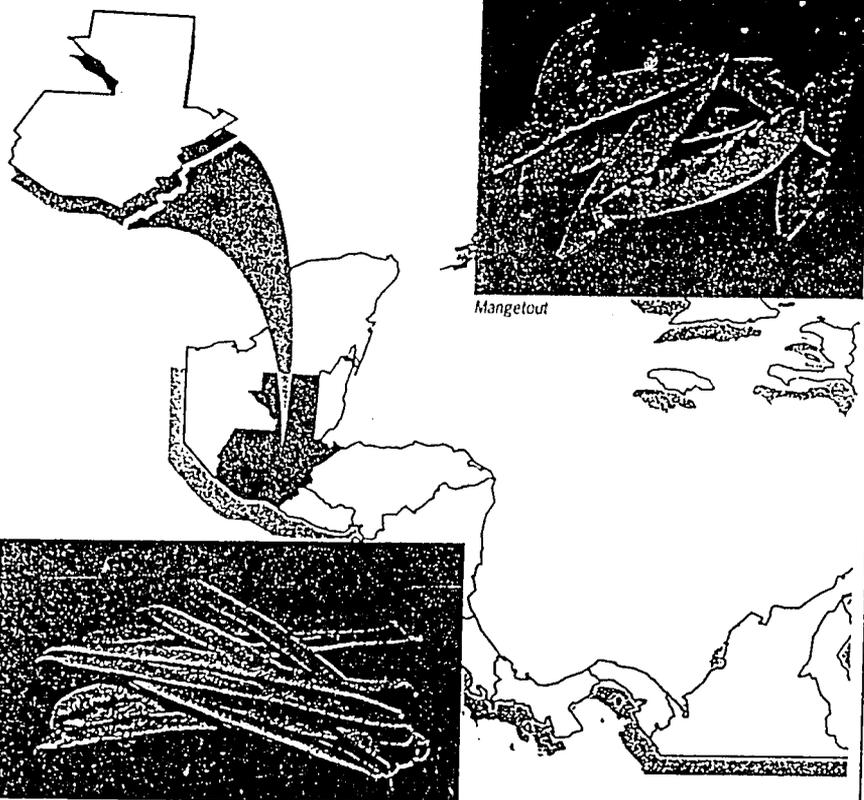
Exports of fruit and vegetables have risen from 20,205t in 1982 to over 38,000t in 1992. The increase in 1988 was due to a surge in pineapple exports, but this later proved to be unsustainable.

Principal destinations of Kenyan produce (including cut flowers) in 1992 (tonnes) was as follows:

UK	-	15,299
Holland	-	14,479
France	-	11,336
Germany	-	4,920

Exports to the UK represent 26.7 per cent of Kenya's total, Holland 25.4 per cent and France 19.8 per cent.

French beans are the principal line. In 1992, Kenya exported just under 4,900t to the UK. This compares with 1,200t of okra, 460t of avocados, 176t of mangoes and 235t of passion fruit.



Runner beans: a line with potential

Investing in the future

'Saphir and SIESA's investment in exclusive cooling facilities brings with it a new dimension to trade and offers greater opportunities for the future'

GUATEMALA has the potential to become an even greater supplier of high quality, out of season speciality fruit and vegetables to the UK and European markets and, if the development of the industry continues along its present lines, backed by heavy investment in new facilities amongst progressive producers, this opportunity will be taken.

Many in the UK trade have become familiar with Guatemalan mangelout, which has been arriving in Britain for a decade or so but a broader range of produce is beginning to appear. Producers and exporters there are becoming better equipped and organised to meet the needs of demanding markets in Europe and some believe prospects look very bright indeed.

Agriculture in Guatemala, which is situated in Central America, to the south of Mexico, is based on three distinct areas of production. The dry lowlands along the Caribbean coastline are the hub of banana and melon output and here a full range of varieties, in particular Cantaloupe, can be produced in volume over an extended season. The Pacific Coast, on the other hand, represents the main growing area for sugar cane, cotton, arable crops, mangoes and coffee, the latter being Guatemala's biggest export line.

The most important area, however, is the Highlands - a Volcanic band which runs through the middle of the country, with altitudes between 5,000 and 8,000 feet above sea level, enabling the production of a host of temperate fresh fruit and vegetables. Here avocados and berry fruits and high value vegetables have been identified as having significant export potential reflected in increases on this front over the last couple of years.

Currently much of this produce is channelled to the USA though Europe and, in particular the UK, are increasingly being viewed as potentially appealing markets. Growth in the short term is being held back by exchange rate differentials, however, which will only improve when the recession lifts.

In terms of infrastructure, the industry is based to a great extent on small farmers, each with units of around one hectare. Recent years have seen the formation of co-operatives plus larger groupings comprising several of these, which have been successful up to a point.

While these developments have brought about more cohesive marketing in some lines, the infrastructure of small growers does lead to uncertainty over the control of pesticide usage, however. The Guatemalans, aware of changing market needs, have tried to address this issue and, for the first time, the Association of Non-Traditional Product Exporters is considering a voluntary ban on exports to the USA during the mid July to mid October period - the rainy season when the need for pest and disease control is at its highest.

Another difficulty faced by growers is the problem of air freight. Currently there is no direct air route to Europe with any capacity and, as a result, product has to be directed to the US and then be transshipped adding one day's journey onto travel time. Sea freight is being trialled for some lines, but this initiative is still very much in its infancy.

Despite this background, Guatemala still has much to offer and a number of progressive UK importers are steadily cultivating relationships with growing groups there.

The most successful development of this type has been the collaboration between Saphir International and SIESA, the Guatemalan growing and exporting organisation which, through the efforts of brothers Carlos and Willy Springmuhl, has increased exports of its premium quality vegetables to more than 2,200 tonnes annually.

As Philip West, Saphir International's general manager,

(continued on page 20)



Above: From left to right, Peter Austin, managing director of Saphir Produce and Bill Khoury, managing director of freight forwarder Carinter, celebrate the opening of Saphir International's exclusive new cooling facility in Miami.



Left: Sugar snap peas - a line which shows tremendous promise for the future.

'What is most impressive about SIESA's set up and operations is its high level of professionalism and the will to provide exactly what customers want, when they want it'



explains: "We have been dealing with SIESA, one of the largest Central American export organisations, for around nine seasons and during this time have successfully sourced a comprehensive range of produce to fill distinct windows in the UK calendar."

Today, the portfolio includes runner, Helda and round beans, mangetout, sugar snaps, baby courgettes and a number of squashes - all of which have been well received on the British market. Several other lines are currently being trialled from raspberries and blackberries to leeks and salad onions. According to Edgar Garcia, SIESA's technologist based in Guatemala, jointly funded by Saphir: "The full potential of the volumes we could supply has yet to be reached if demand continues to rise at the pace shown in recent years."

SIESA, based in the Highlands, has around 328 acres of land devoted to these crops, organised on three farms, and also acts as the marketing agent, with Saphir, for 146 growers involved with the Magdalena Co-operative.

Mr West adds: "Apart from providing a wealth of year round growing opportunities, the microclimates of the Highlands spread the risk of losses caused by adverse weather."

Much of the produce is grown on the sides of extinct volcanoes with mangetout and sugar snaps very much to the fore - supplies peaking at around 30t and 25t a week, respectively, during their respective seasons spanning November to May and October to June.

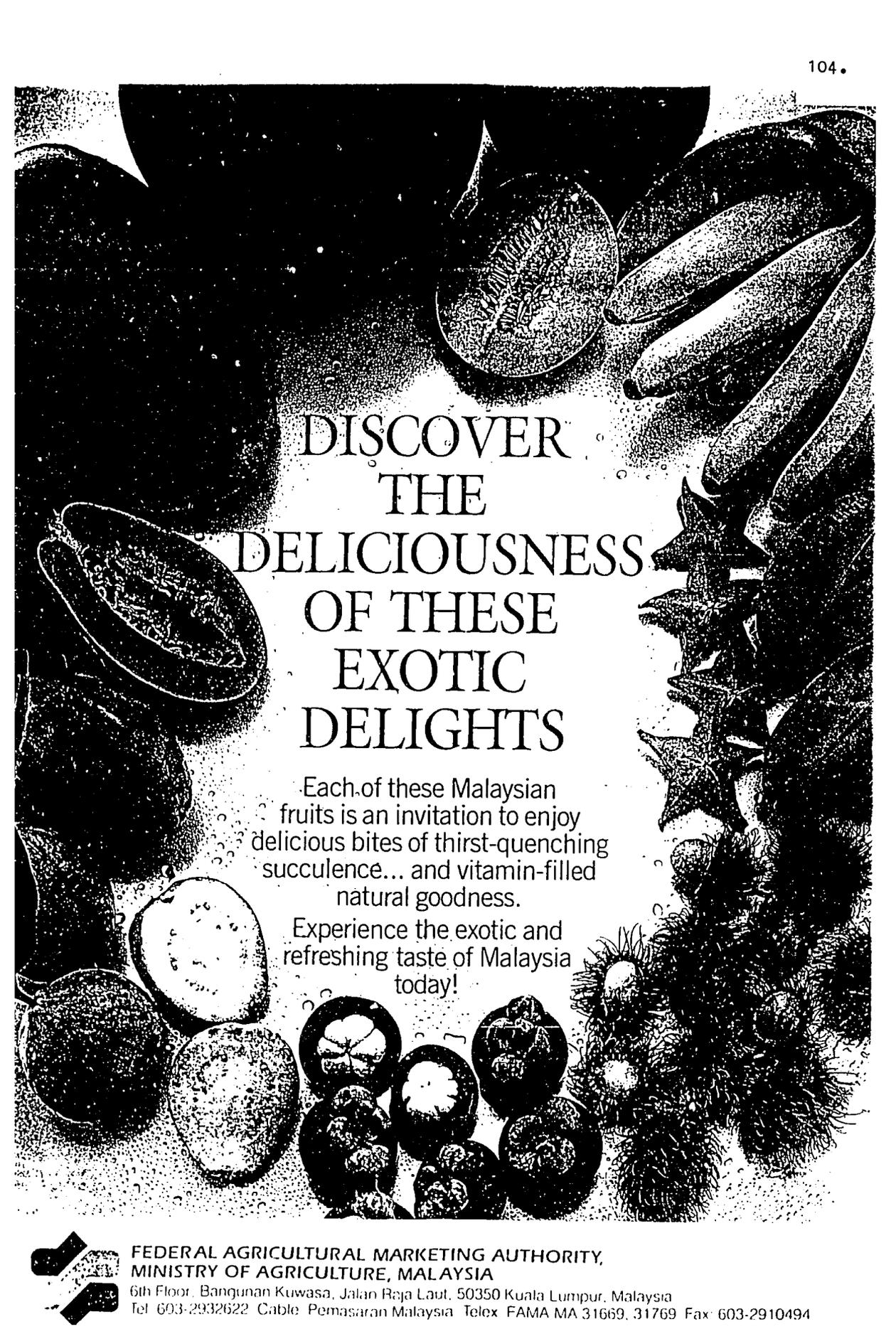
In addition to traditionally packed loose product, produce is also packed and labelled at source and then flown to Miami on daily chartered freighters where it is cooled overnight before being flown to Europe on scheduled airlines the following day.

SIESA, backed by Saphir International, in an exclusive arrangement, has recently installed a new forced air rapid cooler capable of handling up to 12 tonnes of loose and prepacked vegetables every three hours.

As David Conway of Saphir International comments: "This is just one of a series of investments which are putting SIESA's Guatemalan vegetables onto the shelves of Europe's major supermarkets."

This is backed up by stringent checks on the quality control front including tight monitoring of pesticide applications to ensure compliance with the Food Safety Act.

"What is most impressive about SIESA's set up and operations is its high level of professionalism and the will to provide exactly what customers want, when they want it," he says. 



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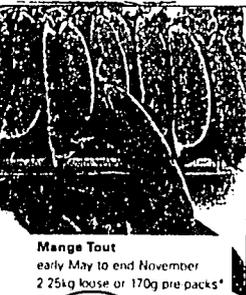


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