



2023-2024 Collaborative Marketing Disclosure

Regulation 15 of the Kiwifruit Export Regulations 1999

In accordance with regulation 15 of the Kiwifruit Export Regulations 1999, Kiwifruit New Zealand must, within three months after the end of each season, publicly disclose for that season -

- (a) the identity of each person approved by the Board to be a collaborative marketing approval holder; and
 - (b) the volume of kiwifruit marketed by each collaborative marketing approval holder; and
 - (c) financial information to enable an assessment to be made as to whether the net returns to suppliers in respect of each collaborative marketing arrangement were greater than would have been the case if the collaborative marketing arrangement had not been approved, including the methodology used by Zespri to allocate costs to the collaborative marketing approval holder.
-

1. Kiwifruit

The results for each collaborative marketing arrangement are set out in Table 1 below.

Table 1: 2023-2024 collaborative marketing arrangement performance relative to Zespri

Collaborative Marketer 2023-24 Season <i>(note 1)</i>	Arrangement	Fruit type	Volume (trays) 2023-24 season	Net incremental OGR of Zespri/alternate market NZ \$ (note 2)	Weighted index to Zespri/ alternate market
European Partners Citrus	Canary & Balearic Islands	Class 2 Green	37,239	135,005	168%
VPC - NZ Limited	Cost Rica	Class 2 SunGold	11,998	55,235	166%
VPC - NZ Limited	Cost Rica	Class 2 Green	23,991	72,262	157%
VPC - NZ Limited	El Salvador	Class 2 SunGold	3,616	13,417	154%
VPC - NZ Limited	Guatemala	Class 2 SunGold	11,669	42,769	153%
VPC - NZ Limited	Guatemala	Class 2 Green	12,372	32,287	149%
VPC - NZ Limited	El Salvador	Class 2 Green	13,361	30,038	142%
Bella Frutta Ltd	Europe	Class 2 Green	27,400	59,101	141%
Southern Fresh Fruit Exports	Philippines	Class 1 Green	117,648	372,654	135%
Fern Ridge Produce Ltd	Caribbean	Class 1 Sungold NSS	550	829	124%
European Partners Citrus	Canary & Balearic Islands	Class 1 Sungold	28,303	69,254	123%
Mr Apple	Kuwait	Class 1 Green	30,146	61,946	121%
Southern Fresh Fruit Exports	Philippines	Class 1 Green Organic	744	1,829	121%
Southern Produce Ltd	Austria	Class 1 Sungold	12,257	24,431	121%
Mr Apple	Kuwait	Class 1 Sungold	27,168	60,189	121%
Maori Kiwifruit Growers Inc.	USA	Class 1 Sungold	10,993	18,159	120%
VPC - NZ Limited	Panama	Class 1 SunGold	7,040	13,392	119%
Mr Apple	UAE	Class 1 Green	137,149	240,691	118%
European Partners Citrus	Canary & Balearic Islands	Class 1 Green	110,521	168,076	116%
Seeka Kiwifruit Industries	Malaysia	Class 1 Green	94,910	133,834	116%
Freshmax	Indonesia	Class 1 SunGold	37,426	55,503	113%
Mr Apple	UAE	Class 1 SunGold	153,856	209,793	113%
Mr Apple	UAE	Class 2 Green Organic	4,229	5,482	112%
Seeka Kiwifruit Industries	Malaysia	Class 1 Green Organic	1,747	2,294	111%
Freshmax	India	Class 1 Green	285,404	193,481	111%
Southern Fresh Fruit Exports	Philippines	Class 1 SunGold Organic	1,536	2,166	108%
Southern Produce Ltd	USA	Class 1 Green Organic	33,885	26,744	106%
Mr Apple	Bahrain	Class 1 Green	18,676	9,145	105%
Freshmax	Indonesia	Class 1 Green	16,007	5,955	104%
Mr Apple	Bahrain	Class 1 SunGold	26,738	8,533	103%
Mr Apple	UAE	Class 1 SunGold Organic	3,106	1,013	102%
Fern Ridge Produce Ltd	Reunion Island	Class 1 Sungold NSS	3,986	537	102%
Mr Apple	Saudi Arabia	Class 1 SunGold	289,023	23,534	101%
Turners & Growers Ltd	Pacific Islands	Class 1 Green	32,844	993	100%
South Seas Exports Ltd	Pacific Islands	Class 1 SunGold	6,447	218	100%
Turners & Growers Ltd	Pacific Islands	Class 1 SunGold	14,976	139	100%
South Seas Exports Ltd	Pacific Islands	Class 1 Green	17,800	(602)	100%
South Seas Exports Ltd	Pacific Islands	Class 1 Green Organic	1,347	0	100%
Fresha Exports Limited	Pacific Islands	Class 1 Green Organic	28	0	100%
Fresha Exports Limited	Pacific Islands	Class 1 SunGold Organic	13	0	100%
Turners & Growers Ltd	Pacific Islands	Class 1 Green Organic	3,714	0	100%
Turners & Growers Ltd	Pacific Islands	Class 1 SunGold Organic	529	0	100%
Southern Produce Ltd	Austria	Class 1 Green	19,983	(1,349)	99%
Fresha Exports Limited	Pacific Islands	Class 1 SunGold	3,902	(357)	99%
Fresha Exports Limited	Pacific Islands	Class 1 Green	4,328	(391)	99%
Southern Produce Limited	USA	Class 1 Green	644,569	(125,958)	98%
Fern Ridge Produce Ltd	Mauritius	Class 1 SunGold NSS	3,402	(573)	97%
Fern Ridge Produce Ltd	Reunion Island	Class 1 SunGold Organic	851	(642)	94%
Turners & Growers Ltd	Thailand	Class 1 Green	111,735	(83,825)	92%
Maori Kiwifruit Growers Inc.	USA	Class 1 Green	6,766	(6,389)	90%

Table continued over page

Collaborative Marketer 2023-24 Season (note 1)	Arrangement	Fruit type	Volume (trays) 2023-24 season	Net incremental OGR of Zespri/alternate market NZ \$ (note 2)	Weighted index to Zespri/ alternate market
Fern Ridge Produce Ltd	Caribbean	Class 1 Green	12,666	(12,144)	90%
Fern Ridge Produce Ltd	Reunion Island	Class 1 Green Organic	620	(894)	89%
Southern Fresh Fruit Exports	Philippines	Class 1 SunGold	136,293	(193,322)	88%
Fern Ridge Produce Ltd	Mauritius	Class 1 Green	42,824	(62,759)	85%
Turners & Growers Ltd	Thailand	Class 1 SunGold	305,728	(584,656)	83%
Jingold S.p.A. (note 3)	Italy	Class 1 Gold	4,800	(8,237)	82%
Fern Ridge Produce Ltd	Reunion Island	Class 1 SunGold	49,269	(85,251)	82%
Fern Ridge Produce Ltd	Reunion Island	Class 1 Green	40,897	(78,803)	80%
Fern Ridge Produce Ltd	Mauritius	Class 1 SunGold	39,264	(80,170)	79%
Bella Frutta Ltd	Europe	Class 2 SunGold	7,653	(15,018)	72%
Evrosad Ltd	Europe	Class 2 SunGold	5,653	(12,927)	67%
Evrosad Ltd	Europe	Class 1 Green	43,395	(225,027)	51%
TOTAL			3,156,990	571,634	

Notes:

- 1 Season is defined in the Kiwifruit Export Regulations 1999 as a period of 12 months commencing on 1 April in any year and ending with 31 March the following year.
- 2 A comparative assessment has been undertaken in relation to the actual growing/export year which largely overlaps with "season." This assessment therefore uses the volumes marketed under the collaborative marketing arrangement in the 2023-24 growing/export year
- 3 This CM arrangement is an early-stage trial. Given the very small volumes, the standard benchmark methodology could not produce an accurate OGR return. Therefore, this weighted index result is based on the most accurate data available.

Financial analysis methodology

To enable an assessment to be made of the net returns to suppliers from each collaborative marketing arrangement, and whether the returns were greater than would have been the case if the collaborative marketing arrangement had not been approved, KNZ applies the following methodology;

- The net return of each collaborative marketing arrangement is calculated back to orchard gate return (OGR) in NZ dollars. The following financial information, where applicable, is included:
 - The collaborative marketer's revenues and costs (for example, net sales, freight and insurance, direct costs, market selling costs, commission rates and exchange rates) as advised by the collaborative marketer.
 - Where kiwifruit is supplied by Zespri, the costs of supplying each arrangement are as advised by Zespri to KNZ and the Collaborative Marketer. The costs allocated by Zespri are in accordance with the annual Supply Agreement and any specific Service Level Agreements applicable to the individual collaborative marketing arrangement.
 - Where kiwifruit is not from Zespri supply, onshore supply costs are as advised by the collaborative marketer.
- Where financial information is available, and KNZ is of the view it is appropriate, the benchmark returns (OGR) may be adjusted by KNZ to take other relevant factors into account, such as fruit sizes and timing of sales.

- A purposive approach is taken to the assessment recognising that information relating to the actual growing/export year (rather than a strict application of “season” which is 1 April to 31 March) allows for a more useful and reliable comparative assessment.

Net Return Indexed to Benchmark Return

The net return to New Zealand suppliers is indexed against a benchmark OGR return - calculated using the methodology outlined above.

- The average Zespri return for the closest comparable market or geographical area is calculated as a benchmark. The benchmark is used to assess what the return to suppliers would have been if the collaborative marketing arrangement had not been approved.
- If there is no comparable market, the collaborative marketing returns are benchmarked against a likely alternative market that the fruit could have been exported to, if the collaborative marketing arrangement had not been approved.
- Where there is no alternative market, the most relevant market returns are used as the benchmark.
- The return under each collaborative marketing arrangement is therefore indexed against the comparable Zespri, alternate market, or comparable market, return to suppliers.
- An index figure of **100.0** means that the net return to suppliers from the collaborative marketing arrangement was **the same as** benchmarked returns. Similarly, where the figure is less than 100, the return was less than the comparable benchmarked return. Where the figure is more than 100, the return was more than the comparable benchmarked return.
- **Table 2: Total fruit and service payment returns to suppliers per tray since 2000 to 2023 inclusive**

Year	Compared to Zespri	CM per TE TFSP	Zespri per TE TFSP
2000	\$142,464	\$5.26	\$5.13
2001	-\$1,371,226	\$5.32	\$6.06
2002	\$684,615	\$6.48	\$6.07
2003	\$738,349	\$7.56	\$7.10
2004	\$19,297	\$5.57	\$5.56
2005	-\$55,660	\$4.79	\$4.82
2006	\$202,485	\$6.85	\$6.71
2007	\$607,907	\$6.27	\$5.90
2008	\$392,174	\$7.01	\$6.80
2009	\$682,789	\$6.79	\$6.39
2010	\$858,560	\$6.82	\$6.48
2011	-\$597,545	\$6.21	\$6.38
2012	-\$547,850	\$6.71	\$6.94

2013	\$285,891	\$7.78	\$7.62
2014	\$808,983	\$8.76	\$8.26
2015	\$505,308	\$9.22	\$8.88
2016	\$2,364,727	\$7.86	\$7.00
2017	-\$841,097	8.34	8.71
2018	\$1,244,644	7.70	7.30
2019	\$237,579	9.65	9.56
2020	-\$227,897	9.99	10.05
2021	-3,148,618	9.45	10.25
2022	2,075,309	10.20	9.47
2023-24	1,048,142	13.56	13.23
Total:	\$6,109,330	-	-

Table 3: Estimated Orchard Gate Return for 2014 to 2023 inclusive

Year	Compared to Zespri	CM per TE OGR	Zespri per TE OGR
2014	\$548,220	\$5.70	\$5.36
2015	\$457,629	\$5.73	\$5.42
2016	\$1,007,127	\$4.26	\$3.89
2017	-\$591,537	\$5.58	\$5.86
2018	\$732,719	\$4.35	\$4.15
2019	\$443,270	\$6.86	\$6.73
2020	\$324,565	\$7.23	\$7.14
2021	\$-45,406	6.63	6.64
2022	1,080,718	6.28	5.89
2023-24	571,634	9.70	9.58
Total:	\$4,808,773	-	-

Tables 2 & 3 show:

1. By year, the total amount by which the collaborative marketing programmes were greater or were less than the comparative returns to suppliers (measured at OGR).
2. For 2023-24, the average OGR per tray (orchard gate return) for all collaborative marketing arrangements was NZ\$9.70 per tray, and the average equivalent Zespri OGR return was NZ\$9.58 per tray;
3. The total amount by which collaborative marketing programmes have exceeded comparative Zespri TFSP (Total Fruit and Service Payments) for the 24 years up to and including 2023-24 is NZ\$6,109,330.

2. Kiwiberry

The kiwiberry collaborative marketing programmes operate from February to Early April in each year. The below results are for February to April 2024, and appear in alphabetical order. The assessment does not include Zespri, as it did not export kiwiberry in 2024.

Table 4: Approval holder and tray volumes for KiwiBerry (*Actinidia arguta*) for all export markets excluding Australia.

Collaborative marketing arrangements 2024 Season	Volume marketed t/e³	Net Return Per Tray
Fresh Produce Group NZ Limited	8,031	\$30.77
Fresh Solutions Group NZ Limited	708	\$27.31
Freshmax (<i>div. VFDirect NZ Limited</i>)	70,183	\$32.15
New Zealand Gourmet Holdings Limited	1,532	\$30.20
Seeka Kiwifruit Industries Ltd*	0	0
Southern Produce Limited	4,454	\$29.52
Total (average)	84.908	\$31.80

* Seeka exported kiwiberry to Australia only.