



*Structures, relationships and
issues for grower
organizations in 2020*

Dr Jonathan Cutting

Chief Executive

**New Zealand Avocado Growers
Association**



Why do grower organisations exist ?

- **Historically**
- **Promote grower interests**
- **To ensure grower participation in sector policy**
- **The “negotiation” interface with government and government agencies**

Why do grower organisations exist ?

Presently



- Profitability issues
- Globalization – hostile and small
- Less “friendly” government
- The “technology race”



Grower organisation “duality” into the future

Status Quo

- Grower socialism
- Regional parochialism
- Market access
- Academic sharing
- Profitability

New world

- Globalization
- Immediacy
- Technology advancements
- Intellectual property
- Vertical integration
- Dis-intermediation



Change “management”

Production
push



Change “management”

Profitability
Socialism
Change ?

Production
push



Change “management”

Profitability
Socialism
Change ?



Production
push



Market
pull

Change “management”



Profitability
Socialism
Change ?



Production
push



Market
pull



Technology
Globalization
Partnership

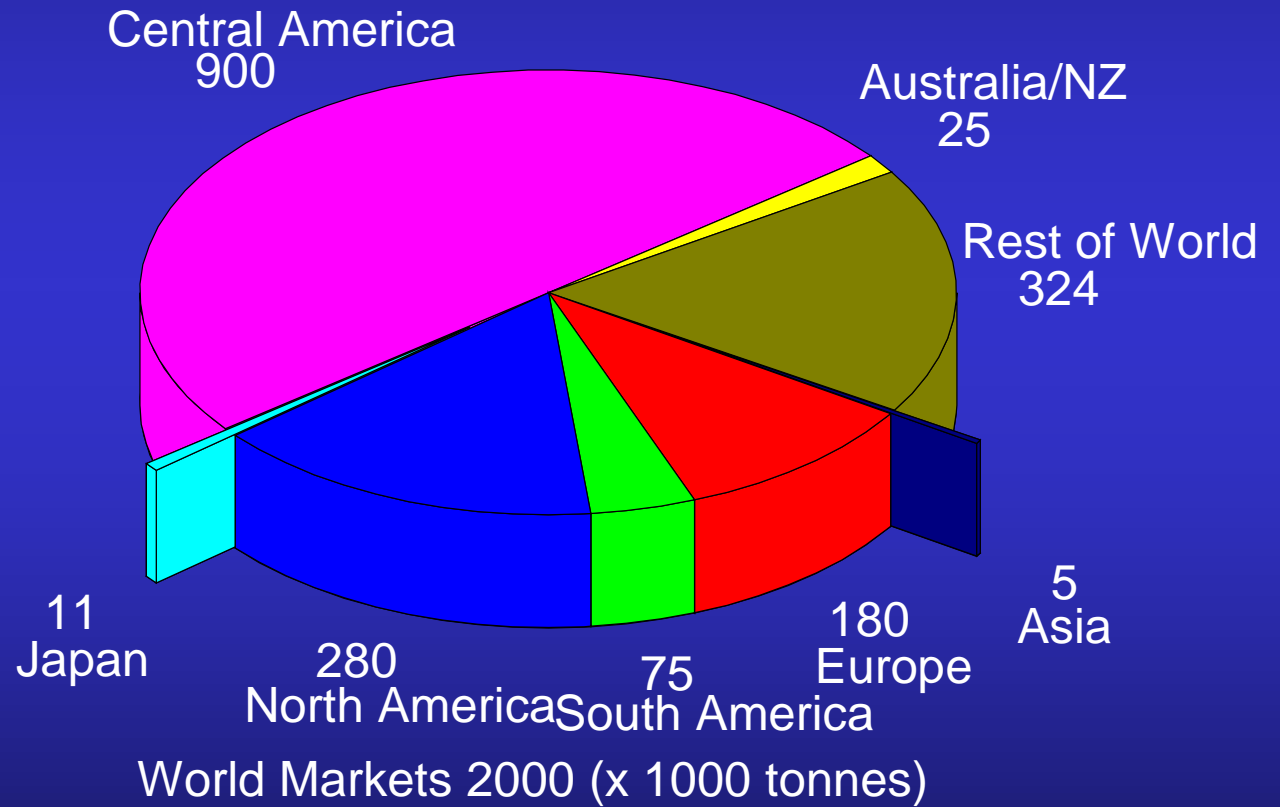
The pace of change



- **Rapid and increasing in speed**
- **Beyond comprehension**
- **Global**
- **Duality of present values and future innovation**

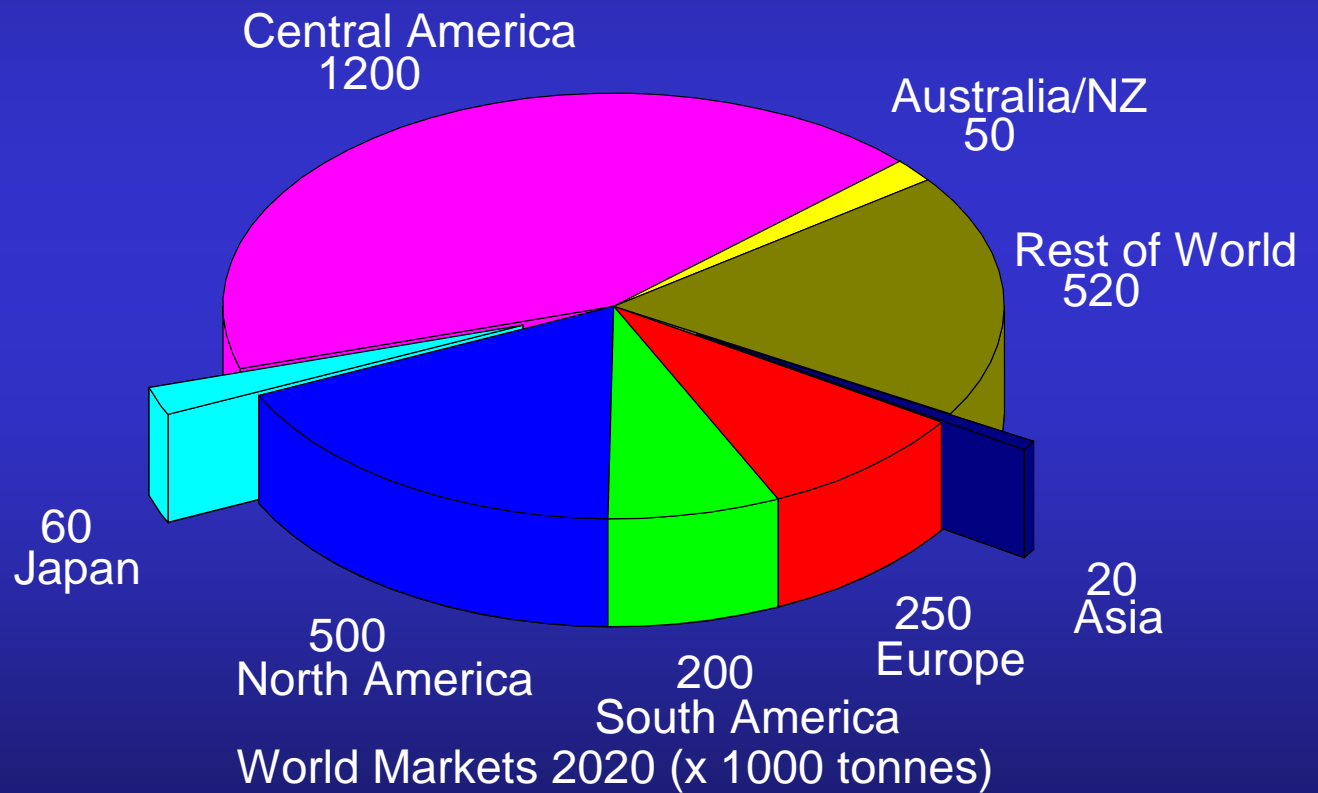


World avocado markets in 2000





World avocado markets in 2020 ?





Market changes and shifts

- **World market growth from 1.8 to 2.8 million tons**
- **Major growth in Central and South America**
- **Growth in North America and Asia**
- **Large % increases in Japan, Australia and New Zealand**
- **How do “I get a share of the action ?”**

Globalization



- **Change to global market place**
- **Consumer value increases**
- **Decreasing profitability**
- **Vertical integration – postharvest sector**
- **Reduction in grower influence**
- **Commercial partnerships and commercial relationships**



Role of Grower Organizations

- **“Nurturing” the industry environment**
- **Ensuring a competitive advantage**
- **Ensure that grower interests are not “traded” away**
- **Ensure that demographic changes do not marginalize growers (national level)**



Immediacy

- **Speed**
 - Information
 - Decision making
 - Access
- **Business more dynamic and promiscuous**
- **Transparency versus “information gate keepers”**
- **Relationships**
 - Exciting
 - Less faithful



Technology (and intellectual property !)

- **Increasing influence**
- **Performance “squeeze”**
 - Small margins of error
 - Smarter production systems
- **“Intellectual peasants” and “intellectual fiefdoms”**
- **Growers sharing in technological rewards (IP ownership)**

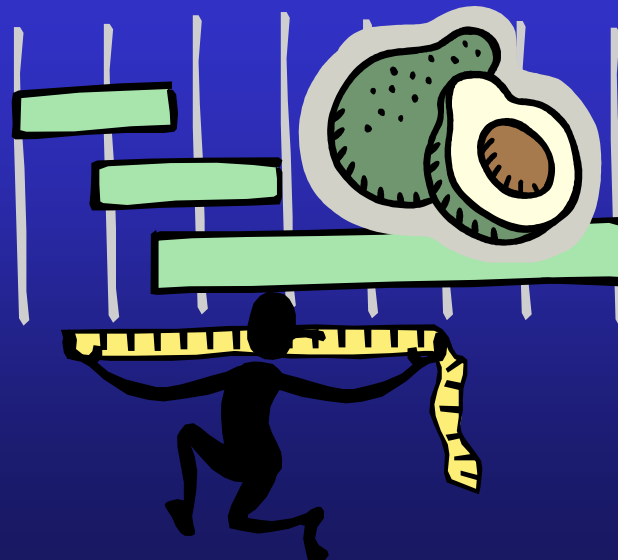


Vertical integration and disintermediation

- “The future is about fewer middlemen”
- Adding value
- Effective and efficient organizations and businesses
- Tension between growers and postharvest sectors
- Grower “political” skill levels

2020

- **Growers**
 - Fruit will be “grown to order”
 - Market led specification
 - Increased market entry costs (cost shift)





2020

Production systems (some ideas)

**Shift from “art and science” to
“technology and science”**



2020

- **Diagnostic tools (portable and instantaneous)**
- **GPS based harvesting**
- **Individual tree irrigation systems**
- **Smart fertigation**
- **High speed programmable robotic harvesters (maturity, size and blemish)**



2020

- **Very smart pest control strategies**
- **Accurate and reliable long term climate forecasting**
- **Real time climate driven computer support systems**



Postharvest supply chains

- **Shorter**
- **Elimination of transaction costs**
- **Supply management**
- **Elimination of over-supply**
“sympathy”
- **Increase in transaction transparency**
- **Closer and more formal partnerships**
with growers

International competition

- Will change rapidly
- New competition
- Human capital and skills will be mobile
- World production will grow



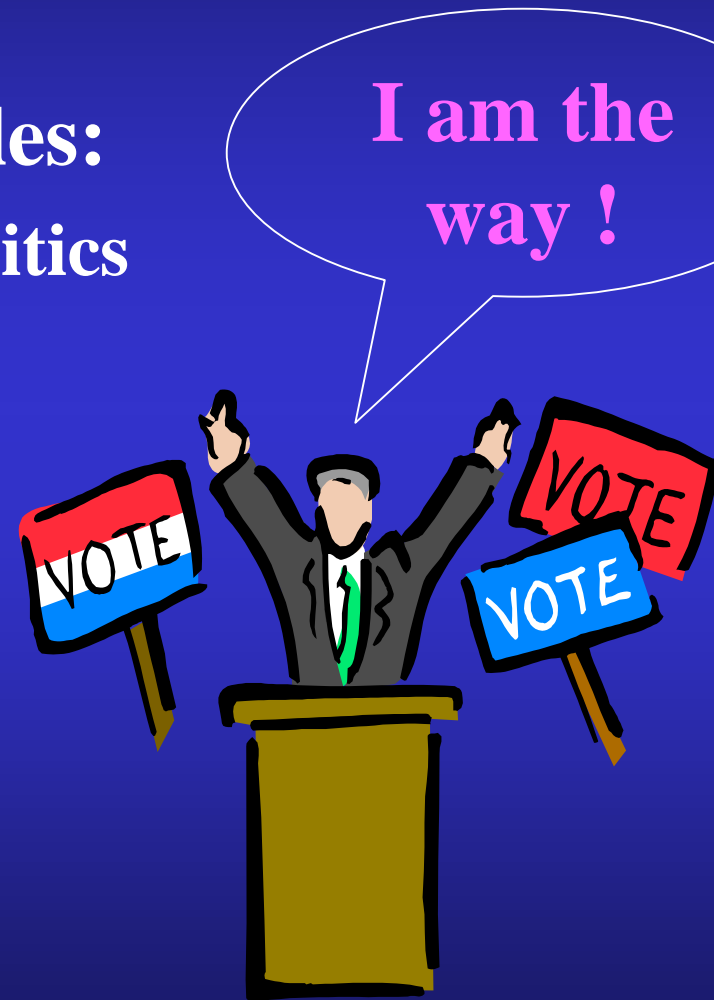
Grower Organizations in 2020

- **Primary Roles:**
 - **Broker of industry information**



Grower Organizations in 2020

- **Primary Roles:**
 - **Grower politics**





Grower Organizations in 2020

- **Primary Roles**

Vehicle for:

- **Industry vision**
- **Strategies**
- **Long term profitability**





*What can we expect
from grower
organizations in
2020 ?*



Separation of grower politics and industry management



A diagram consisting of two thick, pink, curved arrows forming a circle. The top arrow points from left to right, and the bottom arrow points from right to left, creating a continuous loop.

Strategy Organizations-Structures











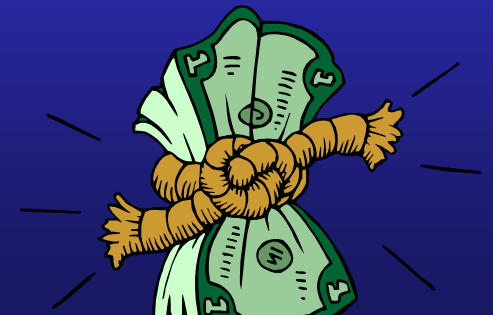
Professionalism

Increased transparency

Information flow
(quality, reliability
and completeness)

Absolute focus on the “core business”

The future will still be about growers making a dollar from their fruit – anything else will mean industry contraction and even collapse !



Acknowledgements

**All my friends
and colleagues
from around the
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their ideas and
thoughts with me
- thank you**

