

## **MARKETING: SAAGA EUROPEAN COMMITTEE'S REPORT**

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*CHAIRMAN: EUROPEAN COMMITTEE*

The European Committee was formed in 1972 at the request of the main body of SAAGA. It has six members, drawn from those agents in the United Kingdom, who actively handle avocados direct from South Africa. Five of the members are also responsible for marketing and distribution of South African avocados in the continental countries. The seventh member of the Committee is Jan van Wyk, the resident Fruit Inspector in the United Kingdom and a representative for the Department of Agriculture and Fisheries.

The Committee usually assemble once a month during the avocado season, and for the remainder of the year meetings are convened as required. The meetings are conducted in an informal atmosphere. The principal responsibilities are those of administering the advertising and promotion appropriation made available for the United Kingdom, and where necessary to advise the Management Committee in South Africa on any matters adversely affecting the sale and marketing of avocados in Europe.

Finally, to deal and report in general on any matters that concern the well being of avocados after they have been shipped from South Africa.

In particular, the Committee discusses policy and procedure to be adopted if and when the discharge or distribution of fruit is hampered or delayed by any industrial or other disputes, and how best to alleviate the damaging effects upon the trade or the fruit, that might result from the distribution of fruit which arrives in the United Kingdom with unsatisfactory quality and/or condition. Happily, such events are, to a very great degree, less prevalent in the last couple of years, and we look forward hopefully to a future where the Committee's task in this direction will disappear completely.

Using one of the modern terms of the day, one of the "spin off's" of the Committee's task is the positive and beneficial work achieved in the general co-operation with the principal container shipping companies. I am pleased to tell you the relationship between the Committee and the shipping companies carrying the avocados to Europe is of a very high standard. There is regular consultation between the Committee and the shipping companies on a wide range of subjects concerning the shipment of avocados by containers. This has in fact succeeded, in obtaining for avocados a degree of priority at the port of discharge accelerating delivery and distribution, which I am quite sure is not so freely and regularly available to other fruits carried on those vessels. In our opinion, because of the extremely delicate nature of the avocados, this is a justified arrangement. Apart from the occasions where these joint discussions have assisted the Committee members to facilitate distribution, this form of co-operation also helps to

create an ambience with the shipping companies in other fields. This development is most encouraging since our earlier experience with the predecessors of the container shipping companies was not always a happy one.

From this, I hope that you will understand, that apart from the technical improvements resulting from the usage of containers, there has been a distinct improvement in the relationship between all concerned in moving fruit from South Africa to the final consumer, which augurs well for the future of the South African avocado business, when even the smallest advantage may be needed to keep your marketing abreast, or in advance of any competitors from other parts of the world selling avocados at the same time.

By and large the improvements which stem from the usage of containers and container ships is the regularity with which the vessels arrive, and the relative speed with which the containers are discharged and dispatched from the port. There is a minor drawback in the United Kingdom relative to Customs clearance, where methods adopted by the authorities tend to be somewhat out of date, and also Port Health Inspection, where a percentage of the containers are withdrawn to afford official inspection. This results in those containers so examined tending to be delayed from delivery to markets or stores. This is a matter that the Committee and the shipping companies have already discussed and are continuing to discuss jointly with the appropriate authorities. Some progress has been made and whereas we cannot at this stage specifically say if and when, there will be additional improvements. We are however, hopeful that some time in the future we may find ourselves in the United Kingdom in a similar situation as on the continent, where Customs clearance and Port Health Inspection is carried out more or less at the point of sale, allowing all the fruit to commence movement to the markets within a few hours of delivery from the vessel, and at the same time reducing the time lag between discharge and sale to the trade.

Without doubt, the most consistent problem met with is where the fruit has matured during the sea passage and is evident upon opening the container. Where this condition is more than a slight break, further deterioration through the chain of sale is virtually certain. It restricts sale to the immediate area of the unstuffing of the container and requires the agent/buyer to develop his sales rapidly. On occasions it may also result in a re-packing programme or, at worst, require the need to destroy some fruit which may not reach the consumer in a satisfactory state, both of which can be very expensive exercises. A no less prevalent problem is the inconsistent form of maturity development whereby fruits can be found softening, and others in the same carton in a very hard or firm condition. In these circumstances, it is, however, extremely difficult for the agent to assess how best to dispose of the fruit through the selling chain from the importer to the wholesaler to the retailer, without the deterioration in condition being such that the material becomes worthless or does harm to the cause of South Africa avocados in general. There are also instances where two pallets or sometimes more in a container are showing a softer condition than the remaining containers. This situation may also result from larger or smaller sized fruit being in soft condition. But in the event that all fruit is affected and that the fruit in the container is from the same grower or growing area, consideration has to be given to the possibility that some temperature deterioration has taken place, or that the movement of air has been restricted,

preventing the two or more containers from having satisfactory cooling. This situation is often further confused by the fact that a Ryan Recorder in the container will show a satisfactory temperature control throughout, whereas the ripe fruit will show higher pulp temperatures. In a similar vein, there are occasions when different pulp temperatures are recorded in the lower, middle and top of the pallets. In such instances the top of the pallet is warmer than the bottom. Again, one has to assume that the proper movement of air has not been satisfactorily accomplished. Whenever these problems arise every effort is made to acquaint the shipping companies with the fullest details of the problem, either by the individual agent, or if the experience is widespread, by a communication from the London Committee. Whereas one would not want to speculate upon the cause of the problem, it does seem reasonable to suppose that the movement of air has been reduced or not efficiently created by the vessel, or possibly that in some way the stowage of the cartons to the pallets, or the pallets to the container, differs to the degree that efficiency is not as high as it should be. The shipping companies are made conscious of these difficulties but it is most essential that the industry bears in mind that the stowage of pallets and containers is the responsibility of the growers or their shippers and agents in this country, and we believe that further investigation should be set up to ensure that whatever air is available to the containers is efficiently dispersed throughout the container and around the fruit. This, as we see it, should ensure that stowage and palletisation is fully efficient, and in the event of further problems coming to light the attention of the Committee can be applied to the shipping companies with increased conviction, on matters where it is felt that the temperature control is at fault.

In so far as the past season is concerned, it is difficult to come to any settled standard regarding the condition on arrival overseas. What can be said is that the first ten vessels, from the Ortelius, which arrived at Southampton on the 10th March, until the Water berg, which arrived on the 12th May, condition could only be described as very satisfactory. It was, therefore, surprising to find that there were considerable problems on the City of Durban which discharged at Southampton on the week following the Water berg. There was some evidence of temperature problems on the vessel, but this would not account for the fact that from that point onwards, vessels appeared to have some fruit which was either in a break or partial break condition. This condition was not universal throughout fruit from all areas, or from the same area.

There is also evidence to show that fruit from some areas, will after a period of time, show more softening on arrival than others. For instance, whereas Edranols in the main have arrived in a satisfactory condition, some fruit of this variety from certain areas has consistently arrived in an unsafe state.

All that has been mentioned so far are the occurrences known to us importers or what has been reported to us by buyers of fruit at first hand sale. The avocados then pass through the chain of wholesalers and retailers, where Committee members and others have less opportunity to obtain accurate information. You will also appreciate that the nearer to the consumer the sales are conducted, the more critical the buyers become. We are, however, very conscious that if deterioration of condition continues — and you must bear in mind that during the middle and the second half of the season temperatures in the United Kingdom, and in Europe, can be quite high — it is likely that some damage may result to the reputation of the South Africa avocado. Speed is

therefore of essence in the disposal of doubtful fruit.

Over a period of years, it is noticeable that the industry has suffered regularly with a loss of condition commencing about early/mid season and continuing thence onwards throughout the Fuerte/Edranol season with varying degrees of intensity, but usually reverting to normal with the late varieties of fruit, such as Mass and Ryan.

We understand that the industry is currently considering a restriction to prevent the export of "immature" fruit. In this respect we recognize the need to prevent the un-informed exporter from using immature fruit to his own ends. But whereas fruit in the first 2/3 weeks of the season may take a short while longer to ripen my Committee have practically no evidence of the arrival in Europe of sea shipments showing the classic symptoms of immaturity. Obviously some immature fruit will slip through, but any loss to the industry would be minimal compared to the current losses resulting from the arrival on the European markets of mature fruit. Further any restriction on shipments in the early days must by virtue of delay invite the risk of additional maturity problems in mid-season. With the possibility of a favourable commencement to the 1981 season, we feel that subject to the necessary strict control the industry considers a relaxation of the present requirements rather than a tightening of the regulations. This as we see it is to try and •stimulate shipments and avoid the arrival of soft fruit at a later date.

If I may now come to the problems under the heading of quality. We encounter a wide variation of difficulties, some of which are present on or in the pulp of the fruit, when the fruit is in a hard condition, others develop on or in the fruit flesh when the fruit has arrived in a mature or soft state, or are items such as sizing or exterior markings which ought not to have been present when the fruit was packed. As in case of condition, it is reasonable to suppose that when the hard fruit passes out of the hands of the importer down to the wholesaler and retailer, there will also be occasions when quality problems arise. And when we, as importers, will be unaware of their presence, unless of course they are specifically brought to our attention by the buyers concerned.

It is difficult to indicate if any one problem is more common than others, and it is probably best to list them, but I hasten to add, this is not in any order of priority.

Firstly, we find anthracnose, affecting the skin of the fruit in the first place, and the pulp later as the fruit develops maturity. The presence of this malady has so far not been attributed to fruit from any particular area. It seems that the development of anthracnose on fruit arriving in Europe may well be connected with temperature and humidity at the time of picking, since casual enquiries in the growing areas have indicated abnormal or unusual climatic conditions have prevailed at the time of picking and packing. The rapid development of this disease, coupled with stem-end-rot, also seems to be more prevalent at a time when temperatures in Europe are very high. It would appear that later varieties, although not immune, suffer less.

Secondly, there is pulp spotting and the grey colour of the flesh upon cutting ripe fruit, which we describe as lead discolouration, that has been present during the season. Lead discolouration has in particular been found upon the variety Edranol. The overall incidence of this problem has, however, been somewhat less than in previous years, and certainly a great deal less than had been experienced in some of the years when the avocado crops were shipped by conventional vessels, and when on occasions

nearly all fruit was affected in this way. Storage and low temperatures have on occasions been felt to cause these problems. Being unaware of any steps that may have been taken in South Africa, we have to assume, and certainly believe, that the reduction of the losses resulting from this problem must, to a large extent, have been attributed to the use of containers.

Thirdly, during the past season, and particularly on the earlier vessels, some fruit suffered a break-down of the cells on the skin of the fruit, causing large black areas to appear. This is believed to have been caused by cold damage. Here again, on the assumption that the treatment of the fruit, from the point of view of picking, packing and shipping, has been the same throughout the season, then we venture to suggest that perhaps the skin of the fruit is more vulnerable to cold damage in the earlier part of the season than in the later. This is a serious disfigurement and costs money in sales.

Fourthly, whereas much has been done in South Africa to progress towards a standard pack of fruit, there have been consistent instances of uneven sizing and under sized fruit, both of which, from a marketing point of view are most undesirable. In deference to the majority of the growers, who make every effort to provide a satisfactory pack, we would ask the industry to ensure that each carton of standard size is filled completely, or gives a minimum net weight of four kilos. Uniformity of size throughout the box and throughout the crop is equally as important as any of the other standards to be observed.

At this point we would like to refer to waxing of fruit. A large percentage of the growers are now waxing their fruit, which certainly enhances appearance, providing considerable visual advantages in attracting the consumer to buy the fruit, particularly those who may not have been regular purchasers in the past. We are, however, generally agreed that you should continue wrapping fruit as well as waxing. It is, in the first instance, a matter of providing top class presentation, which in the years to come will, we believe, pay dividends which currently may not be appreciated, when without doubt, your fruit will be required to meet increased competition from producers in other areas of the world who will be marketing in Europe. In addition, it is our experience that by wrapping, the fruit will be firmly set in the carton, preventing undue movement, and in consequence, reducing the incidence and probability of bruising which has been seen in unwrapped fruit. The results do not manifest themselves clearly until the fruit is in the hands of the consumer. The only advantage seen by not wrapping fruit is the simplicity with which it can be distributed at retail level. It is generally felt, however, that this advantage is outweighed by the disadvantages. The package that we are using today, is standardized, and providing growers and packhouses fairly observe the standards as laid down and with a liberal attitude provide consistency as far as sizing is concerned, we see no problems.

There is a danger where one highlights the above-mentioned problems, that we as a Committee create the impression that we stagger from disaster to disaster. This, I want to assure you, is not the case. There are occasions when the situation is serious, and believe, me we are very concerned. Knowing that your technicians find answers to the problems, and you as growers accept and abide by their recommendations, we believe that your current efforts, particularly in the face of the long journey from the growing areas to the port, and the twelve day ship voyage to the markets, achieve practical

results far superior to your competitors, who have less onerous journeys to face. We would, however, be lacking in our duty to you, as your representatives in Europe, if we did not draw attention to the problems that have been encountered. And also emphasize how important we believe it is that those problems are in the course of time rectified, in order that you can maintain your strong and well deserved place in the marketing of avocados in Europe and without fear of any form of competition.

Your technicians will best know the ways of preventing the difficulties, but we suggest that there should be a close examination of ventilation within the containers and throughout the cartons when stacked on the pallets, both from the point of view of obtaining the most efficient and rapid cooling procedure, coupled with the removal from the container of any undesirable gasses or substances which may be causing the difficulties encountered.

You will be aware that members of the Committee and others, conduct their marketing in different ways, but we do converse regularly on price levels and anticipated movement of prices within the price range. To enable us to do so more intelligently, we would like to receive more advance information relative to the quantities that are planned to be shipped on each individual vessel. This information would enable us to advise the industry as a whole how best to avoid, or where need be prevent peaks in arrivals, in order to avoid lower price levels. We fully appreciate that there will be occasions when the industry will find it necessary to over-rule any thoughts or advice that we may give, in order to facilitate the movement of fruit which, in the opinion of your technicians, will be harmed if it is held unduly in this country. It is essential, however, that this sort of information is made available, which will help your marketing agents to formulate pricing policies, enabling fruit to move freely to the consumer as rapidly as possible, reducing at least the possibility of some of the problems which may result from protracted storage.