

New Zealand's leading organic apple exporter says a rise in Washington State Fuji volumes and currency challenges have led to a decline in his country's plantings over the last three years, but diversification has kept business going. 

DM Palmer general manager David Brasell told *www.freshfruitportal.com* the industry was very reliant on Taiwan five years ago, but has moved to new markets and apple types to stay ahead.

"We've been watching the challenge coming and taken two actions - we have less standard grade Fuji with more high color strains planted, which is coming into production now, and we're also diversifying the markets right across the Middle East, South East Asia and the Far East into Japan," he said.

"Demand is particularly strong and the U.S. looks good, Asia's gone very well for us and continental Europe again has opened up pretty well."

He highlighted the Diva variety as one of the high color strains, which is in the market for the first time this year.

On the whole, Brassell cited a fairly positive season to date.

"I think the Royal Gala market has been as strong as any, but Fujis are a little more challenging because of the big Washington State crop which has caused a bit of a bottleneck in Taiwan and also at home in North America.

"Pinks are in good demand, Grannys are in good demand, Braeburn seems to be ticking away although it's still early days for the continent, but the early indications are that there's not a massive crop heading that way and the market is ready to receive it.

He expected DM Palmer to ship 90% of New Zealand's organic export apples this year, while his company also sells conventional apples on behalf of independent growers.

"It's tough and we've been able to survive with economies of scale and the fact that we only grow organic apples as a company.

"We're seeing conventional growers trying to grow some organic but that's been relatively unsuccessful, and regrettably small organic growers are finding it pretty hard to survive; the cost of transitioning into organic now is almost prohibitive.

"Part of the reason we've been able to survive is that we're a diversified business - we grow

onions, butternut squash, apples, maize, and in the tough apple years we've been able to survive on other crops. I think to be a monoculture just growing organic apples is a pretty tough game."

He said around 45% of the company's organic apples are shipped to North America, about 15-20% go to Asia and the balance is shipped to the U.K. and continental Europe.

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