

California-headquartered avocado company Mission Produce is hitting the ground running with its recently announced operations in Southern Africa, as it plans to begin exporting from the country over the coming weeks.

Mission Produce previously said the new partnership with ZZ2 and Core Fruit will create the "most powerful trading platform for avocados produced in Africa".

Speaking with FreshFruitPortal.com, Mission's director of marketing Denise Junqueiro and VP of global sourcing Keith Barnard explained the company has big plans in its newest production region.

"We have a long relationship with ZZ2," said Barnard. "We've helped them set up ripe centers in Johannesburg and over the years we've shared a lot of information back and forth."

Last year the companies decided the time was right to partner on operations. Barnard went with Jim Donovan, senior VP of global information and industry affairs, to South Africa in late 2019 to seal the deal.

Under the partnership, the companies will export fruit to the European and Asian markets.

While some fruit produced by ZZ2 - one of the country's largest avocado growers - will be exported via the new partnership, much of the volume is to be sourced from local growers.

"Our sourcing company called Mission South Africa is going to be working with third party growers. There will be a little bit from ZZ2 to have a bit of a base, but where the partnership really comes together is we provide the marketing skills and distribution, and they provide the trees and technical support to the growers," Barnard said.

Junqueiro said: "We feel through our network and through our state of the art infrastructure, expertise and know-how that we're going to be able to provide not only our markets but also the grower base down there a very healthy market environment."

Eventually, Mission aims to establish a vertically integrated operation in South Africa, as it has done in Peru. But for now, the focus is on building relationships with local growers.

South African supplies are expected to serve as an excellent complement to Mission's Peruvian volumes on the should-ends of the South American country's season.

"We ship around 50 tons a week out of Peru from around April through September, and then

the shoulders are our supply gap," said Barnard, adding that the August-to-October window was particularly attractive.

"We look at countries like Guatemala, Colombia and South Africa before Peru starts or when it is winding down so we can either hit the ground running or just not fall off a cliff when Peru stops."

Junquero explained that Mission's overarching goal was surety of supply.

"A lot of the news like this that you see us making is based around that goal," she said. "We're trying to establish operations, relationships and potentially become vertically integrated to support the market. Demand continues to increase globally, so we're trying to increase the supply base to be able to meet that demand."

If the U.S. grants market access to South Africa - as it is anticipated to do in the near future - Mission will likely also ship to that market. But Barnard doesn't expect it would be a major supplier but would instead fill in supply gaps where necessary.

## **High hopes for California season**

Meanwhile, the Mission representatives said that hopes are high for the California season, which got underway slightly earlier than normal this year to ensure there were sufficient volumes for the Super Bowl.

After the state's crop last season ended up the smallest in a decade due to the drought and a severe heatwave, the volumes this year look set to return to normal levels.

"We have a pretty positive outlook on California," said Barnard. "It's forecast to be 369m pounds, which is around 170m pounds more than last year."

"We hope to keep it on the West Coast and keep returns at an all-time high, while Peruvian fruit hits the East Coast. We think it will be a positive season for all countries."

He said that market conditions are decent at the moment in the U.S. even as heavy Mexican volume comes in. He expects that everything will be able to move through the network and generate a fair price for both growers and retailers.

Weather conditions have been "pretty favorable", he added, with a cooler winter than normal that is expected to bring "bring the size curve down a bit".

