

New opportunities in the local market



The Local Market: Then Vs. Now



- Started as a by-product of the export market
- South African's attitude towards avocados in season
- Hard fruit into stores sold as loose units
- First Ripe & Ready punnets onto shelves in 1995
- 30 000 cartons then, closer to 2 million cartons in 2015



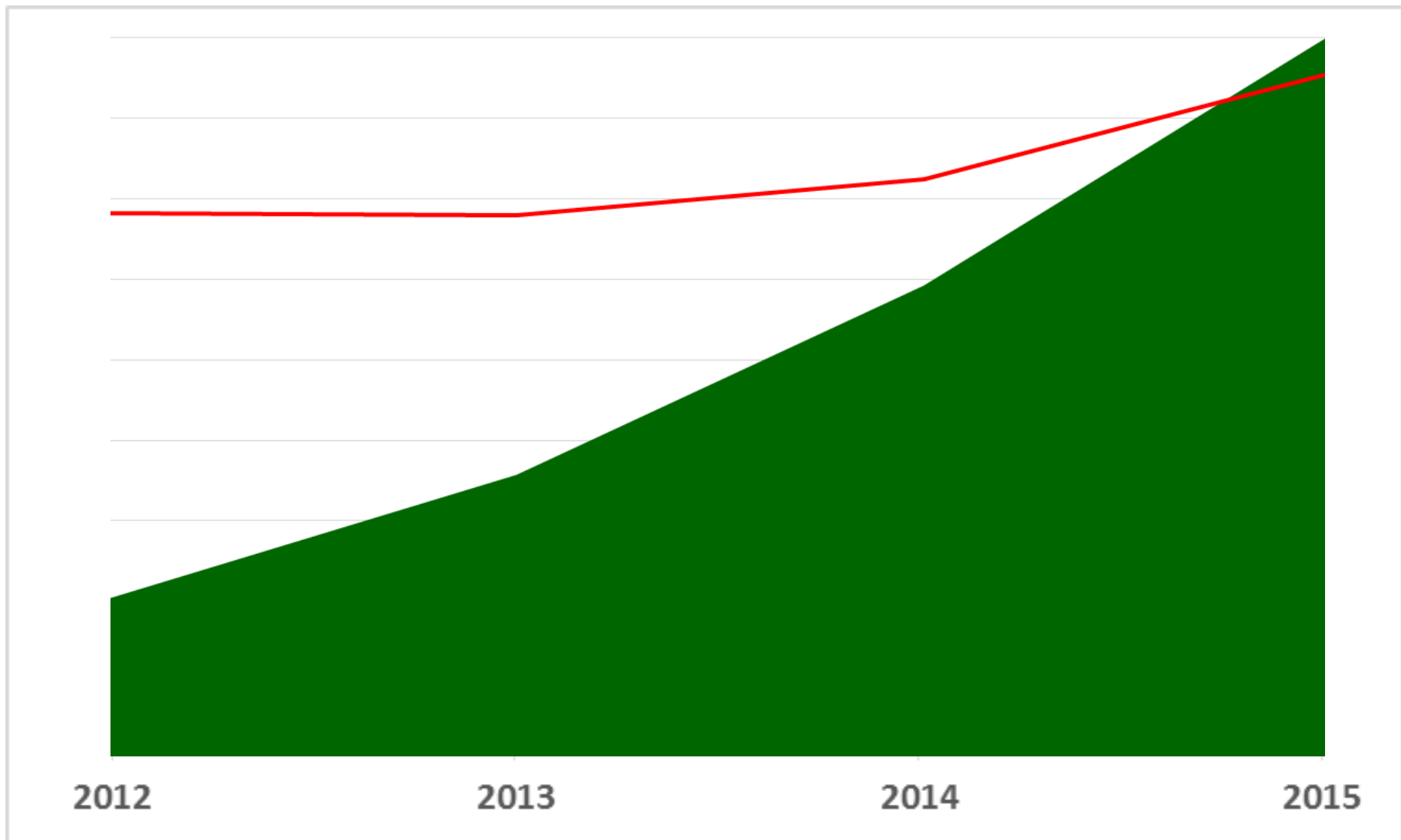
The Local Market: Then Vs. Now



- In season Vs. year round supply
- 2015/2016 import season
- Price Vs. availability and quality



Demand for value added avocados



Value R/kg
Volumes



Ripe for You



- Ripe for You was established in 2010
- Value adding facility specializing in the ripening of avocados
- Supply to most of the main retailers in SA, apart from Woolworths
- Bulk supply of ripened product to wholesalers who deliver to restaurants



Misconceptions



- Quality Issues
- Short shelf life as a ripened product
- Ripe & Rotten: Maluma collapses when ripened
- Hard product never ripens
- Maluma is an “early cultivar”



First-hand Experience



- Easy, even ripening even after being stored for a long period
- Excellent shelf life after ripening (retention samples still looked good after two weeks of storage)
- Can be stored at very low temperatures (2°C) after being ripened, without developing any cold damage or internal quality issues
- Little to no bruising during handling due to thicker skin



First-hand Experience



- The larger sizing of Maluma was advantageous for premium value added lines
- We had little to no waste per pallet
- Quality Assurance samples were all clean
- No quality complaints from customers
- No returns from restaurants



Opportunities



- Fuerte has always been the preferred variety in South Africa
- Consumers have started to readily accept Hass as a Ripe & Ready product in SA through retailers putting a consistent supply of good quality fruit on their shelves
- This provides a ripe opportunity for Maluma to come into the market as a Ripe & Ready cultivar



Opportunities



- Significant selling points of Maluma:
 - Larger sizes
 - Attractive deep purple colour
 - Flesh to pip ratio
 - Less bruising due to thicker skin = less wastage
 - Longer shelf life – sell by date comparisons with Maluma, additional 2 days



Opportunities



- Restaurants specifically asked for Maluma
 - Including Montecasino, Emperor's Palace, Sandton, Bryanston, Rivonia
 - Finicky restaurants who had no complaints and no returns



Opportunities



Opportunities



Opportunities



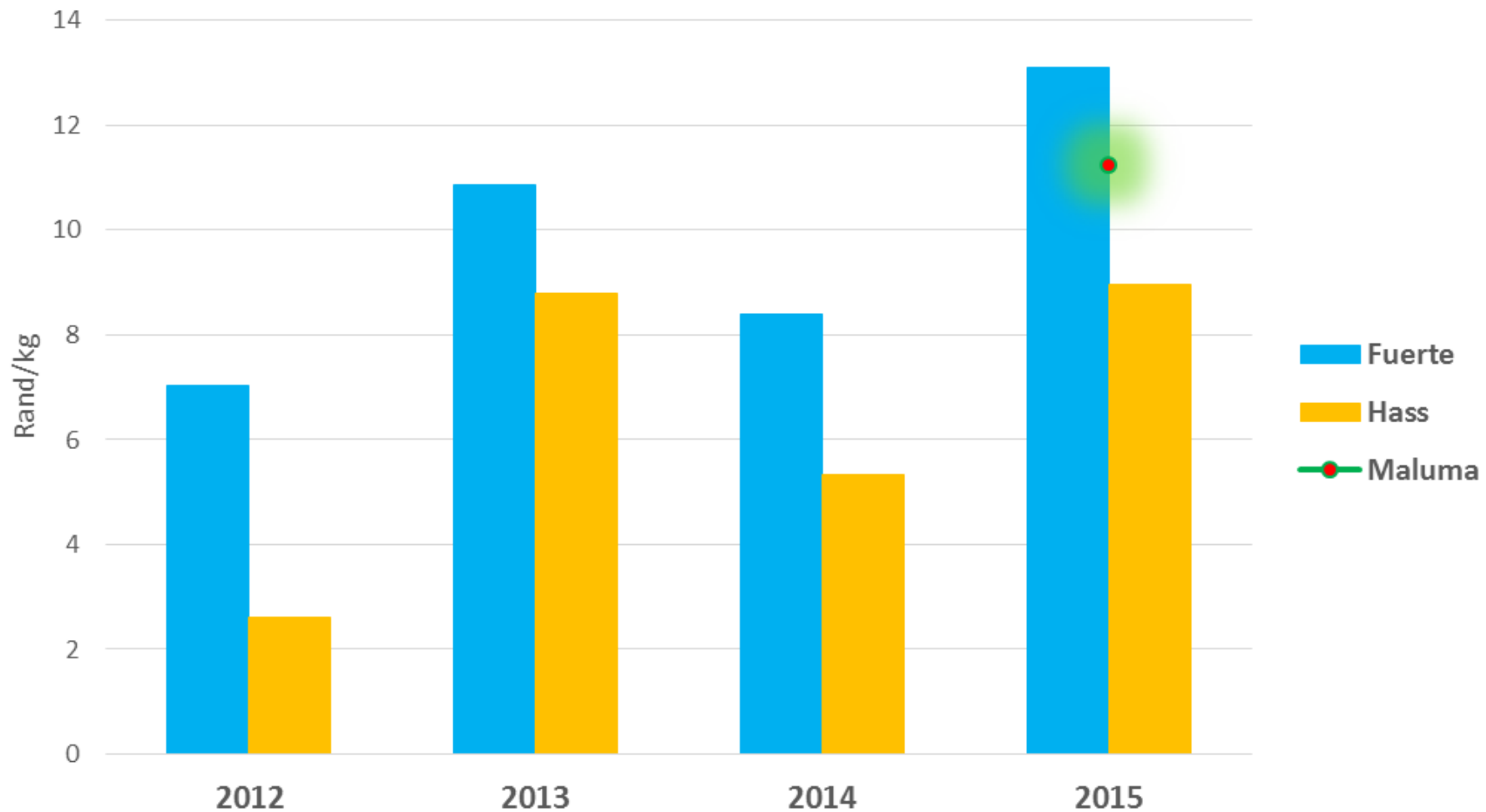
Opportunities



Opportunities



Markets 2012-2015: Fue/Hass vs Maluma



Challenges



- Densimeter parameter adjustment
- Pink flesh discoloration towards end of season
- Grey pulp towards the end of season when stored for longer periods
- Large sizes, low margins – innovative packaging to maintain good returns



The End



Thank You

