

FO2012 Guest Presenter Notes:

These notes have been put together from topics in Shaun's presentation.

Name: Shaun Witchell, partner of family business 'Golden Apple Orchard'.

Orchard characteristics: 25 ha apple orchard located at Labertouche, West Gippsland, Victoria.

Shaun has been involved in the program from its inception, however was apprehensive about being 'told' by New Zealanders how to grow fruit. Initial thoughts were 'Involvement in the program seemed like a whole lot of work with seemingly no additional benefit to our business'.

A turning point in being involved in the program was understanding 'why' all the information being presented by AgFirst is so important in determining how well your whole orchard is doing. How it helps determine how well blocks within your orchard, and even trees within blocks are performing.

Shaun has stated he feels the four years since the program started have certainly been the most interesting of my short fruit growing career to date and has certainly had the biggest impact on our growing district since being actively involved in the fruit growing business.

Before the program began the growers in southern Victoria were asking ourselves questions like; Are we internationally competitive? Did we really want to continue in the industry if things got tough? Did we have the necessary skills to adopt new technology in order to compete? Shaun has stated he feels a lot more prepared today than we were back at the beginning of the program.

Since the beginning of the program 12 ha of orchard have been planted, which represents 40% of our total acreage, in 5 years, Shaun believes this will represent 70-80% of our previous packed yield, through both improvement in absolute yield as well as most importantly our pack outs.

The business plan includes being 100% intense orchard of 2500 plus trees/ha within the next 5 years, they feel this needs to be the case in order to be profitable.

Travel has been key to undertaking change, Shaun and his father have travelled extensively since the program began, they include: 2 trips to Nelson New Zealand in '07 and '09, involvement in the APAL youth exchange Southern France 3 years ago, Brian Witchell attending the APAL European study tour in 08 followed by a trip to the US and then to Japan last year.

Visiting the right location for your business is important, it allows for better incorporation of the ideas that you pick up on.

Travel can add up to be quite expensive, however planting an orchard at a cost of around \$100,000 per ha by the time it's netted, spending \$50,000 on travel over a 4 or 5 year period doesn't sound quite so silly.

Involvement in the monitor block group has led to the development of a great network of like minded growers. We have all got along extremely well since the beginning and no-one is afraid to ring someone else and ask any questions, whether it be about chemistries, costings, or any other thing that may be troubling them. At the start of the program I knew most of the guys in the group, but did not really know them personally, now I would call most of them mates.

In 2006, the year of starting the FO2012 program we were planting a 2.2 ha block of high colour gala and rosy glow pink lady. We decided to start fertigating which enabled us to achieve a total leader extension average of 1.15m on M26 rootstock, this opened up our eyes to where we could get to by putting in a bit of work and employing better treemanship. From that year on high N and P fertigation programs in the establishment years are a given, as well as daily moisture monitoring, timely tree training, and generally giving them the care that is required to establish a high performance block.

All orchard renovation has been done from cash flow which leads us to chase high early yields to give us the cash flow to continue with our quick paced renewal. Best efforts to date has been 57 ton/ha in 3rd leaf rosy glow, aiming for 65-70 ton mark next year which would result in the block being cash positive by the end of its 4th leaf, this includes all establishment costs including hail mesh and yearly growing costs. This block cost us 43 cents per kilo to produce these pinks at an 88% packout.

New style plantings include:

- 2006, planted 2.2 ha block of Rosy glow and gala at 4.25m x 1.5m giving us 1586 ha, considered now to be not high enough density.
- 2007, planted 3.8 ha block of Rosy glow, gala and fierro fuji, at 3.5mx 1m giving a density of 2857/ ha, this is closer to where the business plans to be in the future.
- 2008, planted 1.5ha jonnies, in it's 2nd leaf did 14 ton/ha, pseudo 2-D.
- 2010 planting a block of 10,000 jazz trees on a 2-D system at 2.5 x 1.2 meters, giving a density of 3200 ha, true 2-D system.

Movement towards 2-D as the system suits jazz, being a naturally smaller apple and a difficult to colour. The operation aims to offset the initial 30% higher capital investment by reducing the unit production cost in the future. Reducing the labour cost by 10% over 10 years will offset the higher capital cost. Shaun feels 2-D systems lend themselves to higher pack-outs and lower unit production costs, both very important to the future success of all our businesses.

The future of our business, in 10 years time the plan is to:

- be working 20-24 ha on modern intense orchard of 3000 trees/ha,
- 100% covered in hailmesh, not only because of hail but more improve to pack-out by reducing sunburn/bleach, wind-rub, increased water use efficiency etc
- Average production across the orchard of 60-65 ton/ha.
- continue packing and marketing our own fruit and trying to market to the high end retailers still,
- Move towards specialising in fewer varieties that suit our environment, allowing us to produce high marketable yields or provide us with a competitive advantage.

I see alot of challenges in the future but I also see alot of opportunities, I see a more consolidated more efficient and a more competitive Australian industry.