

Orchard

Business Planning

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Why Plan?

- Do you lie awake in the middle of the night thinking about your business?
- Do you get the feeling that you and your senior staff are lacking direction?
- Are you doing what you're doing because that's what you've always done?
- Are you regularly fire fighting?
- Is your financial situation under pressure?
- Could you be doing better?

What is a Business Plan

Business Planning is a structured process that puts down on paper

“where you are, where you want to be and how you’re going to get there”.

Whos it for?

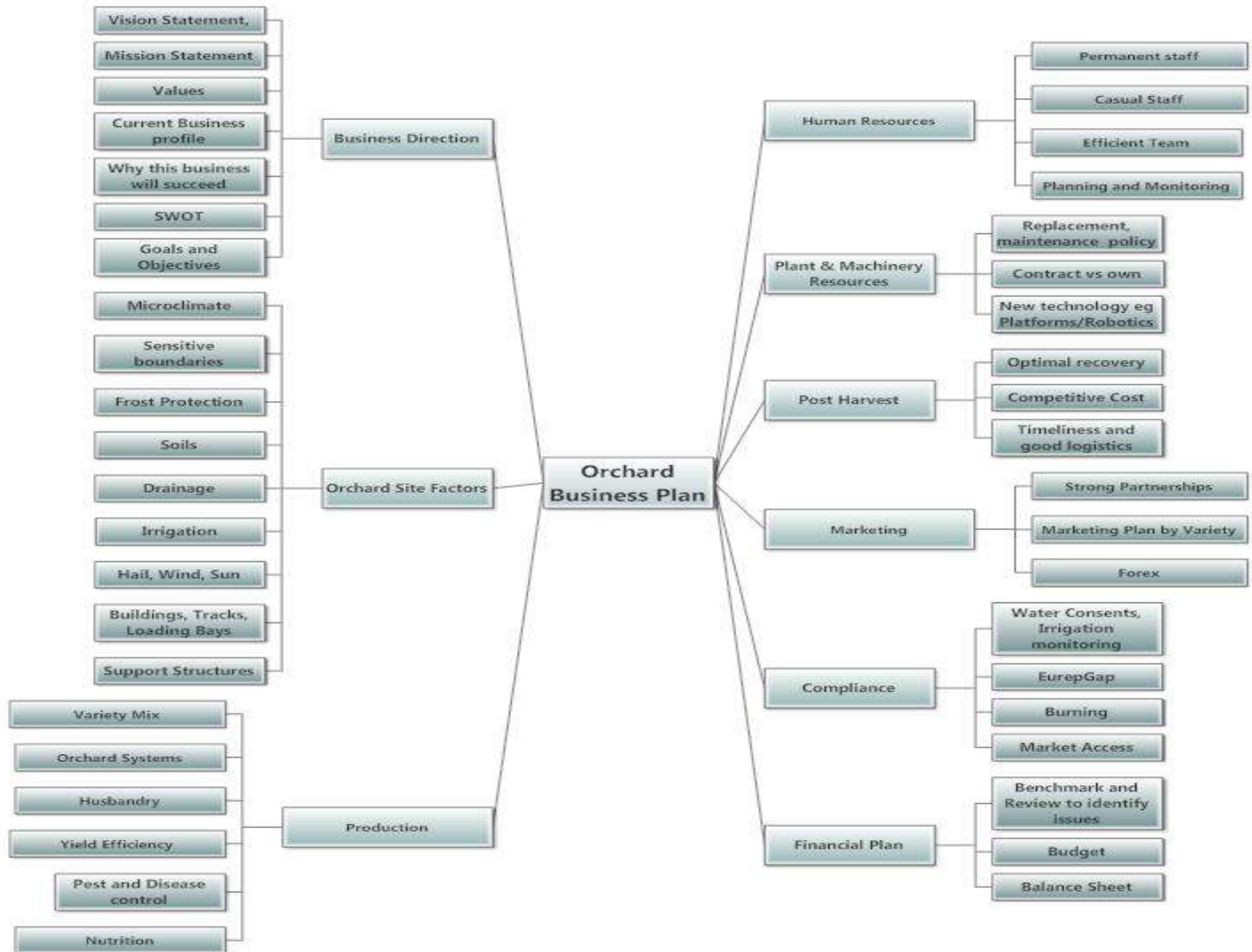


- Me
- Spouse
- Family
- Senior staff
- Consultant
- Banker
- Investors
- Key Stakeholders



Focus Orchards Business Plan

- Vision and Objectives: where do they want the business to go
- Tactics: how does it get there
- Budget: What will it cost, is it financially good business.



Sunpeach Business Plan



1.1 Vision Statement

Sunpeach Orchard achieves a 10% ROI, is a leading example of modern fruitgrowing and is a enjoyable and sustainable environment to work and live.



1.6 → SWOT¶

Strengths: characteristics of the business, or project team that give it an advantage over others¶

- → Joint skills of Ross and Howie¶
- → Lower risk due to property spread¶
- → Large network of industry contacts¶
- → Good information systems¶

Weaknesses (or Limitations): are characteristics that place the team at a disadvantage relative to others¶

- → High cost structure¶
- → Small scale¶
- → Spread out locations¶

Opportunities: °external° chances to improve performance (e.g. make greater profits) in the environment¶

- → Improve variety mix¶
- → P-Rose and P-Queen to Asian markets¶
- → Lift 80% of the blocks to 80% upper quartile¶
- → Increase scale¶
- → Lower cost of production through better efficiency of labour and machinery¶
- → Move to one location¶

Threats: °external° elements in the environment that could cause trouble for the business or project¶

- → Hail storm¶
- → Market Financial Problem¶
- → High long term Forex rates¶

“SMART” Objectives

- Specific
- Measurable
- Achievable
- Relevant
- Time framed

Objectives

- To have exited standard Fuji production by 2013
- To have 70% of blocks achieving Upper Quartile Performance by 2013
- To bring production costs below industry average taking account of management wages during the 2013 season.
- Ross's input to the orcharding business to drop to 83 hrs per year by 2014
- Purchase or lease a neighbouring block to increase productive area to 20ha by 2015
- Upgrade main tractor to be able to spray, mulch and load by winter 2013
- For the orchard, buildings and machinery to be kept in a tidy, well maintained state continuously

KPI's

- Labour cost ~ weekly updates on labour costs per block from the AgFirst labour database
- Monthly Cashflow ~ Cash Manager Reports Actual against budget to be made available monthly.
- Annual Profitability ~ Benchmarked against the AgFirst MPI Industry database annually in May.
- Block performance ~ Regularly updated through OrchardNet and benchmarked against the OrchardNet HB Upper Quartile.
- Soil and Plant Moisture ~ Measured weekly with AgFirst HortWatch and Crop IR log
- Pest and Disease ~ Pipfruit NZ website to watch all infection risks, infection events, and spray timing for pests. Orchard walks as per the IFP manual for WAA, scale, bronze beetle, blackspot and powdery mildew.
- Fruit Size Gala and Jazz blocks to be measured weekly by AgFirst Hortwatch
- Regular market updates to be able to update OrchardNet budgets regularly.



2011
Rosy Glow
Australia

Block Analysis Report

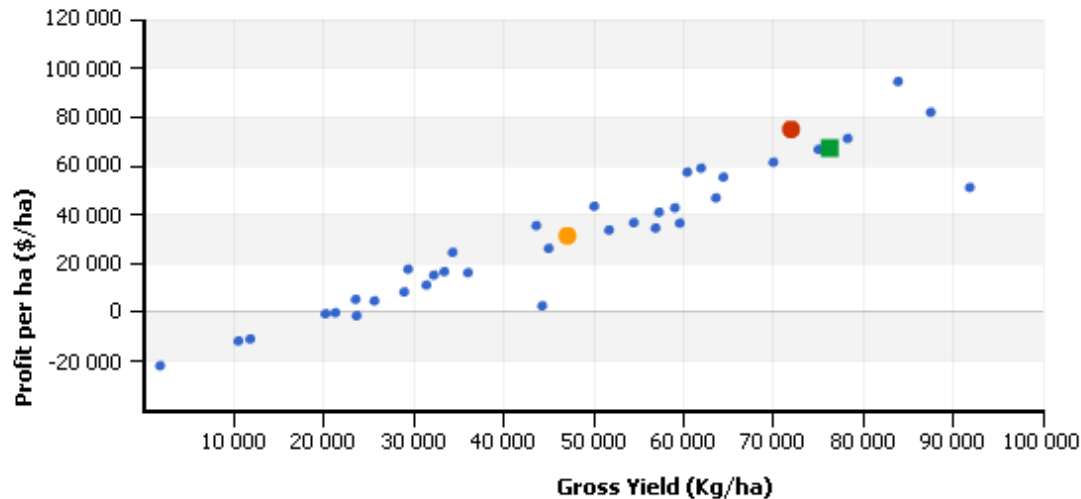


36 Blocks Assessed

Comparison: Type - Pink Lady

Actual industry costs and returns are not currently available for this year, so estimate values have been used

chart by amCharts.com



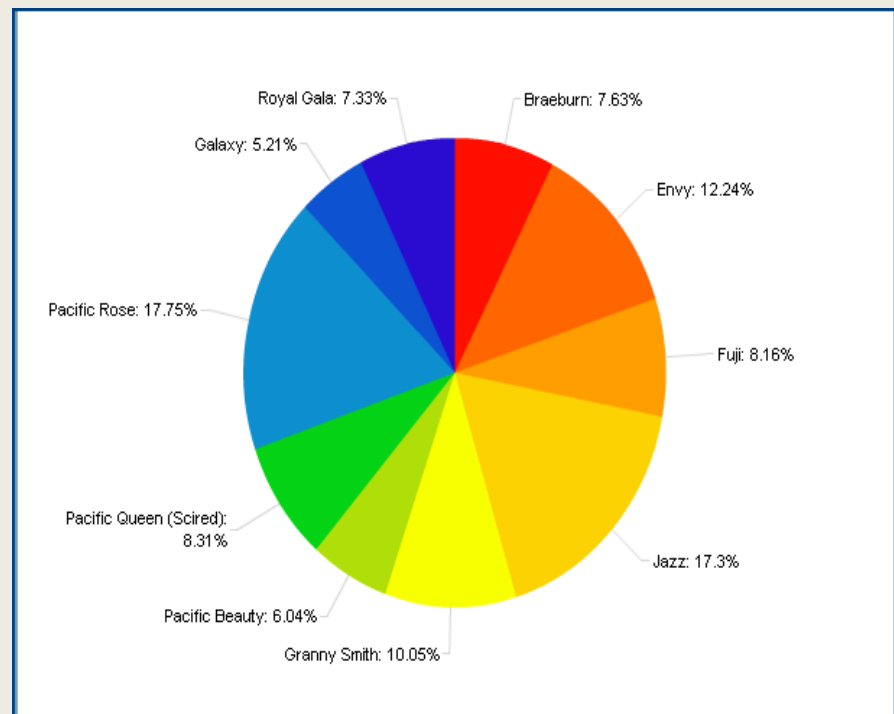
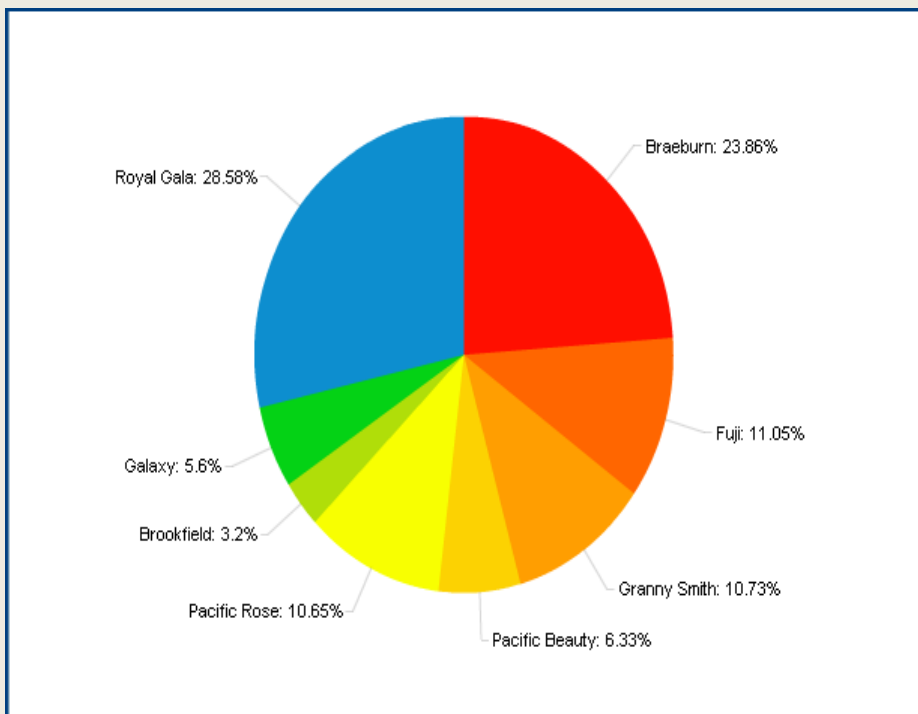
Rank	Block Name	Gross Kg per ha	Class 1 Kg per ha	Packout	Fruit Wt (g)	Income	Profit
	Upper Quartile	76,276	60,331	79%	181	\$145,913	\$67,214
	Average All	47,070	35,713	74%	185	\$88,226	\$31,333
1		91,871	55,122	60%	205	\$132,167	\$51,199
2		87,500	70,000	80%	188	\$169,152	\$81,970
3		83,846	79,654	95%	181	\$185,651	\$94,696
4		78,248	62,599	80%	170	\$151,698	\$71,219
5		75,001	58,501	78%	181	\$144,281	\$66,919
6	Rosy Glow 07	72,000	64,800	90%	176	\$154,614	\$74,985
7		70,000	56,250	80%	181	\$136,117	\$61,485
8		64,435	51,548	80%	165	\$125,938	\$55,465
9		63,584	44,509	70%	181	\$113,601	\$46,990
10		61,940	54,507	88%	176	\$130,382	\$59,187



Variety Mix

2003

2013



5 → Plant & Machinery Resources ¶

5.1 → Replacement and Maintenance Policy ¶

Describe both the replacement and maintenance policies. ¶

- → MF185 ~ Hydraulics to be fixed winter 2012 ¶
- → MF35X ~ Oli-leaks to be fixed ¶
- → DB ~ Water-leak and muffler to be replaced winter 2012 ¶
- → Universal ~ Can fuming be lowered? ¶
- → Hydralada, cables and hydraulic motors ¶
- → THO wind machine ~ Maintain ¶

Ultimately we need to replace the MF185 with a good 75hp narrow tractor that has forklift and mulching capability maybe 2013 if we make some money. ¶



Our
dream
machine

Envy M9 Block Planning

Block Notes:

add a year: 2010

x Year Note

X2013 Run top wire and attach tree to wire. Minimal prune, lift some lower branches, Aim for 11 fruit per cm². GA4+7 for russet control 2 shots. Calibra 2 shots early, Chem thin with BA700/ANA10 mix. Good PM control, Control 2nd generation ALCM with Movento, keep irrigation going reg and often thru Nov and Dec. Spray with Captan phosgard and and autumn nutrition in the autumn

X2012 Good crop, maybe slightly overcropped at 11/cm². Apply Urea at budburst banded at 100kg/ha, GA4+7 for russet control 2 shots. Calibra shots early, Chem thin with BA700/ANA10 mix. Good PM control, Control 2nd generation ALCM with Movento, keep irrigation going reg and often thru Nov and Dec. Thin to 11 fruit/cm². Keep on top of harvest to avoid calyx cracking. Spray with Captan phosgard and and autumn nutrition in the autumn

X2011 No Oil. GA4+7 for russet control . Apply Urea at budburst banded at 100kg/ha, then again in late Oct. Chem thin with BA700/ANA10 mix then Carb. Calibra shots early, Control 2nd generation ALCM, keep irrigation going reg and often. Thin to 7 fruit/cm². 1st pick a few days too late resulting in calyx end cracking

Envy Block Production vs Tree Age

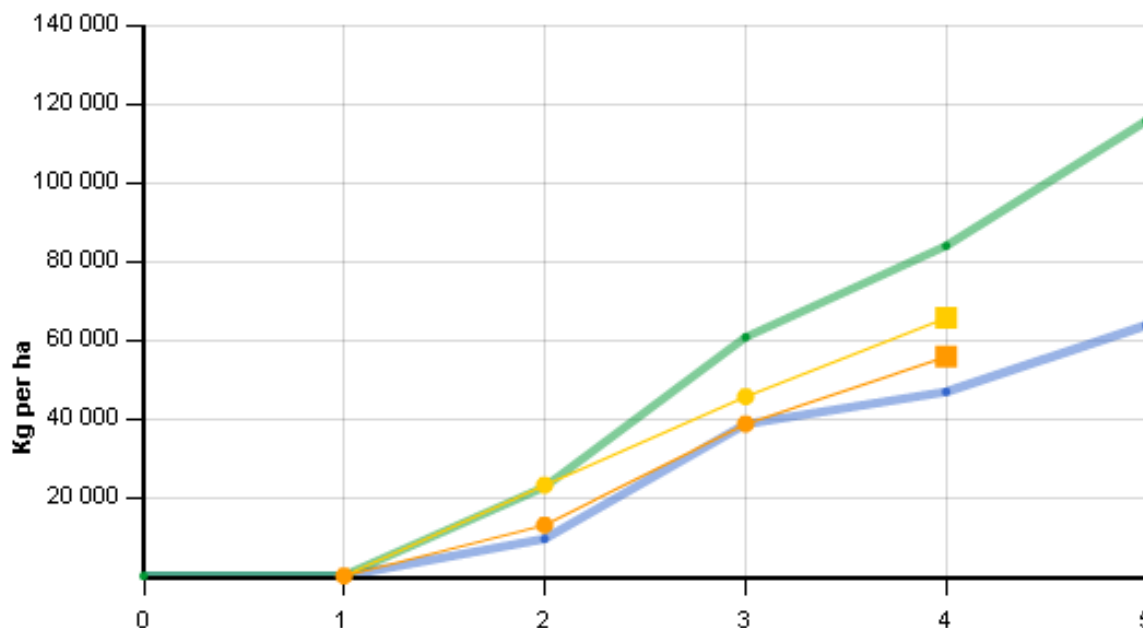


Kg Per Ha Type - Envy

Sunpeach - Sunpeach Thompson - Envy M9

● Round bullets indicate actual production. ■ Square bullets indicate estimated production.

chart by amCharts.com



✓ Database Average Gross Kg/ha

✓ Database Upper Quartile Gross Kg/ha

✓ Envy M9 Gross Kg/ha

✓ Envy M9 Class 1 Kg/ha

Tree Age (years)



Company: Sunpeach
 Property: Sunpeach Thompson
 Block: Envy M9

Thinning Report

Season Ending 2013



Blockname	Ssn	Gross Kg/ha	Class1 Kg/ha	Fruit Harvested Weight (g)	Fruit /Tree	TCA Harvested /TCA	Tree Pickout %	Target Fruit/Tree post-thin	Actual Fruit/Tree pre-thin	Actual Fruit/Tree post-thin
<u>Sunpeach Thompson</u>										
<u>Envy</u>										
Envy M9	2013	65,574	55,738	230	115	11.5	10.0	90	128	-
	2012	45,512	38,685	224	82	8.0	10.2	90	91	95
	2011	23,104	12,902	282	33	4.1	8.0	90	37	60
	2010	0	0	280	0	2.3	0.0	90	0	-

Orchardnet® is a product of AgFirst

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The resources are there for you free.

1. Business Planning Notes
2. Orchard Business Plan Template
3. OrchardNet

All you need is your teams minds, and
someone who can write it down.

It will make a difference!

