



This newsletter has been produced as part of the Future Orchards® program. Future Orchards is a strategic levy investment under the Hort Innovation Apple and Pear Fund. It is funded by Hort Innovation using the apple and pear levy and funds from the Australian Government and is delivered by APAL and AgFirst.

Future Orchards
Business Development Group
Update

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IN THIS ISSUE

Returns and Costs Update

From our annual Orchard Business Analysis project we have recently updated the OrchardNet website with the industry average returns and costs for the 2021 and 2022 seasons, and an estimate for 2023.

This gives all OrchardNet users the power to generate profitability reports based on their own production.

Just enter in your production (Gross, Class 1 and average fruit size).

Dashboard

Production and profitability at a quick glance with three years' history and variety.

Block Profit

One of the many powerful reports in OrchardNet is the block profit report, which leverages these industry averages to give you a full breakdown by block and the ability to compare previous years. The profit calculation considers the size distribution based on your average fruit weight and also the high grade fruit percentage to make this as accurate as possible.

Block Profit Summary

This shows your block profitability in a concise report with a block per line.

**OrchardNet Your
business production
and profitability at
a quick glance.**

<http://www.orchardnet.co.nz>

As part of the Future Orchards project, OrchardNet is provided to Australian growers for free (up to 1200 blocks total). Please contact adrian.stone@agfirst.co.nz if you would like to give it a go.

Company dashboard

APAL Australian Model Dashboard



Analysis where Industry average variety returns and costs exist for the season

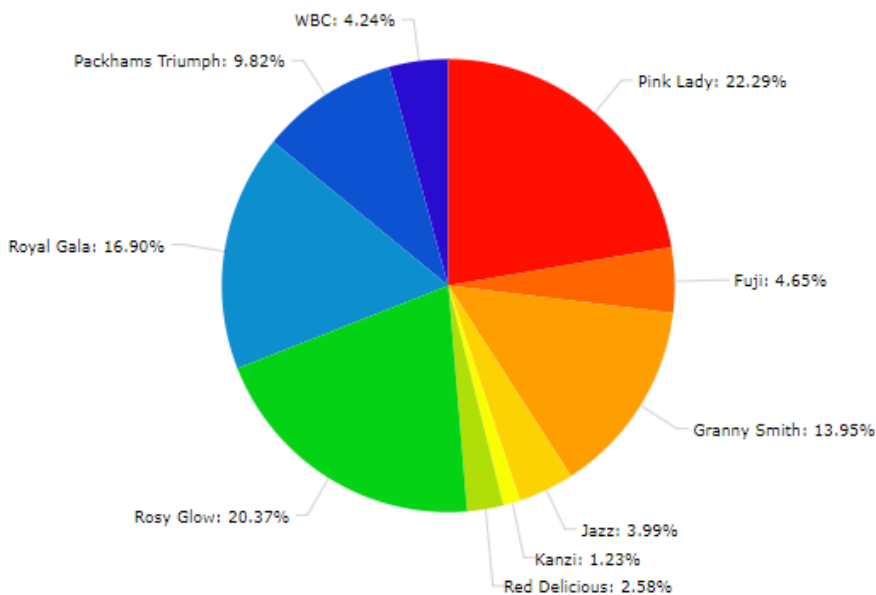
For totals to be accurate all block data must be entered including pack outs and fruit size.

| | 2022 | 2021 | 2020 |
|-------------------|-----------|------------|-----------|
| Area | 40.0 | 40.0 | 40.0 |
| Gross Kg | 2,039,743 | 1,983,014 | 1,835,959 |
| Class 1 Kg | 1,471,938 | 1,447,942 | 1,326,032 |
| Gross t/ha | 50.99 | 49.58 | 45.90 |
| Ave Fruit wt | 173 | 171 | 174 |
| Overall Class 1 % | 72% | 73% | 72% |
| Overall HG % | 24% | 34% | 11% |
| Profit | \$-86,359 | \$-278,771 | \$657,195 |
| Profit / ha | \$-2,159 | \$-6,969 | \$16,430 |

| Season 2022 variety analysis | | | | | |
|------------------------------|-------------|------------|-----------|------|--------|
| Variety | Gross Kg/ha | Total Bins | Class 1 % | HG % | Avg Wt |
| Pink Lady | 60,746 | 1,093 | 75% | 50% | 173 |
| Fuji | 42,529 | 255 | 67% | 60% | 180 |
| Granny Smith | 54,828 | 713 | 72% | 0% | 180 |
| Jazz | 38,117 | 191 | 77% | 0% | 165 |
| Kanzi | 33,665 | 67 | 67% | 0% | 180 |
| Red Delicious | 37,225 | 112 | 85% | 0% | 180 |
| Rosy Glow | 73,049 | 950 | 79% | 0% | 175 |
| Royal Gala | 35,124 | 808 | 77% | 60% | 150 |
| Packhams Triumph | 56,439 | 564 | 64% | 0% | 180 |
| WBC | 49,503 | 347 | 45% | 0% | 165 |
| Totals | 50,994 | 5,099 | 72% | 24% | 173 |

chart by amcharts.com

2022 Season Class 1 Kg by variety



Block Profit

APAL Australian Model
 Australian Model - A
 Pink Lady

Cripps Pink



Industry average returns and costs

| Block Description | 2022 Actual | | | | 2021 Actual | | | | 2020 Actual | | | |
|--------------------------|-------------|-------------|---------------|------------|-------------|-------------|---------------|------------|-------------|-------------|---------------|------------|
| | Trees | Age | Area | Trees/ha | Trees | Age | Area | Trees/ha | Trees | Age | Area | Trees/ha |
| | 9000 | 32 yrs | 7.200 | 1,250 | 9000 | 31 yrs | 7.200 | 1,250 | 9000 | 30 yrs | 7.200 | 1,250 |
| Yield | Kg /Tree | Gross Kg/ha | Class 1 Kg/ha | Tonnes /ha | Kg /Tree | Gross Kg/ha | Class 1 Kg/ha | Tonnes /ha | Kg /Tree | Gross Kg/ha | Class 1 Kg/ha | Tonnes /ha |
| Gross yield | 48.6 | 60,746 | 45,559 | 60.7 | 43.7 | 54,566 | 40,242 | 54.6 | 41.6 | 52,000 | 40,040 | 52.0 |
| Average Fruit Wt (g) | 173 | | | | 175 | | | | 173 | | | |
| Submitted to Packhouse | 100% | | | | 100% | | | | 100% | | | |
| Class1 Recovery | 75% | | | | 74% | | | | 77% | | | |
| Recovery and Returns | Class 1 HG | Class 1 SG | Class 2 | Process | Class 1 HG | Class 1 SG | Class 2 | Process | Class 1 HG | Class 1 SG | Class 2 | Process |
| Recovery | 0% | 75% | 11% | 14% | 0% | 74% | 11% | 16% | 0% | 77% | 11% | 12% |
| Returns | \$0.00 | \$2.12 | \$0.82 | \$0.21 | \$0.00 | \$1.85 | \$0.76 | \$0.28 | \$0.00 | \$2.74 | \$1.20 | \$0.27 |
| Direct Financial Result | \$/Tree | \$/Gross Kg | \$/C1 Kg | \$/Ha | \$/Tree | \$/Gross Kg | \$/C1 Kg | \$/Ha | \$/Tree | \$/Gross Kg | \$/C1 Kg | \$/Ha |
| INCOME | 83.15 | 1.71 | 2.28 | 103,938 | 64.84 | 1.49 | 2.01 | 81,047 | 94.73 | 2.28 | 2.96 | 118,411 |
| Packing | 32.56 | 0.67 | 0.89 | 40,700 | 28.81 | 0.66 | 0.89 | 36,014 | 27.87 | 0.67 | 0.87 | 34,840 |
| Packaging | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 | 0 |
| Coolstorage | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 | 0 |
| Freight | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 | 0 |
| Total post harvest costs | 32.56 | 0.67 | 0.89 | 40,700 | 28.81 | 0.66 | 0.89 | 36,014 | 27.87 | 0.67 | 0.87 | 34,840 |
| ORCHARD GATE INCOME | 50.59 | 1.04 | 1.39 | 63,238 | 36.03 | 0.83 | 1.12 | 45,033 | 66.86 | 1.61 | 2.09 | 83,571 |
| Prune | 3.59 | 0.07 | 0.10 | 4,490 | 3.35 | 0.08 | 0.10 | 4,193 | 2.99 | 0.07 | 0.09 | 3,737 |
| Thin | 4.86 | 0.10 | 0.13 | 6,075 | 3.49 | 0.08 | 0.11 | 4,365 | 3.15 | 0.08 | 0.10 | 3,935 |
| Harvest | 10.69 | 0.22 | 0.29 | 13,364 | 8.73 | 0.20 | 0.27 | 10,913 | 7.49 | 0.18 | 0.23 | 9,360 |
| Other orchard exp | 19.85 | 0.41 | 0.54 | 24,813 | 21.69 | 0.50 | 0.67 | 27,107 | 19.96 | 0.48 | 0.62 | 24,950 |
| Management fee | 3.58 | 0.07 | 0.10 | 4,480 | 3.53 | 0.08 | 0.11 | 4,411 | 3.43 | 0.08 | 0.11 | 4,283 |
| Total orchard expenses | 42.58 | 0.88 | 1.17 | 53,222 | 40.79 | 0.93 | 1.27 | 50,989 | 37.01 | 0.89 | 1.16 | 46,265 |
| TOTAL EXPENDITURE | 75.14 | 1.55 | 2.06 | 93,922 | 69.60 | 1.59 | 2.16 | 87,003 | 64.88 | 1.56 | 2.03 | 81,105 |
| PROFIT | 8.01 | 0.16 | 0.22 | 10,016 | -4.77 | -0.11 | -0.15 | -5,956 | 29.84 | 0.72 | 0.93 | 37,306 |

Block Profit Summary

APAL Australian Model
 All Properties
 Industry returns and costs

Block Profit Summary



| Blockname | 2022 | | | 2021 | | | 2020 | | | 3 Yr Avg (per ha) | 6 Yr Avg (per ha) |
|--------------------------------|-------------|---------------|----------------|-------------|---------------|-----------------|-------------|---------------|----------------|----------------------|----------------------|
| | Area | \$/ha | Total | Area | \$/ha | Total | Area | \$/ha | Total | | |
| <u>Australian Model</u> | 40.0 | -2,159 | -86,359 | 40.0 | -6,969 | -278,771 | 40.0 | 16,430 | 657,195 | 2,434 | 4,375 |
| Fuji | 2.4 | -745 | -1,788 | 2.4 | -11,198 | -26,875 | 2.4 | -6,675 | -16,020 | -6,206 | -1,602 |
| Granny Smith | 5.2 | -5,183 | -26,950 | 5.2 | -5,027 | -26,143 | 5.2 | 11,873 | 61,742 | 554 | 5,208 |
| Jazz | 2.0 | 17,630 | 35,260 | 2.0 | 14,105 | 28,210 | 2.0 | 32,313 | 64,625 | 21,349 | 20,316 |
| Kanzi | 0.8 | -3,542 | -2,833 | 0.8 | -707 | -566 | 0.8 | -12,894 | -10,315 | -5,714 | -8,285 |
| Packhams | 4.0 | -28,767 | -115,067 | 4.0 | -22,285 | -89,139 | 4.0 | -10,711 | -42,844 | -20,588 | -15,733 |
| Cripps Pink | 7.2 | 10,016 | 72,117 | 7.2 | -5,956 | -42,885 | 7.2 | 37,306 | 268,600 | 13,789 | 18,227 |
| Rosy Glow | 5.2 | 24,935 | 129,661 | 5.2 | 7,971 | 41,447 | 5.2 | 62,329 | 324,112 | 31,745 | 25,825 |
| Red Delicious | 1.2 | -4,784 | -5,741 | 1.2 | -13,816 | -16,580 | 1.2 | -5,745 | -6,894 | -8,115 | -6,228 |
| Royal Gala | 9.2 | -7,223 | -66,455 | 9.2 | -4,802 | -44,183 | 9.2 | 7,605 | 69,970 | -1,473 | 253 |
| WBC | 2.8 | -37,344 | -104,564 | 2.8 | -36,449 | -102,058 | 2.8 | -19,922 | -55,780 | -31,238 | -26,913 |
| Company Totals | 40.0 | -2,159 | -86,359 | 40.0 | -6,969 | -278,771 | 40.0 | 16,430 | 657,195 | 2,434 | 4,375 |

Orchardnet® is a product of AgFirst
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