



Post-AGM notes to members

The 25th Annual General Meeting of Summerfruit New Zealand was held today in Wellington (5th August).

In addition to the Board and staff, 13 producer members and 1 exporter attended the meeting and were addressed by Chairman Tim Jones.

Tim spoke about the four major challenges facing Summerfruit NZ, and identified renewal of the commodity levy as the single biggest issue facing Summerfruit NZ at this time. He also spoke about the planned independent industry review, which will get underway as soon as feasible. It is the Board's expectation that the industry review will be completed prior to the next AGM in May 2020. Tim's full address is at the end of this email.

Five resolutions were put to the meeting and the outcome of those resolutions were:

Resolution 1

That the Board shall appoint financial auditors for the 2019-20 year.

Moved by: Summerfruit NZ Board

Resolution 1	Number of votes	Hectares	Outcome
For	61	1,307	Carried
Against	0	0	

Resolution 5

That a reduction in the commodity levy across summerfruit come into effect. The level of the reduction would need be determined after Summerfruit NZ's functions which are important or essential to Producer Members are considered and consulted on and the level of funding needed for those functions established and verified. The proposed level of the reduction would then be subject to a legally binding vote by Producer Members.

Moved by: Henry van der Velden

Seconded by: H&J Roberts Ltd

Withdrawn

Resolution 2

That for the 2019-20 year or until further notice, the levy rate should remain:

- 1.5% (plus GST) for peaches, nectarines, plums, apricots and the hybrids thereof;
- 0.75% (plus GST) for cherries.

Moved by: Summerfruit NZ Board

Resolution 2	Number of votes	Hectares	Outcome
For	48	732	Carried
Against	13	575	

Resolution 3

That the business plan, strategy and funding model anticipated by Sensational Summerfruit: A Bold Plan for Growth (Bold Plan) be subject to a legally binding vote by all Producer Members on whether to reject or accept it (such voting process to be conducted independently of the Annual General Meeting as a postal vote).

Moved by: N S & E N Hinton Limited

Seconded by: Dunstan Hills Ltd

Withdrawn

Resolution 4

The Summerfruit Industry must conduct an Independent review of its current structure prior to the Commodity Levy Renewal, to ensure that it will best meet the needs of the summerfruit stakeholders going forward.

Moved by: Dunstan Hills Limited

Seconded by: NS & EN Hinton Ltd

Withdrawn on the commitment from the Board that an independent Industry Review be conducted as soon feasible.

Next steps

The table below shows significant activities on the Summerfruit NZ calendar over the next year.

We will update you on developments as we progress through these projects.

If you have any queries, please contact a Board or staff member and we will do all we can to provide you with the information you need.

Summerfruit NZ Chairman, Tim Jones 's address to AGM

I'd like to welcome everyone to this re-scheduled AGM and I thank members for making the effort to attend the meeting in Wellington.

Our industry currently faces a number of challenges.

They include:

- the renewal of our commodity levy
- the biosecurity levy
- the future of the proposed Sensational Summerfruit, and
- the review of our organisation to ensure it is match fit for the future.

Of all of those challenges, the Board has identified renewal of the commodity levy as the single most important issue facing us right now.

Make no mistake... without the ability to set a levy, Summerfruit NZ's future is in jeopardy.

If we are put in a position where we spend just one season with no levy (the source of more than 70% of our total income), our future existence will be threatened. This would mean an end to industry work on market access, biosecurity, agchemicals and all the other services we provide to producer and exporter members.

We are an organisation of 9 directors (each of whom has a job or businesses of their own) and seven employees. We work tirelessly to further the interests of our industry. We do this because we have a passion and we believe in the future of this industry.

Summerfruit NZ needs your support to do this.

The renewal of the industry levy is a prescribed process, complicated in this case by the summerfruit season and the demands it places on our members' time; and the likely timing of New Zealand's 2020 general election.

Once we complete the intensive stages of consultation and balloting on the commodity levy review, it moves on to official and political stages in the process, and Board and staff members are no longer as intensely involved.

That's when we can turn our attention to the industry review – consulting members, drawing up the terms of reference for the review, seeking proposals from potential external providers, and then getting the actual review underway.

The Board and management of Summerfruit NZ strongly support an independent review of our organisation.

We have been in existence for 25 years.

Much has changed in our industry in that time.

There has also been a lot of change all around us – to markets, to environmental concerns, to every aspect of our operations.

It is good to take time to reflect on what we have achieved, the challenges that lie ahead of us and how our organisation needs to be structured to meet those challenges.

Your Board believes that the review is so important that other major decisions should be put on hold until the review is completed.

The only exception to this is the commodity levy review – without which there will be **no future** for our organisation.

We always welcome constructive discussion and debate that takes into account the interests of all of our members.

We are an incorporated society and exist to support producers, exporters and others associated with our industry – whether they are small or large, regardless of location or length of time in the industry.

Our strength is in our ability to work together as a group.

It is your industry ... you have a say... and your views matter.

I would like to also acknowledge the work of my fellow Directors over the last year. I thank them for their support and passion for our industry and the many hours they spend away from their businesses and families. Can I also take the opportunity to thank Marie and her dedicated team in Wellington. You have once again gone above and beyond in your roles and on behalf of our growers and the Board, I thank you.

I must mention Earnscy Weaver and Simon Tallon who have recently moved on from the Board. Simon has been a great NZ market representative, always putting industry first and I wish him well in his new roles at Fresh Direct. Earnscy's contribution to industry affairs he's been huge over many years. His passion for research is second to none but his own orchard, a growing troop of Grandchildren and the eternal hope that natural ice will form draw him back to Alexandra. Congratulations on your recent life membership award Earnscy and many thanks on behalf of the industry.

Can I also mention Trudi Webb, one of our new Directors who just last week was awarded the Horticulture NZ Presidents Trophy for young people showing promise in industry business and leadership. Congratulations to Trudi and welcome also to Rob Hollier from MG Marketing who replaces Simon as NZ market representative.

Timeline

2019	5 August	Summerfruit NZ 25 th AGM
	August	Commodity levy review consultation begins.
	16 October – 8 November	Commodity levy referendum.
	No date confirmed however initial work around terms of reference and appointing an independent review is expected to start towards the end of this year.	Independent industry review work begins: <ul style="list-style-type: none"> • development of terms of reference • seeking proposals from potential providers • contracting a provider • reviewers consult Summerfruit NZ members • reviewers consult other industry stakeholders • report back to Summerfruit NZ board • review outcomes shared with Summerfruit NZ members
2020	30 January - October	Commodity levy application goes to MPI for review before being submitted to cabinet for approval, going to the Governor General for approval, to the Parliamentary Counsel Office for drafting of the order itself and for gazetting of the order. The goal is to have this process completed before the start of the new summerfruit season.
	April	Board meeting where Board members will determine the Board's position on the future of Sensational Summerfruit.
	May	Summerfruit NZ AGM. Summerfruit NZ members will be asked to vote on the future of Sensational Summerfruit.
	18 August	Current commodity levy order expires.
	1 November	New commodity levy must be in place for the start of the 2020-21 season.