

DRAFT STRATEGIC PLAN 2008 – 2020

AND ANNUAL PLANS 2008/9, 2009/10 & 2010/11

Introduction

We are a young industry with big challenges ahead.

So far we have achieved a great deal as listed in the Plan and the detailed SWOT analysis.

We have been laying some solid foundation structures which are supporting and strengthening our industry into the future.

However there are some further very important foundations we should lay as urgent priorities:

- all agree on our strategic priorities, set 1 year plans, regularly review them and develop success measures;
- secure additional funding by way of an industry commodity levy so that we can bring forward important educational research and promotional actions that are listed in our future Plans;
- enhance our communication structures to ensure we are all a united voice for our industry;
- introduce a strong governance structure.

We look forward to your inputs on these draft Plans as we work together to meet the challenges and create a positive future for our industry.

Jim Syme
President
Olives New Zealand

What members have achieved so far

- We have an industry comprising approximately 1 million trees with many different models of operation.

Currently within the membership of ONZ of approximately 350 growers we have the following categories of grove:

- Large: 10,000 to more than 40,000 trees
- Medium: 3,000 to 8,000 trees
- Small: under 3,000 trees.

Most producers grow for oil production but we have 1 large table olive producer, a number of much smaller producers and 1 large olive oil-based skin care product manufacturer.

Olive production was estimated to be: 200,000 litres in 2006

185,000 litres in 2007

220,000 litres in 2008

It is expected that annual production will steadily increase for the foreseeable future.

As an industry we have:

- comprehensive research programmes prioritised as to the resources and funding available from the Sustainable Farming Fund, Foundation of Research in Science and Technology and other research funding organisations, and in the future increased funds flowing from an industry commodity levy;
- education to promote knowledge and understanding of the NZ olive industry and its products, and to enhance the skills of members
- yearly training courses for olive oil processors;
- ONZ / New Zealand Trade and Enterprise (NZTE) / Horticulture New Zealand (HortNZ) initiated expert visits to regions discussing olive growing, harvesting, processing and oil quality, and passed on information to members regarding business skills and exporting seminars;
- 12 Regional Groups (some with partial funding by ONZ) working to share and transfer knowledge in their area and with other regions;
- increasing opportunities for ONZ to promote NZ oils and olive products internationally, resulting in increased awareness of our excellent quality standards and enhancing our reputation as a premium producer;
- membership of Hort NZ as a product group, which allows the opportunity to seek grants for research and development through Hort NZ in the future and for support in the generic areas of labour relations, seasonal labour, bio-security, environment, education and training and country of origin labelling;
- industry and quality standards for the growing and processing of olives and a certification programme for extra virgin olive oil;
- IOC recognised and accredited olive oil sensory panel;
- annual conferences at which growers, processors and marketers meet to discuss industry issues, exchange experiences, learn new techniques and network;
- annual competitions that foster continued improvement in the quality of NZ EVOO and give producers the opportunity to benchmark their oils against other NZ oils. The awards also help to increase public awareness and highlight the quality of NZ oils in the market;
- invited international guest judges for annual competitions to benchmark the standard of NZ oils against international standards and to promote the excellent standard of New Zealand extra virgin olive oils internationally;
- good relationships with New Zealand Trade and Enterprise, and the Ministry of Foreign Affairs and Trade.

As well:

- we are responding to an increasing number of requests to promote NZ olive oils and olive products internationally. For example: a quality programme in Belgium, an olive cultural event in Spain, contributions to prestigious guide books in Italy and Germany and competitions in the USA, Canada and Europe;
- we regularly organise tasting seminars for overseas celebrity chefs and other international guests brought to NZ by NZTE;
- since 2003 members have been invited to judge at the Los Angeles international competition;
- we arrange for members to be guest speakers at conferences (NZIFST, Oils & Fats Specialist Group of the NZ Institute of Chemistry) and organise tasting seminars such as those for the NZ Guild of Food Writers and NZ Chefs' Association) whenever possible;

- we liaise with journalists who wish to write about the olive industry and members write articles for magazines and scientific publications, and contribute chapters to scientific books;
- we are assisting NZFSA, through annual surveys, to support New Zealand's case to the Codex Oils and Fats Committee to ensure the standards for the composition of extra virgin olive oil are equitable.

What we are yet to achieve

- NZ Government recognition that ONZ is the official industry body for all growers. We are advised that this will happen when growers approve a commodity levy
- excellent collaboration and communication between the Executive, regional groups and members;
- comprehensive research and development projects for the benefit of members. However, because of funding constraints a delay in implementation is likely;
- generic promotion of the unique qualities (particularly health benefits, taste and flavour) of NZ EVOO and olive products to New Zealanders by building a platform for individual producers to increase market share for their EVOO and other olive products;
- to build a promotional programme in selected overseas countries for individual producers to sell their EVOO and other olive products;
- reliable statistical data: annual update of each member's data base and Regional Chairs to maintain a data base of non-member information and provide 'best guess' update annually. Close co-ordination with Statistics Department and other services, such as market research from A C Nielson. Currently we have difficulty sourcing reliable information as many producers see this data as commercially sensitive. This cannot continue, so data collection is now organised through an independent source i.e. Horticulture New Zealand;
- to implement environmental sustainability for all growers;
- to grow the share of local market sales for New Zealand produced EVOO (we are striving to get accurate data on local sales with current figures indicating that NZ EVOO only has a 2% share of local supermarket, Four Square and wholesale sales. 2007 A C Nielsen statistics show the total for these sales of olive oil in New Zealand to be worth approximately \$34 million of which New Zealand oil only accounts for \$717,000. Likewise Statistics New Zealand/NZTE figures show 2007 exports of New Zealand olive oil to be approximately \$338,000. However some members are disputing these figures (which could be the result export data not being properly compiled) and we will continue to attempt to obtain as accurate data as possible.

SWOT ANALYSIS

Strengths

- Represents a significant number of NZ olive growers.
- Recognised by a number of official bodies as the organisation representing the NZ olive industry.
- It is the repository of a large body of intellectual property.
- Has a quality programme in place for extra virgin olive oil – ONZ Certification Programme.
- Assists with producer education to raise standards in the industry through seminars, conferences and published material.
- Organises courses for olive oil processors to ensure processing techniques and standards result in high-quality extra virgin olive oil.

- Has obtained a second SSF grant to study harvest maturity, the result of which should result in improved quality and quantity of EVOO in NZ.
- Has a web-based IOP Manual for members.
- Has a Food Control Plan template.
- Spin off overseas from NZ as a producer of high-quality foods and wine.
- Most producers receive high retail prices for their oil as they continue to pursue top-end space in niche markets.
- NZ oils are recognised as being of very high quality internationally and routinely gain medals and awards in overseas competitions.
- The 'mana' of having an accredited sensory panel.
- Runs the annual ONZ National Extra Virgin Olive Oil Awards.
- Experience and demonstrated ability in running scientifically valid well organised competitions.
- Support from MFaT.

Weaknesses

- Lack of an appropriate strategic plan / good governance.
- Does not include all NZ olive growers.
- Lack of funding and financial issues.
- Lack of an industry levy.
- Communication could be improved – difficulty in establishing two-way dialogue.
- In many areas the association's executive has been reactive rather than proactive.
- Members are not united and do not share many common goals.
- Lack of an accurate data base and statistics relating to the industry.
- No academic centre of olive research established - lack of ongoing research appropriate for NZ and NZ olive growers.
- Overall structure of the association (no associate or corporate members).
- The sensory panel does not have recognition as the 'official panel' for NZ and may not maintain IOC recognition/accreditation.
- Cost structure of some producers means they do not make money and therefore don't want to contribute /pay for ONZ programmes or services.
- No effective PR or public education programme.
- Web site requires regular review and enhancement.
- No 'sustainability issues' plan in place.
- Not enough collaboration or alliances amongst producers so as to achieve certainty / reliability of fruit supply and sharing of branding/export/marketing costs.

Opportunities

- Utilise membership opportunities of HortNZ.
- To establish recognition of ONZ by all groups as the body representing and working for the NZ olive industry.
- Inform opinion leaders and consumers of the benefits of the NZ olive industry.
- To attract new members to the association.
- A revitalised executive from experienced leadership.
- To improve governance.
- To develop a cost effective, timely PR plan / strategy. Generate interest in the media through effective promotion / communication.

- To educate NZers about the benefits of NZ extra virgin olive oil.
- Facilitate appropriate research projects and assist members with the implementation of the findings (co-funding / in-kind).
- To develop research links with the scientific community.
- To establish and maintain an accurate data base for the NZ olive industry.
- To encourage the different regions to promote the distinctive style of their oils (possibly using their local generic food label) in a similar way to the very successful wine industry strategy.

Threats

- Lack of funding for ONZ.
- Membership fragmentation and malaise – members not willing to contribute to ONZ.
- Failure to put an industry levy in place.
- Burn out of executive members - lack of others willing to make a contribution.
- Fragmentation amongst the producers in the industry – for the industry to be successful producers need to work co-operatively to market and sell their product both locally and internationally.
- Local and world economy.
- Lack of membership expertise (product and financial).
- Being a horticultural industry with the impacts of seasonal variation etc.
- Olive trees being replaced with grape vines e.g. Marlborough.
- "Carbon footprint" issues.

VISION

That we are the official body representing the New Zealand olive industry.

To facilitate the development of a sustainable New Zealand olive oil industry that produces premium quality extra virgin olive oil and olive products.

To promote New Zealand olive products by providing a platform for individual brand promotion

What Do We Do To Achieve This Vision?

- ascertain a true picture of the current status of the olive industry;
- develop a sustainable olive industry;
- continue to develop cost effective, quality and educational management programmes that assist members to produce high quality olive oil and olive products that provide maximum returns;
- increase ONZ funding by introducing a commodity levy to enable the implementation of the strategic plan.

How Will We Make This Happen?

- members agree to a well- focussed, achievable 3 year plan, prioritised into 2008/9, 2009/10 and 2010/11 Annual Plans that are reviewed annually and rolled forward;
- strengthen governance;
- recruit and engage the many talents of our members – the Executive and Regions work together to achieve objectives;
- employ external expertise where required to achieve objectives.

Mission Statement and Critical Success factors

Olives New Zealand exists to:

- Represent the New Zealand olive industry as the recognised industry body.
- Set, review and maintain quality standards for olive oil and olive products produced in New Zealand.
- Facilitate high quality research.
- Assist in the ongoing development of a sustainable integrated olive industry.
- Implement an ongoing consumer awareness programme to promote quality, character, flavour and health benefits of olive oil and olive products.
- Provide a focal organisation that facilitates progressive direction for stakeholders in the olive industry.

The **Critical Success Factors** for the New Zealand Olive Industry are considered to be:

- **Increasing volumes of high quality extra virgin olive oil and olive products.**
- **A high-quality image and excellent governance.**
- **Premium prices.**
- **Increasing profitability.**
- **Sustainable industry practises.**
- **Minimal environmental impact.**
- **Increase in local market share.**

Issue date : September 2008

7. Establish Traceability Measures for all Olive Oils and Olive Products	Assist members with implementation as required	Producers knowledge developed Producers implement and maintain appropriate data	Technical Committee	
8. Education	Conferences, Regional workshops and Field Days	Members knowledge and skills increase Product quality improvement	Executive, Technical Committee and Regional Chairs	Travel costs and accommodation \$10,000
9. Generic Promotion of NZ Olive Oil and Olive Products to Local Markets	Generate 3 year promotional plan using PR consultant <i>Implement when funding obtained</i>	Monitor and measure increased exposure of NZ olive industry and products Members report increasing sales of olive oil and products in NZ	Promotions Committee	PR fees \$10,000
10. Generic Promotion of NZ Olive Oil and Olive Products in Selected Overseas Countries	Generate 3 year promotional plan using PR consultant <i>Implement when funding obtained</i>	Increasing awareness of the quality of NZ EVOO Increase in exports	Promotions Committee	PR fees \$10,000 Travel costs for attendance at \$10,000 overseas exhibitions etc Freight cost for literature, oils and \$1,000 products
11. Facilitate and Support Specialist Sub-Groups within ONZ	Consider & foster specialist sub-groups if requested e.g. organics, table olives, processors	Increasing membership. Improving quality of products Enhanced knowledge and skills for members	Executive, Regional Chairs and Committees, and existing members	Travel and accommodation costs \$10,000 In-kind support for research \$50,000

Governance

- From the Annual Plan, establish and prioritise the Annual Board Work Plan.
- Seek further volunteers with appropriate expertise and / or professional knowledge and skills (where funding permits).
- Increase collaboration between the Executive and regions by having the Executive Officer and an Executive member attending as many regional meetings as possible. Regional Chairs should aim to attend full executive meetings twice yearly in:
 - February/March for the roll-over of the Strategic Plan;
 - October (at annual conference) for the review of the Annual Plan.
- Review / improvement of meeting process and meeting formats.

Issue date : September 2008

2009/10 Annual Plan (1 August 2009 – 31 July 2010)

Objectives	Projects	Success Measures	Project Responsibility	Personnel / Funding Cost
1. Increase ONZ Funding	Implement Commodity Levy in 2010	Application with MAF	Executive and Regional Chairs Consultations with members and all growers	Consulting fees: \$15,000 Travel fees Administration, Voting papers \$10,000
2. Improve Communications with Members	Continue to review and add services for members on web site Regular 'Email news'	Positive feedback from members	Executive and Regional Chairs Collaboration	Web site Consultant fees \$
3. Research (Direct)	SFF Research Grant "Harvest Maturity for NZ EVOO Year 2 NZEVOO Composition Study	Papers published in refereed journals, conference presentations regional workshops and an updated growers' manual from Year 2 work Annual results available for members	Executive Project Team, Massey University and HortResearch ONZ, NZFSA, Australian Oils Laboratory	SFF Grant \$372,700 (\$310,000 + 'in kind' \$62,700) Analysis and freight costs \$1,000
4. Continue Up-date of Web-Based Growers' Manual	Develop funding proposal for a Research grant	Funding Proposal written and submitted	HortResearch, Executive Project Team and Members	Grant \$300,000
5. Investigate Opportunities for Research with appropriate providers Investigate Projects when Funding is available	Research Projects (see attached list)	Funding proposals developed and submitted as appropriate	HortResearch, Auckland University, Lincoln University, Executive Project Team and Members	Grants - approx funding per project \$300,000 In-kind contributions \$200,000 (approx cost per project)
6. Quality Standards	Processors continue education and training	All current processors complete training by June 2009 New processors undertake ONZ	Technical Committee	Presenters travel, accommodation and consulting fees (if applicable) \$6,000

		training		
7. Quality Assurance	NZFSA Position Paper on new Food Bill Implementation from July 2008	All new processors purchase an ONZ Approved Food Control Plan All new processing plants comply	Technical Committee	
8. Quality Assurance	Olives NZ Approved Processor Scheme ONZ Certification programme for EVOO	ONZ Quality Accreditation Scheme adopted by all existing processors by June 2009 All producers certify oil and use the ONZ OliveMark	Technical Committee Technical Committee and sensory panel leader	Implementation support \$10,000 HortResearch and sensory \$20,000 panel costs
9. Establish Traceability Measures for all Olive Oils and Olive Products	Assist members with implementation as required	Producers knowledge developed Producers implement and maintain appropriate data	Technical Committee	
10. Education	Conferences, Regional workshops and Field Days	Members knowledge and skills increase Product quality improvement	Executive, Technical Committee and Regional Chairs	Travel costs and accommodation \$10,000
11. Generic Promotion of NZ Olive Oil and Olive Products to Local Markets	Generate 3 year promotional plan using PR consultant Implement Year 1 of plan	Monitor and measure increased exposure of NZ olive industry and products Members report increasing sales of olive oil and products in NZ	Promotions Committee	PR Consultant's fee \$ Media costs \$
12. Generic Promotion of NZ Olive Oil and Olive Products in Selected Overseas Countries	Generate 3 year promotional plan using PR consultant Implement Year 1 of plan	Increasing awareness of the quality of NZ EVOO Increase in exports	Promotions Committee	PR Consultant's fee \$ Travel costs for attendance at \$10,000 overseas exhibitions etc

				Freight cost for literature, oils and \$1,000 products
13. Increase Membership of Olives NZ	Obtain new members - ongoing	Increase in membership ongoing	Executive, Regional Chairs and Committees, and existing members	Travel and accommodation costs \$10,000
14. Facilitate and Support Specialist Sub-Groups within ONZ	Introduce specialist sub-groups; e.g. Organics, Table Olives for education and research	Increasing membership of special groups Improving quality of products Enhanced knowledge and skills for members	Executive, Regional Chairs and Committees, and existing members	Travel and accommodation costs \$10,000 In-kind support for research \$50,000
15. Industry 'Intelligence'	Obtain industry statistics ongoing	Data base continually reviewed and updated Relevant market data purchased	Executive Officer and temporary office assistant	Wages and administration \$5,000 Neilson data \$
16. ONZ Recognised as the Industry Body	Opinion leaders Horticultural groups Olive growers	Continued recognition with opinion leaders and in the media Support for funding	Executive, Regional Committees and members	

2010/11 Annual Plan (1 August 2010 – 31 July 2011)

Objectives	Projects	Success Measures	Project Responsibility	Personnel / Funding Cost
1. Increase ONZ Funding	Implement Commodity Levy in 2010	Commodity Levy achieved	Executive and Regional Chairs Consultations with members and all growers	
2. Improve	Continue to review	Positive feedback from members	Executive and Regional	Web site Consultant fees

Communications with Members	and add services for members on web site Regular 'Email news'		Chairs Collaboration	\$
3. Research (Direct)	SFF Research Grant "Harvest Maturity for NZ EVOO Year 3 NZEVOO Composition Study	Papers published in refereed journals, conference presentations regional workshops and an updated growers' manual from Year 3 work Annual results available for members	Executive Project Team, Massey University and HortResearch ONZ, NZFSA, Australian Oils Laboratory	SFF Grant \$372,700 (\$310,000 + 'in kind' \$62,700) Analysis and freight costs \$1,000
4. Up-date the Web-Based Growers' Manual	Up date of Manual using Research Grant	Manual update begun Up-dated sections available	HortResearch, Executive Project Team and Members	Grant \$300,000
5. Investigate Opportunities for Research with appropriate providers Investigate Projects when Funding is available	Research Projects (see attached list)	Funding proposals developed and submitted as appropriate	HortResearch, Auckland University, Lincoln University, Executive Project Team and Members	Grants - approx funding per project \$300,000 In-kind contributions \$200,000 (approx cost per project)
6. Quality Standards	Processors continue education and training	New processors undertake ONZ training	Technical Committee	Presenters travel, accommodation and consulting fees (if applicable) \$6,000
7. Quality Assurance	NZFSA Position Paper on new Food Bill Implementation from July 2008	All new processors purchase an ONZ Approved Food Control Plan All new processing plants comply	Technical Committee	
8. Quality Assurance	Olives NZ Approved Processor Scheme ONZ Certification programme for EVOO	ONZ Quality Accreditation Scheme adopted by new processors All producers certify oil and use the ONZ OliveMark	Technical Committee Technical Committee and sensory panel leader	Implementation support \$10,000 HortResearch and sensory panel costs \$20,000

9. Establish Traceability Measures for all Olive Oils and Olive Products	Assist members with implementation as required	Producers knowledge developed Producers implement and maintain appropriate data	Technical Committee	
10. Education	Conferences, Regional workshops and Field Days Travelling Scholarship Trust Fund Promoted	Members knowledge and skills increase Product quality improvement Scholarship Trust funding increasing Increased knowledge and skills Scholar led workshops / seminars	Executive, Technical Committee and Regional Chairs Trust Committee	Travel costs and accommodation \$10,000 Seek 100% sponsorship
11. Investigate Possibility of Establishing a Chair / University Post in Olive Research	Setting up of University Olive Research Post/s in NZ	Olive Research within university system	Executive, Universities - Lincoln, Auckland	\$
12. Generic Promotion of NZ Olive Oil and Olive Products to Local Markets	Generate 3 year promotional plan using PR consultant <i>Implement when funding obtained</i>	Monitor and measure increased exposure of NZ olive industry and products Members report increasing sales of olive oil and products in NZ	Promotions Committee	PR Consultant's fee \$ Media costs \$
13. Generic Promotion of NZ Olive Oil and Olive Products in Selected Overseas Countries	Generate 3 year promotional plan using PR consultant <i>Implement when funding obtained</i>	Increasing awareness of the quality of NZ EVOO Increase in exports	Promotions Committee	PR Consultant's fee \$ Travel costs for attendance at \$10,000 overseas exhibitions etc Freight cost for literature, oils and \$1,000 products
14. Increase Membership of	Obtain new members - ongoing	Increase in membership ongoing	Executive, Regional Chairs and Committees,	Travel and accommodation costs \$10,000

Olives NZ			and existing members	
25. Facilitate and Support Specialist Sub-Groups within ONZ	Introduce specialist sub-groups; e.g. Organics, Table Olives for education and research	Increasing membership of special groups Improving quality of products Members knowledge and skills increased	Executive, Regional Chairs and Committees, and existing members	Travel and accommodation costs \$10,000 In-kind support for research \$50,000
16. Industry 'Intelligence'	Obtain industry statistics ongoing	Continual review and updating of data Relevant market data purchased	Executive Officer and temporary office assistant	Wages and administration \$5,0000 Neilson data \$
17. ONZ Recognised as the Industry Body	Opinion leaders Horticultural groups Olive growers	Continued recognition with opinion leaders and in the media Support for funding	Executive, Regional Committees and members	

Research Projects

As at March 2008, the following have been identified as possible topics for research.

Sustainable Olive Growing Practises including irrigation and water use.

Review the contents of the Web- Based Growers' Manual. Up-date the existing sections as required. Add further relevant sections / topics.

Investigate Possible Residues in NZ Extra Virgin Olive Oil and Table Olives.

Establish a Framework of Successful Cultivars and Introduce New Olive Varieties to Improve the Composition of NZ Extra Virgin Olive Oil, Table Olives and Olive Products. This will lead to a data base of successful cultivars by region, new oil varieties, improved oil composition and specific new table olive varieties.

Investigate Pests and Diseases, and their Management – ONZ pest and disease data base – best practice control measures with minimum environmental impact

Reactivate the 2007 Multidisciplinary Research Study "High Health Olive Oil and Olive Products" proposal for funding. Some of the topics included in this project that intends to help build the NZ olive industry to \$1 million by 2020 are:

- Unique Selling Points
- Quality and Flavour

- Health Properties through chemical analysis and human trial
- Nutrigenomics
- Optimisation of Processing Practises / Consistency
- EVOO in Healthy Snack Foods
- Possible use of olive leaves
- Economic Outlets for Waste Streams