Supply Line NEWS FROM MG

PESCINI BROS LTD

1. PESCINI ESONS

LEVIN



In the middle of Levin there's a slice of MG history. It's home to the Pescini family, who can be traced back to the founding documents of Market Gardeners Limited.



GROWER PROFILE

↑ John and Chris Pescini

In 1923 a small band of determined growers from around the Wellington region wanted to leverage greater value for their produce so they worked together to form an unlikely Speaking about their history, Chris said they moved out to Levin following the second World War, after the land the family owned was acquired by the railways.

"My grandfather, Justin, was one of the early Italian market gardeners in the region, where his family had five acres on the site where the Knox church is today," says Chris.

"Because the railway was coming through part of their property, they looked further afield. First, they stopped near Tara Road, put a shovel in and it barely moved because of the stones so they carried on to settle near Queen Street East in Levin."

Chris, Andy and Brent's father, John Pescini, who has retired, was happy to share memories of MG and talk about his family's involvement. ↑ Brent and Chris Pescini

"He (Justin) put forward 50 pounds to get MG off the ground which was a hell-of-a-lot of money back then."

John reflected on changes in the industry, highlighting the impact technology has had over the years.

"When I was beginning I remember using the horse and cart and today the trucks we have on property are all four-wheel drive," says John. "We came up with ideas - I remember cutting down an old car that someone had wrecked and convert it into a small truck to cart tomatoes around."

"I drove our truck into the Wellington market for 41 years. We'd get to MG on Wakefield and Tory Street around two in the morning to get a good position to unload early. Growers who got in



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late, would have their produce towards the back and they'd not get a hell-of-a-lot for it."

"I'm still bloody capable of driving the tractor but they won't let me," John joked.

"Everything has moved on from carting it all with barrows and by hand to being all palletised and using forklifts," adds Chris. "That made a big difference to how the industry operated."

When asked about the value of being an MG shareholder, John said that while there are clear benefits now, historically it was less about the returns and more to do with supporting a grower's market and the people at MG.

"They treat everyone well. I remember auctioneer, Allan Collins, he was really good to us, especially selling our tomatoes," says John.

"Over the years it has slowly grown and if you look at the market today, compared to earlier, it's booming."

"MG will keep going because people have got to be fed and they work for the growers to help make that happen."



↑ Market Gardeners Limited Memorandum of Association

venture – a grower-owned produce market to serve the needs of local produce suppliers.

One of the original seven signatures on the Memorandum of Association for Market Gardeners Limited signed on 21 September 2023, was Justin Pescini, a market gardener from the Hutt Valley.

One hundred years on, Pescini Bros Limited are MG's longest serving growers, over the years supplying everything from rhubarb to Italian tomatoes. Today, the business is based near Levin, and specialises in potatoes and onions across 250 hectares, with a lot of their product still sold through MG markets in the lower North Island. The business is owned and managed by fourth generation growers, Chris, Andy and Brent Pescini. "Dad (Justin) had a reputation as someone who was hard but fair," says John. "Setting up Market Gardeners was just about being fair don't be a burglar - treat everyone the same and don't have favouritism."

"I believe that around in Courtney place was where these fellas, a lot of Italian and Chinese growers, would have their breakfast after being at the markets and talk to one another. This is where the idea of Market Gardeners got talked about and, well, they did something about it".

> → Chris Pescini and MG Representative Andrew Body



3 KINGS CHERRIES

A QUALITY BRAND WITH A FAMILY CONNECTION

The Paulin family have owned orchards in the Clyde Valley for three generations. Their history stretches back more than 100 years, starting when Robert Paulin returned from Gallipoli and purchased the first property in 1921.

The newest owner in the large family of growers, Tim Paulin, spent his early years growing up on the orchard. He then studied horticulture at Lincoln University, spent the best part of two decades managing a local summer fruit orchard, worked in fruit growing operations in North America and more recently managed some of the largest cherry orchards in the region. So, it's fair to say he was well equipped to take the reins of 3 Kings Cherries.

This new venture, which was started when land was secured in 2017, includes a sevenperson syndicate owning 30 hectares of cherries across 45 hectares of land, along with a majority stake in a neighbouring 31 hectare cherry orchard.

The story about how the business acquired its name starts with a school bus ride in the 1980s. On-route to St Gerard's Primary, Tim's cousin, Gary, shared stories about how he would visit a rock formation high above the family's orchard. This isn't a place you'll find marked on a map, rather a nickname coined by his Uncle Peter and something unique to the Paulin family.

Fast forward four decades and Tim was charged with the task of developing a brand for the new venture he formed with six other shareholders.

"I'm truly passionate about growing and really enjoyed working with other great businesses, but I got to the stage where I didn't want to have any regrets and give ownership a go myself," says Tim.

"I'm pleased to now have that chance. I have a number of good people involved, who wanted to back me because they have faith in the business and in my family so we got together and made it happen."

"When discussing the brand the other shareholders said, you started it, you're at the front of it, you're the grower, it's linked to your history – let's market it around you and your family." "So, I wanted to create that connection to the location and to reflect the contribution from all of my wider family. My Uncle Frank had an orchard beside the Clyde Dam, Uncle Pete's orchard was across in Earnscleugh and, along with our family orchard, you can see all of the properties our family has ever owned from the rocks my cousin called the 3 Kings."

"It's a nod to all the support and information I've absorbed through my time working alongside my uncles, my father and siblings, and to everyone else involved in our journey."

While the outline of the rock formation features prominently in the visual brand, the colours, imagery, and importantly, the story behind the brand are used to leverage better value for their cherries. Tim highlights that as competition increases, the importance of investment in branding for growers becomes more evident.

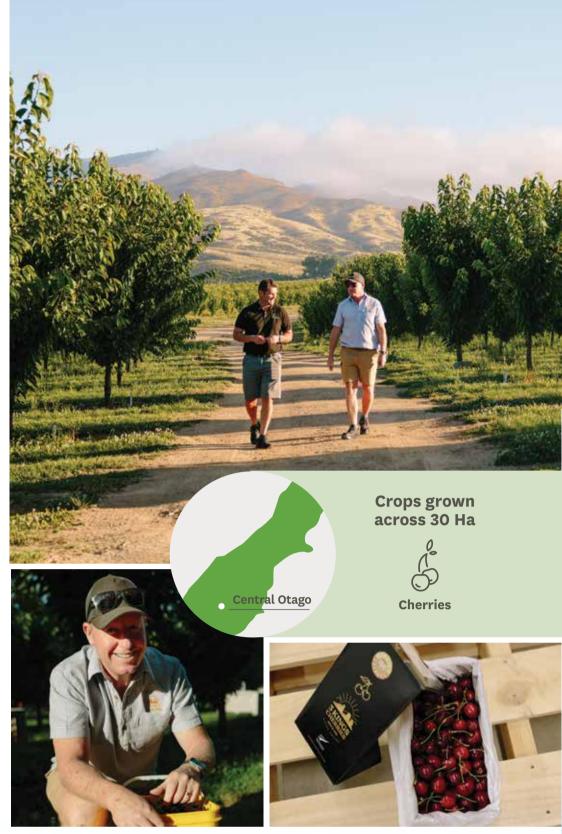
"Our brand is a way we differentiate ourselves. It's well thought through, from the story you can see on the website to the colour palette and design of our packaging."

"We export around 75% of our cherries and understand that New Zealand is a niche market and need the brand to reflect that."

"As an industry, if we think cherries are just another commodity in the market, we won't be producing them for too long – it's too expensive and they are too risky to grow."

Branding is a tool for 3 Kings to use to establish and build a loyal customer base through creating a story that they can connect to, along with an image of quality and exclusivity.

Tim also has a strategy to brand a particular type of exceptional cherry in a way that positions them differently to the usual, quality cherries they produce.



↑ (top) Tim Paulin and MG Representative Jamie Russ
↑ Tim Paulin

"Every few years we get a percentage of a cherry crop which is exceptionally good and we'll run a separate brand for that product."

"I think of it like chocolate. Consumers will buy Cadbury regularly and every now-andthen a special edition will come out, they'll try it. That's what I'm trying to do with our cherries – it will be a special edition every four or five years."

"We see it as an opportunity to add a bit of additional value for our loyal customers who are partnering with us every year selling our fruit for us." The 20% of cherries heading to the domestic market is sold through MG.

"The things I look at when I choose to work with people is if I can communicate with them, get along with them and trust them" adds Tim.

"MG has always been open with their information and a trustworthy group and they're the strongest in the market. That's why we are solely supplying them with our domestic volume."



FARM ENVIRONMENT PLANS - WHERE DO YOU START?

Many growers are already taking action and showing their commitment to good environmental practices by completing a Farm Environment Plan (FEP).

He Waka Eke Noa, which is a primary sector partnership, has developed a framework which includes how growers will measure, manage and reduce on-farm greenhouse gas emissions and recognise and adapt to a changing climate.

The milestones include:

- **2022:** All farms know their annual total on-farm greenhouse gas emissions in 2022
- **2025:** All farms have a written plan in place to measure and manage their emissions in 2025.

He Waka Eke Noa is also recommending the Government introduce a farm-level split-gas levy on agricultural emissions with built-in incentives to reduce emissions and sequester carbon.

What is an FEP?

The FEP is a tool used to manage environmental risks. It helps growers to identify what the environmental risks are in their growing operation and also sets out a programme of action to manage those risks. Think of it as an action plan for future activity that demonstrates compliance and progress towards reducing your environmental impact.

Your FEP must reflect your operation and is dependent on the risk profile of your business and how you operate.

Have you taken steps towards developing your FEP?

Some local councils require growers to have an FEP already, so if you are in one of those regions you'll be familiar with the process.

As mentioned, every growing operation must have an FEP in 2025 so now is the time to work towards developing one for your operation.

Good information is the basis for any FEP, so the first step is to

get together key material including:

- Locational data, including titles and boundaries.
- Farm maps identifying infrastructure and natural features
- Nutrient management and budgets
- Farm resource consents
- Irrigation structures, rates and schemes
- Seasonal fertiliser applications and methods
- Pest control records
- Crops and harvesting methods

There's a lot of excellent resources available online, including through HortNZ and the He Waka Eke Noa website.

Growers can choose to develop an FEP themselves or engage with advisors who can able to help complete your plan which must cover the following four areas.

- 1. Understanding your growing operation's greenhouse gas emissions
- 2. Identifying opportunities to reduce your operation's emissions
- 3. Choosing your actions
- 4. Maintaining records, monitoring and reviewing



MANAGING RISKS ON YOUR GROWING OPERATION

Growing operations have risks that need to be managed.

The vast majority of injuries come from muscle strains from forceful or repetitive lifting, carrying, pushing and pulling. More serious issues are often linked to farm machinery, conveyors, all-terrain vehicles, tractors and their attachments. Other hazards faced in growing operations include falls, slips and trips, lacerations, contact with electricity, fatigue, sun exposure, noise, working in confined spaces and issues associated with chemical use. When assessing risks, involve the wider team as research shows that the more people involved in managing risk, the more likely the risk will be managed. More people making a farm or orchard healthy and safe will mean



Domestic produce stickers among single use plastics to be banned

The New Zealand government continues to make major changes to the way singleuse plastics are used as they continue to drive a reduction in waste.

This follows the 2019 ban on plastic shopping bags, with a programme underway to phase out hard-to-recycle items which end up in landfill.

The next stage, which kicks-in on 1 July 2023, includes the phase out of plastic produce bags (plant-based, biodegradable and compostable plastic are included in the ban), however, prepackaged produce is not included.

Of particular interest to the horticulture sector is produce stickers for domestically-produced fruit and vegetables in New Zealand which are required to be compostable by 1 July 2023 (the glue is not required to be home compostable until July 2025), while imported produce will need to have compostable stickers by mid-2025.

Compostable stickers on produce exported from New Zealand are not included in the regulations.

In addition, retailers can no longer sell or distribute other targeted plastics including straws, plates, bowls, and cutlery, with a few exceptions such as for medical use.

Work on orchards and farms can be heavy and awkward, and it can involve working alone as well as long hours.



Workplace injuries and illness can be prevented through the effective management of risks.

While health and safety is everyone's responsibility, it starts and the top, with the owner and manager setting the standard and ensuring everyone else gets behind the programme. You shouldn't view managing risk as paperwork and handbooks – it's about behaviour with people thinking and talking about safety regularly. fewer people will get injured or sick.

It's also important to keep health and safety top-of-mind as your operation changes from day-to-day, depending on a number of factors such as seasons, weather events, time of day, activity undertaken, even someone's mental state or physical condition.

Your on-farm health and safety doesn't need to be too complicated. The aim is to make it practical and align with the needs of your business. The takeaway message is to ensure risks are thought about before completing any task.



CELEBRATING **100 YEARS**

Market Gardeners Limited (MG) is proud of its heritage and the strong sense of togetherness it has developed over the past century. On 5 November 2023, our Kiwi owned co-operative will herald 100 years of marketing, selling and distributing fresh produce on behalf of our family of growers.

It's with great pride and appreciation that we reflect on the commitment and courage of the small band of resolute growers who wanted to work together to leverage greater value for their produce. It was from these humble beginnings that the foundations were laid for a successful co-operative that values the benefits of shared knowledge and collective capability. Today, MG represents over 400 shareholders and serves over 1,000 customers - providing everyday Kiwi's with access to fresh, healthy produce.

We are proud of our long history, firstly as a grower-owned business delivering sales and marketing services, and in more decades as an integrated fresh produce group with a range of complementary subsidiary and associate businesses. We hold in high regard all of the people who have contributed to our long-standing success, particularly our loyal growers, our

Celebration events

A series of events will be hosted in November at each of our branch locations to celebrate the milestone with our growers, customers and MG teams. A centenary dinner for MG shareholders will be hosted on 24 November 2023 at Te Papa in Wellington, which is near the site of the first MG auction in 1923.

Information about the events, along with invitation will be shared over the coming months.

Our story is your story

A website has been launched to share information about the history of MG. At the heart of our 100 year journey are our growers, customers and loyal staff. The website includes a section where you can upload and share your photos and memories. These may be used as part of the 100 year celebrations, including the centenary book.

www.mg100year.co.nz.



STANDPOINT.



I hope this message finds you all well.

Recent events have been very challenging for many of our growers and people in affected communities. Cyclone Gabrielle, floods and landslides are a sharp reminder that mother nature is a powerful force. Our thoughts are with the growers and packhouses who are still coming to grips with the devastation that has been caused and those who are on the road to recovery.

We are committed to supporting where we can,

Together. Stronger.

Never have those words taken on more meaning than for the first few months of 2023.

The importance of having a network of support is at the forefront, as is the importance of working together.

I want to take this opportunity to thank all of the growers from throughout the country who reached out to offer assistance, especially those who visited the affected regions to provide practical support in the form of man-power and equipment. The team at MG have been working away in the background to support growers impacted by the recent events, including facilitating the transfer of relief funding donated anonymously by generous MG growers.

Despite the challenging circumstances we have experienced, people across our industry remain resilient and resourceful. However, even though our people are strong, and will recover, they still need the support of others.

Even with growers heading towards some sense of normality, it's important to acknowledge that in addition to financial and material losses which are highly visible, the events can have an impact on mental well-being.

Communities and individuals will be experiencing a range of thoughts and behaviours which can be confusing, upsetting and carrying a sense of uncertainty. Rural areas are often hardest-hit when it comes to mental health due to being remote and less connected to available support.

The message to growers from our team at MG is to not think you have to do this alone. You are encouraged to be proactive, reach out and ask for help if you are struggling. You are also encouraged to look out for your wider team, your mates and others in the community.

There's a lot of good information about well-being on the Horticulture New Zealand website and a number of excellent resources available, such as Farm-Strong, as well as professions who are able to assist during the recovery. Our MG people are also only-too-willing to lend an ear and support where we can.

Stay safe everyone. [®] Together.Stronger.

Peter Hendry CEO

