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Avocado Marketing and Promotion Working Group

AMAP

Avocado Marketing and Promotion Working group

(former name: AMAPWG)

Unique model of global co-operation

Presented by:

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Avocado Marketing and Promotion Working Group

AMAP – Unique model of global co-operation

Gabi Naamani, Agrexco Tel-Aviv

AMAP (former named AMAPWG) – Avocado Marketing and Promotion Working Group - is voluntary organization of Avocado producers and exporters from numerous countries that identified “Mutual interests in developing the Avocado consumption”.

The main goal is to develop and extend the Avocado consumption in Europe, along with inspection on domestic markets of the members (plus other markets as well), where applications from one field can be learnt and applied in other.

AMAP is a unique model with special inspiration: “Cooperation of competitors” from all over the world, with common understanding that it is much more beneficial “to act together on enlarging the cake than to fight on its slices”.

This basic idea was firstly discussed at informal meeting of various exporters during the '4th World Avocado Congress' (Uruapan, Mexico 1999), where it was agreed to meet once a year and to modify numerous existing connections from being 'bi-lateral' to be 'multi-lateral'. Further many steps, for tightening the relationships, were taken in the past dozen years.

Nowadays, there is permanent weekly data exchange. The group has twice a year meetings where many subjects are presented and discussed, like marketing, promotion, future supply programs, developments, new ideas etc'.

AMAP is simple win-win cooperation's model, who operates without any administration, fee or levy, under a motto of “Free competition with free information”. While considering the fluent information, members can better mind their steps re 'volume & timing' of their supply.

On last year there is an international collaboration between Avocado producing countries to put together a research consortium to tackle the 'alternate bearing' problem in Avocados. These participating countries are AMAP members and the project is an extra outcome of "AMAP spirit".



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The main goal is to inspect and develop the Avocado consumption in Europe.

Beside - domestic markets in the producing countries and other markets as well, where applications in one end can be copied and be applied in another area.

AMAP – Members from 15 Countries



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**Israel
Spain**

**Kenya
Morocco
South Africa**

**Australia
New Zealand**

**Argentina
Brazil
Chile
Colombia
Mexico
Peru
Dominican Rep.
USA (California)**

Unique model with special motto:

“Cooperation of Competitors”

from all over the world, with mutual understanding that it is much more beneficial “to act together on enlarging the cake than to fight on its slices”.

Formal Structure and Functions of AMAP (1)

Background

The Avocado Marketing and Promotion Working Group (AMAPWG) made its first steps at the 4th World Avocado Congress held in Uruapan, Mexico 1999, at an informal meeting of avocado exporters. At that meeting it was agreed that relationships between countries supplying avocados to Europe and the UK needed to be strengthened, and that sharing of certain marketing information would be to the benefit of the avocado industry as a whole. To this end it was agreed that the group should meet at least once per year to discuss matters of mutual interest. The first meeting was held in November 2001 in Spain.

AMAPWG has always functioned on voluntary basis. Member countries compete with each other, whilst sharing information on promotion programmes as well as weekly shipment information. It is important to note that commercial aspects are not discussed, and volumes shipped to a particular market are not controlled by AMAPWG. The aim of AMAPWG's information sharing is to provide good information so that those involved in the avocado industry are individually able to make their own business decisions, which they deem to be best for their businesses.

In more recent years, AMAPWG has been meeting twice annually, with one meeting at Fruit Logistica in Berlin, and the other meeting in one of the member countries. Discussions have gone beyond sharing of shipping information only, to the sharing of information on generic promotion and the possible coordination individual countries' promotion efforts.

To date, AMAPWG has functioned solely on tradition and relationships between members, without having a formal structure and/or definitions. While this arrangement has functioned well, it is time to introduce a formal organization, so that current structure, functioning and ethos will continue in future times, when some of current representatives, of the various counties, will no longer be involved in the Avocado industry.

The aim of this document, therefore, is to formalise the structure and functioning of AMAPWG.

Formal Structure and Functions of AMAP (2)

AMAP Targets

- To improve the economic viability of the 'Avocado industry of its members' and the involved countries by increasing Avocado consumption all over Europe and other areas, as well as in the domestic markets of producing countries.
- To act as a bridge between business competitors (producers/exporters/countries) by looking for those common interests which are not in conflict with the individuals' interests.
- To initiate any kind of specific activity that represents the global interest of the avocado industry.

Formal Structure and Functions of AMAP (3)

Means

- Cooperation and free information exchange among the members.
- Information sharing is a beneficial tool to the global avocado industry, and in particular, to those countries supplying the European Union. To this end, activities may include, but not be limited to:
- Sharing of crop forecasts, weekly shipment forecasts and week by week actual shipments.
- Sharing information on generic avocado promotion programmes, both planned and already initiated.
- Collaboration in ideas and activities to increase consumption of avocados.

Formal Structure and Functions of AMAP (4)

Principals & Practice

- AMAP is a voluntary organisation with mutual understanding spirit.
- **Information** will be shared on reciprocal basis only with those that provide information.
Each member is entitled to receive all the information which is transferred in the group.
Each member has to provide in time the agreed complete information, like 'shipment report' etc'.
- **Membership** is on a voluntary basis and is opened to parties/countries producing avocados and ready to accept AMAP spirit and principles.
Membership currently includes:
Australia, Argentina, Brazil, Chile, Colombia, Dominican Republic, Israel, Kenya, Mexico, Morocco, New Zealand, Peru, Spain, South Africa, and the USA.
- Meetings will be held at least once annually. Other meetings may take place, as agreed to by at least $\frac{2}{3}$ of the members.

Formal Structure and Functions of AMAP (5)

Annual meetings

- **Each member country is entitled to two representatives** who will participate in the discussions on behalf of their country. The names of the country representatives should be provided to the secretariat at least one week prior to the meeting.
- Attendance of annual meetings is open to all who may have an interest in the avocado industry. Such persons may attend as observers. Observers will not be permitted to participate in discussions, unless the chairman deems it necessary to obtain the input of observers.
- **Meeting expenses** (venue, refreshments etc.) will be shared by those attending, unless the hosts will decide to cover part or all of the costs. Attendees shall cover their own transport and accommodation costs.
- **Agenda** for the meetings will be published in advance. Members will pass their ideas/subjects at least two weeks prior the meeting. Urgent or last minute subjects will be discussed only with $\frac{2}{3}$ of members support.
- **Decisions** should be accepted by consensus of all members. As a voluntary organisation there is no sense to vote or to dictate the decision of majority which are against the interest of single members. Discussion and persuasion are key factors for keeping such a body alive.

Formal Structure and Functions of AMAP (6)



Structure

- **Member countries** are those who appear on the **membership** list. Adding new country to the forum is subjected to acceptance of all the current members.
Adding new member/producer, in one of the involved countries, is subjected to approval of the current country's representatives.
It may happen and known that country's representatives are not always representing the whole local industry.
- Routine operations will be done with no **administration fee**.
Special costs will be approved in advance and will be shared by the members.
- **AMAP logo** will be designed, for being used on formal papers concerning 'annual meetings' and decisions.
- **AMAP has operated** so far without any institutional structure or persons on formal duty.
At such time that a formal structure becomes necessary, provision is made for the following positions:
 - **A chairman** - who should coordinate the whole policy and activity.
 - **A secretary** - who should ensure efficient operation and information exchange.Each will be elected by a two-thirds majority for continual period. After two years term, members may request a re-election which will take place at the next annual meeting.
- The chairman and secretary may not be from the same country.
- This document is subjected for revision every second year, at the main annual meeting.

Historical Background (When it's all begun?)



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Uruapan, Mexico 1999 – 4th world Avocado congress

Producers meeting: Infertile ideas of how to promote the avocado in Europe. It was agreed to meet once a year and to change some connections from being bi-lateral to be multi-lateral.

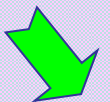
Malaga, Spain 2001 – 1st annual meeting

Decision to establish “Weekly Shipments Report”

Tzaneen, South Africa 2002 – 2nd annual meeting

Malaga, Spain 2003 – 5th world Avocado congress

During the congress we had our 3rd annual meeting



Historical Background (continuation)



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Paris, France 2004 – 4th annual meeting

Tauranga, New Zealand 2005 - 5th annual meeting

Decision to meet more often - twice a year

Berlin, Germany 2006 - first half a year meeting

People from other sectors, were attended to learn

Since 2006 – 2 annual meetings

1st - at “Fruit Logistica”, Berlin, each February

(+/- 60 people were attending on February 2011)

2nd meeting is each Sep-Nov at members home countries (nowadays in Cairns, Australia)

Current Situation (What do we have today?)



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Fluent information

Ideas, questions and data exchange

Simultaneous “Weekly Shipments’ Report”

Weekly form of “Projected and actual Avocado supply to Europe”

Annual Meeting

Survey on the industry in each country:

Planted area, varieties, future view, export & domestic market

Report about past season – marketing and promotion

Programs for the coming season – quantities and promotion

Review and presentation of the European Market

New researches and/or developments

Ideas regarding mutual promotion and special activities



Current Situation (continuation)



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- 🥑 All this cooperation is done without any administration, fee or levy.
- 🥑 We are not a Cartel - there is no information exchange or coordination of prices, client's lists or quantities per single client

It is simple model of

“Free competition with free information”

Appendix 1: example form of 'Shipments Report'

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Export to Europe - Shipments Report



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Please note: All figures in this report should be given in **Metric Tons**.

Firm/Country:

Agrexco/Israel

Week

47

First week of the season:

38/2010

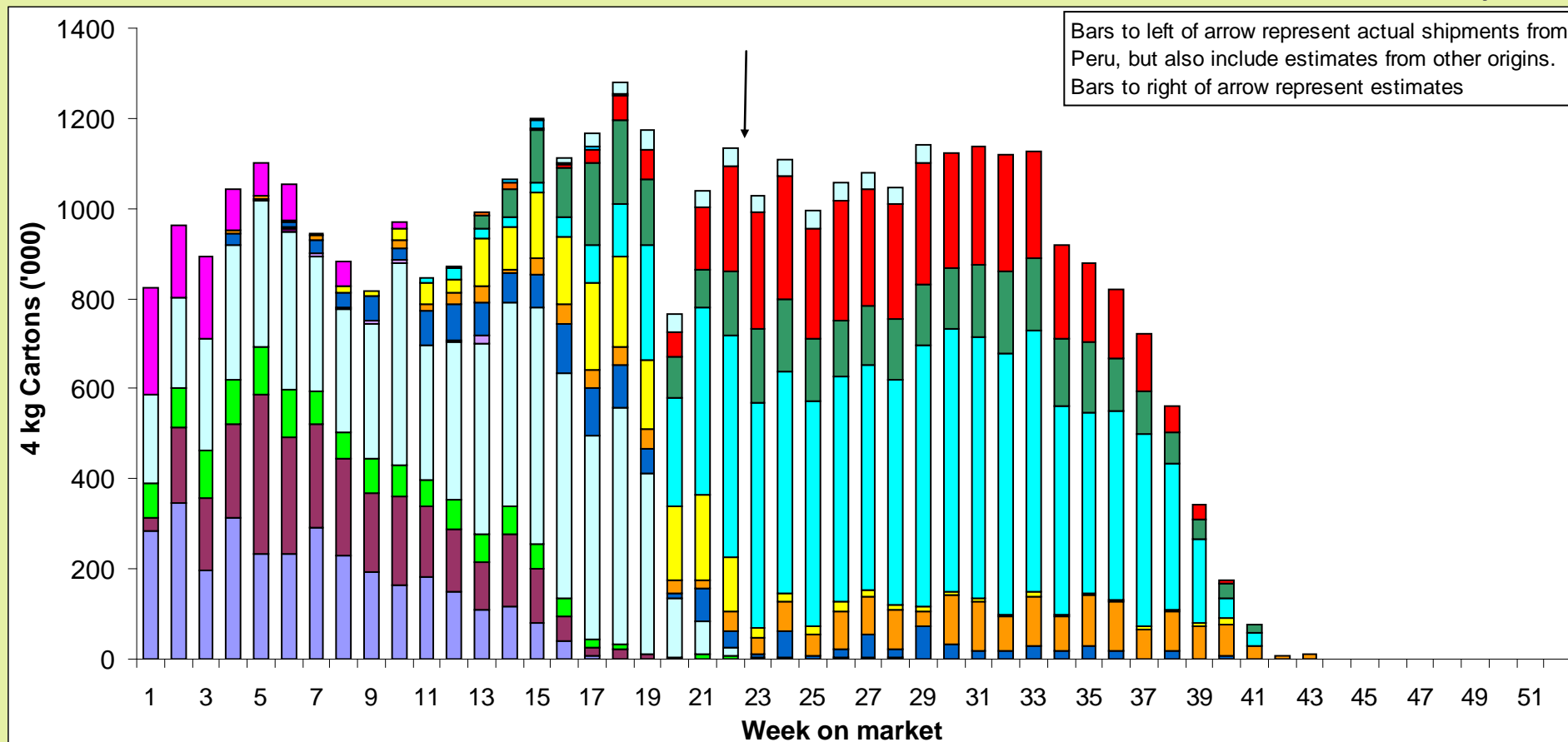
Country Report / Yearly Plan				
Israel			45,000 Tons	
Week	Greens	Hass	Organic (Bio)	Total
38	100			100
39	261		40	301
40	672		81	753
41	1432		69	1501
42	1307		97	1404
43	1129		93	1222
44	1542		102	1644
45	1288		97	1385
46	967	120	93	1180
47	1123	297	108	1528

Appendix 2: 2011 Total EU Avocado Supply



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Bars to left of arrow represent actual shipments from Peru, but also include estimates from other origins.
 Bars to right of arrow represent estimates



Appendix 3: example of Aggregate Yearly Plans



AMAPWG information sheet - August 26, 2010

2011	UPCOMING SEASON INFORMATION				MARKETS				PRODUCTION					
Country	Production Season (Month/Year to Month/Year)	Total Expected Volume (Metric Tons)	% Hass	% Greens	% Domestic	% Europe	% US	% Other Markets	Total Surface (Ha)	% Bearing	% Non-Bearing	% Hass	% Other	Projected Growth (Hectares/ Per Year)
Argentina	Apr - Nov/11	2,400	70%	30%	40%	40%		20%	720	100%		85%	15%	20
Brazil	Feb - Jul/11	3,312	87%	13%	10%	90%			1,000	50%	50%	97%	3%	300
Morocco	Sep/10 - May/11	12,000	20%	80%	70%	30%			1,400	70%	30%	30%	70%	300
Kenya	Feb - Oct/11	14,000	60%	40%		95%		5%	1,500	75%	25%	50%	50%	100
Israel	Sep/10 - Jul/11	85,000	30%	70%	40%	59%	-	1%	6,200	85%	15%	33%	67%	400
Australia	Jul/10 - Jun/11	50,347	80%	20%	94%	-	-	6%	7,552	80%	20%	80%	20%	10
Spain	Oct/10 - May/11	45,000	80%	20%	28%	72%			8,000					
South Africa	Mar - Oct/11	110,000	55%	45%	58%	42%			13,000	95%	5%	45%	55%	250
Peru	Mar - Sep/11	73,000	79%	21%	14%	63%	21%	2%	20,500	90%	10%	42%	58%	1000
Colombia	Dec/10 - Nov/11	232,500	9%	91%	98%	2%			22,300	82%	18%	25%	75%	1200
USA	Nov/10 - Oct/11	118,000	95%	5%	-	-	99%	1%	26,125	n/a	n/a	93%	7%	
Chile	Jun/10 - May/11	180,000	100%	-	30%	16%	51%	3%	33,000					
Mexico	Jul/10 - Jun/11	880,000	100%		60%	1%	30%	9%	98,463	100%		100%		N/A



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Thanks for your attention

