

**Public Submission to ACCC Grocery Inquiry**

by

**Queensland Citrus Growers Inc**

on

**2 April 2008**

## **Introduction**

Queensland Citrus Growers Inc (QCG), is the representative body of citrus producers in Queensland.

QCG has 67 members, who together represent approx 80% of citrus produced in Queensland.

The main areas of citrus production in Queensland are:

- Central Burnett Region (Gayndah/Mundubbera)
- Wide Bay /Coastal Burnett (Gin Gin/Childers)
- Central Highlands (Emerald) – currently out of production
- Atherton Tablelands (Mareeba),
- In addition, there is small scale citrus production all along the Queensland coast.

As a sub-tropical/tropical industry, the Queensland citrus industry produces the majority of Australia's mandarins and limes, and is also a significant producer of lemons and navel oranges.

## **Role of QCG**

QCG's main function is the development and implementation of an industry level domestic marketing strategy for Queensland citrus, which is aimed at enhancing the market performance of the Queensland industry through greater co-operation and co-ordination between growers and packers.

This entails:

- Quality management – development and voluntary adoption by growers of internal (maturity) and external (physical) quality specifications,
- Supply management – establishing systems and compiling supply information for the purposes of market intelligence,
- Market intelligence – dissemination of information about the markets to growers in an open and transparent manner, to give them the tools to more strategically market their crop,
- Promotions – co-ordinate and implement industry (voluntary) funded promotions programs
- Communications – communicate strategy initiatives and encourage voluntary participation.

QCG pitches its activities at the generic industry level, and does not intrude into the commercial affairs of any producer, packer, marketing group, wholesaler or retailer.

However, QCG's operations puts the association in a position to observe the intricacies of the market at fairly close quarters.

## **The Need for an ACCC Inquiry**

On 12 December 2007 (prior to the announcement of the inquiry) a proposal was put to the Management Committee of Queensland Citrus Growers Inc, that this Association write to the ACCC

seeking that chain stores be regulated to restrict their retail mark-ups to no more than 100 percent of the wholesale price of the product.

Whilst this may seem to be a naive expectation in a largely deregulated and free market economy, the fact that citrus growers believe that there is a need for such a control, illustrates the extent to which they believe the MSCs are already taking more than their fair share, and should be prevented from further increasing their already generous margins.

#### **A. Structure of the grocery industry**

At the retail level the industry is dominated by the major supermarket chains (MSCs) Coles and Woolworths. There is a secondary layer of smaller supermarket chains, and there are independent stores – greengrocers.

At the wholesale level there are wholesalers operating in the central markets in each capital city, some have become national wholesalers with sites in multiple central market locations, whilst some have become national suppliers operating from a central location, but their business model is more like a broker than a central market wholesaler.

The major changes in wholesaling in the past 20 years have been:

- Most central market wholesalers have changed their business model from an AGENT to a MERCHANT. As such, they are no longer the growers' representative, but rather, they are on the opposite side of the fruit selling transaction to the grower – and therefore their interests are no longer aligned.
- Direct Selling – in theory this means growers selling direct to the chains (who have taken on the wholesaling function of procuring their own supplies), and cutting out the third party central markets middleman. However, in practice “Direct Selling” does not normally operate in this form; rather, there is a new layer of middlemen in the form of brokers or national suppliers, whose businesses specialise in serving the MSCs. Their operations typically bypass the central markets.
- Grower groups/packing groups/marketing groups – there has been a decline in independent producers of significance as they form packing and/or marketing groups. The reasons for this include:
  - o Economies of scale in the utilisation of expensive capital infrastructure,
  - o The reduction of input costs to lower the costs of production,
  - o With increased scale, to acquire brand recognition and derive increased (countervailing) market power,
  - o To capture market benefits of setting up their operations to meet the chain stores' requirements (as opposed to resisting their demands), such as:
    - Adopting chain store mandated quality management systems and complying with their product specifications, and
    - Putting themselves in the position to offer the chains long lines of consistent quality product – enabling the chains to range a particular product across their networks nationally, and to simplify their product acquisition process (ie. offer a one stop shop).

- Vertical integration – a number of wholesalers (particularly national suppliers) have purchased significant stakes in major orchard/packer operations, and a number of supply chain alliances have been established involving grower/packer/marketing groups, with national marketers, some of whom have strong linkages (preferred supplier relationships) with particular MSCs.

*Q21. The ACCC requests that submissions provide as much detail as possible in relation to the following:*

- *The proportion of the final retail price of the product accounted for by each part of the supply chain.*

The retail price of fruit and vegetable products (and citrus in particular) is unilaterally set by the retailer. The retailer (particularly the MSCs) is the only participant in the supply chain in a position to accurately identify their proportion of the final retail price.

However the typical price return structure on a 13Kg carton of Imperial mandarins is as follows:

- Sale price - \$24
- Less settlement discount 2.5% = \$23.04
- Less volume discount 1.5% = \$23.04
- Cost per Kg (landed at distribution centre) = \$1.77 per Kg
- Retail price – ranges from \$3.48 to \$4.96 per Kg
- Gross margin – not less than 95%

## **B. Consumer behaviour and the choice of grocery retailer.**

The Queensland mandarin season has three distinct phases:

- Early season (April to June – 12 weeks) – dominated by the “Imperial” variety
- Mid-season (July) – multiple varieties, but mainly Hickson, Taylor Lee and Ellendale,
- Late Season (August to October) – mostly Murcott.

The “Imperial” is Queensland’s most important variety of mandarin. It is the first winter fruit to come in to season and as such it is keenly anticipated by retailers and consumers each year. It is also the most important variety economically, and the industry’s fortunes very much rest on the market performance of Imperials during their seasonal window.

In the marketing of Imperials, there is a distinct pricing pattern as the season unfolds, which is repeated each year. With light supplies in the first weeks of the season prices start fairly high (up to \$50/60 for a 9Kg carton). As production builds up, prices fall quickly, almost on a daily basis, usually dropping below \$20 per carton (sometimes \$12/14 – almost unviable) by the second week of May. After that the market settles down, hopefully at a level better than \$20 per carton, but is still subject to fairly significant price volatility throughout the entire harvest period for that variety.

In broad terms, the reason for the traditional drop off in price is increasing supply – ie. the normal supply and demand response.

However, another major influence is the marketing strategies of the MSCs. MSCs like to put Imperials as a new season product, on “special” straight after Easter (and this is planned up to 6 weeks in advance – before the season commences and before the supply and demand situation is known). In the weeks pre-Easter, there often appears to be abnormal pressure on the market price, which forces it down until it ends up at a level where the chain stores want it to be, in order to run their pre-planned specials. This does not always seem to be consistent with the normal supply and demand dynamics of the market.

When the season is in full swing, Imperials are often on special with one chain or the other every second week. This results in a stop/start response in market demand, which often creates product build ups in the supply chain, which can quickly result in market oversupply and then a price crash.

Excluding the early season price premiums, the retail ticket for Imperials can range from \$5.98 per Kg to \$2.32 per Kg (and sometimes less) in the MSCs. This price volatility does not relate to the merits (quality) of the product; in fact, fruit quality generally improves as the season moves into full swing (better maturity, sweetness and juiciness).

Rather, at the macro level price movements are mainly related to the volumes of supply and/or the strength/ weakness of demand. QCG believes that this price volatility is excessive and hard to justify. It seems to have become an irrational and habitual market response, lead by wholesalers and retailers who have no exposure to the costs of production, and to whom the price signals have lesser meaning than for growers. The costs to them only start when they take ownership of the product – and in their role, they are able to guarantee their commissions and mark-ups, irrespective of the state of the market.

This price volatility is not observed in any other product category in the chains – milk, bread, meat, baked beans or soap powder. There is not a tradition of deep discounting in these product lines.

At times this pattern evolves from weekly specials, to more systemic price degradation. The smaller/independent chains also play a role in this. Sometimes they over-react and come out with more aggressive pricing than the MSCs (and sometimes they make a pre-emptive strike). In response the MSCs feel obliged to “meet the competition”, and then there can be further rounds of undercutting and deep discounting until the price reaches unviable levels and the product is severely devalued.

This practice may be justifiable if the chains run their specials entirely at their own expense. However, they usually demand that their suppliers provide product (outside their usual specifications if necessary), at a price which enables them to run these pre-programmed “promotions”.

QCG asks ...

- Why are the MSCs and smaller chains entitled to fight between themselves for market share, through deep discounting practices - at the expense of their supplies (growers) who have no say in the matter - rather than at their own expense?

- What is it about fruit and vegetables in general (and in our case citrus) where extreme price volatility is an accepted part of the marketing landscape – justified as the operation of the “free market” (which it is not)?
- What is it about fruit and vegetable (and in our case citrus), where third party marketers (wholesale and retail) with no investment in the product, can determine market prices which have no relationship with the cost of production? Why are farmers not entitled to have a price setting mechanism which is formulated around the cost of production, and which rewards them appropriately for the quality of the product they produce – like the outputs in any manufacturing or service industry?

### **Retail Margins**

QCG suggests that the ACCC should examine the pricing formulas and the retail margins in great detail.

The MSCs claim that their retail margins are in the order of 25 to 30 percent (measured by them as a percentage of the end ticketed price in-store). However, looking from the outside, product on the shelves is commonly 100 percent or more of the wholesale market price for the same product.

Even if they apply their 25 to 30 percent mark-up formulas, MSCs may then round the resultant figure up to the next price-point – (ie. say \$3.48 per Kg, or \$3.96 per Kg), and this can provide a bonus of 10 percent or more on top of the nominal margin.

*Q23. Would unit pricing .... improve the ability for customers to compare prices? ...*

QCG would support the concept of compulsory unit pricing.

### **C. Competition in grocery retailing**

This topic is not within QCG’s area of interest.

### **D. Competition in grocery wholesaling**

*Q43. Does the vertical integration of the MSCs impeded other players from achieving a competitive scale in grocery wholesaling?*

The direct buying activities of the MSCs, through their wholesaling function, has two major effects on the market:

- It takes a substantial volume of product out of the public market system – particularly premium quality and preferred size grades – thus weakening the role of the central markets in setting the benchmark supply/demand based prices, and
- It takes major buyers (the MSCs) out of the market, reducing the selling options (and demand pressures) for central market wholesalers, whose remaining customers are primarily the smaller chains and independent greengrocers.

The net outcome of “Direct Selling” is the undermining of central market prices, sometime to the ultimate detriment of the direct sellers themselves – as the prices chain stores offer or accept are usually linked to the prevailing central market prices.

Notwithstanding these shortcomings, Direct Sellers find it more important for them as commercial businesses, to get the sale and secure a reliable market for their large volume of product.

Also notwithstanding the direct selling practices, MSCs continue to use the central markets as well – special buys, top up purchases, etc. Central market wholesalers who want their business are forced to acceded to MSC demands in order to make a sale, and to maintain good relations for future sales – eg. cut prices/reduce quotes, accept returns of unwanted product (sometime for dubious reasons), etc. The best interests of their suppliers (the grower) are possibly a secondary consideration in this situation.

### **E. Buying power in grocery supply markets**

MSCs can clearly negotiate a better deal with suppliers than their competitors. In particular they are able to “pay less and demand more” from a supplier, on the basis that the wholesaler may be reliant on the MSC for a substantial proportion of his business – across a range of products, not just citrus.

Fruit and vegetable markets are seen by economists as the classic example of the perfect competition model. Central markets were originally set up with selling processes and information systems as if this were the case.

The reality is much different – with oligopoly and duopoly businesses involved, with changing commercial structures (vertical integration and supply chain alliances), with a lack of transparency of transactions between wholesalers and retailers, and with the privatisation of market reporting services as commercial operations. All of this together reduces the availability of “perfect knowledge” which is needed to underpin the operation of a genuinely free market.

*Q46. Are large grocery wholesalers or retailers able to acquire products from suppliers at lower prices or on better terms than smaller wholesalers or retailers? Does this differ by product type?*

In their buying, the chains call for suppliers with supply agreements to submit quotes to supply a certain quantity of a particular product on a weekly basis, and the retailers then negotiate with the suppliers individually to secure the best price. In this non-transparent environment MSCs are able to play one supplier off against another to get him to lower his quote to achieve a sale. They can claim that a competing supplier has made a lower quote – and the first supplier can only accept this and make a counter-offer, with no way of knowing whether this was actually the case.

It should be recognised that the MSC’s nominal buying price is not always a straight forward figure reflecting the actual price paid for the product. There are many other factors which must be taken into account, such as:

- The quoted buying price is the most sales price paid for Class 1 fruit of premium quality in the preferred size ranges. However, a lot of other fruit of different quality and size parameters is also purchased – at considerably lower prices.

- The real figure is the average buying price across the MSC's total supply arrangements nationally.
- The influence of "special buys" to reduce the average buying price (lower than the nominal buying price) – the special buy may also be used as a bargaining chip to reduce prices in the official quoting process.
- Procuring smaller sizes or lower quality product at reduced prices, which further reduces the average buying price over the nominal price.
- Cancelling orders on a falling market and re-ordering at a lower price (or re-negotiating)
- Rebates and fees – which is the price of doing business with the chains. This practice is unconscionable, when MSCs already buy on very competitive terms, and also derive additional savings by bulk buying from national marketers (less administration involved in volume sales)

There is a lack of transparency in the MSC quoting and buying process, which enables the market to be manipulated, and it certainly does not meet the ideal "perfect knowledge" conditions of the economic model of perfect competition.

QCG believes that the ACCC should investigate this area in detail, to get a full understanding of how the system works, and to identify any areas of misuse of market power by the MSCs in the product procurement process.

*Q47. Do grocery wholesalers or retailers with buying power pass on the lower prices they can achieve from suppliers to retailers and consumers?*

Changes in the market price for product do not necessarily produce equivalent price movements at the retail level.

As an example – with Imperials in fairly light supply and a steady market price of say \$22 per carton (9Kg), the MSCs have been observed increasing the retail ticket from \$3.96 per Kg one week, to \$4.98 the following week – thus increasing their take by \$9 per carton (or another 40 percent on the wholesale price), when there may be no increase, or only a \$2 per carton (25 cents per Kg) increase in the wholesale price for the product.

A drop in market price from \$22 to \$20 to \$18 is important in the market – and can make the difference between whether the producer can cover his cost of production and make a profit, or whether he makes a loss. However price changes of this magnitude do not necessarily trigger any change in price at the retail level.

This is not to say that retail prices don't change when there are big moves in the market price:

- Very light supply on a sustained basis (prices will rise significantly)
- Very heavy supply – prices will crash and retail prices can be very cheap (below the cost of production)

*Q.48 Do suppliers incur lower unit costs in supplying larger wholesalers or retailers? What are the sources of these costs savings (bulk sale, purchase guarantees, etc)? Are these reflected at the retail level?*



There are no purchase guarantees, only orders given when there is an agreed price and volume agreement, but these can be cancelled at any time by the MSCs without penalty. The only savings for the producer in direct sales to the supermarkets is reduced commissions and brokerage fees - for example 12 to 15% to market wholesalers compared to 4 to 6.5% for direct or brokerage fees.

However most of these savings are absorbed in meeting extra costs of meeting QA and special packaging, administration, and labelling requirements for the chains. Suppliers will usually accept orders at a net price equal to the net return from the wholesaler taking commissions or fees of 12 to 15%, meaning it would sometimes represent a lower cost to the retailer of around 5.5 to 8%

Initiatives undertaken by growers/packers to increase efficiencies and reduce costs include:

- The formation of marketing groups – independent growers of significance are becoming more uncommon in our industry.
- Formation of grower/marketer supply chain alliances
- Packing shed efficiencies – such as the almost universal shift from pattern packing of cartons, to volume fill (bulk fill) to reduce packing shed labour costs.

QCG is unable to identify what savings are passed on to consumers, except to say that there has been no noticeable decrease in the retail price of fruit and vegetable since these arrangements commenced.

*Q52. Are there other forms of behaviour or conduct by supermarkets in their dealings with producers or suppliers that may indicate market power?*

Other non-price factors which influence the practice include:

- Product rejections for “quality reasons” – when the same quality may be acceptable in other circumstances
- Rejecting a delivery based on quality, and accepting the same load the following day, under the same quality specification (at a reduced price),
- Returning product after a weekend due to “quality problems”, which may have more to do with over-ordering the previous week – this product must then be re-sold in the central markets as distressed stock at a reduced price.

These practices have an intimidatory effect on suppliers, making them more compliant with chain store demands.

MSCs have also implemented policies and initiatives to increase their own efficiencies and reduce costs, which have had the effect of increasing costs further back along the supply chain. There are two particular examples which can be noted:

- Price Lookup Numbers (PLUs), and
- Black boxes or black returnable plastic crates.

## **PLUs**

PLUs are a number code on fruit stickers which relate to the product identification code in the chain stores computer systems, enabling them price fruit purchases of variable weights, at the checkout.

The use of PLUs enables the chains to always correctly identify the product, and to price it accurately, whereas before PLUs, the checkout operators had to manually look up the product code – quite often they did not correctly identify the product or particular variety, and they often charged the wrong price.

The use of PLUs, applied by the grower or packer of the product, has compensated the chains for the lack of product knowledge of their check-out operators, has reduced this aspect of their staff training requirements, and has enabled them to operate their stores with a high dependence on low skilled, low cost, part-time, junior labour (part time jobs for school students) – with poor product knowledge. The savings for the chains with the introduction of PLUs would have been immense.

The cost of the PLU system has been borne by growers. Growers/packers have to bear the cost of the stickers and the sticker machinery in packing sheds. If the concept is applied in full, there is a requirement for 3 separate numbers for some varieties of fruit – large, medium, and small. In most packing sheds this would require a major re-engineering of the packing line, to locate the sticker machines at a point past where the fruit is divided into size grades.

### **Black Boxes or Returnable Plastic Crates (RPCs)**

This is a relatively new MSC retail display concept conceived and implemented (partially at this stage) by the MSCs.

The concept is for produce to be supplied to the MSCs in modular cardboard boxes or plastic crates, which are coloured black. These containers would be a standard size across all commodities, and the cartons themselves would become a part of the retail display – slotting into racks in the store produce departments. This is a one-touch concept, where an empty carton to be simply replaced by a new full one, thus reducing the handling of the product at the store level (improved quality outcomes) and reducing in-store labour costs (no more re-stacking of big bins of fruit).

This could be characterised as the grower/packer now packing the retail display for the chains – thus enabling the chains to make store level product handling savings, whilst transferring the costs further up the supply chain.

The modular black cartons/plastic crates take various forms:

- Pre-existing standard cartons (9Kg for Imperials) coloured black,
- The new MSC modular black carton of the standard dimensions (13Kg for other citrus varieties)
- Returnable Plastic Crates (RPSs) – which are re-usable, but there is a hire charge which the producers must pay to the chains for the use of these crates (and the MSCs set the crate hire charge at their discretion, and in fact have a new crate hire business opportunity).

For some producers/packers, the new cartons/RPCs may result in cost savings. However, costs can escalate if they are not promptly de-hired to the grower on arrival (as is often the case), or if missing crates have to be paid for by the grower/packer.

For others there may be a significant extra cost, particularly if the packing shed has an older packing line, not set up to accommodate the new size of the MSC containers. In these instances major investment in new packing facilities may be required if they want to continue doing business with the MSCs.

The irony is that this new concept does not work as intended in-store. MSC produce department staff are commonly observed topping up or re-stocking black cartons/RPSs in the retail display from other black boxes taken out of the store-room, rather than replacing empties with full cartons.

Not only is this concept an additional cost to industry, it may prove to be a fad, with longevity only until the next new store refurbishment concept comes along, making the industry's investment in the concept redundant.

*Q53. ... Do major retailers threaten to import products in preference to local brands and how credible is that threat? ...*

Citrus is a major imported commodity in the supermarkets during the summer months – mostly from California (USA), but also from Spain, Israel, and Morocco.

For the most part these northern hemisphere imports are counter-seasonal and do not have a serious impact on Queensland citrus. However there are period of overlap, which can be problematic for the domestic industry at times:

- USA Navel oranges/Australian (southern) Valencia oranges – December/January/February
- USA navels/start of Queensland navels – April
- USA lemons/Queensland lemons – February/March

The Australian industry is fortunate that Australian consumers prefer domestic product, knowing that it is fresh and grown to Australian standards. "Product of xxxxxxxx" is not a selling point for fruit and vegetables, and MSCs tends not to highlight country of origin on imported fruit products. However, they are fairly good at adhering to country of origin labelling requirements.

Nevertheless, at times when they do overlap, imported product can take precedence over local product (even at higher wholesale and retail prices), because the MSCs have made forward commitments to an import program which they must complete, whereas the local product is a discretionary purchase for them on a day to day basis.

#### **F. Competitive position of small and independent grocery retailers**

This topic is not within QCG's area of interest.

#### **G. Factors influencing the pricing of inputs along the supply chain for standard grocery items**

*Q66. What are the major influences on the prices you receive for your produce? How are your prices determined? **What proportion of the retail price do you receive?***

When asked about the last question, the CEO of one of Queensland's major citrus operations said, "No idea!"

This is illustrative of how little influence producers have on the selling prices for their product. MSCs can set their retail margin, wholesalers can take their set percentage of the selling price, whereas the producer can only accept what's left – and hope that it covers his cost of production, and makes him a profit.

On the other hand, the MSCs know exactly what proportion of the retail price they make.

*Q67. Have the prices you receive for your product changed over the past 1 to 3 years? What have been the major reasons for any changes in the price you receive? Have your costs of production changed over the past 1 to 3 years? Have the prices you receive for your product changed by more or less than your cost of production? Please provide details?*

Citrus production is a long term farming enterprise, and the situation cannot be adequately be measured looking at 1 to 3 year changes in prices received, or cost of production increases. Over the past 10/12 years, annual returns have been up and down, but the long term trend of substantially increased production costs and the reduction in real (or even actual) prices received, is unmistakable.

The figures in Attachment 1 indicate that growers' unit returns have broadly declined, in actual as well as real terms, in the past 10/12 years.

In the meantime, costs have increased significantly in the past 3 years - wages 10%, fuel 60%, chemicals (on average) 25%.

Accordingly, margins for citrus producers have been on a long-term downward trend.

### **Droughts Floods and Natural Disasters**

There are often media reports of high prices coming after a flood, a cyclone, or because of a drought.

It is true that product shortages on account of natural disasters do result in higher prices, on the basis of the normal supply and demand response, but there is no additional premium in prices paid by the market to compensate for the natural disaster itself.

One man's pain is another man's gain, and those who experience the natural disaster are not the ones who usually benefit from the resultant higher prices – as they have no, or very little, or only damaged product to sell.

It would appear to be the case that in these situations wholesale marketers increase their margins, and retailers may significantly increase their retail tickets (taking advantage of consumer sentiment), and between them they appear to capture the vast majority of the benefits from price increases as a consequence of the natural disaster.

The public would be accepting of higher prices at these times if they knew that it was benefiting the producer affected by the natural disaster. However they would be less accepting of any profiteering by wholesalers and retailers, which often occurs.

*Q71. Do cost savings in the supply chain flow through to lower retail prices for consumers?*

By looking at the following areas of cost savings in the supply chain, it would appear that there are savings which could be passed on, such as:

- Direct selling - cutting out the middleman
- Economies of scale in purchasing – acquiring larger volumes from a reduced number of suppliers
- PLU numbers – reduction of in-store labour costs
- Black Boxes and Returnable Plastic Crates (one touch) – reduced in-store labour costs
- Volume Filling of cartons – reduced packing shed labour costs
- Product delivered to chain store DCs in new locations at no extra charge – absorbed transport costs

There is no evidence to indicate that these savings have been passed on to consumers, or whether they have been eroded by cost increases in other areas.

As indicated earlier in this submission, there is no relationship between wholesale and retail prices and the cost of production of citrus.

#### **H. Impediments to efficient pricing of inputs along the supply chain**

MSCs and other retailers have the absolute power to set retail prices. Retailers then take half of the price that consumers pays as their share, and the other participants in the supply chain fight over the rest of the consumer dollar.

*Q73. Is there evidence of market power in the supply of grocery products to retailers or wholesalers? Please identify specifically which grocery products and explain the sources of market power.*

Citrus suppliers are now packaging, labelling, delivering and even sometimes contributing to promotions, and giving various discounts to maintain their approved supplier status, at no cost to the MSCs.

*Q74. Are there any impediments to cost savings flowing through the supply chain to consumers?*

QCG is not aware of any impediments which should prevent cost savings being passed on to consumers.

#### **I Horticultural Code of Conduct**

At present the Horticultural Code of Conduct does not apply to the operations of the MSCs. The fact that they have been exempted from these arrangements, is a further illustration of their market power and influence with the previous government of the day.

QCG does not propose to offer advice as to how the Code can be made more effective, except to put the view that maybe it should apply to all wholesale transactions, rather than just the first point of sale, and in this way it would eliminate confusion about where it is meant to apply, and it would also

overcome the anomalous situation of the wholesaling activities of the MSCs being exempted from the Code.

### **Other issues**

This inquiry is about the competitiveness of retail prices and government concern about grocery prices increasing at a higher rate than the headline rate of inflation.

QCG's concern is about stagnating returns for producers. The industry can have good season and bad seasons, but over the long term, growers have not seen much real improvement in their returns, which have fallen well behind CPI and cost of production increases.

QCG believes that consumers should be expected to pay a fair price for good quality product, and for this to translate into a reasonable profit margin for the producer – that is, a return that covers more than just the cost of production, but one which enables him to invest in new technologies, R&D (improved farm practices, new varieties, etc), to remain internationally competitive, and to farm in an environmentally sustainable manner (efficient use of water, adaption to climate change, reducing chemical usage, etc) - for the long term betterment of his business and to maintain a healthy rural industry sector which is vital to regional economies.

**ATTACHMENTS**

- A. Queensland Citrus – Grower return per bin comparisons – 1995-96 to 2006-07  
Industry representative figures
- B. Market Prices – Imperials mandarins – 2007
- C. Retail Price Monitoring – Citrus and Other Fruit – April-July 2007

## Attachment 1

Queensland Citrus - Return per Bin Comparisons

Variety	1995	1996	2 year average	2006	2007	2 year average	Percentage increase - over 12 years	Average annual increase	Comments
Mandarins									
Imperial	\$ 470.31	\$ 502.81	\$ 486.56	\$ 556.59	\$ 539.78	\$ 548.19	12.67%	1.06%	Queensland's main variety
Hickson	\$ 454.64	\$ 460.26	\$ 457.45	\$ 334.26	\$ 263.33	\$ 298.80	-34.68%	-2.89%	Third most important variety
Taylor Lee				\$ 346.21	\$ 238.51	\$ 292.36			New variety
Ellendale	\$ 272.06	\$ 384.70	\$ 328.38	\$ 312.49	\$ 230.60	\$ 271.55	-17.31%	-1.44%	Previously important variety - in decline
Murcott	\$ 572.34	\$ 573.39	\$ 572.87	\$ 538.41	\$ 489.37	\$ 513.89	-10.29%	-0.86%	Second most important variety
Fremont	\$ 661.40	\$ 752.40	\$ 706.90	\$ 350.92	\$ 367.68	\$ 359.30	-49.17%	-4.10%	
Clementines	\$ 134.33	\$ 214.43	\$ 174.38						Not viable - taken out of production
Elinors	\$ 296.50	\$ 377.89	\$ 337.20						Old variety - taken out of production
Sunburst				\$ 314.13	\$ 344.57	\$ 329.35			
Nova	\$ 315.71	\$ 397.40	\$ 356.56						
Glen	\$ 347.46	\$ 368.88	\$ 358.17						Old variety - taken out of production
June	\$ 226.50	\$ 235.43	\$ 230.97						Old variety - taken out of production
Page	\$ 360.38	\$ 312.86	\$ 336.62						
Mandarins	\$ 103.00	\$ -	\$ 51.50	\$ 483.65	\$ 281.09	\$ 382.37	642.47%	53.54%	Generic compilation of minor varieties
Wallent	\$ 45.75	\$ -	\$ 22.88						Old variety - taken out of production
Low Seeded Murcott				\$ 550.97	\$ 470.73	\$ 510.85			New variety
Oranges									
Navelina				\$ 346.98	\$ 272.50	\$ 309.74			
Navel	\$ 218.30	\$ 300.36	\$ 259.33	\$ 412.39	\$ 287.05	\$ 349.72	34.86%	2.90%	
Valencia	\$ 116.30	\$ 225.87	\$ 171.09	\$ 116.30	\$ 225.87	\$ 171.09	0.00%	0.00%	
Joppa	\$ 35.06	\$ 110.63	\$ 72.85						
Lemons									
Eureka	\$ 252.23	\$ 354.08	\$ 303.16	\$ 396.42	\$ 317.46	\$ 356.94	17.74%	1.48%	
Limes	\$ 984.47	\$ 893.64	\$ 939.06	\$ 2,171.15	\$ 1,043.72	\$ 1,607.44	71.18%	5.93%	Minor production
Grapefruit	\$ 259.67	\$ 308.37	\$ 284.02						
Red Grapefruit				\$ 291.61	\$ 214.85	\$ 253.23			
White Grapefruit				\$ 276.60	\$ 117.34	\$ 196.97			
<b>AVERAGE</b>	<b>\$ 322.44</b>	<b>\$ 354.60</b>	<b>\$ 338.52</b>	<b>\$ 464.32</b>	<b>\$ 356.53</b>	<b>\$ 410.43</b>	<b>21.24%</b>	<b>1.77%</b>	False positive due to distorting affect of limes



# Brisbane Market 2007

## Imperial Extra Class

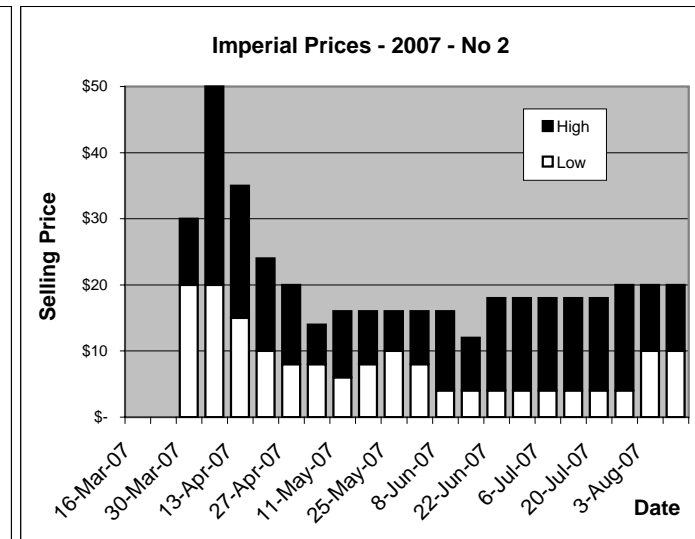
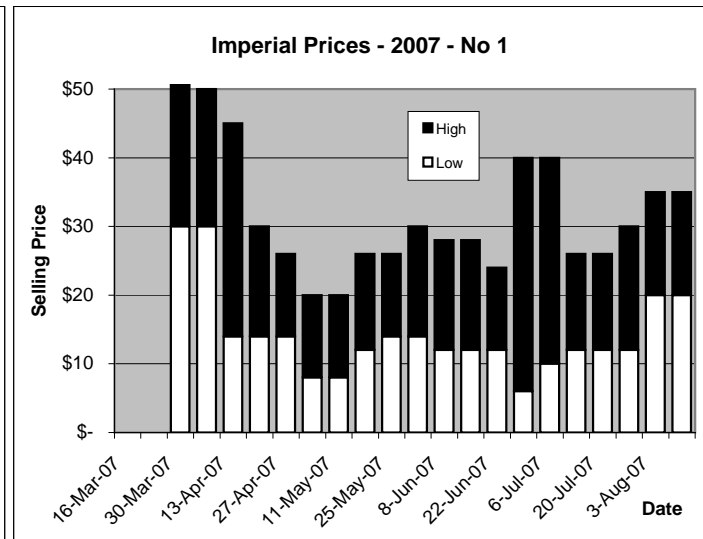
Date	Low	High	Best	Average
16-Mar-07	\$ -	\$ -	\$ -	\$ -
23-Mar-07	#			
30-Mar-07	#			
6-Apr-07	#			
13-Apr-07	#			
20-Apr-07	\$ 30.00	\$ 35.00	\$ 35.00	\$ 32.50
27-Apr-07	#			
4-May-07	#			
11-May-07	\$ 16.00	\$ 24.00	\$ 24.00	\$ 20.00
18-May-07	#			
25-May-07	#			
1-Jun-07	#			
8-Jun-07	#			
15-Jun-07	#			
22-Jun-07	#			
29-Jun-07	#			
6-Jul-07	#			
13-Jul-07	#			
20-Jul-07	#			
27-Jul-07	#			
3-Aug-07	#			
10-Aug-07	#			
17-Aug-07	#			
24-Aug-07	#			
31-Aug-07	#			

## Imperial No 1

Date	Low	High	Best	Average
16-Mar-07	#			
23-Mar-07	#			
30-Mar-07	\$ 30.00	\$ 60.00	\$ 60.00	\$ 45.00
6-Apr-07	\$ 30.00	\$ 50.00	\$ 65.00	\$ 46.25
13-Apr-07	\$ 14.00	\$ 45.00	\$ 45.00	\$ 27.56
20-Apr-07	\$ 14.00	\$ 30.00	\$ 35.00	\$ 21.75
27-Apr-07	\$ 14.00	\$ 26.00	\$ 26.00	\$ 17.75
4-May-07	\$ 8.00	\$ 20.00	\$ 20.00	\$ 15.50
11-May-07	\$ 8.00	\$ 20.00	\$ 24.00	\$ 13.33
18-May-07	\$ 12.00	\$ 26.00	\$ 28.00	\$ 18.80
25-May-07	\$ 14.00	\$ 26.00	\$ 30.00	\$ 20.00
1-Jun-07	\$ 14.00	\$ 30.00	\$ 30.00	\$ 23.75
8-Jun-07	\$ 12.00	\$ 28.00	\$ 28.00	\$ 22.60
15-Jun-07	\$ 12.00	\$ 28.00	\$ 28.00	\$ 19.50
22-Jun-07	\$ 12.00	\$ 24.00	\$ 28.00	\$ 17.00
29-Jun-07	\$ 6.00	\$ 40.00	\$ 40.00	\$ 21.40
6-Jul-07	\$ 10.00	\$ 40.00	\$ 40.00	\$ 21.80
13-Jul-07	\$ 12.00	\$ 26.00	\$ 30.00	\$ 20.50
20-Jul-07	\$ 12.00	\$ 26.00	\$ 30.00	\$ 20.00
27-Jul-07	\$ 12.00	\$ 30.00	\$ 30.00	\$ 23.33
3-Aug-07	\$ 20.00	\$ 35.00	\$ 35.00	\$ 26.00
10-Aug-07	\$ 20.00	\$ 35.00	\$ 35.00	\$ 27.50
17-Aug-07	\$ 20.00	\$ 35.00	\$ 35.00	\$ 27.50
24-Aug-07	\$ 20.00	\$ 35.00	\$ 35.00	\$ 27.50
31-Aug-07	\$ 20.00	\$ 35.00	\$ 35.00	\$ 27.50

## Imperial No 2

Date	Low	High	Best	Average
16-Mar-07	#			
23-Mar-07	#			
30-Mar-07	\$ 20.00	\$ 30.00	\$ 30.00	\$ 25.00
6-Apr-07	\$ 20.00	\$ 50.00	\$ 50.00	\$ 31.25
13-Apr-07	\$ 15.00	\$ 35.00	\$ 35.00	\$ 20.63
20-Apr-07	\$ 10.00	\$ 24.00	\$ 24.00	\$ 15.65
27-Apr-07	\$ 8.00	\$ 20.00	\$ 20.00	\$ 12.38
4-May-07	\$ 8.00	\$ 14.00	\$ 16.00	\$ 11.20
11-May-07	\$ 6.00	\$ 16.00	\$ 16.00	\$ 10.17
18-May-07	\$ 8.00	\$ 16.00	\$ 16.00	\$ 12.20
25-May-07	\$ 10.00	\$ 16.00	\$ 22.00	\$ 13.00
1-Jun-07	\$ 8.00	\$ 16.00	\$ 22.00	\$ 12.00
8-Jun-07	\$ 4.00	\$ 16.00	\$ 16.00	\$ 9.20
15-Jun-07	\$ 4.00	\$ 12.00	\$ 12.00	\$ 8.00
22-Jun-07	\$ 4.00	\$ 18.00	\$ 18.00	\$ 11.56
29-Jun-07	\$ 4.00	\$ 18.00	\$ 18.00	\$ 12.00
6-Jul-07	\$ 4.00	\$ 18.00	\$ 18.00	\$ 11.00
13-Jul-07	\$ 4.00	\$ 18.00	\$ 18.00	\$ 11.00
20-Jul-07	\$ 4.00	\$ 18.00	\$ 18.00	\$ 11.00
27-Jul-07	\$ 4.00	\$ 20.00	\$ 20.00	\$ 15.00
3-Aug-07	\$ 10.00	\$ 20.00	\$ 20.00	\$ 16.20
10-Aug-07	\$ 10.00	\$ 20.00	\$ 20.00	\$ 15.00
17-Aug-07	\$ 10.00	\$ 20.00	\$ 20.00	\$ 15.00
24-Aug-07	#			
31-Aug-07	#			



# Sydney Market 2007

## Imperial Extra Class

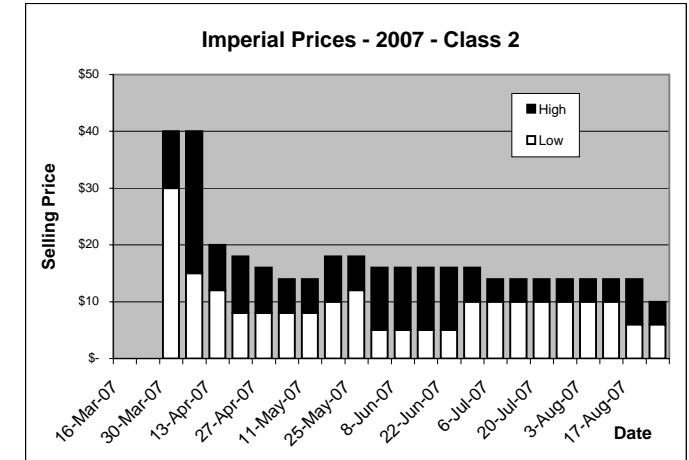
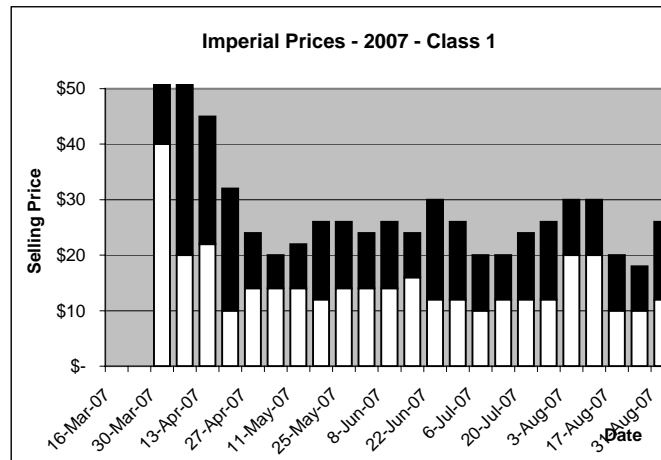
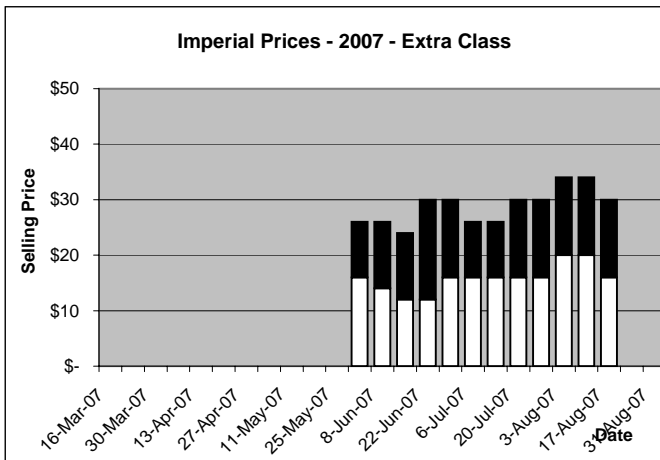
Date	Low	yh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07		#			
20-Apr-07		#			
27-Apr-07		#			
4-May-07		#			
11-May-07		#			
18-May-07		#			
25-May-07		#			
1-Jun-07	\$ 16.00	#	\$ 26.00	\$ 26.00	\$ 21.00
8-Jun-07	\$ 14.00	#	\$ 26.00	\$ 26.00	\$ 19.80
15-Jun-07	\$ 12.00	#	\$ 24.00	\$ 26.00	\$ 18.75
22-Jun-07	\$ 12.00	#	\$ 30.00	\$ 32.00	\$ 21.00
29-Jun-07	\$ 16.00	#	\$ 30.00	\$ 32.00	\$ 21.80
6-Jul-07	\$ 16.00	#	\$ 26.00	\$ 30.00	\$ 21.00
13-Jul-07	\$ 16.00	#	\$ 26.00	\$ 30.00	\$ 21.00
20-Jul-07	\$ 16.00	#	\$ 30.00	\$ 34.00	\$ 21.40
27-Jul-07	\$ 16.00	#	\$ 30.00	\$ 36.00	\$ 24.20
3-Aug-07	\$ 20.00	#	\$ 34.00	\$ 36.00	\$ 27.00
10-Aug-07	\$ 20.00	#	\$ 34.00	\$ 24.00	\$ 27.00
17-Aug-07	\$ 16.00	#	\$ 30.00	\$ 30.00	\$ 22.40
24-Aug-07		#			
31-Aug-07					

## Imperial Class 1

Date	Low	yh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07	\$ 40.00	#	\$ 60.00	\$ 60.00	\$ 50.00
6-Apr-07	\$ 20.00	#	\$ 60.00	\$ 60.00	\$ 36.88
13-Apr-07	\$ 22.00	#	\$ 45.00	\$ 50.00	\$ 33.00
20-Apr-07	\$ 10.00	#	\$ 32.00	\$ 36.00	\$ 22.60
27-Apr-07	\$ 14.00	#	\$ 24.00	\$ 24.00	\$ 19.50
4-May-07	\$ 14.00	#	\$ 20.00	\$ 20.00	\$ 16.00
11-May-07	\$ 14.00	#	\$ 22.00	\$ 24.00	\$ 16.80
18-May-07	\$ 12.00	#	\$ 26.00	\$ 30.00	\$ 21.40
25-May-07	\$ 14.00	#	\$ 26.00	\$ 30.00	\$ 23.60
1-Jun-07	\$ 14.00	#	\$ 24.00	\$ 26.00	\$ 21.80
8-Jun-07	\$ 14.00	#	\$ 26.00	\$ 30.00	\$ 22.40
15-Jun-07	\$ 16.00	#	\$ 24.00	\$ 24.00	\$ 20.00
22-Jun-07	\$ 12.00	#	\$ 30.00	\$ 32.00	\$ 20.20
29-Jun-07	\$ 12.00	#	\$ 26.00	\$ 26.00	\$ 17.70
6-Jul-07	\$ 10.00	#	\$ 20.00	\$ 24.00	\$ 16.30
13-Jul-07	\$ 12.00	#	\$ 20.00	\$ 24.00	\$ 18.00
20-Jul-07	\$ 12.00	#	\$ 24.00	\$ 26.00	\$ 18.40
27-Jul-07	\$ 12.00	#	\$ 26.00	\$ 26.00	\$ 21.80
3-Aug-07	\$ 20.00	#	\$ 30.00	\$ 30.00	\$ 25.00
10-Aug-07	\$ 20.00	#	\$ 30.00	\$ 30.00	\$ 25.00
17-Aug-07	\$ 10.00	#	\$ 20.00	\$ 20.00	\$ 13.60
24-Aug-07	\$ 10.00	#	\$ 18.00	\$ 20.00	\$ 13.20
31-Aug-07	\$ 12.00	#	\$ 26.00	\$ 30.00	\$ 19.40

## Imperial Class 2

Date	Low	yh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07	\$ 30.00	#	\$ 40.00	\$ 40.00	\$ 35.00
6-Apr-07	\$ 15.00	#	\$ 40.00	\$ 40.00	\$ 21.88
13-Apr-07	\$ 12.00	#	\$ 20.00	\$ 20.00	\$ 17.38
20-Apr-07	\$ 8.00	#	\$ 18.00	\$ 18.00	\$ 14.20
27-Apr-07	\$ 8.00	#	\$ 16.00	\$ 16.00	\$ 12.75
4-May-07	\$ 8.00	#	\$ 14.00	\$ 14.00	\$ 12.00
11-May-07	\$ 8.00	#	\$ 14.00	\$ 14.00	\$ 12.00
18-May-07	\$ 10.00	#	\$ 18.00	\$ 18.00	\$ 14.80
25-May-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 15.60
1-Jun-07	\$ 5.00	#	\$ 16.00	\$ 16.00	\$ 12.10
8-Jun-07	\$ 5.00	#	\$ 16.00	\$ 16.00	\$ 10.19
15-Jun-07	\$ 5.00	#	\$ 16.00	\$ 16.00	\$ 10.69
22-Jun-07	\$ 5.00	#	\$ 16.00	\$ 16.00	\$ 12.25
29-Jun-07	\$ 10.00	#	\$ 16.00	\$ 18.00	\$ 12.60
6-Jul-07	\$ 10.00	#	\$ 14.00	\$ 14.00	\$ 12.00
13-Jul-07	\$ 10.00	#	\$ 14.00	\$ 16.00	\$ 12.00
20-Jul-07	\$ 10.00	#	\$ 14.00	\$ 14.00	\$ 12.00
27-Jul-07	\$ 10.00	#	\$ 14.00	\$ 14.00	\$ 12.00
3-Aug-07	\$ 10.00	#	\$ 14.00	\$ 14.00	\$ 12.00
10-Aug-07	\$ 10.00	#	\$ 14.00	\$ 14.00	\$ 12.00
17-Aug-07	\$ 6.00	#	\$ 14.00	\$ 14.00	\$ 9.60
24-Aug-07	\$ 6.00	#	\$ 10.00	\$ 10.00	\$ 8.00
31-Aug-07	\$ 2.00	#	\$ 16.00	\$ 16.00	\$ 10.00



**Imperial No 1 - Large <80**

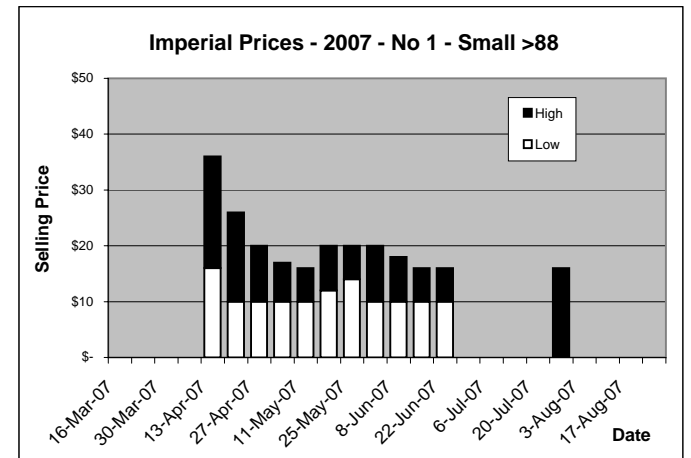
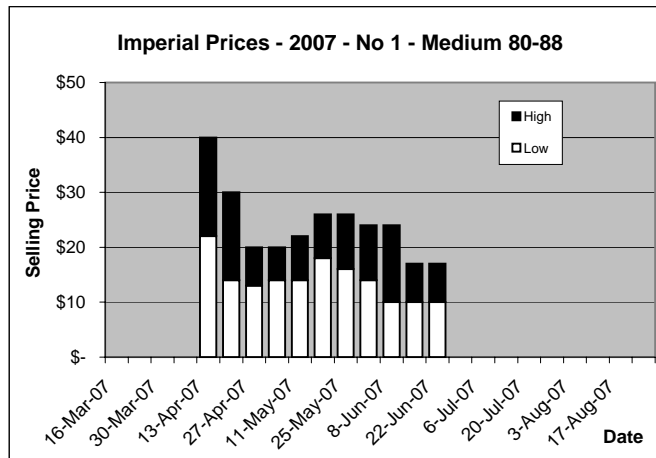
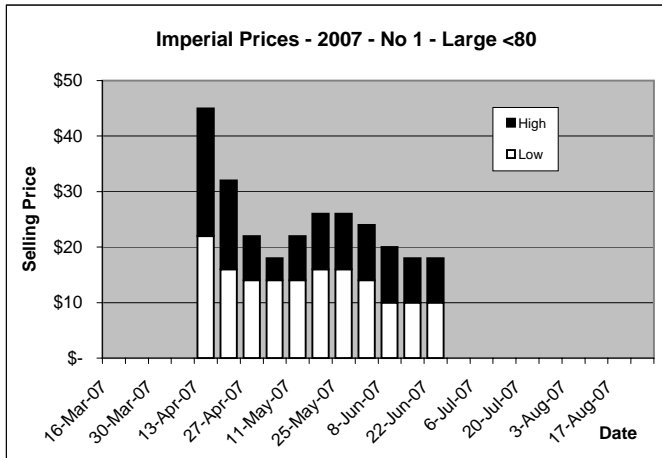
Date	Low	yh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07	\$ 22.00	# \$	45.00 \$	50.00 \$	33.00
20-Apr-07	\$ 16.00	# \$	32.00 \$	36.00 \$	22.60
27-Apr-07	\$ 14.00	# \$	22.00 \$	24.00 \$	18.25
4-May-07	\$ 14.00	# \$	18.00 \$	20.00 \$	16.00
11-May-07	\$ 14.00	# \$	22.00 \$	24.00 \$	16.80
18-May-07	\$ 16.00	# \$	26.00 \$	30.00 \$	21.40
25-May-07	\$ 16.00	# \$	26.00 \$	30.00 \$	23.60
1-Jun-07	\$ 14.00	# \$	24.00 \$	26.00 \$	21.80
8-Jun-07	\$ 10.00	# \$	20.00 \$	20.00 \$	15.60
15-Jun-07	\$ 10.00	# \$	18.00 \$	18.00 \$	13.50
22-Jun-07	\$ 10.00	# \$	18.00 \$	18.00 \$	14.00
29-Jun-07		#			
6-Jul-07		#			
13-Jul-07		#			
20-Jul-07		#			
27-Jul-07		#			
3-Aug-07		#			
10-Aug-07		#			
17-Aug-07		#			
24-Aug-07		#			
31-Aug-07		#			

**Imperial No 1 - Medium 80-88**

Date	Low	yh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07	\$ 22.00	# \$	40.00 \$	40.00 \$	33.00
20-Apr-07	\$ 14.00	# \$	30.00 \$	34.00 \$	21.60
27-Apr-07	\$ 13.00	# \$	20.00 \$	22.00 \$	17.50
4-May-07	\$ 14.00	# \$	20.00 \$	20.00 \$	16.40
11-May-07	\$ 14.00	# \$	22.00 \$	24.00 \$	16.80
18-May-07	\$ 18.00	# \$	26.00 \$	28.00 \$	21.40
25-May-07	\$ 16.00	# \$	26.00 \$	28.00 \$	23.60
1-Jun-07	\$ 14.00	# \$	24.00 \$	26.00 \$	21.80
8-Jun-07	\$ 10.00	# \$	24.00 \$	24.00 \$	17.00
15-Jun-07	\$ 10.00	# \$	17.00 \$	17.00 \$	13.25
22-Jun-07	\$ 10.00	# \$	17.00 \$	17.00 \$	13.50
29-Jun-07		#			
6-Jul-07		#			
13-Jul-07		#			
20-Jul-07		#			
27-Jul-07		#			
3-Aug-07		#			
10-Aug-07		#			
17-Aug-07		#			
24-Aug-07		#			
31-Aug-07		#			

**Imperial No 1 - Small >88**

Date	Low	yh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07	\$ 16.00	# \$	36.00 \$	36.00 \$	26.00
20-Apr-07	\$ 10.00	# \$	26.00 \$	26.00 \$	18.00
27-Apr-07	\$ 10.00	# \$	20.00 \$	20.00 \$	14.00
4-May-07	\$ 10.00	# \$	17.00 \$	17.00 \$	13.50
11-May-07	\$ 10.00	# \$	16.00 \$	18.00 \$	12.70
18-May-07	\$ 12.00	# \$	20.00 \$	20.00 \$	17.20
25-May-07	\$ 14.00	# \$	20.00 \$	20.00 \$	17.80
1-Jun-07	\$ 10.00	# \$	20.00 \$	20.00 \$	16.10
8-Jun-07	\$ 10.00	# \$	18.00 \$	18.00 \$	13.40
15-Jun-07	\$ 10.00	# \$	16.00 \$	16.00 \$	13.00
22-Jun-07	\$ 10.00	# \$	16.00 \$	16.00 \$	13.00
29-Jun-07		#			
6-Jul-07		#			
13-Jul-07		#			
20-Jul-07		#			
27-Jul-07		#			
3-Aug-07		#			
10-Aug-07		#			
17-Aug-07		#			
24-Aug-07		#			
31-Aug-07		#			



## Melbourne Market 2007

### Imperial No 1 Large <80

Date	Low	gh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07	\$ 30.00	#	\$ 45.00	\$ 45.00	\$ 37.50
20-Apr-07	\$ 30.00	#	\$ 36.00	\$ 36.00	\$ 32.60
27-Apr-07	\$ 22.00	#	\$ 30.00	\$ 30.00	\$ 26.00
4-May-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
11-May-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
18-May-07	\$ 22.00	#	\$ 28.00	\$ 28.00	\$ 25.00
25-May-07	\$ 22.00	#	\$ 30.00	\$ 34.00	\$ 26.60
1-Jun-07	\$ 24.00	#	\$ 30.00	\$ 34.00	\$ 27.00
8-Jun-07	\$ 24.00	#	\$ 30.00	\$ 30.00	\$ 27.00
15-Jun-07	\$ 24.00	#	\$ 30.00	\$ 30.00	\$ 27.00
22-Jun-07	\$ 24.00	#	\$ 30.00	\$ 30.00	\$ 27.00
29-Jun-07	\$ 20.00	#	\$ 30.00	\$ 30.00	\$ 25.80
6-Jul-07	\$ 18.00	#	\$ 28.00	\$ 28.00	\$ 23.20
13-Jul-07	\$ 18.00	#	\$ 26.00	\$ 26.00	\$ 22.00
20-Jul-07	\$ 18.00	#	\$ 26.00	\$ 26.00	\$ 22.00
27-Jul-07	\$ 18.00	#	\$ 26.00	\$ 26.00	\$ 22.00
3-Aug-07	\$ 18.00	#	\$ 26.00	\$ 26.00	\$ 22.00
10-Aug-07	\$ 18.00	#	\$ 26.00	\$ 26.00	\$ 22.00
17-Aug-07	\$ 18.00	#	\$ 26.00	\$ 26.00	\$ 23.20
24-Aug-07	\$ 18.00	#	\$ 20.00	\$ 20.00	\$ 19.00
31-Aug-07	\$ 18.00	#	\$ 28.00	\$ 28.00	\$ 23.00

### Imperial No 1 Medium 80-88

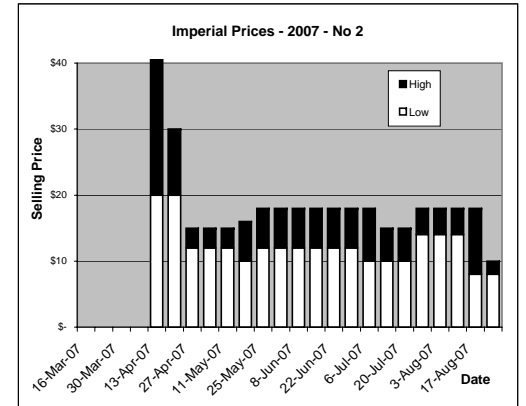
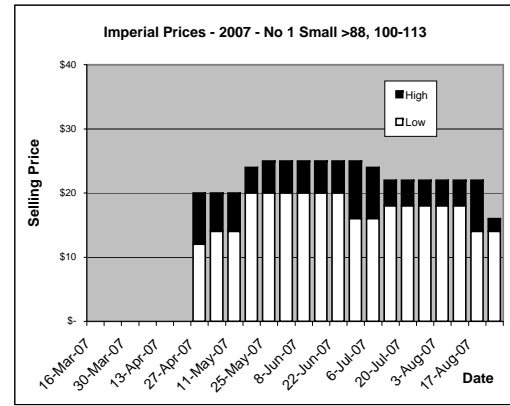
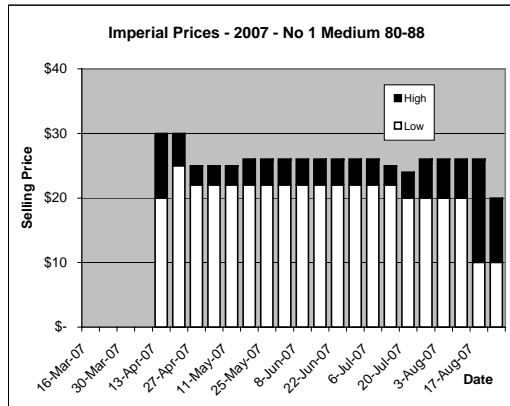
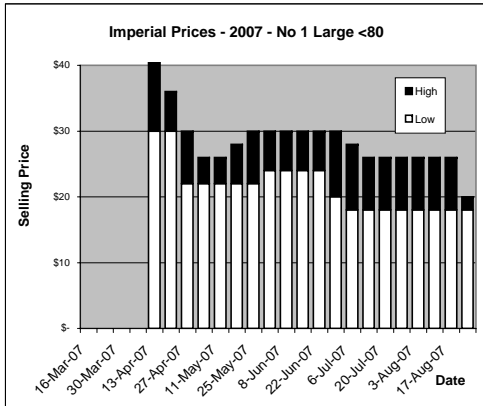
Date	Low	gh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07	\$ 20.00	#	\$ 30.00	\$ 30.00	\$ 25.00
20-Apr-07	\$ 25.00	#	\$ 30.00	\$ 30.00	\$ 27.60
27-Apr-07	\$ 22.00	#	\$ 25.00	\$ 25.00	\$ 23.50
4-May-07	\$ 22.00	#	\$ 25.00	\$ 25.00	\$ 23.50
11-May-07	\$ 22.00	#	\$ 25.00	\$ 25.00	\$ 23.50
18-May-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
25-May-07	\$ 22.00	#	\$ 26.00	\$ 32.00	\$ 24.00
1-Jun-07	\$ 22.00	#	\$ 26.00	\$ 32.00	\$ 24.00
8-Jun-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
15-Jun-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
22-Jun-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
29-Jun-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 24.00
6-Jul-07	\$ 22.00	#	\$ 26.00	\$ 26.00	\$ 23.80
13-Jul-07	\$ 22.00	#	\$ 25.00	\$ 25.00	\$ 23.50
20-Jul-07	\$ 20.00	#	\$ 24.00	\$ 24.00	\$ 22.00
27-Jul-07	\$ 20.00	#	\$ 26.00	\$ 26.00	\$ 23.00
3-Aug-07	\$ 20.00	#	\$ 26.00	\$ 26.00	\$ 23.00
10-Aug-07	\$ 20.00	#	\$ 26.00	\$ 26.00	\$ 23.00
17-Aug-07	\$ 10.00	#	\$ 26.00	\$ 26.00	\$ 20.20
24-Aug-07	\$ 10.00	#	\$ 20.00	\$ 20.00	\$ 15.00
31-Aug-07	\$ 10.00	#	\$ 25.00	\$ 25.00	\$ 20.20

### Imperial No 1 Small >88, 100-113

Date	Low	gh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07		#			
20-Apr-07		#			
27-Apr-07	\$ 12.00	#	\$ 20.00	\$ 20.00	\$ 15.25
4-May-07	\$ 14.00	#	\$ 20.00	\$ 20.00	\$ 17.00
11-May-07	\$ 14.00	#	\$ 20.00	\$ 20.00	\$ 17.00
18-May-07	\$ 20.00	#	\$ 24.00	\$ 24.00	\$ 22.00
25-May-07	\$ 20.00	#	\$ 25.00	\$ 25.00	\$ 22.20
1-Jun-07	\$ 20.00	#	\$ 25.00	\$ 25.00	\$ 21.90
8-Jun-07	\$ 20.00	#	\$ 25.00	\$ 25.00	\$ 22.50
15-Jun-07	\$ 20.00	#	\$ 25.00	\$ 25.00	\$ 22.50
22-Jun-07	\$ 20.00	#	\$ 25.00	\$ 25.00	\$ 22.50
29-Jun-07	\$ 16.00	#	\$ 25.00	\$ 25.00	\$ 21.50
6-Jul-07	\$ 16.00	#	\$ 24.00	\$ 24.00	\$ 20.00
13-Jul-07	\$ 18.00	#	\$ 22.00	\$ 22.00	\$ 20.00
20-Jul-07	\$ 18.00	#	\$ 22.00	\$ 22.00	\$ 20.00
27-Jul-07	\$ 18.00	#	\$ 22.00	\$ 22.00	\$ 20.00
3-Aug-07	\$ 18.00	#	\$ 22.00	\$ 22.00	\$ 20.00
10-Aug-07	\$ 18.00	#	\$ 22.00	\$ 22.00	\$ 20.00
17-Aug-07	\$ 14.00	#	\$ 22.00	\$ 22.00	\$ 17.80
24-Aug-07	\$ 14.00	#	\$ 16.00	\$ 16.00	\$ 15.00
31-Aug-07	\$ 14.00	#	\$ 22.00	\$ 22.00	\$ 19.00

### Imperial No 2

Date	Low	gh	High	Best	Average
16-Mar-07		#			
23-Mar-07		#			
30-Mar-07		#			
6-Apr-07		#			
13-Apr-07	\$ 20.00	#	\$ 45.00	\$ 45.00	\$ 33.75
20-Apr-07	\$ 20.00	#	\$ 30.00	\$ 30.00	\$ 25.00
27-Apr-07	\$ 12.00	#	\$ 15.00	\$ 15.00	\$ 13.50
4-May-07	\$ 12.00	#	\$ 15.00	\$ 15.00	\$ 13.50
11-May-07	\$ 12.00	#	\$ 15.00	\$ 15.00	\$ 13.50
18-May-07	\$ 10.00	#	\$ 16.00	\$ 16.00	\$ 12.80
25-May-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 14.80
1-Jun-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 15.00
8-Jun-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 15.00
15-Jun-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 15.00
22-Jun-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 15.00
29-Jun-07	\$ 12.00	#	\$ 18.00	\$ 18.00	\$ 15.00
6-Jul-07	\$ 10.00	#	\$ 18.00	\$ 18.00	\$ 14.00
13-Jul-07	\$ 10.00	#	\$ 15.00	\$ 15.00	\$ 12.50
20-Jul-07	\$ 10.00	#	\$ 15.00	\$ 15.00	\$ 12.50
27-Jul-07	\$ 14.00	#	\$ 18.00	\$ 18.00	\$ 16.00
3-Aug-07	\$ 14.00	#	\$ 18.00	\$ 18.00	\$ 16.00
10-Aug-07	\$ 14.00	#	\$ 18.00	\$ 18.00	\$ 16.00
17-Aug-07	\$ 8.00	#	\$ 18.00	\$ 18.00	\$ 12.50
24-Aug-07	\$ 8.00	#	\$ 10.00	\$ 10.00	\$ 9.00
31-Aug-07	\$ 8.00	#	\$ 15.00	\$ 15.00	\$ 11.80





## Queensland Citrus Growers Inc

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Week 4 - Friday 4 May 2007

### Marketing:

*Retail Activity* – Retail prices today in stores in close proximity to the Brisbane markets were as follows:

	<b>Coles</b>	<b>Woolworths</b>	<b>Comments</b>
Imperials	\$3.42 per Kg	\$3.42 per Kg	This should strengthen demand & shift larger volumes of fruit
Imperials Prepacks	\$4.98 for 1.5Kg		
Imported Navels	\$5.84 per Kg	\$3.84 per Kg	USA & Israel fruit. No Australian/Queensland navels as yet
Valencias (Aust)	\$3.42 per Kg	\$3.42 per Kg	Same price as Imperials
Lemons	\$4.48 per Kg	\$2.96 per Kg	W'worths – inferior quality & some very small fruit
Limes	50 cents each		



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Week 6 - Friday 18 May 2007

### Retail Activity:

Coles have been on ad at \$3.42 in Brisbane this week – catalogue special under the national “What’s Hot” promotion, featuring Imperials. IGA were also on ad in Brisbane this week at \$2.97 per Kg.

*Retail Activity* – Retail prices yesterday in stores in close proximity to the Brisbane markets were as follows:

	<b>Coles</b>	<b>Woolworths</b>	<b>Comments</b>
Imperials	<b>\$3.42 per Kg</b>	<b>\$4.84 per Kg</b>	Coles - Imperials are the feature product in their national What’s Hot promotion.
Imperials Prepacks	<b>\$4.98 for 1.5Kg</b>	<b>\$3.97 for 1Kg</b>	
Fremonts	<b>\$3.98 per Kg</b>		Higher price than Imperials in the same store
Navels (Queensland)	\$3.98 per Kg	\$4.97 per Kg	Coles - \$2 cheaper than Imported navels 2 weeks ago
Navels (California)		\$3.42 per Kg	Different Woolworths store – no local navels here
Valencias (Aust)	\$3.42 per Kg	\$3.42 per Kg	Same price as Imperials
Lemons	\$3.42 per Kg	\$4.42 per Kg	Coles – down \$1 on 2 weeks ago. W’worths up \$1.50
Limes	50 cents each	\$5.96 per Kg	
Grapefruit – red	\$3.98 per Kg	\$1.96 per Kg	

### Competing products

Apples	\$4.97 per Kg most varieties	\$4.97 per Kg most varieties	Coles - Imperials are the feature product in their national What’s Hot promotion.
Apples – on special	\$2.66 per Kg Granny Smith	\$2.84 per Kg Red Delicious	
Pears	\$3.97 per Kg	\$3.97 per Kg	
Bananas	\$2.99 per Kg Class 2	\$5.97 per Kg	Bananas are in short supply and are expensive at present
Grapes – white	\$3.98 per Kg	\$5.84 per Kg	
Grapes – red	\$4.98 per Kg Black	\$3.42 per Kg Crimson	



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Week 7 - Friday 25 May 2007

### Retail Activity:

At Woolworths, retail prices for almost all citrus, and also competing fruit products, remains unchanged this week. The only significant move is a \$1 per Kg drop in the retail price of Navels.

Coles has kept Imperials under \$4 per Kg, despite the high domestic market, and this has been helpful in keeping fruit volumes moving. The only significant price changes in the citrus category this week were \$1 per Kg increases for Navels and Lemons. This is equivalent to a \$15 per carton increase at the consumer level, and it would be interesting to compare this with the change in their buy price for this fruit.

*Retail Activity* – Retail prices yesterday in stores in close proximity to the Brisbane markets were as follows:

	<b>Coles</b> Corinda	<b>Woolworths</b> Indooroopilly	<b>Comments</b>
Imperials	<b>\$3.94 per Kg</b>	<b>\$4.84 per Kg</b>	Coles - Imperials are the feature product in their national What's Hot promotion.
Imperials		<b>\$3.98 per Kg</b>	A line of large sizes
Imperials Prepacks	<b>\$3.98 for 1.5Kg</b>	<b>\$3.98 for 1Kg Punnet</b>	
Organic Mandarins (Imperials ?)		<b>\$8.32 for 750g</b> Net bag	
Fremonts	<b>\$3.42 per Kg</b>		
Clementines		<b>4.84 per Kg</b>	
Navels (Queensland)	\$3.98 per Kg	\$3.97 per Kg	
Navels (Queensland) Prepacks	\$5.92 per 2Kg \$5.98 per 2.5Kg (small sizes)		
Valencias (Aust)	None	\$3.42 per Kg	
Lemons	\$4.48 per Kg	\$4.42 per Kg	
Limes	50 cents each	\$5.96 per Kg	
Grapefruit – red	\$3.98 per Kg	\$3.96 per Kg	

### Competing products

Apples	\$4.97 per Kg most varieties	\$4.97 per Kg most varieties	
Apples – on special	\$2.66 per Kg Granny Smith \$3.61 per Kg Pink Lady	\$2.98 per Kg Red Delicious \$3.65 per Kg Jonagold	
Pears	\$3.97 per Kg	\$2.87 per Kg Special	
Bananas	\$4.98 per Kg	\$5.97 per Kg	Bananas are very short supply and will become increasingly expensive over the next couple of months
Grapes – white	None	\$5.84 per Kg	
Grapes – red	\$3.98 per Kg Crimson	\$5.84 per Kg White, Black & Crimson	



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Week 8 - Friday 1 June 2007

### Retail Activity:

There was little change in retail prices this week.

*Retail Activity* – Retail prices yesterday in Brisbane stores were as follows:

	Coles Springwood	Woolworths Springwood	Comments
Imperials	<b>\$4.84 per Kg</b>	<b>\$3.47 per Kg</b>	Woolworths – on Special
Imperials Prepacks	<b>\$3.98 for 1.5Kg</b>	<b>\$3.47 per Kg</b>	Woolworths - Incorrectly labelled as Clementines
Fremonts – loose	<b>\$3.98 per Kg</b>		
Fremont Prepacks	<b>\$2.98 per Kg</b>		
Clementines – loose		<b>3.47 per Kg</b>	
Clementine Prepacks		3.47 per Kg	
Navels (Queensland)	\$3.97 per Kg	\$2.32 per Kg	
Navels (Queensland) Prepacks	\$4.98 per 2.5Kg (small sizes)		
Valencias (Aust)	\$3.42 per Kg	None	
Lemons	\$4.48 per Kg	\$3.92 per Kg	
Limes	50 cents each	\$5.96 per Kg	
Grapefruit – red	\$3.98 per Kg	\$2.42 per Kg	

### Competing products

Apples	\$4.97 per Kg most varieties	\$4.97 per Kg most varieties	
Apples – on special	\$3.98 per Kg Red Delicious	\$2.92 per Kg Red Delicious	
Pears	\$3.97 per Kg Buerre Bosc \$2.98 per Kg Williams	\$1.99 per Kg Packham Special	
Bananas	\$4.48 per Kg	\$4.48 per Kg	Despite the shortage, banana prices fell back a bit, with lesser quality fruit in stores.
Grapes – white	\$4.98 per Kg	\$3.97 per Kg	
Grapes – red	\$6.98 per Kg Black	\$5.84 per Kg Black & Crimson	





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Week 9 - Friday 8 June 2007

### Retail Activity:

There was little change in retail prices, and nothing noteworthy observed in stores this week.

*Retail Activity* – Retail prices yesterday in Brisbane stores were as follows:

	<b>Coles</b> Corinda	<b>Woolworths</b> Sherwood	<b>Comments</b>
Imperials	<b>\$4.84 per Kg</b>	<b>\$4.84 per Kg</b>	
Imperials Prepacks	<b>None</b>	<b>None</b>	
Fremonts – loose	<b>None</b>		
Fremont Prepacks	<b>\$2.98 per Kg</b>		These could be Novas
Clementines – loose		<b>\$4.84 per Kg</b>	
Clementine Prepacks		None	
Navels (Queensland)	\$3.98 per Kg	\$2.31 per Kg	Woolworths – Queensland & Southern Navels
Navels (Queensland) Prepacks	\$5.98 per 2Kg \$4.98 per 2.5Kg (small sizes)	6.97 per 3Kg	
Valencias (Aust)	None	None	
Lemons	\$3.98 per Kg	\$2.64 per Kg	
Limes	50 cents each	\$6.96 per Kg	
Grapefruit – white/red	\$3.98 per Kg	\$3.96 per Kg	

### Competing products

Apples	\$4.97/\$4.98 per Kg most varieties	\$4.97 per Kg most varieties	
Apples – on special	\$3.98 per Kg Red Delicious \$3.41 per Kg Jonagold	\$3.42 per Kg Pink Lady	
Pears	\$3.97 per Kg Buerre Bosc \$4.48 per Kg Josephine	\$3.97per Kg	
Bananas	\$4.48 per Kg	\$4.97 per Kg	
Grapes – white	\$3.97 per Kg	\$3.97 per Kg	
Grapes – red	\$6.98 per Kg Black \$5.84 per Kg Crimson	\$5.84 per Kg Black & Crimson	



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Week 10 - Friday 15 June 2007

### Retail Activity:

There was little change in retail prices this week, except for limes (at Woolworths) which have come up a couple of dollars over the past 2 weeks.

*Retail Activity* – Retail prices yesterday in Brisbane stores were as follows:

	<b>Coles</b> Corinda	<b>Woolworths</b> Slacks Creek	<b>Comments</b>
Imperials	<b>\$4.96 per Kg</b>	<b>\$4.94 per Kg</b>	Mix of Queensland and southern Imperials in Woolworths
Imperials Prepacks	<b>None</b>	<b>None</b>	
Fremonts – loose	<b>\$2.84 per Kg</b>		
Fremont Prepacks	<b>\$2.98 per Kg</b>		
Clementines – loose		<b>\$4.84 per Kg</b>	
Clementine Prepacks		None	
Navels (Queensland)	\$3.84 per Kg	\$3.84 per Kg	
Navels (Queensland) Prepacks	\$5.98 per 2Kg \$4.98 per 2.5Kg (small sizes)	6.97 per 3Kg	
Valencias (Aust)	None	None	
Lemons	\$3.98 per Kg	\$3.96 per Kg	
Limes	50 cents each	\$8.96 per Kg	
Grapefruit – white/red	\$3.98 per Kg	\$3.96 per Kg	

### Competing products

Apples	\$4.97/\$4.98 per Kg most varieties	\$4.97 per Kg most varieties	
Apples – on special	\$3.61 per Kg Royal Gala	\$3.94 per Kg Granny Smith \$2.81 per Kg Red Delicious	
Pears	\$3.97 per Kg Buerre Bosc \$4.48 per Kg Josephine	\$3.97 per Kg	
Bananas	\$4.48 per Kg	\$4.97 per Kg	
Grapes – white	\$5.98 per Kg	\$3.97 per Kg	
Grapes – red	\$6.98 per Kg Black \$5.98 per Kg Crimson	\$5.96 per Kg Black & Crimson	



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Week 11 - Friday 22 June 2007

### Retail Activity:

There are reduced supplies of Imperials in all chains now. Prices of most fruit, including citrus, is little change since last week. However Coles have increased Imperials \$5.48 per Kg and it appears to be composite fruit (and small sizes), so this looks like profiteering. Woolworths had Imperials on special in Brisbane for \$3.41 per Kg.

*Retail Activity* – Retail prices yesterday in Brisbane stores were as follows:

	<b>Coles</b> Springwood	<b>Woolworths</b> Marooka	<b>Comments</b>
Imperials	<b>\$5.48 per Kg</b>	<b>\$3.41 per Kg</b>	Coles – composites and small sizes
Imperials Prepacks	<b>None</b>	<b>None</b>	
Fremonts – loose	<b>\$2.85 per Kg</b>		On ad – “loose Hicksons or Fremonts \$2.85 per Kg” – but only have old/tired Fremonts
Fremont Prepacks	<b>\$2.98 per Kg</b>		
Clementines – loose		<b>\$3.41 per Kg</b>	
Clementine Prepacks		None	
Mandarins Prepacks	\$6.98 per 1.5Kg		Unspecified variety – look like Fremonts
Organic Mandarins		\$6.42 per 750 gm net bag	
Navels (Queensland)	\$3.84 per Kg	\$3.84 per Kg	
Navels (Queensland) Prepacks	\$5.98 per 2Kg \$3.68 per 2.5Kg (small sizes)	\$4.42 per 3Kg	
Valencias (Aust)	None	None	
Lemons	\$2.25 per Kg	\$3.96 per Kg	
Limes	39 cents each	\$8.96 per Kg	Coles – limes on special
Grapefruit – white/red		\$2.25 per Kg	

### Competing products

Apples	\$4.97/\$4.98 per Kg most varieties	\$4.97 per Kg most varieties	
Apples – on special		\$3.57 per Kg Royal Gala	
Pears	\$3.97 per Kg Buerre Bosc \$4.97 per Kg Josephine	\$3.97 per Kg	
Bananas	\$4.98 per Kg	\$4.97 per Kg	
Grapes – white	\$5.98 per Kg		
Grapes – red	\$5.98 per Kg Black & Crimson	\$5.96 per Kg Black & Crimson	



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Week 12 - Friday 29 June 2007

### Retail Activity:

The Coles store in Brisbane visited was still on Imperials and had not yet switched over to mid-season varieties. However it is believed that other stores in the Coles group had been on mid-seasons as from the previous week.

Woolworths only switched over to mid-seasons this week, but some of last week's Clementines were seen in one store (not the one surveyed) today.

In Woolworths the pricing of nearly all citrus (except limes, tangellos and navels) was identical - \$3.96/3.98 per Kg, but they were on a deep discounted special with Navels at \$1.86 per Kg.

With other fruit, there was a lift in the price of bananas, and strawberries started in Woolworths this week. Some vegetables are also fairly expensive – possibly due to the rain and floods down south.

Retail Activity – Retail prices on Wednesday night in Brisbane stores were as follows:

	Coles Springwood	Woolworths Marooka	Comments
Imperials	<b>\$5.48 per Kg</b>	<b>None</b>	Coles – still on Queensland Imperials
Imperials Prepacks	<b>\$3.48 for 1Kg</b>	<b>\$3.86 for 1Kg</b>	Woolworths – small sizes/southern brand
Fremonts – loose	<b>\$3.98 per Kg</b>	<b>None</b>	Coles – still on Fremonts
Fremont Prepacks	<b>\$3.48 for 1Kg</b>	<b>None</b>	
Clementines – loose		<b>None</b>	
Clementine Prepacks		None	
Mandarins Prepacks	\$6.98 per 1.5Kg		Unspecified variety – look like Fremonts
Hickson	None	\$3.96 per Kg	Coles – not on mid-seasons yet
Taylor Lee	None	\$3.98 per Kg	
Ellendale	None	None	
Organic Mandarins			
Navels (Queensland)	\$3.84 per Kg	\$1.86 per Kg	Woolworths on Special
Navels (Queensland) Prepacks	\$5.98 per 2Kg	\$4.42 per 3Kg	
Valencias (Aust)	None	None	
Lemons	\$3.98 per Kg	\$3.96 per Kg	
Limes	75 cents each	\$8.96 per Kg	Coles – double last week's (on special) price
Grapefruit – white/red	\$3.98 per Kg	\$3.96 per Kg	
Tangelo	\$5.98 per Kg	\$6.98 per Kg	

### Competing products

Apples	\$4.97 per Kg most varieties \$5.94 per Kg Fuji	\$4.97 per Kg most varieties \$5.64 per Kg Pink Lady	
Apples – on special	\$2.87 per Kg Granny Smith	\$3.84 per Kg Jonagold	
Pears	\$3.97 per Kg Buerre Bosc \$4.98 per Kg Packham \$2.65 per Kg Josephine	\$3.97 per Kg	Coles – Josephine on special
Bananas	\$5.98 per Kg	\$5.44 per Kg	Bananas are sharply up this week
Grapes – red	\$5.98 per Kg Black & White	\$5.84 per Kg Crimson	

Strawberries	None	\$2.62 per 250g punnet	New season strawberries have started
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Week 13 - Friday 6 July 2007

### Retail Activity:

Coles was still on Imperials in Brisbane and have Hicksons as their second variety. They only switched over to Hicksons this week (in the stores observed) and started at \$3.98 per Kg on Monday – which seemed to be expensive relative to the market price – but brought it back to \$2.25 per Kg by Thursday, which was more in line with market conditions. This should result in a big boost in sales, and the industry needs a trigger such as this to start moving larger volumes of mid season fruit.

Most citrus is on special in Woolworths this month, at very “competitive” prices, as part of their Winter Citrus Promotions.

Retail Activity – Retail prices yesterday in Brisbane stores were as follows:

	<b>Coles</b> Corinda	<b>Woolworths</b> Sherwood	<b>Comments</b>
Imperials	<b>\$5.48 per Kg</b>	None	Coles – still on Imperials
Imperials Prepacks (southern fruit)	<b>\$3.93 per Kg</b> <b>Small sizes</b>	None	
Mandarins Prepacks	\$2.98 per 1Kg	None	Variety unspecified – looks like Fremont or Nova
Hickson	<b>\$2.25 per Kg</b>	<b>\$2.47 per Kg</b>	
Taylor Lee	<b>None</b>	<b>\$2.47 per Kg</b>	
Ellendale	None	None	
Organic Mandarins			
Navels (Queensland)	\$2.25 per Kg	\$1.88 per Kg	
Navels Prepacks	\$4.49 per 2Kg \$2.98 per 2.5 Kg	\$6.97 per 3Kg	
Valencias (Aust)	None	None	
Lemons	\$3.98 per Kg	\$2.74 per Kg	
Limes	75 cents each	\$7.54 per Kg	
Grapefruit – white/red	\$3.98 per Kg	\$2.96 per Kg	
Tangelo	\$4.98 per Kg	None	

### Competing products

Apples	\$4.97 per Kg most varieties \$5.94 per Kg Fuji \$5.96 per Kg Royal Gala	\$4.97 per Kg Braeburn & Jonagold \$5.64 per Kg Pink Lady & Royal Gala \$5.96 per Kg Fuji	
Apples – on special	\$3.98 per Kg Red Delicious	\$2.92 per Kg Granny Smith	
Pears	\$3.97/\$3.98 per Kg	\$3.97 per Kg	
Bananas	\$6.48 per Kg	\$5.99 per Kg	Bananas have gone up further this week
Grapes	\$5.98 per Kg Black & Crimson \$3.98 per Kg White	None	
Strawberries	\$6.98 per 375g punnet	\$3.94 per 250g punnet	

Mangoes (Imported – Mexico)	\$2.48 each		
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Week 15 - Friday 20 July 2007

### Retail Activity:

A check of selected supermarkets indicates that nearly all citrus is very cheap and is selling for less than \$3 per Kg at present – Hicksons/Taylor Lees, Navels, Lemons, Grapefruit. The only exceptions were limes which had seen a big increase in price this week, tangelos at \$4 to \$7 per Kg, and most notably, mandarin varieties in Coles. Coles has southern Imperials on \$5.48 per Kg, Unique mandarins at \$4.48 per Kg, and southern Daisy mandarins at \$4.48 per Kg. There was a disconnect between this pricing structure \$4.50/\$5.50 per Kg for these varieties, when the wholesale price for other varieties (Hicksons) in the Brisbane Market was around \$1 per Kg. Coles was pursuing this varietal strategy in Queensland and NSW this week, but was still on Hicksons in the remaining states – Victoria, SAQ, WA and Tasmania. These relatively high prices and their non-ranging of Hicksons in Queensland and NSW, could be a contributing factor to the slow mandarin market at present.

All other fruit in retail stores is expensive relative to citrus – eg apples \$5/6 per Kg, and bananas \$7.

Retail Activity – Retail prices in Brisbane stores on Thursday night were as follows:

	<b>Coles</b> <i>Springwood</i>	<b>Woolworths</b> <i>Kuraby</i>	<b>Comments</b>
Imperials	\$5.48 per Kg	None	Coles – continuing with southern Imperials
Mandarins Prepacks	\$3.48 per 1Kg \$6.98 per 1.5Kg	None	Variety unspecified – but appear to be small Hicksons
Hickson	None	\$2.42 per Kg	
Taylor Lee	None	\$2.42 per Kg	
Ellendale	None	\$1.55 per Kg	Apparently Coles have Ellendales on special in BiLo stores
Unique mandarins	\$4.48 per Kg		Exclusive to Coles - Stickered with a Coles “home brand” label
Daisy mandarins (southern)	\$4.48 per Kg		
Navels (Queensland/Southern)	\$2.25 per Kg	\$2.25 per Kg	Coles – Queensland Navels Woolworths – southern Navels
Navels Prepacks	\$4.49 per 2Kg \$3.98 per 2.5 Kg		
Valencias (Aust)	None	None	
Lemons	\$2.45 per Kg	\$2.42 per Kg	Coles has come down from \$4 last week, and this will hopefully shift larger volumes of fruit.
Limes	99 cents each	\$12.96 per Kg	Big increase in the price of limes this week
Grapefruit – white/red	\$2.98 per Kg	\$2.96 per Kg	
Tangelo	\$3.98 per Kg	\$5.96 per Kg	

### Competing products

Apples	\$5.94/\$5.96 per Kg for most varieties \$4.97 per Kg Red Delicious & Firmgold	\$4.97 per Kg & Golden Del & Fuji \$5.96 per Kg Royal Gala, Fuji & Jonagold	
Apples – on special	\$2.82 per Kg Granny Smith	\$3.84 per Kg Pink Lady \$3.99 per Kg Granny Smith \$2.78 per Kg Red Del	



Pears	\$3.97 per Kg for most varieties \$2.91 per Kg Coles Brand Perfectly Ripe Pears	\$3.97per Kg All varieties	
Bananas	\$6.95 per Kg	\$6.95 per Kg	Good bananas are getting harder to find.
Grapes	\$6.98/\$7.98 per Kg Black & Crimson	None	
Strawberries	\$6.98 per 375g punnet	\$4.49 per 250g punnet	



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Week 16 - 9.30am Friday 27 July 2007

### Retail Activity:

The marketing situation in stores this week does not appear to be conducive to either maximising sales volumes (with one chain), or delivering good returns (the other chain).

At the beginning of the week, Woolworths brought Hicksons up to \$3.98 per Kg, after having them on promotions at \$2.20/\$2.50 for most of July. However, last night they were down again to an unprecedented level of \$1.66 per Kg, One store had Lemons at \$1.44 and Tangelos at \$1.78, and at \$2.44 per Kg Grapefruit was the most expensive loose citrus they had (except for limes). Whilst prices might need to be sub \$3 to move large volumes of fruit, it shouldn't have to get down to sacrificial levels where there is no money in it for anyone. In the meantime, other fruit products were all very expensive.

Coles in Brisbane has been operating at the opposite end of the market. With their 2 variety strategy, they have had southern Imperials at \$5.98 per Kg and Queensland Unique mandarins on special for \$2.98 per Kg. The Unique pricing was in the correct range relative to other citrus this week, but their continuation of expensive Imperials and the dropping of Hicksons, would suggest that mandarin sales would not have reached their potential in Queensland over the past 2 weeks.

*Retail Activity* – Retail prices in Brisbane stores on Thursday night were as follows:

	<b>Coles</b> <i>Springwood</i>	<b>Woolworths</b> <i>Marooka/ Springwood</i>	<b>Comments</b>
Imperials	\$5.98 per Kg	None	Coles – continuing with southern Imperials
Mandarins Prepacks	\$3.48 per 1Kg \$5.98 per 1.5Kg	None	
Hickson	None	\$1.66 per Kg	
Taylor Lee	None	\$3.84 per Kg	
Ellendale	None	None	
Unique mandarins	\$2.98 per Kg	None	Exclusive to Coles - Stickered with a Coles "home brand" label
Murcotts (loose)	None	None	
Murcotts (prepack)	None	\$3.98 per 1Kg	
Navels	\$2.25 per Kg	\$2.25 per Kg	
Navels Prepacks	\$4.49 per 2Kg	\$3.73 per 3Kg	
Valencias (Aust)	None	None	
Lemons	\$2.45 per Kg	\$1.44 per Kg	
Limes	99 cents each	\$12.96 per Kg	Big increase in the price of limes this week
Grapefruit – white/red	\$2.98 per Kg	\$2.44 per Kg	
Tangelo	\$5.98 per Kg	\$1.78 per Kg	

### Competing products

Apples	\$5.94/\$5.96 per Kg for Royal Gala, Fuji & Pink Lady \$4.97 per Kg Firmgold	\$4.97 per Kg & Granny Smith, Red Delicious & Jonagold \$5.96 per Kg Royal Gala, Fuji & Pink Lady	
Apples – on special	\$3.98 per Kg Red Delicious & Granny Smith	None	
Pears	\$3.97 per Kg for most varieties \$4.48 per Kg Coles Brand	\$3.97 per Kg All varieties	

	Perfectly Ripe Pears		
Bananas	\$7.97 per Kg	\$7.97 per Kg	Bananas have gone up \$1 per Kg yet again
Grapes	\$6.98/\$7.98 per Kg Black & Crimson	\$7.97 per Kg Crimson \$12.94 per Kg White (imported)	
Strawberries	\$6.98 per 375g punnet	\$4.42 per 250g punnet	



## Queensland Citrus Growers Inc

PO Box 350  
 Brisbane Market  
 QLD 4106  
 Ph: (07) 3379 3833  
 Fax: (07) 3379 3866

Week 17 - Friday 3 August 2007

### Retail Activity:

Citrus are still the cheapest products in the fruit departments of the major and minor chains. With the exception of Hickson and Taylor Lee, the chains have brought their prices up a notch from the deep discounts of the past few weeks. However, you still don't have to pay more than \$2 per Kg for Hicksons anywhere in Brisbane, and that's very cheap in this day and age.

*Retail Activity* – Retail prices in Brisbane stores on Thursday were as follows:

	<b>Coles</b> <i>Springwood</i>	<b>Woolworths</b> <i>Sherwood</i>	<b>Comments</b>
Imperials	\$5.98 per Kg	None	Coles – still have some Imperials
Mandarins Prepacks	\$2.98 per 1Kg \$5.98 per 1.5Kg	\$3.98 per 1KG Punnett	
Hickson	\$1.98 per Kg	\$1.82 per Kg	
Taylor Lee	None	\$1.82 per Kg	
Ellendale	None	None	
Unique mandarins	\$4.48 per Kg	None	Exclusive to Coles - Stickered with a Coles "home brand" label
Murcotts (loose)	\$4.48 per Kg	None	
Murcotts (prepack)	None	None	
Navels	\$2.98 per Kg	\$2.25 per Kg	
Navels Prepacks	\$4.49 per 2Kg \$3.98 per 2.5Kg	\$5.92 per 3Kg	
Lemons	\$2.98 per Kg	\$2.42 per Kg	
Limes	99 cents each	\$12.96 per Kg	
Grapefruit – white/red	\$3.98 per Kg	\$3.86 per Kg	
Tangelo	\$2.98 per Kg	\$3.96 per Kg	

### Competing products

Apples	\$5.84/\$5.94/\$5.96 per Kg for Royal Gala, Braeburn, Fuji & Pink Lady \$4.97 per Kg Red Delicious, Golden Delicious, Granny Smith & Firmgold	\$4.97 per Kg & Granny Smith, Braeburn, Golden Delicious & Jonagold \$5.96 per Kg Royal Gala, Fuji & Pink Lady	
Apples – on special	None	\$3.42 per Kg Red Delicious	
Pears	\$3.97 per Kg for most varieties \$4.48 per Kg Coles Brand Perfectly Ripe Pears \$2.47 per Kg Packham Pears on Special	\$3.97 per Kg All varieties	
Bananas	\$4.98 per Kg	\$7.97 per Kg	Coles bananas not very attractive
Grapes	\$4.98 per Kg Crimson \$7.98 per Kg Black \$12.98 per Kg White (imported)	\$9.94 per Kg Crimson \$12.94 per Kg White (imported)	

Strawberries	\$5.98 per 375g punnet	None	
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## Queensland Citrus Growers Inc

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Week 20 - Friday 24 August 2007

### Retail Activity:

*Retail Activity* – Retail prices in Brisbane stores on Thursday were as follows:

	<b>Coles</b> <i>Corinda</i>	<b>Woolworths</b> <i>Sherwood</i>	<b>Comments</b>
Hickson	\$2.98 per Kg	None	Small line of tail end fruit (poor quality)
Murcotts	\$3.48 per Kg	\$3.86 per Kg	
Mandarins Prepacks	\$2.98 per 1Kg \$5.98 per 1.5Kg	None	
Navels	\$2.96 per Kg	\$2.96 per Kg	
Navels Prepacks	\$4.48 per 2Kg \$3.98 per 2.5Kg	\$4.64 per 3Kg	
Cara Cara Oranges	\$3.98 per Kg		
Blood Oranges	None	\$5.96 per Kg	
Lemons	\$2.98 per Kg	\$3.84 per Kg	
Limes	\$1.79 each	\$14.96 per Kg	
Grapefruit – white/red	\$3.98 per Kg	\$3.96 per Kg	
Tangelo	\$2.98 per Kg	\$3.96 per Kg	

### Competing products

Apples	\$5.84/\$5.94/\$5.96 per Kg for Royal Gala, Braeburn, Fuji & Pink Lady \$4.97 /\$4.98 per Kg Red Delicious, Golden Delicious, Granny Smith & Firmgold	\$4.97 per Kg Red Delicious, Golden Delicious & Jonagold \$5.96 per Kg Royal Gala, Fuji & Pink Lady	
Apples – on special	\$3.98 per Kg Sundowner	\$2.92 per Kg Granny Smith \$3.96 per Kg Braeburn	
Pears	\$3.97 per Kg for most varieties \$2.92 per Kg Coles Brand Perfectly Ripe Pears	\$3.97 per Kg All varieties	
Bananas	\$5.98 per Kg	\$5.97 per Kg	
Grapes	\$6.98 per Kg Crimson	\$6.96 per Kg White \$12.95 per Kg Crimson	
Strawberries	\$4.98 per 375g punnet	\$3.54 per 250g punnet	