THE DEVELOPMENT OF THE AUSTRALIAN SWEET PERSIMMON INDUSTRY

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Abstract

Persimmons were introduced into Australia in the 1850s, probably by Chinese gold miners. Commercial production began in the late 1800s. Small quantities, presumably of astringent varieties, were exported in the early 1900s, but markets never really developed. The first non-astringent persimmon, variety Fuyu, was grown at the Merbein Research Station, in Victoria, in 1967. Commercial plantings started in the early 1980s, and tree numbers exceeded 100 000 by 1990. In 1989 a national workshop addressed the future of the industry in Australia. As a result, a group of 12 growers committed to working together to establish an export marketing strategy. This group grew to become the Australian Persimmon Export Company, now with 40 members from five states, and established as the benchmark for the rest of the industry. APEC has developed markets in Singapore, Malaysia, Thailand and Hong Kong. Its two registered brands, “Sweet Gold” and “Golden Star”, are recognized as the leading persimmon brands in Australia. In the future, more research is needed to address fruit softening problems and growers need to be focused on achieving higher percentages of export grade fruit. Market access to potentially lucrative markets such as Taiwan and Japan needs to be negotiated, and the industry must identify the means by which it will raise funds to invest in these key areas of R&D.

1. Development of the Astringent Persimmon Industry

The first official records indicate persimmons were introduced into Australia between 1859 and 1862 but it is also very likely that seeds were brought in by Chinese miners during the Gold Rush era of the mid to late 1800s.

The first commercial production was in Queensland and New South Wales around 1895. These trees were most likely supplied by Mr C.A.Flajy, a Gympie nurseryman. Mr Flay had a number of varieties growing and believed they should be more widely planted. In 1899 a publication by a Mr Allen in NSW provided general information on growing persimmon and included a comment that he had never seen better persimmons in either Australia or America than those grown on the coast of New South Wales.

In 1902 the Wagga Experimental Orchard in New South Wales had sixteen persimmon varieties under evaluation and reported they were doing very well. This interest in research must have continued because by 1918 the Blackwood Experimental Orchard in South Australia had 44 named persimmon varieties.

1 Paper presented to the Second International Conference on the Persimmon, Twin Waters Resort, Queensland, 2000; to be published in the proceedings of the Conference.
The first market report on persimmons is dated 1903 when sales in the Roma Street Markets, Brisbane, were quoted at 5s.6d per half gincase. (I would estimate this to be about 5-10c per kg.) The only early mention of persimmons being exported was in 1913. It was only mentioned once so we assume not a great success.

During the early 1900s interest in persimmons increased in Australia, following planting trends in the U.S. In the late 1890s there had been large commercial plantings of persimmon in California but as reported in a paper by a Mr Shinn in 1896, the plantings were more nurseryman driven rather than consumer driven. From a marketing point of view two quotes by Mr Shinn are interesting and the second one is still very relevant today over 100 years later.

“It was praised beyond measure; large orchards were planted in order to reach the markets early, and the leading nurserymen of America pushed sales. No new fruit ever had so full and fair a start....... It is an oriental fruit, which even in its best state does not become popular....... It has come to stay, but only as an interesting exotic”.

“A principle which applies to new and untried fruits as well as to the proper discarding of old varieties, is one often over looked, yet fundamental, viz: that fine quality and high flavour are primary objects. True, we know “men buy with the eye,” that looks at first count for much: nevertheless, in the long run, in all markets, the matter of quality is of first importance”.

In 1924 records indicate 24,500 persimmon trees planted in NSW but after this date there is no further mention of persimmon in any market reports or documents. We can only assume that growers should have taken more notice of Mr Shinn and there was not a strong local or export market for Astringent Persimmon in Australia.

2. Development of the Non-Astringent Persimmon Industry

The birth of the non-astringent industry began with the importation of Fuyu by the CSIRO in Merbein, Victoria in 1967. However, actual release of propagating material was delayed by 10 years after the original tree on the Research Station died and had to be reintroduced from a home garden in Adelaide where a tree had been grown from bud wood obtained from the original tree.

In the mid 1970s interest in non-astringent persimmons was re-kindled by the Queensland Department of Primary Industries at its Maroochy Research Station at Nambour. By 1982 the Station had 50 varieties of both astringent and non-astringent types. From a marketing perspective, the varieties of interest at that time were Izu, Jiro, Fuyu and Suruga.

First commercial plantings of non-astringent persimmons took place in 1982/83 and tree numbers increased from that date. Data from the Bureau of Statistics and other sources show growth in tree numbers through the 1980s.

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<th>Year</th>
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<tr>
<td>1983/84</td>
<td>9,420</td>
<td>1986/87</td>
<td>64,063</td>
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<td>1984/85</td>
<td>12,240</td>
<td>1987/88</td>
<td>85,000</td>
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<td>1985/86</td>
<td>65,943</td>
<td>1988/89</td>
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From these planting trends, which did not slow down into the 1990s, a rapid increase in production could have been anticipated. In fact, production figures did not reach these levels and sales on local and export were much lower.

3. **Reason for slower than anticipated increase in persimmon production**

Although there were substantial plantings, many growers underestimated their exposure to bird damage and losses to species such as the native lorikeet were very high. Today growers in Queensland and NSW are forced to net their orchards to ensure their crop is protected against predation by birds. A number of larger plantings were also in areas where hail is a risk and crop losses in un-netted orchards were common. Many of the original commercial plantings were in the sub-tropical regions of coastal eastern Australia. Here, the fruit matures early and appears not to have the shelf life of fruit produced in cooler southern regions. A number of early planting were also developed by large corporations or absentee growers and failed to receive the high levels of management required for this crop. Many of these orchards removed or abandoned their trees, so that during the mid 1990s there was actually a net loss of productive trees.

Persimmons are a relatively new crop to Australia and the management and growing techniques to produce quality fruit are still not well understood. Of total production in Australia, only about 30% is estimated to be of export quality.

4. **The Australian local market**

From an outsider’s point of view and even for knowledgeable people, the marketing structure in Australia can be confusing. Ten years ago, 80% of fresh produce was distributed through the central wholesale markets in Sydney, Melbourne, Brisbane and Adelaide. Retailers, including supermarkets, would look to these markets to purchase all their requirements. Exporters were also in abundance, many purchasing off the market on a speculative basis. Today the scene is changing. The volume of fruit sold through central wholesale markets has reduced substantially. There are growers and packhouses exporting on their own behalf and supplying supermarkets directly. There are brokers who organize to supply fruit to supermarkets or exporters. They take a fee but the fruit does not go through the central market. There are exporters who work with growers to source fruit directly for international markets.

Persimmon growers have a very difficult choice as to the best way to market their fruit. The average Australian persimmon grower has planted persimmons as a secondary crop, so they typically follow their established marketing outlets and supply their fruit to an agent with whom they may have a long-standing relationship – but they may never have seen a persimmon before. Recently, of the 114 agents in the Sydney central wholesale market, only 50% had ever sold persimmons. With the local market structured in this way it will take time before a coordinated and structured approach to marketing persimmons will evolve. At the same time, for the persimmon industry to increase domestic sales a coordinated promotional effort is essential. A survey in Brisbane showed that only 14% of shoppers had ever purchased a persimmon.
5. The Australian Export Market

In 1989, with plantings increasing and knowing that there were established Asian markets for non-astringent persimmon, Ray Collins from the University of Queensland, assisted by the Department of Primary Industries and Energy, initiated a national persimmon workshop in Coffs Harbour, NSW. Inviting persimmon growers from around the country this conference discussed the opportunity to work collectively to develop this new industry. A number of issues were discussed at this workshop including:

- There were already 100,000 trees planted and orders with nurserymen indicated plantings would continue. Predicted production figures indicated that from 80 tonnes in 1987, production would be over 1600 tonnes in 1992.
- There was a potential market for persimmon in Asia and New Zealand was successfully marketing fruit into Japan, Singapore, Hong Kong and Malaysia.
- Persimmons were a new crop to Australia and little was known about tree management and fruit production.
- Rather than wait for over-supply on the local market to create an export opportunity (a situation common in the Australian fruit industry), growers should take the initiative and develop an export strategy as a priority.
- More could be gained by fruitgrowers working together with a common goal rather than competing against each other. A quote by Tom Wilson and used by Ray Collins at this workshop, illustrates where the Australian persimmon export industry is today: *Many of us are more capable than some of us. But none of us is as capable as all of us.*

6. Formation of Australian Persimmon Export Company:

Eventuating from the above workshop in February 1990 twelve growers from six states meet with the common goal of working together as a group to establish an export marketing strategy. Initial small exports stared in 1991 but it was not until 1993 that a serious attempt was made to establish the export market. The two-year period prior to 1993 was spent in constructing a Quality Manual, which every grower in the group was required to use to ensure that a grower in Western Australia packed the same quality product in their tray as a grower in Queensland, some 5,000km away. It was in this year that the group also formed themselves into a company called the Australian Persimmon Export Company P/L (APEC) and began marketing under their “Sweet Gold” brand. “Sweet Gold” is one of two brands registered by APEC and considerable market research, predominantly in Singapore, was carried out before the final decision to adopt this name was made.

The second brand, “Golden Star”, was developed in 1994. From a marketing point of view this brand was developed to give more flexibility in the market place and in quality standards. It also gave growers who could not quite make the stringent “Sweet Gold” quality standards, an opportunity to pack an exportable line of fruit. There is no doubt that six years later “Sweet Gold” and “Golden Star” are both recognized as the two leading Australian persimmon brands.
Over the past ten years APEC has increased from the twelve original members to now having 40 grower members from all mainland states. Fruit being marketed through the group shows a steady increase in volume and the company has also begun to develop local markets.

7. **Australian Export Markets:**

The main export markets are Singapore, Thailand, Malaysia and Hong Kong. In volume Singapore is the most important and Hong Kong least important. Volumes of export fruit have not increased as quickly as envisaged three to four years ago. However, this is anticipated to change over the next few years as a number of larger plantings come into production, more trees are netted and increased knowledge within the industry reflects in improved fruit quality.

The first plantings in Australia were aimed at the market niche available between Sharon Fruit from Israel finishing in February and prior to New Zealand starting in May. This timing is achievable in Queensland and New South Wales using varieties such as Izu, Jiro and Fuyu. However, there is increasing production coming from later season producers in southern states. Sales on the Sydney market over the last three years show static or declining levels during March and April but increasing quantities in May and June. As this trend continues and volumes of later season fruit increase, Australia will continue exporting into late May and June.

8. **The future for the Australian persimmon industry**

APEC must expand to embrace more of the production base to retain its marketing impact as the benchmark / role model. Producers contemplating planting persimmons must consider the likely future marketing outlook, the difficulty of producing high yields of export grade fruit, and the high capital investment in setting up.

Globalisation of the retail trade may lead to multi-country alliances producing single brands of quality managed persimmons. Year round supply would then be available to global supermarket chains.

Basic research needs to be done to better understand fruit softening problems in fruit from warmer climates. Market access protocols relating to markets such as Japan and Taiwan need to be addressed.

The whole industry must face up to how it is going to raise levies to fund R&D at the appropriate level for a new industry - with a major focus on improved marketing and production systems.