

Fruitgrowing in Denmark

Challenges and opportunitets



Egeby Frugtplantage

Owner: Marie- José and Henning H. Jensen

30 ha fruit + 12 ha hired orchard

Sandy soil

All irrigated by drip irrigation

Located on northern Fyn, 2 – 5 km from the seaside

Production 2016

• Apples	950 ton
• Apples for juice	150 ton
• Pears	150 ton
• Sweet Cherries	25 ton
• Plums	18 ton



Egeby Frugtplantage

2016 has been a good year with high yields

2016	Yield
	ton pr. ha
Jonagored	60
Elstar	45
Karen Schneider 2014	27
Karen Scheider 1999	68
Discovery	27
Gråsten	23
Clara Frijs	41
Lukas	65
Sweet cherries	8,5
Plums	8,5



Egeby Frugtplantage

Apples

Production 2016

950 ton

- app. 24 ha.
- Elstar →
- Jonagored →
- Karen Sneider →
- Aroma →
- Holsteiner Cox →
- Gråsten →
- Gala →
- Discovery →

All planted on root stock M9 3,5*1 m

New planted after 2010 with jork-system

After winter pruning 2,75 m high





Egeby Frugtplantage

Pears

Production 2016

150 ton

- 4 ha + 2 ha new planted
- Varieties
 - Pears: Clara Frijs 
 - Lukas 

All planted on rootstock quince Adams 3,5 * 1 m

Jork-sytem

2,75 m after winter pruning



Egeby Frugtplantage

Sweet Cherries

Production 2016

25 ton

- 3 ha
- Sweet Cherries
- Lapins
- Skeena
- Sweetheart
- Vanda
- Sam Nordanvik
- Kordia
- Regina

Covered with Voen plastic

All planted on rootstock Colt 4,5 * 2,5

After winter pruning 4 m high



Egeby Frugtplantage Sales

98 % of the volume of apple and pear are sold via Orskov Foods

- The are delivered to Orskov Foods in big boxes (300 – 350 kg boxes)
- Orskov Foods are responsible for the sales, storage, grading and packaging

95% of the Sweet cherries and plums are sold via Orskov Food

- The cherries and plums are stored (few days), graded and packed here at the farm
- Orskov foods are responsible the sales.
- All cherries are packed and sold in 350g punnets and plums in 500g punnets

A whole saler is needed in order to match the large buying groups of the supermarket

The remaining volumes are sold at the farm, in our home sale shop.



The apple and pear market in Denmark

Total production of apples and pears in Denmark	25 – 30.000 tons
Total consumption of apples and pears	app. 100.000 tons
To main wholesalers (grading and storage)	
Orskov Foods	50 – 60 %
Gasa Nordgrønt	20 – 25 %
3 very large supermarket buying groups	
Few (large) second level wholesalers	



Production of apple and pears

The average age of the growers are very high 55 – 60 years and there has been only a new starters in the last 10 – 15 years.

5 – 6 large companies are responsible for 40 - 45 % of the total production.

- Most of the large companies are growing rapidly
- Some of them are producing strawberries, cherries or plums as well.
- Even for the large producers it has been difficult to make reasonable earnings during the last years

App. 10 - 15 middle size companies are producing 20 – 25 % of the total production

- 300 – 1000 ton produced pr. year pr. grower.
- Most of the middle sized producers have stable production area, thus no size development
- Difficult to make reasonable earnings

App. 75 – 100 small size companies are producing 25 – 30 % of the total production

- Typically 1 – 10 ha. production area
- Typically old plantings
- Typically is a high share of the production sold locally and/or via home sales.
- Many old producers and part time growers
- Quite many new comers



Production of apple and pears

Apples

Main varieties,

- Elstar
- Karen Schneider
- Aroma
- Jonagored

Minor varieties

- Discovery
- Cox
- Gråsten
- Gala
- Jonami



Focus in production is:

Quality

- Uniform in color and size
- Long shelf life (Correct harvest timing)

Yields above 40 ton pr. ha

Production costs

Next year production

- Thinning (no biannual cropping)
- Late fertigation
- Foliar spraying with nutrients

Pears

Main varieties

Clara Frijs

Lukas??



The market of apples and pears

The main distributors in our group (Orskov Foods) are the supermarkets.

- 3 main buying groups
- All of the supermarkets are asking for high and uniform quality, very competitive prices and large flexibility in deliveries. (orders can be changed until few hours before delivery time)
- No residues (growing focus)
- Physical handling of the fruit within the shops has little or no focus. (apples and pears that are difficult to bruise ,)
- Most fruit are sold pr. piece. (typically 10 pieces of fruit for a fixed price). Uniform size 70 – 80mm

But the supermarkets are also the absolute most important distributors. The super markets sells fruit in a very large and continuously flow.



The market of apples and pears

Domestic production is 25 – 30 %. too large production for having a niche status

Import from most of Europe and from overseas destinations such as Australia and Chile in the low season.

Very high price pressure from especially Germany, Holland, Italy and lately also from Poland

Domestic produced apples and pears are sold at a premium price (+ 10 – 20 Eurocent)

- Lower level of residues
- Special Danish varieties
- Avoiding pan European varieties, like Jonagored, Gala, Golden and Conference,
- Consumer perceptions are that Danish produced fruit are preferable.



The market of apples and pears

Settling price for Egeby Frugtplantage in 2015 after costs for storing, selling, packaging etc.

Apples	Eurocent
Jonagored:	28
Elstar	35
Karen Scheider	37
Discovery	48

Pears	
Clara Frijs	58
Lukas	45
Conference	28

Sweet cherries	Euro
All	4,50

Plums	
All	1,70



The market of apples and pears

Trends and focuses by the consumers

- Organic farming
- No residues
- No/low waist of food
- Sustainability in production and in consumption
- Willing to pay for quality
- In the city farming “home produced”
- Traceable and/or local produced



The market of apples and pears

Organic farming

Fast growing sales

Supermarkets are using organic produced fruit in their daily marketing

- Lower margins
- Always in their weekly offers
- Partly willing to accept lower quality

Consumers have a perception that organic fruits are more healthy

- No residues
- No plant protection products are used
- More sustainable due to environmental issues
- Small and original is good

The consumers have unfortunately very little knowledge of how organic fruits actually are produced.



The dream of a small organic apple orchard

The market of apples and pears

Organic farming

Are the consumers buying a dream that will never come through??

For many consumers the answer is yes!

- Organic produced fruit are sprayed intensively
- Residues can be found on organic fruit – if tested
- Organic production has to be as efficient as conventional produced fruit in order to make a living
- Organic fruit is imported from far away
- Is organic production more environmentally friendly than conventional??

Never the less – the consumers are always right!!
If you don't follow the consumers you are lost.



The market of apples and pears

Traceable and/or locally produced

Consumers prefer domestic produced fruit

- They want to know how fruits are produced
 - No hazardous chemical
 - No child labor
 - Low CO2 emission
 - Sustainable and environmental friendly production
- The more local the better
- Imported fruit only if:
 - Price is better
 - Quality is better
 - Has a strong brand (Pink Lady)
 - Of season

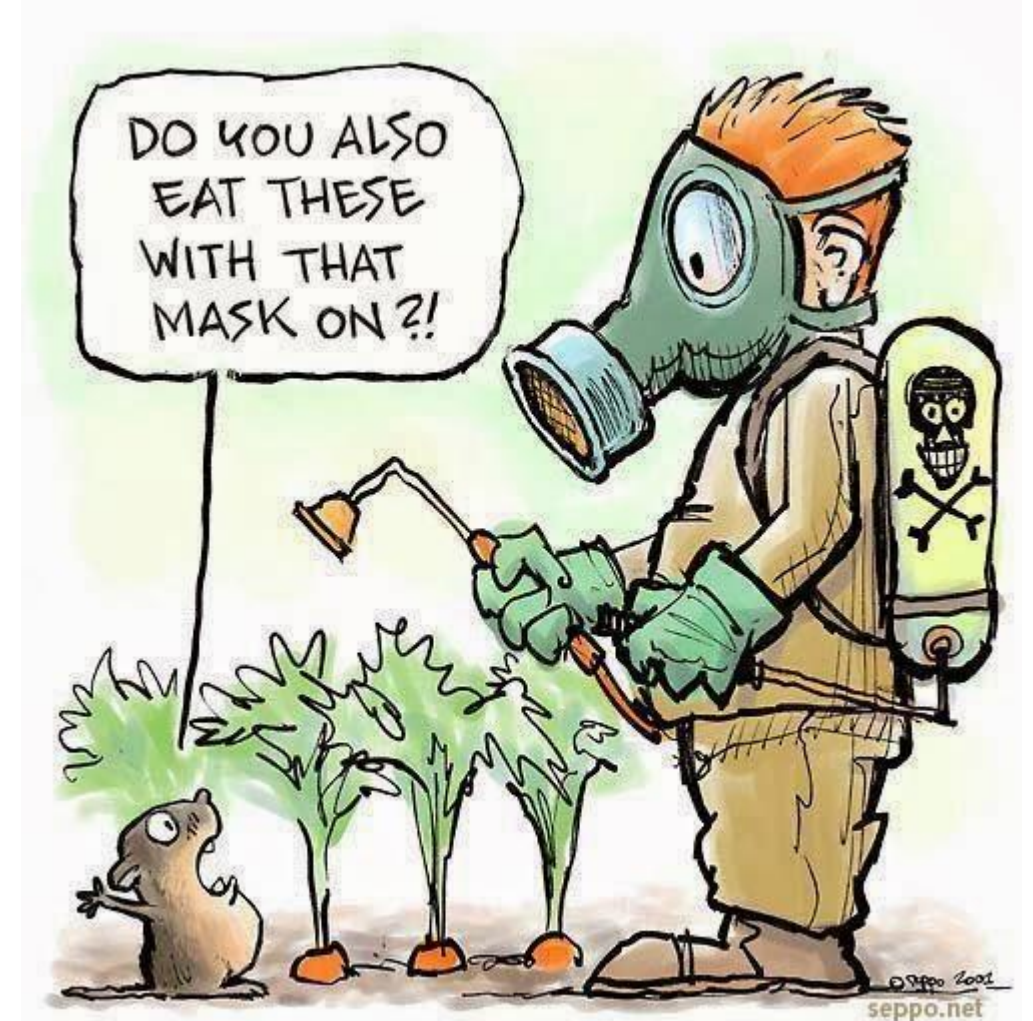


The market of apples and pears

No residues

- Consumers are very concerned about any residues on fruit.
- The yearly residue report are publicly discussed
- Lower residue levels in Danish produced fruits than in imported fruits
- The public have a very narrow knowledge about health risks.
- The public have no knowledge about modern production of food

As a producer we have to be very aware of this concern. At all occasions we have to minimize risks of residues.



The market of apples and pears

Willingness to pay for quality

The financial crisis from 2008 is more or less gone

The consumers are more and more willing to pay for quality and presumed quality.

The market for discount products are declining and the market for specialties are growing



The market of apples and pears

In city farming, home produced

A new “back to nature” trend

And all that work?? – Difficult to keep up the spirit in the long run.

I believe that this trend will only exist for the few hardcore consumers who believe homemade is the best.



The market of apples and pears

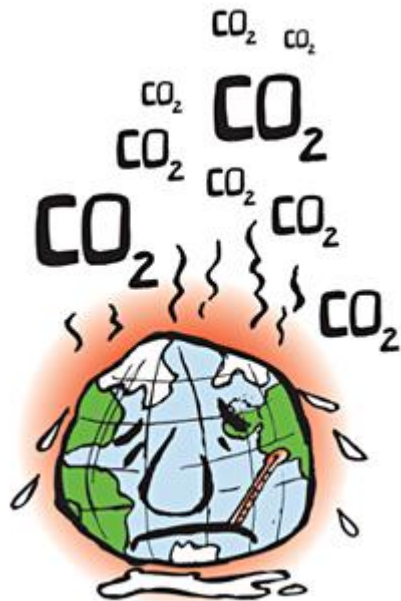
No/low waist of food

Sustainability

Buzz- words?

Growing concern

Difficult to define what is right or wrong



The market of apples and pears

Future trends



Continuously growing organic market
Locally produced food
Focus on sustainable production
Willingness to pay for quality products
Convenient food
????



The market of apples and pears

Future trends

Growing organic market

- Over the last 2 – 4 years the market has been growing faster and faster
 - Home production has been growing after 2 – 3 years without production problems
 - Import market has also been growing
- A driver, is the growing environmental concern

The growth will continue but;

- What happens when/if the consumers realize what they are really buying
- Sustainable growth, organic farming and global need for food. Is it possible to combine all?



- Kumulus-S. Sulfor
- Kobberoxichlorid.
- Kaliumbicarbonat.
- NeemAzal T/S
- Sprutzit Neu.
- Madex.
- Turex WP.
- Fibro. Mineral oil

The market of apples and pears

Future trends

Locally produced food, producers home sales within the supermarkets

- Newest trend
- Started by COOP 2 years ago
- Now many of the supermarkets have this category in their focus
- Many consumers like this - opposite to multinationals and global markets.

Is expected to grow rapidly in the next 3 – 5 years



The production of apples and pears

Future trends

The major production will be concentrated on fewer and larger farms.

- Very strong trend
- Both organic and conventional
- Cost efficient production
- Large knowhow within the company
- Strong partner for the wholesale and retail
- Difficult to meet the consumer face to face
- Slowly in responding to new trends
- “Consumers like it small”



The production of apples and pears

Future trends

A growth in the number of small local producers, conventional, organic or biodynamic

- Many new comers with only 1 – a few ha.
 - Organic, biodynamic
 - Based on home sales and/or local deliveries
 - Limited funds are needed to start up
 - High selling price
 - Following the new trend, “small is big”
 - Part time or hobby
 - Often combined with other farm production
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- Little or no production knowledge
 - Difficult to combine with a full time job
 - Fast/Slow in responding to new trends ???
 - High production cost



Egeby Frugtplantage

Future plans

In the next 3 – 6 years

- Seeking suitable land for start up of organic production
 - Next 2 – 4 years start up of organic production
 - Concentrate on apples, pears and sweet cherries – plums will disappear
 - Local selling ???? Yes if it is accepted by my wholesaler
 - Concentrating on keeping a modern and/or efficient orchard and continue having a long term renewal plan in the existing orchard.

6 – 10 years

- Decide if the orchard shall be kept as a full modern production orchard in order to sell it within 12 – 15 years, or make it a “milking cow”
 - Continue investing in the orchard - or stop all long term investment.



Thank you for your
attention!