

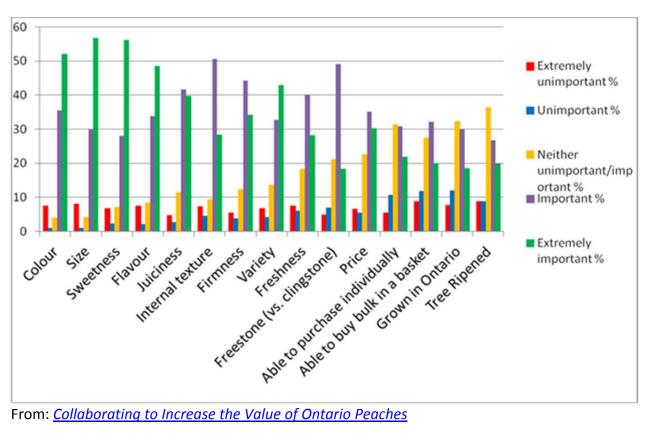


MEDIA RELEASE

What makes a platinum peach?

Guelph, ON (August 15, 2012) The quality of your fruit determines your position in the market. Consumers view produce as a destination category that has a significant influence on their purchasing behaviour. To this end, Ontario growers are continuing to work with their chain partners to consistently deliver a platinum tasting peach.

When you go to buy peaches, what drives you to purchase? Their price, size, colour or how or where they are grown? A two year study by the Value Chain Management Centre in Guelph determined through a survey of more than 1,200 peach consumers that visual clues about eating quality were the most important purchasing drivers. Unfortunately for locavores, "Grown in Ontario" was among the least important considerations.



From: Collaborating to Increase the Value of Ontario Peaches

That is one of the reasons why Ontario peach farmers have been working diligently with Vineland Growers Co-operative and Loblaw Companies Limited to determine how they can produce a better peach for local consumers.

The project was unique, evaluating the entire chain from farmer through to consumer. Key participants travelled to California and Chile, to identify management approaches that could be applied in Ontario to produce peach valued by consumers. Farmers experimented with different orchard practises such as summer pruning and laying reflective film between rows of trees; packing houses evaluated the processes and temperatures for maximizing the quality of packed fruit; Vineland Co-operative and Loblaws monitored the storage and handling of peaches as they traveled the full length of the value chain through to purchase by consumers. Vineland Research and Innovation Centre evaluated the impact of growing, packing and cooling practices on taste and eating quality.

Each had a part to play to find the objective and scientific answers to the question, "What makes a good peach and how can we consistently provide and improve upon what consumers' value, leading to higher profits and a more sustainable industry?"

The full report is available online on the <u>Value Chain Management Centre's</u> website. http://www.valuechains.ca/documents/Platinum%20Peaches%20Yr2%20FINAL%20-%20061812.pdf. The case study is available online: <u>Collaborating to Increase the Value of Ontario Peaches</u>.

This project reflected the concept of value chain management, which describes the purposeful decision by businesses that comprise a value chain to improve their profitability through developing the processes and capabilities required to create consumer-recognized value. In developing close, mutually compatible relationships, businesses acquire the opportunity to combine resources to achieve objectives that would otherwise not be possible. While the concept is straightforward, it requires leadership, vision and the proactive sharing of information. An exclusive to Loblaws for the previous two years, Platinum Peaches are now also available in Metro, Sobeys and Costco.

The Value Chain Management Centre is Canada's only initiative dedicated to improving the profitability and competitiveness of businesses operating in the Canadian agri-food industry through promoting and enabling the development of sustainable innovative value chains.

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