



Commercialization of Apple Cultivars

5/13/2005

Okanagan Plant Improvement Company



Vision

- Successfully adapting apple varieties by Canadian farmers
 - Improved price varieties
 - Better adoption by farmers
 - Successful introduction
 - Better consumer satisfaction

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Goals

- Better adoption of varieties by Canadian farmers
- PICO to be an international Company, working with farmers, fruit companies and nurseries
- Strong breeding program with international recognition for Canada as a leader in fruit breeding
- Test varieties in Canada and around the world, Develop alliances with international partners

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State of the Organization

- BC has seen 100% adoption in cherries and 75% adoption of apple cultivars
- Need for new and improved cultivars as tree fruit production advances

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Plans of Action

- PICO as a National Company, working with regional players
- PICO to act as the party to tie things together:
 - Input into R&D, working with breeders and private owners
 - Flow of new cultivars to PICO
 - PICO to release all cultivars to Canadians for testing and evaluation
 - Foster international alliances to develop markets for the actual end product
 - Collects royalties to finance the overall plan

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Issues

- Number of new cultivars worldwide is finite
- Access to new cultivars is limited
- Introduction and commercialization tricky
- Growers want less risk in selecting new cultivars
 - Reduced risk of over production
 - Reduced risk of failure with food retailers

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Ambrosia

- Started as an open release variety
- Worked well – for a while
- Up to 100,000 carton sell to boutique stores
- After that, big retailers are needed
- But they would like 1 million cartons
- Needed more work with big retailers
- More promotional efforts

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Ambrosia

- Limited acreage program world wide
- Exclusive marketing territories for international growers
- McDougall and Sons / CMI in USA
- Other global partners to be finalized shortly
- BC has access into those markets
- BC acreage is limited
- Current royalty \$3.75 per tree

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Aurora Golden Gala

- Limited acreage in Canada 1000 acres
- Serious tests in USA underway
- Material has been sent to other countries
- Royalty in Canada
 - 75 cents per tree
 - 50 cents per box
- Market and development levy
 - 25 cents per tree
 - 50 cents per carton

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Club Varieties

- | | |
|--------------------------------------|-----------------------|
| ■ Pink Lady – Largest /most advanced | Kiku 8 Fuji |
| ■ Tentation | Galarina |
| ■ Cameo | Nikoter - Kansi |
| ■ Arianne | Niko Green- Greenstar |
| ■ Jazz | Sonya |
| ■ Honey Crunch – Honey Crisp | Rubens |
| ■ Sun Downer | Pinata |
| ■ Gilmac – Pink Gala | Diwa |
| ■ Melac | Jonaprince |
- 100 to 5000 acres each
 - Less than 5% of world apple crop

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Close

- PICO here to work with Growers
- Access to new cultivars, but not all
- BC industry needs to develop a marketing framework to work with club cultivars for some outsourced cultivars
- Good programs in place for Ambrosia and Aurora Golden Gala

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