

Winchester Growers



Agenda

- Winchester growers
 - Who we are
 - Specialities
 - Growing
 - Quality
 - Environment & Community
- UK Market
 - Data
 - Consumers
 - Quality
- Opportunities
 - Transport
 - Areas in the UK market



Who am I?

- Background
 - National Buyer in Australia for Woolworths
 - Fresh flowers & Plants
 - Based in China, Kunming, for 1 year working with growers to increase quality standards and export potential – roses, carnations, lilies etc
 - Winchester Growers – working with the commercial team to satisfy customer needs



Who Are We

- Grower/Packer specialising in bulb based and seasonal flowers and plants.
- Particular strengths in Daffodils, Lilies, Tulips, Summer Flowers and Potted Bulbs.
- Medium sized company with dedicated staff
- Main office based in Lincolnshire and Cornwall
- Strong strategic vision for the future
- Part of the UNIVÉG group of companies
- Supplying retailers for over 20 years



Specialties – Daffodils

- Largest UK Daffodil grower / marketer
- Grown across the UK with main crop being in Cornwall
- Focus on long vase life varieties
- Focus on early and late season varieties
- Range of exclusive varieties

This coming season will grow over
13 million Bunches



Daffodil – Preparing Soil



Daffodil – Bulb planting



Daffodil - Harvest



Specialties - Tulips

- Short Supply Chain (grower/packer freshness)
- Variety understanding and knowledge of the product: vase life performance.
- Leading standard production system / product knowledge

This coming season will produce in
excess 24 million stems



Tulips Grown on Water



Water Pipes amongst the bulbs

Bulbs planted directly
onto a spike
The roots grow into water
which
Reduces the requirement
for peat



Tulips Ready for Harvesting



Specialties - Lilies

- Grower packer-increasing own summer production (leading standard for UK quality)
- Strategic associations with growers (including bulbs)
- Varietal knowledge - vase life, scent
- Procurement strategy – with leading supplier bases across the world

This coming summer season will produce in excess 18 million stems



Specialties

Summer Flowers

- One of largest UK Summer growers crops include:

Sunflowers – 2 million

Peonies – 500,000 stems

Gladioli – 3 million

Agapanthus – 26 acres

Brodiaea – 700,000 bunches

Brassicas – 800,000 stems

Sweet Williams – 18 acres

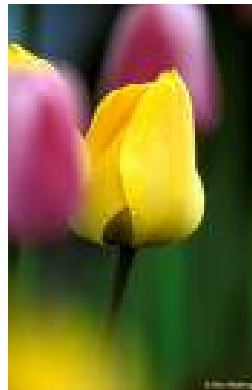
The requirements are more than we produce and
there is counter seasonal opportunity



Potted Business

- Potted Bulbs November – April (end)

- Tulips
- Hyacinths
- Daffodils
- Narcissus Tete-a-Tete
- Leucojum
- Lily
- Muscari



- Events business

- Christmas
- Mothers Day
- Easter



Growing Systems

- Glasshouse
- Hydroponics
- Spanish Tunnels
- Outdoors



Relationships with Growers

- All growers are growing to the same quality standards as Winchester
- Key suppliers and grower base working together and taking pride in every stem for all customers



Good Practices

- Good Manufacturing Practices
 - Both sites certificated against BRC equivalent standard
- Good Growing Practices
 - GlobalGAP certificated both sites
 - LEAF certified at both sites – first ornamental growers to achieve LEAF certification in the UK

www.leafuk.org.uk



Quality Specifications

- Each customer requires all products to be delivered to a specific quality standard covering
 - Product varieties
 - Stem length/weight
 - Flower head size/opening stage
 - Vase life guarantee



Quality Standards

- All raw material is checked against a buying specification on delivery
- There is full traceability from the point of growing (where possible) all the way through to the outloading of the finished product
- Raw material is allocated by customer for processing into the final product



Quality Standards

- Product is packed and checked as it is being packed against the customer's specification
- Once packed product is then positive released before it is outloaded to the customers distribution depots
- A sample is taken of every product packed everyday and the shelf and vase life of that product monitored



Shelf Life Room



Environment & Community

- Have for a number of years worked on reducing the amount of peat used in the growing process
- By moving from peat / tray grown tulips to hydroponics we saved more than 500 tonnes of peat usage per year
- In addition, bulbs grown in coir or reduced peat growing media
- The farm in Cornwall is a demonstration farm for growers to come and visit our long established farm conservation programme



- The two sites actively working on reducing water usage and carbon emissions
- Cornwall Farm is a demonstration farm on good farming methods and reducing soil erosion
- Newly installed bio beds used to purify farm washings
- Water conservation / harvesting is actively managed



Social Responsibility

- Both sites covered by Bureau Veritas ethical audits
- All suppliers are audited for GAP and SR requirements by Winchester Growers
- All labour suppliers audited to ensure they are acting responsibly
- Interaction with the local community



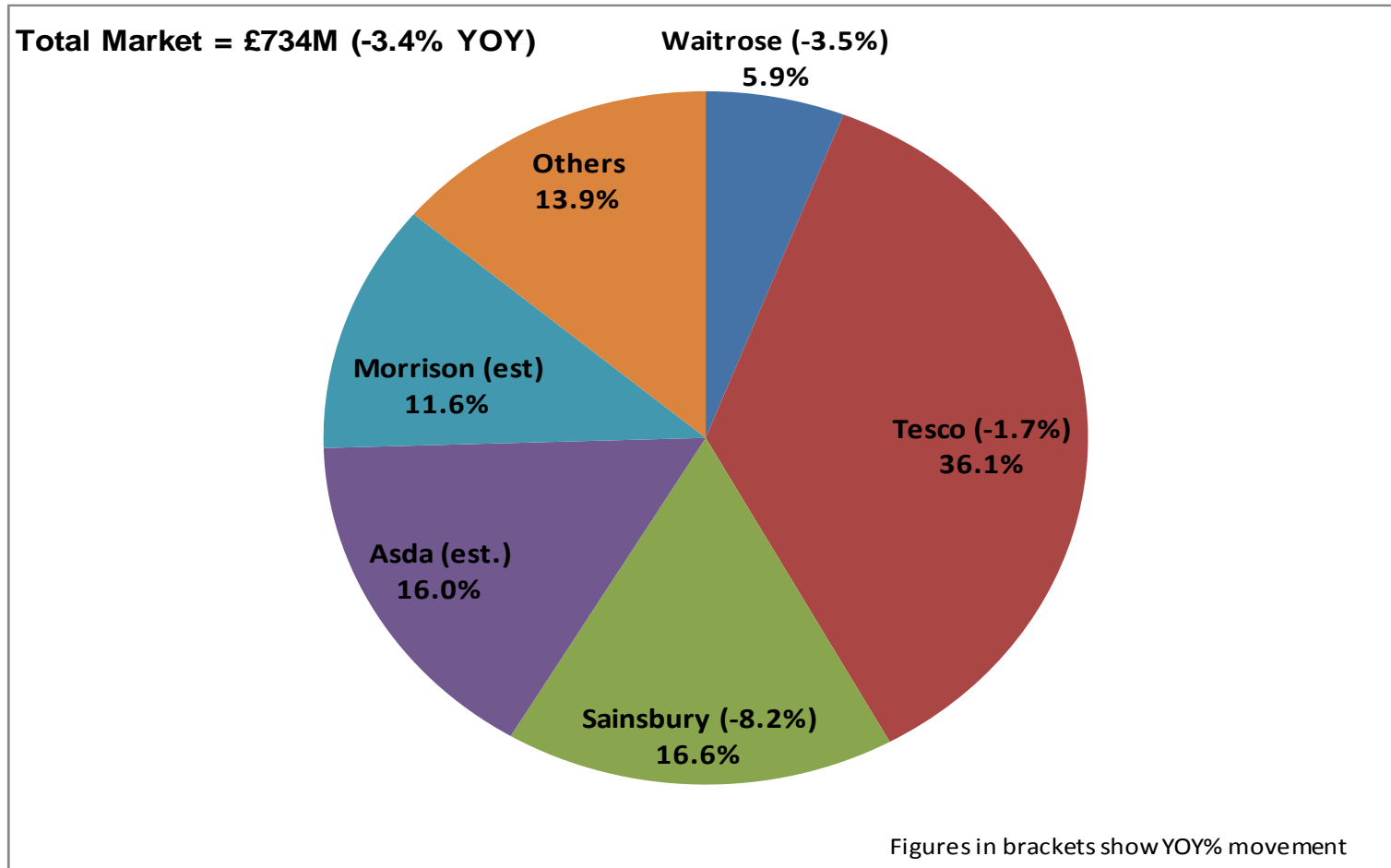
UK Cut Flowers Grocery Multiples Market Data

Source : Nielsen and IRI (52 wks to
1st August 2009



Key Multiples in UK Market

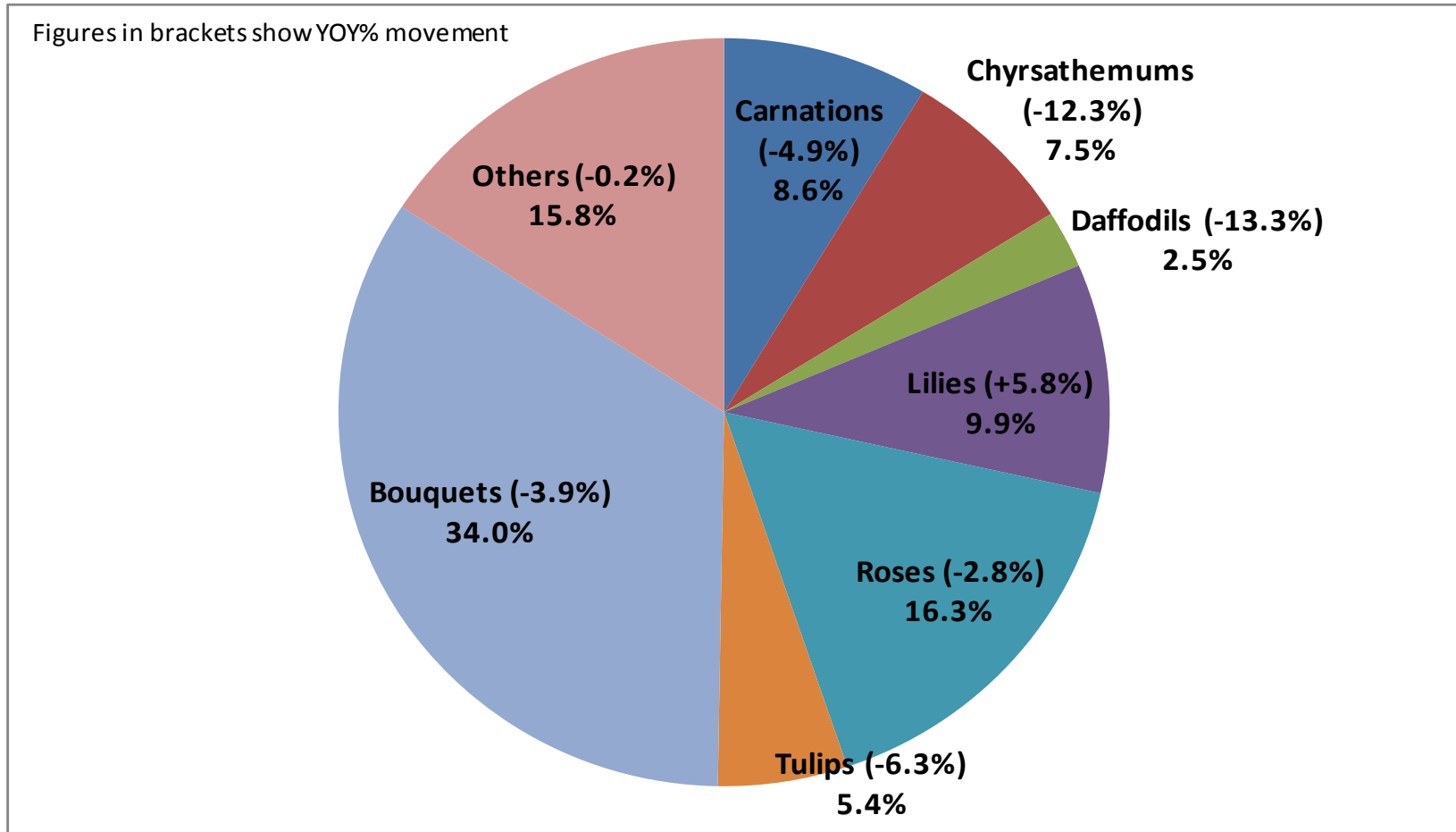
% Share of Total Cut Flowers



Winchester Growers supply Tesco, Sainsbury and Waitrose

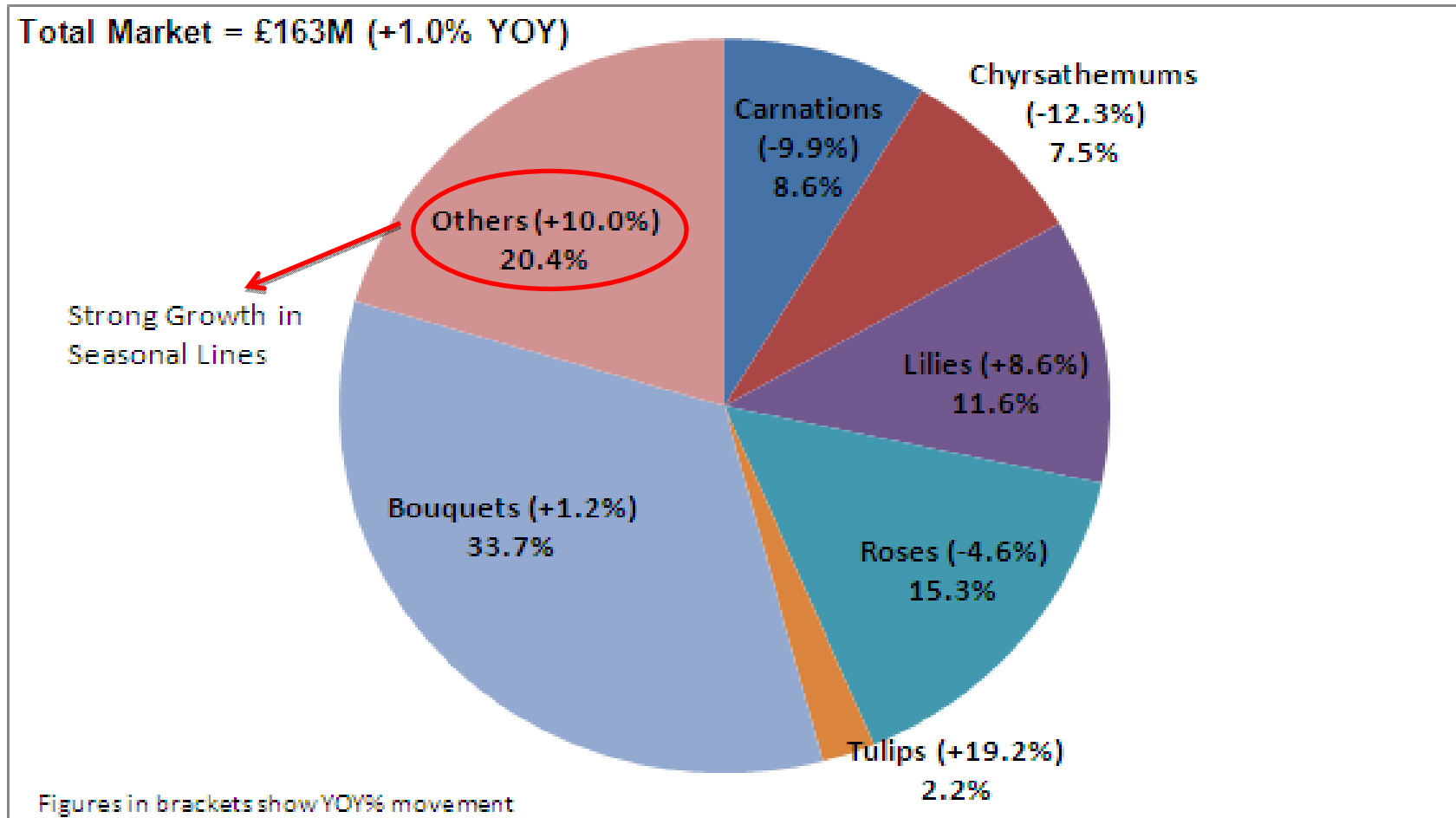
Cut Flowers Market by Type

% Share of Total Cut Flowers



Winchester Growers key areas are Daffodils, Tulips, Lilies, Bouquets and Seasonal (Others)

12 Weeks YOY showing Market Improvement



UK Consumers

- The UK fresh cut flower and indoor plant market is worth **£2.2** billion (retail level).
 - To put this in perspective, UK music industry is worth approximately £2 billion.
- This represents an average spend per person per year of **£36** (£28 on flowers and £8 on plants).
 - Vs Europe spend **£60-£100** per person per year on cut flowers and indoor plants.



Quality Expectations

- Vase life guarantee
- Specifications
- Transport
- Flower food



Transport

Sea Freight V Air freight

- Sea freight
 - CA storage
 - Currently done with produce from Chile
- Air freight = £££
 - Needs to be competitive rates to be commercially viable



Opportunities in the Market

- Counter Seasonal Products
 - Peonies
 - Gladioli (Dec-March)
 - Tulips
 - Freesias
 - Alstroemeria
 - Other seasonal flowers

