

New waxflowers' appeal brings new life to landscape

By John Fitzsimmons

Through astute acquisitions, and in response to business trading patterns, a business best known as a cut flower trade and export specialist is now building new opportunities in the nursery and landscape plant sectors.

Well established Perth-based company Wafex and its relatively new sister company – Melbourne-based Helix Australia, businesses operated by business partners Craig Musson and Adrian Parsons, are behind the developments.

Wafex is the leading exporter of cut flowers (fresh and dried) in Australia with warehouse, packing and coolroom facilities in both Melbourne and Perth. The company enjoys export markets in more than 16 countries and has a dedicated supplier base of more than 200 flower growers covering both east and west coasts of Australia. This is complemented by a cut flower import business. Together they employ about 50 people. This import-export balance accommodates currency exchange rate movements such as the currently strong A\$ which presents a price challenge for Australian exports.

"Australia – as a global supplier of native flowers – is struggling," Adrian

Parsons explained. "Our distance from market, exchange rate pressures and freight costs, are making it very difficult to export Australian natives. However one of the areas where we are maintaining our space is in new varieties."

"Waxflower (*Chamelaucium* spp) is our biggest export crop by far. There was a time when we always had a seasonal advantage, with Israel and California growing in the December-June window while Australia owned the June to December window, and we never had competition. That has now changed," he said.

Peru and South Africa have emerged as other southern hemisphere producers with lower production costs, lower freight costs to northern hemisphere markets, and tariff advantages that we don't have. They have "eaten into our competitiveness", Adrian commented.

"But new hybrids, new varieties, are maintaining a premium – particularly in Europe in Holland – so one of the motives in investing in new varieties has to be to

hang on to market share – to be leading the pack," he went on.

"The high Australian dollar has really decimated the export industry. Wafex is number one or two in that space but it is a very small space. We've hung on through the last five or six years despite the toll taken by drought and exchange rates. We've been able to hang on because we've had quite a strong domestic market, plus we've been involved in importing on the flip side of the exchange rate bogey. But new hybrids have enabled us to maintain export market share and get a price premium which we need. With our labour costs and our freight costs our production is quite expensive by the time it hits the world market."

"So the only way we hang in there is if it's a little bit special and the new waxflower varieties that Helix has acquired and continues to acquire are unusual and exhibit the sort of unusual colours, flower forms and flower timing that, particularly in Holland, they'll reward that."

The platform that Helix was established on was formed by the acquisition of a suite of varieties from noted WA breeder Brian Jack. The company continues to acquire new varieties from Brian and other breeders.

"Often Wafex will be dealing with a waxflower grower who – through breeding or through chance crossings sports will develop – we've bought new varieties that are early flowering or late flowering – something special to expand our range."

"The only way we can compete is to be at the forefront of new varieties."

Seeing an opportunity to become the world's leading source of new waxflower varieties, Adrian and Craig more recently established Helix Australia which is currently developing networks of licensed growers locally and overseas in both the cut flower and nursery industries.



Waxflower 'Dancing Queen' in pots