

## **Fiji Pearls.**

### **Intro Slide #, 1.**

- Bula, My Name is Justin Hunter I am a pearl farmer from Fiji.  
I would 1<sup>st</sup> like to sincerely express my appreciation to HRH and the team that invited me and got me here thank you.

### **Slide # 2. Location:**

- Fiji Islands are located in the South Western Pacific Ocean.

### **Slide # 3. (Fiji Map)**

Fiji is comprised of some 330 islands, of which roughly 100 are inhabited.

### **Slide # 4. (Fiji long-lat)**

- Co-ordinates coincide with other major producers in the S. Pacific/S. Hemisphere.

When I was invited to speak here I was asked to speak on Fiji as an emerging producer. Where Fiji stands now and how I see Fiji's role as a pearl producer in the future.

### **Slide # 5 (Tikito shot)**

Really the best way to answer these questions is by 1<sup>st</sup> telling you about the history of pearling in Fiji and in particular a good friend of mine a Mr. Tokito, who was one of the pioneers of the industry

### History of Fiji Pearls.

- Mr Tokito moved to Fiji in 1963 with a Mr. Wada.
- Mr. Wada had had previous experience in pearling in the Australian Industry.

### **Slide # 6 Ovalau**

- Most of the Early experiments/research was done here on the central island.
- Soon after beginning Mr. Tokito and Wada were recruited by Mr. Rosenthal to help start up a farm in French Polynesia.
- Mr. Wada moved and helped Mr. Rosenthal set up, what was Tahiti's first commercial pearl farm, on Manihi atoll, in 1966.

### **Slide # 7 Manihi**

- Mr. Tikito remained in Fiji, and was producing Fiji's first pearls in 1968.
- From these early days till today we see two completely different pearl producing countries:

- Tahiti with production reaching close to 12 tonnes per year and

- Fiji with barely 150 kilo's per year.

- Why did the industry diverge so much between these two S. Pacific Nations?
- I will name 3 of the main reasons (not the only ones.)

## **I - Geographically – Availability of farm sites.**

- Fiji only has one atoll.
- Manihi is one of 78 atolls in the Tuamoto's.
- Wonderful farming platforms, - protection, food production, and seems to be natural habitat for black-lipped pearl oysters.

### **Slide # 8 Tokito's farms.**

- Without atolls Fiji has drastically fewer farm sites.

## **II - Tenure System: The ability to secure a farm site legally/ownership of animals in the water.**

- Fiji, like many, of the South Pacific countries has rather complicated laws concerning sea "ownership" and "rights" to the sea.
- In Fiji, marine area's have dual ownership (1) The Traditional Fishing Right Owner's and (2) The state.
- Mr. Tikito had six pearl farms in 40 years of farming!
- Averaged moving his farm every 7 years!

I think this Illustrates the sensitive nature of this issue in Fiji.

- French Polynesia, has similar issues, in regards to rights and "ownership".
- However the government was able to satisfy concerns of potential pearl farmers / investors.
- Result was people were willing to invest in farms.

### **Slide # 9. oysters.**

## **III - Oyster Supply.**

- Over Mr. Tokito's 40 years of farming he only managed to implant some 10,000 shell per year.
- The main reason for this, and the reason why Mr. Wada took off, was oyster supply.
- There simply was/is not a sufficient supply of oysters to establish a commercially viable industry in Fiji.

In order for any type of pearling Industry to develop it will have to take into account these 3 key issues: **Here is what we are doing to address these issues Today:**

## **1. Farm Locations.**

### **Slide # 10. Location of farms, now.**

- Currently 6 farms operating in Fiji. All based around the main, large islands.

### **Slide # 11.**

- without atolls Fiji farms located in bays around larger islands.

### **Slide # 12. map of Vanua Levu and locations of our farms.**

- We have specifically chosen to establish our farms within bays of the 2<sup>nd</sup> largest island of the group: Vanua Levu. Savusavu farm 2000 and Kioa 2008.

### **Slide # 13. Bay shot**

Bays provide some positive aspects for farming:

1. Protection from weather.
2. excellent food production.

### **Slide # 14. Bay shot 2.**

3. Proper depths and contours for putting in farm structures.

### **Slide # 15. boys**

4. Good work force from surrounding villages.

### **Slide # 16. tours**

5. Access to tourism and visitors-local sales.
  - 100 5 star rooms in Savusavu, many vacation-homes, 25 cruise ships per year.
  - This was critical for us starting a farm when we did.

### **Slide # 17 (boys on barge) Draw backs + security of Tenure.**

- Draw backs to Pearl Farms around high islands are:
  1. sedimentation
  2. nutrient loading which basically means more cleaning and maintenance of shells.

Different environment from atolls.

## **2. Security of Tenure (same slide).**

Both farms on my “home island”. Local component very important.  
Accept that Traditional Fishing Right Owners are part of what we do.

1. Traditional Fishing Right Owners are shareholders in both farms.  
This was done as compensation for the loss of fishing rights in the area now under cultivation.
  1. Jobs, We have close to 50 people working on these farms.  
Important that jobs are created,
  2. machines will not take the place of workers!

**Slide # 18.** women’s group.

3. We have also established a contact system which acts as small business ventures for village based groups.
4. We contract out a lot of the manufacturing of gear, maintenance of gear, sorting of shell, harvesting of shells, etc to these women’s groups.
5. Great story and source of pride for me. Over the years these community business groups have allocated 1/3 of their funds to village projects: eg. Wash houses for each home, put kids through school, community halls, walkways, etc in these villagers.

**Slide # 19.** Youth scholarships.

6. Very active with youth, 34 scholarships awarded in 2008.
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2. Once state receives signed permission from Traditional Fishing Right owners and other necessary ministries. The can then grant a 5 year license to farm in the demarked area!

### 3--Oyster Supply

#### Slide # 20. Map and distribution.

- Oysters supply is Fiji's greatest constraint, It Is also its greatest asset.
- There are-were- seven different varieties / *sub-species* of *Pinctada margaritifera* found in the Pacific and Indian Oceans.
- The shading indicates the different subspecies/varieties-distribution.
- In the South Pacific there are two major sub-species / varieties:
  - *margaritifera cumingi* common to atolls especially in French Polynesia.
    - Large size is one of the defining characteristics of this oysters.
    - And Also the great abundance these can be found in atolls.
  - *margaritifera typica* has a wider distribution in the western Pacific.
    - These oysters are much smaller in size / and less abundant.
    - And have a wider colour range with regards to nacre and the actual body of the oysters.
    -

(My theory) Fiji lies in a “convergence zone” between both these populations.

**Slide 21 – oyster size.** – similar to *cuming*.

**Slide 22 – body colour** – 50:50 orange to dark – similar to *typica*

**Slide 23 – shell colour** - wide range.

- These hybrid oysters are the key to our industry!

Still does not explain how we get our oysters:

**TWO Main Practices we employ to get our oysters:**

**Slide 24 –traditional spat collection.**

1. **Traditional spat collection.** Traditional in the sense that we use the same spat material that is used in other countries, but with some modifications.

- Only average 3 oysters per collector (700 collectors /line)
- Seen some collectors from Cooks with what looks like 100/col.

This changes the whole dynamics of how we go after these oysters. And how, collectors are used.

- Again, communal business's set up with village's around our pearl farms help us deal with this.
- We have devised a "grid" system which holds/contains 50 collector-LINES that we buy, deploy and manage for villagers.

**Slide 25 – women's group.**

- Villagers provide security and then women's groups are awarded contracts to harvest and supply us oysters.

**Slide 26– ctn lady.**

- This is a significant amount of income for the entire village!
  - Again making sure we are providing opportunities for others.
- 
- This year we deployed over 250 collectors – lines on 5 different grids for 6 different villages. -

**Slide 27 - hatchery**

- Hatchery production of this species has never been commercially viable! - inconsistent.

**Slide 28 – setting tank and set oysters.**

- Hatchery is also used to “promote” wild traits and colours of oysters in Fiji.

## **The Farm tying it all together.**

- Lengths and costs to get our oysters mean we have to do our best to create large, high-quality, and uniquely coloured pearls.
- 1. Slide 28p – shells and colours.**
  - Oysters are key, and the basis for our pearls.
- 2. Slide 30 – Japanese techs**
  - 2 Japanese, over 30 years exp each!
  - Correlation between pearl that comes out of an oyster and what goes in + and the skill of the person performing this operation is critical.
  - Minimal size nuclei we use for 1<sup>st</sup> seed is 2.6 bu. – selection of oysters critical and skill level of techs.
- 3. Slide 31 – pre-implant**  
Farming/Animal Husbandry  
**Slide 32 – handling**  
**Slide 33 - handling**  
The care with which we handle our oysters specifically: selection, cleaning of oysters, pre and post-implant conditioning, depth management, handling, all play a major role in pearl production.
- 4. Slide 34 - ECOP**  
Environment;
  - Good pristine environment = good pearls.
  
  - In 2008 we introduced our Draft Code of Practice to ensure company policy is followed and adhered to.

Our philosophy behind this is to try and minimize our footprint environmentally while trying to leave as large a footprint as possible with regards to job creation and the general betterment of the environment/communities we are based in.

## **Production Numbers:**

### **Slide 35 – pics of pearls**

- We have been implanting between 100,000 to 120,000 oysters over the last several years. This supplies us with around 50,000 pearls being harvested per year.
- This year we are looking at closer to 150,000 seeded shells / due to new farm.
- Production, from the 5 other farms, might add another 3000 pcs produced a year.
- Weight exported (2008): 100 kg = 30 kan
- Average weight per pearl/size is 0.65 momme or 11.5 mm.

### **Slide 36- pics of pearls**

- Wide range of colours/ Natural and linked to our oysters and their incredible shells.

## **Auction:**

- Two auctions to date, 80 & 90% of lots sold, roughly 30 and 40,000pcs.

### **Slide 37– auction shot.**

- Restricted, right now, is restricted to 15 companies.

### **Slide 38 – pics of pearls in dish**

- Due to the limited number and diverse nature of the pearls we produce our Auction philosophy is to have a small, intimate, and diverse group of buyers

### **Slide 39 – auction shots**

- We do not sell any unsold lots to auction participants after auctions.
- 90% of lots have a floor price – that we stick to.

## **Slide 40 JH**

### **Marketing:**

- Our marketing plan, at the moment, is to let our Fiji Pearls (and the way we conduct ourselves) speak for themselves.
- We believe that customers today want to know as much as possible about the pearls they are buying, and our auction serves as a platform to disseminate this information in a formal and informal way.
- Bottom line is believing in these relationships, what we are doing, and most importantly our pearls...And to use this as a point of difference to our customers.

## **Slide 41 logo**

### **Outlook:**

- Fiji never going to hit production levels of other countries.
- Our emphasis will remain to be based on the production of large, high quality, uniquely coloured goods.
  
- We cannot compete volume wise.

I would just like to end by saying thank you, I will now be able to enjoy the rest of my time here (not be worrying about this talk) and look forward to catching up with every one over the next couple of days.

Vinaka.