

producebusiness

MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT



TOP 10 TRENDS

What's to come, what to focus on and what not to miss in 2011

1. LOCALLY GROWN
2. FOOD SAFETY AND TRACEABILITY
3. THE ECONOMY
4. CONNECTING WITH CONSUMERS
5. PRODUCT INNOVATION
6. HEALTH AND WELLNESS
7. FOODSERVICE EXPERIMENTATION
8. ATTRACTING AND RETAINING TOP TALENT
9. CHALLENGES ON THE FARM
10. NEW PARADIGMS IN PROCUREMENT

INSIDE:

THE PUNDIT LOOKS AT PUBLIX GREENWISE • SUPER BOWL MARKETING
POTATOES & ONIONS • FLORIDA STRAWBERRIES
TEXAS PRODUCE • CHILEAN FRUIT PART 1
REGIONAL PROFILE: BOSTON
MEXICAN PRODUCE • ORGANIC IMPORTS • ALMONDS
HEALTH INITIATIVES • 25 INNOVATIONS



Bananas After Dark

Not just for
breakfast
anymore



DOLE Baked Banana S'mores

- **Line** toaster oven tray with nonstick aluminum foil. Preheat oven to 350° F.
- **Place ripe peeled bananas** on toaster tray.
- **Bake** for 10 minutes. Remove from oven; cut into 1-inch pieces.
- **Arrange** warm baked bananas on graham cracker squares. Place chocolate squares over baked bananas. Top with another cracker to make a sandwich.





p.34



COVER STORY

- 23 TOP TEN TRENDS**
 After speaking with a number of professionals in the produce business, here's a cheat sheet of what's to come, what to focus on and what not to miss.

COMMENTARY

- 8 THE FRUITS OF THOUGHT**
 Prosperity, Not Regulation, The Key To Food Safety
- 115 RETAIL PERSPECTIVE**
 It's All About Marketing
- 116 EUROPEAN MARKET**
 Full Service By Means Of Global Partnerships

FEATURES

- 29 SCORE A TOUCHDOWN WITH SUPER BOWL MARKETING**
 Retailers create a one-stop shop in the produce department for consumers to fill their Super Bowl appetites.
- 34 POTATOES AND ONIONS: THE DYNAMIC DUO**
 More than mere commodities, potatoes and onions provide a wealth of opportunities for retailers.
- 42 FLORIDA STRAWBERRY REPORT**
 Increased acreage, better varieties and production practices to protect against freeze damage are strengthening Florida's position as the Winter Strawberry Capital of the World.
- 47 TEXAS PRODUCE: PRIMED FOR GROWTH**
 Already a hit with locals, Texas growers, shippers and retailers are looking to spread their wings — and their produce — farther into North America.
- 52 MAXIMIZING CHILEAN WINTER FRUIT SALES**
 Don't leave money on the table — a little promotion goes a long way for Chilean fruit.

p.47

p.52





IN THIS ISSUE

- 6 THE QUIZ**
- 10 PRODUCE WATCH**
- 13 WASHINGTON GRAPEVINE**
- 14 RESEARCH PERSPECTIVES**
- 15 COMMENTS AND ANALYSIS**
- 16 LETTERS TO THE EDITOR**
- 114 FLORAL WATCH**
- 118 INFORMATION SHOWCASE**
- 118 BLAST FROM THE PAST**



p.118

p.106

p.112

DEPARTMENTS

MERCHANDISING REVIEWS

99 *Mexican Produce: Summer Cheer In The Winter Chill*
 The many advantages fueling this vibrant produce industry go far beyond the lower cost of labor and land below the border.

ORGANIC PRODUCE MARKETING

106 *Global Goodness*
 Seeking a year-round supply of organic produce, retailers turn to imported product.

DRIED FRUIT AND NUTS

110 *Almonds Are Healthy, Both For Consumers And For Retail Sales*
 Pointing out the health benefits of almonds to consumers while merchandising them in the produce department is a win-win for consumers and retailers alike.

FLORAL AND FOLIAGE MARKETING

112 *Boosting Balloon Sales*
 With proper care and handling techniques, as well as thoughtful merchandising, balloons can add a major ring to retail floral departments.

SPECIAL FEATURES

17 **FROM THE PAGES OF THE PERISHABLE PUNDIT**
 A walk through Publix Greenwise Market: Is what is sold what has been promised? Lessons for retailers thinking of launching specialized concepts.

20 **25 INNOVATIONS THAT SHAPED THE INDUSTRY**
 Following the cover story from October's 25th Anniversary Edition of PRODUCE BUSINESS, industry leaders continue to discuss innovations that shaped the produce industry.

59 **NEW YORK PRODUCE AND CONFERENCE POST-SHOW REVIEW**



75 **HEALTH INITIATIVES SUPPLEMENT**

87 **REGIONAL PROFILE: BOSTON Vibrant Market for Independents and 'New' Ethnic Buying Groups**
 The produce terminal markets serving the Greater Boston area have carved out a niche to keep them viable in today's competitive atmosphere.

97 **RETAIL PROFILE: BOSTON J. Pace & Son**
 A little bit of Italy outside Boston.

Premium Quality Peppers 365 Days A Year.



Based in Southern California's Coachella Valley, Prime Time is the largest year-round grower, packer and shipper of colored peppers in the United States.

With a sales mix that consists of open-field and hothouse grown peppers, we are dedicated to embracing technological advances in production techniques, employing top agronomists to cultivate the perfect plants, producing in the best growing areas, and operating state-of-the-art packing facilities to ensure delivery of the safest and best-tasting produce in the marketplace.

That's why we've been known as The Pepper People for over twenty years.



THE PEPPER PEOPLE

www.primetimeproduce.com

Coachella, California USA
Sales Phone **760.399.4166**

Nogales, Arizona USA
Sales Phone **520.281.4993**

P.O. Box 810425 • Boca Raton • FL 33481-0425
 Phone: 561-994-1118 • Fax: 561-994-1610
 producebusiness@phoenixmedianet.com

PRESIDENT & EDITOR-IN-CHIEF

James E. Prevor
 JPrevor@phoenixmedianet.com

PUBLISHER/EDITORIAL DIRECTOR

Ken Whitacre
 KWhitacre@phoenixmedianet.com

SPECIAL PROJECTS EDITOR

Mira Slott
 MSlott@phoenixmedianet.com

ASSISTANT EDITOR

Amy Shannon
 AShannon@phoenixmedianet.com

ASSISTANT EDITOR

Jennifer Leslie Kramer
 JKramer@phoenixmedianet.com

CIRCULATION MANAGER

Kelly Roskin
 KRoskin@phoenixmedianet.com

EXECUTIVE ASSISTANT

Fran Gruskin
 FGruskin@phoenixmedianet.com

EUROPEAN BUREAU CHIEF

Robert Zwartkruis
 RZwartkruis@phoenixmedianet.com

PRODUCTION DIRECTOR

Diana Levine
 DLevine@phoenixmedianet.com

PRODUCTION LEADER

Jackie Tucker

PRODUCTION DEPARTMENT

JOANNA ARMSTRONG
 SUNSHINE GORMAN
 FREDDY PULIDO

DIRECTOR OF ONLINE COMMUNICATIONS

JASON KAHAN

TRADE SHOW COORDINATOR

Jackie LoMonte
 JLoMonte@phoenixmedianet.com

CONTRIBUTING EDITORS

Carol Bareuther, Julie Cook Ramirez,
 Juanita Gaglio, Paula Hendrickson,
 Bob Johnson, K.O. Morgan,
 Jodean Robbins,
 Barbara Robison, Jon VanZile

ADVERTISING

Eric Nieman, Associate Publisher
 ENieman@phoenixmedianet.com

Sandy Lee
 SLee@phoenixmedianet.com

Bill Martin
 Martinmedia45@peoplepc.com

Colleen Morelli
 CMorelli@phoenixmedianet.com

Ellen Rosenthal
 ERosenthal@phoenixmedianet.com

FLORAL DEPARTMENT MARKETING

E. Shaunn Alderman
 SAlderman@phoenixmedianet.com

Send insertion orders, payments, press releases,
 photos, letters to the editor, etc., to
 PRODUCE BUSINESS, P.O. Box 810425
 Boca Raton, FL 33481-0425
 PH: 561.994.1118 FAX: 561.994.1610

PRODUCE BUSINESS is published by Phoenix Media Network,
 Inc. James E. Prevor, Chairman of the Board
 P.O. Box 810425, Boca Raton, FL 33481-0425.
 Entire contents © Copyright 2010
 Phoenix Media Network, Inc. All rights reserved.
 Printed in the U.S.A.
 Publication Agreement No. 40047928



THIS MONTH'S WINNER

Peter Mandrioli

Owner/president, West Concord Supermarket
 West Concord, MA



Peter is the third generation of the Mandrioli family to run West Concord Supermarket, which was originally called West Concord Fruit Store, since its inception in 1919. He runs the market, where he focuses on the produce department, with his brother Paul. In fact, he and his brother are the third set of Mandrioli brothers to run the store. Clearly, for the Mandrioli family, produce is in the blood.

Peter knew he wanted to be in the business from the beginning. "My father gave me a choice," he says. "I didn't have to take it

on, but I grew up here stocking shelves and coolers. It just made sense." And since taking over from his father in 1974, he hasn't looked back. "I love the people aspect of the job. My customers aren't just customers. They become your friends, and after so many years, you really get to know them. They enjoy coming in and we enjoy helping them," he says.

Peter has been reading PRODUCE BUSINESS for years. "It's so helpful; I read it cover to cover," he says. "I like to see the new products that are coming out that I may want to include in the store."

How To Win! To win the PRODUCE BUSINESS Quiz, the first thing you have to do is enter. The rules are simple: Read through the articles and advertisements in this issue to find the answers. Fill in the blanks corresponding to the questions below, and either cut along the dotted line or photocopy the page, and send your answers along with a business card or company letterhead to the address listed on the coupon. The winner will be chosen by drawing from the responses received before the publication of our February issue of PRODUCE BUSINESS. The winner must agree to submit a color photo to be published in that issue.

WIN A DUAL WINE CHILLER

Simultaneously chill two bottles of wine with this double wine chiller — even a red and a white with two different temperatures. A dual library of preset temperature settings provides quick reference for 33 varieties of wine. Fits two bottles up to 3½ inches in diameter.



QUESTIONS FOR THE DECEMEBER ISSUE

- 1) What is the phone number for Anthony Marano Company? _____
- 2) What kinds of produce can be packaged in Clifford Produce's new ecotrays? _____
- 3) Name three varieties of party trays are offered by Mann Packing. _____
- 4) How many varieties are there of Marzetti's Simply Dressed salad dressings? _____
- 5) In what year was S. Strock & Co. founded? _____
- 6) Name three varieties of greens offered by San Miguel Produce Inc. _____

This issue was: Personally addressed to me Addressed to someone else

Name _____ Position _____
 Company _____
 Address _____
 City _____
 State _____ Zip _____
 Phone _____ Fax _____

Photocopies of this form are acceptable. Please send answers to:
 DECEMBER QUIZ PRODUCE BUSINESS • P.O. Box 810425 • Boca Raton, FL 33481-0425



PRETTY AS A PICTURE, EVERY TIME.

The Art Of Growing Dulcich Premium Table Grapes.

While they're lovely to look at, we at Dulcich know that beauty is in the eye of the taster. Which is why it's no surprise that our Premium Table Grapes' fantastic flavor, superior size and amazing aroma have gotten rave reviews for over 50 years.



www.dulcich.com • 661-792-6360

Home Of The
**Pretty
Lady**
Grape

PROSPERITY, NOT REGULATION, THE KEY TO FOOD SAFETY

By James Prevor
President & Editor-in-Chief



As this column is written, it is unclear whether the food safety bill that has been heralded as the first major modernization of the nation's food safety laws in over 70 years will actually become law. Though the bill was passed by the Senate and it was thought that approval by the House was but a formality, it appears that the Senate bill includes some revenue-raising programs that violate the constitutional

requirement that all tax increases originate in the House of Representatives. Whether the Democratic majority will find a way to revote on the bill before the lame duck session ends is unknown.

The bill was supported by virtually all produce associations who then shifted positions and opposed the bill after the so-called Tester Amendment, named after Montana's Democratic senator Jon Tester, was approved. The amendment exempted growers who have less than half a million dollars a year in sales and who sell their crops direct to consumers, restaurants or retailers in state or within a 275-mile radius of the farm.

The produce associations changed their position because A) Their membership views exemptions for competitors as unfair, B) Their membership fears that a foodborne illness caused by an "exempt" farmer would still lead to massive FDA recalls and loss of consumer confidence that would damage the whole industry, and C) There was a fear that this standard was a camel's nose under the tent. Once food safety legislation was influenced by anything other than food safety concerns, one could count on future political concerns to expand such exemptions.

It is a fair enough case. The associations believe it impolitic to say it, but most of the industry believes that the smaller players, the players being exempted, are the exact source of most safety problems. They lack the staff, the technology, the oversight of knowledgeable buyers and the financial flexibility to implement world class food safety standards.

A bigger question, though, is whether the industry should support this kind of legislation at all — with or without exemptions. From a strictly business point of view, large producers and processors are inspected so often that the fact that this bill adds a federal inspection once every three to five years is really meaningless. Even giving the FDA power to order recalls and whatnot is not as threatening if you have a legal department and access to independent food safety experts.

So it is not surprising that the opposition to the bill was led by small

farmers for whom the bill is burdensome. In fact, it is shocking that the small grower and organic groups went along with the Tester amendment, since \$500,000 is so low. After all, there are lots of little growers that sell a million dollars a year.

In order to qualify for the exemption, each small producer must file three years of detailed financial records, produce a hazard analysis critical control point plan, and present proof of compliance with local, county and state laws. The Secretary of Health and Human Services must approve each exemption. This is pretty burdensome as well.

It is probably in the self-interest of many larger producers to see such difficulties imposed on small guys, and the argument against differential standards is powerful, but many in the industry will think it a sad thing for America to burden small producers in this fashion.

Especially because it may not achieve any purpose. Just because a bill is called a food safety bill doesn't mean it actually will make anyone safer. Oh, one can quibble with the bill specifics... who, for

example, has ever died because manufacturers wouldn't recall their product? What evidence is there that sending one more inspector every three to five years to a plant or farm will do anything?

More broadly, though, in endorsing the bill, the industry bought into a vision of food safety that holds that the route to safety is governmental regulation.

Maybe in the age of Obama and at a time when the Democrats had filibuster-proof majorities, the sense was "if you can't beat them, join them," and so the industry advocates signed on to shape as good a bill as they could.

Still, someone has to stand up for a principle, and, in the future, the industry may want to object to the notion that food safety will come from the dictate of a government commandant.

As the FDA has shown in its regulation of drugs, the institution becomes hyper-conservative. This means that with the more powerful regulatory regime, innovative new techniques become more difficult to implement.

Besides, if one is looking for the key to food safety, note this: As societies become more affluent, food becomes safer. So the best way to achieve safety is to enhance prosperity. Adding the risk of arbitrary government actions such as recalls and imposing new regulatory burdens on productive sectors of the society is unlikely to help in the pursuit of such prosperity. The cost in food safety of a society that grows by one percentage point less each year because of heavy regulation will probably never be known. It is, however, real and substantial, and the industry should make sure our representatives know it. **pb**

Just because a bill is called a food safety bill doesn't mean it actually will make anyone safer.

'tis the Season...For Sales!



Occasion based merchandising works!

The Best Selling, Supplier-Branded Tray in America!*



Most people love an excuse for a party—now Mann is giving it to them! Seasonally themed labels spur purchase, resulting in higher velocity and a 70% increase in sales.*

Order Mann's Meat & Cheese platter today to get the party, and your sales, started!



*Perishable Group Fresh Facts® powered by Nielsen. Last 26 weeks ending 05/22/10. Data represents 63.3% of Grocery ACV.

TRANSITIONS

MANN PACKING CO. INC. SALINAS, CA

Jeff Stachelek was hired as director of trade marketing, a newly created position. In this role, he will manage customer-specific consumer marketing activities, customized in-store marketing, specific go-to market strategies and oversee new item rollouts. He brings more than 20 years of food industry experience, and previously worked for the Hershey Co.



DOMEX SUPERFRESH GROWERS YAKIMA, WA

Frank Davis was hired as vice president of business development and special projects. He brings more than 25 years of executive management experience, and was most recently the director of business development for Oneota Star Ranch Growers. He is a current board member of the U.S. Apple Association and the current chairman of the Board of Trustees at the Washington Apple Commission.



PRODUCE MARKETING ASSOCIATION NEWARK, DE

Felipe Perez was hired as the association's first Central American representative. In this role, he will assist in the development and implementation of PMA strategic member activities and resources in the region, including membership recruitment and retention, training and marketing. Through his consulting activities, he has developed extensive networking and event expertise in this region.



DEARDORFF FAMILY FARMS OXNARD, CA

Scott Albertson was hired as director of marketing and business development. He brings a lifetime of produce experience, having grown up in a multi-generational produce family. He was most recently the vice president of business development for Ballantine Produce Co. He has been involved in many facets of adding value to agricultural commodities and has extensive experience in sustainability.



HIGHLINE PRODUCE LTD. LEAMINGTON, ON, CANADA

Jane Rhyno was hired as director of sales and marketing. She will be responsible for overseeing the marketing and sales functions, as well as bringing her retail knowledge and 20-year experience to better customers.



Paul Rabadan was hired to lead all organic sales. He brings more than 18 years of organic sales experience with some of the largest grower-shippers in the industry, including Earthbound, PIM and Del Cabo. He possesses an abundance of energy and depth of experience that will elevate the company's organic program to new heights.



NEW PRODUCTS

POTATO PACKAGING

Frieda's Specialty Produce Inc., Los Alamitos, CA, unveiled a new 1½-lb. bag for its Organic Klamath Pearl Potatoes at the PMA Fresh Summit in Orlando, FL. The specialty potatoes are now packed in a Fox Combo Shield Bag, which protects the product by blocking harmful light. It also features a mesh bag for breathability.

Reader Service Number 300



DE-STEMMED GRAPES

Crunch Pak, Cashmere, WA, introduced Just Grapes, de-stemmed, cleaned and ready-to-eat fresh grapes, at the PMA Fresh Summit in Orlando, FL. Produced in partnership with HMC in Kingsburg, CA, Just Grapes is representative of the tremendous growth of Crunch Pak, which celebrated its 10th anniversary this year.

Reader Service Number 301



VALUE-ADDED PACKAGING

Village Farms, Eatontown, NJ, has added all-new, value-added packaging to its full line of tomato, sweet bell pepper and cucumber retail product offerings. In addition, Village Farms has enhanced its packaging capabilities to service its value-added business at all its distribution centers in the United States and Canada to meet the growing demands from its customers.

Reader Service Number 302



NEW ALMOND VARIETY

J. Marchini Farms, Le Grand, CA, has launched the Marchini Almond. Discovered in 1962 by Joe Marchini, the patented Marchini Almond variety is a special almond ideal for blanching, slicing, dicing and snacking as a whole nut. The Marchini variety is grown in Le Grand, CA, in J. Marchini's own almond orchards.

Reader Service Number 303



NEW ORGANIC SALAD LINE

Classic Salads, Watsonville, CA, announced its new organic salad line for retail customers at PMA Fresh Summit in Orlando, FL. The Classic Salads organic retail line includes 5-oz. clamshells of Spring Mix, Sweet Bay Lettuces, Baby Spinach, Baby Romaine, Baby Arugula, Fresh Herb Mix and a 7-oz. clamshell of Romaine Heart Whole Leaves, in addition to 1-lb. clamshells of Baby Spinach and Spring Mix.

Reader Service Number 304



SOUTHERN SELECTS PACKAGING

Southern Specialties, Pompano Beach, FL, has introduced a new logo and package design for the company's Southern Selects line of value-added specialty vegetables. The new presentation will be on performance-enhanced bags. Each bag is specifically designed to provide the product's maximum shelf life. The new Southern Selects bags will be produced in several sizes formatted for retail programs and club stores.

Reader Service Number 305



Produce Watch is a regular feature of PRODUCE BUSINESS. Please send information on new products, personnel changes, industry, corporate and personal milestones and available literature, along with a color photo, slide or transparency to: Managing Editor, PRODUCE BUSINESS, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail us at info@producebusiness.com

Simply... A Winner



SIMPLY DRESSED™

Winner of the PMA Impact Award: Excellence in Packaging

Simply Made... Simply Delicious. Grow your produce category by providing simple, back-to-basics dressings. Designed with only the essential ingredients for pure, fresh flavor.

T. Marzetti Co. • 1105 Schrock Rd. • P.O.Box 29163 • Columbus, OH 43229-0163 • 614-846-2232 • Fax 614-842-4186 • www.marzetti.com

NEW PRODUCTS

RED CELERY

Duda Farm Fresh Foods, Oviedo, FL, introduced Red Celery at PMA Fresh Summit in Orlando, FL. Under the brand name Celery Sensations, Red Celery is produced using traditional techniques and natural plant breeding methods. Duda's manager of celery and seed research began working on this project back in 1991, cross-pollinating an existing commercial variety with an old-world heritage celery root.

Reader Service Number 306



REAL FRUIT SNACK INNOVATION

National Raisin Company, Fowler, CA, has launched Raisels, fat-free, cholesterol-free, sodium-free, all-natural, sour, fruit-flavored golden raisins with a light dusting of sugar. Raisels are a healthful alternative to candy, cookies and gummy fruit treats. Raisels are packaged in four kid-friendly sour flavors with Raisel characters and on-pack jokes.

Reader Service Number 307



ANNOUNCEMENTS

PWPM LAUNCHES WEB SITE

The Philadelphia Wholesale Produce Market, Philadelphia, PA, launched a new and improved Web site, <http://www.pwpm.net>. The site showcases the new facility's floor plan, which is home to 26 merchants offering a wide variety of fresh fruits and vegetables, including local, organic, imported and conventional products.

Reader Service Number 308



MARKET FRESH PRODUCE MERGES WITH BUSHMANS'

Market Fresh Produce, LLC, Nixa, MO, has merged with Bushmans' c v Inc., a Rosholt, WI-based potato grower and distributor. The merger brings together two very strong and vibrant companies. A benefit of this merger is the vertical integration that is created by adding the premium Market Fresh brand name to the already established Bushmans.

Reader Service Number 309



COMPANIES FORM HLB SPECIALTIES LLC

Southern Specialties Inc., Pompano Beach, FL, and HLB Tropical Food USA Inc., Pompano Beach, FL, have created a joint venture, HLB Specialties, LLC. The new company will focus on sourcing, growing, packing, shipping and distributing several varieties of papayas grown in Brazil, Ecuador, Belize, Mexico and other countries in Central and South America.

Reader Service Number 310



OLIVIA'S LAUNCHES HOLIDAY RECIPE CONTEST

Olivia's Organics, Chelsea, MA, has launched its Healthier Holiday Recipe Contest, inviting consumers to share healthful holiday recipes with the chance to win 52 weeks worth of Olivia's Organics salads -- a prize worth \$200. Recipes must incorporate at least one Olivia's Organics fresh greens. Consumers can enter the contest on the company's Facebook page.

Reader Service Number 311



GROWER'S BEST ENTERS ARENA

Grower's Best, Los Angeles, CA, is a new grower/shipper entering the fresh produce arena. Specializing in growing high-quality varietal eggplant, bell and specialty peppers, as well as many other fine fruits and vegetables, the company was formed by the Mouchati family, which has been growing vegetables for more than 25 years.

Reader Service Number 312



ZESPRI, UMASS DINING PARTNER FOR PROMOTION

Zespri, Redwood City, CA, has partnered with Umass Dining in a dual-pronged promotion that introduced student diners to kiwifruit, while providing a fresh and nutritious option for boosting consumption of fruits and vegetables. During Kiweek, September 13-16, 2010, dining staff offered 11 kiwifruit dishes. To supplement menu exposure, students staffed sampling stations, and distributed nutritional information.

Reader Service Number 313



DESPITE STRINGENT RULES, AMHPAC'S MEMBERSHIP GROWS

Nearly 200 grower members of AMHPAC (Mexican Protected Horticulture Association), Culiacán, Sinaloa, Mexico, are working together to become the one-stop shopping for year-round, premium indoor farming operations out of Mexico. The organization represents an elite group of progressive growers, including second- and third-generation indoor farming operations with state-of-the-industry technology.

Reader Service Number 314



EUROFRESH FARMS CONVERTS FACILITY TO CUCUMBERS

Eurofresh Farms, Snowflake, AZ, has converted its Snowflake operations to solely produce cucumber varieties. More than 44 acres of long English cucumbers and mini-cucumbers will be grown and packaged in the town. The company's \$3.2 million renovation and cucumber focus has expanded the workforce by adding more than 100 full-time, year-round employees.

Reader Service Number 315



FOX PACKAGING EXPANDS SERVICES WITH NEW COMPANY

Fox Packaging, McAllen, TX, announces the formation of Fox Solutions, a sister company dedicated to supplying state-of-the-art packing equipment to companies in the fresh produce industry. The new company showcased a weigher and bagger along with Fox Packaging's bag line at its booth at PMA's Fresh Summit, in Orlando, FL.

Reader Service Number 316



CRUNCH PAK, APPEELING FRUIT EXPAND EAST COAST PRODUCTION

Crunch Pak, Cashmere, WA, has formed a working relationship with Appeeling Fruit, an East Coast fresh apple processor, to increase production at a plant in Dauberville, PA. The 24,000-square-foot plant will triple its current production of sliced apples through the expansion of equipment and staff from both Appeeling Fruit and Crunch Pak.

Reader Service Number 317



Produce Watch is a regular feature of Produce Business. Please send information on new products, personnel changes, industry, corporate and personal milestones and available literature, along with a color photo, slide or transparency to: Managing Editor, Produce Business, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail us at info@producebusiness.com



FROM ELECTION DAY FORWARD: THE 112TH CONGRESS

By Robert Guenther
Senior Vice President
Public Policy
United Fresh Produce Association

Last month's elections resulted in sweeping changes to the country's political landscape here in Washington, D.C. For a mid-term election, we have not seen such a buildup in many, many years. Most of this shift was driven by anxiety from a weak economy and job loss that permeated the entire country. In addition, many voters, especially those who classify themselves as independents, felt that President Obama's legislative agenda went too far too quickly, growing government too much at a time when American household budgets were shrinking and more were losing their jobs.

In the end, four major policies defined this particular government expansion that remain widely unpopular: the \$787 billion stimulus package; continued bailouts for the automotive and financial services industries; climate change; and President Obama's healthcare overhaul. All this equated into a particularly rough night for the Democratic majorities in the House and Senate.

Going into this election cycle, all 435 members of the House of Representatives were up for reelection. As the polls closed on Election Night, Republicans overtook the majority with 242 members and left the Democrats with 191 members, resulting in an historic gain for the GOP of 63 seats with two races yet to be decided as of press time.

On the Senate side, 37 seats were contested, with Democrats holding 19 of those seats and Republicans holding 18. This means a gain of six seats for the Republicans, but a continued majority for the Democrats of 53 seats to 46 seats for the GOP — in which is counted the seat held by incumbent Lisa Murkowski in Alaska, who ran a successful write-in campaign as an independent.

Looking nationally, a number of prominent Democratic members lost their seats,

while Republicans were able to make gains in many regions of the country including the Midwest. With Republicans taking control of the House, President Obama's legislative agenda is effectively dead. But the administration will still have the ability, through regulatory action, to set or change policy.

In many ways, this new Congress will look very, very different. When the gavel goes down opening the 112th Congress on Monday, January 3, nearly 80 new members will take the oath of office, marking the largest freshman class in Congress since 1992. This means that in many respects, the learning curve will be high both for these new members and for each group with interests represented in Washington, with a renewed focus on meeting these new members, learning about their districts and listening closely for what motivates their public policy decisions.

Further, consider that of these new members, two-thirds have legislative experience and the average age of this new class will be 45, comparatively younger than the current average age of 56 in the House. This freshmen Republican class will include more women and minorities from states where the GOP was the weakest over the past two election cycles, including Florida, Illinois, Pennsylvania and Arizona.

For the produce industry, it was a mixed bag, as a good number of members in both the House and Senate who have traditionally supported industry efforts seem to have fared well. However, several stalwart members who have long been allies lost their races. During the past two years, a number of our initiatives have moved through Congress and we do not see that changing during the 112th Congress. Agriculture, in general, is fairly non-partisan, and fruit and vegetable issues specifically have

very little to do with party preferences. While rural members of Congress from produce growing regions are certainly our friends, the most liberal, urban members of Congress also strongly support increased fruit and vegetable consumption to meet the dire health needs of their constituents.

More impactful for the produce industry, however, will be the new makeup of the House and Senate Agriculture Committees, as both bodies will have new chairpersons. Because Republicans now have a majority in the U.S House of Representatives, Rep. Frank Lucas of Oklahoma, the current Ranking Member (second in command) of the House Agriculture Committee, is set to take over the panel as chairman, while the current chair, Collin Peterson of Minnesota, is expected to assume the role of new Ranking Member.

Because of the election defeat of Senate Agriculture Committee Chairman Blanche Lincoln, Democrats will pick a new chair for the committee. As of deadline for this column, Sen. Debbie Stabenow of Michigan, a friend of the produce industry, had announced her intention to seek the gavel, but there was also speculation that Senate Budget Committee Chairman Kent Conrad of North Dakota would take the job. His experience as current chair of the Senate Budget Committee could be important to finding money for the 2012 Farm Bill.

Most importantly, with any new Congress, our industry needs to continue building strong relationships that will help us enact policy initiatives that promote our ability to deliver the most nutritious and abundant food supply to the American consumer. These initiatives must help ensure a fair and level playing field for all businesses in which growth and success are limited only by a company's innovation, creativity and hard work.

Can Local Foods Become Mainstream?

BY MIGUEL I. GÓMEZ, ASSISTANT PROFESSOR, CHARLES H. DYSON SCHOOL OF APPLIED ECONOMICS AND MANAGEMENT, CORNELL UNIVERSITY¹

Local foods have captured the attention of U.S. consumers, producers, food marketers and policymakers. Consumers are demanding stronger links with food producers as they gain a better appreciation of where their food comes from. Producers, retailers and food marketers, on their part, are hard at work to meet increased consumer demand for local foods. Today, local foods are displayed in a variety of mainstream channels including supermarkets and restaurants, as well as in direct channels such as farmers markets and Community Supported Agriculture (CSA) enterprises.

Despite this interest in local foods, little is known about their proper role in the national food distribution system. Therefore, in 2008 the U.S. Department of Agriculture commissioned a coordinated series of case studies addressing two questions: What factors influence the structure and size of local food supply chains? And, how do existing local food supply chains compare with mainstream supply chains for key dimensions of economic, environmental and social performance? This research concentrated on five “product-place” combinations: apples in Syracuse, NY; blueberries in Portland, OR; spring mix in Sacramento, CA; beef in the Minneapolis-St. Paul-Bloomington, MN-WI area; and fluid milk in Washington, DC. For each product-place combination, three supply chains were analyzed: a modern supermarket chain (mainstream), a direct market supply chain (direct), and a local supply chain that reaches consumers through intermediaries (intermediated). Here, based on the study findings, I offer four principles to shed light on the role of local foods in the national food system:

1) Pay attention to the role of supermarket/foodservice channels in increasing local foods. Direct market and intermediated supply chains account for a very small portion of total demand in all study sites. If local foods are to be found only in these channels, they may be des-

igned to play a minor role in the overall food system. The mainstream supermarket/foodservice chains are in a unique position to make local foods become mainstream. They have developed an efficient supply chain able to provide year-round availability of a wide variety of products at low prices for the end consumer. The supermarket offers certain conveniences to consumers, such as less time spent shopping and fewer trips and miles traveled for food purchases. Producers and supermarket/foodservice operators should devise strategies to increase the flow of local foods in mainstream channels.

2) Having local supply chains does not necessarily mean lower fuel utilization. Food miles in local chains are lower than in the mainstream cases, but fuel use per unit of product varies. Transportation fuel use depends on many factors, including distance traveled, load sizes, vehicle type and logistics management. In some cases (e.g., apples), the longer distances traveled in the mainstream supply chain outweigh the larger volumes per load yielding less fuel efficiency. In other cases (e.g. spring mix), aggregation of product in the mainstream partially offsets the effect of greater food miles traveled.

3) Businesses in food supply chains tend to diversify their distribution channel strategies, including local. In all apple cases, members of the supply chains exhibit a high degree of diversification in their distribution channels. Local and mainstream apples coexist and complement one another in the supermarket channel; the farmers market vendor engages in some direct marketing but is also linked to the mainstream chain through his relationship with a conventional apple packer-shipper;

and the school district cafeteria procures produce both from foodservice suppliers and from local supply chains. Local supply chains are profitable and important for participating firms even if the volume is small, but it is not the only channel.

4) Increased share of retail value is important, but not sufficient to higher profitability. A common argument in favor of direct market channels for local foods is that producers retain a higher share of the retail value. Indeed, the study finds that direct market local chains retain a larger share of the retail price, even after accounting distribution costs. Today, we see successful local supply chains serving specific, generally small, market niches. However, focusing solely on niche markets ignores the contribution of high-volume, low-margin strategies to profitability. Local food supply chains can tap into the latter strategy, via stronger links with supermarket/foodservice operators. Here, the role of the middlemen to aggregate production and ensure that the product meets the required quality standards should be underscored.

We should recognize that “local” and “mainstream” chains are complements, not substitutes, as some advocates appear to claim. The high level of complexity in food supply chains renders generalizations about the advantages of either chain difficult. Local foods offer promising new opportunities; marketing orientation (one focused on satisfying the customer) is essential in order to capitalize on the growing demand for local foods.

Source: U.S. Department of Agriculture, *Economic Research Report No. 99*



The Charles H. Dyson School of Applied Economics and Management at Cornell University is internationally renowned in the areas of food and agricultural economics, management science, environmental and resource economics, and international and development economics.

¹ Case Study Project Team: Robert P. King (University of Minnesota), Michael Hand (USDA-ERS), Gigi DiGiacomo (University of Minnesota), Kate Clancy (University of Minnesota), Miguel Gómez (Cornell University), Shermain D. Hardesty (University of California - Davis), Larry Lev (Oregon State University), and Edward W. McLaughlin (Cornell University).

What Local Advocates Won't Want To See

BY JIM PREVOR, EDITOR-IN-CHIEF, PRODUCE BUSINESS

Discussions about local sometimes carry a striking resemblance to the child's tale of The Emperor Who Had No Clothes. Miguel Gómez is a noted academic, coming from a distinguished department, and it is notable that the strongest case he makes is that local has "captured the attention" of everyone. Translation: It is hot and trendy, but there is no research indicating that sales of local are actually any higher than they used to be.

This is significant, because it is not clear that the research Professor Gómez and his associates conducted is particularly relevant to the kind of "local" that local advocates are actually advocating. The specific study that Cornell worked on, which dealt with New York State apples, is a case in point: New York had a substantial apple industry long before anyone ever heard of Michael Pollan. In general, when New York State had an apple similar to Washington State, say a Red Delicious, the New York apple brought a higher F.O.B. price than Washington because it was closer to major markets. Put another way, the market adjusted for higher freight costs from Washington by paying New York apple growers more.

Yet we have no sense that local advocates simply want people in Washington to eat Washington apples and people in New York State to eat New York State apples. This would, after all, leave lots of places where they don't grow many apples without apples. The "locavore" activist wants to create a new paradigm in which growers within regional food systems diversify agriculture and grow multiple items. In fact, they want to avoid monocultures entirely. The ideal model for these advocates is a Community Supported Agriculture or CSA model where the consumer gives a kind of blank check to a farmer who then bases what he grows on what will best sustain the land and the environment rather than consumer demand.

Whatever its flaws, the free market is pretty efficient and, typically, we don't

determine what to buy through a study; we rely on the market to incorporate costs of energy, etc., in the price and then we wind up buying – all things considered – the most efficient product for our needs. Still Professor Gómez offers four intriguing ideas about which we would say the following:

1) Indeed, anyone serious about increasing sales and consumption of locally grown and produced foods would be wise to work toward getting such foods into mainstream distribution, which is, by definition, where most of the food is sold. Such advice is, however, almost certain to be ignored by advocates for local for the same reason that advocates for organic are unhappy that Wal-Mart now plays in the game.

Local is not just a matter of geography to its core advocates. It is a proxy for "small scale" for "bio-diverse" for people "knowing who makes their food" and much more. These advocates will be no more happy with Wal-Mart selling more local than they are with it selling more organic. They will feel that, one way or another, it cheats the core of what they are looking for.

2) Many local advocates mindlessly assume that "food miles" is, in and of itself, a valuable metric, but fuel use in transport is only slightly more valuable a calculation than food miles – which is almost worthless. First, different regions and different farms grow with different techniques that use different amounts of energy. So grass-fed lamb in New Zealand may overwhelm feed-fed lamb in the UK, regardless of transport. Second, there are many concerns from output of CO₂ to water use that go beyond fuel use. Only a comprehensive lifecycle analysis can even hope to provide a useful piece of data.

Beyond this, whatever resources are used in the production, packaging and distribution of an item are presumably captured in its price, so it is not clear why we

should care about this issue. It seems that the proper role of economists would be to identify externalities that are not properly captured in the price people pay for an item. For example, if a food-processing plant pollutes the air, it may impose costs on society not captured in the price of the product. This is the place where regulations and taxes can have a net positive impact on society.

3) When regionally produced foods have advantages in flavor or in cost, they have always found a place in the produce distribution system and on the tables of consumers. Still, we have the sense that advocates for local will not find this arrangement acceptable for the precise reason that it depends on neutral parties finding value in selling local. Advocates want to sell local precisely when the value is not obvious to those not ideologically committed.

4) In small volumes, selling direct to consumers can be a highly profitable alternative for the farmer. But for society overall, a closer look at the behavior behind this phenomenon might reveal another perspective: Do farmers who sell at farmers markets pay the proper sales and income taxes? Do cities and towns maximize their revenues or could they rent farmers market land to alternative uses at higher prices?

Externalities can work both sides of this issue, and if our cash-strapped municipalities are giving out for free what they could sell for a high price or if we subsidize the sales force for direct-to-consumer sales with unemployment insurance and disability payments, this might impact the way we view these efforts.

Hats off to Professor Gómez and his associates for trying to bring some hard facts to an area that is driven by ideology. We confess some skepticism as to whether those so driven will actually care about the facts.



MANY YEARS OF GRATITUDE

First of all, congratulations to PRODUCE BUSINESS for hanging around for 25 years. You have a great magazine that speaks to, for and with the produce industry. Indeed, we have seen quantum leaps and changes in the fresh industry. In packaging, salad prep, fresh presentation in the silent but defining advance of fresh flowers and plants — all this makes for an exciting time in our lives.

In the early 1980s and in Miami, I was working with the USDA's office of International Cooperation and Development putting on workshops in the Omni Hotel on behalf of the Caribbean Basin Initiative for some 30 or more Caribbean and Central American countries. PRODUCE BUSINESS managed to make my job so much easier... by offering solid advice with respect to what contacts should be made and what places should be visited for touring purposes.

I was an early subscriber to PRODUCE BUSINESS and am still receiving it each month and looking forward to each copy.

*Herbert Strum
Retired USDA Marketing Specialist*



TWO IMPORTANT INNOVATIONS

Your October, 2010, article regarding 25 innovations that have shaped the produce industry in the past 25 years was an excellent reproduction of the hot button issues of today and years past. Missing, however, were two operating efficiencies and food safety critical control points that deserve to be mentioned: 1.) The shift from shed-packed to field-packed produce items and 2.) Hydro-cooling systems to forced-air cooling systems. While the latter are still used in many

foreign and domestic operations, the former have been instrumental in our business and those of our friends in the industry.

*S. Garrett Patricio
VP, Operations & General Counsel
Westside Produce
Firebaugh, CA*



A FIRST-RATE SHOW

This is my first day back in the office since the New York Produce Show and I want to take this opportunity to congratulate you on such a successful event! I know a lot of time and effort went into this venture, and it was much appreciated. From an exhibitor standpoint, everything ran extremely well for us. In fact, in terms of logistics, this was one of the easier/smoothen events for us to participate and it certainly reflects the hard work from everyone at PRODUCE BUSINESS.

The show was fantastic, and we were very happy with the traffic that stopped by our booth. The cocktail hour and the breakfast were first-rate affairs, and I'm still excited about all the references made to our Jersey Fresh program during the retail panel presentation.

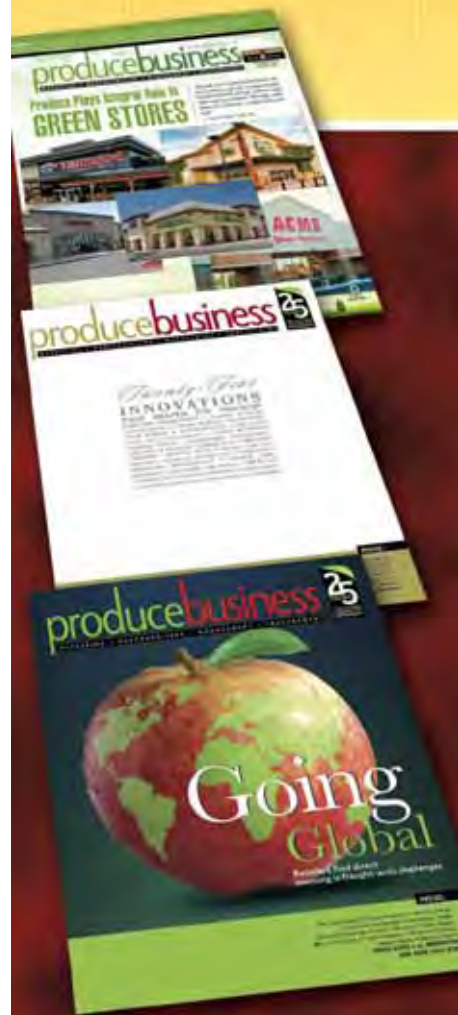
*Al Murray
Assistant Secretary of Agriculture
New Jersey Department of Agriculture
Trenton, NJ*

Letters to the Editor should be mailed to:
Produce Business,
P.O. Box 810425,
Boca Raton, FL 33481
or email: info@producebusiness.com



producebusiness
MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT

To get ahead in the produce business, you need to stay ahead of the produce business.



PRODUCE BUSINESS is the industry's Number 1 source for insights and analysis.

For subscription information, please visit www.producebusiness.com or call 561-994-1118



A Walk Through Publix Greenwise Market: Is What Is Sold What Has Been Promised? Lessons For Retailers Thinking Of Launching Specialized Concepts

FROM JIM PREVOR'S PERISHABLE PUNDIT 12.06.2010

Many years ago, the Pundit's uncle, Sydney Prevor, who ran the family's business interests in Puerto Rico, had an idea: He wanted to have a store that would sell rotisserie chicken. The Pundit's grandfather, Harry Prevor, thought it was a great idea, except he thought it would be better to sell some milk, bread and eggs in the store so that consumers could come in regularly for these staples. And as the consumers would be coming in anyway, why not also stock fruits and vegetables and paper goods, aluminum foil and some frozen foods? By the time the Pundit Grandpa was done, what was supposed to be a chicken store was a little superette with a rotisserie.

And so the Pundit's uncle has been haunted his whole life by a question: had not his father interfered, would it have been Colonel Prevor rather than Colonel Sanders that everyone came to know? An unanswerable question. But it did teach us early the issue of product clarity.

A few years back, we were critical of Wal-Mart's efforts to transform itself. These were the days when Wal-Mart was advertising in *Vogue* magazine. Our critique was that it was impossible to do what Wal-Mart seemed to be trying to do: To have one store concept that could appeal to everyone for everything. We, instead, looked at



wondering what the store's purpose or the promise to consumers really was.

We were thinking about these issues as we walked through the Boca Raton, Florida, iteration of the Publix Greenwise concept. It is a nice store and has a nice foodservice area as well. Yet, without any access to the books, we feel comfortable saying that the concept isn't really a winner. Publix has only three Greenwise markets open, and it opened the first one 38 months ago. Publix is a well financed

and "sustainable." So when it opened, Greenwise was portrayed as the answer Publix was offering to Whole Foods. Yet as we walked around the store and tried to view it from the perspective of someone who had never heard of Greenwise, we came to realize why the stores may not be as successful as they could be. We kept thinking we wanted to check the Web site of the store so we could understand what the point of the store was. That is a bad sign. A good concept should be crystal clear to the consumer just through the product assortment, the merchandising and in-store marketing.

The web site actually does make a clear promise to consumers. It explains itself this way:

More and more people today are paying close attention to what they eat. They're looking for options that are more natural and less processed. They're trying to avoid additives and chemicals, and seeking products raised in a way they can feel good about. To meet these growing needs, Publix has created Publix Greenwise Market.

All-Natural. Organic. Earth-Friendly.

Yet the store experience isn't precisely that. As we walked through the store, we saw a lot of upscale epicurean product —

“A good concept should be crystal clear to the consumer just through the product assortment, the merchandising and in-store marketing.”

HEB as an example. It had set up a completely separate concept in the form of its upscale Central Market stores. This allowed for much clearer branding. In a sense, much of our assessment of Tesco's Fresh & Easy operation was that the stores struck American consumers as neither notably fresh, nor notably easy, and that left consumers

company. If it were earning a superior return on investment, it surely would have opened many more Greenwise stores by now.

Greenwise is also a line of products sold in Publix, and a section in most Publix stores is built around products with words such as "organic," "natural," "healthy"

but that product wasn't organic and didn't promote itself as all-natural or earth-friendly.

We also found a lot of branding confusion. For example, the bakery — to our eyes the bakery was indistinguishable from a typical Publix bakery and was bannered as a Publix bakery founded in 1957. This caused confusion as we were in Greenwise, not Publix, and it wasn't clear how the Publix bakery was dealing with the Greenwise promise to consumers. The Boar's Head deli did have the Boar's Head "natural" line, but also seemed to have almost all the conventional products.

To us, the problem we saw in Greenwise was three-fold and it strikes us that retailers, in general, have trouble with separate concepts for the same three reasons:

1) Specialized Retail Concepts Are More Similar to Foodservice Than To Retail.

First, Publix has retailing in its DNA, yet

meet these criteria. After all, modern supermarkets have large numbers of organic, all-natural and earth-friendly products. Anyone willing to make the slightest effort can buy everything they need in this area in many supermarkets.

The same idea follows with a specialized retail concept. If one is selecting a store because one wants to be organic, all-natural and earth-friendly, why would anyone want to be tempted with an area of personal weakness, say Diet Coke.

2) Executives At Big Chains Select Specialized Concepts For Marketing Reasons. They Don't Really Believe and Won't Let The Store Sell Its Concept.

The most fascinating thing about the store is that it never touts its vision. So in produce, for example, the store will feature a particular apple in both organic and conventional versions. The organic costs a little more. Nothing more is said. This strikes us

believe it. They are also probably cautious that someone else would pick up on what Greenwise was saying and would use the phrase to attack Publix. These may be good reasons for stopping Greenwise from selling itself as "Better than" Publix, but we suspect that if they can't market the concept effectively, it will probably fail.

3) Attempts To Leverage The Big Chain's Procurement And Private Label Programs Make Differentiation Very Difficult.

Publix has a Boar's Head deli, as does Greenwise. This raises the same question as we raised about organic and conventional in the produce department. The client has already made a choice in selecting the concept, so selling the "non-natural" product, when the natural is available, is unlikely what the customers want. Even if they buy it, they may feel bad about it when they get home.

More broadly, the ethos of the store simply doesn't support working with one branded supplier in this manner. The customers want a dedicated Greenwise deli buyer who has selected the roast beef, the turkey breast and the ham that best meets the promise of the store. Are the cows grass-fed? Is the poultry free-range? Is there organic feed? How is the labor treated in processing plants, etc.?

The cheese program is very important in stores such as this, yet as best as we can tell, it seems like a distributor program, lacking the unique impact that a Greenwise cheese buyer who internalized the values of the store and was active with the American Cheese Society and the movement to produce and market artisan-produced American specialty cheeses would create.

Basically, the issue is a disconnect between the Greenwise brand and the actual products sold in the store. When consumers hit the meat department, they may get cognitive dissonance as there are large signs explaining that if consumers select meat with the Publix Greenwise label, they can be assured the meat was raised humanely, without hormones, etc. But, by shopping in the store the consumers have already said that is what they want — why should any of the meat sold not meet this standard?

Publix is a wildly successful chain, but Greenwise is struggling. The question is likely to come down to whether Publix is willing to let Greenwise be Greenwise. This is a question all retailers should ask before opening specialized concepts.

"The question is whether Publix is willing to let Greenwise be Greenwise."

doing a specialized market is more like foodservice. Retailers offer customers choice; chefs select out what to offer restaurant patrons. Yet on a concept such as Greenwise, success requires editing the selection to be true to the promise the store makes to consumers.

The store has a beverage department and sells nice teas and juices, specialized sodas made with cane sugar and... Coke and Pepsi. Similar examples can be found throughout the store. Now there is nothing wrong with choice. But in this type of concept, when consideration is being given to whether to stock Coke or not, the buyers need to go back to the loadstone: Is this "all-natural?" Is it "organic?" Is it "earth-friendly?" And then the buyers should reject Diet Coke on the grounds that it is not in sync with this concept's mission.

Consumers who select a concept because they are "paying close attention to what they eat..." and agree with the overall mission of Greenwise may be looking to simplify their shopping experience. They may seek a specialized concept specifically to avoid being tempted by foods that don't

as pretty much the correct attitude for a general supermarket, but almost the exactly wrong attitude for a specialized concept built around an organic ethos. First, we are not sure why the conventional product is there at all. It is one thing to recognize that people need a balanced diet, and so a store that prefers to sell organic may sell conventional items if organic product of adequate quality and in adequate quantity is not available. But if the organic produce is there, by shopping in this concept, customers are saying that they want it. They probably don't want to be reminded that there is a cheaper conventional alternative.

But beyond what product is being procured, these consumers want to be sold organic product. They want to be told that it is better and why. They want their inclinations — expressed by choosing the store, reinforced by the marketing.

It seems highly likely that if Greenwise were an independent, it would make this the centerpiece of its marketing. Yet Publix must muzzle this as its executives have not drunk this particular Kool-Aid and so don't



Once again, we've peppered our fleet with new reefers.



With almost 2,000 new refrigerated containers, Crowley has the newest fleet in the Central American and Caribbean trades.

We've acquired a peck of new reefers so today you can't pick a better partner than Crowley to safely get your perishables to market at peak freshness. You'll also want to contact our perishables customs clearance experts, Customized Brokers. Like Crowley, they're fully validated in the C-TPAT security program and are committed to our *Speed to Market* service.

Perishables need extra care, so don't trust them to shipping lines or customs brokers who don't have deep roots in produce. Call Crowley at 1-800-CROWLEY, or visit www.crowley.com. And call Customized Brokers at (305) 471-8989, or visit www.customizedbrokers.net.



www.crowley.com

CROWLEY

People Who Know

Liner Shipping • Worldwide Logistics • Petroleum & Chemical Transportation • Alaska Fuel Sales & Distribution • Energy Support • Project Management • Ship Assist & Escort • Ship Management • Ocean Towing & Transportation • Salvage & Emergency Response

Reader Service # 73

Twenty-Five INNOVATIONS THAT SHAPED THE INDUSTRY

Following the cover story from October's 25th Anniversary Edition of PRODUCE BUSINESS, as well as November's continued commentary, industry leaders carry on the discussion of innovations that shaped the produce industry.

BY JODEAN ROBBINS

As PRODUCE BUSINESS continues to explore the innovations affecting change in our industry over the past 25 years, we highlight five more from the original list of 25 innovations that were included in our October issue. The first ten improvements that were covered in the October and November issues were: 1. Communication Technology, 2. Consolidation, 3. Value-Added, 4. Club Stores, 5. Supercenters and Global Trade, 6. Category Management, 7. Food Safety and Traceability, 8. Government Involvement, 9. Clamshell Packaging and 10. Logistics Efficiencies. The five innovations covered in this article stem mostly from production advances leading to marketing opportunities as the past 25 years witnessed entire categories arising from organic and greenhouse production.

"In the past years, the organic produce and the greenhouse produce categories have both grown from their infancy as niche markets to very respectably sized, well-valued categories with tremendous growth and horsepower," says David Posner, president of Awe Sum Organics Inc., in Santa Cruz, CA. "Some of the most state-of-the-art techniques and materials available today are being used in the production of organically grown and greenhouse produce. The extremely high quality of these items has raised the bar in the produce industry."

On the heels of the greenhouse and organic movements came the trend toward locally grown and then sustainability. "Locally grown and sustainability have impacted the industry in recent years from grower to consumer creating opportunities for suppliers and retailers," says Jan DeLyser, vice president of marketing for the California Avocado Commission, (CAC) headquartered in Irvine, CA. "However, the lack of clear definitions for both locally grown and sustainability have also created some challenges."

Here, produce business veterans share their comments on the innovations that have affected our industry.

11: GREENHOUSE PRODUCE

The wide scale production and marketing of greenhouse product led to significant innovation at retail and in the field. Douglas Kling, chief sales and marketing officer for Village Farms LP, in Eatontown, NJ, explains, "The greenhouse industry contributed to our industry's evolution because it made product available 365 days a year. According to Nielson data, greenhouse represents more than 50 percent of the dollar volume in the tomato category. This is a growth trend that is also developing in greenhouse cucumbers and peppers. The development of the greenhouse industry also led to more defined standards of product safety and sustainable growing standards."

Tomatoes and peppers were particularly affected categories. "This dramatically changed the total tomato category," says Dick Spezzano, president of Spezzano Consulting Service Inc., located in Monrovia, CA. "Without greenhouse production, we probably would have not

seen the number one SKU in the tomato category — tomatoes on the vine. It also provided the platform for new and better eating varieties like Campari and many others. As well, it changed the colored pepper category to create better looking, more consistent produce with lower retail shrink and increased sales. Some chains will not stock field-grown colored peppers as they see the hothouse peppers to be superior in every aspect, achieving better sales with significantly lower shrink."

Greenhouse technology provided additional benefits on the production side, which link with other evolving trends. "Protected production reduces pesticides and other challenges facing the field grower," adds Veronica Kraushaar, president of Viva Global Marketing LLC, based in Nogales, AZ. "With heightened concern regarding food safety, protected ag offers receivers and consumers alike increased peace of mind about imports. For the grower who does not need to worry about weather, it's ideal. We see this being the future of Mexican agriculture."

12: ORGANICS

Almost hand-in-hand with greenhouse evolution came the slow rise of the organic

"It wasn't until 1999 that Melissa's Organics was a national brand. Looking over the past 25 years, the growth of natural and organic retailers such as Whole Foods, Wild Oats, Henry's and Sprouts has flourished and pushed mainstream grocery stores to offer organics within their stores."

— Robert Schueller, Melissa's/World Variety Produce Inc.



category. Beginning as a grass-roots type movement, organics clung to their shelf-space through trial and error and eventually won stable shelf space. "Organics were almost nonexistent 25 years ago, but today, the category amounts to about six to eight percent of produce sales," reports Spezzano. "The category in produce continues to grow at double digit sales growth with no end in sight."

"Melissa's has been distributing organic produce for more than 15 years when the trend first started into mainstream retail," says Robert Schueller, director of public relations with Melissa's/World Variety Produce Inc., in Los Angeles, CA. "It wasn't until 1999 that Melissa's Organics was a national brand. Looking over the past 25 years, the growth of natural and organic retailers such as Whole Foods, Wild Oats, Henry's and Sprouts has flourished and pushed mainstream grocery stores to offer organics within their stores."

Organic evolved to define a style of life and a type of consumer in addition to just production practices. "In terms of volume, organic may not have had a tremendous impact on the industry in the past 25 years," states Kling. "But in terms of publicity and changing attitude toward produce, it created greater interest and category development."

13: LARGE SCALE ORGANIC FARMING

With the growth and limited success of the emerging organic category came those willing to brave the organic frontier in a big way. Organic farming on a large scale allowed further development of the category at retail in a larger way than initially possible. "According to the Organic Trade Association's 2010 Organic Industry Survey, organic produce accounted for 10.7 percent of total sales in produce in 2009," says Charles Sweat, CEO of Earthbound Farm, in San Juan Bautista, CA.

"Large scale organic farming is a natural evolution of the organic industry," says Dick Peixoto, owner of Lakeside Organic Gardens, in Watsonville, CA. "Just as we have evolved from conventional to organic, many conventional growers have transitioned to organic as a business decision. Like it or not, the large scale organic companies were able to open the door to chain store markets and substantially increase the demand for organic by dramatically expanding the organic exposure to people that would have never gone into a natural food store."

Sweat says, "When Earthbound Farm started farming 26 years ago, most people in farming and even grocery were very

"According to the Organic Trade Association's 2010 Organic Industry Survey, organic produce accounted for 10.7 percent of total sales in produce in 2009."

— Charles Sweat, Earthbound Farm



If you know Mark, then you know United Fresh.

Or you might know others like him. They're leaders who want to make a real difference in the produce industry, and shape their own future in the process. People just like you.

Thousands of industry leaders already know the value of working together through United Fresh. **Are you ready to make a difference?**

United Fresh *Being United Makes All the Difference*

www.unitedfresh.org
202-303-3400

MARK LEVIN: M. Levin and Co., Inc., Philadelphia

Reader Service # 23

“Locally grown has provided producers the opportunity to tell their story to connect with consumers regarding locale. It draws consumer attention and awareness to the nutritional benefits and unique flavors of produce and offers an opportunity to further highlight the nutritional benefits of fruits and vegetables.”

—Jan DeLyser, California Avocado Commission



skeptical about the thought that organic farming could be viable on anything more than a small, farmers' market-scale farm. Earthbound Farm has proven that by using large scale commercial agricultural practices built on a foundation of commitment to organic farming principles, organic farming can provide reliable year-round supply in the traditional grocery channel...and that consumers will gratefully ensure the growth of the category.”

14: LOCALLY GROWN

After the explosion and excitement of global, year-round produce, the second half of the past 25 years witnessed a return to interest in local production. “The locally grown movement grew in a time of prosperity, then came of age and prospered in time of economic difficulty,” reports DeLyser of the CAC. “The definition of local varies. Some define it by distance and others by experience making it more about the locale than a specific location. California avocados have leveraged this desire for personal, local connections in our marketing campaigns since 2008, and we have seen positive results in consumer attitudes and purchase behavior.”

Tim York, president of Markon Cooperative Inc., in Salinas, CA, states, “Maturing consumers wanted to know who grew the food, how and where it was grown. There is a feel-good aspect to that — a connection. The trend was further fueled by restaurants that also began promoting use of local products in response to the economic crisis and a desire to keep dollars local.”

“Locally grown provides a distinction to produce grown in the United States,” adds DeLyser. “It has responded to consumer interest in knowing how and where the food they eat is grown — even who grew it.

It also has provided producers the opportunity to tell their story to connect with consumers regarding locale. It draws consumer attention and awareness to the nutritional benefits and unique flavors of produce and offers an opportunity to further highlight the nutritional benefits of fruits and vegetables. It has helped build community awareness of the importance of supporting local farmers and provided local media with local stories and news surrounding items grown in the community. This has been an innovative benefit to the community, the farmer and the industry.”

Locally grown is forecast to become an even greater influencer in the future. “Locally grown is a relatively new trend with a lot of life left,” reports Spezzano of Spezzano Consulting. “The attributes that consumers attach to locally grown — fresher, more nutritious, local business support, small family farm support, environmentally friendly — were once owned by the organic growers. Some say local is a bigger trend than organics. It’s more of a marketing tool than a production practice, but it offers great support for seasonal small growers located throughout the United States.”

15: SUSTAINABILITY

The most recent influencer to join the party is the concept of sustainability, and it promises to drive innovation well into the future. “Sustainability has been THE issue of the past year or so,” says Viva’s Kraushaar.

Sustainability has begun to force innovation by creating greater consciousness about how things are done and what consequences they have. “People are now more cautious about what they do with waste, how they irrigate, what pesticides they use and other issues,” explains Kling of Village Farms. “This increased awareness of sustainability issues has had a positive effect on the industry forc-

ing innovation and efficiency.”

“Over the past several years, major retailers focused significant resources on establishing comprehensive programs for their supply chains to become more sustainable and to minimize their environmental impact,” says Roman Forowycz, chief marketing officer for Clear Lam Packaging, in Elk Grove Village, IL. “These programs have taken a holistic approach covering all aspects of an organization. Sustainability initiatives have become a major strategic focus for many CPGs and retailers.”

Suppliers such as Clear Lam and others have invested heavily on product lines that minimize carbon footprint. Forowycz adds, “These include packaging materials made from plants instead of oil, rigid and flexible packaging that incorporates recycled plastic and various light-weighting efforts. In addition, we created internal systems and procedures that make us more sustainable including an air conditioning system capable of being powered from the heat generated from our printing presses and laminators. Sustainability will remain a major market focus for many more years.”

Just as in the early days of organics, the lack of a standard definition of sustainability and the danger of enthusiasm getting ahead of knowledge has confused the issue some. “You are seeing some produce folks hopping on this one and promoting it without really having the goods,” says Kling. “Recycling your paper cups in the office kitchen does not a sustainability program make.”

“Sustainability is used loosely by too many people,” agrees Peixoto. “Sustainability starts at the field level by making sure the ground is properly cared for to sustain future generations of farming, includes sustainable packaging, and looks at reducing carbon footprint, which helps conserve resources. These things are just the beginning. Sustainability requires you to run your entire operation with the impact on future generations at the fore front.” **pb**



Write To Us

PRODUCE BUSINESS invites you to comment on the top 25 Innovations mentioned in this feature -- as well as which innovations you think will change our industry going forward. Please email your comments to

Innovations@producebusiness.com

TOP 10 TRENDS

What's to come, what to focus on and what not to miss in 2011

1. **LOCALLY GROWN**
2. **FOOD SAFETY AND TRACEABILITY**
3. **THE ECONOMY**
4. **CONNECTING WITH CONSUMERS**
5. **PRODUCT INNOVATION**
6. **HEALTH AND WELLNESS**
7. **FOODSERVICE EXPERIMENTATION**
8. **ATTRACTING AND RETAINING TOP TALENT**
9. **CHALLENGES ON THE FARM**
10. **NEW PARADIGMS IN PROCUREMENT**

After speaking with a number of professionals in the produce business, here's a cheat sheet of what's to come, what to focus on and what not to miss.

BY CAROL M. BAREUTHER, RD

The late professor, management consultant and Presidential Medal of Freedom winner, Peter Drucker, once said that the best way to predict the future is to create it. The question then becomes, 'Where to begin?' *PRODUCE BUSINESS* spoke with nearly 30 top industry leaders, from all points on the supply chain — and analysts, too — to share their predictions of what the 10 hot topics in the produce industry will be in 2011. Their answers provide a good starting point to consider the opportunities and challenges that lay ahead and how to forge them into a productive and profitable future.

I. LOCALLY GROWN

"Local is the next 'fresh' or 'natural,'" says Bill Bishop, chairman and president of Willard Bishop Consulting Ltd., in Barrington, IL. "It's a word with a lot of positive connotations. I think we'll see locally grown become a much more important market segment in the near future."

Dr. Ed McLaughlin, director of the Food Industry Management Program at Cornell University, in Ithaca, NY, agrees and adds, "It is clear that consumers are excited about locally grown foods in a way that continues to gain momentum. Indeed, this is a worldwide phenomenon, not limited to North America."

"The vast majority of consumers will tell you that local produce

tastes better than product transported from a great distance away," says Will Wedge, director of produce and floral for Hannaford Bros. Co., a Portland, ME-based chain. "Consumers will also tell you they trust handling practices [i.e., food safety] more from farms in their market versus the unseen farm in a distant state or country. Regardless of whether this is 100 percent accurate or not, they believe that local produce is best and they seek it out at supermarkets and in restaurants."

One driver of the locally grown trend is a desire by customers to know exactly where their food was grown. Steffanie Smith, CEO of River Point Farms LLC, in Hermiston, OR, says, "There's a huge focus on the farm, the land and making that grower connection at the point of purchase."

"It's the 'who-grew-it' and 'how-they-grew-it' story behind the product. The name of the farm where it came from is no longer enough," says Maurice Totty, director of procurement for Foodbuy LLC/The Compass Group, in Charlotte, NC.

Retail and foodservice operators can benefit from this movement by incorporating local produce and local merchandising methods into their stores and restaurants, maintains McLaughlin. "Many supermarkets already tout the local farms with which they have relationships and the growing number of local products on their shelves," he says. "This has been true for several decades for some retailers."

"I think we'll see locally grown at the retail level taken one step further. It's not enough anymore to simply carry local produce or put up pictures of farmers. Theatrical retailing that pulls customers in and engages them will become more important."



— JAY SCHNEIDER, ACME MARKETS

Locally grown produce has been featured at Malvern, PA-based Acme Markets for nearly two decades as part of the New Jersey Department of Agriculture's (NJDA) Jersey Fresh program. Jay Schneider, produce business development manager, discloses, "I think we'll see locally grown at the retail level taken one step further. It's not enough anymore to simply carry local produce or put up pictures of farmers. Theatrical retailing that pulls customers in and engages them will become more important," he continues. "Last summer, for example, we held events as part of our locally grown program. We had the New Jersey Peach Queen visit stores and sample fruit with customers and their children, and we also did live remote radio broadcasts."

"Locally grown produce isn't just a trend that benefits the produce buyer," points out Dave Corsi, vice president of produce and floral operations for Wegman's Food Markets Inc., a 76-store chain headquartered in Rochester, NY. "When an East Coast operator can buy the same quality item closer to home, it has economic benefits along with the environmental benefits. Cost continues to increase for fuel, drivers and the raw goods, in addition to higher cost inputs, such as water on the West Coast."

There is, however, the issue of 'local' versus 'locale.' "It's not about the miles," asserts Jan DeLyser, vice president of marketing for the Irvine-based California Avocado Commission (CAC), "but the experience. Locale is a consumer perception. It empowers them to feel good about a product."

West Mathison, president of Stemilt Growers LLC, headquartered in Wenatchee, WA, agrees. "We are in one of the greatest locales in the world for growing treefruit, and as a family that's been farming five generations and has a tremendous passion for the business, we think we have a good story to tell," he contends. "I think this will become even more important in 2011."

"In the future, we may start to see locally grown marketed by the region known to grow the best of an item," remarks Patricia Johnson, a Boise, ID-based global food analyst for the Mintel International Group Ltd. "For example, a Washington apple, a New Jersey tomato, or even a Brazilian papaya."

Despite its ever-growing popularity, locally grown has yet to be defined. Tom Stenzel, president and CEO of the United Fresh Produce Association, in Washington, DC, says, "I think the industry is still trying to figure this out and this will go forward into

next year as well. For example, is it good enough to see a video clip online of a farm where the food was harvested? Or do consumers really want their produce to come from 15 miles away so they can see it growing for themselves?"

Yet, a definition for locally grown really doesn't matter, contends Steve Tursi, director of business development for Seald-Sweet International, located in Vero Beach, FL. "I think any time produce is shown in a positive manner it's good for the industry. We shouldn't lose sight of the forest for the trees. If the consumer is happy, the produce industry wins."

2. FOOD SAFETY AND TRACEABILITY

"Federal guidelines for food safety were something the industry expected this year, and provided input and support for," says Michael Celani, senior vice president of sales and marketing for Ready Pac Produce Inc., headquartered in Irwindale, CA. "However, Congress didn't act on it, but I hope it will become a reality next year."

According to John McClung, president and CEO of the Mission-based Texas Produce Association (TPA), "Regardless of what Congress does with pending legislation, the industry will be preoccupied with safety issues for several years to come. The Food and Drug Administration (FDA) is committed and is better funded than in the past, and sees a clear mission to protect consumers from contaminated food."

Many in the industry may fear the FDA's release of mandatory food safety guidelines for the industry to follow, says Wegman's Corsi. "On the contrary, the industry may benefit by [the FDA's actions] by increasing consumer confidence in the fresh produce market."

Celani agrees. "It's a good thing to have a clear set of rules and expectations by which to live."

"Whether Congress enacts legislation or the FDA does it on its own, I am pleased with the FDA's signaled intent to allow certification of third-party labs to FDA standards," asserts Lance Jungmeyer, president of the Fresh Produce Association of the Americas (FPAA), in Nogales, AZ. "This will lessen the backlog and potential spoilage of perishable product at the borders on product tagged for inspection."

Food safety standards of any kind should be international, contends Dan Dempster, president of the Canadian Produce Marketing Association (CPMA), in Ottawa, Ontario, Canada. "We can't have different standards for different countries," he says. "So much produce moves through different jurisdictions that it would create a problem to do business on a global level."

Matthew D'Arrigo, vice president of D'Arrigo Brothers Co. of NY Inc., in the Bronx, NY, says, "Traceability will be a hot topic because it affects every person in the industry differently and it needs to be efficient as well as effective."

"We, as an industry, have to be ready for traceability," declares Tim Riley, senior vice president of The Giumarra Companies, based in Los Angeles, CA. "That said, I believe it won't be a turnkey solution, but take one, two or even three years to get there and a lot of work."

3. THE ECONOMY

The global economic climate has formed a huge umbrella over the entire industry from farmers to family consumers. Riley says, "Growers and exporters have been hit hard with the devaluation

“The trends we see ahead relate to three types of Moms, who are still the primary shopper. There’s value mom, convenience mom and socially conscious mom, and we as an industry need to market to each of them.”



— BRYAN SILBERMANN, PRODUCE MARKETING ASSOCIATION

of the dollar, which has resulted in countries such as Chile and New Zealand diverting their product to markets where the currency is stronger. This is especially true of hot commodities like berries, where growers might get \$40 in the United States compared to \$60 to \$70 if they send the product to Europe.”

Most measures of economic health have improved since late 2008-09, maintains Cornell’s McLaughlin. “However, the rebound has been more anemic than previous recoveries, and unemployment, at 9.6 percent, remains the highest since 1982,” he reports. “For 2011, most economists predict economy-wide growth to be slow, leading to quite limited increases in retail sales. It is possible, but unlikely, that produce consumption will show growth any more robust than the flat trend of recent years.”

United Fresh’s Stenzel is more optimistic. “I predict an increase in sales of more premium products, rather than just the staples consumers have been entrenched in buying over the past few years, as we emerge from the recession,” he says.

“However, for consumers, value will continue to be king and the economy will be where it’s at,” asserts Lorri Koster, vice president of marketing for Mann Packing Co. Inc., in Salinas, CA.

4. CONNECTING WITH CONSUMERS

Manufacturers were the top dogs to drive sales of particular products in the 1980s through mass media advertising. This clout shifted to retailers a decade later due to consolidation and the advent of the UPC that allowed strategic decisions on space to sales allocations. “Today,” says Koster, “the consumer has stepped into the power position due to the Internet, mobile phone apps and other technology that’s right at their fingertips.”

Bryan Silberman, president and CEO of the Produce Marketing Association (PMA), in Newark, DE, says, “The trends we see ahead relate to three types of Moms, who are still the primary shopper. There’s value mom, convenience mom and socially conscious mom, and we, as an industry, need to market to each of them.”

Consumers are indeed looking for value, says Ed Kershaw, co-owner and CEO of Yakima, WA-based Domex Superfresh Growers LLC. “This is our generation’s great depression. We, in turn, as growers, need to find how we can create that value, whether it is supply chain efficiencies that lower cost or working with retailers on a private label program.”

“A sharp price doesn’t mean anything if a product doesn’t deliver on quality,” says Ready Pac’s Celani.

River Point’s Smith agrees. “We’ve done a good job of growing produce that looks good and has a good shelf life,” she says. “Now, we’re seeing a renewed sense of delivering on flavor.”

The flavor promise cuts across all segments of the industry, contends Silberman. “We don’t do a good job in rewarding customers for flavor, so they discount the value in some items,” he explains. “This issue may be tackled in foodservice before retail.”

Flavor is a huge initiative with chefs, notes Foodbuy’s Totty. “We’re seeing that some chefs are not just serving a tomato because they have to, but instead, serving the most flavorful tomato available or none at all,” he says. “I think there will be more merchandising on peak-of-season produce in foodservice, but this doesn’t necessarily mean locally grown.”

Convenience has come back into play, points out Mintel’s Johnson. “The economic downturn promoted consumers to stay home and cook from scratch, but they’re realizing that this is a lot of work,” he states.

Smith agrees, noting, “We need to tell customers how, when and why to use our products. The need for information is so different from one generation to another. Younger generations may need basic preparation instructions, while Boomers may be looking for new or healthful ways to use a product, and we have to make it easy for them.”

Sustainability is expected by today’s customer, expresses Mike O’Brien, vice president of produce and floral for Schnucks, based in St. Louis, MO. “We shouldn’t kid ourselves by thinking this is a fad,” he says. “This is being driven by Gen X Moms who are concerned about not only what they are feeding their kids but what kind of planet they will be leaving them. There has been some outstanding work done on this front by our suppliers. For example, there’s Gills Onions’ waste-to-energy project and the recent addition of solar panels to Procacci’s New Jersey tomato packing operation, both of which were also very smart business decisions.”

There is nothing like word-of-mouth and the trust that’s placed in information received from a friend, emphasizes Domex’s Kershaw. “That’s why social networking through Twitter, Facebook and YouTube is something produce companies today need to be fully engaged in, or they’ll miss the boat,” he states.

“Social marketing,” adds Mann’s Koster, “is allowing manufacturers to find and communicate with the consumer right where they make purchase decisions.”

O’Brien maintains, “From a retail perspective, traditional advertising and marketing are becoming obsolete. Permission and guerilla marketing will become the rage. Our industry will be using iPhone apps to deliver recipes, nutritional information and bring new customers into our categories.”

Social media can also help disseminate educational information that, in turn, can boost produce sales. Roberta Cook, marketing economist for the Davis campus of University of California Cooperative Extension, says, “For years, our post-harvest teaching center offered information on how to ripen the top 20 fruits and top 20 vegetables. One of the barriers to consumption is not knowing how to ripen produce. We receive maybe 6,000 requests a year for this information, and when we offer it on Facebook, requests jumped two to 10 per minute. This also meant a change from mailing out copies to posting it in a down-

“From a retail perspective, traditional advertising and marketing are becoming obsolete. Permission and guerilla marketing will become the rage. Our industry will be using iPhone apps to deliver recipes, nutritional information and bring new customers into our categories.”



— MIKE O'BRIEN, SCHNUCK MARKETS INC.

loadable PDF.”

“A daunting challenge is to ensure our message gets through the massive volume of information that is delivered on a daily basis,” reminds Kevin Fiori, vice president of sales and marketing for Sunkist Growers Inc., in Van Nuys, CA. “To communicate effectively in non-traditional media, less is more. We have had to simplify the message. The message must resonate with the consumer immediately.”

5. PRODUCT INNOVATION

“Product innovation will be driven by taste,” asserts Schnucks’ O’Brien, “and the involvement of seed technology by companies like Monsanto.”

“To create excitement in a product as old as Eden, we are testing 10 different new or better-tasting apple varieties,” reports Semilt’s Mathison. “It’s a continuous endeavor.”

Steve Lutz, executive vice president of the West Dundee, IL-based Perishables Group, notes, “Packaging is certainly a trend in both product innovation and in creating consumer demand. For example, look at Duda’s new matchstick radishes. It’s an old-school product that has recreated the category through packaging technology,” he points out.

Innovation in fresh produce products in microwavable bags can keep consumers out of the frozen foods aisle and in the produce department, contends Mann’s Koster. “For example, sweet potato menu mentions are up 86 percent in the past four years, according to National Food Product Research released in April” she reveals. “This boom in foodservice is translating to retail sales. According to IRI, volume sales of frozen sweet potato fries and casseroles over the past year were up about 32 percent. We are seeing the same trend with butternut squash.”

“Fruits and vegetables will continue to carve their niche in this category with creative packaging for convenience,” says the CAC’s DeLyser.

6. HEALTH AND WELLNESS

“The obesity challenge is real and of serious consequence,” says TPA’s McClung. “It’s important to our own personal wellbeing and it’s important to the nation as a social and economic variable.”

Chris Nelson, president and CEO of the Mixtec Group LLC, in Pasadena, CA, says, “Health care costs have skyrocketed over the

last two to three years and I don’t think we’ve seen the end of it. This means major cost increases at all levels of the supply side and costs that can’t really be passed along. This is a problem that will come home to roost in 2011.”

“The obesity crisis, and greater government regulation in the area of health, has driven positive changes for the produce industry,” maintains Foodbuy’s Totty. “School foodservice is incorporating more fruits and vegetables. There’s also been a shift in chef’s mentality to reduce protein and increase produce on the plate in response to younger customers’ demands for flavorful well-balanced meals, rather than a slab of beef and a baked potato. This shift, along with a reduction in portion sizes, helps customers control their waistlines and chefs their food costs, and ultimately menu prices. I also think we’ll see more nutrition labeling on menus. Sodium is also a top priority.”

On the retail front, Schnucks’ O’Brien says, “We have done a lot of heavy lifting as an industry to push greater fruit and vegetable consumption, but now we are getting some help from first Lady Michelle Obama and her Let’s Move program. Regardless of your politics, this is good for us. This is our window of opportunity and we need to grab it.”

Sunkist’s Fiori advises, “Tell the story, but don’t oversell the message by making claims that are untrue. Nothing will kill or dilute the message quicker than false or unrealistic claims.”

New research by the Parma, Italy-based Barilla Center for Food & Nutrition presented at a meeting of the European Parliament, in October, reveals that eating more fruits and vegetables is not only healthful, but sustainable. According to the study, *Double Pyramid: Healthy Food for People, Sustainable Food for the Planet*, foods with higher recommended consumption levels have a lower environmental impact, and foods with a lower recommended consumption level have a higher environmental impact.

7. FOODSERVICE EXPERIMENTATION

One trend in foodservice is for more hand-held foods. One in five meals were ordered in a drive-through in 2009 and 17 percent of those were eaten in a car, according to NPD CREST (Consumer Reports on Eating Share Trend) research published by the Chicago-IL-based NPD Group. “This means fresh-cut portion packed snacks and heartier lettuces to be used as wraps,” Mann’s Koster explains. “Bold flavors, such as Nuevo Latin, Cuban and Caribbean,” she adds, “will continue to emerge in foodservice.”

“Tropical is hot,” agrees CAC’s DeLyser. “For example, we’re seeing salsas made from avocados, mangos and papayas, in addition to the typical tomato-based variety.”

Totty points out, “Other trends are towards flavor enhancement and greater variety.” This translates into chef’s greater use of microgreens, baby, Heirloom and Asian vegetables such as Thai eggplant and Asian pears.

“Innovation in foodservice leads to trial by our consumers and eventually new sales for retail,” says O’Brien.

8. ATTRACTING AND RETAINING TOP TALENT

“The attraction and retention of highly competent management and employees is critical to the long term viability of all companies in our industry and in our country,” emphasizes Fiori. “Each generation — Matures, Baby Boomers, Generation X and Millennials — have different motivations and desires.



I expect protection from credit risk.

"In today's world, I do more with less. So I need simple solutions that help me quickly and confidently manage my credit risk. That's why I rely on Blue Book Services."

Blue Book Services' tools to help you manage credit risk:

- Best-in-class accuracy
- Detailed Business Reports, enhanced with Equifax commercial data
- Predictive Blue Book Scores
- Real-time information
- Comprehensive suite of credit rating & marketing tools via Blue Book Online Services

For over 100 years, companies have trusted Blue Book ratings to help them make profitable decisions. Analyze your connections today: www.producebluebook.com



Blue Book Services | *Profit from Experience*

630.668.3500 | info@bluebookservices.com | www.producebluebook.com

Reader Service # 25

“The obesity crisis, and greater government regulation in the area of health, has driven positive changes for the produce industry. School foodservice is incorporating more fruits and vegetables. There’s also been a shift in chef’s mentality to reduce protein and increase produce on the plate in response to younger customers’ demands for flavorful well-balanced meals, rather than a slab of beef and a baked potato.”



— **FOODBUY LLC, MAURICE TOTT**

This is critical because to attract and retain talent we must not only ensure that they meet our needs, but that companies offer what is important to them.”

“The economic downturn and upswing in telecommunications technology could mean more telecommuting,” says Mixtec’s Nelson. “There’s an increasing struggle to relocate with potential employees unable to sell their houses and unwilling to carry two mortgages. We’re seeing a paradigm shift with technology bridging this gap and more employees — especially those in sales — working out of a home office.”

In spite of high unemployment, the job market couldn’t be better for top talent with a thick Rolodex of contacts, Nelson adds. “Sales are no longer FOB-driven, but program-driven, and companies look for those individuals who can get them in the door of, for example, a big player like Wal-Mart,” he explains. “These people are becoming rarer with retirement and the aging of the industry. It’s the law of supply and demand. Consider that 10 buyers are driving 60 percent of retail and foodservices business.”

“There’s a need for agricultural employment opportunities that are attractive to young people,” says Domex’s Kershaw. “Yes, horticulturalists are needed. However, today’s multigenerational family farms are corporations, and as such, need people with business skill sets. Not all farmers today wear bib overalls.”

9. CHALLENGES ON THE FARM

Pests, pesticides, water resources and labor/immigration issues are all posing challenges to farmers. The industry is globalizing and that means more exposure to pests, points out TPA’s McClung. “The risk is obvious: greening and canker are well known examples, but there are many others that represent grave potential challenges to grower/shippers,” he says.

Giumarra’s Riley acknowledges, “We need to step up and defend ourselves from the perception that produce is unhealthy

due to use of pesticides.”

“In reality,” says Domex’s Kershaw, “conventional and organic production are becoming closer and the lines are blurring. On one hand, consumers need to realize that organic production isn’t easy everywhere. On the other hand, we, as farmers, are using fewer pesticides. They cost money, and if consumers want value, we need to look for less expensive yet effective ways to grow product, such as IPM (integrated pest management).”

“Organically grown fruits and vegetables are in healthy demand,” says Wegman’s Corsi, “but the question is whether or not we can keep the supply pipe line flowing.”

“Water is the life-blood of farming,” says Riley. “There are not only challenges in the central valley of California, but some foreign countries are affected, too. There are issues getting water to the fields in the Ica Valley of Peru and water being diverted from farming to cities in the Obregon area of Mexico.”

Mike Stuart, president of the Maitland, FL-based Florida Fruit and Vegetable Association (FFVA), says, “Immigration is one of the most difficult political topics in Congress and continues to be a major unknown.”

“Whether immigration reform will pass in 2011 is anybody’s guess,” says Charles Hall, executive director of the LaGrange-based Georgia Fruit & Vegetable Growers Association. “Several of our growers use the H-2A Agricultural Guest Worker Program to assure they have enough labor to harvest crops, but there have been a number of roadblocks that have come up with this over the past two years.”

10. NEW PARADIGMS IN PROCUREMENT

Two crucial components of the produce industry — the supply chain and end retailer — are in a state of change. The importance of logistics and the middleman — all issues involved in getting product to the consumer — may play out more importantly in the future, says United Fresh’s Stenzel. “Wal-Mart moved last year to cut out the middleman and buy direct from the growers. In doing so, I think they’ve learned that it’s not that easy. There’s a value-add the middleman provides to the retailer in transportation and delivery. Does Wal-Mart’s move signal a change in the supply chain? I’m not so sure.”

“Competition is fiercer in the supermarket industry today,” acknowledges Seald Sweet’s Tursi. “More companies are entering the fresh food industry and niche players are becoming larger. This cuts into sales in mainstream segments. As a result, retailers are using their perishables departments, such as produce, to differentiate themselves.”

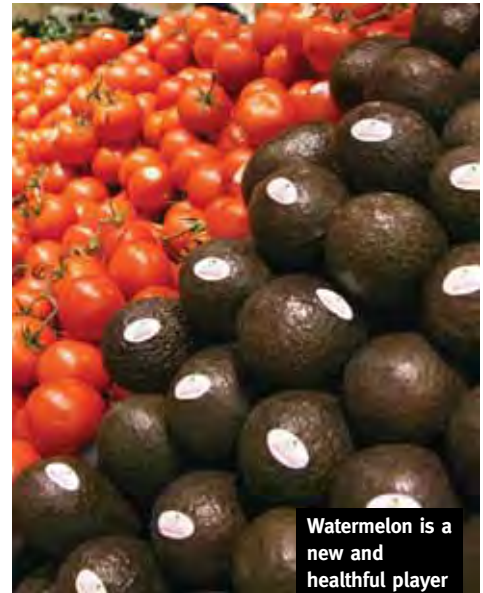
Bishop Willard Bishop Consulting, says, “Variety and one-stop shopping was once a differentiator for supermarkets, but not anymore. In fact, this model can lead to excess variety and a drag on store profitability.”

“The sorting out of assortment is going to be crucial going forward,” says UC Davis’ Cook. “Last year, the SKU rationalization trend was big and this continues. But, some retailers went too far, eliminating 15 to 25 percent of SKUs, then needed to turn around and put some back due to shopper demand. What’s on the shelf is of utmost importance for a retailer. There needs to be an investigation of customer psychographics and demographics right down at the individual store level. This potential hasn’t come close to being realized yet.”

pb



PHOTO ABOVE COURTESY OF THE NATIONAL WATERMELON PROMOTION BOARD
PHOTO AT RIGHT COURTESY OF APEAM



Watermelon is a new and healthful player in the Super Bowl snacking game.

Score a Touchdown With Super Bowl Marketing

Retailers create a one-stop shop in the produce department for consumers to fill their Super Bowl appetites. **BY JUANITA GAGLIO**

The Super Bowl has become the hottest ticket item for both suppliers and retailers. With companies spending \$2½ to \$3 million for a 30-second commercial spot, this once-a-year event is serious business. With most of the country a captive audience, either at a party or camped around their own screens, snacks and refreshments are a natural component. Game Day is the gold standard for both volume and sales, leading the list of 13 promotional periods during the year, according to West Dundee, IL-based Perishables Group.

Avocado consumption has nowhere to go but up with a 22 percent volume increase for the Super Bowl period from 2009 to 2010, states Jan DeLyser, the Irvine-based California Avocado Commission's (CAC) vice president of marketing. It isn't just avocados that greatly benefit; there are salsas and dips, veggie and fruit platters — even watermelons, which can be served in a salsa or grilled on the barbecue. Clearly, retailers have something to offer for every palate on this important day.

Last year's Super Bowl event was the most watched television program in history, drawing an average audience of 106.5 million viewers, according to Super Bowl Eating and Consumption Statistics. Every year, it is the second largest day for U.S. food consumption. Typically, 90 percent of retail packaged sales during this timeframe are attributed to veggie platters, according to a West Coast retailer who prefers to remain anonymous. Beginning in November, and carrying through Super Bowl, retailers allocate a mobile unit as their one-stop Super Bowl shop, merchandising dips and veggie platters with roughly 10 percent of this space given to fruit platters.

One of the new entrants into the Super Bowl arena of food is watermelon. The National Watermelon Promotion Board, based in Orlando, FL, is broadcasting the message that watermelon is the lycopene-leader among fresh fruits and vegetables. They are reaching consumers through recipes with toasted jalapeno and tomatillo salsa, blackened watermelon sliders and BBQ skewers. "Our objec-

tive is to educate retailers and consumers that watermelon is a vegetable — not a fruit — with exceptional health-enhancing properties," asserts Gordon Hunt, director of marketing and communications for the National Watermelon Board. Watermelon is associated with summer, but winter has been one of the fastest growing seasons for watermelons. It has proven to be very versatile in taste and color. It is a perfect Super Bowl food and can be used as ice cubes, frozen melon balls in cocktails and as an ingredient in salsa as a substitute for tomatoes. It is a cool and delicious food to keep Super Bowl revelers healthy, and a good value to the consumer at only 25 cents a pound.

Pre-Cut Veggie And Fruit Platters

Mann Packing Co. Inc., based in Salinas, CA, offers a popular item, the Meat & Cheese Vegetable Platter, which is a perfect mixture of fresh-cut vegetables, beef bites, cheddar cheese cubes and a traditional ranch dip. The platter has different labels to market the product depending on the time of year. Lorri Koster, vice

president of marketing, explains, “For Super Bowl, the label is The Tailgater, and for baseball season it is marketed as the Grand Slam. It is meant to be easy and mess-free.”

The company also features a variety of health-conscious snack items such as Sweet Potato Fries and Cubes; Simply Singles — pre-washed leaf singles available in three varieties: romaine hearts, red and green leaf lettuce; Sugar Snap Peas; and Snacks on the Go. These mini-meal snack trays are ideal for a backpack or purse and can be taken anywhere the game is occurring.

Staying with the sports theme, Indianapolis, IN-based, Indianapolis Fruit

Co. Inc. features a fruit and veggie platter that is football shaped and an assortment of vegetable dips and salsas under their Gardencut label. “With our in-house processing facility, we can tailor our production according to the type of promotion and our customers’ needs. We serve retailers in 14 Midwest states,” explains Shane Towne, director of marketing and new business development. Indianapolis Fruit Co. also offers proprietary tortilla chips, Matilda Chips, which the company believes is a perfect tie-in for any large sports-themed produce merchandising set.

Irwindale, CA.-based Ready Pac Produce Co. features three new premium fruit party trays: Tropical Fruit Tray with Lemon Chiffon Dip; Apples with Cinnamon Crème; and a

Fruit-Cheese-Veg Sampler. “Ready Pac focuses on providing a healthy party planner with a mixture of produce and non-produce related items,” said Barb Dan, vice president of marketing and product development.

Thanks to top-dollar spending on commercials during the Super Bowl, companies realize the profitability of this mega event. It is a unique opportunity for retailers to educate the consumer as “party consultants” for this event. Suppliers and retailers are collaborating to be customers’ one-stop shop for all their Super Bowl entertainment needs. Anything goes with Super Bowl promotions.

Raul Gallegos, senior director of produce and floral with the 13-unit Carson, CA-based retail chain Bristol Farms, confirms, “We

NATIONAL CITRUS SHOWCASE

Reader Service # 42

Bringing You The World's Best

LGS Specialty Sales, Ltd.
718-542-2200 • 800-796-2349 • Fax: 718-542-2354
www.lgssales.com

Reader Service # 56

EDINBURG CITRUS ASSOCIATION

Tropic Moon CITRUS

**Texas Red Grapefruit
& Oranges**
Sales: 956-383-6619
www.txcitrus.com

**ATTENTION
ALL BUYERS**

USE
producebusiness

directories when you are ready to buy.
For additional copies of this
directory or any other, please call

561-994-1118
and ask for
Directory Sales Department
Email: info@producebusiness.com

Reader Service # 63

BLUE JAY
CALIFORNIA CITRUS

BlueJay | TopJay | Victor

Available from Johnston Farms:
Navel Oranges, Red Grapefruit &
Mandarins varieties
(Satsuma, Tahoe Gold, Shasta Gold &
W. Murcott)

Joe Romani, Harley Phillips, Derek Vaughn
Sales 661.366.3201
FAX 661.366.6534
sales.bluejay@gmail.com

“We maximize this extremely popular time for hosting or entertaining.”

— Raul Gallegos, Bristol Farms

key component, with double digit increase on the avocado category. We build large impactful displays at the entrance to our stores and use other party related items as tie-in sales opportunities.”

Consumer Avocado Demand Plays Key Promotional Role

Suppliers prepare well in advance — up to 12 weeks, and in some cases, a year out — for this profitable promotion beginning with the onset of football season in the fall. The grand finale comes in early February with the Super Bowl. According to DeLyser, in 2009, 60 percent of avocado retail volume was sold on promotion during the two weeks preceding the Super Bowl. Avocado sales and volume indexed higher during the entire month of January due to high demand at the beginning of the year. This increase certainly warrants additional promotional space.

Retailers can get on board by designating a Super Bowl tailgating section and cross-merchandising the appropriate products. “Avocados are very productive and have earned prominent display locations at the point of purchase year-round,” states DeLyser. “Super Bowl promotions provide retailers with the opportunity to increase the size of their end cap displays as well as to build secondary displays. Promoting avocados leads to more than increased avocado sales, it can lead to incremental sales of other grocery and produce items as well.”

Retailers can attract consumers by increasing theme feature ads and utilizing the promotional support provided by the different avocado trade associations. According to the CAC, in 2010, retail units of avocados increased 29 percent and retail dollars increased by 11 percent over 2009. In contrast, this year’s Cinco de Mayo experienced an increase in shipments of 18 percent over 2009, with a 47 percent increase in retail units and a 20 percent increase in retail dollars. Ride the wave of sales by partnering with your avocado suppliers and benefiting from a sales lift in all products merchandised with them for this event.

This year, one of the more unique promotions is a potential cross-promotion with Samuel

Apio INC.

Stock up now

on the Top Selling Branded Party Trays.*



Eat Smart Vegetable Party Trays sell the most volume of branded vegetable trays in the nation.

*Source: Perishables Group Fresh Facts® TTL US Category Review 52 weeks ending 9/25/10



www.apioinc.com • 800-454-1355



Reader Service # 74

FROM OUR
AVOCADO FIELDS
TO YOUR STORES

SLIMCADO[®]
Avocados



Naturally 50% less fat...
naturally 33% fewer calories*

The green-skinned avocados with sell-thru, SlimCados come by that reputation with a lot of hard work:

- Ongoing R&D
- Hydro-cooling
- Food safety-audited packing and shipping facilities
- State-of-the-art packing house
- Quality control team
- Continuous Cold Chain[®] from our fields to your stores

SlimCado season has started. Call Brooks today to get them coming your way.



800.327.4833 • FAX: 305.245.5827
www.brookstropicals.com

*compared to the leading California avocado

© Brooks Tropicals LLC. The logo, SlimCado & Continuous Cold Chain are all registered trademarks of Brooks Tropicals, LLC.

“By promoting avocados, the retailer increases the average basket ring; shopping baskets without avocados average \$39, whereas shopping baskets with avocados average \$66 for a positive variance of 69 percent.”

— Jan DeLyser, California Avocado Commission

Adams beer and MHAIA (the Mexican Haas Avocado Importers Association), headquartered in Baltimore, MD. The organization is offering a new display bin that holds up to three boxes of avocados from Mexico, that provides 360-degrees shopper access to the product. The display also includes consumer take-one pads. In states where stores are allowed to sell beer — pending final promotion developments with Sam Adams — displays will deliver IRCs. “This year, consumers will potentially have an opportunity to receive \$1-off instantly with a purchase of Sam Adams 12-pack and two avocados. This offer will also be featured in the beer section, which will encourage shoppers to return to produce for their avocados,” explains Jackie Bohmer, marketing director for MHAIA.

APEAM partners with retailers to keep avocados from Mexico at the top of consumers’ shopping lists for Super Bowl. The organization’s marketing program integrates a number of advertising channels including print, television and radio advertising, online marketing, public relations, promotions and social media components. Emiliano Escobedo, marketing director for APEAM, based in Los Angeles, CA, notes, “Consumers can visit our Facebook page and enter the *What Makes Your Guac Rock Sweepstakes*, which runs from December 28, 2010, to February 7, 2011 for a chance to win air travel, free groceries and free avocados from Mexico. They can also take the *What’s Your Guac Star Style Quiz* to find out what Guac star personality they rock.”

Complementary food items to avocados can also get a substantial sales lift when avocados are merchandised in bags that are clipped to the chip displays. Retailers benefit from building end cap and secondary in-store dis-

plays. Secondary displays are often front-end island displays merchandising other snack foods and complementary guacamole items. Sales data reported by the CAC have shown that when avocados are on promotion, the retailer sells more limes at the everyday price than when they promote limes at a discount. “Additionally, by promoting avocados, the retailer increases the average basket ring; shopping baskets without avocados average \$39, whereas shopping baskets with avocados average \$66 for a positive variance of 69 percent,” states DeLyser of the CAC.

Avocados create incremental sales when placed next to tomatoes, onions, lemons, chips and other items such as hamburger fixings, soups, pizzas and ethnic foods. Retailers have “carte blanche” whether it is merchandising avocados next to complementary items, different sizes and levels of ripeness with the “ripe” and “unripe” sticker, bulk or bagged or multiple displays with alternating themes. DeLyser emphasizes, “The Hass Avocado Board’s *Kick off with Hass Avocados* college football joint promotion with the CAC and CAIA provides a very strong college football-themed Hass Avocado promotion lead-in to the Super Bowl. By using the available POS materials for this promotion, retailers have an opportunity to support avocado merchandising from autumn all the way through Super Bowl.”

Other products related to avocados that have experienced a double-digit increase are guacamole, salsas and cheese dips. Fresherized Foods, headquartered in Saginaw, TX, producers of Wholly Guacamole, offers a range of flavors from Classic to Pico de Gallo style. Retailers are able to merchandise this item in the refrigerated section of the produce department. Consumers can also benefit from the Simply Avo Halves, all natural avocado halves, which can be sliced for salads, sandwiches, burgers and the new trend, “avodogs,” according to Jay Alley, vice president of retail sales for Fresherized Foods.

“The popularity of ready-made guacamole is seen in the proliferation of various flavors,” notes Alan C. Ahmer, vice president of processed sales at Calavo Growers Inc., headquartered in Santa Paula, CA. Most consumers’ introduction to avocados starts with tasting guacamole. In addition to Calavo’s authentic ready-made guacamole, two new flavors are available, Caliente and Pico de Gallo. The company cross-merchandises its ready-made guacamole with a line of fresh salsas, Salsa Lisa, and two flavors of Calavo Tortilla Chips, Guacamole and Sea Salt. Its promotional approach is through IRC coupons on some targeted products. **pb**

The World's First Avocado is the World's Finest.



The world's first avocado came from Mexico, the only place where avocado trees naturally bloom four times a year. So Avocados from Mexico are always in season and available in a full range of sizes.

Did You Know? Avocados from Mexico are promoted in extensive marketing campaigns, driving demand and building the category through national print ads, radio, TV, social media, online and in-store merchandising efforts!

Avocados From **Mexico**

▲▲▲▲ The world's finest. ▲▲▲▲

www.avocadosfrommexico.com



©2010 Avocados From Mexico



Potatoes and onions are consistently top sellers in produce.

Potatoes And Onions: The Dynamic Duo

More than mere commodities, potatoes and onions provide a wealth of opportunities for retailers. **BY JULIE COOK RAMIREZ**

Today's produce departments are a literal cornucopia of color and excitement. From ruby red tomatoes and pomegranates to perfectly purple eggplant and cabbage, shopping for produce has become a technicolor affair reminiscent of something out of *The Wizard of Oz*. Then we come to potatoes and onions. Often tucked away on a table near the back of the department, potatoes and onions aren't particularly colorful — they have even been described as drab. All too often, they are frequently viewed as mere commodities without much wow appeal. Nonetheless, potatoes and onions are consistently the top sellers in produce. This means there is definitely room for improvement, particularly when it comes to familiarizing consumers with different varieties and helping them find new ways to incorporate both commodities into their meal occasions.

"Retailers shouldn't take onions and potatoes for granted," says Matt Curry, president of Brooks, OR-based Curry & Co. Inc. "They aren't necessarily the sexiest items in the produce department, but when merchandised properly, you do see sales increase."

A big part of the problem lies in the fact

that retailers grew complacent. For decades, they coasted along on autopilot, generally pleased with the amount of potatoes and onions they were selling, but rarely taking extra steps to aggressively promote the category and truly introduce consumers to everything potatoes and onions have to offer. In the meantime, time-pressed consumers began turning to prepared potato products that could easily be microwaved. It's no coincidence that fresh potato consumption is down, according to figures from the United States Potato Board (USPB), based in Denver, CO.

Cater To Consumers

"These are categories that have been around a long time, and it's easy to fall into merchandising by habit," says Steve Lutz, executive vice president of The Perishables Group, in West Dundee, IL. "To the extent that they can be enhanced to become less of a bulk commodity and more of a consumer-focused food solution, that can have a positive impact on performance."

Providing consumer-focused solutions begins with offering a wide assortment of varieties, even if your customers initially don't know what makes them different or why they

should care. According to Ted Kreis, marketing and communications director for Northern Plains Potato Growers Association, in East Grand Forks, MN, the USPB deserves most of the credit for encouraging retailers to add some color to their displays in the form of yellow, red and even purple potatoes, rather than "just having that brown potato staring at them all the time."

Admittedly, many consumers have long relied on "that brown potato" to meet their needs. Russets still account for roughly 70 percent of category sales, according to Mac Johnson, president and CEO of Aurora, CO-based Category Partners LLC. While retailers are quick to justify giving Russets plenty of space explaining that it's what consumers want, Johnson suspects it's the retailers, rather than the consumers, who are perpetuating Russets' reign as the No. 1 selling potato. "Consumers are looking for choices and options," he says. "If they are making potato salad, they want a red potato. If they are making a gourmet dinner for their significant other, they might be looking for a Fingerling. If they are making a mashed potato recipe they saw on The Food Network, they are looking for a Gold or a Yukon."

We have YOU covered 365 Days A Year!

START
your onion program

Let's Begin

Yellow Onions
Congratulations!
You have a year round supply from the Columbia Basin

Red Onions
Congratulations!
We'll help drive red sales with our consistent program

White Onions
Let's study your markets to drive sales

The Winner... YOU!
You've had your BEST onion season ever.

Congratulations on partnering with Curry & Co.

MOVE ONE SPACE

Year Round Onion Gameplan

MOVE ONE SPACE

ahead for all your sweet onions.

Hermiston Sweets™
July-Dec.
Columbia Basin

Hermiston Sweet Reds™
October-March

SWEET TIPS
Maximize your sweet onion category with our delicious onions and great packaging

EXPERT CARDS
Curry & Co.
105 years of Onion Experience

Peru Sweet Peaks™
Sept.-Jan.

Walla Walla Double Sweets™
June-August

Vidalia Sweethearts™
April-July

Big Hat™
1015's from Texas
March-May

Almost There!

Chilean Patagonia™
Jan.-March

CURRY & COMPANY™

www.curryandco.com

503-393-6033 | 800-929-1073 | Brooks, Oregon

“You need to vary your marketing from season to season and event to event, so that people don’t get blind to what’s going on out there.”

— Steve Tweten, NoKota Packers Inc.

Fortunately, retailers have no shortage of new potato offerings. In recent years, reds have entered the consumer consciousness and are now garnering a hefty share of sales. But when it comes to more exotic varieties — Fingerlings, Yukons or Dutch Baby Golds, for example — many consumers are clueless about subtle differences in taste and texture.

That’s particularly true in rural communities, where what’s popular in “the big city” often doesn’t hold elsewhere. Consequently, gaining trial of anything new can prove difficult. That’s the challenge faced by Kansas City, KS-based Associated Wholesale Grocers Inc. (AWG), which is striving to educate its heavily rural consumer base that “there are potatoes out there other than reds and Russets,” according to Gary Myracle, executive director of produce field procurement.

Admittedly, AWG sells an “enormous amount” of Russets — and enormous packages of them. While the majority of retailers are moving to smaller bags, AWG continues to do well with 10- 15- and 20-lb. bags. Occasionally, the chain will run a promotion on 50-pound bags of Russets — with great success. “People in rural areas use potatoes at almost every meal,” says Myracle. “We sell truckloads of them.”

To boost its sales of non-Russet potatoes, AWG has embarked on what Myracle calls “a variety potato challenge.” The goal is to increase sales by 40 percent by promoting different types of potatoes. If a store has a 10-lb. bag of Russets on ad, for example, it may include a line underneath touting Fingerlings for \$2.99. Other tactics include incorporating recipes into displays or simply talking to customers and letting them know the wonderful world of potatoes encompasses much more than just Russets and reds. “We’ve challenged each of our divisions to sell Klondike Rose, Butter Golds, Fingerlings — all the different varieties of potatoes,” says Myracle. “That encompasses quite a few different items — the wrapped bakers, the microwave bakers, the microwave sweet potatoes — anything different than the mainline potato items.”

Education Works Wonders

With so many new types of potatoes flooding the produce department, it’s incumbent upon retailers to familiarize their customers

with these culinary delights and help educate them with regard to which ones will bake well, mash well, or fry well; which will taste best in a favorite crock pot dish, or with a smattering of spices and olive oil.

“With the introduction of new varieties of potatoes, there’s been more excitement brought to the potato category over the past

few years,” says Steve Ottum, chief operating officer of Idaho Falls, ID-based Potandon Produce LLC. “It’s given the retailers an opportunity to utilize different merchandising techniques and create displays to take advantage of all the excitement in the industry.”

While there is admittedly a great deal of variance across the board, retailers as a whole have improved markedly when it comes to merchandising and marketing potatoes, according to Ken Gray, vice president of sales and marketing at Bushwick Commission Co. Inc., in Farmingdale, NY. From the varieties offered to the ways in which they are displayed

GOOD THINGS COME IN SMALL PACKAGES

While rural shoppers may still gravitate toward massive bags of potatoes, an aging population and smaller households have led to a shift toward smaller packages in the population at large, according to Neil Terwilliger, secretary/treasurer and co-owner of Huntsinger Farms. While 10-lb. pound bags used to be the norm, he says five-pounders are now the predominant size. What’s more, Terwilliger predicts we are on the verge of seeing 3-, 2½- and perhaps even 1½-lb. bags become the norm.

In anticipation of the shift to smaller bags, Huntsinger introduced a 2½-lb. bag to the marketplace last year. While it hasn’t taken off yet, Terwilliger says it is slowly gaining acceptance. Some high-end retailers have already begun offering 1½-lb. and bags of Fingerlings, 3-lb. bags of organic Russets and steamable bags of wrapped bakers, according to Gray. He says it’s all about accommodating a specific demographic.

“Now, more than ever, retailers are finding they have to cater to certain demographics — empty-nesters and younger people, for example,” says Ken Gray, vice president of sales and marketing at Bushwick Commission Co. Inc., in Farmingdale, NY.

While some stores have garnered success with small bags of specialty potatoes, Teri Miller, produce category manager at Salisbury, NC-based Food Lion LLC, says it was a “huge surprise” when 3-lb. bags of potatoes were poorly received by customers. Five- and 10-lb. bags garner the most sales for the chain, although individually wrapped microwave potatoes have also proven popular. According to Gray, it’s all about providing

value. “Consumers understand the cost of everything is rising, but at the same time, they only have a certain amount of discretionary income to spend on groceries,” says Gray. “They’re going to go to the retailer that will give it to them, so you have to demonstrate value-added bang for their buck.”

In addition to smaller bags, suppliers and retailers alike have tackled the issue that has plagued the industry since its inception — greening. As Terwilliger explains, “Potatoes want to be in a dark room at 42-degrees.” Obviously, brightly lit grocery stores are far from the ideal environment. To help mitigate the greening problem, Huntsinger worked with a bag manufacturer to develop a new wicketed bag. While it doesn’t completely eliminate greening, Terwilliger maintains it cuts back on the problem quite a bit — when displayed properly, that is. “We are stopping the greening from the top, but we are providing a large clear space on the back of the bag for the consumer to see the product,” he details. “We haven’t been able to come up with a package to block the sides of the bag, so when they put them on the shelf, they have to do a good job of keeping the bags close together to prevent side greening.”

According to Steve Ottum, chief operating officer of Idaho Falls, ID-based Potandon Produce LLC, addressing the greening issue must be a cooperative effort between suppliers, retailers and industry groups. He acknowledges he has been impressed with initiatives so far, citing the fact that some retailers have taken to covering their potato displays at night to reduce greening.

Side Note

pb



WHEN POTATO SALES ARE LESS THAN SUPER, OUR HEROES ARRIVE TO HELP SAVE THE DAY. THEY ARE...

THE IDAHO POTATO FIELD FORCE

ZOWIE!
HE'S GOT SALES
POWERS FAR
BEYOND MORTAL
MEN!



CATEGORY MANAGER
STEVE WASN'T FEELING
THE HOLIDAY SPIRIT...

HMM...
CUSTOMERS
AREN'T BUYING MORE
POTATOES LIKE THEY
USUALLY DO DURING
THE HOLIDAYS.
WONDER WHY?



SUDDENLY...

NEVER FEAR!
YOUR IDAHO
POTATO FIELD
GUY IS HERE!

KEN
TUBMAN?!



LOOKS LIKE
YOU'VE BEEN
WORKING
OUT!

IF YOU MEAN
WORKING OUT A SOLUTION
TO YOUR PROBLEM, THEN
YES, I HAVE!



LOOK AT THESE RESULTS
WHEN ANOTHER MARKET PUT
IDAHO POTATOES ON AD
DURING THE HOLIDAYS!

HOLY SALES
SPIKE! THIS MIGHT
JUST BE THE
ANSWER!



ON KEN'S
NEXT VISIT...

HOLIDAY SALES ARE BOOMING
SINCE I RAN THAT AD!
THANKS KEN! BUT MAYBE USE
THE DOOR NEXT TIME?

SORRY
ABOUT
THAT.

YOUR IDAHO POTATO FIELDMAN HAS GREAT
IDEAS FOR BOOSTING YOUR HOLIDAY SALES,
TOO. DON'T HESITATE TO CALL ON HIM, AND
STAY TUNED FOR OUR NEXT EXCITING EPISODE!



“If retailers make an effort to say ‘these types of dishes are going to taste better with this type of onion,’ not only have they sold the red onion because that consumer is going to use it in salads, but maybe they will sell a yellow onion, too, for caramelizing. By doing that, they will be able to increase their sales of onions.”

— Sherise Jones, Idaho-Eastern Oregon Onion Committee

to the packaging and pricing, Gray says retailers are “fighting back” to make sure customers can readily find whatever they want from the category right there in their store.

“They understand the complexities and the economic obstacles they are facing and they are combating them successfully with more marketing, more cutting-edge merchandising, more POP, more specialty labels and different types of products,” continues Gray. “Whether it’s sweet potatoes, bakers, Yukons, reds, whites or Fingerlings, there is an opportunity for potatoes to show tremendous value to consumers — and they are recognizing that.”

Salisbury, NC-based Food Lion LLC relies on sampling events to help familiarize customers with previously unfamiliar types of potatoes. Particularly in the case of new product introductions, the chain relies on vendor support to provide demos of such items as Fingerlings or “one-bite, two-bite potatoes,” according to Teri Miller, produce category manager. On-pack recipes or directions to online recipes can also be helpful, as is giving produce managers the latitude to post their own favorite recipes alongside the display.

Helping consumers — particularly young consumers — understand how quick and easy it can be to prepare a delicious potato dish is key to boosting sales, according to Frank Tonart, vice president of sales and marketing at Hegins, PA-based Huntsinger Farms Inc. He actually goes out to stores and prepares potato dishes on-site, something he says creates interest in the category and draws people into the produce department. What’s more, showing consumers how quickly a tasty potato dish comes together can help disprove the perception that it takes too long to put together something new and different.

“People think they have to spend two hours making potatoes, but there are many recipes you can prepare under 20 minutes, along with the rest of the meal,” asserts Steve Tweten, president of NoKota Packers Inc., headquartered in Buxton, ND. “It’s all about getting to the mindset change that potatoes are a quick and easy fix.”

PRICE STRATEGIES

While retailers are often eager to place potatoes on sale, demonstrating value need not always entail deep discounting, cautions Seth Pemsler, vice president of retail/international at the Eagle-based Idaho Potato Commission (IPC). Too often, he says, retailers use potatoes as a loss leader or get into pricing wars with competitors. Particularly during the holidays, retailers tend to offer potatoes at a ridiculously low price as a means of communicating that they are a value store where consumers will want to shop. While he concedes that the money lost on potatoes is miniscule compared to what the store makes on beef, chicken and other products, Pemsler still advises retailers not to deeply discount. “Potatoes have been one of the shining stars in the produce section,” he says. “If a retailer chooses to deeply discount them, they are making a mistake because consumers are going to buy them anyway.”

That’s not to suggest retailers should shy away from promoting potatoes at key times. Christmas, Thanksgiving and Easter are all prime opportunities to make sure consumers are reminded to include potatoes in their festivities. Summer is also pivotal, as cookouts provide the ideal opportunity for consumers to pop a potato on the grill, whip up a batch of potato salad, or bake some sweet potato fries to go along with their burgers. Steve Tweten, president of NoKota Packers Inc., headquartered in Buxton, ND, even set up a Valentine’s Day promotion for one of Niota’s retail customers. After all, what goes better with the ultimate lover’s holiday than red potatoes? “You need to vary your marketing from season to season and event to event, so that people don’t get blind to what’s going on out there,” he asserts. “If they get accustomed to seeing

AWG occasionally features recipes in its ads, but Myracle prefers to see recipes right on the package, particularly when it comes to newer varieties that consumers might not be as readily accustomed to preparing. “With the basic reds and Russets, most people know what they are doing, but for these different varieties — the Fingerlings or the Yukons or the purple potatoes — getting information to people on how to prepare them is critical,” he says. “If they try to cook them like they cook a regular

the same thing all the time, they may miss it, but by changing it up every so often, you keep people aware of the potato category.”

At Salisbury, NC-based Food Lion LLC, potatoes are on ad “constantly,” according to Teri Miller, produce category manager, although she concedes that they really wouldn’t have to be in order to rack up impressive sales. At Thanksgiving, for example, the chain puts sweet potatoes on sale simply because people have been conditioned for it. But there’s no doubt in Miller’s mind that just as many potatoes would be walking out the door without the ad. “Honestly, we could get away without advertising, but we do it because there is an expectation,” she admits. “We don’t even have to say anything about potatoes and they are always going to be in my top 25 every single day, every single week.”

According to Pemsler, retailers would be well advised to focus shoppers’ attention on their highest margin items, which are typically the specialty potatoes, and then flow into the traditional, lower-cost Russets. Unfortunately, he says, produce managers often make the mistake of placing a “giant display of super cheap potatoes up front.” The result is that consumers will gladly purchase the budget potatoes and then “walk right by the rest of the section.”

Mac Johnson, president and CEO of Aurora, CO-based Category Partners LLC, agrees, adding that he would like to see retailers do a better job of training their associates as to why they should not merchandise least expensive to most expensive. “We see so many retailers who put the least expensive big bag offering first, but once that goes in the cart, you have no opportunity to pick up any of the other value-added products or the higher margin products,” he explains. **pb**

WHEN POTATO SALES ARE LESS THAN SUPER, OUR HEROES ARRIVE TO HELP SAVE THE DAY. THEY ARE...

THE IDAHO POTATO FIELD FORCE



HE HELPS SALES GROW BY LEAPS AND BOUNDS!

CATEGORY MANAGER STAN WAS CURIOUS...

OH BOY, IDAHO POTATO LOVER'S MONTH! IT'S ALWAYS GREAT FOR MY SALES, AND I'D SURE LOVE TO WIN THAT DISPLAY CONTEST!



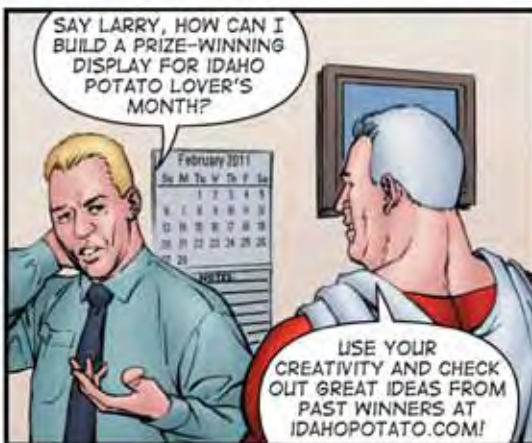
SUDDENLY...

NEVER FEAR! YOUR IDAHO POTATO FIELD GUY IS HERE!

LARRY WHITESIDE?!



SAY LARRY, HOW CAN I BUILD A PRIZE-WINNING DISPLAY FOR IDAHO POTATO LOVER'S MONTH?



USE YOUR CREATIVITY AND CHECK OUT GREAT IDEAS FROM PAST WINNERS AT IDAHOPOTATO.COM!

ANY OTHER HINTS?

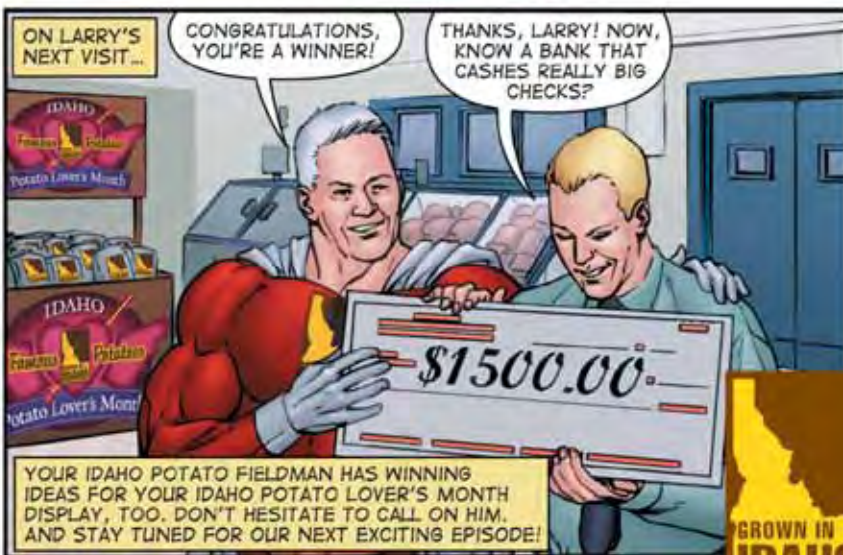
WELL...



ON LARRY'S NEXT VISIT...

CONGRATULATIONS, YOU'RE A WINNER!

THANKS, LARRY! NOW, KNOW A BANK THAT CASHES REALLY BIG CHECKS?



YOUR IDAHO POTATO FIELDMAN HAS WINNING IDEAS FOR YOUR IDAHO POTATO LOVER'S MONTH DISPLAY, TOO. DON'T HESITATE TO CALL ON HIM, AND STAY TUNED FOR OUR NEXT EXCITING EPISODE!



THINKING **RED** POTATOES?

THINK THE **RED** RIVER VALLEY.

Source your red potatoes from the U.S. leader in red potato production.

Our non-irrigated reds pack more flavor under their deep red skins!

Call one of these trusted shippers:

A & L Potato Company
800-365-5784

Associated Potato Growers
800-437-4685

Campbell Farms
800-222-7783

Folson Farms
800-377-1581

J. G. Hall & Sons
701-993-8334

Lone Wolf Farms
701-248-3482

NoKota Packers
701-847-2200

Northern Valley Growers
888-740-6464

O. C. Schulz & Sons
701-657-2152

Peatland Reds
218-268-4034

Ryan Potato Company
800-346-3350

Spokely Farms
218-946-2825



Northern Plains
Potato Growers Assoc.
East Grand Forks, MN
(218) 773-3633
redpotatoes.net

red or Russet, it will taste okay, but if they use the right seasonings and a little olive oil, they'll think, 'that's something new and different and I enjoyed that.' And they'll come back."

Profitable Partnerships

Even more effective than price cuts are special offers, such as "if you buy this baking potato, you get this sour cream free," says Food Lion's Miller. Particularly in today's economy, consumers react extremely well to any kind of BOGO or coupon, she says. What's more, any kind of promotion that serves to cross-merchandise potatoes with complementary items results in a higher overall ring, as shoppers end up buying items that were not originally on their list. Meat and potatoes are a natural, as are sour cream, bacon bits, butter, even aluminum foil. Food Lion does "a ton" of cross-merchandising, says Miller. Each week, the chain partners an on-sale meat item with something from the produce department. "It will always be an onion or potato," says Miller.

According to Johnson, Category Partners has been pushing the idea of selling a 3-lb. bag of red potatoes with a rotisserie chicken and a bagged salad as a \$10 meal-deal solution. However, the one item that has long been paired with potatoes

in virtually every store display is onions.

Traditionally merchandised together, potatoes and onions are a natural pairing in the produce department. Since they are both root vegetables with no need for misting, they are typically sold either side-by-side or on opposite sides of the same table. While this placement may make sense from a marketing perspective, Wendy Brannen, executive director of the Vidalia-based Vidalia Onion Committee (VOC), worries that some consumers might misconstrue their side-by-side merchandising, mistaking that as a sign the two should be stored together at home.

That said, Brannen is impressed by the strides retailers have made in merchandising onions. In particular, she's seen a number of them address the drabness issue by incorporating tomatoes, asparagus or other brightly colored produce into the onion display. In the fall and winter, AWG stages a bin sale in which 5-lb. bags of onions, 5-lb. bags of potatoes and 5-lb. bags of carrots are all sold out of the same bin at one price.

Display Onions Thoughtfully

As with potatoes, onions are best merchandised along with information on how to use them. That may be in the form of actual recipes or just basic guidance, such as POS material indicating that yellows are good in chilis and stews; whites are best for dicing in Latin dishes; and reds are ideal for sandwiches, pizzas and salads. "If retailers make an effort to say 'these types of dishes are going to taste better with this type of onion,' not only have they sold the red onion because that consumer is going to use it in salads, but maybe they will sell a yellow onion, too, for caramelizing," says Sherise Jones, marketing director of the Parma, ID-based Idaho-Eastern Oregon Onion Committee. "By doing that, they will be able to increase their sales of onions."

Retailers can help today's time-pressed consumers select the right onion for their specific needs by merchandising them by usage, suggests Judy Queale Dunsmoor, co-owner of Oswego-based New York Bold LLC. Proper signage practically makes the purchase decision for them, allowing them to get in and out of the store easily and efficiently. Plus, it's going to guarantee they will come back to that particular store the next time they need onions. "They are going to have a better feeling when they are shopping there because you've made it easier for them to know quickly, 'this is the onion I want to cook with and this is the one I want for my salads,'" says Queale Dunsmoor.

Point-of-sale materials can also be useful in

**Raised Right,
in the USA.**

Sweetie & Sweet.

Grown with Love in the USA

Every Sweetie Sweet® is planted, nurtured, harvested and cured on our family farm for farm-to-store freshness that can't be matched by imports.

Your customers want fresh, beautiful onions from a trusted grower/packer/shipper that employs green, safe and traceable farming practices.

Call us to secure a consistent, year-round supply of our Pesticide Residue Free or Organic Sweetie Sweet or our Spanish Sweet onions.

*You can't go wrong with
onions grown so right.*

PERI & SONS
FARMS

Where good things grow.

775-463-4444 • PeriandSons.com



Many suppliers, such as Huntsinger Farms, are revamping their bags to prevent greening and offer smaller bag sizes.

helping consumers understand the origins of the onions for sale at any given time. This is particularly true with sweet onions, which are now available year-round, thanks to imported product. The constantly changing country of origin also presents an opportunity for retailers to shake up their merchandising and keep consumers looking for something new. “People want to know if they are buying an onion from Peru or Chile or Georgia,” emphasizes Brian Kastick, president and CEO of OSO Sweet Onions, located in Charleston, WV. “Every five or six weeks, you are into a new shipping location, which gives you a chance to refresh your display. Give your customers something different to look at and draw them in.”

The best onion displays include a variety of packages in all sizes, along with bulk product, according to John Shuman, president of Reidsville, GA-based Shuman Produce. An increase in display size or the implementation of a secondary display will effectively cover any requisite increases in volume during promotions or holiday times, he adds.

In terms of display size, there’s no one-size-fits-all answer, according to Derrell Kelso, Jr., president and CEO of Onions Etc. Inc., in Stockton, CA. In the Midwest and along the East Coast, he says, stores tend to stock a “tremendous amount of consumer packs” and small displays of bulk product. Meanwhile, West Coast stores feature huge displays of bulk and small displays of consumer packs.

While onions and potatoes typically have a long shelf-life, a growing number of retailers are

opting for smaller displays of both products to allow for better rotation and more stringent house-keeping. A large potato display heightens concerns over greening because they sit out in the light too long, reminds Paul Dolan, general manager of Associated Potato Growers Inc., headquartered in Grand Forks, ND. What’s more, small displays allow produce staff to more easily recognize, and remove, potatoes that have gone bad, leading to a more pleasant shopping experience for the consumer.

With onions, meanwhile, a smaller display

is easier to maintain in terms of removing loose skins, which can make an otherwise appealing set look unkempt. “It makes a huge difference in those displays, especially when they start getting a little low and the bottom of the bins accumulates quite a bit of skin in them,” asserts Kim Reddin, director of public and industry relations at the Greeley, CO-based National Onion Association (NOA). “Even if it may not be the most glamorous merchandising, having a neat and clean display makes a huge difference to the consumer.” **pb**

NOKOTA PACKERS
 INTEGRITY
 QUALITY SERVICE
 Since 1979
 Premium Potato Packers

**Our Red Potatoes
 Will Power Your Sales!**

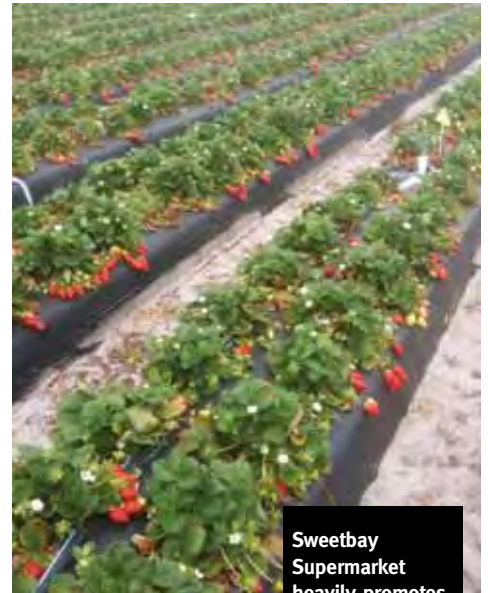
Modern Wash and Packing Facilities.
 Conveniently Located on I-29 Providing Faster, Better Service.
 From the Red River Valley Directly to You.

701-847-2200 • Fax: 701-847-2109
 www.nokotapackers.com • Buxton, ND 58218

Reader Service # 52



PHOTO ABOVE COURTESY OF SWEETBAY SUPERMARKETS
PHOTO AT RIGHT COURTESY OF THE FLORIDA STRAWBERRY GROWERS ASSOCIATION



Sweetbay Supermarket heavily promotes Florida strawberries.

Florida Strawberry Report

Increased acreage, better varieties and production practices to protect against freeze damage are strengthening Florida's position as the Winter Strawberry Capital of the World. **BY CAROL BAREUTHER, RD**

Florida's ample supply of flavorful strawberries offers sweet sales opportunities for retailers. Steve Williams, director of produce at Sweetbay Supermarket, a Tampa, FL-based chain, acknowledges, "Florida strawberries represent a huge part of our produce sales during the winter months. We merchandise them as a destination category. Customers have come to look for them, buy them, and come back a few days later to buy more. We reap the sales benefit."

Market Niche And Seasonal Outlook

Florida, or more specifically, Hillsborough County, located in the west-central area of the state, produces approximately 15 percent of the nation's strawberries and virtually all of the domestically grown strawberries during the winter. Vincent Lopes, vice president of sales for Dole Berry Co. LLC, in Monterey, CA, points out, "While California also has fresh strawberries during this period, they typically don't peak in volume during most of the Florida growing season. That is the unique advantage of Florida. The Southern State can also produce quality strawberries under challenging weather conditions, perhaps better

than anywhere."

It's the unique combination of soil and weather conditions in Hillsborough County's Plant City that produces high quality berries and has made this area a strawberry-growing center, says Bob Hinton, owner of Hinton Farms Produce Inc., in Dover, FL. "There's been trials in the northern and southern part of the state, as well as in Georgia and Louisiana, but Plant City seems to be the sweet spot. As a result, Florida's strawberry industry, in spite of the economic downturn, remains a bright and vital part of the state's economy."

However, Hinton adds the industry is changing both in geography and farm size. "Water-permitting issues and lack of acreage are sending some growers south to Bradenton. For example, if you wanted to plant 200 acres of strawberries in Plant City today, you would need to do it in pieces," he explains.

Increased federal and state regulations, and greater enforcement of these regulations over the past three to five years, are creating a shift from small family-run farms to large corporate farms, Hinton adds. "Small growers just don't have the time to do all the paperwork or to go through the some 15 different agencies it takes to comply. Large corporate farms can hire

someone expressly for this purpose."

Yet, Florida appears poised to keep its winter strawberry capital title as planted acreage increased 27 percent from the 2007-08 to 2008-09 growing seasons to 8,800 acres, according to the U.S. Department of Agriculture's (USDA) Maitland-based National Agricultural Statistics Service Florida Field Office. Production increased by 32 percent during the same time interval to 237.6 million pounds, with sales exceeding \$300 million.

While an official projected acreage figure for the 2010-11 season is not yet available, Sue Harrell, director of marketing for the Plant City-based Florida Strawberry Growers Association (FSGA), reports, "We are expecting an increase in acreage once again, with much of our new growth areas to the south of the more traditional Plant City/Dover area."

J.R. Pierce, a sales associate at Astin Strawberry Exchange LLC, a 700-acre farm in Plant City, FL, says, "We'll be up 20 to 25 acres this season. I'm sure we'll reach a market saturation point at some time, but we haven't hit it yet."

Florida growers start planting strawberries the end of September and October.

Harvest begins at the end of November, notes Gary Wishnatzki, president and CEO of



**Stuffing
Turkeys.**



**Stuffing
Stockings.**



**Stuffing
Mouths.**



It's that time of year again, when everyone's inviting Well•Pict home for the holidays. Because what better present than our premium berries wrapped in goodness and filled with flavor. Combined with their superior size, exceptional color, amazing aroma, sensational shine

and year-round availability, and it's no wonder why Well•Pict Berries make the holiday guest list season after season. So from Well•Pict's family to our many valued customers around the globe, here's to the merriest of Season's Eatings!

'Tis the Season for WellPict Berries.

www.wellpict.com USA 831-722-3871

“We can pick fruit on Monday, and with a good team trucking, have it to a Northeastern retailer by Wednesday, as opposed to the four or five days it would take to come cross-country from California.”

— Tom O'Brien, C & D Fruit and Vegetable Co Inc.

Wishnatzki Farms, in Plant City, FL. “It really gets going in December, and promotional volumes are available by the end of the year so New Year’s is a good time to promote,” he suggests. “Then there’s a little bit of a slowdown in late January and early February. Production picks up in mid-February and crescendos in March. We can go into April, depending on what the market is. However, a lot of retailers switch to California then.”

Maria Brous, director of media and community relations for Lakeland, FL-based Publix Supermarkets, says, “Although Mother Nature decides when the crop starts, we typically have our first Florida strawberries in-store by mid-December. If the volume and quality is there, we will promote throughout the entire season. The frequency of the ads is in correlation to the peak of the volume available.”

The bulk of Florida’s strawberry production is conventional with only limited quantities of organically grown berries. FSGA’s Harrell says, “Our hot humid weather conditions, rather than consumer demand, will constrain Florida organic production until new methodologies emerge. It’s not as simple as a cost production issue.”

However, Wishnatzki Farms is bucking the trend with “100 acres of organic strawberries planted this season,” says Wishnatzki, “and we anticipate that to increase.”

Varietal Improvements

There’s been a real upgrade in Florida strawberry varieties that weren’t available a decade ago, acknowledges Wishnatzki. “These varieties, which taste and look good, have made a real impact with retailers and consumers alike.”

The No. 1 variety in terms of planted acreage is the Festival, reports Tom O’Brien, president of C & D Fruit and Vegetable Co. Inc. in Bradenton, FL. “This is a good-eating, good-shiping and good-pollinating variety that peaks in February and March.”

Astin’s Pierce says, “We’ll supplement our Festival acreage with the Treasure variety, which has a larger berry, is sweet and harvests a little earlier.”

One of the newest varieties in commercial production is the Radiance, which peaks in production before both Festival and Treasure. According to Dole’s Lopes, “The Radiance variety is very promising for long-stem production. The size and shape of this variety will pack very pretty, with beautiful long stems. Long-stem production is not always typical for Florida, so this can be a new dynamic added to the marketplace and I’m curious to see if retailers will take advantage of it.”

Wishnatzki Farms is one of the only growers in the state to plant the California variety, Camino Real. “We have about 300 of our total 1,500 acres planted in this variety. It’s a premium berry, and we have the ability to pack long stems with it, but it’s a late-season berry.”

This season, Well-Pict Inc., headquartered in Watsonville, CA, will plant one-third of its Florida acreage in a new proprietary variety, says marketing manager, Jim Grabowski. “It’s a variety with good color and flavor and it grows well in the Florida climate.”

Growing Practices

Last January’s record cold temperatures resulted in a 39 percent decline in Florida’s strawberry production, which when calculated at last year’s prices, equaled a loss of about \$124 million dollars, according to the USDA.

This season, Astin Strawberry Exchange will grow a small scale of its berries in high tunnels using protected agriculture to minimize loss from freezes. “The big advantage is that we can close the curtains at the ends, keep the head in, minimize use of running water to prevent the fruit from freezing, and therefore, bounce back more quickly after low temperatures,” says Pierce. “The cost is higher, but we also hope we can extend the season this way.”

On the flip side, Wishnatzki Farms is discontinuing its greenhouse program. “We thought the increased production would cover the increased costs, but it didn’t and we’ve increased our field production instead,” says Wishnatzki.

Parkesdale Farms Packing & Cooling Inc., in Dover, FL, is adding a 1½-acre hydroponic operation this year. “The goal is to increase



The fresh produce brand that flies off store shelves

- Florida's best strawberries and produce
- Family owned and operated since 1922
- Superior produce assured through the FreshQC™ system

Ask our sales team how we can get you on the Wish Program today.

- Chuck Hollenkamp
- Jeremy Burris
- Marcus Caswell
- Jason Deis

sales@wishfarms.com

813-752-5111
Fax: 813-752-9472
www.WishFarms.com
100 Stearn Avenue
Plant City, FL 33563

COMPETITION & COOPERATION

Competition from Mexico, and to a lesser extent California, could take strawberry sales away from the Florida in the future. Brian Bocock, vice president of product management for Naturipe Farms LLC, headquartered in Naples, FL, says, "Strawberries out of central Mexico harvest at the same time Florida is in the market. There were some issues for Mexico last season, but looking ahead, they've put a fair amount of new acres in the ground, and in the next three years this mean significant competition for Florida growers."

Growers in Florida boast a freight-cost benefit over Mexico due to the state's closer proximity to markets in the Southeast and mid-Atlantic. "However, when it comes to the price of strawberries, the freight advantage for us isn't that big unless fuel prices go crazy compared to the labor cost savings in Mexico," explains Bob Hinton, owner of Hinton Farms Produce Inc., in Dover, FL.

Tom O'Brien, president of C & D Fruit and Vegetable Co. Inc., in Bradenton, FL, agrees, noting, "Mexico could really kill us on price."

At the same time, Hinton says, "California slows down in November and December when we start and doesn't tend to pick up again until March. But, if they have unseasonably warm weather, it's possible for them to come in right on top of us in January and February."

Yet, some Florida growers are partnering with their California counterparts for a year-round deal. Gary Wishnatzki, president and CEO of Wishnatzki Farms, in Plant City, FL, says, "We have 100 acres in Salinas that we'll harvest in April. Retailers have expressed an interest in us supplying them with 12 months of strawberries and that's the direction we're headed."

pb

production four to five times by growing on vertical stackers and to protect the plants from freeze damage as well," says manager, Kristen Hitchcock. "We may experiment with growing organic berries in this system."

C & D Fruit and Vegetable is also experimenting this season with a hydroponic-like vertical growing system. "We're trying eight different varieties and will look at the yields we get," says O'Brien.

Merchandising Tips

Act upon the fact that strawberries are an high impulse purchase, recommends FSGA's Harrell. "The consumer acceptance rate is one of the highest, approaching 96 percent and the nutritional benefits are fantastic," she details. "So just having fresh fruit accessible to the customer can boost sales. Promote Florida strawberries as a taste of summer that can be enjoyed during the winter."

Freshness is a key merchandising attribute for retailers in Florida, in the Southeast and

East Coast, particularly. Sweetbay's Williams says, "Strawberries are on the stem in the morning, pre-cooled and in the cooler by 11am, in our distribution center by 2pm and out to the stores in less than a day. We've featured our grower, Sam Astin, of Astin Strawberry Exchange, in a storyboard poster at the display. This freshness factor is a real selling point for us."

C & D's O'Brien says, "We can pick fruit on Monday, and with a good team trucking, have it to a Northeastern retailer by Wednesday, as

Our Strawberries are especially
SA-WEET!
Fresh from SunnyRidge Farm

It's time you got to know SunnyRidge strawberries
FRESH FROM FLORIDA

Don't let mother nature catch you off guard this year! With increased acreage and diversified growing locations, you can rely on SunnyRidge to deliver the fresh, great-tasting Florida strawberries you need to drive your winter sales. And since we manage every step from growing, to picking, to shipping, you can be sure you'll receive only the finest quality Florida has to offer.
SunnyRidge Farm...Delivering more than just Berries!
Availability begins in December so call today to plan your program.

SUNNYRIDGE
QUALITY BERRIES. QUALITY PEOPLE.
www.sunnyridge.com • 863.299.1894

opposed to the four or five days it would take to come cross-country from California.”

Refrigeration is crucial to freshness as well as shelf-life, berry quality, customer satisfaction and repeat sales, says Wishnatzki. “The most common complaint we hear from customers is that the fruit doesn’t hold up well. Therefore, this season we are printing the words ‘keep refrigerated’ in red on the inside flap of our boxes to remind produce staff to always keep the fruit cold.”

As for packaging, Larry Scarborough, a sales associate at BBI Produce Inc., in Dover, FL, says, “The 1-lb. clamshell is definitely the most popular.”

O’Brien adds, “The 2-pounder has made a lot of headway in recent years.”

One- and 2-lb. clamshells of strawberries sell about equally during the peak of the harvest, says Williams. “We’re looking at introducing a 4-pounder this season.”

Dole’s Lopes advises, “Merchandise strawberries in more than one pack style. Long-stem and 2-lb. containers can add to the product offering and boost sales significantly over just carrying one item.”

In addition to size, FSGA’s Harrell notes, “We see continued innovation in consumer package labeling with traceability all the way back to the farm and the individual picker. Many consumers enjoy the reassurance, and positive responses are often used to incen-

“The most common complaint we hear from customers is that the fruit doesn’t hold up well. Therefore, this season we are printing the words ‘keep refrigerated’ in red on the inside flap of our boxes to remind produce staff to always keep the fruit cold.”

— Gary Wishnatzki, Wishnatzki Farms

tivize workers.”

In-store, C & D’s O’Brien says, “There’s nothing more impressive than seeing an 8-, 10- or 12-ft. front end display of strawberries.”

“Florida strawberries are displayed in a dedicated 4-ft. multi-deck case along with blueberries, blackberries and raspberries,” details Sweetbay Supermarket’s Williams.

“At Publix,” says Brous, “berries are displayed daily in produce. During ads and other promotions, locations around the store are utilized. We use POP materials offered by the Florida Strawberry Growers Association. These materials call out the Florida-grown attributes of the fruit.”

This year, FSGA will offer recipe brochures featuring the winning recipes from the *Taste of The South* and FSGA’s recipe contest last spring. In addition, the association is offering new educational videos featuring how to make holiday strawberry centerpieces and chocolate

dipped strawberries for Valentine’s Day, as well as a video providing basic consumer information such as selecting, handling, storing and the nutritional benefits of Florida strawberries.

Promotions That Sell

Florida strawberries are promoted in a big way each year at Sweetbay Supermarkets. Williams details, “This will be the fifth year for our annual display contest. Customers look forward to it, and our produce managers are enthusiastic; there’s 100 percent store participation, and they show a lot of creativity.”

This excitement and imagination comes out in a variety of ways. One of these is in the cross-merchandising. Two- by two-ft. mobile refrigerated units filled with whipped topping are displayed next to the berries. In addition, bakery items such as pie crust, single-size dessert cakes, and angel food cake are merchandised next to the berries, as well as items such as chocolate dip and strawberry glaze. “There’s no shrink in the tie-in items,” says Williams. “They drive store and incremental sales as well as berry sales. Customers love it because everything is in one convenient location.”

Florida strawberries are just as eagerly promoted at Publix Supermarkets, where they are tied-in as part of the chain’s locally grown program. Brous says, “Our At Season’s Peak Florida strawberry promotion occurs once during the season and is supported with both store and media coverage. It allows us to communicate with our customers that the best berries of the season are right now. We encourage activity throughout the entire store during this promotion.”

This season, FSGA is enhancing its Florida-grown identity to consumers by working with shippers to feature the Jammer strawberry character on individual clamshells of berries. Retailers can tie in with this by downloading Jammer Coloring Books from the association’s Web site to use in coloring contests. Harrell adds, “Jammer dolls and stickers are also available for retailer’s to use in promotional giveaways.”

pb



PHOTO COURTESY OF PUBLIX SUPERMARKETS

Publix promotes Florida-grown strawberries as part of its At Seasons Peak program.



PHOTO COURTESY OF LONE STAR CITRUS GROWERS
PHOTO AT RIGHT COURTESY OF THE TEXAS DEPARTMENT OF AGRICULTURE



Go Texan is part of a statewide marketing campaign launched by the Texas Department of Ag.

Texas Produce: Primed For Growth

Already a hit with locals, Texas growers, shippers and retailers are looking to spread their wings — and their produce — farther into North America. **BY JON VANZILE**

Marty Mika makes no bones about Texas peaches: “When they come in, watch out!” he says. Mika is the business development manager of produce for Central Market, an eight-store chain based in Dallas, TX, and knows a thing or two about selling Texas-grown produce. Every year, Central Market’s team works with local farmers to grow and supply the produce section with “classically Texan” products — and it works. “Our customers definitely shop with a locally grown preference,” Mika states. “Local signage does seem to boost sales for certain items.”

Now, Texas growers and the state agricultural department are hoping people outside the state will jump on the bandwagon and “Go Texan.” Go Texan is part of a statewide marketing campaign launched by the Austin-based Texas Department of Agriculture (TDA) to promote Texas-grown fruits and vegetables, both within the state and in national markets. Although Texas is a major producer of fresh

produce, it’s also one of the largest markets in the country. Much of the produce grown in Texas is destined for produce departments inside the state. But plenty of Texas produce is shipped elsewhere, especially to the middle part of the country, where Texas produce enjoys reduced shipping costs compared to competing produce from the coasts.

Texas also boasts a winter vegetable crop, and Texas growers produce melons, citrus, grapes and wide range of vegetables such as cucumbers, potatoes, spinach, corn and squash.

Texas Produce: Watermelon, Grapefruit and Onions

All told, Texas growers ship about 1.5 million tons of produce annually, according to the Texas Department of Agriculture. The state’s largest crops — watermelons, grapefruit, potatoes, and onions — also include the ones it’s most famous for, especially when it comes to sweet onions and grapefruit.

“Texas is a pretty big state when it comes to volume of produce,” says Chris Eddy, director

of sales and operations at Frontera Produce Ltd, based in Edinburg, TX. “We have a big winter vegetable season, with cabbage and cilantro, and then there’s melons in the spring.”

Locally, Texas-grown produce is merchandised throughout the state to locavores — those consumers focused on purchasing locally grown fruits and vegetables. In Central Market, the store creates signage for locally grown food that features information about the produce item, as well as the grower who produced it. “We merchandise these items with ‘Texas Grown’ or ‘Local’ on the sign,” reports Mika.

Nationally, Texas growers ship throughout the Midwest states and have even been making inroads into the East Coast’s large markets for fresh produce. According to the Texas Department of Agriculture, the state has awarded about \$1.7 million in specialty crop funds in the past few years to help promote Texas produce. This includes funds to TexaSweat, the Texas Watermelon Association and the Texas Vegetable Association, all of which are conducting large, statewide campaigns and seeking

Edinburg Citrus
ASSOCIATION
SINCE 1932

**So Sweet...
Eat it to
Believe It!**

**TEXAS
Grapefruit
& Oranges**

Tropic Moon

**Call Today!
956-383-6619
WWW.TXCITRUS.COM**

Reader Service # 34

TEXAS PRODUCE BY THE NUMBERS

ITEM	TONNAGE (2009)	TREND LINE OVER 5 YEARS
Watermelon	292,600	Steady
Grapefruit	224,000	Steady
Potatoes	221,451	Lower
Onions	159,150	Higher
Cabbage	120,000	Lower
Oranges	69,063	Higher
Pecans	30,000	Steady
Carrots	16,200	Lower
Chili peppers	13,000	Higher
Cantaloupes	12,000	Lower

Source: Texas Department of Agriculture

to increase exports. “The agency is continuously promoting fresh fruits and vegetables,” notes Veronica Obregon, chief communications office at the TDA. “Whether through live cooking demonstrations at grocery stores and farmer’s markets, or through brochures, posters and other marketing materials, the Department of Agriculture raises awareness of the availability and benefits of Texas produce.”

The Texas Challenge

Yet the challenge for Texas growers is still significant. First, there is the fact that outside of Texas itself, the state must compete at a transportation disadvantage against growers on either coast for access to the large coastal markets. Second, thanks to developments in Washington D.C., Texas growers are also now competing with lower cost operations to the south.

Over the past few years, the Texas produce industry has found itself increasingly intertwined with another major produce center: Mexico. According to Texas growers, 20, even 10 years ago, Mexican produce wasn’t a major player in the state’s industry. That changed in 1994, however, when NAFTA was signed leading to a cross-border trade boom. Today, Mexico has become one of the biggest players in the produce industry, and much of that tonnage moves through Texas before distribution throughout North America.

This explosive growth has occurred on both sides of the border. In Mexico, U.S.-style growers have adopted the same techniques used in this country to meet food safety and quality standards. And in Texas, the effect has been the changing face of the produce business. Today, some companies like Frontera, which was originally a pure grower, have evolved into grower/importer hybrids that partner with Mexican growers to increase their product

offerings. The end result is that more produce travels through Texas than it used to, but proportionately, less is actually grown in the state. “The industry has changed a lot,” Frontera’s Eddy admits. “I would say it has dropped off here in Texas. You see fewer growers here. I think the competition out of Mexico has put a lot of these Texas growers out of business.”

The competition, however, has also had the effect of focusing the Texas produce industry’s marketing efforts on the crops that are unique to the state. This includes the Texas sweet onion, and of course, the state’s famous red grapefruit. “We have not seen a decline in the marketing of Texas produce,” Obregon asserts. “During these challenging economic times, many growers are strategic in their marketing efforts. For example, many are targeting their direct promotions at wholesale buyers and retail shows.”

Texas Citrus

With California to the west and Florida to the east, the Texas citrus industry lives in the shadow of giants, but the state has nevertheless carved out a niche with its red grapefruit and premium citrus. Although grapefruit isn’t the largest crop in Texas — that honor goes to watermelon — it’s one of the most highly visible, and it looks like 2010 is shaping up to be an excellent year. According to the Texas Department of Agriculture, this year’s grapefruit crop has been “one of the earliest in decades.”

“As a result of the early and abundant citrus harvest, Japan — a country that has historically purchased its citrus from Florida — has imported thousands of pounds of Texas grapefruit,” reports TDA’s Obregon.

Texas grapefruit production, which is centered in Edinburg, is known for turning out fruit that’s unique to the state. A Texas red or



2010 MARKETING EXCELLENCE AWARD WINNERS

- Avocados From Mexico
- California Giant Berry Farms
- Columbia Marketing International Corp.
- Dole Fresh Vegetables
- Earthbound Farm
- Idaho Potato Commission
- Litehouse Foods
- National Mango Board
- Ocean Mist Farms/Wegmans
- Pandol Brothers Inc.
- Tanimura & Antle
- University of Massachusetts
- Vidalia Onion Committee

TURN YOUR MARKETING INTO AN **AWARDING** EXPERIENCE

Right now, and on through June 3, 2011, we're taking entries for the **23rd Annual Marketing Excellence Awards Program**, presented by **PRODUCE BUSINESS**. The awards recognize excellence in marketing in each of six categories: retailers, restaurants, wholesalers, shippers, commodity organizations and service providers. Print, broadcast and other media are eligible to win.

To participate, send us the following for each entry:

1. Your name, company, address and phone.

2. Type of business.

3. Name and dates of promotion (must have taken place between June 1, 2010 and June 1, 2011).

4. Promotion objectives.

5. Description of promotion.

6. Promotion results (sales or traffic increases, media attention, etc.). What made this program a success?

7. All support materials used in the promotion – such as POP, ads, posters, TV commercials.

High-resolution images to illustrate the promotion are encouraged. (Please do not send any produce)

SEND ENTRIES TO:

PRODUCE BUSINESS MARKETING EXCELLENCE AWARDS

P.O. Box 810425 • Boca Raton, FL 33481-0425

Deadline for entries is June 3, 2011

For additional information, call: 561-994-1118, Ext. 101

“As a result of the early and abundant citrus harvest, Japan, a country that has historically purchased its citrus from Florida, has imported thousands of pounds of Texas grapefruit.”

— Veronica Obregon, Texas Department of Agriculture

pink grapefruit has a thin skin, deep red color, and intensely sweet flavor. They can easily be eaten out of hand, and Texans swear they are even sweeter than the famous Indian River Ruby Red grapefruit from Florida.

The season runs from early October through April, according to Trent Bishop, vice president of sales at Lone Star Citrus Growers, in Mission, TX. According to Bishop, the biggest challenge to merchandising Texas red grapefruit is to “show people how to eat a Texas grapefruit — I wish we could show consumers how quick and easy it is to eat them.”

There’s no shortage of material for retailers looking to help promote Texas grapefruit. Growers like Lone Star produce POS material, as does TexaSweat and the Edinburg Citrus Association. The state and federal governments have also been actively supporting marketing

materials. TexaSweat Citrus Marketing Inc. alone received a \$100,000 grant from the USDA to develop sales material for the Austin and Dallas markets, in addition to support from the Texas Department of Agriculture.

One message Texas growers want to get out has to do with the freezes from last season. Freezing weather this past winter caused billions of dollars of damage to Florida’s citrus industry, and low temperatures across the country caused significant damage. Texas, fortunately, was spared the worst of the freezing weather and damage to the crop was limited. “Texas has completely recovered from the small freeze we had last season,” notes Eleisha Ensign, executive director of TexaSweat Citrus Marketing Inc. in Mission, TX. “There was minimal damage to the fruit and no damage to trees.”

The other message Texas growers want to

get out is simple: their grapefruit is different. It is redder, sweeter and unique. The trick is getting customers to recognize it. “For our grapefruit, show off the beautiful red interior by cutting it, wrapping it and placing it on display,” recommends Paula Fouчек, marketing director of the Edinburg Citrus Association. “The color will attract customers’ attention and lead to sales, but the sweet taste of the fruit will bring them back for more.”

Oranges and grapefruit can also be displayed in bulk cartons or in a waterfall display. Edinburg Citrus Association uses a tropical themed design that “will certainly attract attention, especially on a cold wintry day,” notes Fouчек. She also suggests displaying grapefruit with bagged lettuce and other salad items, along with a simple suggestion that consumers add chicken strips to grapefruit and lettuce to create a quick meal. “Think about dropping simple recipe ideas into ads to turn impulse sales into planned purchases,” she explains. “Also, including Web site addresses into ads will give consumers recipe ideas before going to the store. Many stores already have their own recipe kiosks, so be sure to remind customers to look there also.”

pb

CAPITAL CITY FRUIT CO. INC.



Norwalk, Iowa

SHIPPERS & DISTRIBUTORS

(CAPITAL BRAND)

“LEADERS IN THE PRODUCE INDUSTRY SINCE 1949.”



515-981-5111

Joseph M. Comito, Rick Eggermont, Keith Brooks, Kieran Comito, Christian Comito, Bob Harper, Brendan Comito, Allen Cole, Jon Miller, Wendi Spuehler, Eric Schwertley



#1 Executive Search Firm In Produce

MIXTEC GROUP



Leonard Batti

Jerry Butt

Chris Nelson

709 E. Colorado Blvd • # 250
Pasadena, CA 91101
626-440-7077

9825 Blue Larkspur Lane
Monterey, CA 93940
831-373-7077

mixtec@mixtec.net
www.mixtec.net

Reader Service # 39

Integrated Accounting & Management Software Specially Designed For The Produce Industry

FEATURES

- Quick Order® Entry
- Unlimited Pricing Flexibility
- Inventory Control
- Warehouse Management, R.F.I.D.
- Lot Tracking
- Sales Analysis
- Dispatch
- Lot Liquidation
- Load Accounting
- Grower Accounting
- User Customized Reports
- Country Of Origin Labeling "COOL" **NEW**



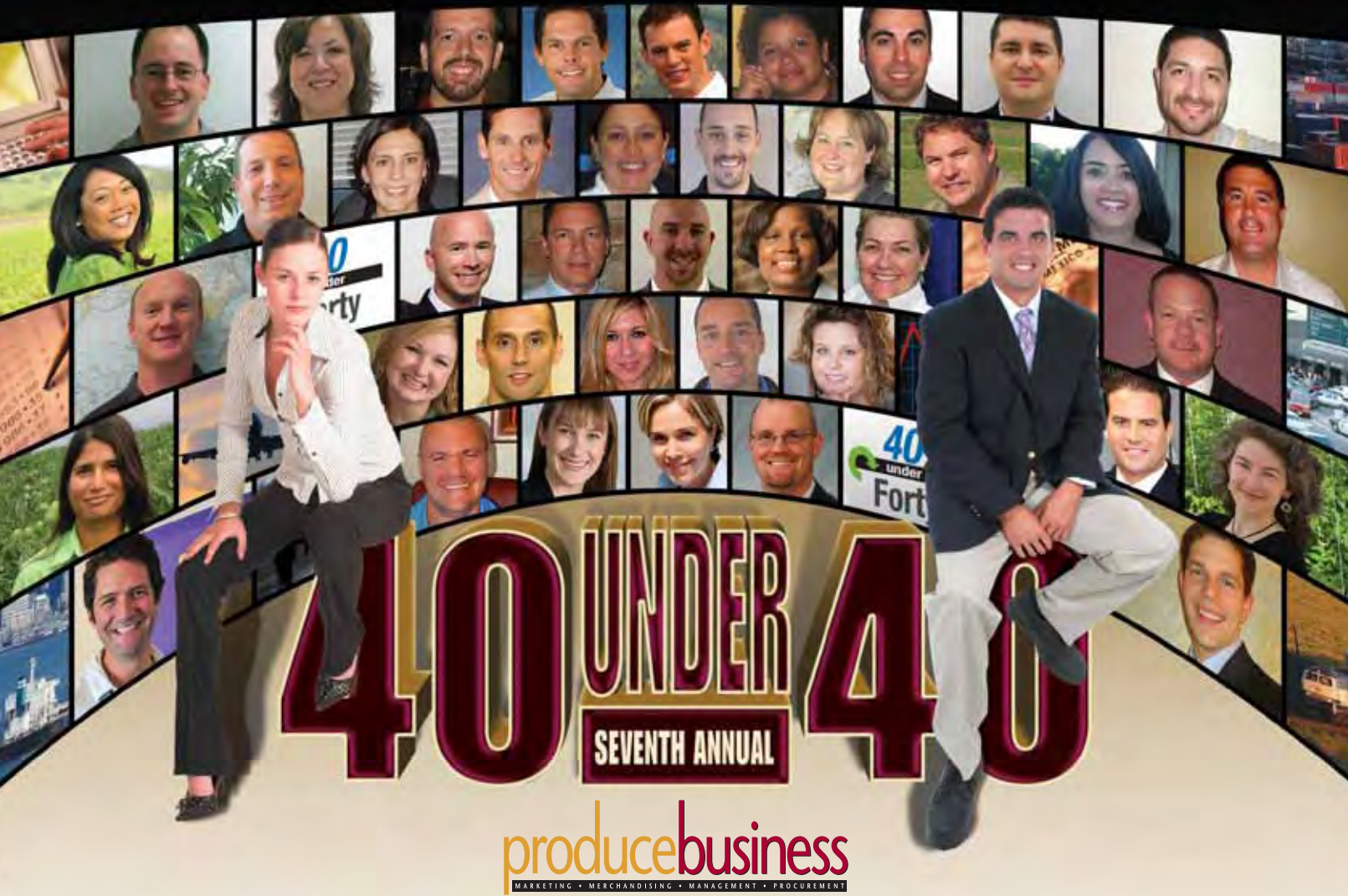
- **The complete Internet accounting package**
- **Online order Placement**

1-888-PRODMAN(776-3626)
www.dproduceman.com

dPRODUCE MAN
Software for the Produce Industry

Reader Service # 27

Reader Service # 28



PRODUCE BUSINESS is accepting nominations for its Seventh Annual 40-Under-Forty Project, which recognizes the produce industry's top young leaders.

Honorees will be selected based on their professional accomplishments, demonstrated leadership and industry/community contributions. To be eligible, nominees must be under the age of 40 as of January 1 (People born after January 1, 1971).

To nominate someone, please fill out this form by March 1, 2011, and fax back to 561-994-1610.

Once nominated, the candidate will receive forms from us to fill out asking for detailed information. A candidate only needs to be nominated one time. Multiple nominations will have no bearing on selection.

ABOUT THE NOMINEE:

First Name _____ Last Name _____
 Approximate Age _____
 Company _____
 Position _____
 Address _____
 City _____ State _____ Postal Code _____
 Country _____
 Phone _____ Fax _____
 E-mail _____

In 100 words or less, describe why this person should be nominated:
 (You can use a separate sheet for this)

Nominee's Professional Achievements:

Nominee's Industry/Community/Charitable Activities:

ABOUT THE NOMINATOR:

First Name _____ Last Name _____
 Company _____
 Position _____
 Address _____
 City _____ State _____ Postal Code _____
 Country _____
 Phone _____ Fax _____
 E-mail _____

Nominator information is for our use only and will not be shared with candidate or have a bearing on selection.

For more information email: info@producebusiness.com



PHOTO AT RIGHT COURTESY OF AWE SUM ORGANICS

Studies show that consumers who purchase Chilean fruit spend more at the supermarket than those who don't.

Maximizing Chilean Winter Fruit Sales

Don't leave money on the table — a little promotion goes a long way for Chilean fruit. **BY JODEAN ROBBINS**

During the winter, Chile owns the grape, stonefruit and cherry categories. Retailers who focus on playing up the benefits of this experienced supply network stand to make profits and satisfy customers. Focusing on the diversity and quality of Chilean fruit will assist retailers in building steady winter fruit business.

“One of the biggest benefits to retailers is that Chilean fruit helps to provide them with a year-round supply of their high-earning commodities, such as grapes, berries and avocados,” says Patty Boman, director of category management for The Giumarra Companies, headquartered in Los Angeles, CA.

“Chile continues to offer retailers the broadest and most consistent array of deciduous table fruit during the North American winter months,” says Mark Greenberg, chief operating officer and senior vice president of procurement for Fisher Capespan U.S.A. LLC, headquartered in Gloucester City, NJ. “Chile kicks off the import season with cherries in mid-November and quickly moves to table

grapes, nectarines, peaches and plums. The imported offerings complement and add color to displays of domestic apples, pears and citrus as well as the standard tropical offerings like bananas and pineapple.”

“As far as stonefruit and blueberries, there is definitely a wintertime demand for certain fruit that is traditionally out of season,” reports Matt Landi, produce director for New Leaf Community Markets, a six-store chain based in Santa Cruz, CA. “We’ve had the most success with blueberries. We are a specialty market, and because of the blueberry health benefit, Chilean berries and organic items are very popular at our market.”

Both large and small retailers view Chile as a major quality supplier. “When the plums and grapes go out of season from California, we count on those items from Chile,” says Julian Holguin, produce manager at Lowe’s Marketplace, a three-store chain, headquartered in Lubbock, TX.

“The quality of Chilean fruit is equal to those arriving from other places,” asserts Koby Peterson, produce manager for Ed’s IGA

supermarket, an independent store in Snowflake, AZ. “It’s definitely an important item for us.”

Retailers should not overlook the significance of having a superior Chilean fruit program, nor fail to invest the time and energy into it. This past year, the Sonoma, CA-based Chilean Fresh Fruit Association (CFFA) commissioned a study by the West Dundee, IL-based Perishables Group to investigate whether shoppers who included Chilean fruit in their baskets had a higher overall ring than those who did not. “We found that the front-end register total for those with Chilean fruit in their basket showed a total purchase of 28 percent higher than those who had no Chilean fruit,” reports Tom Tjerandsen, North American managing director. “Moreover, they tended to buy higher profit-margin items than shoppers who didn’t have Chilean fruit. So not only is total basket ring higher, the profit from those sales is higher for the retailer as well. It is definitely worthwhile for retailers to encourage the kind of shopper who buys Chilean fruit to come into their stores.”

Bringing You The World's Best

LGS
We Produce

DARLING CITRUS

DARLING CLEMENTINES
Nature's Sweet Temptations

SUAVO
AVOCADO

LGS Specialty Sales, Ltd.

718-542-2200 • 800-796-2349 • Fax: 718-542-2354

www.lgssales.com

PLAYING UP THE CHILE FACTOR

Perhaps like never before, the country of Chile is in the hearts of most Americans. News coverage of both recent tragic and heroic events served to educate consumers who may not have even known where Chile was located.

“The recent earthquake and miner incidents have helped put Chile on the map to some who never knew where it was,” explains Brad Cantwell, vice president sales for Dole Deciduous-Chile, headquartered in Bakersfield, CA. “I believe Chile is the hero country of the world right now, and this year more than any other could prove to be a great opportunity to promote Chilean fruit.”

“Highlighting where the fruit is coming from is a way of positioning the retailer to the consumer as a global marketer of fruits and vegetables,” adds Tristan Kieva, director of marketing and business development for Pandol Bros. Inc., in Delano, CA. “Country of origin is an important aspect of a retailer’s go-to-market strategy, but making the consumer aware of it and why it is beneficial is the most important thing.”

In addition to the emotional connection Americans may now have with Chile, consumers already have a positive image of Chilean fruit. “Three years ago, we fielded a study that confirmed people’s perception of the quality of fruit from Chile is much higher than that of other exporting countries,” reports Tom Tjerandsen, North American managing director for the CFFA, in Sonoma, CA. “We’ve just begun a renewal of this baseline study and when we get the results we’ll know how that position has held. We anticipate it will continue to show that Chile has a reputation for quality and safety.”

“While the Locavore movement is going strong, the truth is that some of the freshest and best-tasting produce available in the fall and winter is grown in the Southern Hemisphere,” says Josh Leichter, grape category director and East Coast vice president of sales for The Oppenheimer Group, located in Coquitlam, British Columbia, Canada. “An informed shopper would understand that “grown in Chile” indicates the eating experience is bound to be good.” **pb**

Don't Ignore The Basics

Though retailers might think Chilean fruit will sell itself, those who fail to practice basic merchandising and promotion may be leaving money on the table. “While consumers are aware of fruit in the stores in the winter, marketing and merchandising still need to be considered a very important part of consumer awareness,” asserts Brad Cantwell, vice president of sales for Dole Deciduous-Chile, located in Bakersfield, CA.

The CFFA provides valuable promotion support based on research. “The case of blueberries is a great example,” Tjerandsen explains. “It’s been one of the recent enormous successes with increases varying from 20 to 40 percent per year. Based on retail scanner data, we were able to determine the regions and retailers who were driving those numbers.”

Tjerandsen continues, “We looked at who were the high performers and who were leaving profit dollars on the table. Then we took a look at the high performing retailers to find out what they were doing to achieve those results — everything from advertising, margin discounts and cross-promotion to packaging size. Based on those answers, we developed a

program to increase sales and address the specific identified barriers.”

Chilean winter items help retailers maintain consistent programs year-round, especially in categories like organics and

grapes. “Grapes are a high-volume, high-dollar item in the winter time,” notes Josh Leichter, grape category director and East Coast vice president of sales for The Oppenheimer Group in Coquitlam, British Columbia, Canada. “History has demonstrated consistent demand. It’s advantageous for retailers to promote grapes throughout the cold-weather months to sustain the momentum built during the domestic program.”

“Blueberries and cherries are the only organic items coming into the United States from Chile in November through January,” points out David Posner, president and CEO of Awe Sum Organics Inc., in Capitola, CA. “As far as organic blueberry availability in the United States during these months, Chilean blueberries are the only ones available in good supply. Chile produces outstanding blueberries because the weather is ideal for blueberry production. We have a well rounded organic blueberry program because we represent three grower/shippers, each with production in multiple areas with a few varieties in each area, which gives us steady availability November through March. One of our growers’ entire organic production is also Fair Trade-certified through IMO’s Fair For Life Program.”

Consider Your Space

Seeing is believing, and customers who see attractive displays of Chilean fruit will buy. “A first-class and prominent display, as well as quick turns, will lead to success,” says Posner. “I am an advocate for displaying organic side-by-side with conventional so the shopper sees all the options at once. I think it works better to



PHOTO AT RIGHT COURTESY OF FISHER CAPESPAN

In addition to a variety of tablefruit, Chile also produces outstanding organic berries.



achieve strong sales.”

“Summer fruit from Chile gives retail a chance to reinvigorate the produce department during the winter months,” adds Mimi Dorsey, west coast business manager with Giumarra. “A prominent display in the front of the department or on high traffic end-caps helps mark a transition from the fall and holiday commodity themes.”

“The ideal grape set is large with lots of

space allocated and positioned in an area that grabs shoppers’ attention,” states Leichter. “Recent studies show that younger shoppers are more inclined to make impulse purchases at the perimeter of the store than elsewhere. Retailers can capture sales by positioning large grape displays near the entrance of the store, or the entry of the produce department.”

Freshness and maintenance are equally as important as size. “Keep the display full so it

looks attractive and customers think the store has a good supply,” suggests Peterson of Ed’s IGA. “I’ve noticed when my supply hasn’t looked full, people seem to pass by. But, when it looks good with a full display, people tend to grab it up faster.”

“We like to build big displays,” adds Raymond Hammonds, produce manager at the 100-store chain, Food City, based in Church Hill, TN. “It’s important to keep it fresh.”

Giumarra
Feeding the world
in a healthy way.

Premium Produce from Around the Globe

Right now, **Grapes and Stonefruit from Chile** are approaching their flavorful peak.

One World. Many Harvests.

The world, as we see it, is a small place. Thanks to our close-knit family of growers from around the globe, we are able to provide a complete line of the best produce that our beautiful planet has to offer. Contact Craig Uchizono for pricing and availability at 323-415-7005 or cuchizono@giumarra.com

Grown and packed with care: **NATURE'S PARTNER**

giumarra.com • naturespartner.com

Reader Service # 67

While display size ultimately rests on each retailer's situation, the goal should be to draw consumer attention. "The decision on space allocation takes a lot of retail experience based on both economics and feel," explains Jim Pandol, president of Pandol Associates Marketing Inc., in Delano, CA. "A retailer's reality is to allot space in relation to all the products available for those shelves, yet still highlight the product for the consumer."

"In-store execution is so important," says Oppenheimer's Leichter. "Our job is to manage the supply chain so the fruit arrives at customers' door in the ideal condition. Retailers can extend our efforts by building eye-catching, multi-variety displays and turning them regularly to maintain quality, creating meaningful signage and assuring the price is right with targeted promotions."

Tristan Kieva, director of marketing and business development for Pandol Bros. Inc., in Delano, CA suggests, "Although not practical to co-locate all the items imported from Chile, a statement can be made within the department by co-merchandising some of the key items like grapes and stone fruit with POS information."

Sell By Flavor

Focusing on flavor will encourage first-time and repeat sales. "The most important thing a retailer can do is to buy high quality fruit on a consistent basis in order to achieve aggressive repeat sales," advises Dole Delicious' Cantwell. "Promoting the appropriate items at the appropriate time ensures customer satisfaction as well. For example, if red

"Good signage helps people understand more about nutrition and other attributes. We also have seen success in using grower profiles to help link the actual grower with the product being offered on the store shelf."

— Josh Leichter, The Oppenheimer Group

grapes are at their best and strongest volume, don't promote lesser quality green grapes. There are many promotional prices given to retailers every week during the height of the season. The success at retail is to take advantage of these opportunities."

"Flavor and consistency are important and that is worth pointing out," suggests Landi of New Leaf. "We tend to be very careful when selecting our fruit."

Sampling is an effective way to assure consumers they'll be pleased with their purchase. "Giving samples to customers helps them make sure they are satisfied with the quality," states Holguin of Lowe's.

"We like to have someone handing out samples of the product," says Food City's Hammonds. "We also make an announcement on the PA system when we begin our sampling."

Spread The Word

Retailers can utilize a wide variety of POS and promotional tools. "Prominently featuring Chilean fruit in a retail flyer, weekly ad, or radio or TV advertising gets to those shoppers who search to find special options or opportunities," says Tjerandsen of the CFFA. "We're

CREATE VALUE

The most successful strategy for sales is for customers to see the value of the fruit. Jim Pandol, president of Pandol Associates Marketing Inc., in Delano, CA, explains, "Our driving philosophy is to create value. Consumers are watching their money very closely. There needs to be a combination of low price and high value."

Aggressive promotional pricing when possible also helps move Chilean fruit. Josh Leichter, grape category director and East Coast vice president of sales for The Oppenheimer Group, located in Coquitlam, British Columbia, Canada, explains, "For example, grapes priced at \$.99 per pound on ad provide a proven lift. Line-pricing across varieties is also a good strategy. We also carry grape clamshells that can be pulsed in as special opportunities for retailers to capture their shoppers' imaginations with a new approach."

However, aggressive pricing may be more difficult to obtain. "This may be a challenge in light of the continued appreciation of the Chilean peso against the U.S. dollar," reports Mark Greenberg, chief operating officer and senior vice president of procurement for Fisher Capespan U.S.A. LLC, headquartered in Gloucester City, NJ. "Chilean growers and exporters will put pressure on their customers to deliver a level of pricing to help compensate for the diminished value of the currency in which the fruit is sold. For their part, retailers will push their suppliers for prices that will allow them to offer table grapes at retail prices that deliver what their customers perceive to be good value."

Tristan Kieva, director of marketing and business development for Pandol Bros. Inc., in Delano, CA, adds, "Messaging should quickly convey the value proposition to consumers. The product has to deliver, and that is where Chilean fruit can shine."

Side Note



pb

Introducing... PerishableNews.com

Streaming Ticker

Top Story

Easy Navigation

Your online source
bringing you fresh
news and ideas for
success in the
Produce Industry...
and beyond!

Subscribe now for instant,
daily or weekly e-mail updates.
It's FREE!
www.perishablenews.com

Stories
"Just In"

Multiple
Article
Sources

PerishableNews.com is an outlet for news about all the perishable categories typically featured in a retail store:

Bakery, Dairy, Deli, Floral, Meat & Poultry, Produce, Seafood

Plus we cover top-level happenings in Retail and Foodservice that are of special interest to a perishable food executive at a supermarket or other retail chain and at a foodservice chain operation or foodservice distributor.



“Promoting the appropriate items at the appropriate time ensures customer satisfaction as well. For example, if red grapes are at their best and strongest volume, don’t promote lesser quality green grapes. There are many promotional prices given to retailers every week during the height of the season. The success at retail is to take advantage of these opportunities.”

— Brad Cantwell, Dole Deciduous - Chile

working with many retailers around the country to run POP radio reminding shoppers in the store to head back to produce to find fresh fruit from Chile.”

“Attractive point-of-sale material, when used judiciously, always catches the eye and gives an additional impression for the commodity,” states Giumarra’s Dorsey. “It not only builds awareness of the product, but serves as an opportunity to educate the consumer and add impact to a themed promotion.”

Since fruit can be a high impulse purchase,

CFFA makes available a wide range of market-proven POS materials calling attention to the Chilean fruit in the produce department. “People write down ‘milk, eggs, butter and sugar’ but they don’t write down ‘fruit from Chile,’” says Tjerandsen. “You have about a fifth of a second to catch their eye and provide a compelling message. POS materials are very important and can be ordered free of charge on the Chilean fresh fruit Web site.”

Effective signage is another part of a smart merchandising strategy. “Some shoppers may

not know the difference in eating experience between red, green and black grapes,” says Oppenheimer’s Leichter. “Or, they can’t identify by sight which type of grapes have seeds or don’t. Good signage helps people understand more about nutrition and other attributes. We also have seen success in using grower profiles to help link the actual grower with the product being offered on the store shelf.”

“Signage during the winter is very important to educate the consumer of the benefits of Chilean fruit,” agrees Dole Deciduous’ Cantwell. “It can also be used to promote the steps Chile has made to provide safe and healthy produce to the consumer.”

Last but not least, Chilean fruit also has the benefit of TV promotion. CFFA’s Tjerandsen explains, “We make available to interested retailers a TV tag program in selected spot markets around the country. This 25-second general information commercial educates views on fruits and other products from Chile. The last five seconds remind viewers where to find the product locally. We rotate those spots to retailers based on their percentage of business.”

pb

North America’s Premier Importer of the World’s Finest
Deciduous & Citrus Fruit



Quality Service. New Ideas. Global Brands.
Global Thinking. Fresh Connection.

Distribution Fisher Capespan Canada Inc. • 6700 Cote De Liesse Suite 301
St. Laurent Quebec Canada H4T 2B5
Tel: 514.739.9181 or 800.388.3074 • Fax: 514.737.3676

Fisher Capespan USA LLC • P.O. Box 362 • Gloucester City N.J. 08030 U.S.A
Tel: 1-856-742-5447 • Fax: 1-856-742-5448
www.fishercafespan.com

Reader Service # 57



**OUTSTANDING
FRUIT FROM CHILE**

Offering a full line
of pre-conditioned treefruit
**Cherries • Peaches • Plums
Nectarines • White Flesh
Grapes • Kiwi
Pluots • Persimmons
Pomegranates • Bartlett Pears
Asian Pears**

www.trinityfruit.com

David E. White • John Hein
Vance Uchiyama • Dennis Surabian Jr.
Oscar Ramirez

Fresno, CA

559 • 433 • 3777

Reader Service # 58



**THE NEW YORK
PRODUCE SHOW
AND CONFERENCE**

**PRESENTED BY
THE EASTERN PRODUCE COUNCIL
AND
PRODUCE BUSINESS**



Post-Show Review
Tripping the Light
FANTASTIC!





OPENING COCKTAIL RECEPTION

The festivities of the inaugural New York Produce Show and Conference began on the evening of November 9th, with a cocktail reception held in the regal Trianon Ballroom of the New York Hilton.

Industry luminaries — from East Coast retailers and board members of the Eastern Produce Council, to broadline and specialty foodservice distributors, to wholesalers from the Hunts Point and Philadelphia markets, to shippers and





OPENING COCKTAIL RECEPTION



ancillary product suppliers flying in from across the continent — filled the room and networked the night away.

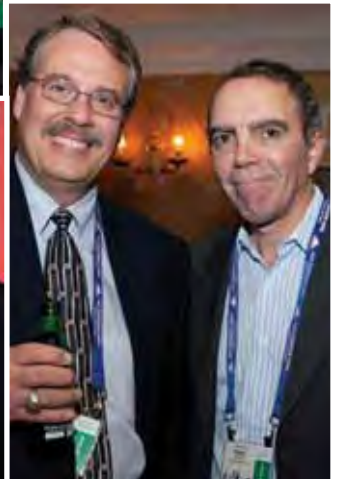
A brief pause in the activities brought attention to an acknowledgement of Lou Sherman, former executive director of the New York Produce Trade Association, as he received a Lifetime Achievement Award from PRODUCE BUSINESS, the Hunts Point Produce Market and the New York Produce Trade Association.



OPENING COCKTAIL RECEPTION



In addition, Jim Prevor, Editor-in-Chief of PRODUCE BUSINESS, announced that EPC and PRODUCE BUSINESS were each donating salad bars to a school in New York City and one in Philadelphia. The specific schools were being determined in conjunction with the Hunts Point Produce Market and the Philadelphia Wholesale Produce Market.





KEYNOTE BREAKFAST



The morning of November 10th was met with industry members lining up to get a seat in the elegant Trianon ballroom, where, true to New York fashion, bagels and lox awaited them.

Ken Whitacre, publisher of *PRODUCE BUSINESS*, greeted the attendees and introduced the singing of the National Anthem and invocation. Jim Allen, president of the New York Apple Association, delivered a patriotic prayer on the day before Veterans Day.

The keynote breakfast featured a call to the stage of nine area retailers and one retailer from Africa, whereupon Jim Prevor moderated a lively panel discussion on issues of importance to the trade, such as the local movement and the role of flavor in building consumption. The panel of retailers included:

- **Jim Bisogno**,
Former Director of Produce,
Floral & Bakery,
Pathmark Supermarkets
- **Rich Conger**,



KEYNOTE BREAKFAST



- Director of Produce,
King Kullen Supermarkets*
- **Steve Coomes**, Manager
Division Operations-
Produce, Safeway Eastern
Division
 - **Dave Corsi**, Vice President
of Produce & Floral,
Wegmans Food Markets
 - **Dean Holmquist**, Director
of Produce & Floral,
Foodtown Supermarkets
 - **Derrick Jenkins**,
Vice President of Produce
& Floral, Wakefern Food
Corporation
 - **Paul Kneeland**,
Vice President of
Produce & Floral,
Kings Super Markets
 - **Dominick Pelosi**,
Senior Merchant Produce
& Floral, Food Emporium
 - **Dr. Johan Van Deventer**,
Managing Director,
Shoprite Holdings Ltd.
(South Africa) Freshmark
Division
 - **John Vasapoli**, Director of
Produce Merchandising,
D'Agostino Supermarkets

Capping off the morning session was an announcement by Jim Prevor and Theresa Nolan of the newly formed James and Theresa Nolan Fund for Ethical Leadership.



EDUCATIONAL MICRO-SESSIONS/ CHEF DEMOS

Concurrent to the Trade Show activities, seven educational sessions and a continuous chef demonstration kept conferees on the cutting edge of the latest research, technology and cooking trends.

Four university professors, one industry expert on Traceability, one African retailer and a famed cookbook author generously shared their knowledge with attendees. These speakers were:

- **Gary Fleming**, President of Symbolon Group
- **Miguel I. Gómez**, Assistant Professor, Cornell University
- **Ramu Govindasamy**, Ph.D., Associate Professor, Rutgers University
- **Joan Nathan**, James Beard Award-winning Cookbook Author
- **Brad Rickard**, Assistant Professor, Cornell University
- **John Stanton**, Professor, St. Joseph University
- **Dr. Johan Van Deventer**, Managing Director, Shoprite Holdings Ltd. (South Africa)

Meanwhile, former Top Chef contestant Camille Becerra dazzled audience members with 12 separate produce dishes created in increments of 30 minutes or less.





**THE NEW YORK
PRODUCE SHOW
AND CONFERENCE**

**Presented by
EASTERN PRODUCE COUNCIL
AND
PRODUCE BUSINESS**

**The New York Produce Show and Conference
Wishes to Salute
These Forward-thinking Organizations:
OUR CHARTER SPONSORS**

SPONSORS

PLATINUM LEVEL



GOLD LEVEL



SILVER LEVEL



BRONZE LEVEL





TRADE SHOW

At a little after 10 am on Wednesday, November 10th, the sold-out exposition at The New York Produce Show and Conference opened with a ribbon-cutting ceremony, hosted by *PRODUCE BUSINESS* magazine's Jim Prevor and the Eastern Produce Council's John McAleavey.

New Jersey's Secretary of Agriculture, Douglas Fisher, and South Carolina's Commissioner of Agriculture, Hugh Weathers, as well as famed cookbook author, Joan Nathan, and philanthropist, Laurie Tisch, joined in the welcoming festivities.

With 212 exhibiting companies displaying





TRADE SHOW



produce from apples to zucchini, and service providers and ancillary product marketers touting the benefits of their latest offerings, the trade show saw non-stop action in Americas Halls 1 and 2. No one left the show hungry, with at least three chefs counted among the exhibitor booths and countless samples given out.

Two celebrity baseball players, both pitchers — Tommy John and Goose Gossage — had lines going down the aisle, as their autographs were a valued possession.

Representatives among the New York and mid-Atlantic region's retail organizations, many in



TRADE SHOW

busloads, came to see what was new and to meet suppliers, many for the first time.

What was different about the New York Produce Show and Conference? Many say it was the depth and breadth of the buying organizations that walked the floor. Many say it was the constant stream of traffic in the aisles. Whatever the case, business was non-stop on the show floor from 10 am until 5 pm.





**SPOUSE/
 COMPANION
 PROGRAM AND
 CONSUMER MEDIA
 LUNCHEON**

How can you go to New York City and not shop? Or have tea at the famous Plaza Hotel? Or take a site seeing tour to the city's landmarks? The spouse/companion program had this and much more, as participants began their day being pampered with manicures, make-up applications and chair massages while having breakfast in the Presidential Suite of the New York Hilton and then headed off to shop, sip tea and site-see.

In the meantime, consumer media — including Good Housekeeping, Family Circle, O-The Oprah Magazine and New York Magazine — and influential food bloggers were treated to a luncheon and tour of the show (photo on bottom right). Many of these editors had never seen a trade show like this and were excited to write more stories about the fresh produce industry in the future.



RETAILER AND WHOLESALE MARKETS TOURS

Scores of conferees stuck around on Thursday for the last event of the conference: Tours to the two wholesale terminal markets in the region and to retail operations in both New York City and in suburban New Jersey.

The Hunts Point Produce Market tour was a short jaunt to the Bronx, where 45 wholesale operations kept their doors open and product on display for all to see.

It took a little longer to arrive at the new Philadelphia Wholesale Produce Market, but none other than Benjamin Franklin joined the trek and entertained guests with some history trivia and stories. This was the first industry glimpse of the new Philadelphia market, which is scheduled to open in January. The return trip made a stop at a Wegmans store in New Jersey, where





RETAILER AND WHOLESALE MARKETS TOURS

guests were treated to lunch.

On the New York City tour, D'Agostinos, Fairway, the Food Emporium and Whole Foods were among the traditional supermarkets visited, while Eataly, the new European "Hall" concept introduced by Mario Batali, and the Brooklyn Grange, a rooftop farming operation, were added to the mix.

The suburban New Jersey retail tour consisted of a comparison of two different Corrado's store concepts, a Foodtown store, Shop Rite, King's Super Market, and an A&P Fresh — all finished in time for flights to be made and attendees heading back home.



INTRODUCING



eco
trays

a great addition to any store display



family speed-up eggplant vegetable pasta

Serves 6

Ingredients

- 1/2 cup (63 g) Family Farms yellow, orange or red bell peppers, finely chopped
- 1/2 cup (87 g) Family Farms tomatoes, peeled, seeded and diced
- 1/4 cup (63 g) eggplant, peeled and diced
- 4 cloves of garlic, minced
- 1/4 cup (63 ml) dry white wine
- 1/4 cup (63 g) shallots, peeled and diced
- 1 pound (454 g) dry spaghetti noodles
- 4 sprigs of fresh thyme, picked and diced
- 4 sprigs of fresh rosemary, picked and diced
- 7 basil leaves, sliced
- 1 tbsp. (15 g) chili flakes

Method

Bring a large pot of salted water to a rolling boil, then add the dry spaghetti noodles. Cook until al dente for 10 minutes.

In a large skillet, sauté the shallots, then add the bell peppers and eggplant. Cook for 1-2 minutes. Deglaze the pan with white wine. Add the garlic and reduce.

Drain the pot of water and add the cooked spaghetti noodles to the skillet.

Sauté the spaghetti noodles, then add the chopped fresh herbs, tomatoes and chili flakes.

Mix the noodles into 6 bowls and serve.



Clifford Produce Sales Inc., Rushen, ON N0P 2G0
cliffordproduce.com | 888-662-8620

Unique, Flavorful Recipe Ideas

QR Code Technology Providing consumer access to more recipes



High Visible Graphics

Breathable Film

Biodegradable Tray

CONSUMER FOCUSED, RESULTS DRIVEN

1-888-662-8620 • sales@cliffordproduce.com • www.cliffordproduce.com



Clifford
PRODUCE



Strategies to educate produce executives and their customers on health and nutrition benefits to drive consumption.

How To Use Nutrition To Sell Produce

SPONSORS



SALADS76
sponsored by Dole Foods



ARTICHOKES78
sponsored by Ocean Mist Farms



STRAWBERRIES80
sponsored by Red Blossom Sales, Inc.



LEAFY GREENS82
sponsored by San Miguel Produce, Inc.





DOLE FOODS
One Dole Drive
Westlake Village, CA 91362
Tel: 800-356-3111
www.dole.com

CATEGORY: SALADS

Interview with Jennifer Grossman, Senior Vice President, Dole Nutrition Institute

Dole Food Co. Inc. is the world's largest producer and marketer of fresh fruit and vegetables. Chairman David H. Murdock started the Dole Nutrition Institute nearly eight years ago to "feed the world with knowledge" through publications, such as the award-winning *Dole Nutrition News* (2.5 million circulation) and the recently published, *Dole Nutrition Handbook*. The Institute's main mission is to educate the public about the benefits of fruit and vegetable consumption, while also providing nutrition marketing, labeling and research support for internal Dole divisions.

Q: How can you distinguish your product from the pack and all the competing nutrition information?

A: Simply put, eating our products — fruit, vegetables, salads — is the solution to the obesity epidemic. Fruit and vegetables have low-energy density, a fancy way of saying they have very few calories compared to other foods, pound for pound. Compare a pound of spinach (104 kcals) to a pound of potato chips (2247 kcals) and you'll see what we mean. Not only does the spinach have fewer calories, but it also has a much higher water and fiber content, which helps fill you up so you eat less of other, more fattening foods. Moreover, leading scientists are exploring the link between obesity and nutrition deficiencies — junk food leaves you literally starved for nutrients, contributing to cravings that promote weight gain.

Consider the opposite: Researchers have shown when you start with salad, you consume fewer calories overall. Not only do we distinguish Dole with our own nutrition focus, we're also taking very deliberate steps to differentiate our products from the competition — such as the continual evolution of our DOLE® Salads with new on-pack information and the reformulation of our All Natural DOLE® Salads Kits to become America's first widely distributed line of kits combining farm-fresh lettuces and vegetables with all-natural toppings and salad dressings. These efforts, when combined with equally compelling promotional and social media programs, are making it easier than ever before for Americans to increase their consumption of fruits and vegetables and to consider salad as the basis for a meal — which, of course, were the goals all along.

Q: What are the best strategies to relay nutrition/health information to consumers on the retail floor?

A: Dole continues to push the marketing and consumer education envelope to encourage better eating decisions and increased overall health. Our reinvented line of DOLE Salads was such a success in 2009 that we expanded our commitment to on-pack information, as well as our use of web and social media platforms, to connect even more closely with the consumer. One of these tools is the just-launched Mix it Up™ with DOLE® iPhone app, Dole's first mobile phone application dedicated to consumer-friendly salad shopping and menu development. This free app allows salad users to search for DOLE Salad varieties; export recipes, serving suggestions and pairing ideas; create shopping lists; and watch how-to salad-preparation videos at the touch of a button. On the kits side, we reformulated our salad kits to be all natural as a direct response to research showing that many salad consumers had reservations about the wholesomeness of certain salad kit ingredients.

While we have always been committed to providing only all-natural lettuces and vegetables in our salad kits, the expansion of our all-natural

commitment to all other kit ingredients — including nuts, croutons, cheeses, seasonings and dressings — represents the country's largest commitment to all-natural salad kits.

Q: Are there any notable health reasons to target specific demographics or age groups with your product?

A: Absolutely. Adolescents ages 14 to 18 are, as a group, falling down on key nutrients needed for development and health maintenance. For example, 97 percent of adolescents fail to get enough fiber — DOLE Salads are a wonderful source of fiber and offer a convenient, healthful way to get what you need. Then there are baby boomers: Harvard researchers found middle-aged women who ate the most leafy greens and/or cruciferous veggies boosted their odds of maintaining mental sharpness in later years, and those who ate at least three servings of spinach and broccoli actually did better on cognitive tests than those who ate less.

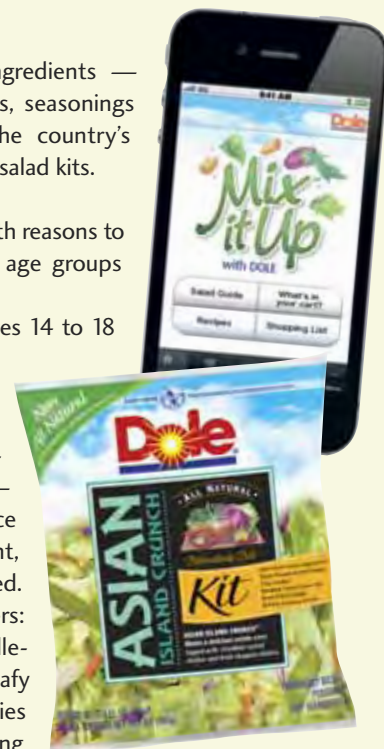
Q: Are there any myths or confusing nutrition information about your product that you'd like to clear up?

A: Sure, some supposed "nutrition zeroes" are actually "nutrition heroes". A serving of iceberg lettuce actually provides nearly a quarter of your daily needs for vitamin K, higher intakes of which are linked to a 65 percent lower risk of fractures among the elderly.

Celery is also hugely underrated. It is an excellent source of vitamin K and a good source of folate, potassium and vitamin C. Scientists from Case Western Reserve University just found the celery phytonutrient apigenin may slow prostate tumor growth.

Q: What can be done to promote increased fruit and vegetable consumption among children?

A: Salad bars are one way — Dole is donating salad bars to schools in low-income areas across the country, and research definitely shows that access to salad bars increases overall nutrient intake. Education and making it fun is also important — at the Dole Nutrition Institute we have a variety of ways to help children learn about nutrition.





100% Natural, Naturally

Ask for our 14
All Natural DOLE Salad Kits.

At Dole, we are proud to announce that our kits have gone all natural. No artificial preservatives, no artificial ingredients, no artificial anything. In response to the ever-increasing customer demand for food free of artificial additives and artificial preservatives, everything in our 14 delicious, complete and ready-to-eat DOLE kits is all natural, even the dressing. And the best part, they still taste great! From the Southwest Salad Kit to Asian Island Crunch, our new All Natural DOLE Salad Kits are here to keep customers, and your sales, healthy and happy.

To learn more, please contact your Dole sales representative or visit dole.com/saladkits

©2010 Dole Fresh Vegetables, Inc. TM & © Dole Food Company, Inc.





Ocean Mist Farms
 10855 OceanMist Parkway
 Castroville, CA 95012
 Tel: 831-633-2144
 Fax: 851-633-4363
 Email: korit@oceanmist.com
 www.oceanmist.com

CATEGORY: ARTICHOKE

Interview with Kori Tuggle, Director of Marketing, Ocean Mist Farms.

Located in Castroville, CA, Ocean Mist Farms grows over 30 fresh vegetable commodities along with its signature crop, artichokes. Ocean Mist is the largest producer of artichokes in the United States with more than 80 years of industry leadership.

Q: What are some simple messages retailers can use to promote the health aspect of your product?

A: Artichokes are low-calorie, nutrient-rich vegetables and a great source of antioxidants. One medium artichoke is an excellent source of fiber and vitamin C, and a good source of folate, magnesium and potassium. Additionally, artichokes have no fat or cholesterol and provide four grams of protein.

Q: What is the most important health attribute retailers can promote for your product?

A: Fiber! The USDA and the Department of Health and Human Services' Dietary Guidelines recommend men consume 30 to 38 grams per day and women consume 21 to 25 grams per day of dietary fiber, however, most Americans consume about half that amount, according to the American Dietetic Association. The solution is simple: Eat artichokes. One artichoke (120 grams) contains 10.3 grams of dietary fiber, providing a significant contribution to the daily requirement.

Q: What is a good usage retailers can suggest to consumers that links your product to health benefit?

A: Vitamin C and phytonutrients — specific types of antioxidants found in artichokes — provide a number of health benefits including anti-cancer, anti-aging, heart-healthy, immunity-boosting and cholesterol lowering functions. Steaming or baking the artichokes helps retain these nutrients vs. the common boiling method.

Q: Tell us something that consumers may not realize about how your product can improve their health and well-being?

A: A 2006 study in the American Journal of Nutrition found that artichokes have the highest antioxidant level of all vegetables. In fact, even after being cooked, artichokes are higher in antioxidants per serving than many foods commonly touted as "rich in antioxidants" including cranberries, blueberries, wine and chocolate.

Q: Are there any notable health reasons to target specific demographics or age groups with your product?

A: Artichokes offer health benefits to all age groups:
 For seniors, because their high antioxidant and fiber content provide a wide range of health benefits for common conditions associated with age. For example, the dozens of phytonutrients in artichokes provide anti-cancer, anti-aging, heart-healthy, immunity boosting, and cholesterol-lowering functions.

For younger-diet and beauty conscious consumers: the fiber-rich artichokes improve digestive health and aids with weight loss by helping one fill fuller faster and helps rid the body of waste. Eating artichokes



have also been promoted in consumer magazines such as InStyle to boost immunity, promote clear skin, reduce wrinkles and enhance hair."

Q: How does your product deliver a powerful punch of nutrition? Can you point to studies that back up these claims?

A: The American Journal of Clinical Nutrition found artichokes have more antioxidants than all other vegetables and ranked fourth in antioxidant content out of all food and beverages tested. In the study, researchers from the Virginia Polytechnic Institute and State University, the University of Minnesota and the University of Oslo, Norway, used the FRAP (ferric reducing ability of plasma) assay method to measure the antioxidant levels of more than 1,000 food and beverages commonly consumed in the United States.

Q: How do you communicate the health message about fresh Artichokes to consumers?

A: We communicate on our Web site, to our 7,500-plus Artichoke Aficionado club members, through social media, on packaging and on trade communications.

Q: What are the best strategies to relay nutritional/health information to consumers on the retail floor?

A: Ocean Mist Farms has a variety of new point of sale (POS) material to help share artichoke recipes and nutrition benefits with shoppers. The point-of-sale materials are available online at Oceanmist.com ; users can visit the site, fill out the form and the order is fulfilled within two to three business days.

I V E



Ocean Mist began its love affair with artichokes over 80 years ago when it pioneered the commercial cultivation of artichokes and developed a line of exceptional, richly flavored varieties that today supply over 80% of the nation's demand year-round.

Today, more and more vegetable lovers are falling for the unique flavor, antioxidant boost and shared experience of enjoying the alluring artichoke.

Artichokes are just one of the objects of our passion. For more information on any of our 30 commodities, visit oceanmist.com



Trusted Growers. Quality Driven.



Red Blossom Sales, Inc.
162 Montgomery Avenue
Oxnard, CA 93030
Tel: 805-981-1839
www.redblossom.com

CATEGORY: BERRIES

Interview with Michelle Deleissegues, Director of Marketing, Red Blossom Sales, Inc.

Red Blossom Sales cultivates over 2900 acres of strawberries throughout North America, including California, Florida and Mexico. With strawberry consumption growing faster than any other fruit in the produce department, Red Blossom is meeting this demand with a continuous supply of sweet, delicious strawberries year-round.

Q: As the competition for the 'health' dollar increases, what can retailers do to ensure strawberries are foremost in consumers' minds as part of their healthy eating plan?

A: Retailers can promote strawberries as an easy and powerful way to eat healthy. Strawberries are considered a superfood because they are high in nutrients, low in sugar and cholesterol free. They are full of vitamins, potassium, fiber, antioxidants and phytochemicals.

Encouraging customers to eat what is being termed as "whole food" for their nutrition instead of turning to supplements or drugs is another great way to increase produce consumption and do something good for your customers. Research studies support this move to "eat right to feel right." While pharmaceutical companies are developing the next wonder-drug to prevent and cure diseases chemically, other researchers are exploring the medicinal powers of natural food. Numerous studies now point to the nutritional and health benefits in strawberries.

Q: So what new research can retailers use to link strawberries to health for consumers?

A: The latest research is showing how a daily serving of strawberries could help to lower the risk of heart disease and stroke. The study, carried out at the University of Oklahoma, found that people who ate strawberries for eight weeks had reduced markers for atherosclerosis or furring up of the arteries. The research was carried out on patients with metabolic syndrome, a precursor to diabetes and heart disease. They were each given four cups of a drink made from 50 grams of freeze-dried strawberries with water (the equivalent of three cups of fresh strawberries). At the end of the study, their levels of bad LDL cholesterol had dropped by more than 10 percent, while their levels of another compound linked to a higher risk of atherosclerosis went down by nearly 20 percent.

Retailers can also use a study showing that diets rich in strawberries, other berries, nuts and certain spices may lower age-related cognitive declines and the risk of neurodegenerative disease. In this study, James Joseph, Ph.D., of the USDA Human Nutrition Research Center on Aging at Tufts University in Boston, describes his breakthrough work on the everyday foods that promote brain health. Strawberries and other berries contain plant compounds called polyphenols which are believed to provide brain health benefits.

The important message retailers should convey to consumers is that by including berries in your diet regularly, you can protect yourself against the two major villains of aging, and oxidation and inflammation.

Q: What do strawberries specifically deliver in terms of nutritional punch?

A: Strawberries are one of nature's most healthful "packages" of power nutrients. Nutrition scientists are looking beyond traditional vita-



mins and minerals to understand the actions of hundreds of other compounds in plant foods, as well as the protective power of the whole foods themselves. Strawberries contain a multitude of cancer-fighting compounds, including vitamin C, folate, anthocyanins, quercetin, kaempferol and ellagic acid.

Berries are known to be very high in antioxidants. In fact, of all of the fruits, they are known to contain the highest levels. Antioxidants can help reduce the risk of both heart disease and various forms of cancer. Many medical professionals believe that the antioxidants in berries can help lower the risk of almost every types of cancer. Research has shown that a diet which is high in berries can reduce the risk of colon, lung, esophagus, and liver cancers, as well as leukemia.

Q: What specific health claims can retailers use for strawberries?

A: We recommend saying strawberries have more vitamin C per serving than an orange; are naturally low in sugar — only eight grams per serving; rank second among the Top 10 fruits in antioxidant capacity; and may help reduce the risk of heart disease, fight some types of cancer and lower blood pressure. Strawberries are a known superfood, can improve memory and heart health while lowering blood pressure and cancer risk. Strawberries are brimming with the vitamins, minerals, fiber and antioxidants that help consumers lead a healthier, happier life.

California strawberries are certified by the American Heart Association (AHA) and our packaging may display its Heartcheck Mark. When consumers see AHA Heart-Check, they know a food meets AHA's strict criteria for low levels of total fat, saturated fat and cholesterol. The Produce for Better Health Foundation's More Matters campaign is another useful tool that is widely recognized by the industry and public.

Source: California Strawberry Commission

MORE

IS more!



1 COMPANY 2500 ACRES
5 REGIONS

3 STRAWBERRIES
BLACKBERRIES
BLUEBERRIES

1ST STRAWBERRY
INDUSTRY'S FIRST
ELECTRONIC
TRACE BACK SYSTEM

24/7
CUSTOMER SERVICE



162 Montgomery Ave. | Oxnard, CA 93036 | 805.981.1839 | www.RedBlossom.com



San Miguel Produce, Inc.

4444 Navalair Road
Oxnard, CA 93033

Tel: 805-488-0981

Email: jan.berk@cutnclean.com

www.cutnclean.com

Category: Leafy Greens

Interview with Jan Berk, Vice President, Sales and Marketing, San Miguel

San Miguel Produce, established 35 years ago, has always been committed to growing the best conventional vegetables in Southern California. This commitment has earned them a respected reputation for providing the best fresh, leafy greens consistently year-round. Today, as a greens specialty farming and processing company growing a new organic business, San Miguel Produce applies the same passion and commitment for offering the best organic leafy greens year-round.

Q: How can you distinguish your product nutritionally from the pack?

A: The hearty, dark specialty greens offer significant nutritional benefits due to their high levels of Vitamin A, C, E and K, Folate, Fiber, Lutein, Calcium, Manganese, Potassium and Beta-Carotene.

Q: What are the latest news flashes/surprises regarding health/nutrition benefits of eating your product?

A: A growing number of nutrition experts are encouraging people to consume more of the darker greens. And if prepared properly, the dark greens offer the highest nutrition density-per-calorie than any other vegetable, per Dr. Joel Fuhrman, one of the country's leading experts on nutrition and natural healing. Dark leafy greens are packed with many of the nutrients our bodies need to stay healthy and, with the low calorie ratio, are an important way to get your nutrients and reduce or maintain a healthy weight.

Q: Are there any myths or confusing nutrition information about your product that you'd like to clear up?

Some greens have a higher amount of naturally occurring sodium, such as beet greens, chards and turnip greens. While sodium intake is important to watch, these greens also have a naturally higher amount of potassium, which balances the sodium in our systems.

Q: Can you connect your product's nutritional properties to health issues consumers can understand by suggesting some simple, catchy phrases that could be used to market the health benefits of your product?

A: There is a popular saying, "The darker the greens, the better the nutrition." In the case of leafy greens, this is especially true.

To help promote these benefits and freshness, San Miguel includes on its value-added packaged greens "Grower Direct... Fresh, Nutritious and Delicious Leafy Greens!" and highlight the nutritional elements of each variety.

Q: Are there any studies that back up any of the health claims of your product?

A: The American Dietetic Association provides guidelines in nutrition for all ages and genders. In the guidelines for *Healthy Eating for Women*, they emphasize the need for women to get calcium and folic acid in their diets.

Greens in the kale family (kale, collard) have as much calcium as milk does. Women especially need calcium to keep bones and teeth strong, but also to prevent osteoporosis.

Greens also provide folic acid to pregnant women to assist in birth

defect prevention.

Also, studies through the Jean Mayer USDA Human Nutrition Research Center on Aging have shown that seniors aren't getting enough Vitamin K. This deficiency can contribute to bone fractures or loss, hardening of the arteries and osteoarthritis.

Q: What is the most important health attribute retailers can promote for your product?

A: The most important health attribute is essentially the completeness of nutrition through these items. By having a very high ratio of nutrients per calorie, consumers are not only making the most of their investment in nutrients, but also in their time, as Cut 'n Clean Greens have eliminated the task and mess of preparing greens.

Q: Since the FDA has strict guidelines on what health claims a company can make, what can be advertised or put on labels of your product packages?

A: San Miguel Produce's value-added label called Cut 'n Clean Greens highlight the vitamins and nutrients that the product is high in through a window on the front of the package. This becomes an easy reference point for consumers to see the health benefits the vegetables provide.

We also provide the following Key Benefits on some of our materials:

- Cancer fighting and prevention: Cruciferous, boosting the immune system, lowering the incidence of some cancer sites, supporting cardiovascular health, building bones and fighting birth defects.

- Cardiovascular disease/eye health: Greens are packed with lutein.
- A nutritional wallop of high levels of vitamins and minerals such as A, B, C, E, K, beta-carotene, calcium, potassium, iron, magnesium, folate, lutein and chlorophyll.

- Greens are a naturally high-fiber, low-fat, low-sodium and low-carbohydrate food.

- Low-fat diets rich in fiber-containing grain products, fruits, and vegetables may reduce the risk of some types of cancer and heart disease, diseases associated with many factors.

Q: What challenges do you face in getting the health message about your product to consumers and what solutions can you suggest?

A: Consumers may not be aware of how to prepare some of these specialty greens. The company provides educational tools for retailers and consumers, such as nutritional and taste profiles on each variety of green. We also have extensive recipes, over 150, on www.cutnclean.com. In addition, we often provide food demos in store to help consumers learn how easy it is to prepare these greens and how delicious they can be for any diet.

SAN MIGUEL

PRODUCE, INC.

Farm Fresh... Grower Direct!

Introducing two new Organic Cut 'n Clean Greens, *Hearty Greens* and *Rainbow Chard*, to our growing family of bunch and fresh-cut nutritious and delicious Specialty and Asian greens!

Makers of



**Sales/Customer Service:
805.488.6461**

sanmiguelproduce.com

cutnclean.com

jade88.com

Certified by:



San Miguel Produce, Oxnard CA

Reader Service # 31



HOW TO USE FRUITS AND VEGETABLES TO HELP MANAGE YOUR WEIGHT



Fruits and vegetables are part of a well-balanced and healthy eating plan. There are many different ways to lose or maintain a healthy weight. Using more fruits and vegetables along with whole grains and lean meats, nuts, and beans is a safe and healthy one. Helping control your weight is not the only benefit of eating more fruits and vegetables. Diets rich in fruits and vegetables may reduce the risk of some types of cancer and other chronic diseases. Fruits and vegetables also provide essential vitamins and minerals, fiber, and other substances that are important for good health.

To lose weight, you must eat fewer calories than your body uses.

This doesn't necessarily mean that you have to eat less food. You can create lower-calorie versions of some of your favorite dishes by substituting low-calorie fruits and vegetables in place of higher-calorie ingredients. The water and fiber in fruits and vegetables will add volume to your dishes, so you can eat the same amount of food with fewer calories. Most fruits and vegetables are naturally low in fat and calories and are filling.

HERE ARE SOME SIMPLE WAYS TO CUT CALORIES AND EAT FRUITS AND VEGETABLES THROUGHOUT YOUR DAY:

BREAKFAST: *Start the Day Right*

- Substitute some spinach, onions, or mushrooms for one of the eggs or half of the cheese in your morning omelet. The vegetables will add volume and flavor to the dish with fewer calories than the egg or cheese.
- Cut back on the amount of cereal in your bowl to make room for some cut-up bananas, peaches, or strawberries. You can still eat a full bowl, but with fewer calories.

LUNCH: *Lighten It Up*

- Substitute vegetables such as lettuce, tomatoes, cucumbers, or onions for 2 ounces of the cheese and 2 ounces of the meat in your sandwich, wrap, or burrito. The new version will fill you up with fewer calories than the original.
- Add a cup of chopped vegetables, such as broccoli, carrots, beans, or red peppers, in place of 2 ounces of the meat or 1 cup of noodles in your favorite broth-based soup. The vegetables will help fill you up, so you won't miss those extra calories.

DINNER

- Add in 1 cup of chopped vegetables such as broccoli, tomatoes, squash, onions, or peppers, while removing 1 cup of the rice or pasta in your favorite dish. The dish with the vegetables will be just as satisfying but have fewer calories than the same amount of the original version.
- Take a good look at your dinner plate. Vegetables, fruit, and whole grains should take up the largest portion of your plate. If they do not, replace some of the meat, cheese, white pasta, or rice with legumes, steamed broccoli, asparagus, greens, or another favorite vegetable. This will reduce the total calories in

your meal without reducing the amount of food you eat. BUT remember to use a normal — or small-size plate — not a platter.

- The total number of calories that you eat counts, even if a good proportion of them come from fruits and vegetables.

SMART SNACKS

Most healthy eating plans allow for one or two small snacks a day. Choosing most fruits and vegetables will allow you to eat a snack with only 100 calories.

About 100 Calories or Less

- a medium-size apple (72 calories)
- a medium-size banana (105 calories)
- 1 cup steamed green beans (44 calories)
- 1 cup blueberries (83 calories)
- 1 cup grapes (100 calories)
- 1 cup carrots (45 calories), broccoli (30 calories), or bell peppers (30 calories) with 2 tbsp. hummus (46 calories)

Instead of a high-calorie snack from a vending machine, bring some cut-up vegetables or fruit from home. One snack-sized bag of corn chips (1 ounce) has the same number of calories as a small apple, 1 cup of whole strawberries, AND 1 cup of carrots with 1/4 cup of low-calorie dip. Substitute one or two of these options for the chips, and you will have a satisfying snack with fewer calories.

REMEMBER: SUBSTITUTION IS THE KEY

It's true that fruits and vegetables are lower in calories than many other foods, but they do contain some calories. If you start eating fruits and vegetables in addition to what you usually eat, you are adding calories and may gain weight. The key is substitution. Eat fruits and vegetables instead of some other higher-calorie food.



MORE TIPS FOR MAKING FRUITS AND VEGETABLES PART OF YOUR WEIGHT MANAGEMENT PLAN

Eat fruits and vegetables the way nature provided—or with fat-free or low-fat cooking techniques.

Try steaming your vegetables, using low-calorie or low-fat dressings, and using herbs and spices to add flavor. Some cooking techniques, such as breading and frying, or using high-fat dressings or sauces will greatly increase the calories and fat in the dish. And eat your fruit raw to enjoy its natural sweetness.

Canned or frozen fruits and vegetables are good options when fresh produce is not available.

However, be careful to choose those without added sugar, syrup, cream sauces, or other ingredients that will add calories.

Choose whole fruit over fruit drinks and juices. Fruit juices have lost fiber from the fruit.

It is better to eat the whole fruit because it contains the added fiber that helps you feel full. One 6-ounce serving of orange juice has 85 calories, compared to just 65 calories in a medium orange.

Whole fruit gives you a bigger size snack than the same fruit dried — for the same number of calories.

A small box of raisins (1/4 cup) is about 100 calories. For the same number of calories, you can eat 1 cup of grapes.





As the year comes to an end, Produce for Better Health Foundation thanks you for your **ongoing support** of the Fruits & Veggies—More Matters® health initiative and the America More Matters pledge campaign.

Every day, more and more **consumers are beginning to recognize** the important relationship between fruit and vegetable consumption and good health. We believe this is **a direct result of the strong collaborative partnership** that exists between PBH and the fruit and vegetable industry. More work remains to be done, however, as **we look to expand this public awareness** and translate the Fruits & Veggies—More Matters message into real, sustainable dietary change for all Americans.

To meet this challenge, PBH looks forward to continuing our work with you in 2011 to encourage and motivate America's consumers to **eat more fruits and vegetables**. It's an issue that is of paramount importance to the health of the nation and to the industry.

**The staff of PBH wishes you Happy Holidays
and a healthy, prosperous, and bountiful 2011!**



www.FruitsAndVeggiesMoreMatters.org

Produce for Better Health Foundation • 7465 Lancaster Pike • Suite 1, 2nd Floor • Hockessin, DE 19707
302.235.2329 • www.pbhfoundation.org



©2010 Produce for Better Health Foundation
1220-1110 (Produce Business - December)

Vibrant Market For Independents And 'New' Ethnic Buying Groups



The produce terminal markets serving the Greater Boston area have carved out a niche to keep them viable in today's competitive atmosphere. **BY JAN FIALKOW**

Although produce terminal markets throughout the country no longer provide the majority of fresh produce to supermarket chain stores, they still offer a wide variety of fresh product and essential services to a segment of the industry that depends on the quality of their merchandise and the integrity of their businesses.

The produce terminals servicing the Greater Boston market are actually two distinct entities, separated only by a chain link fence that doesn't completely traverse their shared parking lot. The New England Produce Center is on the Chelsea side of the fence and the Boston Terminal Market is on the Everett side. The zip codes may differ, but the ethos that permeates the vendors does not.

Every wholesaler is aware of his or her place in the distribution chain and understands the need for flexibility in a rapidly morphing environment. "Despite growing direct shipments, wholesale markets remain a vital component of the food chain distribution," claims Gene Fabio, president of J. Bonafede Co. Inc., in Chelsea, MA. "There will always be parts of that chain we cater to. We round off square pegs to make them fit into round holes. We provide an outlet for 'lost children.'"

Anthony Sharrino, owner, president and director of Eaton & Eustis Co., based in Chelsea, MA, asks, "Where else can customers come and have their pick of 40 or 50 vendors in a single place? That's a terminal market in a nutshell."

According to Sam Strock, president of Chelsea, MA-based S. Strock & Co. Inc. "The produce market is vital to fill the needs of all — some complete supply, others a major portion, and many a small portion. It helps everyone to prevent undersupply and reduce spoilage."

"Shopping the market is imperative, even for the largest of institutional buyers," states Mike Strock, director of business development at S. Strock. "Doing so minimizes the risks associated with overbuying and the losses that ensue. By complementing FOB buys with daily market buys, buyers can achieve greater product rotations. Furthermore, the market allows one to shop the best quality versus price for margin-enhancing spot market deals."

"The range of fresh products is so much greater than in the past," says Jim Ruma, president of Ruma Fruit & Produce Co. Inc., which is located outside the markets in Everett, MA. "Produce departments can have 600 items. Twenty years ago, there were probably 100 or so. [Unless you're a large chain], there's no way you can go direct for all that. Foodservice thrives on that variety. Chefs are always looking for something different to put on the plate. The market has what they are looking for and they can see it there."

According to Stephen Silk, president at Arthur G. Silk Inc., in Chelsea, MA, "On wholesale markets, buyers have their choice of merchandise. We buy from several suppliers. There will always be a need for the market. People need choice and we offer convenience."



Tom Piazza,
Community Suffolk Inc.



Steven Piazza,
Community Suffolk Inc.



Will Piantini,
WP Distributors



Dominic Cavallaro III,
John Cerasuolo Co.



Lou D'Alleva,
Garden Fresh Salad Co.

An Economy Still In Recovery

The market remains busy, but the clientele has shifted from major chains, which buy direct from shippers, to independents whose volume doesn't warrant direct shipments.

"It's always lively on the market," says Butch Fabio, treasurer at J. Bonafede. "A lot of stuff goes to smaller outlets. We remain vital to stores too small for direct shipments. We've always had fill-in business with the chains but our bread-and-butter is independents."

"At the terminal market, you can see the product before you buy," states Peter John Condakes, president of Peter Condakes Co. Inc., in Everett, MA. "You can pick your lots in person from multiple shippers rather than one supplier. In a small area, you have a breadth of commodities. You make only 10 or 20 phone calls rather than 100."

Although almost everyone agrees business is better than it was when the recession began, the general consensus is that the official end to the recession has not signaled a return to robust growth. "Nothing much has changed," says Butch Fabio. "The economy remains a problem. We're moving away from higher priced exotics, such as pineapples, and moving to bananas and local apples."

Gene Fabio adds, "People don't need gold pineapple, Heirloom tomatoes or figs flown in from California. They're simplifying."

Tom Piazza, a sales associate with Community Suffolk Inc., in Everett, MA, talks to the return of commodity items as a way to get a family through tough times. "Potatoes are a staple — a great value," he says. "They can feed a family relatively cheaply, so the economy has actually been helpful to us." And when families do go out to eat, they still rely on the staples. "Restaurants that serve Russets are doing OK, while those that serve à la carte potatoes aren't. Anyplace that does comfort or family-style food is still doing fine."

Customers are still buying from the market, but their buying patterns have

changed. George Salis, a sales associate at Peter Condakes Co. notes, "There's been a lot of activity, but not as much volume as in the past. The customers are still here, they're just not taking as much."

It doesn't take an old-timer to notice the changes. Now in his third year in the business, Dominic Cavallaro III, a sales associate with John Cerasuolo Co. Inc., in Chelsea, MA, can see a gradual improvement. "The business is not like it was when I worked here summers, but it's better than it was two years ago," he explains. "The market is important because it's a public place for people to shop at a reasonable price."

Steven Piazza, president and sales director of Community Suffolk Inc., comments on how the recession has affected consumers. "The economy has made wiser consumers of most people," he points out. "With jobs and money so tight, consumers have to shop carefully. We have to have good product with high volume and good retails. We have to help families feed themselves on reasonable dollars. Business is as good as last year, and last year was better than the year before," he continues, "but it's definitely harder on the company to provide value consistently. The biggest challenge is to have access to capital. It's expensive to operate. Forklifts, products — everything costs money. You have to earn every sale."

Retailers are turning to pricing as a means to draw in consumers. According to Rich Travers, secretary at Mutual Produce Corp., headquartered in Chelsea, MA, "Our customers want price first — but quality still has to be there. In the past, quality was the prime characteristic."

"All of our customers are looking for values," notes Paul Travers, president of Mutual Produce. "They're looking to run three-day specials — Thursday, Friday and Saturday. The biggest change I see is that this is happening in all stores regardless of size. Sometimes the produce items are loss

leaders; sometimes they aren't. It's a sign of the times and I think we'll continue to see it moving forward. On the plus side," he adds, consumers are getting better value. They're getting accustomed to the [lower] prices. Even high-end items are affected. It's going to take creative marketing to keep them coming back when prices start to go rise again."

Rich Travers remarks on what it takes to maintain business. "We've become more customer-oriented," he says. "Due to the depressed economy, everybody is price-sensitive. We have to find a niche so our customers can compete on a daily basis."

Service Offers Differentiation

Service is one of the market's major selling points. It's a strategy that exemplifies the businesses here. Distilling it down to its most basic tenet, Mark Ruma, vice president of operations at Ruma Fruit, says, "The name of the game is service."

"We're the last market before Canada," remarks Mario Pallotta, president of M. A. Pallotta Brokerage Co., in Everett, MA. "Hartford is gone, Providence is gone. We go to the Maritimes, to Quebec. We take care of the Northeast. We have trucks in here every night from Canada."

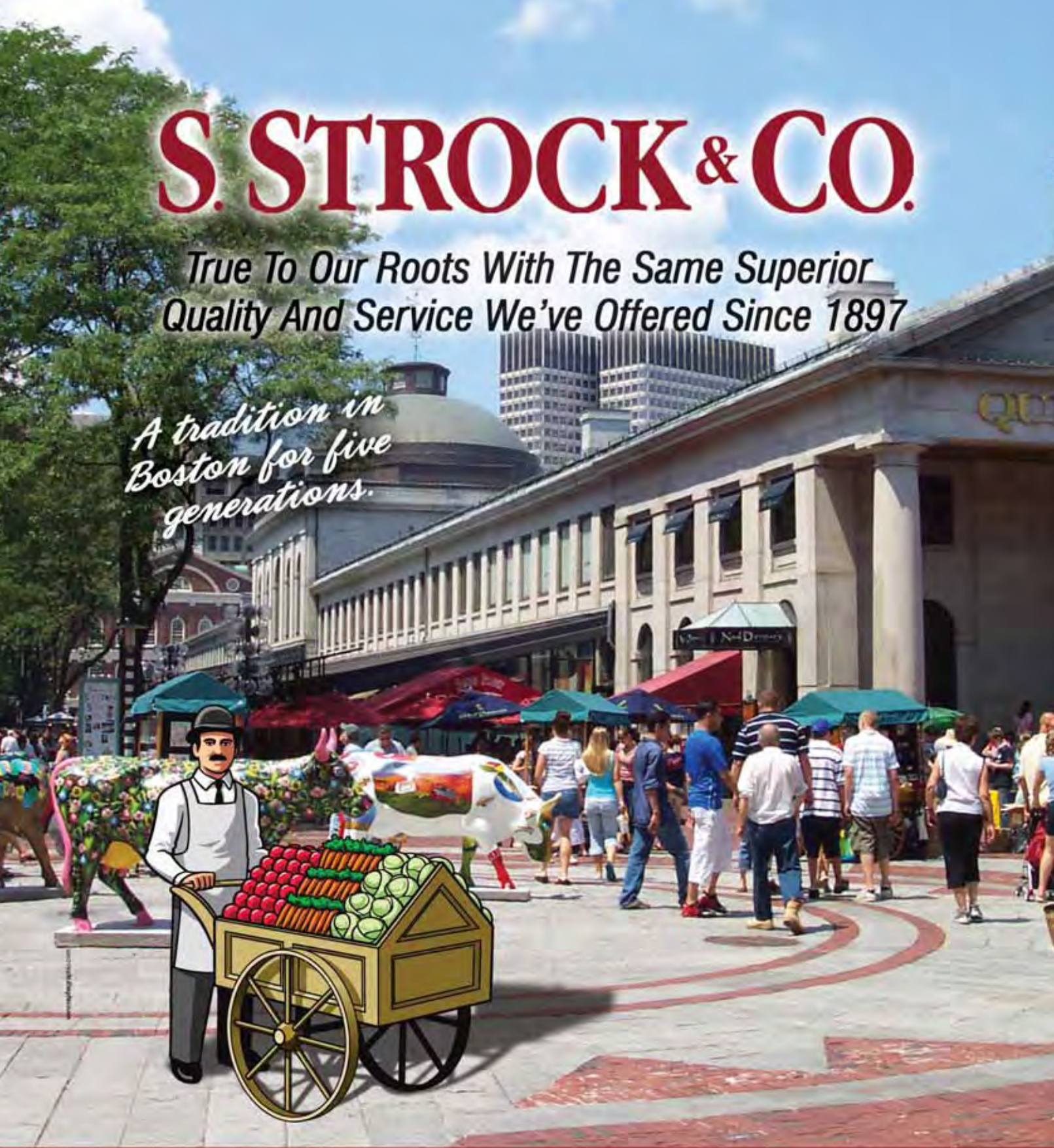
The specific services offered by the wholesalers are critical. "We do custom repacks and set ups for tomatoes, says Condakes of Peter Condakes. "I can give you a range of size and colors. If product is going to a restaurant, it has to have full color. We go through everything from the shipper and take out the inappropriate stuff. There's far less shrink. We may be higher than FOB, but the shrink is much lower. Many retailers don't have a real handle on their shrink."

"Buyers can purchase exactly the amounts they need as they need it, which isn't easily done buying FOB," notes Bruce Strock, vice president of S. Strock. "Buyers can also adjust to market conditions much

S. STROCK & CO.

*True To Our Roots With The Same Superior
Quality And Service We've Offered Since 1897*

*A tradition in
Boston for five
generations.*



1500XXXXAA



63 New England Produce Center - Chelsea, MA 02150
Tel: (617) 884-0263 - Fax: (617) 884-7310
www.sstrock.com



AXXXXI



Gene Fabio,
J. Bonafede Co. Inc.



Peter Bonafede,
J. Bonafede Co. Inc.



John Bonafede,
J. Bonafede Co. Inc.



Butch Fabio,
J. Bonafede Co. Inc.



Kevin Maher,
Coosemans Boston

more quickly because they are not buying five to seven days out."

Bonafede's Butch Fabio says, "We handle a lot of product that's small volume and highly perishable — like parvol, a popular Indian vegetable that's fried or boiled for curries and stews. It's hard to get — growers aren't growing as much as they used to because it's such a headache."

No matter what a company offers in the way of service, it can't sit back and expect that to be enough. Dave Patnaude, sales manager of Coast to Coast Produce LLC, in Cheshire, CT, with a branch at the Boston Terminal Market, acknowledges, "We need to increase our service. We need to have it

when they want it. The company that can deliver what they want when they want it will succeed. This works on the wholesale and the retail levels."

According to Jackie Piazza of Community Suffolk, "We put pride in our product. We always have products. We check every box before it leaves here — customers don't reject our lemons. We promise good product when they need it. They get zero shrink from us. We go the extra mile and maintain relationships."

Filling the need for specific items can make a wholesaler indispensable. Kevin Maher, vice president of Chelsea, MA-based Coosemans Boston Inc., which

focuses on specialty items, says, "The niche we offer is specific lines. I got a load of peppers and tomatoes out of Canada. I can throw a pallet of Campari tomatoes on a truck and service my customers. The grower gets to move volume and can also serve niche customers."

"The terminal market is an important part of the produce equation," notes Patnaude. "Some houses are doing more service in the past five years or so. They're delivering, offering seamless service to retailers and foodservice."

"If there's an emergency — shorts, for example — we're here," state Condakes of Peter Condakes. "If you have to cut back

JOHN CERASUOLO CO., INC.

Serving the Boston Trade as produce commission merchants since 1906

RECEIVERS OF FRESH FRUIT AND VEGETABLES

*Skip Cavallaro • Ken Cavallaro • Mike Donohue
Dominic Cavallaro III • Dana Campo*

617-884-3760 • 800-875-8286
Fax: 617-884-8272
E-mail: sales@jcerasuolo.com

38-39 New England Produce Center • Chelsea, MA 02150

Reader Service # 46

Reader Service # 48

**COOSEMANS
BOSTON, INC.**

"We've Got You Covered"

*Kevin Maher, Maurice Crafts,
Douglas Gordon & David Braga*

617-887-2117
Fax: 617-887-2579
Email: kevin@coosemansboston.com

124-125 New England Produce Center
Chelsea, MA 02150

CUTTING-EDGE COMPANY



CUTTING-EDGE QUALITY & SERVICE

CUTTING-EDGE CUSTOMIZATION

- Fresh-cut produce and salad blends to your specifications.
- Private label retail, foodservice & catering.
- Quality assured — HACCP compliant.
- New 30,000 sq. ft. state-of-the art facility to handle your specific needs.
- Serving New England and beyond.



Tel: 617.889.1580

Fax: 617.889.3035

*Izzy D'Alleva, Lou D'Alleva, Pat Hurney,
Melissa D'Alleva, Maureen Hurney, Patrick Burke,
Lisa Burke, Howie Hall, John Whitney and Rita Whitney*

ALSO HANDLING A FULL LINE OF CALIFORNIA VEGETABLES, LETTUCE, HERBS AND FRUIT



Walter Lemus,
S. Strock & Co. Inc.



Stephen Condakes,
Peter Condakes Co. Inc.



George Salis,
Peter Concakes Co. Inc.



Charlie DiMascio,
Dave's Marketplace



Peter John Condakes,
Peter Condakes Co. Inc.

on an order, that can be done too. This is a 52-week-a-year game. We can often forecast and advise retailers. If retailers realized what they lose by buying direct vs. what they gain by buying here, more would buy here. Buyers appreciate when you notice what they're doing right in their stores," he continues. "I shop their stores and let them know what I like."

The Importance Of The Independent Retailer

All the wholesalers agree the strength of independent retailers is paramount. While some refer to the growth of existing independents and others to an expansion

of ethnic grocers, they all realize this segment of the retail food business will continue to be the force behind the produce market's vitality.

"Independents need the best quality every day in order to satisfy their customers and increase their growth," relates Bruce Strock of S. Strock. "It would be difficult to access many items buying just at shipping point. It would be next to impossible to load everything they need, for everything to arrive when they need it, and for everything to arrive in perfect shape. Also, how would they replace poor arrivals?"

According to Mario Cutone, president of M. Cutone Mushroom Co. Inc., in Chelsea,

MA, "The independents come in and shop. The chains only come in when an item is short. We'll do anything our customers want — we'll pack whatever they want. The independents are growing and giving the chains some competition. But there aren't that many of them left. The mom-and-pops are gone."

"The independents that existed several years ago are stronger," relates Bonafede's Butch Fabio. "And there are always start-ups. But I don't know if the total business has expanded substantially."

"Independents use the market as their main buying Mecca," says Sharrino of Eaton & Eustis. "They look for the best

MUTUAL PRODUCE

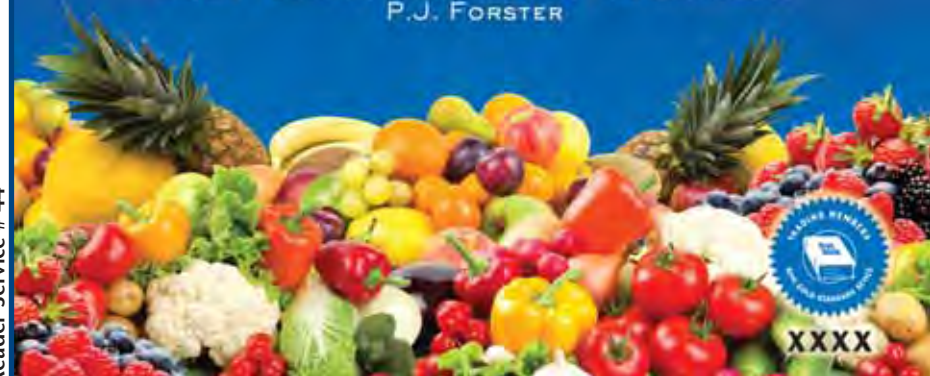
48-50 NEW ENGLAND PRODUCE CENTER
CHELSEA, MA


Over 50 Years of Quality and Service.

HANDLE FRUIT, VEGETABLES & MELONS FROM ALL
PRODUCING AREAS FOREIGN AND DOMESTIC

PHONE: 617 889-0035 OR 617 889-0038
LONG DIST: 617 889-1550 · FAX: 617 884-2544
EMAIL: MUTUAL2813@AOL.COM

SALES
RICHIE TRAVERS, PAUL TRAVERS, TOM GIOVACCO,
P.J. FORSTER





XXXX



FRESH FIDDLEHEADS
10LB BULK • CLAMSHELLS - (April - June)

FRESH WILD MAINE BLUEBERRIES
PULP • CLAMSHELLS - (August - September)

NATIONWIDE SHIPPING

Ruma

Fruit & Produce Co., Inc.

210 Beacham St.
Everett, MA 02149

800-252-8282

Jim Ruma - President
Mark Ruma - VP Operations
Andrea Ruma - VP Marketing
sales@rumas.com
www.rumas.com

Reader Service # 44

Reader Service # 47



P.J. Forster,
Mutual Produce Corp.



Tom Ciovacco,
Mutual Produce Corp.



Robert Crafts,
State Garden



Stephen Silk,
Arthur G. Silk Inc.



Steve LaFauci,
J. Bonafede

product at the best price on a daily basis. Independents have a place to come. Time is of the essence in our culture. The companies doing pre-cut are doing well — it's a matter of convenience."

Coosemans' Maher believes, "Independent retailers have to be very specialized. In Boston, the high-end stores are doing well. The ethnics are doing OK because they're filling a niche. But just the local guy on the corner, not so much. There's a Korean chain here doing well. It has some of the most unique produce I've seen — it has walls of kimchee."

Servicing the independents takes a mindset different from that required to

supply the chains. "Independent retailers may need only a small number of boxes," says Condakes. "They want and need the best quality. That builds confidence and trust in both directions. They appreciate when we can offer promotional information. They usually want to promote when prices are high, so you need to advise them when the timing is right. Obviously, we're not talking about weather-related highs that can't be worked around."

Jim Ruma of Ruma Fruit notes, "The independents can take advantage of the specialty items. A 200-store chain needs 200 cases and not everyone can supply that much."

"I'll take any order," claims Jackie Piazza of Community Suffolk. "I'll do my part to help the independents."

"Where else are the independents going to go?" asks Mario Pallotta of M. A. Pallotta Brokerage. "Even the farm stands buy product here during the summer. The market is an important and integral part of what happens in this city."

According to Paul Travers of Mutual Produce, "We lose the edge on some items, gain it on others. Our customers still have to make their margins. If we can supply them, the independents will be loyal."

An additional benefit of the wide variety

Babé Farms
Since 1986

*Delivered fresh
from our family farm to you.*

Babé Farms, the Pioneer
in Specialty Vegetables,
growing year-round
in Santa Maria, California

View our farm video:
www.babefarms.com

"Only Tomorrow's Harvest is Fresher"

Reader Service # 76

J. BONAFEDE Co., Inc.

Importers & Distributors of
Bananas - Pineapples - Avocados - Watermelons - Mangos

Conventional and Organic
Tropical Produce
Plus a full line of Asian and Hispanic Vegetables

Call Gene, Butch, John or Steve

Tel: 617-884-3131 Fax: 617-889-2929
bananas@jbonafede.com

29 to 32 New England Produce Center, Chelsea, MA 02150

Reader Service # 50

In Boston Since 1880

Eaton & Eustis Co.

Units 90-92-93-94
New England Produce Center
Chelsea, Massachusetts

617-884-0298 ss

617-884-0678

Fax: 617-884-2611

Anthony Sharrino

Receiver-distributors of
foreign and domestic produce including:
Garlic • Chestnuts • Coconuts • Onions • Peanuts

A FULL LINE OF NUTS AND DRIED FRUIT



Michael and Adam Strock,
S. Strock & Co. Inc.



Izzy and Melissa D'Alleva,
Garden Fresh Salad Co.



Rich and Paul Travers,
Mutual Produce

For Over 72 Years...

*"Rosebud on the label
means quality on the table!"*

COMMUNITY SUFFOLK INC.

Offering Full Service...

Repacked Fruits & Vegetables, Foodservice Products

and a Full Line of

Fruits & Vegetables from

all Producing Areas.

*Tommy, Steven, Jack, or David Piazza
Ron Dugas, Chris Rodes, John Michaels,
Mike Patalano or Joe Gelardi*

617.389.5200 • fax 617.389.6680

**Boston Market Terminal • 304 Second Street • Everett, MA 02149
New England Produce Center • Bays 126/127 • Chelsea, MA 02150**

of independents in the marketplace means a greater likelihood of moving more product. "You have to be upfront," asserts Sharrino of Eaton & Eustis. "You have to have customers for every quality."

"Sourcing the finest quality produce at the best possible price provides an invaluable service to the area's independent retailers," says Mike Strock of S. Strock. "Most importantly, daily arrivals ensure freshness and a superior quality product for the end-consumer."

The Ethnic Subset

America has always been a magnet for people of different ethnicities. When a new group reaches a critical threshold, entrepreneurs see an opportunity to provide the foods of the homeland to their fellow immigrants. This keeps the marketplace active and results in new produce items entering the mix. "We can provide products that were previously not



Mario Pallota,
M. A. Pallotta Brokerage Co.



Mark Zenga,
Arthur G. Silk Inc.



Jackie Piazza,
Community Suffolk



Doug Gordon and Maurice Crafts,
Coosemans Boston

known or popular," says Bonafede's Gene Fabio. "The population is more fragmented than at any time in our history. Each group has its own cuisines, which increases the possibility for additional items. Populations not previously on the radar screen are now significant groups and we need to cater to them. Many of their items then bleed into mainstream America."

"We try to help smaller retailers and give them an advantage that some other firms don't have," says Condakes. "The small ethnics would have a very hard time without the market."

According to Sharrino, "Ethnics are a big part of the walk-in business on the market. They buy everyday and they do a very good job."

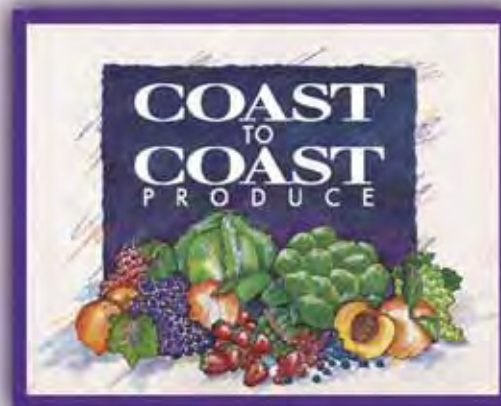
"Everybody has to eat, so why are there cycles in this business?" asks Bonafede's Butch Fabio. "Ethnics do less cooking in the summer. Many of the root vegetables that are part of their cuisines have to be boiled for hours, and it's too hot to do that in the summer."

The Chains' Security Blanket

Although chain business is not what it was in the market's heyday, Boston still enjoys a respectable amount of chain traffic, albeit mostly for fill-ins. "We're the chains' security blanket," claims D'Alleva of Garden Fresh. "When they're short, they come to us. We do pre-cut for food-service and prepped items for retail foodservice. A lot of retailers are going into prepped foods."

"The chains don't totally bypass the market," notes Sharrino of Eaton & Eustis. "You have to give them what they want at a fair price. Today's chains have zero tolerance for defects."

According to Ken Cavallaro, treasurer at John Cerasuolo, "We all need to eat, and produce centers have the produce. We're



CORPORATE HEADQUARTERS

P. O. Box 250 • 125 Commerce Ct. • Cheshire, CT 06410

Ted Kulpik, East Coast Sales Manager

Eileen Oliver, Sales • Carmen Rosa, Sales • Lucas DiBenedetto, Sales

Phone: 203-271-2006 • Toll Free: 800-433-1403 • Fax: 203-271-2796

Offices located throughout the U.S.
to serve all your needs.

MONTEREY, CA

Linda Spry, West Coast Sales Manager

Larry Burkett, Sales

831-655-7720 phone

800-562-9844 toll free

831-655-7725 fax

EVERETT, MA

Dave Patnaude, Sales Manager

Sean Murrack, Sales

John Finn, Sales

617-381-0065 phone

877-836-6295 toll free

617-381-0067 fax

BAKERSFIELD, CA

Ralph Baker, Sales Manager

661-377-1575 phone

661-377-1580 fax

CONTINUING OUR COMMITMENT
TO SERVICE AND QUALITY

www.ctcproduce.com





Bruce Strock,
S. Strock & Co. Inc.



Skip Cavallaro, Dominic Cavallaro III, Kara Cavallaro-Rullo, Ken Cavallaro, Robert Deangelo and Dana Campo, John Cerasuolo Co. Inc.



Anthony Sharrino,
Eaton & Eustis

a necessary part of the business, even though the chains dictate more than the produce companies. We do fill-ins for chains when product is short, but we fill a niche for non-chain businesses."

Rich Travers of Mutual Produce notes, "Wholesale markets are an important part of distribution. We service a combination of retail and foodservice as well as fill-ins for the chains."

"The wholesale market is the structure for the whole business," says Jackie Piazza of Community Suffolk. "Without markets, chains can't replace product. They turn to us to correct their mistakes."

Then Vs. Now

The change in the way business is done has had a profound effect on the market. The days of chain buyers "walking the street" are gone and will probably not come back. Buying is more streamlined and faster, thanks to technology that keeps leading the wholesale market into new and uncharted waters. Izzy D'Alleva, founder, president and owner of Garden Fresh, argues that the benefits of technology have to be weighed against the inherent knowledge early generations relied on. "If buyers come to the market, they have a chance to choose product," he says.

"If they just fax in an order, they can't see what the product looks like. The bottom line is that consumers suffer because no one has seen the merchandise. People need to go back to the basics," he continues. "Everyone will win then, especially the consumer who will get better product cheaper. Consumers benefit when buyers and suppliers haggle over price. It would be nice if people started getting educated about produce again. The consumer pays for the way business is done today. We need more 'old-fashioned' business. We do well because we're processing. We're local — the largest on

the East Coast."

Sharrino of Eaton & Eustis stresses that the "human" factor has not disappeared. "Even with electronic and fax ordering, it still has to be the right price on the right product. It still has to pass visual scrutiny at some point. If the product isn't good, you lose future business. Somewhere along the line, it gets scrutinized by somebody."

"The computer has replaced relationships," says Patnaude of Coast to Coast. "It's one thing to see a picture on a screen. It's another thing to see, smell and taste it. Right now, the bottom line trumps relationships."

What's Next?

No one on the market has a crystal ball, but the wholesalers in Boston are looking to positive developments in the future. "I think we've suffered as many encroachments on our function as produce distributors as we're likely to see for some time," opines Bonafede's Gene Fabio. "I see no further significant development of produce warehouses in New England that will negatively impact our share of the produce center in the distribution chain."

"For many years, we've been suffering the slings and arrows of burgeoning warehouses of C&S, Costco and expansive supermarket warehouses," he continues. "That portion of the industry is beginning to mature and we're continuing to satisfy our customer base and developing new niches as the industry evolves."

"There will always be a terminal market in Boston," predicts Steven Piazza of Community Suffolk. "We're far away from major shipping lines. But there's still room for [retail] consolidation, even if the number of independent retailers is not as large as it once was."

Geography is also a factor for Ken Cavallaro of John Cerasuolo. "I think terminal markets will remain a part of the

distribution chain, even though there aren't that many of them throughout the country. The Northeast — Boston to DC — drives the market for quality produce. Detroit and Chicago have an impact, but the Northeast sets the standard."

Dominic (Skip) Cavallaro, III, president of Cerasuolo, notes, "The Chicago outfits are large, but there aren't as many of them. They service a large geographic area."

According to Coosemans Maher, "The future looks bright. This year is better than last. The numbers are up. The recession is technically over, but the unemployment figures haven't caught up yet. That's what we have to hope for — better employment figures."

Although most of the wholesalers on the market have been there for generations, people new to industry see opportunities for growth. Will Piantini, owner of W.P. Distributor LLC, has been on the Boston Terminal Market in Everett for only 1½ years. Originally from Dominica, he has a marketing degree and sells specialty produce, mostly Hispanic and Asian with some tropical. "I was a potato chip distributor. As a distributor, it was easy to add a product," he says of his entry in the produce world. "A friend needed help. He had a container of plantains and I moved it in a snap. I realized there was potential in the produce business, so I got the appropriate licenses and sold the distributorship. I'm looking to build a long-term operation," he continues. "I go to customers' stores and offer suggestions. My customers are small ethnic stores. I'm looking to buy directly from farms in Florida. That will give me better quality at a better price. I get one container a week from Florida now — it's all pre-sold. I'm also looking to develop my own brands."

Wholesalers both new and established need to address the concerns of the modern consumers. For example, the market can



Dave Patnaude, Sean Murdock, John Finn of Coast to Coast Produce



Andrea, Jim and Mark Ruma of Ruma Fruit & Produce Co., Inc.

take up the mantle of the locavore movements. "A lot of the local growers bring their product here to the market," says Mary Jane Maher, partner at Coosemans. We're important to the buy-local movement."

"We can assist local farmers," says Condakes of Peter Condakes. "We're important to the local movement. Small, local New England farms are making the investment to get all their tracking in order."

"People are eating healthier," says Dominic Cavallaro III of Cerasuolo. "They're cutting back, not eating as much fast food. They're cooking more at home. There's still room to improve our business. Long term, it's a viable business. We're looking forward to seeing how we can grow the business."

According to Patnaude of Coast to Coast, "Growers and retailers need to come to grips with the reality of what it takes to grow the produce segment. Costco is where consumers can learn about new items. They do lots of sampling. Every retailer should be doing it — this is how you educate consumers. Produce drives profitability in a store," he continues. "Associates in the produce department should know about the items. Everybody along the distribution chains needs to be telling the health attributes story for all items. The pomegranate market is phenomenal. Each type of product should be promoting itself the same way."

In the end, it all comes down to education. "There's a lot of good information being shared about our products, but there's also a lot of 'pseudo' information that paints products with a broad brush," says Condakes. "And that needs to be debunked. We need verified information. In tough times, you try to work with people," he concludes, "but it can be a challenge." **pb**

J. Pace & Son



A little bit of Italy outside Boston.

BY JAN FIALKOW

If you live in the greater Boston area and are hankering for a true Italian market, you're in luck. J. Pace & Son is the quintessential Italian market. It's filled with fresh produce, fabulous homemade sausage, delicious cheeses, spectacular pastas, enticing pastries and prepared foods whose aromas draw you to the takeout department. Joe Pace, the proud owner, notes, "This is a neighborhood store, not a supermarket."

J. Pace & Son has five stores; the four in downtown Boston cater to the working crowd, while the fifth one is on the waterfront in Boston's South End. This one, in Saugus, is a Mecca for anyone who wants to recreate a little Italy at home. Before Pace bought the property, it was the site of a VFW (Veterans of Foreign Wars) hall. A portion of the new building has been set aside for the VFW to use, at a nominal fee, for as long as they want. Pace didn't want anyone to think he was displacing veterans, even though the group sold the property because they could no longer afford to maintain it.

A ballroom with its own entrance and catering kitchen is being built as part of the complex. The iron grillwork on the stairs was manufactured in Italy and brought over here and installed. The ballroom will have a covered outdoor terrace to protect partygoers from the elements. "We had to blow out thousands of truckloads of rock to build the terrace," Pace proclaims proudly.

Pace, who works seven days a week, was behind the meat counter when *PRODUCE BUSINESS* arrived. "Sometimes, when I come in, in the morning and I look at the store, I'm in awe of what we've accomplished," he tells us.

Pace came to this country from Abruzzi, Italy, as a boy in 1955 with his father, because there was no way for him to make a living in post-war Italy. Once they were established, his father, a construction worker, sent for the rest of the family. In high school, "I was working in a grocery store in the North End after school," he explains. "My father wanted me to go to college, but I wanted my own business. My father had saved his money and bought me a grocery store on Salem Street in the North End for \$13,500 — in cash. He would come in and work in the store after he left his own job.

"In the 1980s, I made the decision to change with the times,"



Pace continues. "I started bringing Extra Virgin olive oil into the store. People were traveling and knowledge was expanding. I bought a bigger store in the North End. We had to have police details at the holidays to control the crowds. Back then, the North End was where all the Italians in the area went to buy all the authentic items they needed for the holidays.

"This store is five months old [as of October]," Pace adds. "We really started expanding about 15 or 16 years ago when the Big Dig started. I knew the change in traffic patterns was going to affect my business," he remembers.

Fresh Produce Rules

The big, bright, cheery produce department contains just about everything anyone needs to put together an Italian feast — or an all-American meal. One display is piled with mesh bags of cluster tomatoes. According to Mario Pallotta of M. A. Pallotta Brokerage Co., in Everett, MA, the buyer for J. Pace on the Boston terminal markets, mesh bags prevent the tomatoes from being picked through. Because consumers can't pick the tomatoes off the vines, he explains, the ring is higher.

Walking around the store with Pallotta and Pace is a real treat. The customers know them by name and they know the customers, too. It's not at all unusual to have someone stop and inquire about today's produce items or what is on the takeout menu.

In the fall, customers can buy fresh olives. "Italians like to brine their own olives," says Pallotta, but not many produce departments allocate space to them. This is just one of the many ways the J. Pace produce department draws customers.

Another is the fresh-cut fruit — cut in store — that occupies a large display. In summer, this one store will sell 250 to 300 1-qt. containers of cut fruit a week. Yet another is the large area adjacent to produce that contains racks filled with dried fruits, nuts and candies, all packaged in store.

In addition to all the cutting and packaging done in-house, J. Pace makes an enormous amount of the foods it sells in-house — including 11 kinds of fresh sausage. The entire basement is used for prep and storage. The bakery, which is open 24/7, services all the stores. How good is the bakery? It makes 600 birthday cakes a week.



Mario Pallotta of M. A. Pallotta Brokerage Co. and Joe Pace of J. Pace & Son

Prepared Food Extraordinaire

"Today, most of the business is done on the weekends because so many women are in the workforce," says Pace. "We do a big business in prepared foods and we also do a lot of catering."

Each of the five stores has a full kitchen that employs three chefs and several assistants who utilize a wealth of fresh produce purchased especially for cooking — from greens for the Italian wedding soup to eggplant in a variety of dishes to fruit baked into and piled on top of a multitude of delicious desserts. An in-store "diner" is a perfect location to sit, talk with old friends, make new friends, and, of course, eat.

On the day *PRODUCE BUSINESS* visited, we sampled a beautiful antipasto piled with Genoa salami, prosciutto, roasted peppers and both mild and sharp Provolone cheese. Then came pasta with steak tips and sautéed onions and Portabello mushrooms — fresh off the market — followed by freshly made chicken Parmigiano and eggplant rollatini. Then there were the made-in-house ricotta cheesecake, pumpkin cheesecake and cannoli. And we couldn't leave without a flame (pronounced flahm) — a tart made with a cookie-dough crust, filled with pastry cream and topped with gorgeous, perfect blueberries, strawberries, kiwis and peaches that glistened under a shiny glaze.

Pace is the embodiment of the American dream — an immigrant who came to our shores, worked hard, found success and appreciates the incredible opportunity he has been granted. He understands you can never sit back and rest on your laurels. "If the business requires more changes, we'll do whatever it takes," he proclaims. "That could even mean delivery — going back to the way things used to be done. "After all," he concludes, "you're judged on who you are and what you do. "Your name has to leave a perfume, not a smell. That's the way we do things." **pb**

J. PACE & SON

190 MAIN STREET
SAUGUS, MA 01906
PHONE: 781-231-9599
FAX: 781-231-9699

HOURS:
MONDAY-SATURDAY 8AM-8PM
SUNDAY 8AM -6:30PM

Mexican Produce: Summer Cheer In The Winter Chill

The many advantages fueling this vibrant produce industry go far beyond the lower cost of labor and land below the border. **BY BOB JOHNSON**



PHOTO COURTESY OF CIRULI BROTHERS LLC

Mexico grows a variety of fruit and vegetables, including bell peppers, mangos, avocados, squash, cucumbers, eggplants and melons.

In the years since NAFTA, the Mexican produce industry has steadily grown to become a major supplier of fruits and vegetables to the United States and Canada throughout the winter. According to the USDA, statistics from September, 2009, through August, 2010, an impressive 5.43 billion pounds of produce was shipped from Mexico into Arizona, virtually all of it into Nogales. An additional 2.18 billion pounds of Mexican produce was shipped into California, and yet another 5.25 billion pounds was shipped into McAllen, TX.

“Mexican produce is the dominant economic force in the Texas produce market,” says John McClung, president and CEO of the Mission-based Texas Produce Association (TPA). “Sixty percent of the produce shipped in Texas is produced outside of U.S. borders and the great bulk of that — 99 percent — is from Mexico. There is a two or three percent increase every year. The bulk of it is handled by Texas growers.”

When you add it all up, according to McClung, nearly 4 million 18-wheelers carrying \$5.5 billion worth of produce cross the

border from Mexico into the United States every year, and the advantages fueling this vibrant produce industry go far beyond the lower cost of labor and land below the border.

The Natural Advantage

On a December day in the dead of winter, the typical afternoon temperature in the state of Sinaloa on the West Coast of Mexico is around 72 degrees. This inviting weather is, among other things, ideal for growing tomatoes and a range of other vegetable crops. “The first advantage to growing in Mexico would be mother nature,” states Jose Garcia, chief operating officer and director of grower relations at Rene Produce LLC, in Rio Rico, AZ. “We have a different climate during the winter. You can’t grow tomatoes in Arizona during the winter unless you have some kind of protection. Sinaloa is the perfect place to grow vegetables like tomatoes, cucumbers, peppers and squash in the winter.”

Mexico has many advantages in growing produce during the cooler half of the year, and lower cost is just one of them. “It’s more economical to grow almost all of the produce in

Mexico because of the labor costs,” says Steve Yubeta, vice president of sales at Farmer’s Best International LLC, headquartered in Rio Rico, AZ. Farmer’s Best grows colored bell peppers, tomatoes, squash, cucumbers, eggplants, watermelons and mangos.

The cost of production is undeniably an advantage below the border, but it may not even be the most important advantage. “I don’t think we’ve got a huge advantage over other areas on cost,” says Jerry Havel, director of sales and marketing at Fresh Farms, in Rio Rico, AZ. “The edge is that we’re centrally located so we can serve both coasts with reasonable transportation costs. The key is quality product and good food safety. There’s a bright future for the Mexican industry. There is land, labor, enough water and good climate.”

Mexico is, ironically, more centrally located to serve all of the United States and Canada than any single significant U.S. agricultural production region during the cool season. “We ship to all areas of the United States. The produce goes to Nogales, AZ; McAllen, TX; or San Diego, CA; and once you get it to one of those three locations, it can be shipped to all of the

Merchandising To The Ethnic Market

The best strategy for merchandising produce in immigrant and ethnic communities is subtle, and it seems to be changing. Traditionally, immigrant communities shop in independent stores within the neighborhood. “In California, Texas, Arizona, the Northeast and Chicago there’s a lot of smaller, independent ethnic markets,” describes Ronnie Cohen, vice president of sales at Vision Import Group LLC, in River Edge, NJ. “They might have five or 10 stores and they carry all the Mexican produce. People shop where they are comfortable, and the language is part of that comfort.”

But the length of time immigrants have spent in the United States has important produce merchandising implications. “The Hispanic/Latino consumer is, of course, different from the Anglo, but we must remember that the level of assimilation is a key barometer of shopping behavior,” says Veronica Kraushaar, president of Viva Global Marketing, based in Nogales, AZ. “For example, newly arrived Latinos shop differently than those who have been here a few years and are more aspirational — switching from brands they know from their homeland to more widespread and popular American brands. This is also the same for Asians, but less so as the latter tend to stay with traditions longer mainly because they often immigrate with their parents and grandparents, and language may also be an issue. We try to help retailers segment their customers and

their merchandising/display activities accordingly.”

Markets serving large ethnic communities do well to account for their demographics when it comes to product mix and price points. “Some stores, [such as Food City] catering to Mexican-American consumers adopt a lower price-point concept with items that are specifically purchased by the target demographic,” says Sandra S. Aguilar, marketing manager at Ciruli Brothers LLC, in Tubac, AZ. “These customers are accustomed to purchasing large volumes of commodities such as tomatoes, mangos, avocados and limes. Merchandising at these stores is usually done in bulk or large bins rather than trendy displays.”

Sometimes there can be subtle demographic distinctions in who is buying mainstream produce items, and in what quantities. “In the top stores for Hass avocado sales, Hispanics comprise 20.4 percent of consumers, while other, non-Hispanic ethnicities, dominated by Asians make up 11.1 percent,” reports Emiliano Escobedo, marketing director for APEAM, based in Los Angeles, CA. “Determining the right product mix that appeals to your customers is key.”

Limes are another mainstream item that are particularly popular with certain ethnic groups. “Our biggest sales item is limes,” reveals Cohen. “Our country has really been growing with Latin and Asian ethnicities and they eat limes. Limes have been growing with the mainstream,

too, because we live in a melting pot. People are using them in cooking; they are looking to go to the store and try things they see on Food Network.” Cohen’s firm is looking to put limes into bags — either 17 2-lb. pound bags in a box or 1- and 5-lb. bags if asked.

“Look around the store and the neighborhood in devising a produce merchandising strategy,” advises Sean Frisby, vice president of marketing and category management at Eurofresh Farms, based in Wilcox, AZ. “For a high concentration of Mexican Americans — particularly first/second generation — a store may choose to merchandise items most often consumed by this group/culture.”

Another alternative is to develop ethnic sections within the store. “Other retailers have ethnic sections within their stores,” Aguilar says. “For instance, Safeway and Wal-Mart both offer Asian and Hispanic products in designated aisles. Merchandising follows the same pattern as the rest of the store in these cases.”

When retailers go the extra step to serve their ethnic customers, it is frequently noticed and appreciated. “We do see a trend that major retailers are looking to take care of the Hispanic population,” says Jose Garcia, chief operating officer and director of grower relations at Rene Produce LLC, in Rio Rico, AZ, “and a lot of Hispanics are walking into the mainstream supermarkets because they have noticed.” **pb**

United States and Canada,” Garcia says.

For the Western half of the United States, Mexico is simply closer than the major winter production areas in the Southeast. “The advantage with Mexican produce is the ability to supply the Western U.S. without going to Florida or Georgia,” says Jorge Quintero, senior marketing director and a partner in Grower Alliance LLC, headquartered Rio Rico, AZ.

But the largest difference usually brings us back to the extraordinary moderate winter climate in Mexico’s growing regions. “We’ve had more consistency to the weather in Mexico,” says Jim Cathey, general manager of Del Campo Supreme Inc., in Nogales, AZ. “Domestically, it’s been too hot, too cold or too wet.”

When storms disrupted Florida tomato production last year, for example, many shippers report that demand for tomatoes from Mexico went through the roof. Even when the weather cooperates in U.S. growing regions, the climate is still better suited for production of some items below the border. “Unlike avocados from any other region, avocados from Mexico are in season year-round,” points out Emiliano Escobedo, marketing director for APEAM, based in Los Angeles, CA. “The peak season normally starts in October and runs through June with high volumes expected from October through February.”

In the case of avocados, for example, the mild winter climate means the harvest season

extends virtually year-round. “Mexico’s unique four blooms, rich soil and microclimates allow for availability of quality fruit throughout the year in a variety of grades and sizes,” continues Escobedo. “Unlike any other growing region in the world, in Mexico, one Hass avocado tree can have two blooms each season versus just one bloom in other countries. Given that avocados from Mexico are grown at different altitudes, which affects the timing of the bloom, in one year, the industry enjoys four blooms. This means growers can pick avocados when the fruit is at the right maturity level all year long, and provide consumers with optimum taste and quality.”

Avocados are far from being the only crop

“More people have felt comfortable buying Mexican produce because of the third-party certifications. If you want to be a player in the U.S. you need third-party certification of ethical standards, good agricultural practices and food safety practices. If you don’t have those certifications, don’t even bother trying to export to the United States.”

— Jose Garcia, Rene Produce

that is easier to produce below the border. “The diverse climates throughout Mexico offer ideal growing conditions for many different products, but the main commodities are tomatoes, mangos, cucumbers, bell peppers, grapes and watermelons,” reports Sandra S. Aguilar, marketing manager at Ciruli Brothers LLC, in Tubac, AZ. “Mexico has repeatedly ranked as the United States’ No. 1 or No. 2 supplier of these products.”

The climate in Mexico makes for both large-scale production of produce items considered specialties in the United States, and also large-scale winter production of many mainstream fruits and vegetables. “Tropicals like mangos, papayas and pineapples are mostly Mexican,” points out McClung of the TPA. “Limes are heavily Mexican, too.” But the climate also makes for strong winter production of many items that are staples of the U.S. produce industry. “There is also a lot of onions, grapes, tomatoes, peppers and cabbage,” he adds.

The Specialty Touch

Free trade has opened up U.S. markets and palates to a number of produce items that have traditionally been popular in Mexico. “There is a little mango production in Southern California and there are also a few trees in Florida, but that fruit stays in Florida,” says Ronnie Cohen, vice president of sales at Vision Import Group LLC, in River Edge, NJ. Vision Import ships limes under the Mojito and Mr. Squeeze labels.

Mangos start around February with the Ataulfo variety from Chiapas, according to Cohen, and the harvest continues with different varieties from different regions of Mexico until September. Ataulfos are followed by Tommy Atkins, Hadens, Kents and Keitts. “In the United States, people pick mangos based on their color,” says Cohen. “Tommy Atkins have the reddest color, but it doesn’t necessarily have the best flavor.”

Pineapples are coming north from the state of Tabasco, adds Cohen. “Every year, they are

improving and the acceptability is growing. They grow the same MD2 variety as Costa Rica and there is a lot of market share to be had because of the location,” he explains.

There are also specialty items that are popular with fast-growing immigrant groups in the United States. “Cactus pears are more of a specialty item, but Mexicans and Middle Easterners like them,” notes Cohen.

Numerous other items that many people in the United States have never heard of are very popular in some ethnic markets. “Specialties such as like cactus leaf, (*nopales*), kohlrabi and

other exotics with lower volume have high demand in ethnic markets,” says Veronica Kraushaar, president of Viva Global Marketing, based in Nogales, AZ.

Shipments of Mexican lemons of the Eureka variety are also increasing, according to Cohen. Coca-Cola and some of the juice companies had contracts for Mexican lemons that expired, so growers learned how to manure their trees to grow for the fresh market.

Mexico is also already the major player in the production of limes, which are the traditional citrus fruit of choice across the border. “We move twice as much imported citrus as we produce domestically, but the domestic industry is still doing very well,” says TPA’s McClung. Texas growers produce 10 million 40-lb. equivalents of oranges and grapefruits each year, but Mexican growers ship more than twice that much in limes into the state.

Subtle Changes In The Mainstream

As Mexico continues its rise as the source of winter season produce for U.S. consumers, subtle trends are showing the growing maturity of this sector. “You’re seeing more contract business rather than spot market,” reports

Play It Safe

The increased importance of food safety in the U.S. produce industry has already had a major impact on the Mexican produce industry. “We’re seeing a real push toward food safety,” says Brent Harrison, president of Al Harrison Co. Distributors, in Nogales, AZ. “We maintain and require certification of our fields and warehouses. Traceability is increasing, too.”

The ability of Mexican growing operations to show that their practices meet food safety, environmental and ethical standards is a key to their success in the U.S. market. “More people have felt comfortable buying Mexican produce because of the third-party certifications,” admits Jose Garcia, chief operating officer and director of grower relations at Rene Produce LLC, in Rio Rico, AZ. “If you want to be a player in the U.S. you need third-party certification of ethical standards, good agricultural practices and food safety practices. If you don’t have those certifications, don’t even bother trying to export to the United States.”

Food safety will be one of the issues discussed early next spring at a first-time conference bringing together the major players from both sides of the border in the

US-Mexican produce trade. “We are jointly sponsoring a brand new conference at the end of March called America Trades. The Fresh Produce Association of the Americas (FPAA), the Produce Marketing Association (PMA), the Western Growers Association (WGA) and other groups are pitching in as well,” says John McClung, president and CEO of the Mission-based Texas Produce Association (TPA). The conference, which will be held in McAllen, TX, will take up issues like food safety, pests, port of entry congestion and billing. “We have a thriving industry that works for us on both sides of the border, but there are problems. We’re going to get the parties together and discuss what the issues are,” McClung concludes.

The conference should be a larger version of the conversations that are already happening as part of the multi-billion dollar Mexico-U.S. produce business. “You have to know your clients’ needs and be receptive to making the changes they need you to make,” asserts Garcia. “In this business, relationships mean a lot. We send a big ‘thank you’ to U.S. retailers for noticing that Mexico is really trying to come up with safe produce for their stores.”

pb

ADVERTISEMENT

MÉXICO

MEXICO: 5 AREAS TO SET YOUR SIGHTS ON FOR 2011

Make sure you check off each of these valuable areas designed to help you make the most of your business with Mexican fruits and vegetables in 2011.

☐ VISIT MEXICO

Trade missions play an important role in the toolbox of any company or organization involved with international commerce or programs. With good preparation and follow-up, missions can be great door openers, and participants benefit in many ways including:

- *Obtain contracts as a direct outcome of the mission*
- *Find personal contacts for future follow-up*
- *Sign partnerships and cooperative agreements for further business development*
- *Get hands on and up-to-date market information and research*
- *Assess overseas opportunities, culture, infrastructure and potential demand*
- *Initiate new vendor relationships*
- *Learn about the culture, customs, business and operating environments*

In short, positive effects of missions include higher sales revenues, lower procurement costs and better sourcing, education, cultural/international business savvy, preparedness, professional development, visibility/goodwill and perspective. Additionally, mission participants develop close friendships among themselves and a useful, professional network.

Missions have been planned and arranged by the Ministry of Agriculture of Mexico (SAGARPA), and with support from private sponsors in the U.S. and chambers of commerce in the host states. For 2011, SAGARPA is organizing five trade missions. The missions typically last from five to eight days, and consist of a constructive program including briefings, one-on-one business meetings, growing area tours, packing houses visits, official receptions and dinners, cultural events and some sightseeing. The briefings and one-on-one meetings are tailored and prearranged to match individual delegate's business interests. Any mission can be tailored to accommodate the need of a particular company. Contact us today to and we can put together a mission for you.

Buyers and business partners can also reap great benefits from attending a variety of trade shows held in Mexico. Following is a list of principal shows to consider:

Show	Location	Date
ANTAD(grocery industry show).	Guadalajara	March 9-11, 2011
ExpoRestaurantes (foodservice)	Mexico City	June 30 – July 1, 2011
Abastur	Mexico City	August 30 – September 1, 2011
ExpoOrganicos (Organic products)	Mexico City	September 1-3, 2011
Gourmet Show	Mexico City	September 1-3, 2011
Alimentaria Guanajuato	Guanajuato	November



☐ MEET WITH MEXICAN EXPORTERS

U.S. trade shows are another excellent place to get to know Mexico's top quality exporters and their products. Look for the Mexico pavilion at the following shows this year:

*Winter Fancy Food Show • A Taste of Mexico (National Restaurant Association) • Natural Products Expo West
Boston Seafood Show • Exposicion Internacional de Alimentos • UNITED FRESH • International Floriculture Expo
Expo Comida Latina • A Taste of Mexico (Rammys) • Southwest Foodservice Show • Fancy Food Expo
Taste of Mexico US • World Dairy Expo 2011 • Fresh Summit – PMA • Biofach EUA*

☐ UTILIZE TOP-NOTCH MERCHANDISING AND PROMOTION PROGRAMS

Mexico offers outstanding promotional and informational support for many of its products. A few suggestions to start with:

- *Avocados from Mexico* www.avocadosfrommexico.com
- *Winter vegetables*
- *AAPLUM (Table grape growers)* www.aalpum.com.mx
- *PEGUAM (Guava Growers)*
- *Emex (Mango Growers)* www.mangoemex.com

☐ LOOK FOR UNIQUE ITEMS

Mexico offers an ample supply of fruits and vegetables. Some of the promising newer products and categories buyers may want to keep their eye on include:

- *Guava*
- *Fresh Cut / Value-added products*
- *Protected agriculture/greenhouse products*

☐ WATCH FOR INCREASING ORGANIC OPPORTUNITIES

Mexico is increasing focus on organic production and savvy buyers are exploring the growing product availability in the organic area. In 2011, Mexico will have organic exporters at the Natural Products Expo West, Natural Products Expo East (Biofach), and the Produce Marketing Association's Fresh Summit. Mexico's own organic show Expo Organicos Mexico (see above) is an example of Mexico's growing dedication and interest in this segment.

FOR MORE INFORMATION:

Please contact the Agricultural Office at the Embassy of Mexico:



HECTOR CORTES

Agricultural Attache

(202)728-1727

Hcortes.sagarpausa@verizon.net

1911 Pennsylvania Ave NW • Washington, DC 20006



Brent Harrison, president of Al Harrison Co. Distributors, in Nogales, AZ. “Some people write seasonal contracts, and some write year-round contracts. They are between the distributor and the vendor, with the farmers’ approval. We’ve been dealing with contracts the last five years. People want to know pricing in advance and it lets me sleep at night.”

Another growing trend is the steady increase in the production of high quality vegetables in greenhouses or under shade cloths. “The trend is more toward protected agriculture and greenhouses rather than open fields,” discloses Del Campo’s Cathey. “We ship heavily to the East Coast and to Canada. Most of our production is grown in enclosed structures, and a lot of it is hydroponic.” He has also noticed increasing demand for vine-ripened tomatoes, rather than green tomatoes that are gassed.

Other producers have also noticed the growing market for greenhouse tomatoes and peppers. “We grow tomatoes, cucumbers and bell peppers in three colors,” details Alberto Maldonado, general manager at Apache Produce Imports LLC, headquartered in Nogales, AZ. “Everything comes from greenhouses, and the harvest starts in November and goes through June. Apache Produce has been here a long time and the buyer usually calls us. Most of the chains use a broker.”

Tomatoes are easily the largest volume produce item coming from Mexico, but there are dozens of other items shipped in large quantities into the United States. “There are more than 50 SKUs shipped from Mexico during the season to North America, but by far the largest volume item is tomatoes,” reports Viva’s

Mexico is, ironically, more centrally located to serve all of the United States and Canada than any single significant U.S. agricultural production region during the cool season.

Kraushaar. “The top tomato import types are round, cherry, grape and Roma. Cucumbers, peppers and squash are the other leading vegetables. Grapes, melons and mangos are the leading fruit.”

Demand for these diversified shipments have continued to grow, even during the economic downturn. “The past four or five years it feels like the demand has increased,” says Quintero of Grower Alliance.

Strut That Stuff

The single most important step in merchandising Mexican produce is to boldly display the freshness of the food. “Leading importers encourage displays that showcase the freshness and bright color of the winter vegetables,” Viva’s Kraushaar says. “This is especially true of tomatoes, which is a huge category and offers myriad display opportunities.”

Bright colors can help emphasize that in the dead of winter the sun is still shining where your produce is grown. “Retailers often find that themed promotions and events such as Fiestas, Fun in the Sun, etc., add to the in-store excitement and drive impulse sales, especially in cold climates during the peak season from February to April,” maintains Kraushaar.

Displaying fresh looking produce begins in the back room, before the produce is put on display. “Depending on the product, I also rec-

ommend that retailers speak with their produce suppliers to make sure their back-room handling is appropriate to ensure that customers take home good-eating, high quality products,” says Ciruli’s Aguilar. “Take mangos, for example. They are a tropical fruit and mature best at room temperature. The fruit should not be displayed on a cold rack, and the back-room storage temperatures are also important. If mangos are kept at extremely cold temperatures, the fruit may be damaged from the inside out.”

There are many cross promotional possibilities for Mexican produce, including beautiful salads in the middle of winter. “If one could achieve secondary placement for tomatoes near bagged salad it will likely create some lift,” maintains Sean Frisby, vice president of marketing and category management at Eurofresh Farms, based in Wilcox, AZ. “Getting outside of the produce department to further create these adjacencies could also provide incremental sales — like near shelf stable dressings or in the snack aisle.”

Avocados are also a natural for a range of cross-promotional options. “We suggest displaying avocados next to items they partner with in meals and recipes such as tomatoes, onions, lemons and limes,” says APEAM’s Escobedo. “This reminds customers to purchase these items, and provides a beautiful color contrast as well. And don’t forget the power of suggestion! Try displaying avocados with pre-cut vegetables and platters, as well as chips and beer,” he adds.

The key to the display is that the produce must be fresh, and it must be plentiful enough to catch the eye. “For tomatoes, it is critical the primary POS is stocked with enough fresh product to make it easy for the consumer to find you,” Frisby says.

Mexican produce is grown close enough to some U.S. markets to have a natural edge when it comes to freshness. “Some of the markets are 20 hours away; but some of them are just two and-a-half hours away,” Yubeta of Farmer’s Best says. “A lot of our produce goes to the West Coast, but we go through McAllen, Texas, which opens us up to the Midwest and Northeast. Very little goes to the Southeast. The quality of the produce is key; displaying the quality is a good way to merchandise.” **pb**



PHOTO COURTESY OF CIRULI BROTHERS LLC

Ciruli Brothers has branded Ataulfo mangos as Champagne mangos, which are gaining popularity.

MEXICAN PRODUCE SHOWCASE



The largest Greenhouse Company in North America - growing nationally recognized SUNSET™ brands such as Campari™, Splendido™ Grape Tomatoes, Kumato™ brown tomatoes, Zima™ Seriously Sweet Tomatoes™ and Ancient Sweets™ Peppers.

Also Try Our Full Line of SUNSET™ Organics Products!



SALES: 519-326-1491
FAX: 519-326-8799
sales@mastronardiproduce.com
Kingsville, Ontario N9Y 2E5



Reader Service # 64

The Solution For Your Fruit And Vegetable Needs



Jorge Quintero, Jr.
jqintero@groweralliance.com
Jorge Quintero, Sr.
jorge@groweralliance.com
Luis A. Caballero
lcaballero@groweralliance.com
Frank Hernandez II
fhernandez@groweralliance.com

520.761.1921
Fax: 520.377.9189
www.groweralliance.com

P.O. Box 4404
Rio Rico, AZ 85648

Reader Service # 43

ATTENTION ALL BUYERS

USE
producebusiness
THE ONLY SOURCE FOR THE PRODUCE BUSINESS

directories when you are ready to buy.
For additional copies of this directory or any other, please call

561-994-1118

and ask for
Directory Sales Department
Email: info@producebusiness.com

TEPEYAC PRODUCE, INC.

Tepeyac, San Martin,
Alpha, Beta & Cachu Brands

Hot Peppers, Vine-Ripe Tomatoes,
Roma Tomatoes, Hot House Bell Peppers
& English Cucumbers

Ruben Pesqueira: Cell No. 520.841.2888
Mark Jones: Cell No. 520.223.3113

520.281.9081

Fax: 520.281.9732

Rio Rico, AZ

Reader Service # 59

WHEN QUALITY COMES 1ST LOOK TO..

CALIXTRO
DISTRIBUTING CO.



ALL MELONS, TOMATOES AND
MIXED VEGETABLES FROM SUNNY MEXICO
ON-THE-GROUND INSPECTION BY
OUR EXPERIENCED STAFF

IN & OUT SERVICES &
DIGITAL IMAGERY AVAILABLE

Joe (Chama) Calixtro, Richard Calixtro,
Charlie Calixtro, Frank Calixtro, Robert Calixtro,
Mickey Bachelier, Fernando Huerta, Carlos Real &
JT Tuccini

Customers Toll Free: 800.359.0921
520.281.3432 Fax: 520.281.3438

primuslabs.com

Reader Service # 61

Global Goodness

Seeking a year-round supply of organic produce, retailers turn to imported product. **BY JULIE COOK RAMIREZ**



As consumers demand organic produce year-round, importing fresh produce becomes the only option.

With concerns about pesticide use at an all-time high, a growing number of American consumers are going organic, as they seek more healthful options for themselves and their families. However, domestically grown organic produce is often available only seasonally. In many instances, that results in a significant amount of time each year when consumers would not be able to avail themselves of organic product.

As they have done with conventional produce, retailers are rapidly turning to the global marketplace to provide a solution. Thus, the amount of imported organic produce arriving at U.S. ports and border crossings has grown exponentially.

Bridgeport, NJ-based Albert's Organics Inc. imported approximately 2 million cases of fresh produce during 2010, according to Simcha Weinstein, director of marketing. Key items include apples from New Zealand and Chile, pears from Argentina, avocados from Mexico, and pineapples and mangos from Ecuador, as well as some Fair Trade product. "As shoppers have become more used to having their favorite fruits and vegetables available year-

round, we are definitely seeing an uptick in import sales," says Weinstein.

Buenos Aires-based Interrupcion Fair Trade sells hundreds of thousands of packages of organic fruits and vegetables each year, according to Michela Calabrese, stakeholder director. Current production includes blueberries, blackberries, cherries, apples, pears, avocados, pineapples, mangos, asparagus, kiwis, plums, and lemons from Argentina, Chile, Uruguay, Mexico, Costa Rica and Peru.

Sales of Peruvian organic mangos soared more than 400 percent from 2006 to 2008, while organic banana sales grew 24.5 percent, according to Fernando Albareda, Peru trade commissioner at the Miami, FL-based Commercial Office of Peru.

When domestic supplies dwindle — or dry up altogether — Phoenix, AZ-based Sprouts Farmers Market LLC relies on organic supplies from Mexico, Chile and Argentina for a wide variety of fruits and vegetables, including apples, pears, kiwi, limes, oranges, squash, grapes, peaches, tomatoes, cucumbers, green beans and strawberries, according to Neil Cullen, produce buyer.

Demand for organic produce is so strong that Mitch Blumenthal, president and CEO of

Sarasota, FL-based Global Organic Specialty Source Inc., says his company's motto is "We'll buy 10 cartons of anything that's NOP- (National Organic Program) certified organic." Currently, Global Organic procures organic produce, including apples, winter squash, cherries, blueberries and raspberries, from 18 different countries around the world.

Although locally grown produce is the primary focus for Eden Prairie, MN-based Supervalu Inc., the chain brings in a "fair amount" of organic product from Mexico, as well as a few key items from New Zealand and Australia during the off-season, according to Michael Siemienas, spokesperson.

Filling The Gaps

When talk of an economic recession began in 2008, Ricardo Crisantes, general manager of Wholesum Family Farms Inc., headquartered in Nogales, AZ, was understandably concerned. His company grows its own organic produce in Mexico and then ships it across the border for the U.S. market. Since organic products are often perceived as specialty items, he worried that value-conscious consumers would abandon the category. Nothing could have been further from the truth. "In the past two years, our sales have



It is more expensive to grow organic berries, but demand is growing.

grown 22 to 24 percent,” reports Crisantes. “The people that are committed to eating healthy and to supporting sustainable agriculture are certainly not looking at this trend as something that can be dismissed.”

During the fall, winter and early spring, Los Angeles, CA-based Melissa’s/World Variety Produce Inc. relies on Mexican growers to provide roughly half of the organic zucchini, squash, cucumbers, bell peppers, tomatoes, limes, watermelon, cantaloupe and honeydew it requires for the American market. During the late spring and early summer, that figure drops to 10 percent when domestic growers are able to provide enough supply to meet the demand. According to Robert Schueller, director of public relations, it’s about going wherever is necessary to fill the gaps. “You can’t fight Mother Nature when she isn’t going to produce certain fruits and vegetables when there are five inches of snow on the ground,” he says. “It’s also a good thing to have imports as a safety guard in case a crop gets rained out or there’s a heat wave. Then we can rely on the imported organic produce supply.”

Fortunately, growers around the world are stepping up and growing organic, despite the three to seven years it takes to transition from conventional to organic and the added costs inherent in the organic process. “It is truly a more expensive proposition to grow organic, especially blueberries, blackberries and raspberries, than it is conventional,” says Brian Boccock, vice president of product manage-

Always organic. And always ahead of the curve.

CF Fresh is organic produce, through and through. With decades of experience in all levels of the organic trade, we are committed to high-quality organic fruits and vegetables at realistic prices.

And being around for a while has distinct advantages - like being **first in line with fresh, premium fruit**. Our well-established organic networks offer new crop apples and pears from California and Washington earlier than you’ll find just about anywhere.

So, what’s fresh? **New-crop Pink Lady, Bosc, D’Anjou** and many other varieties, from category mainstay to rare heirloom.

And it’s not just our supply that leads the industry. CF Fresh strategy and service are **trusted by retailers the world over**. We know organic, and how to position your program for success. Call our organic experts today at (360) 855-0566.

Browse our produce, packs and growers at vivaterra.com.



VIVATIERRA[®]
ORGANIC



Reader Service # 75

ment for Naturipe Farms LLC, headquartered in Naples, FL. “You have a reduced yield per acre, for example, which, by itself, has restricted the volume of growers in the organic deal, and that’s just the beginning.”

Innovation And Innuendo

In Mexico, the trend toward protected agriculture is reflected in organics, where a growing percentage of crops are being grown in greenhouses, according to Froylan Gracia, counselor for agricultural affairs at the

Embassy of Mexico, in Washington, D.C. Greenhouse production is particularly beneficial for organic growers because it allows for better insect control, which keeps yields higher.

Mexican farmers who opt to grow organic product outside are aggressively addressing the issue of insects through integrated pest management practices, like making use of barrier plants around fields to deter insects or using beneficial insects to fight those that are harmful and invasive,

notes Allison Moore, communications director for the Fresh Produce Association of the Americas (FPAA), located in Nogales, AZ. Such innovative practices are important because organic standards do not allow for the use of insecticides.

While foreign growers of imported organic produce are held to the same rigorous standards as U.S. growers, there are still concerns. Blumenthal of Global Organic concedes that some of his customers insist upon “product of USA,” or refuse to accept product from Mexico or China. For organic retailers who want to maintain a year-round supply, he explains to them why such demands are impractical. In the fall and winter months, for example, organic blueberries are a product of Chile. Likewise, if they want organic red peppers, they are going to have to accept imports because there are currently just two countries growing organic red peppers for the U.S. market — Israel and Holland.

To help overcome the cloud of suspicion that surrounds organic imports in the minds of some consumers and retailers, Blumenthal makes a point of personally visiting the farms from which his company procures organic produce. This coming March, for example, he will be visiting Chile for the fourth time. “It makes it a lot easier to explain why they should trust imported organics when the customer learns that I have personally visited the farms we procure from,” he says.

The perception that imported organic produce may not truly be organic has been a constant ever since Sedro Wooley, WA-based CF Fresh Inc. began importing organic produce from South America in 1987, according to Addie Pobst, import coordinator. “It started with questions within the organic community — folks that you would think would know better were very skeptical right off the bat,” she says. “It took a while to even get some of the more core, old-school organic retailers onboard with the idea they could trust the certification of products from outside the country.”

Granted, Pobst concedes those were the “wild, wild west” days in that there was a lack of a regulatory framework, so it wasn’t entirely irrational to question what exactly it meant to be branded organic. Organic was less well-defined both globally and within the United States with several competing interpretations of the standards. Fortunately, the industry has come a long way over the past two decades and now operates in line with comprehensive international regulations. What’s more, the USDA accredits foreign certification agencies and

What kind of difference did you make today?

Making a real and lasting difference in the produce industry is what motivates the members of United Fresh. They know they’re contributing to critical decisions to advance food safety, boost produce consumption, secure a reliable workforce and more.

Thousands of industry leaders already know the value of working together through United Fresh. **Are you ready to make a difference?**

United Fresh *Being United Makes All the Difference™*

www.unitedfresh.org
202-303-3400

(From left) Casey Babieth, Lucky Vann, Doug Turner, Lupo Valdez
Red Blossom, Salinas, California

Reader Service # 81



The tomato category has a large organic presence, most notably from south of the border.

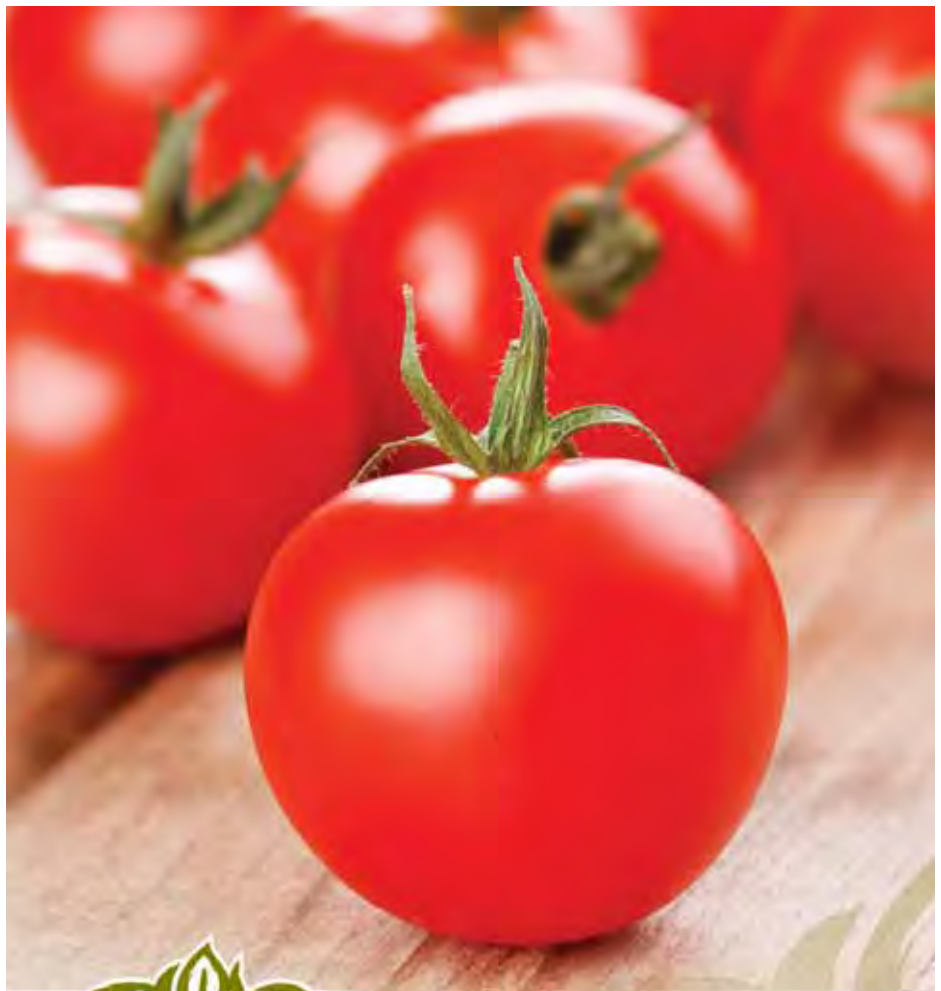
substantial documentation verifying that any imported produce that's purported to be organic truly is organic.

Still, much of that isn't visible to the consumer, Pobst admits. Therefore, companies like hers have to make an additional effort to educate consumers that imported organics are every bit as organic as domestic product. "There's a continuing educational outreach to let consumers know that if it comes into the country and it says 'organic,' it doesn't even need the USDA seal," says Pobst. "If it says organic, it meets the USDA's organic standards. It doesn't matter where it's from."

While foreign certification companies work hard to fulfill the standards — and the USDA carefully polices their work — it remains the responsibility of the consumers to be smart about what they are buying and to read the labels, according to Ines Pelaez, manager of the Argentinean Blueberry Committee, in Buenos Aires. If consumers see something they consider suspicious, he recommends they file a complaint with the USDA.

That might be the best course of action to assuage the concerns of a wary consumer base, as all indications are that organic imports aren't going away anytime soon. "We have established ourselves as being able to provide a year-round supply, and it's clear that consumers aren't going to go back to only being able to get organic produce a few months of the year when it's available in their local ecosystem," says Pobst. "As organics continue to grow, both import and domestic production will grow to keep up with that demand."

pb



simple, natural & wholesome...
ORGANIC PRODUCE
 THE WAY IT SHOULD BE



growers of wholesum organic produce
 TOMATOES · CUCUMBERS · PEPPERS · EGGPLANT · SQUASH · MANGOS

P. 520 281 9233 | F. 520 281 4366
 sales@wholesumharvest.com
 www.wholesumharvest.com



Reader Service # 62

Almonds Are Healthy, Both For Consumers And For Retail Sales

Pointing out the health benefits of almonds to consumers while merchandising them in the produce department is a win-win for consumers and retailers alike. **BY K.O. MORGAN**



Since almonds have become a year-round staple, it's important to offer a variety to consumers.

Almonds are often called a perfect food because of their portability and their nutritional value as a healthful snack, and because they are a tasty addition to any recipe. They are easy to pack as an on-the-go food, and they add flavor to salads, dinner recipes and baked desserts. Retailers who fail to push the growing popularity of almonds miss out on a substantial ring at the register.

Getting the message across to consumers is simply a matter of getting customers into the store and then leading them to the almonds. This can be done in a variety of ways. "One of the most common and continued marketing strategies that has proven to work is the health message about almonds," says Jared Smith, sales and marketing director for Fisher Nut Co., located in Modesto, CA. "The nutritional value of almonds and the fact that they are heart-healthy are what's really driving sales right now."

"The Almond Board of California executes a diverse, year-round slate of consumer marketing programs that are seasonal and topical, featuring nutrition and culinary spokespeople such as Food Network star, Ellie Krieger, and

Read It Before You Eat It author, Bonnie Taub-Dix," says Stacey Humble, director for North American global marketing and communications for the Modesto-based Almond Board of California (ABC). "We also provide tips and recipes on our Web site to show consumers how almonds are a relevant solution for their lives in many ways, not just during one time of year or one type of eating occasion. Retailers can take advantage of the information on our site to market almonds to their customers."

But consumers have to be aware of the health message of almonds, and this means grabbing the attention of busy customers. One way to do this is through product placement, particularly in the produce department. "Almonds have been traditionally placed in the snack aisle or the baking aisle," states Smith. "But today, if someone is trying to eat healthfully, they will avoid the snack aisle where almonds have historically been placed. So placement in produce is now a good marketing scheme since produce translates as healthy in the mind of the consumer. Plus, the price of almonds is comparable to, say, the price of potato chips, so consumers see almonds in produce as a more healthful alternative because

they think, 'Almonds are better for me than greasy chips.'"

"We send our regional salespeople to go into stores to talk with retailers about the importance of placing almonds in the produce department," says Maya Erwin, senior marketing manager for Blue Diamond Growers, located in Sacramento, CA. "That's where you can promote almonds as a healthful added ingredient to fruit blends or as salad toppers, which in turn can boost fruit and vegetable sales. This is particularly important in the middle part of the country, where sales of almonds are lower than on the East and West Coasts."

Vince Mastromauro, produce director for Sunset Food Mart Inc., a four-store chain based in Highland Park, IL, has personally witnessed the increase in almond sales when placed in the produce department. "When I was younger, almonds were considered more of a holiday nut, but now almonds sell every day, year-round," he explains. "We see a great movement of almonds in the produce department because that's where people look for them as part of a balanced lifestyle."

"The increased traffic in the produce department due to a more health-conscious

public has boosted almond sales,” agrees Smith of Fisher Nut.

“Year-round almonds have become mainstream when it comes to customers, so we sell roasted, shelled almonds; unsalted shelled almonds; raw almonds and toasted almonds, all in 1-lb. and 12-oz. containers,” states Mastromauro.

“The wide variety of packaging helps boost almond sales, so it’s important for retailers to give customers a choice in sizes,” says Erwin of Blue Diamond. “Snack nuts were once sold in pans, but almonds now come in large 1-lb. bags, as well as in smaller, on-the-go sizes. Blue Diamond has designed an almond container with a plastic lid that helps in portion control for those customers watching what they eat. Those consumers who are using almonds for baking can also buy them in a variety of sizes.”

Stand Out Displays

Another way to merchandise almonds is to draw customers to displays that promote almonds with other food combinations. “Displays with recipe cards that have almonds as an ingredient are a big help to customers,” offers Bert Galarza, produce manager of the Grafton, ND, branch of Wally’s Supermarkets — the other location is in Devils Lake. “But place the display in a prominent location, so that your customers know that you carry almonds all the time.”

“Recipe tips and ideas are a great way to push almonds,” agrees Humble of the ABC.

“We do displays where we tie almonds in with other campaigns in the store or with manufacturers or products from other aisles,” says Erwin. “At this point, every manufacturer has campaigns that go along with displays. We run TV and radio ads, and we have the ability to put the Super Bowl logo on our displays. We also tie our almonds in sweepstakes, themes, baseball and other sports events,” she adds.

Holiday displays, in particular, have traditionally helped boost almond sales. When customers think of the holidays, they automatically think of nuts, and almonds are an increasingly popular choice thanks to their health benefits, combined with ever increasing varieties of flavor. Shelled almonds are a favorite during the holidays, particularly when displayed with other nuts such as walnuts, hazelnuts and pecans. Shelled almonds are also popular, since many customers entertain during the holidays. Because of this, retailers can take advantage of the many opportunities to display and cross-sell almonds with other products throughout the store, in addition to the produce department.

This is particularly important in the baking

aisle, where retailers can play up almonds as a favorite ingredient in holiday desserts, as well as in other baking recipes all year long. “Our customers look for almonds in the baking section, especially the slivered variety,” says Mastromauro of Sunset Food Mart. “So that’s another great placement for almonds. But almond slivers also make great salad toppings, and are an increasingly popular out-of-hand snack.”

“What retailers need to do is get their customers to be more conscious of the fact that

almonds can be used for so many different reasons and on so many different occasions — during the holidays, but year-round, too,” says Erwin. “They are a versatile nut and can be used in baking, on salads, with fruit, as a healthful snack, or even for entertaining — as something to munch on with wine, beer and alcohol. Because almonds now come in so many different flavors and have so many different uses, you can place them throughout store. With a little imagination, retailers can market almonds for all kinds of occasions!”

pb

SWEET, SAVORY & SPICY!



California Almonds

Nearly 70 percent of U.S. consumers say they are eating more nutritiously. Our new line of seasoned almonds makes that effort much easier to swallow.



Boosting Balloon Sales

With proper care and handling techniques, as well as thoughtful merchandising, balloons can add a major ring to retail floral departments. **BY BOB JOHNSON**



PHOTO COURTESY OF AIRGAS RETAIL SOLUTIONS

Vibrant colors can help the balloon offerings stand out and differentiate the supermarket from the dollar store.

Balloons have become a more complex and subtle category than they were decades ago, when novelty alone was enough to drive sales. There is much more competition, including low price competition from dollar stores and party stores. Plus, there is a much wider range of balloon varieties to offer. That adds up to a challenge in devising a strategy to max out this potentially lucrative category.

“Back in the late 80s or early 90s, filling up a Happy Birthday balloon with helium was the best thing since sliced bread,” recalls Marty Fish, executive director of the International Balloon Association (IBA), Wichita, KS. You used to see them just fly out of the store at Valentine’s Day. But the novelty wears off, and it becomes harder to sell balloons at the check-out stand,” he admits.

Go Flashy, Or Go Economical

With the competition offering balloons for a buck, floral retailers need to decide whether to compete on price or quality. Balloon producers are coming out with many new products that let the supermarket distinguish itself from the low-priced competition. “Producers are getting more creative with their

designs so the balloons are more durable and float longer,” says Fish. “One trend is balloons that aren’t covered with the metallic covering. They don’t conduct electricity and they stay full longer. These are Bubble Balloons, and every year they are producing more in this line.”

Decisions about which products are best for a particular store should begin with a survey of the retail territory. “You need to explore the area and find out if there are dollar stores nearby,” advises Vicky Kleinschmidt, head of floral merchandising at Coborn’s Inc., in St. Cloud, MN. “Their balloons are, naturally, \$1, and you want to hone in on what they are carrying. The dollar stores and party stores have a huge impact on your balloon sales,” says Kleinschmidt, who oversees floral merchandising at 37 stores, including 17 with full-service floral departments. “The dollar stores don’t have the licensed balloons, and they don’t have the new ones. Yes, they have a huge balloon business, but it’s generic.”

Once armed with the information about the competition, there are two strategies for responding. “Price is important,” asserts Bill Barnes, director of marketing with CTI Industries, headquartered in Barrington, IL.

“You are competing with the dollar stores. Some stores are lowering the price on some of their balloons to \$1 or \$1.50 to compete with the dollar stores. The 18-inch balloon is still standard, but some stores are offering larger, 32-inch balloons to differentiate themselves from party stores. Or there are add-ons like fluffy tails or ribbons.”

Vivid colors can help the balloon offerings stand out and differentiate the supermarket from the dollar stores. “You’ll see a lot of trendy colors coupled with traditional designs,” remarks Elissa Mast, president of E & R Sales, based in Midlothian, VA. “Bright colors still drive sales. Balloons continue to sell despite a soft economy. It’s a floating smile and greeting card.”

Another trendy line is the slightly larger, clear balloons. “The hottest trend in balloons now is Bubble Balloons,” agrees Steve Rose, marketing communications coordinator at burton + BURTON, located in Bogart, GA. “These are clear balloons made of plastic similar to a beach ball. The Bubbles are very durable and stay inflated for much longer than latex or even foil balloons. They are bigger than a standard balloon, too, measuring up to 21 inches when inflated. They are a real eye-

Helium Hints

A consistent and reliable helium program is necessary to maintain the displays that drive balloon sales. “Keep the balloons fresh-looking,” says Bill Barnes, director of marketing with CTI Industries, headquartered in Barrington, IL. “A soft or half-filled balloon is like having wilting flowers. It’s just a matter of keeping the balloons fresh. Keep them at the front of the store so people can see you have a good balloon program.”

The helium supplier providing all the necessary equipment — including the gauge — does most of the job of devising and maintaining a reliable and safe helium program. “An efficient helium program depends on quality equipment, a reliable helium supply so you never run out and following safe practices,” says Andrea Pichardo, vice president of retail sales at Airgas Retail Solutions, in St. Petersburg, FL. “Helium suppliers need to work with customers to determine helium usage, plan deliveries and then have the flexibility to fill peak demand periods.”

Safety training should be the No. 1 priority of your helium supplier. “Suppliers also need to instruct customers on the proper use of the equipment,” notes Pichardo. “Safety is the most important factor in a helium program. Along with the supplier, providing proper instruction on equipment use and safe practices, it’s important that safety points and procedures are attached to the cylinder.”

There are a few simple rules to remember to keep the helium program safe. “A cylinder that falls over because it has not been properly secured — either to a wall with a wall bracket or in an appropriate floor stand — is the biggest risk at any retail location,” Pichardo says.

Some new products are simplifying the helium job like Anagram balloons with XtraLife Technology, which last three- to five-times longer than other standard foil balloons in order to reduce shrink and minimize helium consumption and labor costs associated with frequent restocking. **pb**

catcher, and we are seeing tremendous growth in grocery floral departments carrying them.”

Anagram International of Eden Prairie, MN, has a new line called Sing-A-Tune balloons that allow consumers to tap the balloon to play snippets from a favorite song or hear a message from a popular licensed character.

Another version, Musical Say & Play, allows consumers to record their own personalized message before the music plays.

Who’s Buying?

The best choice of which particular balloons to market depends largely on which particular groups of people patronize the store. “Just like for all the other products in their store, retailers need to know their customers and demographics,” emphasizes Rose. “College towns will carry the appropriate sports team balloons. Retailers with a large Latino population may choose to carry some balloons with messages written in Spanish. Retailers are also smart to think outside of the box. We’ve seen stores that typically cater to older/retired communities do great with kid’s balloons, which may sound counter-intuitive. A little investigation solved the obvious mystery... Grandparents are a great market to target with kids’ balloons, as they buy them for their grandkids,” Rose explains.

The market can be influenced greatly by the other institutions in the neighborhood. “A great way to drive sales is to micro-market,” suggests Mast. “Ask yourself: what are the colors of the local high schools? Am I carrying custom balloons for their sports teams? Is there a hospital nearby? If so, make sure the balloon offering has a solid variety of Baby Congratulations and Get Well. Is there a big corporate office or business park nearby? If so, offer bouquets-to-go for birthday, retirement and congratulations.”

In most cases, Mom decides whether to buy the balloons and she doesn’t have much

time for you to close the deal. “Women influence more than 80 percent of the buying decisions, so it’s important for retailers to appeal to all of her needs for entertaining, impulsive treats, or that special add-on,” reports Robin Oxley, director of merchandising at Anagram.

“Women want simplification for planned purchases and especially impulse purchases, as 70 percent of purchase decisions are made in the store. But they will only give you 1.8 seconds to capture their attention and get them to consider purchase,” Oxley adds.

Visible, Enticing ... And Easy

With less than two seconds to make the sale, the display is everything. “The first rule to impactful merchandising is to lower all inflated balloons to keep them in the impact zone, which is between 3.5 feet and 6.5 feet from the floor,” Oxley says. “The best overall display concept is to cluster balloons by sentiments and theme, which makes it easy for customers to buy the balloons they need in a hurry,” she adds. “It is such a basic concept utilized in many other categories, yet only some retailers incorporate this when it comes to balloons.”

There are balloon display possibilities in many areas of the store. “Stores that have high balloon sales volumes are those that get creative with using balloons to help promote all departments in the store,” says Rose of burton + BURTON. “Examples include inflating college- and pro-team balloons around the tailgating supplies, placing Halloween balloons around the candy aisle and decorating the bakery with Christmas balloons around the



PHOTO COURTESY OF E & R SALES



Sing-A-Tune balloons play snippets of a favorite song or a pre-recorded message from an animated character.

PHOTO COURTESY OF ANAGRAM INTERNATIONAL

holidays. These simple tips not only make the store look great, but will lead to increased balloon sales and potentially increase sales of the products they are highlighting,” Rose adds.

One obvious synergy is between the balloons and the bakery department. “The floral manager should visit the bakery department on Thursdays to see which character birthday cakes have been preordered for that weekend,” advises E & R’s Mast. “Then, they can pull the coordinating licensed balloons and display them inflated in bakery for impulse sales that Saturday and Sunday.”

The most effective displays involve good-looking inflated balloons. “It’s not news that inflated balloons sell better than packaged balloons on a rack,” notes Oxley. “Therefore, the opportunity to increase the register ring is to entice customers with inflated ready-to-go balloons, including specialty balloons such as singing balloons and fun-shaped balloons. Consumers will buy what they see, especially if it is innovative and unique. Party stores that have installed balloon walls that allow customers to see the interesting shapes available

in the category have increased their sales by more than 35 percent,” she reports.

If the balloons are not already inflated, it must be obvious to the customers where they take them to be inflated. “Do you have a full-service floral department?” Coborn’s Kleinschmidt asks. “If not, with the spinner rack the customer can take it to the customer service counter to be inflated. If you have someone who is selling or servicing the balloons, there is so much more you can do.”

Inflated and packaged balloons can be effectively combined in a display. “Retailers should create a balloon destination in their stores that offer packaged balloons, as well as clusters of high-volume inflated balloons,” encourages Anagram’s Oxley. “For a packaged balloon program, it’s important to allow a little room for store-level customization. If their store is by a hospital, that store’s balloon program should feature more Baby and Get Well balloons. If a store is close to schools, stores can add in the appropriate school colors, encouragement and more age-appropriate birthday balloons.”

pb

FLORAL WATCH

ANNOUNCEMENTS



CELEBRATING SUMMER

Bay City Flower Co. Inc., Half Moon Bay, CA, is launching a Celebrate Summer campaign featuring its hana bay® 4.5-inch hydrangeas as ice cream cones. Developed to implement mid-May through July, the program is an ideal tie-in for National Dairy and Ice Cream months. The plant sleeve graphic resembles an ice cream cone and the variety of hydrangea colors are visually enticing “flavors.”

RSN 338



KIDS INITIATIVE INTRODUCED

Clearwater Nursery, Nipomo, CA, recently launched a Kids Initiative program during its first-ever Plants on Parade event held November 30 - December 3. Designed to improve the planet through floral education, Clearwater’s objective is to help retailers create ways to help their buyers purchase plants. Attendees learned about The Two Toes — characters created by the nursery to spread conservation messages, crop education and plant care instructions.

RSN 339

NEW PRODUCTS



INTENSE BLOOMER

Nurserymen’s Exchange Inc., Half Moon Bay, CA, introduces its 5th Generation Get Mee® Campanula. The larger flowers and more intense bloom color are key aspects that set this new edition apart from the old. Packed 15 per case, these Campanulas arrive in 4-inch grow pots.

RSN 340



RIBBON OR LEAF?

Willow Group Ltd., Batavia, NY, now offers Aspid ribbon, a sleek 4-inch wide ribbon with a natural leaf look and feel. The water-submersible ribbon can be split, curled or made into a bow and is ideal for dressing up in-store vase arrangements and fresh floral bouquets. Sold 12 spools per case, the ribbon is available in Emerald Green, Silver, Gold, Red, Eggplant, Pink and Terra-cotta.

RSN 341

IT'S ALL ABOUT MARKETING



During the decade following the Korean War, the average sales area size of the majority of supermarkets was considerably less than 20,000 square feet. With a few exceptions, average total store sales were around \$30,000 per week. Large shopping centers were just coming into existence with numerous stores in most non-residential areas.

At that time, larger supermarket chains had their own central procurement organizations with varying degrees of control of division purchasing operations. After all, divisions had personnel that included buyers, and whenever a supposed superior deal was available direct from a supplier, these buyers would frequently jump on it.

This also carried over to the retail store where nearly every produce manager thought he was also a buyer. Obviously, something was in the water that made everyone want to be a buyer. In those areas of the country where there was cropland, numerous farmers liked to sell directly to stores. Energy was cheap and producers didn't mind making frequent multi-store deliveries as many retailers looked forward to the availability.

Simultaneously, two developments were beginning to occur.

Gradually, in many areas, one or two growers would expand production acres and soon were increasing the number of stores they delivered to, usually under the direction of the division produce buyer. Ultimately, those growers who recognized the benefits of size would branch out and deliver to produce warehouses over an ever-expanding area. At the same time, there were others who decided the intermediate distribution step was unrealistic and went from limited store-door delivery directly to warehouse delivery as they, too, expanded production and shipping operations to serve an ever increasing geographical area.

As the major chains grew, they also increased centralized corporate purchasing, accounting for a continually larger percentage of purchases, as division buyers gradually became order-placers for inventory control purposes related to promotional plans.

However, confronted by increasing big-box competition that were primarily focused on price, it became necessary for traditional supermarket retailers to begin marketing their other attributes of differentiation besides price to consumers. It became imperative to identify with those characteristics that were becoming watchwords in consumers' vocabulary.

Philip Kotler, distinguished professor of international marketing at the renowned Northwestern University Kellogg School of Management, defines marketing as "the process by which companies create consumer

interest in goods and services. It is an integrated process through which companies build strong relationships and create value for customers and themselves."

Initially, retailers started to focus on items such as freshness, variety and service with produce becoming a major point of differentiation. Instead of location, location, location, it rapidly was becoming produce, produce, produce. Other changes were occurring within the product category. Consumers became conscious of organics, food safety, energy costs and sustainability, just to mention a few other issues. Suddenly the word "local" was becoming synonymous with several of these elements as the way to connect with consumers via a marketing program.

Now, the marketing program would begin with procurement and carry through to in-store operations and overall advertising. Corporate produce operations set up programs to work directly with growers within a store's reasonable geographic area, setting standards and goals. Retail store associates would receive a complete indoctrination about the program and be responsible for product acceptance and store

quality control. Advertising would not only include media programs, but also in-store materials to enhance consumer identification with various growers in the identifiable area providing credence to the term local. Overall, this was becoming one of the most involved produce marketing programs of recent years.

Like every marketing program, the future will bring changes because competition and primary consumer interests adjust over undetermined periods of time. Accordingly, retail marketing emphasis will adjust to changes in the production spectrum as it has over the past decades.

So-called local growers will go one of three different ways. Some may drop out of farming, either selling or leasing their acreage to another grower and increasing his share of the local market. Others may adjust from specialty crop production, believing a transition to grain crops such as wheat or soybeans, may provide greater returns with less effort. Others will expand until they reach a critical mass whereby they can distribute outside the local area and theoretically become interstate shippers. Who can predict what other developments might cause the industry to completely reverse the trend of buying local and with it marketing emphasis?

All of these and other possibilities are perfectly normal and to be expected. What is unexpected is what will be the evolving wants and needs of consumers buttressed by so many unforeseeable events with which retail marketers will be attempting to communicate. In these contexts, emphasis on local is little more than today's marketing highlight fitting within the marketing definition Dr. Kotler so simply and specifically enumerates.

pb

Like every marketing program, the future will bring changes because competition and primary consumer interests adjust over undetermined periods of time.

By Dave Diver

Dave Diver is the former vice president of produce at Hannaford and a regular columnist for PRODUCE BUSINESS.

FULL SERVICE BY MEANS OF GLOBAL PARTNERSHIPS



As the world grows smaller since physical distances are bridged in a trice, markets are changing more rapidly every day. In general, a company operating internationally needs to have the capability and capacity to adapt to those rapid market movements in order to stay competitive in a sustainable way. Besides an increased market velocity, standardized

products are dominating the consumer markets in terms of branding, quality and product characteristics.

If we take into consideration the global fresh produce market, the above-mentioned drifts are clearly visible throughout. Fresh produce companies need to anticipate the high velocity of market demands and requirements in order to stay competitive and, even more critical, to stay profitable.

Margins in the fresh produce market nowadays are ‘marginal,’ if you do a relative comparison with other industries. However, there is one phenomenon that makes this global fresh produce industry quite distinctive. In spite of the distances and product standardization, the global fresh produce market will always be characterized by a sense of cultural differences, expectations and tastes between countries in terms of varieties, product characteristics, packaging, etc. It should be emphasized that the business game of being competitive and profitable in the global produce industry could only be played with a perspective of thinking globally and acting locally. Global thinking makes a company in this industry efficient and a year-round player, while local-acting provides a company to do business in an effective way.

The Van Rijn Group is one of the oldest global operating fresh produce companies in the world. The company was founded in 1855 in the famous greenhouse area known as “Westland” in the Southwest of the Netherlands and developed itself during the last 155 years as an expert for product categories of fruits, vegetables and potatoes. Around those product categories, the Van Rijn Group has built an extended global network. The network is not only focused on the products itself, but also on facilitating a full service throughout the value chain, from production to final end-user sales. In this way, the Van Rijn Group is able to generate value for its customers by creating network synergies from a global perspective at the one side and tailor-made packages for its customers at the other side.

The critical factor in following such a full-service strategy is the creation of stable and long-term partnerships in the markets in which

you are operating. As mentioned before, the global fresh produce market is characterized by market differences between countries. Therefore, market knowledge is imperative for bringing the organization’s strategy into practice. As a global operating company, the Van Rijn Group has the opinion that all relevant local market knowledge and its implications cannot be generated in-house. Long-term partners in the different countries throughout the world do bring this local market knowledge and its implications to the table since they are, by their nature, wise on the part of the market itself due to being a producer, service company, retail organization, foodservice company, etc. In sum, we are convinced that an inter-organizational approach in the form of long-term partnerships is absolutely necessary in order to serve our customers in the best way possible. In our opinion, an *intra*-organizational approach would never match the value creation as such.

In line with our vision as described above, we are always looking for new partners or extending our existing partnerships in order to fine tune our operations. Since North America is one of our most important

sales markets, the Van Rijn Group decided to visit the ‘resurrected’ New York Produce Show and Conference.

Not really sure what to expect, we have been positively surprised by the effectiveness of the show. Since the New York Produce Show and Conference was a relatively small-scale regional show, compared to the larger PMA

Fresh Summit, or even the huge Fruit Logistica in Berlin, the focus of this show was totally on networking and making new contacts, turning this into a complete breath of fresh air. In our opinion, a focus as such made the New York Produce Show more effective and accessible than the bigger shows of PMA Fresh Summit and Fruit Logistica.

The Van Rijn Group was able to consolidate its global approach with a local fulfilment for the North American market. Regardless of fine-tuning with our existing partners from North America, we were able to find new potential partnerships in the field of local production and logistics. Today, we consider those two fields as critical in order to supply our final customers with produce 12 months a year as efficient and effective as possible.

In sum: At Van Rijn Group, we are convinced of the success of the New York Produce Show and we definitely will attend again next year.

Editor’s Note: The New York Produce Show and Conference, presented by the Eastern Produce Council and PRODUCE BUSINESS, held its inaugural event in November, 2010. Though focused on the greater New York and mid-Atlantic region, a number of attendees came from out of the country. We asked Frank van der Windt at Van Rijn Group why he attended and what he got out of the event. This was his reply.

The global fresh produce market is characterized by market differences between countries. Therefore, market knowledge is imperative for bringing the organization’s strategy into practice.

By Frank van der Windt

Project Manager, Van Rijn Group, The Netherlands

THE LONG WINTER GOT YOU SINGING THE BLUES?



Capture a piece of Florida Sunshine —
With Tomatoes Fit for a King!!



East Coast Growers and Packers, Inc.

PLANT CITY, FL • MAPPSVILLE, VA

YEAR-ROUND GROWERS, PACKERS AND SHIPPERS

ROUND TOMATOES, VINE-RIPES, ROMAS, AND GRAPE TOMATOES

BATISTA MADONIA, JR., SALES MANAGER • BATISTA MADONIA SR., PRESIDENT & CEO
EVELYN M. MADONIA, EXECUTIVE VICE PRESIDENT/SECRETARY-TREASURER
STEPHEN MADONIA, ALL GROWING OPERATIONS • ROSEMARY MADONIA, COMPTROLLER

Growers . Packers . Brokers . Shippers

800-557-7751 OR 863-425-3500 • FAX: 863-869-9850



ANTHONY MARANO COMPANY

Produce is Our Passion. *Service is Our Commitment.*

We have a simple philosophy: our vendors are our partners and our customers' success is our mission. With over 65 years of experience, we have grown to be more than just the "tomato guys." Our team of experts is dedicated to knowing all of our products, anticipating your needs and delivering when you need it most.

- Largest full-line distributor in the Midwest
- 400,000 square feet of fresh produce
- Product traceability
- Advanced food safety program
- Located in the heart of Chicago
- Same day service

Interested? Come by for a visit.

3000 S. ASHLAND AVE. SUITE 100 • CHICAGO, IL 60608
PHONE: 773-321-7500 EMAIL: INFO@AMARANO.COM





WHERE CUSTOMERS AND

V A L U E

ALWAYS COME TOGETHER.

As a world leader in whole and fresh-cut produce for grocery, we've set the standard for adding value. Fact is, Del Monte Fresh knows your customers better than anybody. The healthier lifestyles they want for themselves. The healthier



products they want for their families. The data, the insights, the expertise you expect from the brand more customers trust - they're just a phone call away. So call today. The more you know about your customers, the more we can help you grow your business.



EAT HEALTHY. LIVE HEALTHY.®

www.freshdelmonte.com 1.800.950.3683 www.fruits.com