producebusiness

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EASTERN BROCCOL . RISING STAR RECEPTION . MEXICAN PRODUCE CHILEAN FRUIT . POTATO AND ONION MARKETING . FLORIDA STRAWBERRIES ALFONSO CANO'S PMA JOURNAL . TEXAS PRODUCE . SWEET PERPERS

ALMONOS . INDEPENDENT STORE SUCCESS: WEDGE COMMUNITY CO-OF

BOSTON MARKET PROFILE



Boost your fruit sales with our January promotion...

get healthy with vonancs



DEC. 2012 • VOL. 28 • NO. 12 • \$9.90



COVER STORY

10 WAYS TO INCREASE PRODUCE CONSUMPTION

> Despite numerous public and private programs encouraging people to eat more produce, per-capita consumption of fruits and vegetables remains, at best, flat. Nearly 30 industry experts weigh in on how to boost consumption by thinking outside the box.

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> With improving infrastructure and a wide variety of crops, Texas provides the country with high quality items at reduced costs and delivery time.

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FLORAL BUSINESS MAGAZINE

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• Foliage Focus 2013: What's It Going to Take?

• BOUQUET PROGRAMS: For More Profits, Ask **More Questions**



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SPECIAL FEATURES

FROM THE PAGES OF THE PERISHABLE PUNDIT

> Immigration, One Of The Hottest Post-Election Issues, Brought To The Floor Of The New York Produce Show And Conference

- RISING STAR RECEPTION RECAP
- **WEDGE COMMUNITY CO-OP:** AHEAD OF ITS TIME

As cooperatives enjoy increasing popularity in the Twin Cities region, the Wedge Community Cooperative proves it was ahead of the curve and celebrates 38 years of serving the Minneapolis, MN, community.

PLACES WITH PRODUCE IN NYC An Insider's Guide to Produce in the Big Apple

A (FEW) DAYS IN THE LIFE OF ...

...Alfonso Cano, assistant produce director of Northgate Gonzalez Markets, who shares the highlights of his PMA Fresh Summit experience with PRODUCE BUSINESS.

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> The Boston Terminal Markets **Show Evolution At Its Finest**

Boston's produce terminal markets are adapting to an ever changing world

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THIS MONTH'S WINNER



Jennifer Kapelus

Senior Business Development Manager Four Seasons Produce, Inc. Ephrata, PA

Jennifer Kapelus has worked at Four Seasons Produce, Inc. since June of 2002. "I'm very intrigued by the fast pace and the

growth of the business," says Kapelus. "It's very exciting."

As senior business development manager for the Ephrata, PA-based wholesaler, Kapelus "conducts research and development for new business for the company. Once I bring in new businesses, I work with other departments in the company to develop new programs for our costumers,"

she describes. Currently, Kapelus mainly focuses on retail.

But it hasn't always been easy for Kapelus. "I started at the bottom back in 1994, with a small wholesaler," says Kapelus. "I pushed myself to learn more about the business."

Kapelus has been turning to Produce Business for more than 10 years to do just that. "I like the new information I find out about the industry and what's going on," Kapelus says. "It helps me with my job a lot. It's good to see what's happening in the industry."

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 LYNX PREDATOR GOLF SET

The Lynx Predator Full Set has a 46occ forged driver that promotes optimal trajectory and maximum distance. Both the driver and fairway wood use lightweight graphite shafts. The steel-shafted irons are oversized and have low and deep weight. A traditional-style putter with clear sight lines for accurate alignment finishes off the set. Also included is a lightweight stand bag.



UESTIONS FOR	THE DECEMBER ISSUE
How many LED lume	ns are included in a Baro light?
) What is the booth nur	mber for Crunch Pak at The New York Produce Show?
) What is the sales office	e phone number for Farmer's Best?
Name three fresh proc	duce categories sold by Green Giant Fresh
When will Marzetti's 1	new line of Simply Dressed Refrigerated Pourables be available?
) What year was S. Stroo	ck & Co. established in Boston, MA?
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POST ELECTION WRAP-UP: WHAT DOES IT MEAN FOR IMMIGRATION REFORM?

By Shelby Rajkovich, United Fresh communications manager



he next steps forward on critical issues to the agriculture industry will help to shape the impact of the 2012 elections. The industry must be prepared to clearly communicate priorities and concerns to Congress, especially on controversial issues, and immigration reform ranks near the top.

In the days immediately following the presidential election, the Pew Research Center reported that Hispanic voters overwhelmingly supported President Obama, with Governor Romney earning only 27 percent of the Latino vote nationally. Many in the industry have been asking what these numbers mean for the future of immigration reform, with President Obama signaling that the issue will be a top priority of his second term.

The fresh produce industry has been struggling with labor and immigration issues in recent years. "We've heard from many United members that the current H-2A program is cost-prohibitive and difficult to navigate," says Robert Guenther, United Fresh senior vice president of public policy. "Something is wrong when fruit and vegetable producers are so bogged down with paperwork and other regulatory burdens that they struggle to bring in a legal, stable workforce."

In a November 8 interview, House Speaker John Boehner (R-OH) signaled he would be open to comprehensive immigration reform: "A comprehensive approach is long overdue, and I'm confident that the president, myself, and others can find the common ground to take care of this issue once and for all."

Frank Gasperini, executive vice president of the National Council of Agricultural Employers, was cautious. "Comprehensive reform might turn out to be an option in the next Congress, but I remind people that it is still going to be a hard sell," he said in a phone interview following the election. "The agriculture industry has to be very careful to not let ourselves get caught in the trap where we get all or nothing. Politics is about compromise, and that doesn't mean brow beating the other side

United remains committed to working toward an immigration reform package that is workable for agricultural employers, includes provisions for temporary worker programs, realistic approaches to the current undocumented workforce in the United States, and reasonable requirements for the business sector dealing with employment verification processes.

until they come to yours. I think the solution is going to have to be more incremental."

The election may have changed the tides regarding attitudes toward immigration reform. "There is a lot of pressure on Democrats and Republicans alike to deliver, and if they don't make an earnest, legitimate effort, they face political consequences," said Craig Regelbrugge, vice president of government relations and research at the American Nursery & Landscape Association. Regelbrugge, who spoke at United's 2012 Washington Public Policy Conference in October, also warned, "The unique challenge for agriculture is to be ready. If we aren't ready with a unified message, immigration reform might not shape up in a way that recognizes and addresses our industry's needs. Then we may not have another chance."

Unpalatable labor reforms have been on the table recently, most recently in the form of mandatory E-Verify legislation in the House of Representatives in 2011. United and the produce industry were on alert, working hard to fight passage of the bill unless it contained a new and workable agricultural guest worker program, especially in light of the effects of mandatory E-verify laws on the labor force in states like Georgia that had passed their own versions of the law. Without a practical and reliable guest worker program, mandatory E-Verify would create a disaster for the fresh produce industry.

All through 2011, United Fresh members and staff met with key members of Congress to

share our concerns about mandatory E-Verify and the need for a workable agricultural worker program. Some congressional staff actually asked if growers were truly facing serious labor shortages. The pictures we showed them of crops that had to be left rotting in the fields were worth a thousand words.

United remains committed to working toward an immigration reform package that is workable for agricultural employers, includes provisions for temporary worker programs, realistic approaches to the current undocumented workforce in the United States, and reasonable requirements for the business sector dealing with employment verification processes. It is time to consider new solutions for immigration reform if we are ever to see real progress toward a solution. The election results give the industry an opportunity that we have not had in a very long time, and we must take advantage of it.

United Fresh President and CEO, Tom Stenzel, indicated there is optimism that progress will be made, but noted, "It's critical that both Republicans and Democrats start a meaningful dialogue toward real immigration reform in the next year. No other issue presents such a clear example of how polarized extremes have undercut rational progress. Now is the time to say "no" to the extremists, and put our heads together on reform that works. After all, if we are unable to harvest our crops due to a lack of labor, most of these other issues don't really matter."

Don't delay. Display.



Get a jump on fresh pomegranate season – and a nice bump in sales – by ordering your POM Wonderful display bins now. Each traffic-stopping bin delivers over \$900 in sales.' Which is easy to understand, considering the beautiful, high-impact graphics of POM's perfectly picked fruit, and support from a national marketing program. So why wait? There's a bigger payoff in ordering now.

Order your POM display bins now at GetBins@POMWonderful.com or contact your local sales representative.

START NOW ON INCREASING CONSUMPTION

By James Prevor President & Editor-in-Chief



he one thing we know for sure is that whatever will increase fresh produce consumption, it is not what we, as an industry, are doing now. All our efforts have failed. There is always the 'amen corner' for any policy, and they will tell us, with little evidence, that we are on the right track and that all that is required is for us to do what we are doing now, but more so. So if the

Produce for Better Health Foundation had a budget 50 times as large, then consumption would be booming.

One problem with this approach is the likelihood of PBH's budget being increased 50-fold is not too great. More substan-

tively, though, is the question of whether health-based promotions are likely to ever work. The mythology surrounding health-based promotion is very strong, and as we talk to many advocates of such an approach it becomes obvious why this is

The two best hopes for increasing consumption are enhancing convenience and enhancing culinary technique.

so. These people — industry executives, media representatives, educators, government officials — are mostly motivated to increase their own consumption of produce in order to be healthier. It is logical for them to think that this approach would be effective with others.

People, however, have this annoying way of being individuals, and extrapolating the experiences of a mostly highly intelligent and well-educated cohort to the general population can be a risky proposition.

For some, it is the angle of approach. Many young people, for example, think themselves invulnerable, so you won't move the lever on their behavior with health messaging. But as this group is busy focusing on preening for the opposite sex, you can change their behavior rapidly by focusing on messages about looking better. Others are focused on environmental or ethical causes, and one can see their behavior change based on assessments surrounding these issues.

For others, we may have to confront a sad reality — that the health message is not effective for the same reason that admonitions to prudence, sobriety and sexual restraint are not effective with large parts of the populous. We have to recognize that life is filled with many messages on how to be successful. There are large segments of the population that are simply not good at absorbing this information. So they can't save money or avoid out-of-wedlock pregnancies or avoid drinking to excess. They are not likely to uniquely absorb the messaging regarding fresh produce.

Some of the things that almost surely would help are decidedly long term propositions. Yes, if we develop new produce varieties that are more delicious, can be grown less expensively and are both long-lasting and beautiful, we will probably sell more of the product. There are, unfortunately, many trade-offs in breeding, and such products, even if possible, are many years away.

Advocates of health, especially when intermingled with government bureaucracy, all too often make the best the enemy of the good. So they insist on pushing the idea that a child should be introduced to broccoli, steamed and unadorned, because that is the healthiest of options. More likely, there are gateway experiences to foods, and children who can be enticed to eat broccoli with cheese sauce or spinach with garlic and olive oil may, in the fullness of time, come to appreciate the item in

its purest simplicity.

Affiliating with key moments in a person's life is a sure route to consumption. How many people, who never eat turkey, eat it on Thanksgiving? How many people who never put marshmallows on a food eat them melted on sweet pota-

toes on Thanksgiving? Aligning produce with celebrations... strawberry short cake and ice cream smothered in cut fruit or high-end events, fine Champagne and berries in upscale venues... these are all ways of planting the idea that fruits and vegetables are, well, kind of cool. To be more precise, they are ways of planting the idea that people who eat fine berries and sip Cristal are the kind of cool people who the targets of the promotion want to be.

In the short to medium term, the two best hopes for increasing consumption are enhancing convenience and enhancing culinary technique. The industry is making remarkable strides with convenience. New packaging, as much as anything, drives these new products and takes items such as artichokes, traditionally intimidating to consumers, and makes them simple and accessible.

Culinary technique will be more difficult, but can be revolutionary. In the United States, we have lost many of the cooking techniques that our ancestors once knew or that other cultures once knew that can make produce such a treat. We have to rediscover these techniques and create new ones. This way we can make produce more delicious without waiting for breeding programs to bear fruit.

Delicious produce, aligned with meaningful life events, available conveniently with a portal open to allow children to acquire a taste for produce... these are the techniques likely to lead to success in increasing per capita produce consumption. It is a big job, best we get started right away.

A Sustainability Win!

Toss the Black Tray - Consumers Don't Use it Anyway!





That Was Then.

- Limited graphic impact.
- Flimsy plastic tray consumers do not use—plastic they are willing to do without:

This Is Now!

- + Next generation-farm fresh graphics.
- + Easy peel tab.
- + 38% less packaging than our old tray.
- + 50% LESS packaging by weight than the competition!

Get your party platter sales out of the dark ages and move them to this new, sleeker design with fresher graphic impact and less packaging.

92 percent* of consumers tested do not use the black tray for serving as intended (even when instructions prompt them to do so). When told about the positive impact removing the tray would have on the environment, the same 92 percent said they would be happy without it. By removing the black plastic on vegetable trays, our industry would reduce landfill disposal by over 2 million pounds annually.

What are you waiting for?

*Consumer Focus Group re-149-210



We can help meet your vendor diversity goals.



PRODUCE AND FLORAL WATCH

TRANSITIONS

NATURE FRESH FARMS SALES, INC. YUMA, AZ

Frank de Vries has been hired as general manager for Nature Fresh Farms Sales, Inc. He brings 20 years of greenhouse produce industry experience to the organization in the fields of international grower procurement, sales and management.







IPR FRESH RIO RICO, AZ

IPR Fresh has hired produce veteran, **George Hardwick**, to a new sales representative position. Hardwick, who was most recently in sales with the Timco/Foodsource division of Eden Prairie, MN-based C.H. Robinson, has 25 years of food industry experience, including both sales and procurement, along with serving as an inspector for the government.



GOURMET TRADING COMPANY LOS ANGELES, CA

Gourmet Trading Company has appointed **Brian Miller** as its president following the unexpected passing of Chris Martin, former CEO and president. Prior to being appointed to president, Brian learned all aspects of the company as vice president of sales, sales manager, and sales associate.

ANNOUNCEMENTS



IPR FRESH STARTS 10TH SEASON WITH FRESH LOOK AND LOCATION

The management team at Rio Rico-based IPR Fresh spent its "off" season in "on" mode, by developing a new strategic plan, brand positioning and image, among other activities. The company also moved to a new office location, where IPR Fresh president, Jose Luis Obregon, unveiled an energetic new logo with the tagline "Freshness Delivered."



SAFEWAY'S ADAMS NAMED FLORAL MARKETER OF THE YEAR

Traci Adams, vice president and general manager for Safeway corporate floral, Pleasanton, CA, was named 2012 Floral Marketer of the Year during the PMA's Floral Networking Reception. The award, in its 32nd year, recognizes an outstanding floral professional who has served the mass-market floral industry with dedication and distinction.

OCEAN MIST FARMS WINS NATIONAL AWARD

Ocean Mist Farms, Castroville, CA, was named a packaging innovator by the Produce Marketing Association. The Excellence in Produce Packaging Impact Award recognizes companies with exceptional produce packaging that demon-

Brunnele

strates "out-ofthe-box-thinking" and makes an impact on consumers. The company was recognized for its "Season & Steam" microwavable Brussels sprouts bag.



HARVESTMARK SAN FRANCISCO, CA

YottaMark, provider of Harvest-Mark, has appointed **Ricardo Islas**, most recently business development manager at NSF International/NSF Agriculture, as its director of Latin American sales. Ricardo is familiar with the fresh and processed industries, and is a food safety expert in HACCP, GlobalG.A.P., GAP, Tomato Metrics, Harmonized Audits, SQF, BRC and Produce Organic Certification.



THE GIUMARRA COMPANIES LOS ANGELES, CA

The Giumarra Companies welcomes Gary Caloroso to its avocado and asparagus marketing staff. Caloroso will serve as director of marketing and will be based in Giumarra's Escondido, CA, office. He will be working closely with retail and foodservice customers, commodity boards, and additional third parties to develop engaging promotions for avocados and asparagus packed under the Nature's Partner label.

ANNOUNCEMENTS

FRESH KING ANNOUNCES PARTNERSHIP WITH AGROINDUSTRIA OCOEÑA

Fresh King, Inc., Homestead, FL, is pleased to announce a new partnership with Agroindustria Ocoeña and the Castillo family in Santo Domingo, Dominican Republic. The partnership involves

integrated production, packing and sales of tropical fruits, coconuts, Asian vegetables and multiple greenhouse products. The primary products that will be distributed initially through the partnership will include greenskinned avocados and greenhouse-grown bell peppers.



Produce & Floral 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





PRODUCE AND FLORAL WATCH

ANNOUNCEMENTS



READY PAC CELEBRATES PMA IMPACT AWARD WIN

Irwindale, CA-based Ready Pac's Disneythemed Cool Cuts® salads and mini-meals line was awarded a PMA Impact Award for Packaging Excellence. The salad and minimeals line was one of six award winners.

NEW POPEYE SUPERFOOD PROMOTES A HEALTHY LIFESTYLE

Taylor Farms, Salinas, CA, has partnered with King Features, a print syndication company owned by Hearst Communications and home to roughly 150 comic strips, to create Popeye Superfood, a fresh product line that includes mature spinach, baby spinach and spinach mix in a bag. The Popeve Fresh product line's packaging and website are designed to engage children and their families through fun and education.



NEW PRODUCT

EARTHBOUND FARM KEEPS CONSUMERS HEALTHY

Earthbound Farm, based in Salinas, CA, has announced the launch of two new items. Zen Blend is a new addition to the company's award-winning Power Greens line-up, while Butter Lettuce Leaves rounds out the brand's popular Washed Leaves family. These ready-to-use products, with no additional washing required, make it easy for consumers to eat healthier at home



CHEP ANNOUNCES NEW CONTRACT WITH DEL MONTE FRESH PRODUCE

CHEP, Orlando, FL, has announced a new contract for shipping platform solutions with Del Monte Fresh Produce. Del Monte Fresh Produce transports branded bananas, melons and pineapples to supermarket chains, club stores, foodservice distributors and wholesalers across North America on CHEP pallets.





NATIONAL MANGO BOARD ANNOUNCES MANGO RETAILER OF THE YEAR

The National Mango Board honored four retailers for being the "best of the best" in mango retailing and providing outstanding support and promotion for mangos. The winners were (pictured left to right) Jim Wood, Schnucks; Keith Tsuchiyama, Bristol Farms; and Dominic Pelosi, The Great Atlantic & Pacific Tea Company, Inc. Winners not pictured are Lee Arthur, The Fresh Market; and John Savidan, Bristol Farms.



CALIFORNIA GIANT SERVES UP KID APPEAL

California Giant's Berry Yogurt Cones were examined, sniffed, tasted and touched at the annual Sensory Experience Recipe Contest at Fresh Summit 2012. Out of the 46 recipes, 11 were selected to be finalists and to showcase their product in a dish that would appeal to the senses of a group of top-level buyers, industry experts and, in particular, the taste buds of local children.

MISIONERO WINS BEST NEW PRODUCT LAUNCH

Misionero Vegetables, Gonzales, CA. showcased its new flavorful and nutritional salads at PMA's Fresh Summit in Anaheim, CA, and was awarded "Best New Product Launch." Misionero's new line-up consists of

Baby Kale, Superfood, Lemony and Wasabi Arugula Salad Blends and is available nationwide in both Organic Earth Greens® and Garden Life™ brands.



JUICING AT THE NEW YORK PRODUCE SHOW

Citrus America, Inc., Boca Raton, FL, will be demonstrating its high quality Citrocasa citrus juicing equipment at Booth 202 at the New York Produce Show on December 5, 2012. All Citrocasa machines are constructed using high-quality food-grade stainless steel and come with a unique patent-protected Soft Cut System (SCS) for the best tasting fresh juice.

NEW PRODUCT



ECORIPE TROPICALS INTRODUCES 1-LB. RAMBUTAN CLAMSHELL

Ecoripe Tropicals, a tropical produce distributor based in Medley, FL, introduced a 1-lb. clamshell of rambutans at the 2012 PMA Fresh

Summit. Packed fresh from GlobalG.A.P.-certified orchards in Guatemala, Lafinita brand rambutans represent the best in quality and availability, with an extended production season running from May to November.

CORRECTION

In the Twin Cities regional profile in the November issue of PRODUCE BUSINESS, Cut Fruit Express Inc. was listed as a division of H. Brooks Co. This was incorrect. Cut Fruit Express is an independent company owned by Lawford Baxter. PRODUCE BUSINESS regrets the error.

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



2012 WINNER BEST NEW PRODUCT LAUNCH!

Misionero Vegetables would like to thank its loyal customers for supporting and being part of the Misionero vision.

We are committed to building the category through new product innovation and are looking forward to an exciting 2013.









Call us today and ask us about our new flavorful and nutritional salads. (800)328-7252





DECEMBER 4-6, 2012 NEW YORK PRODUCE SHOW AND CONFERENCE

The 3rd Annual iteration of *Celebrating Fresh!* in the magical city of Manhattan.

Conference Venue: Pier 94, New York, NY Conference Management: PRODUCE BUSINESS, Boca Raton, FL

Phone: 561-994-1118 • Fax: 561-994-1610 Email: info@nyproduceshow.com Website: www.nyproduceshow.com

JANUARY 16 - 18, 2013 PMA FIT LEADERSHIP SYMPOSIUM

This program is designed for decision-makers who currently drive strategy and growth in an organization. Conference Venue: Omni San Diego, San Diego, CA Conference Management: Produce Marketing Association, Newark, DE

Phone: 302-738-7100 • Fax: 302-731-2409 Email: solutionctr@pma.com

Website: www.pma.com

January 20 - 22, 2013 SWEET POTATO CONVENTION

California Sweet Potato Council hosts the 50th Annual United States Potato Convention.

Conference Venue: Westin, Charlotte, NC Conference Management: United States Sweet Potato Council, Columbia, SC

Phone: 803-788-7101 • Fax: 803-788-7101 Email: cwalker12@bellsouth.net Website: www.sweetpotatousa.org

January 20 - 22, 2013 NASFT WINTER FANCY FOOD SHOW

The West Coast's largest specialty food and beverage event. Conference Venue: Moscone Center, San Francisco, CA Conference Management: NASFT, New York, NY Phone: (212) 482-6440 • Fax: (212) 482-6555 Website: www.fancyfoodshows.com

January 23 - 25, 2013 TROPICAL PLANT INDUSTRY EXPOSITION

TPIE is the trade event showcasing the latest trends in foliage, floral and tropicals in warm and inviting S. Florida. **Conference Venue:** Broward Convention Center, Ft. Lauderdale, FL

Conference Management: Florida Nursery Growers & Landscape Association, Orlando, FL

Phone: (407) 295-7994

Email: info@fngla.org • Website: www.fngla.org

FEBRUARY 6 - 8, 2013 FRUIT LOGISTICA

The world's leading trade fair for the fresh fruit and vegetable industry.

Conference Venue: Berlin Exhibition Fairgrounds Hall 1-25, Berlin, Germany

Conference Management: Messe Berlin GmbH, Berlin, Germany

Phone: 493-030-382048 • Fax: 493-030-382020 Email: berlin@exhibitpro.com

Website: www.fruitlogistica.com

February 10-13, 2013N.G.A. SUPERMARKET SYNERGY SHOWCASE

The National Grocers Association is the national trade association representing the retail and wholesale grocers that comprise the independent sector of the food distribution industry.

Conference Venue: Mirage Hotel and Casino, Las Vegas, NV

Conference Management: National Grocers Association, Arlington, VA

Phone: 703-516-0700 • Fax: 703-516-0115 Email: info@nationalgrocers.org Website: www.nationalgrocers.org

February 13 - 16, 2013 BIOFACH

The World Organic Trade Fair

Conference Venue: Exhibition Centre Nuremberg, Nuremberg, Germany

Conference Management: NurnbergMesse GmbH,

Nuremberg, Germany Phone: 490-911-86060 • Fax: 490-911-86068228 Website: www.biofach.com

February 20 - 24, 2013 NATIONAL WATERMELON CONVENTION

The Centennial Celebration

Conference Venue: The Westin La Cantera Resort, San Antonio, TX

Conference Management: National Watermelon Association, Inc., Lakeland, FL

Phone: 863-619-7575 • Fax: 863-619-7577

Email: nwa@tampabay.rr.com

Website: www.nationalwatermelonassociation.com

February 28 - March 2, 2013 SOUTHERN EXPOSURE

To promote the consumption of fresh fruits and vegetables in Florida, Georgia, Alabama, Mississippi, Louisiana, Tennessee, North Carolina, South Carolina, Kentucky and Virginia through good fellowship, cooperation and mutual interest among its members.

Conference Venue: Caribe Royal Resort & Conference Center, Orlando, FL

Conference Management: Southeast Produce Council, Inc., East Ellijay, GA

Phone: 813-633-5556 • Fax: 813-653-4479 Email: info@seproducecouncil.com Website: www.seproducecouncil.com

MARCH 3 - 5, 2013 CANADIAN INTERNATIONAL FOOD & BEVERAGE SHOW

Canada's foodservice event of the year **Conference Venue:** Direct Energy Centre, Exhibition Place, Toronto, Canada

Conference Management: Canadian Restaurant and Foodservices Association, Toronto, Mississauga Canada Phone: 416-923-8416 • Fax: 416-923-1450 Email: info@crfa.ca • Website: www.crfa.ca

March 3 - 5, 2013 INTERNATIONAL RESTAURANT & FOODSERVICE SHOW OF NEW YORK

The International Restaurant and Foodservice Show of New York is the only comprehensive industry event devoted to the restaurant, foodservice and hospitality market.

Conference Venue: Jacob K. Javits Convention Center,

Conference Management: Reed Exhibitions, Norwalk, CT Phone: 203-840-5556 • Fax: 203-840-9556 Email: inquiry@internationalrestaurantny.com Website: www.internationalrestaurantny.com

April 3, 2013 NEW ENGLAND PRODUCE & FLORAL EXPO

Conference Venue: Boston Convention & Exhibition

Conference Management: New England Produce Council, Burlington, MA

Phone: 781-273-0444 • Fax: 781-273-4154 Email: nepc2@rcn.com

Website: www.newenglandproduce.com

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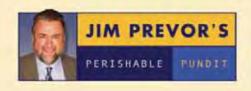




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FRESH*



Immigration, One Of The Hottest Post-Election Issues, Brought To The Floor Of The New York Produce Show And Conference

FROM JIM PREVOR'S PERISHABLE PUNDIT 11.12.2012

ith the election behind us, many issues that were simply "too hot to handle" are going to come to the forefront. Immigration is likely to be one of these newly prominent issues. Indeed, one interpretation of the election results is that the Republican Party needs to boost its appeal to Latinos. Many assume that the best way to do this is to embrace amnesty for those illegals already in the country.

This assessment has its own problems. A close read of the election results indicates that the Republican problem could be seen as more an inability to inspire white voters to come to the polls than it was any boom in Hispanic turnout. It is also uncertain whether changing positions on immigration would be sufficient to change Hispanic voting patterns. Even if it would, would that change be significant enough to outweigh more Hispanic voters?

We got wind that a triumvirate of Cornell's finest were working on an immigration project, so we signed them up to present at The New York Produce Show and Conference. Then we sent Pundit Investigator and Special Projects Editor, Mira Slott, to find out more and to get a sneak preview of their presentation:

Brad Rickard, Assistant Professor, Charles H. Dyson School of Applied Economics and Management and Director of Horticultural Business and Policy Program, Cornell University

Marc Smith, Assistant Director at New York State Agricultural Experiment Station, College of Agriculture and Life Sciences, Cornell University

Thomas Maloney, Senior Extension Associate, Charles H. Dyson School of Applied Economics and Management, Cornell University

Q: Thank you for coming together to discuss your latest research that you are presenting at this year's New York Produce Show. Could you tell us more about this year's topic?

Brad: We're just starting a new grant project focused on a critical issue to the industry that has become highly politicized during the election cycle. The working title of our talk is "Labor Policy and Labor Management Options for Producers of Specialty Crops in the United States." We will use the talk to assess the impact of the election on these matters. There will be some discussion on actions taking place nationally and also which states are doing guest worker programs on their own, and the importance of immigrant labor in specialty crop agriculture.

Marc: How do farmers deal with this, and how can we help them succeed? There is the policy-component element, the regulations and enforcement, and the impact in different states.

Q: Are there ways to alleviate this problem?

Marc: Just the regulations involved with H-2A will change. The state department role is extremely confusing on top of the program itself being a burdensome exercise.

Brad: H-2A is the federal guest-worker program in the U.S., which allows a certain number of seasonal workers to come into the U.S. for limited timeframes.

Q: Is the H-2A program effective?

Marc: It is underutilized. There are 1.2 million workers in the country coming here from overseas. Less than 10 percent of fruit and vegetable workers are working through this program under the U.S. Department of Labor.

Tom: I think an important point is that under the Obama Administration, H-2A has become more cumbersome and more difficult to get workers.

Farmers want more qualifications and experienced people, and the Labor Department is saying you don't need that experience. It is more difficult to use in the past few years, and people don't want to give up a guaranteed flow of workers and have them be legal.

Q: Could you underscore the conflicts?

Marc: For farmers, they want to minimize risk and make sure workers are legal, and flow is efficient and timely. If you are an advocate involved in policy and justice, you don't like guest-worker programs because they are set up as second-class citizens... and by the way, you should be hiring U.S. laborers.

Q: What reforms in labor policies do you think should be enacted to best help producers of specialty crops? How likely do you believe these reforms will take place?

Brad: Plans moving forward must be to think more carefully about labor management solutions, looking at how federal policies have evolved, and understanding state policies that diverge from federal policies. We need more guest worker visas and reforms.

Q: What solutions will you propose?

Tom: We want to provide management options for people thinking about labor policy, introduce other types of management systems, refugees as workers, and discuss the future for mechanizing these jobs. We have machines for harvesting and processing vegetables. When that was introduced, it was a big deal in the 1960s and 70s. Now we're seeing mechanization for the harvesting of fruit crops. What impacts could there be down the road?

Marc: I'd like to leave people with the encouragement to be proactive on the immigration policy side. Being proactive politically is important.

* * * * :

The issue of labor and produce is clearly important, and there are two parts to this issue. The first is to help producers harvest their crops today. Understanding the most effective ways to use existing programs such as H2-A is a big part of that, and so this workshop can be absolutely crucial.

The larger issue is the policy question of how to handle immigration, guest-worker programs, etc. Since we have three Cornell economists presenting, we hope they will start out by explaining what, exactly, it means to say that no Americans want to do this work. Now, maybe \$10 an hour is not sufficient to attract labor. Maybe the right number is \$20 an hour or \$100 an hour. Or maybe labor markets value something beyond an hourly wage. Since harvesting is physically demanding work, perhaps paid vacation is the key to attracting workers. Maybe that is a long paid off-season or maybe it is a three-day work week when in the thick of things.

So it simply cannot be to say that Americans won't do the work, so what the industry must be saying is something different. Two possibilities:

- 1) That if we were to transition to an all-U.S.-citizen labor force over the next five years, the wages we would have to pay would so increase the cost of produce that it would depress consumption.
- 2) That if we were to transition to an all-U.S.-citizen labor force over the next five years, the wages we would have to pay would so increase the cost of production that production would substantially move overseas and the U.S. industry would be destroyed. So under this scenario, we would have to either impose massive tariffs or accept a dramatic shrinking of U.S. production agriculture.







Either of these claims would be more intellectually coherent than a claim that produce-harvesting labor is somehow exempt from market forces. Very possibly, making an intellectually coherent claim would actually move the political needle by making policy-makers address the real issues. Right now, the claim simply lacks credibility, and so people think the industry is crying wolf to avoid raising wages.

On the broader question of immigration policy, it is not at all clear what the position of the produce industry is. Do we favor more legal immigration? Less? The ambiguity is itself telling. It appears that working in produce harvesting is so far down the list for immigrants that simply increasing legal immigration by 10 or 20 percent, or any other remotely politically feasible number, would not produce the labor force that the produce industry needs.

This leads us to guest-worker programs. Although it is true that those who advocate under a "social justice" banner may not like these programs because they treat these individuals as "second class" to others who come to the U.S. to work, it is also true that any possible solution to this problem is unsatisfactory.

As we already mentioned, simply increasing the number of legal immigrants will not provide a produce-harvesting work force, and providing other inducements, say a path to citizenship to those who harvest produce for five years, is odd. It singles out harvesting produce as an essential national task, and such a characterization would have little support.

One can argue against discriminating against produce harvesters in a path to citizenship, although some would favor the rich or well-educated immigrants.

It is hard, however, to urge discrimination in favor of produce harvesters. Every year, we send newly minted PhDs just trained in our world-class universities back home when many would like to stay. Is there much of a public policy case for favoring produce harvesters over these highly educated workers when it comes to offering a path to citizenship?

Of course, on a strictly financial basis, many would accept the idea that the industry is not sustainable without labor from abroad, and, even more, that social justice is better served by providing work opportunities rather than automating the work. So many would accept a guest-worker program.

The problem, however, is that the federal government has been so manifestly unable or unwilling to enforce existing immigration law that many people of goodwill are unwilling to do anything because they are not convinced that any restrictions on immigration agreed to in the structuring of the guest-worker program will be enforced.

On an economic basis, if we want the largest country, most influential in the world, with the highest GDP, we want a very open immigration policy. On the other hand, if we view our goal as increasing incomes for those people who happen to be U.S. citizens today, one could cogently argue that by restricting immigration, we constrain the supply of manpower and thus increase the value of untrained labor.

So what reason is there to believe that someone brought into the country on some kind of guest-worker visa will be, in some way, forced to leave the country when that visa expires? What will happen if they do not? Will there be an immediate "All Points Bulletin" put out and a bounty offered on their heads? This all seems unlikely. Yet if one doesn't do these things, is it really a guest-worker program at all?

If we want political support, it is also important in proposing a guest-worker program to make sure there is no possibility that taxpayers wind up subsidizing these workers. This means they each need non-deductible health and dental policies while they are in the country, plus an assurance they will have housing and adequate food and clothing. They need insurance whereby if they were to die, the insurance will make sure their bodies can be shipped home for burial. Few proposals for guest-worker programs have addressed these legitimate public policy concerns.

Then there is a big structural matter. Under the Constitution, a child born in the U.S. is an American citizen. So what do we do if a guest worker has a baby while in the U.S.? Throw the parent out while the baby gets to stay?

If we act seriously to end new illegal immigration, the existing problem ultimately solves itself. The children of illegal aliens are American citizens with all the rights and obligations of all U.S. citizens, so gradually the problem will diminish as the new legal generation supersedes the old illegal generation.

It is obviously not a perfect solution, and we have examples of blameless babies born outside the U.S. who were illegal immigrants when they were two-weeks-old. Still, imperfect though it may be, the Constitution, in its genius, does not allow for a permanent cadre of illegals.

The whole issue of immigration is contentious, because it revolves around three different visions of America. On an economic basis, if we want the

largest country, most influential in the world, with the highest GDP, we want a very open immigration policy. On the other hand, if we view our goal as increasing incomes for those people who happen to be U.S. citizens today, one could cogently argue that by restricting immigration, we constrain the supply of manpower and thus increase the value of untrained labor.

On a budgetary basis, many who would be perfectly willing to have more immigrants recoil because, in our social welfare state, many of these immigrants will get free public services.

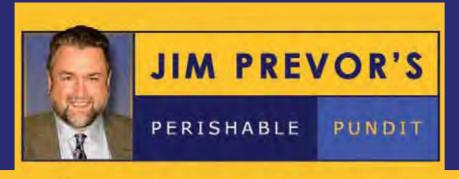
Although the aggregate statistics are contentious, for many this is an individual matter. No individual should be able to come here and be a drain on the public finance.

On a socio-political basis, many who would otherwise welcome immigrants refuse to do so, not because they object to immigrants, but because they object to the way American culture socializes immigrants. These people, for example, recoil at programs designed to allow English as a second language and want immigrants to be immersed in English right away, considering English to be a kind of glue that allows our democracy to function.

They want to see citizen and citizenship programs in public schools that extol the virtues of our country, our history and our Constitution. In other words, they believe America is something unique in the world and want to make sure that new immigrants will carry forward this vision.

And all this is only the substantive issues... add to the matter demogoguing politicians on both sides of the aisle who look to play on prejudices and fears and personal self-interest, and it is not very surprising that we haven't found a solution.

We thank Brad Rickard, Marc Smith and Thomas Maloney for presenting on this topic. It is bound to not only be informative but to stimulate a firecracker of a conversation.



Where the subject may be perishable but the insight isn't.

What is a Pundit?

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Strong December Produce Sales Expected

BY KELLI BECKEL, SENIOR MARKETING MANAGER, NIELSEN PERISHABLES GROUP

espite fluctuating economic conditions over the past several years and recent drought challenges, sales of fresh foods have fared relatively well in 2012. Given the momentum that produce sales gained in the past year, the likelihood of a successful year-end wrap up is good. To help quantify the momentum as we enter the final month of 2012, we examined sales during December of last year, as well as the key summer season this year.

If December, 2011, sales are any indication, year-end sales for 2012 will trend upward. During December of last year, 31 of the 44 produce categories increased volume sales compared to the prior year. Categories such as berries and valueadded fruit had strong growth during this period, with volume increases of nearly 30 percent and 10 percent, respectively, as did the smaller stone fruits category, driven primarily by plums.

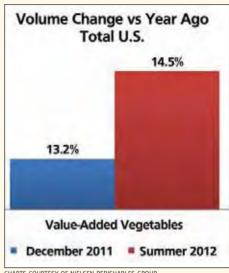
Categories with historically high December sales include citrus, apples and bananas, as well as categories commonly used for holiday meals such as potatoes, packaged salad, tomatoes and onions. These core commodities show signs of maintaining, if not growing, sales based on high performance during the key summer season this year.

The citrus category had a 12 percent volume increase and modest dollar growth during the 2012 summer, thanks to an 8 percent dip in average retail price. With even stronger winter sales due to peak seasonality, citrus was a top category with high volume and dollar sales during December, 2011, despite a 13 percent average retail price increase from the previous year. Even if average retail prices for citrus rise during this holiday season, it's unlikely to deter consumers from purchasing.

Value-added vegetables, a growing category that satisfies popular convenience and health demands, surpassed traditional categories such as potatoes, packaged salad and tomatoes in terms of dollar and volume growth during December, 2011. The increasing array of choices within value-added vegetables also contributed to category success. During December, 2011, the average number of unique items sold on store shelves for value added-vegetables grew a significant 12 percent from the previous year. The category's popularity did not falter during summer 2012. Valueadded vegetables had the period's greatest growth among vegetables due to their perceived value with consumers (prices and promotions did not fluctuate significantly during either time period) and a 7.6 percent increase in average weekly unique items per store, suggesting continued category growth and product proliferation this December.

Traditionally, popular holiday categories could also achieve strong performance this season. Fueled by their popularity as a snack and ingredient during holiday gatherings, as well as increased item count, nuts and seeds had strong performance during December, 2011, with a significant increase in dollar sales due to a 14 percent hike in average retail price. Despite the price increase, nuts and seeds increased volume 8 percent, proving their unwavering popularity with consumers. The summer also provided shoppers with greater variety within the category, as average unique item count increased 7 percent compared to the previous year. During summer, 2011, nuts and seeds continued their upward momentum. Unique item count increased 17 percent, and the category achieved high volume and dollar growth without notable price change, suggesting increased consumer demand will remain in December, regardless of price changes.

For more seasonally driven products like avocados, strong summer sales don't necessarily assure high sales during December. However, maintaining consumer interest during December is possible. Avocados experienced modest dollar growth and nearly 8 percent volume growth during



CHARTS COURTESY OF NIELSEN PERISHABLES GROUP

December, 2011. Their growing appeal continued during the summer months when a near 30 percent price drop drove avocado volume up a remarkable 46 percent. Produce beverages (which include coffee, ciders, teas and fruit juices) experienced a similar trend. Although dollar and volume sales were lower in December, 2011, than in summer, the category still experienced growth compared to the previous year.

Several factors currently at play could impact the momentum gained during the past year. Residual drought conditions and continued economic uncertainty could cause consumers to revert to more spendconscious mindsets. However, a new Nielsen Holiday Shopping Sales survey cites factors including higher consumer confidence levels, increased impulse buying and consumer intent to spend more this season that could curtail possible challenges arising from economic or drought conditions.

Given the sustained success of fresh produce over the past year and particularly strong summer sales, conditions are favorable for a strong closing month of the year within the produce department.



Nielsen Perishables Group consults with clients in the fresh food space. Based in Chicago, IL, the company specializes in consumer research, advanced analytics, marketing communications, category development, supply chain management, promotional best practices and shopper insights. For more information, please visit www.perishablesgroup.com

Keep Rowing Even Under Best Conditions

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

rising tide may lift all boats but retail is, most decidedly, a local business, and each store competes in a unique set of circumstances, with unique competitors, unique shoppers and unique economic conditions. So while it may be soothing to know that the overall trend is with us, it would be foolish to think that such a trend guarantees our success.

Indeed, for large chains, a willingness and ability to react to local market conditions is the key to success. It is no accident that Wal-Mart had its greatest growth as it trumpeted its "store of the community" initiative, while Tesco has bled red ink at its Fresh & Easy subsidiary as it insisted on placing a uniform assortment across a diverse population.

We have no idea if December produce sales — or those of any other month — will wind up rising or falling compared to last year. How could we know? Maybe the weather will be inclement and that will keep shoppers home, or it may be unseasonably balmy and this will keep people outdoors playing and unwilling to shop. Perhaps war will break out or, maybe, peace. Or there will be a freeze and crops will be short, causing prices to zoom. Or the stock market will crash and people will fear to spend.

For any individual store, the equation has other variables: Will a new competitor open or close? What about a new class of trade: A supercenter, a warehouse club, a natural foods store or an Internet shopping service?

For a chain, the big variable is new store openings. We've listened to CEO after CEO give speeches about how the goal is to double sales in five years or some such thing. Whether the chain achieves that goal or not is typically less dependent on operations eking a bit more out of the stores than it is on the CEO funding openings or acquisitions.

Indeed, sales success this month is often determined by how proactive management was years ago. There are a lot of towns in the United States that can support one Whole Foods store, but Whole Foods hasn't got there yet. One attitude is for a local chain to take solace from the idea that if Whole Foods ever comes, the community won't support many outlets and keep doing what it is doing. Another attitude is to preempt Whole Foods. That might mean beefing up organic and natural offerings in a conventional chain, or it might mean coming up with a new banner and seizing that share of stomach and share of mind that Whole Foods occupies in the national scene and national psyche.

Internet shopping is another place where many seem to be just waiting for someone such as Fresh Direct to appear in their town and seize market share. Contrast that with a chain such as Coborns in Minnesota, which purchased SimonDelivers and turned into CoburnsDelivers.com, seizing a market position that dissuades competitors from moving into the space.

Even in traditional stores, one of the things that the recent presidential election results reminded us of is that the ethnic composition of the country is changing; successful retailers have a razor-sharp focus on the clientele available for the store. Note that this is often different than the actual clientele visiting the store. It is easy to keep serving the same clientele even as that clientele becomes a smaller and smaller segment of the community.

Boosting sales is often counter-intuitive, because it often requires focusing on things that particular communities value. Research might show that the priority of consumers in selecting a place to shop might be things such as cleanliness and good prices, yet counting on these attributes to win shoppers might be fruitless because every other retailer is focused on these attributes as well. It just might be the kosher section or the organic assortment or the slightly overripe tomatoes available for salsa that can be the competitive edge that attracts the shoppers day after day.

Staying in sync with economic trends is

We have no idea if December produce sales – or those of any other month – will wind up rising or falling compared to last year.

important but difficult to do well. Many a supermarket has blurred its reputation by trying to show it "cares" during an economic downturn by carrying lower cost items, and no less a powerhouse than Wal-Mart messed up by thinking it could attract the readers of *Vogue* to its clothing lines.

Building sales requires A) a strategic approach to positioning the banner and the offer to capitalize on the market — possibly requiring multiple banners and micro-marketing in the different stores of each banner; and B) a tactical approach in which execution is excellent and the store turns on a dime to take advantage of opportunities.

It is always interesting to see how the market is trending, and nobody ever objects to having the wind in one's sails, but if you are comfortable rowing a boat, you can keep moving ahead whatever the general weather report may project.



BRAVO TO JOHN PANDOL

Thank you to John Pandol for sharing his impressions in the November Voice of the Industry column of Produce Business. Terrific title — Do They Watch The Food Channel In The Trailer Park (And Other Questions) and even

DO THEY WATCH THE FOOD CHANNEL IN THE TRAILER PARK (AND OTHER QUESTIONS)?

***PARK THE

better, spot-on content.

I, too, wonder why we piss and moan about those who do not pay taxes, yet we blatantly rage on and support the gunnysackers that do not. We are preoccupied with food safety and temperature, temperature — unless of course it is locally grown (how many counties, states and countries does this include?)

Enough of that — thanks again and bravo,

Bob Cordova President Epic Veg Inc. Santa Maria, CA

Monrovia, CA

GET YOUR PRODUCE AND MOON PIES HERE

Love the photo of the Trading Grocery truck on the *Blast From The Past* page of the November 2012 issue.

In the southland where I grew up, this was known as a "rolling store." I can remember my Mother buying a Moon Pie for me from the rolling store each time it came to our neighborhood. I still like to eat Moon Pies. (The real ones are made in Chattanooga, Tennessee.)

I love this feature in your publication. Keep up the good work.

Joy Slusher Executive Assistant/Corporate Secretary Mithoff Burton Partners El Paso, TX

SMALLNESS IS KEY TO HISPANIC STORES SUCCESS

I was just reading the November edition of Produce Business and reading the feature, *In Lake Worth, FL, Two Hispanic Stores Beat Wal-Mart In Produce Pricing.* You absolutely nailed the reason these Hispanic stores are doing so well and why they are great against all of the chains. There may be a tipping point when you get to a certain size and when you try to compete in more blue-collar areas that demand a bigger variety in produce and the rest of the store. For produce to accomplish this, they usually look more like conventional chains and do more trading with first

line vendors and on more programs. These programs will usually improve their quality, guarantee supply, and increase their variety. They will then stock more apples and some of the higher priced varieties, and this is also true with their tomato variety. They will go from the best-priced three varieties of tomatoes to five to eight varieties on an everyday basis.

I see this now with Northgate and Superior Grocers, as they are both at the 40-store count with stores in blue-collar areas. They still have good produce prices,



but there are competitors that have better pricing across the street.

Dick Spezzano President Spezzano Consulting Services

BROADLINERS VERSUS INDEPENDENT SUPPLIERS

I just read your article belatedly from the July issue, where you addressed a major portion to the cover story, *Procuring the Right Produce Distributor.*

First I need to share my background. I began my journey into foodservice in 1950, basically as a foodservice worker. My journey totals over 60 years. Needless to say, I have much to provide toward this article, as it applies to distribution thru a broadline distributor:

- Twenty years in operation to include in-flight catering, health care, school lunch, college feeding, business and industry.
- Ten years as regional food director for a national food management corporation.
- Five years in a staff position responsible for menu planning and operational audits.
- Three years with an independent produce distributor.
- Eight years with a broadliner and I initiated its introduction into produce, as the director of marketing.
- Western region director of purchasing with a national food management corporation, and then corporate director of purchasing for 33 states for another food management corporation a total of 15 years.

As a result of the aforementioned, I believe I speak with knowledge based on experience of being with a broadliner, as well as visiting many similar facilities where the same issues exist.

The first national broadline distributor acquired various independent produce distributors and rolled them into their distribution system. It worked when a 40-footer would roll up a secondary highway and service some "independent operators" and all they needed was tomatoes, Iceberg, potatoes and onions.

It appeared then that adding these items to the delivery could provide additional sales, and perhaps open a new line of product distribution.

It increased their overall drop size and did not cause issues with their "street" sales people, because those items were considered to be the "hard items" i.e., next to no spoilage.

Because of their apparent success, they immediately figured that a broadliner of product would identify them as a full-line distributor.

My experience with the broadliner concept is that based on their method of stocking and selecting, they

cannot service an "end user" at the same level as an independent supplier. Reason being: They do not provide the "hands-on" to the product from receipt to slotting to picking.

Many top management personnel, not all, somewhat live in the fantasy world, primarily because many have never had a hand-truck in their hands, so how would they know how to pick an order or fill an order? They really do not!

When a load of, say, cantaloupes arrives at the dock at a broadliner, the Quality Assurance person may pick three or four cartons out of 25-30, and check the Brix of the product. If they pass the test, they immediately are sent to the slot either above as a drop down later, or directly for picking that evening.

The orders are all processed via the computer, and basically "pick tags" are sent to the selector, and he runs his "tugger" down the aisles and arrives at the slot where the cantaloupe may be an item to be picked.

He never opens the carton. He assumes that the cantalogue has the same quality and acceptance as a case of Bumblebee Tuna, which he certainly will never open. "Who ever questions the quality of a case of Bumblebee Tuna?" As a result, the product is added to the order, delivered to the truck, and it arrives at a prime property, i.e., Hilton Hotels, and the product, when processed at the hotel kitchen, is like banana squash: dry, hard, no juice, no sweetness, etc.

In the case of the cantaloupe, the independent supplier typically sources its melons from a packer that has already Brix'd the product, and when delivered, if the product does not meet the quality level, it is immediately sent back.

The Broadliner has programs with the growers where there are allowances offered "up front" to the distributor, which then provides the "end user" with a pricing matrix that appears to be more than competitive.

What is the downside? More often than not, the price is correct, but the quality is less than attractive. The odds of an employee, at night, who selects the order will rarely open a case to inspect the quality of the product.

The independent supplier will be involved in the order; yes, the cost may be higher, however, the end result is a complete order — no shortages, no return trips, with validated quality prior to shipping.

Broadliners are great when they deliver a pre-specified product, i.e., chopped Romaine, Iceberg, Hearts of Romaine, and any other item that can be considered controlled for quality.

You request "Fiddle Head Fern" and most 1) Have never heard of it, and



2) It becomes a special order.

Many broadliners cannot provide the "foodservice" data that applies to shrink, complete sizes on fruit and selective vegetables with yields that are mandatory for application in production. This information is important and it separates one vendor from another.

For over seven years, I rode with over 180 street salesman, supporting them with information about the produce category. They have a fear of the opportunity of adding a produce item to the customer along with their groceries, protein, dairy, paper, cleaning etc., worrying whether the guy at night is going to pick the best item, rather than what is in the slot.

The night selecting crew has no time to inspect product. They are given a case-per-hour amount to pick, and as a result, their focus is directed toward

selecting quantity, not quality.

One has to remember that the broadliner with a significant size could be shipping 75,000 — 90,000 cases a night, including groceries, frozen, protein, beverages, paper and janitorial, so the attention to detail on produce sometimes is not maintained.

They are given "Picking Tags," generated by a computer and they merely go to the slot that has the product, and they believe every item in the slot is a "Diamond."

I worked six nights on the dock, just to see how the produce was being assembled by order and brought out to the trailer. The selector had a 50lb. sack of #2 Yellow Onions sitting on top of a flat of Driscoll strawberries. He had no idea why I went nuts, until I suggested that he get back to me with his reaction to a full pallet dropping on his foot!

Rarely do broadliners have someone from the day shift to work nights to check these things out.

Hence the issues aforementioned.

Probably more than you wanted to hear, but you needed another form of input from someone that was there, is there, and knows what is

There is one thing that the broadliner, of importance, provides, and that is a real accurate report to the "end-users" regarding "packer/grower recalls." However, that does not solve the issue of constant quality with every delivery.

The one thing that the Broadliner will tell the end-user, "Using us will eliminate any middleman." However, the middleman, (independent supplier) can provide a complete order on a regular basis.

More and more independent suppliers are now aware that this is a major issue, and have finally notified their sources that instant input to the distributor is mandatory.

Every produce vendor that wants to become a "mini broadliner" has to be faced with the computer to establish the picking process, the rotation, the quality, etc. It works for items that have significant shelf-life, but the produce industry is continually faced with the reality of:

"If you do not sell it, you will smell it."

Roy Bischoff Foodservice Purchasing Consultant Bischoff Holdings, Inc. Los Altos, CA

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





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The Eastern Broccoli Project

A model for future collaborative programs. BY DAVE DIVER

isclaimer: It wasn't until the late 70s when broccoli began being grown commercially in northern Maine as an alternative to the one crop potato agriculture. By the beginning of the 80s, Portland, ME-based Hannaford Bros. began supporting the growers with acceptable product during the late summer and early fall months. It was part of an overall regional program supporting producers of agricultural crops grown in states where the company had retail stores — give back to the community, which is also your customer. Today, we call it "locally grown."

It wasn't long before Maine became the primary eastern source for broccoli from mid-July to late October, with several growers also developing operations in Florida during the winter months. Understandably, the initial Eastern Broccoli Project information created more questions than answers for me as to why millions of federal government dollars should be spent at a time of record fiscal deficits, when consumers nearly always have adequate year-round broccoli supplies available. What follows is an attempt to provide a more complete understanding of the overall reasoning behind the project, the challenges involved and this business model for future research.

The Back Story

For decades, the development of new fresh fruit and vegetable varieties, in addition to seed companies, revolved around land-grant university plant breeding programs primarily focused on enhancing varieties for crop production in their own state, which also could be used in areas with similar climatic and soil conditions. Gradually, this has evolved into more patented varieties often only released to growers in specific areas or on occasion to selected growers under specific licensing arrangements. As globalization has spread, so has the importation of new varieties.

In the early years of the new Millennium, Cornell University plant physiologist and Associate Professor, Thomas Bjorkman, and Mark Farnham, research leader at the USDA Vegetable Laboratory in Charleston, SC, began discussing the potential of breeding broccoli varieties that would be adaptable to the extreme weather variances of all the East Coast growing areas. This would be in contrast to current broccoli varieties developed for the more moderate growing conditions of West Coast producing areas.

However, it was not until the 2008 Farm Bill was passed, providing money for specialty crops, that the potential for funding of research programs could be found. Initially, nationwide, there would be more requests for grants than

available money. Competition for grants became intense and it was important to propose a wide-ranging program with the potential to provide a wealth of public benefits. The challenge is to develop a clear vision, altering the supply chain in such a way as to provide benefits both direct and indirect to producer and consumer groups as well as the overall public.

along the Eastern Seaboard.

Professor Bjorkman described the process as follows: "The way the National Institute of Food and Agriculture, (NIFA) leader for the Specialty Crop Research Initiative, (SCRI) put it was 'to identify a big problem and find the complete solution.' Actually, SCRI has different types of awards and we decided to go for the largest project type since it was the best fit."

"The language of the SCRI legislation was to be responsive to industry research and extension needs." Bjorkman continues: "The industry representatives (principally the SCRI) felt, as did Farnham and I, that funding for this kind of translational work has been insufficient. We could do big basic research projects, but projects of this kind that the industry wanted were limited to things that had a smaller impact and didn't

Dave Diver is the former vice president of produce at Hannaford, and a regular columnist for Produce Business.

take advantage of our capacity to do bigger impact work. The SCRI grants program explicitly filled that gap. Nevertheless, it remains a small program (proposed for \$25 million in FY 13) relative to the R&D needs of the produce industry (2-4 percent of wholesale value is my estimate based on what's needed for similar industries to remain competitive.)"

One requirement Bjorkman points out is that every Federal dollar requested must have the irrevocable upfront commitment of a non-Federal dollar of cash or service. That meant the project activities were driven in part by how much industry support was received and which objectives the partners were interested in.

"In our case," Bjorkman adds, "we needed to get all the parts of our business going at once for any individual piece to make business sense. That is, seed companies will only develop varieties if there is a market. Growers will only raise a crop if there are good varieties and customers. Wholesalers will only source if there is reliable supply and if customers find the product satisfactory. Only a big project could get each of those areas moving."

In answer to a question about criteria that differentiates successful grant selection, Bjorkman replied in these terms: "The R&D needs of the specialty crop industry were substantially greater than the funds available, so the bar is really high.

"You have to take on a problem that is important to the industry. You have to have the top team of people doing the work; strong industry collaboration; minimal overlap with other ongoing research in the country; address every element that is required to solve the problem you tackle using a transdisciplinary team; write the proposal so that it is compelling both for those who know the technical details of your work and those who are only looking at the big picture. If you do all that, you make the first cut. But even then there is only enough money to fund a few."

Professor Bjorkman's reply to questions regarding funding addressed the following: "The project has funds for analyzing infrastructure and supply chain needs, but not for execution. The idea is that the business case will be compelling for financing and building cooling and packing facilities, for deploying trucks and for establishing new business relationships. Our discussions with service providers, leasing companies, ag finance and regional economic development organizations suggest that the money and infrastructure will be available when there is volume to require it.



"We qualified as a long term project, meaning that we have the opportunity to apply for an additional grant period of up to five years."

His comments about selection of collaborators provided this perspective: "The first criterion was for the company to be really top-notch at some element we needed. The participants had to have complementary strength because we wanted to cover all of the basics with the leanest team and to get healthy

Will this project become a vision for this type of future activities, or is this just an intermediary step along the way to an evolution of the locally grown food chain concept of growing at or adjacent to food stores and down the road potential for some at-home production?

competition rather than infighting. Willingness to work with the team and to contribute to the common goals enthusiastically was a criterion. Willingness to commit a substantial amount of matching funds or in-kind support was as well.

Among those who chose not to join, Bjorkman stated: "We reached out to a shipper and were rebuffed. We worked with a multinational produce company that was intending to expand in the East, but made the business decision to go elsewhere. We also worked on the proposal extensively with a

major seed company that ultimately decided not to participate. Both the eastern growershipper and the seed company will end up benefiting from the project, but not as much as they would have, had they been on board."

The project is designed to find the solution to bringing limited eastern broccoli production up to the level of growing consumer demand by achieving the following seven goals.

- 1. Breed germplasm for taste, color, ease of harvest, and disease resistance.
- 2. Establish regional testing sites to screen performance for East Coast growing conditions.
- 3. Release varieties extending growing windows, increased quality and yields.
- 4. Produce sufficient hybrid seed of new commercial varieties.
 - 5. Develop a reliable grower base.
 - 6. Establish distribution systems.
 - 7. Foster and evaluate retail acceptance.

The vision is the creation of a regional food network for East Coast broccoli with an annual \$100 million volume in five to 10 years," says Bjorkman.

New Growing Techniques

Jeanine Davis, North Carolina State Associate Professor and Extension Specialist in the Department of Horticulture, whose research site is near upland Waynesville, has spent years working with local growers as well as doing plant research, and has intimate knowledge of what will be required to make the broccoli program successful in this type of agricultural area. One change from her research with great promise is growing broccoli on white plastic.

Previously, varieties were evaluated with primary emphasis on larger head size. Now, the new varieties are being judged on a broader set of characteristics to find those most successful for commercial production acceptable throughout the distribution chain from grower to consumer. Much of the area in the past was devoted to tobacco growing, but in recent years, that acreage has been substantially reduced with crop improvements keeping volume near previous levels. As a result, more land will be available for broccoli and other similar vegetables.

Miguel Gomez, Assistant Professor at Cornell University, Dyson School of Applied Economics and Management, has done extensive analysis of the economics of broccoli production. His presentation to the Southeast Vegetable and Fruit Expo in late 2011 included:

· An overview of current eastern production area and volume

LOOKING AHEAD

visit with Mark Farnham, research leader at the USDA Vegetable Laboratory in Charleston, SC, is an eye-opener to the facilities the researchers have at their disposal, how the plant breeding research trials are conducted, and the activity categorized and evaluated for each observation. This year, 40 new hybrids are in Phase I trials and planted for two separate seasons. These should yield a dozen for future testing in Phase II trials in Charleston, as well as at different University plant breeding sites from Maine to South Carolina.

Phase III testing will include farm test plots with seed company involvement. In each phase, the hybrids are judged on numerous characteristics with emphasis on how they perform under a wide variance of weather conditions found in the eastern U.S. growing areas.

It is expected to will take at least five years of testing to develop acceptable plants for beginning commercialization. Besides growing characteristics, improved nutritional qualities are also desirable.

Once acceptable varieties are produced, agricultural extension activities in the individual eastern states become critical for communicating the information to growers about how with improved brocoli varieties, the crop will have potential to add to and expand or compete with the current production alternatives.

To make the program workable, new varieties must become available, which will enhance production in areas as diversified as the coastal plains to upland highlands, in addition to northern and southern flatlands with wide variations in seasonality and climate. In some producing areas, the spring crop will be subjected to challenging higher temperatures during the later part of harvest, while a fall crop will usually have more desirable cooler temperatures harvesting progresses. In the upland areas of North Carolina growing for July harvesting, plants will encounter more stress than those harvested in September and early October.

- Production seasonality
- Production systems by farm size and growing systems
- Irrigation practices and harvesting variations
- Post harvest technologies
- · Production cost analysis and regional



PHOTO COURTEST OF USDA

comparisons

 His preliminary analysis suggests high consistent quality, not cost efficiency, may be primary for eastern broccoli producers, which underscores the need for varieties adapted to the area guaranteeing quality traits, and a post-harvest technology and distribution system that preserves the quality.

His presentation clearly illustrated the current wide variation in practices among most producers and as well as a range of post harvest operation methods in the southeast.

Professor Gomez has also made an extensive analysis of the current supply chain, which includes:•

- United States broccoli supply and demand by location and volume;
- Minimization of transportation costs;
- Seasonality of optimal supply for both summer and winter.

Future steps are:

- How will the supply chain change with increased heat-tolerant varieties?
- As new growing regions emerge, what are optimal locations and capacities of cooling facilities related to farm size?
- How will structure change with demand change and consumer acceptance of new varieties?
- What are optimal distribution flows and routes?

Other topics Professor Gomez is exploring are:

- Role of organics
- Impact of energy costs on production, post-harvest handling and transportation
- Evaluation of marketing programs and consumer interest
- Labor availability constraints

The strength of the program is the quality leadership and intellectual ability of those previously mentioned and the other collaborators who are skilled in their own operational areas and will add quality input to the program. However, to markedly alter

the current supply chain, a lot of pieces are going to have to fit together.

For example, one large vegetable operator from western New York indicated the New York State government is now placing more emphasis on small five- to 10-acre farming than larger commercial farm operations.

How will new operators added to the supply chain integrate with the larger existing operators? Will we find existing West Coast operators initiating agreements with eastern operators similar to what has been happening from carrots to berries to keep market penetration? Or will eastern grower-shippers rely on co-packing agreements with western operators during times of production gaps similar to some current arrangements?

The change from exclusively bunch broccoli to including varying broccoli crown sizes has been agonizingly inconsistent. What happens if the western growers develop a consumer marketing program shipping several sizes of florets packaged, leaving the stalks at shipping point, and thereby reduce the potential transportation cost advantage eastern growers achieve? Suddenly, growing location would require a somewhat new hypothesis.

Will this project become a vision for this type of future activities, or is this just an intermediary step along the way to an evolution of the locally grown food chain concept of growing at or adjacent to food stores and down the road potential for some at-home production? That would require a whole new world of visualization comparable to that of a Henry Ford assembly line or a Steve Jobs technological direction.

Or will it be from those involved with the food supply chain, from multi-area operators such as Driscoll's, which expanded not only from the West to the East Coast, and now operates internationally, or perhaps a vertical integration program similar to the level of a Pelion, SC-based Walter P. Rawl & Sons, Inc., as the format for future development?

The next decade is going to be an interesting challenge for all of those involved. The past taught us that change is ongoing, and everyone needs to focus on change or get left behind. While we all must remember change is not initially perfect, it is later innovations that improve results.

Above all, the thoroughness of developing and implementing this project will serve as an instructional model benefiting others for many years in the future, regardless of the initial challenges and short-term outcomes. In the process, the collaboration promises a new agricultural business model.

THE RISING STAR RECEPTION



On Saturday night, October 27, at the PMA Fresh Summit in Anaheim, CA, PRODUCE BUSINESS, in conjunction with sponsors, the MIXTEC Group and Ocean Mist Farms, hosted the eighth annual Rising Star Reception to celebrate this year's 40-Under-Forty* class.

In addition to the members of the Class of 2012, attendees included members of the classes of 2005-2011, as well as many movers and shakers of the produce industry. The students and faculty from U.S. and international colleges, who were participants of the Pack Family/PMA Career Pathways Fund, were also honored guests.

*40-Under-Forty, an annual feature of PRODUCE BUSINESS, honors the produce leaders of tomorrow, all of whom have been chosen by industry mentors for their industry and community accomplishments. Please see this year's winners by visiting www.producebusiness.com and clicking on our June 2012 issue. You can also nominate candidates for next year's class by clicking on the 40-Under-Forty icon.







Brooke Franklin, Megan Rood and Dave Fausset of Mission Produce



Bryan Silbermann, president and CEO of the Produce Marketing Association

THE RISING STAR RECEPTION



Goodness Greeness



Jesse Silva of SunWest Fruit Company, Aaron Miller of Booth Ranches, LLC, and Martin Britz of SunWest Fruit Company



Deanne Bosse of Texas A&M University and Kelly Pritchett of DMA Solutions



Elana Hernandez of **Mann Packing Company**



Robert Teraskiewicz of **Four Seasons Produce**



Ken Whitacre of PRODUCE BUSINESS and Kellen Stailey of Sunshine Bouquet Co.





Ed Boutonnet, Michelle Prewitt, Bobbielynn Galvan and Rose Boutonnet of Ocean Mist Farms



Ken Whitacre of Produce Business and Luke Gowdy of C.H. Robinson Inc.



I Love Produce



Marci Allen of DMA Solutions Inc. and Mishalin Modena of **Growers Express/Green Giant**



Clark Smith and Joe Caldwell of Monterey Mushrooms, Inc.





Stacy Spivey of Alpine Fresh and Dug Schwalls of Southern Valley



Mac Keely of Organicgirl



Jim Prevor, Editor-in-Chief of PRODUCE BUSINESS, addresses the crowd.



Esteban Ruiz-Gonzalez and Kassandra Vasquez-Becerra of Pontificia Universidad Catolica De Chile

THE RISING STAR RECEPTION



Ray Klocke of The Klocke Advantage and Al Vangelos of Naturipe



The Alpine Fresh team



Mishalin Modena of Green Giant Fresh/ **Growers Express**



Eric Mitchnick of E. Armata, Inc.; Jenny McAfee of J. Marchini Farms and Ed Rebarchik of Franzella Distributing



Brigitte van Dyk, Melissa van der Merwe and Clementene Milton of the University of Pretoria



Daniel Vena of John Vena, Inc.



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Jay Pack of Pack Group



Kori Tuggle of Ocean Mist Farms and Kari Volyn of Nielsen Perishables Group



David Masser of Sterman Masser, Inc.; Kevin Donovan of Phillips Mushroom Farms and John Vena of John Vena, Inc.



Jorge DeLaRiva and Patti Thomas of Thomas Produce Sales Inc.; Matt Mandel of Sunfed; Chuck Thomas and Jessica Thomas of **Thomas Produce Sales Inc.**

LESSONS FROM INDEPENDENT STORES





Wedge Community Co-Op: Ahead Of Its Time

As cooperatives enjoy increasing popularity in the Twin Cities region, the Wedge Community Cooperative proves it was ahead of the curve and celebrates 38 years of serving the Minneapolis, MN, community. BY SANDY LEE

midst the ongoing consumer trend to gravitate to locally grown fruits and vegetables, along with a steady, increasing attraction to organic produce, Wedge Community Co-op is continuing to do what it does best. Locally grown and organic have been a mainstay at Wedge since it opened nearly 40 years ago. "It's been a great testament to what we've been doing all these years," stresses Elizabeth Archerd, Wedge membership and marketing manager. "The consumers not only want really good food, they want the real, molecular story of where it came from and what it is." This added knowledge keeps them more in touch with what they are buying, and more customer loyalty is maintained, she explains. Add the fact that a good portion of the devoted Wedge customers are actually part owners in the company, repeat business is assured.

The Wedge Co-op has been a feature of its South Minneapolis neighborhood since it started in 1974 in the basement of an apartment building. A group of neighbors met that summer to organize a cooperative store "to provide themselves with wholesome and natural foods, preferably in bulk quantities to save money," Archerd reveals. "Many members were interested in health, the environment, sustainable agriculture and social justice. The cooperative business model ensured that the store would reflect the membership commitment to those concerns as it grew. Those issues remain integral to the Wedge Co-op today."

In 1979, the co-op moved to a small, nearby building that formerly housed a convenience store. In the early days, members worked in the store in exchange for a discount on purchases with only a small paid staff. Sales rapidly outgrew capacity at the original location. Management and membership structures evolved as interest in natural and organic food grew "beyond all expectations" in the 1980s and 90s. In 1992, Wedge built a new store next to its former site, doubling store space. A teaching kitchen was added in 1997 and an instore bakery was built in 2001.

In 2002, Wedge became the first Certified Organic Retailer in Minnesota, according to



Dean Schladweiler, head of produce, and Elizabeth Archerd, membership and marketing manager, at Wedge.

the company website. By 2009, Wedge's deli department passed its first Organic Certification inspection.

In 2005, the co-op tripled the size of its produce wholesale distribution department, Co-op Partners Warehouse, to better serve local producers and to make its products available throughout the region. Co-op Partners

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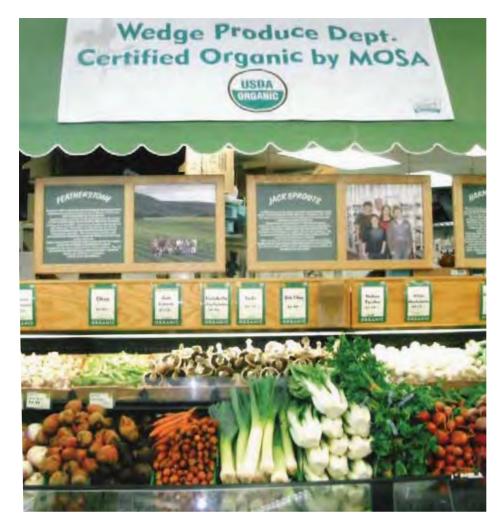
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Warehouse is now "a major distributor of perishable products to co-ops in six states, and it works closely with local and regional producers to help get its products to market," Archerd explains.

A Local Focus

Wedge leased its first growing land at Gardens of Eagan, one of the oldest local certified organic farms that served the Twin Cities area. This year, the co-op reached another milestone. In 2012, Wedge bought land to transition to organic production. "We will move Gardens of Eagan to that land in time for the 2013 growing season," Archerd announces. Greenhouses on the new site are already producing certified organic starter plants.

Wedge now has over 15,000 members from throughout the Twin Cities and beyond, all of whom are bombarded with a huge selection of fresh fruits and vegetables when they walk in the front door of the retail outlet. "They might come in here for several other grocery items, but it's usually the produce that keeps them coming back," Archerd maintains. "We've expanded the size of the produce department several times."

Nearly all of the produce offered also features an organic option. By late summer, 50 percent of the fruits and vegetables on display are locally grown, with 90 percent organic.

Dean Schladweiler, head of produce, points out that Wedge's commitment to local growers has extended to the point where "we have helped some become certified organic. We have taken in growers that wanted to get into retail atmospheres but didn't know how," he states. He stresses that some of the growers have been affiliated with the co-op as far back as 1975.

"Our commitment to small, local producers has never ceased," adds Archerd. "And we don't buy into the idea that consumers always want the same shape and size of tomato. Refusing a local grower who has the most beautiful tomato on the planet is shooting ourselves in the foot." She adds, "We just want really good food and the real story on how it was produced."

While some larger wholesalers in the region have expressed concerns about the additional monitoring that might be necessary for good agricultural practices of smaller growers, "we have never had a product with a recall on it in

"We don't buy into the idea that consumers always want the same shape and size of tomato."

— Elizabeth Archerd

our history," Schladweiler stresses. Another nice thing about our business, which is still considered a small business, is that even in California, we work directly with some smaller growers for a steady supply when the local seasons wind down."

"We're answering to our owners who want the best quality, and best tasting produce," Archerd continues. "Trusting the food is important. Our customers want to be delighted by the taste of the food they select." The deep feelings for Wedge products extend to all employees, Asherd says. "The passion for food drives every manager. If they didn't start with a passion, they will have a passion by the time they leave us."

Carving Its Own Niche

This particular co-op also seemed to be less affected by the economic downturn of recent years, as it continued to answer the needs of customers in other ways. "Our bulk sales went way up, especially in 2008 and 2009," Archerd recalls.

Traditionally, a co-op is a business owned and governed by its customers that operates for their benefit. Co-op members buy shares to join, and the Wedge buy-in is the initial \$80 stock purchase. In Wedge's case, co-op profit is not distributed based on how many shares are owned. Instead, it is rewarded based on how much each member spends at (or patronizes) the co-op. The cooperative can distribute the patronage refunds to each member as cash or retain a portion as additional investment in the business. The board of directors considers the co-op's fiscal year financial performance, overall financial position, and its plans for the future. They then decide what portion to pay as cash to member-owners. "Each member gets back part of the profit from his or her own purchases, but only the part not needed to keep our co-op in good shape to serve the members well," Archerd explains.

"What has taken care of Wedge is consistency in product through working closely with our suppliers," adds Schladweiler. "This develops and keeps customer loyalty." **pb**

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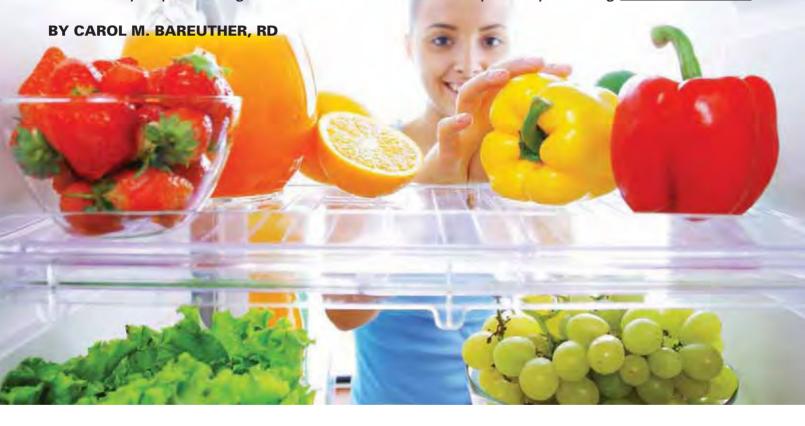


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TO WAYS TO INCREASE PRODUCE CONSUMPTION

Despite numerous public and private programs encouraging people to eat more produce, per-capita consumption of fruits and vegetables remains, at best, flat. Nearly 30 industry experts weigh in on how to boost consumption by thinking outside the box.



at more fruits and vegetables. Sounds simple, right? Yet after decades of public and private programs designed to deliver on this message, from United Fresh's *Fresh Approach* to the Produce for Better Health Foundation's (PBH) 5-A-Day and now *Fruits* & Veggies — More Matters; the Produce Marketing Association (PMA), National Restaurant Association, and International Foodservice Distributors Association's *Foodservice 2020*; and First Lady Michelle Obama's *Let's Move* campaign, the needle hasn't moved on fruit and vegetable consumption. In fact, American's intake of fresh produce is, at best, flat.

More specifically, while the U.S. population increased 9.7 percent in the decade from 2000 to 2010, intake of fruit increased only 2 percent to ½-cup daily, and vegetable consumption decreased by 2 percent to a little over one cup daily, to equal a net zero percent gain on a per-capita basis between 1999 and 2009, according to PBH's 2010 State of the Plate Study of America's Consumption of Fruits & Vegetables. This total of ½-cup is far short of the 3½ to 6½ cups of fruits and vegetables recommended in the 2010 Dietary Guidelines for Americans. It's also much less than the half plate of produce advised in the U.S. Department of Agriculture's (USDA) MyPlate icon. In fact, research published in December, 2011, by the Port Washington, NY-headquartered NPD Group revealed that only two percent of American's eat in a way that resembles the MyPlate guidelines.

What is holding consumers back? What can the produce industry do to really jump-start consumption? PRODUCE BUSINESS asked nearly 30 experts for their opinions and advice.

The Flavor & Quality Factor

Mealy peaches, sour grapes and Styrofoam-tasting tomatoes don't get asked back for a repeat performance on anyone's plate. "The keys to increasing consumption are not only availability, but also flavor and quality," contends Jan DeLyser, vice president of marketing for the Irvine, CA-based California Avocado Commission.

Maria Brous, director of media and community relations for Publix Super Markets Inc., headquartered in Lakeland, FL, agrees. "Receivers must stop talking about the importance of flavor and actuencourage and support grower/shippers' efforts to produce flavorful produce," she stresses. "The primary driver of the decision to grow a particular variety or harvest at a certain time in a certain way is the market. We have worked diligently with growers for several years to improve the quality and flavor of the produce we provide customers. We are very passionate about flavor. After all, it's food...it should taste good."

Bryan Silbermann, president & CEO of the Newark, DE-headquartered PMA, points out, "Blueberries, apples and tomatoes are clear examples of categories where growers have blown the doors off consumption by producing consistently better tasting products."

Flavor goes hand-in-hand with quality, adds Rick Antle, president and CEO of Tanimura & Antle, in Salinas, CA. "Consumers want seasonal, but they also expect to buy what they like year-round," he acknowledges. "That means everyone in the supply chain needs to make a concerted effort to deliver fresh, high quality produce. If there's a breakdown in any part of the system, we all suffer."

Solve The Cost And **Convenience Puzzle**

Flavor aside, many Americans feel that produce takes too long to prepare and costs too much to purchase. According to Bill Bishop, chief architect of Brick Meets Click and chairman of Barrington, IL-based Willard Bishop, "In many respects, produce hasn't kept pace with consumers' lifestyles. People who have an interest in fruits and vegetables make them fit into hectic lifestyles such as solo meals and eating on

the go, but they don't fit naturally. This is a big reason why consumption isn't rising."

Phil Gruzka, principal at Bakersfield, CAbased Gruszka Consulting, agrees, adding, "Convenience is important to increasing consumption of fruits and vegetables."

Handy produce can take many forms. For example, retailers can take a cue on convenience, varied use and display from hyper-Hispanic markets, suggests Bill Vogel, president of Vision Produce Co., headquartered in Los Angeles, CA. "You'll often see juice bars with selections of eight to 10 fresh juices. They not only mix fruit like strawberries, pineapple and watermelon, but vegetables like cucumbers, celery, carrots, kale and even turnips," he explains. "These stores also offer a fresh-cut fruit bar and opportunities for customers to buy and consume custom-made tortillas, tacos and tamales using fresh produce. In addition to selling more produce, this turns shopping into an enhanced experience of sights and smells to delight the whole family."

Convenience can be as simple as a sticker affixed to a vegetable. Barbara Ruhs, MS, RD, LDN, corporate dietitian for Bashas' Family of Stores, a 132-store chain based in Chandler, AZ, recalls, "I had an acorn squash sitting on my counter for a week until I noticed there was a simple prep idea stuck right on it. Then, I bought another one because it was so delicious."

One-stop-shopping in the form of a kit is a boon to time-starved shoppers, says Tim York, president of the Salinas, CAheadquartered Markon Cooperative, Inc. "Trader Joe's sells a guacamole kit," he points out. "The avocadoes, peppers, lime, tomatoes, cilantro and seasonings are all included in one unit. You don't need to think; the fixings are all right there."

However, advancements in processing and packaging to make these products available come with a cost, and frequently, consumers don't perceive this cost as a good value, says Bishop. "But produce people don't see it this way," he says. "They see what the product costs, period. This is a major contradiction that needs to be solved."

Produce is a luxury item for many consumers, reminds Brian Coates, senior buyer and produce merchandiser for Meijer, based in Lansing, MI. "With the price of gas and the economy still recovering, many are choosing canned or frozen in place of fresh produce."

























Finances are indeed a big factor when it comes to purchasing fresh produce, agrees Ruhs. "The average consumer thinks a \$3.99 bag of apples is expensive, but thinks nothing of buying a Big Mac for a similar cost; they're not looking at the big picture," she laments. "Tell customers how the bagged apples can be part of several meals rather than the hamburger providing only one meal. Messaging is important."

Develop and promote price lines in the produce department, suggests Willard Bishop's Bishop. "These should provide clear good/better/best options in order to appeal to a broad range of shoppers including value shoppers," he details.

The Chef's Role In Craveability

Old-school preparation techniques such as hours of boiling don't rank vegetables like Brussels sprouts high on customers' favorites list, points out York. "Instead, roast them and maybe sprinkle with shallots and bacon bits. Make them craveable."

Greg Drescher, vice president of strategic initiatives and industry leadership for the St. Helena, CA-based Culinary Institute of America (CIA) at Greystone, agrees, adding, "Americans don't have a lot of cultural expertise in cooking vegetables. However, there are flavor strategies and culinary techniques we can glean from global cuisines where vegetables play a much bigger role in the diet. The time is right with our changing demographics and many in the United States developing a multi-cultural palate through travel."

Grower/shippers can grasp this opportunity by hiring an in-house chef or working with a consultant chef who can advise them on foodservice and retail.

At retail, Drescher advises, "Use the foodservice section of the supermarket to acquaint customers with creative ways of preparing produce. Instead of macaroni and potato salads — foods of 40 to 50 years ago - offer innovative salads that feature fruits, vegetables and whole grains. Look at the success Wegmans, Central Market and Whole Foods has had in doing this. Another idea is that instead of offering individually cut fruits and vegetables on the in-store salad bar, put together an Asian, Latin or Mediterranean-themed bar with prepared produce-heavy salads and other items. The two departments — produce and

prepared foods — can really support and grow sales of each other's products."

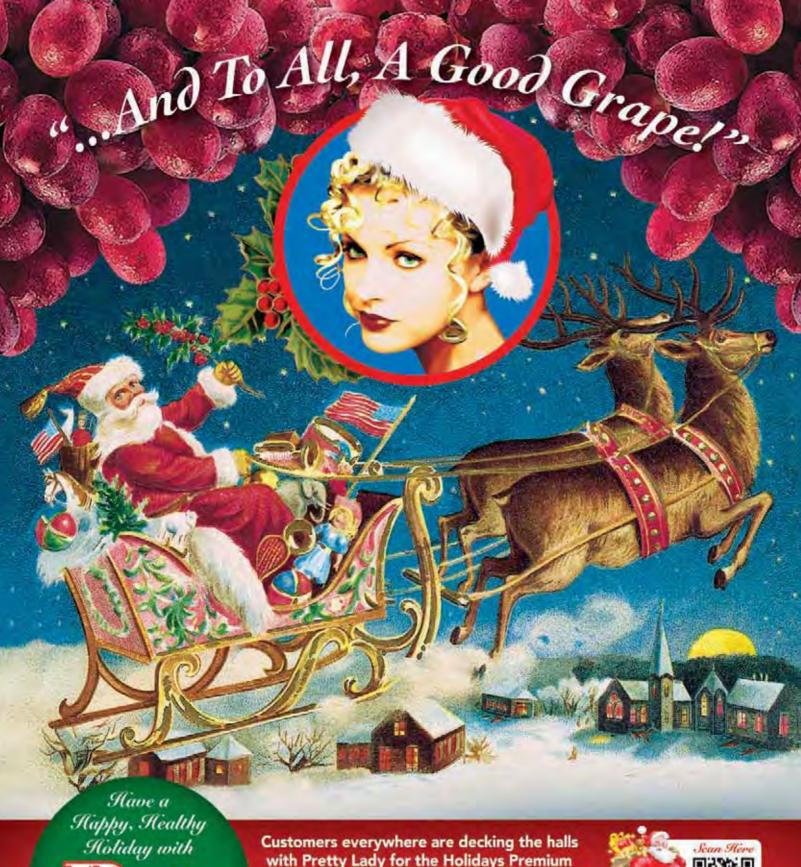


Take A Page From The Menus Of Vegetarians & Flexitarians

Vegetarians and vegans, as well as flexitarians — those who go meatless a few times a week — do eat more produce than the average U.S. consumer, says Eric Sharer, MPH, RD, LDN, nutrition advisor for the non-profit Baltimore, MD-based Vegetarian Resource Group (VRG). "Research shows that carotenoid intakes and serum carotenoids of vegetarians are about twice as high as non-vegetarians, suggesting higher intake of deep orange and dark green vegetables. Most studies show that vitamin C intakes are higher among vegetarians than non-vegetarians and that vegans have the highest intakes of vitamin C on average. Again, this suggests a higher consumption of produce."

Considering that, according to a Vegetarian Resource Group 2011 National Poll, 33 percent of Americans are eating vegetarian meals a significant amount of the time — in addition to the 5 percent of Americans that are vegetarian or vegan. This is good news for the produce industry. However, why do these plant-based consumers eat more fruits and vegetables rather than just, for example, live on quesadillas, cheese pizza and mac and cheese? The answer, says Sharer, is threefold. "First, and obviously, since vegetarians eat mostly plant foods, and produce comes from plants, vegetarians naturally eat more....they are automatically going to shop in the produce department," he reasons. "Secondly, a lot of vegetarians are health-conscious and already lead a healthy lifestyle that includes produce. Therefore, make sure user-friendly recipes, fact sheets and nutrition information are available to customers. Thirdly, and this might be a stretch as there are no studies to back it up, but adoption of a vegetarian diet may make taste buds naturally adjust to less sugar, salt and fat. Retailers should make sure to offer a large selection of fresh, high-quality produce," he concludes.

Embrace plant foods more broadly and across departments, recommends Willard Bishop's Bishop. "Retailers need to think expansively and include oils, nuts and legumes. Talk about the health benefits of plant foods rather than just produce. Help



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5

Focus On Tomorrow's Customers

According to **Al Murray**, assistant secretary of agriculture for the New Jersey Department of Agriculture, in Trenton, NJ, "One of the best ways to increase produce consumption in the future is to introduce fresh fruits and vegetables to school-age children so they can develop a desire for these foods that will stay with them for the rest of their lives."

Produce consumption in children and their parents is already increasing, according to PBH's 2010 *State of the Plate* study. Specifically, intake increased 7 percent in those under the age of six, and 5 percent in 6- to 12-year-olds, while 18- to 34-year old men and women upped their produce consumption by 4 percent, and 35- to 44-year old men and women by 2 and 4 percent respectively. Unfortunately, consumption of fruits and vegetables decreased 4 percent in 13- to 17-year-olds, as well as from 7 to 9 percent in 65-plus aged men and women.

Elizabeth Pivonka, PhD, RD, president and CEO of the Wilmington, DE-head-quartered PBH, explains, "Awareness of childhood obesity by parents; younger parents interest in organic and locally grown foods; and policies adding more fruits and vegetables to school feeding programs is helping to drive consumption in the two youngest age groups."

Foodservice distributors such as Phil Muir, president and CEO of Muir Enterprises Inc., in Salt Lake City, UT, are feeling the lucrative benefits of changes in the USDA's School Lunch Program. As of July 1, 2012, schools are required to serve a colorful variety of at least two servings of fruits and/or vegetables to the 31 millionplus participating students. "While our corporate feeding, hospital/health care and casual dining business is relatively flat, our school business increased 26 percent between September 2011 and 2012, even after accounting for new business," he reports. "We're selling over 40 to 50 different types of fresh produce, including jicama, Blood orange and kiwi, into 50 different school districts in Utah, Idaho and Wyoming."

Officials in Florida are working with the

National School Lunch Program to assist in enhancing their Farm to School efforts in three separate, yet interconnected ways via a billion dollar program. The first is for participating school districts statewide to coordinate the produce side of their menu and feature an in-season Florida-grown fruit or vegetable of the week. Secondly, to obtain the best possible price, the Department has solicited statewide procurement for fresh fruits and vegetables. The first procurement consisted of 13 products, ranging from cabbage to citrus, with companies such as Pero Family Farms, Delray Beach, FL; R.C. Hatton Farms, Pahokee, FL; and Noble Citrus, Winter Haven, FL, among the awarded bidders. Third, the state has created outreach materials to use in classrooms and for students to take home to educate children and families alike on the importance of eating more fruits and vegetables.

Robin Safley, director of the Tallahassee, FL-based Florida Department of Agriculture and Consumer Services' Division of Food, Nutrition and Wellness, reports, "Elementary school studies indicate that the more connection students have with their food, the more apt they are to try it. and this can ultimately change consumption habits. One of our educational initiatives that's been successful is offering children a sticker if they try a fruit or vegetable. Exposure is important."

Other programs implemented over the past few years and designed to encourage kids to eat more produce are the USDA's Fresh Fruit & Vegetable Snack Program, which now provides more than 4 million low-income elementary school children a fresh produce snack daily, and *Let's Move Salad Bars to Schools*, an initiative of the Food Family Farming Foundation, National Fruit and Vegetable Alliance, United Fresh Produce Association Foundation, and Whole Foods Market that plans to donate 6,000 salad bars to schools nationwide over a three-year period.

Lorelei DiSogra, EdD, RD, vice president of nutrition and health for the Washington, DC-based United Fresh Produce Association, says, "These programs represent a huge opportunity for the entire produce supply chain."

6.

Reach Out To The Community

Beyond school children, PBH's Pivonka

















suggests, "Retailers can reach out to the local community by inviting paraprofessionals from government programs such as SNAP (Supplemental Nutrition Assistance Program), EFNEP (Expanded Food and Nutrition Education Program), WIC (Special Supplemental Nutrition Program for Women, Infants and Children) and school cafeterias in for supermarket tours with the chain's Registered Dietitian. In effect, train the trainer."

Store tours are a successful way staff at Jungle Jim's International Market, a two-store chain based in Fairfield, OH, encourages customers to try new foods including produce, explains public relations and marketing coordinator, **Debby Hartinger**. "We took more than 10,000 people on tour last year. Each person on tour pays \$5 and gets 12 samples plus a \$2 gift card. In this way, we've exposed customers to Asian pears, Ugli fruit and dragon fruit, and we taught them how to tell when a mango is ripe and ready to eat."

In addition, Hartinger adds, manned sampling demos take place every week from Wednesdays through Sundays. "We have more than 800 SKUs in produce and 80 to 100 of these organic, so there's a lot to choose from," she says. "During the demo, we tell customers why it's good for them, how to select it and how to eat or prepare it," she explains. "It really helps in increasing purchases and repeat purchases."

Beyond retail, Lance Jungmeyer, president of the Nogales, AZ-based Fresh Produce Association of the Americas (FPAA), asserts, "Wholesalers need to get out in the community and partner with nursing homes and other institutional buyers to provide cost effective fruit and vegetable programs. If you get people used to eating produce, volume will follow."

Squash Scare Tactics

Foodborne illness outbreaks are an ongoing challenge to increased consumption. **John McClung**, president of the Mission, TX-based Texas International Produce Association, says, "We, as an industry, need to work as enthusiastically as possible to vigorously address all food safety concerns."

PMA's Silbermann agrees and adds, "Sensationalized news about pesticides in foods is also eroding consumer confidence in fresh fruits and vegetables. Organic and

locally grown has a positive image, and that's terrific. But consumers shouldn't be made to feel guilty or scared if they can't buy all of their produce this way."

Unfortunately, scare tactics about produce safety can impact attitudes toward produce consumption, especially in at-risk populations. According to survey research published in April, 2012, by the Watsonville, CA-based Alliance for Food and Farming, negative messaging caused almost 10 percent of low-income consumers to say they would reduce their consumption of fruits and vegetables and another 10 percent to state they were now uncertain what they would do regarding produce purchases.

Marilyn Dolan, the Alliance's executive director, says, "We have an online pesticide residue calculator based on data from the USDA's Pesticide Data Program where consumers can click on a fruit or vegetable and see the highest number of servings they could eat daily without causing any negative health effect. Results are in the hundreds, thousands and hundreds of thousands. We encourage industry members to link to our site (safefruitsand-veggies.com) and use it as a resource and reference for credible peer-reviewed information."

You Don't Need Billions To Be An Effective Marketer

Consider that PepsiCo spent over \$1 billion in advertising in 2010, \$71 million alone in the same year on three of its snack brands, Lay's, Tostitos and Cheetos, according to *Ad Age* Data Center.

Bradley Rickard, assistant professor at Cornell University's Charles H. Dyson School of Applied Economics and Management, in Ithaca, NY, says, "The amount of advertising dollars for fresh produce is disproportionately small compared to other foods. Branding may be an issue. Generic advertising is more difficult because it's hard for companies to see a direct return."

Scott Owens, vice president of sales and marketing for Delano, CA-based Paramount Citrus, which markets its Clementines under the California Cuties brand, agrees and adds, "Individual companies, categories or associations can oftentimes market more effectively than the produce industry as a whole, but you





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Celebration In-Store

Retailers can take advantage of colorful POS cards, featuring festive holiday and wintertime recipes like Avocado Cheesecake with a Walnut Crust, Tomato Basil Soup with Avocados and Winter Chili, as well as fun "Slice, Twist & Pop" how-to tips. 4,000 of each card will be available.

Score Big on Super Bowl Sunday

Super Bowl Sunday is a serious sales opportunity for avocados. Make the most of it with our Super Bowl Merchandising Display kits, which include recipe ideas like Cucumber-Pineapple Guacamole and Chicken Tostada Bites, plus prep tips, a ripeness guide and storage info. 4,000 displays will be available to help you get your Avocados from Mexico game on.





Awards Season Sweepstakes Builds Buzz

MHAIA's splashy "And the Winner Is..." sweepstakes is timed to boost sales and create buzz during awards season, encouraging consumers to submit their most creative awards-party recipes and ideas. The winner will receive a fabulous trip to LA, including Hollywood tours, dinner at The Ivy, and much more. The contest will be promoted via radio, print, in-store POS and social media including Facebook, Twitter and Pinterest. MHAIA will also partner with national TV shows for two exciting segments featuring Avocados from Mexico during the days leading up to the most popular Hollywood award shows.

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need share, you need to have critical mass and an ability to influence consumers. You also need to know who your customers are and target them. Big generic advertising campaigns or a shot-gun approach doesn't resonate with consumers. By doing this, we have been able to grow Mandarin dollars and volumes, while the citrus category as a whole is flat to declining."

Remember that there are multiple levels and layers of marketing from TV, radio and FSIs to grassroots approaches like social media and electronic couponing that are more affordable, Owens adds. "The important point is to stick with a strategy. Too many times I've heard people in the industry say they tried something for a year and it didn't work. You need to be committed and invest for the long term to see results."

Bashas' Ruhs agrees. "It's important for produce companies to either hire marketing professionals or outsource their marketing," she stresses. "If you're not in the game of Facebook, Twitter and Pinterest, for example, you're missing the boat."

Enlist The Help Of Supermarket Dietitians

According to John Pandol, director of special projects for Delano, CA-based Pandol Brothers, "The largest barrier to increased produce consumption is that fresh produce requires planning and we increasingly consume on impulse. We don't eat; we graze."

Eighty-four percent of fruits and vegetables are consumed in the home, according to PBH's 2010 State of the Plate research. This provides retailers a huge role in marketing produce to consumers and helping them to plan meal and snacking occasions. Many chains have jumped on this opportunity by hiring Registered Dietitians. In fact, Hy-Vee, Inc., a 230-store chain based in West Des Moines, IA, offers onsite and in-store dietitian services in nearly all of its locations.

Allison Yoder, MA, RD, LD, Hy-Vee's health and wellness supervisor for the eastern U.S., explains, "The advantage we have as supermarket dietitians is the ability to interact with customers each day, and many times this happens in the produce department. A common theme in shoppers of all ages is not knowing how to prepare and serve produce; a lack of knowledge of



how to pick a ripe piece of fruit; the role convenience plays and that all forms of produce — fresh, frozen, canned and dried — matter. This last point allows us to reach a larger audience."

Dietitian services at Hy-Vee include taste demos, kid's nutrition events, cooking classes, weight management programs, wellness workshops, nutrition counseling, community presentations and personal shopping assistance, to name a few.

Break Down Conventional Walls

Less innovation on the part of large chains in driving consumption is due to corporate restrictions, says Veronica Kraushaar, managing partner of VIVA International Partners, Inc., in Nogales, AZ. "We have definitely noticed that the larger the chain, the more careful they are with launching promotions and sales-driving activities," she explains. "The small-tomedium-sized chains, although they have more to lose, seem much more willing to experiment and try something new that catches consumers' eyes. We feel this group, plus the health food and ethnic segments, will continue to steal conventional retail share, if the latter continues to think within the box, especially if there is no significant uptick to economy."

It's important to promote eating half your plate as produce, but maybe take a cue from other industries' success, recommends Meijer's Coates. "The dairy industry has done something with its "Got Milk" campaign, the pork industry with its 'Other White Meat' campaign, and many other industries have done this, too."

Ron Lemaire, president of the Ontario, Canada-based Canadian Produce Marketing Association (CPMA), agrees, adding, "Increasing produce consumption is a multi-faceted challenge. It will take a wide range of stakeholders to create change." **pb**

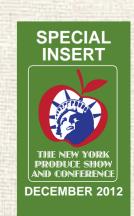


Places With Produce In NYC

An Insider's Guide to Produce in the Big Apple

BY JONATHAN ZALMAN

Park Slope Food Coop • Dirt Candy • Esca • The Angel's Fruit Market Buon Italia • The Butcher's Daughter • Foragers City Grocer & Table Harvard Club of New York City • Brushstroke • Hu Kitchen Rosemary's Enoteca & Trattoria

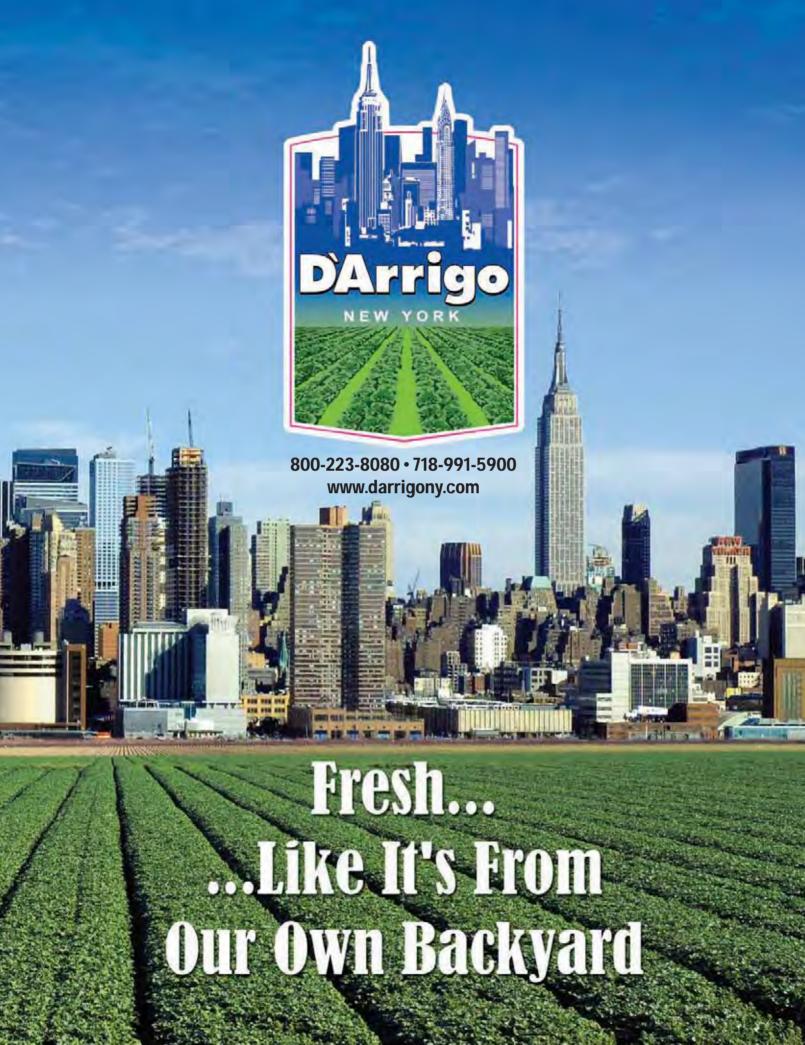




FELCOME TO GOTHAM, home to legends of superheroes and villains, and over 8 million of the world's most diverse, strong-minded citizens. And while caped crusaders traverse the City's hardened skyline on seemingly no food at all, the rest of us do, in fact, need our vitamins to survive. One essential fuel to the population of The City That Never Sleeps is produce, and no place does it better than New York City, where fruits and vegetables are celebrated by restaurants and retailers in world-class style.

For many visitors, the sheer vastness and pace of New York City can often feel overwhelming, so PRODUCE BUSINESS has put together a list of some of the hottest places and hidden gems in Manhattan and Brooklyn where produce is given the red carpet treatment. These locations are not just high-volume purchasers of produce; they're also leading the charge when it comes to creativity in preparation and display, offering utmost quality, unusual items, and crafting inspired, one-of-a-kind tastes.

Without further ado, the inside scoop to produce in New York, New York:



Park Slope Food Coop 782 Union St., Brooklyn, NY 11215 (718) 622-0560 http://foodcoop.com



ocated just steps from Brooklyn's Prospect Park, the Park Slope Food Coop, founded in 1973, is the largest of its kind in the country, with roughly 17,000 members; store space covers approximately 6,000 square feet with about 20 percent dedicated to produce alone. Paramount to the Coop's business model is a strictly enforced work ethic, wherein active members are required to contribute a total of 165 minutes of labor every four weeks in exchange for the ability to shop there; non-members are allowed to visit, but not shop. To boot, the Coop offers quality goods at less of a markup than traditional supermarkets, and is open over 100 hours a week.

According to Allen Zimmerman, the Cooperative's general produce coordinator, the Park Slope Food Coop sells over 6,000 cases of produce a week — that's 60 cases per hour, or 1 case each minute. In fact, he says its entire inventory is cycled through every five-and-a-half days, with produce leading the charge; most fruits and vegetables are sold within 24 hours.

Zimmerman says the Coop buys full 20-24 ft. truckloads several times a week, buying almost all conventionally grown produce (and some organic) from the Hunts Point Terminal Market, located in the Bronx. During the winter months, the Park Slope Food Coop leans heavily on growers across the country, such as those in Florida, California, and even Mexico.













"The word 'organic' is so overused to the point that we don't even know what it means anymore."

— Heather Tierney, The Butcher's Daughter

"What's on the [local] farms becomes ice and rocks and snow and dirt," Zimmerman says with a smile as he grabs a bushel of Brussels sprouts and takes on a batters stance. "Our top items [during this time] are bananas, mangos, citrus, and carrots, and even tomatoes and broccoli." And what's most important, he says, is not necessarily price, but quality.



Dirt Candy 430 East 9th St., New York, NY 10009 (212) 228-7732 http://www.dirtcandynyc.com



PHOTO COURTESY OF JONATHAN ZALMAN

ometimes a name says it all, and at Dirt Candy, it's all about vegetables. For Chef/Owner Amanda Cohen, produce is king, an ethos she's attached to her vegetarian restaurant's slogan: "Anyone can cook a hamburger, but leave the vegetables to the professionals." Before opening Dirt Candy in October, 2008, Cohen, who graduated from National Gourmet's Chef Training Program, was a line cook at DinerBar in Spanish Harlem where her buffalo wings became very popular. Later, the versatile chef honed her craft at vegetarian restaurants around the city at places like Pure Food and Wine, a haute raw food and vegan establishment in Gramercy Park. And though she's no longer a vegetarian, Cohen believes the use of more veggies and less protein is a definite trend.

Every day, Cohen arrives at her East Village eatery around 11 A.M., and comes home at 1 A.M. — a glimpse of life as a restaurateur in New York City. "The only way to really have a successful business is if you're willing to put the time into it,"

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Cohen says. "I gave up a social life. This is my life; this is what I do."

Dirt Candy offers some of the most creative vegetable-based dishes around, in both ingredients and presentation. Cohen says she develops "obsessions" with particular veggies, stating that her favorite is "whatever vegetable I'm working on right now." At the moment, it's scallions

and celery, which she's developing into a scallion pancake dish, and a celery cheese-cake. The autumn menu features items like the Tomato! appetizer, a fresh update on the Caprese salad. The dish is made up of a Tomato cake wrapped in cherry tomato leather — "a fruit roll-up kind of thing," Cohen jokes — which is topped with smoked feta and adorned with an

herb purée. "I'm trying to change how people think about tomatoes and cheese, to move that conversation forward in a pretty way."

Before the dinner rush, the roughly 400 square-foot space is packed with boxes of produce, as Cohen, who works with a single sous-chef and server (in part because of the lack of space — Dirt Candy can seat less than 20 at a time), is torn in a million different directions. She says it's difficult to pin down the amount of vegetables she buys in a given week partly because the small space can't take a lot in at once. As a result, deliveries are constant, and she's taken note of certain items' longevity of quality, like cherry tomatoes. During the winter, Cohen says her customers desire hot, comfort food, so she anticipates using lots of squash and root vegetables, like rutabaga and carrots.





HOTO COURTESY OF JONATHAN ZALMAN

sca, meaning "bait" in Italian, is an intimate southern Italian trattoria located on the west side of Manhattan's theatre district. It's backed by Mario Batali and James Beard awardwinning chef, Dave Pasternack, who opened the 2,700-square-foot, 60-seat restaurant in 2000. Pasternack, now 47, is a lifetime New Yorker who grew up near Long Island Sound and still bikes around town. Once deemed a "fish whisperer," his commitment to the fruits of the seas is captured in his cookbook, *The Young Man and the Sea*, which pays homage to





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Buddha's hand, Pomelos and Finger limes into his menu, which changes daily. Customers will also see a lineup of produce, including organic spinach, braised fennel, Sorrento lemon, young leeks, Romanesco cauliflower, watercress, and pumpkins for the winter season.

At Esca, produce stars in other ways, often by sheer creativity. Peter Sommer, one of Esca's friendly bartenders, says it's a classic theater restaurant, but not one for "typical tourists" who tend to remain on

restaurant row three blocks north. "This is a theater restaurant for New Yorkers," he says. Around show time, theatergoers are able to enjoy his cocktails, such as the "Sorrel Collins," a near-perfect blend of sorrel, mint, lemon and Plymouth gin. "It's very bright and refreshing."

The Angel's Fruit Market 272 Knickerbocker Ave, Brooklyn, NY 11237 (718) 366-7664



preparing fish Italian-style over 125 recipes — he signs the hardcover, "Best Fishes." He's perhaps best known for introducing crudo on the Esca menu, sashimi-like dishes often served with vinegar, olive oil or sea salt, and garnished with produce like chives or pomegranate.

Chef Pasternack prides himself on locating unusual produce and including it in his recipes. For example, he creates a fresh tobacco ice cream in-house and infuses a sundry of citrus items like

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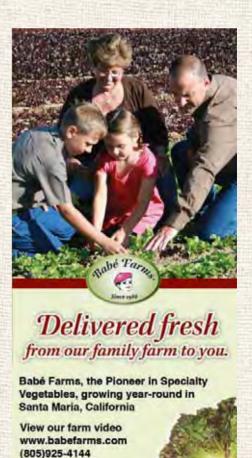
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o list of New York retailers is complete without a bodega, though it's rare to find one that prides itself on specialty produce. The Angel's Fruit Market, which has been open for 30 years in the Bushwick neighborhood of Brooklyn, is owned and operated by Carmelo Bruno, a Uruguayan of Italian lineage. At the time of opening, the space was half its current size, but with the help of his family, close friend Sergio Ayala, and a dedicated clientele, it's doubled and "business is good," says Ayala.

It appears that the main reason for The Angel's Fruit Market's success is the proprietor's commitment to a sundry of fresh merchandise that lines the interior and pours neatly onto street-level displays. Bruno personally brings in a full truckload from Hunts Point nearly every day, and runs through an estimated 1,000 cases each week. "We do the best we can try to bring in everything year-round," he says. "I bring it in through my hands. I eat it, and if I don't like it, I don't buy it." The



produce is not only representative of typical American supermarket staples, but it also offers a remarkable roster of exotic Latin American produce, including ajicitos dulce, pipicha, epazote, tomatillo milpero, chilacayote, batata, malanga and guaje verde — the demands of its largest (and specialty) customer base.

Ayala, The Angel's Fruit Market manager who came to Brooklyn five years after Bruno, proves to be no slouch when it comes to fruit. He grabs a pineapple from Costa Rica — "the best," he says picks off a leaf and explains how to know when it's ready to eat. He smiles, takes out a small knife and begins to sliver off pieces of Comice pear, offering passersby a free taste. Then he moves on to a Forelle pear and cuts into it. "No one gets this around here," he says, and places it into his

Buon Italia 75 9th Ave.. New York, NY 10011 (212) 633-9090

http://www.buonitalia.com



uon Italia, a purveyor of specialty Italian foods, is located inside Chelsea Market, a cavernous concourse of upscale bakeries, clothiers and restaurants, and perhaps most notably, the Food Network headquarters. One hundred years ago, the Chelsea Market was home to the National Biscuit Company (Nabisco) factory, which produced the first Oreo cookie in 1912 in that same space.

Buon Italia owners Mimmo and Tonia Magliulo immigrated to the United States 35 years ago from Torre del Greco, a town near Naples, Italy. Antonio, their son, was born three years after his parent's arrival. That same year, Buon Italia was opened and it's been a family-run business ever since, with Marcella, Antonio's sister, rounding out the bunch. "The most important thing for Italians is food," Tonia says, recalling a time when she began to miss the ingredients dear to her stomach, creating the impetus for their successful business. "In the beginning, it was just a little section with no prepared foods," she says. "We



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were always wholesale, never retail."

Seventeen years later, Buon Italia has grown into a 6,500-square-foot space, offering everything from imported cheeses and chocolates, and a popular prepared foods display borne from a Neapolitan culinary soul — Tonia. "We decided to start working with a small stove," Tonia says, "and we ended up with a small kitchen!"

And how that kitchen has grown: it now employs a staff of seven in order to produce enough food for the ever popular prepared foods section. Tonia says the secret to her cooking is simplicity, and using ingredients she knows intimately like good olive oil, a staple of southern Italian cuisine versus northern, which uses more butter, channeling a French style. "I'm not fancy," she says. "I make what I know; that's the best way to cook."

A majority of Tonia's recipes are produceheavy, often featuring a medley of artichokes, mushrooms, eggplant, butternut squash, zucchini, escarole, beets and red peppers. Each week Buon Italia estimates going through four to six cases of zucchini, two cases of broccoli rabe, one to two cases of escarole, two cases of butternut squash, four cases of potatoes, and five to six cases of eggplants, mainly from Manhattan Fruit Exchange (also located in the Chelsea Market) and Baldor Specialty Foods Inc., in the Bronx. Buon Italia buys fresh produce every day and cooks each afternoon for the following day.

Antonio says that a case of red peppers can sometimes cost around \$60, which doesn't include labor costs and the loss of an unusable percentage of an item like broccoli rabe. "You have to know the exact part of the plant to use," says Tonia. "It's a Neapolitan tradition to only use the best, most tender part."

This may translate into a pricey vegetable dish, which is something Antonio says he sees customers grappling with — the fact that vegetables can often cost just as much if not more than main courses that are commonly protein-heavy. This winter, as tourists and 9-5ers warm their bellies with Tonia's Minestrone soup, it'll be that magical Neapolitan taste that quells all — quality usurping price.

The Butcher's Daughter 19 Kenmare St., New York, NY 10012 (212) 219-3434



eather Tierney, a former food writer/critic, and part owner of Apothéke, a mixology bar, and Pulqueria, a Mexican restaurant, finally has a restaurant all her own. The Butcher's Daughter, a juice bar and vegetarian café, features herbs and vegetables hanging





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from meat hooks, an ironic twist on what Tierney sees as a nutritional trend. In fact, Tierney is the daughter of a butcher. Her eponymous brainchild is intended to communicate the notion that someone who grows up around a butcher shop may eventually want something else, once the boredom with the mundanity of ubiquitous meat offerings sets in. "I think our

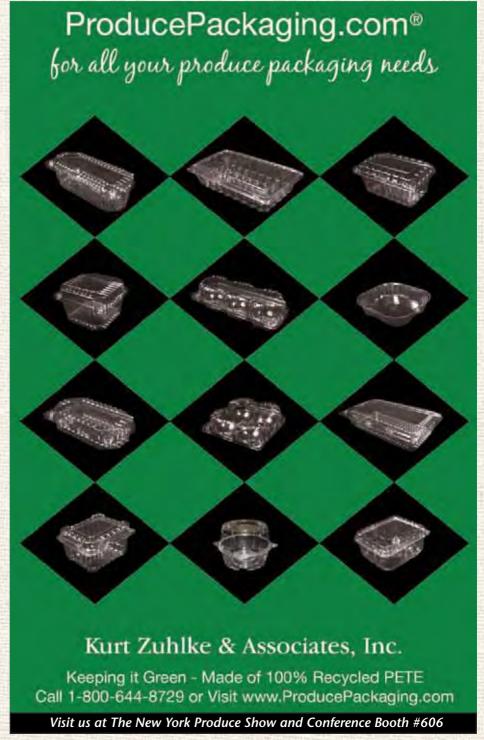
diets are becoming more fruit-andvegetable focused, and I want to display it in a way I want to eat," she says.

The Butcher's Daughter is located in the Nolita (north of Little Italy) neighborhood of downtown Manhattan, around the corner, Tierney says somewhat blissfully, from her own home. Its extensive drink menu is grouped into eight sections, each









offering a unique way to fill a buzz, cure a hangover, or enjoy a simple juice with a hearty meal. The dishes are strictly vegetarian and non-dairy, and each is available with a vegan alternative. As a result, Tierney estimates taking in 200-300 cases of produce a week, adding that she has come to value locally sourced fruits and vegetables over conventional or organic. "The word organic is overused to the point where we don't even know what it means anymore," she says.

Among the dishes Tierney is proud of are the Beet Tartare, a vegetarian take on the traditional French beef tartare, served with thickly chopped roasted beets and watercress; and the Vegetable Charcuterie and Cheese board, which features roasted vegetable terrine, mushroom-walnut pate and broccoli rillette. "Produce is a very important part of our business," she says, "and it's hard to find places that make fruit and veggies exciting." The Butcher's Daughter, she says, is a place where a person would want to sit and have a glass of wine and eat vegetables all day long. "Everything here is great for you. Unless you eat the furniture, you can't go wrong."

Foragers City Grocer & Table 300 W. 22nd St., New York, NY 10011 (212) 243-8888 http://www.foragerscitygrocer.com



In April, 2012, Foragers' owners, Anna Castellini, her husband Richard Lamb, and business partner Clifford Shikler, opened a new Chelsea spin-off of Foragers City, a chic grocery and restaurant that opened in Brooklyn's DUMBO (Down Under the Manhattan Bridge



Overpass) neighborhood seven years ago. The idea behind Foragers was borne out of a frustration with produce inside New York City that looked like plastic, which Castellini says happens frequently when dealing primarily with wholesalers and distributors. So Foragers' brain trust decided to try something new to add options to their business model: they started a growing project in the Hudson Valley, a 28-acre farm now in its third growing season that yields a variety of produce, and even eggs. They're also committed to visiting farms first-hand to pick produce themselves. "We spend thousands and thousands of dollars a week on produce," says Castellini.

Of course, it's difficult to maintain this strict course year-round, so Foragers tries to buy only organics in the off-season, although Castellini has found price points for organic red peppers and grapes to be tricky, but not impossible. "Foragers is successful in affluent areas where they'd be willing to pay for it," she says. The most popular dish at Foragers City Table is a kale salad that has a simple mild lemon dressing on it. "Some people think that kale is going to save them from grey hairs," says Castellini. "Our customers are well educated. I don't think I could do this in many places."

The Chelsea location is 3,700 square feet, an eighth of which is dedicated to produce (compared to a quarter of the DUMBO location of similar square footage.) "It's our second largest department and is an important part of any grocery business," says Castellini. She is critical of larger retailers like Whole Foods, suggesting they buy more local produce and make moves to bring quality up. "The industry needs a nudge," she says. "It's forgotten people aren't stupid."

Castellini is planning a trip next year to the West Coast to connect with fruit growers. "It's almost impossible to get organic peaches in the Hudson Valley," she says, "but there are lots in California." She believes the industry is trending toward practices like IPM (integrated pest management) and biodynamics, and away from organics, which she believes has lost it regulatory strength. "People want to know if their produce is really clean...and organic has lost its shine."

Harvard Club of New York City 35 West 44th Street, New York, NY 10036 (212) 840-6600 http://www.hcny.com



In order to locate Dave Haviland, executive chef at the Manhattan branch of the Harvard Club, one must first go through the back service entrance and past a sign that reads: "Though This Door Pass The Employees With The Most Professional Qualities In The Industry." Haviland manages four sous-chefs and a daily staff of 55 inside two vast kitchens and says they have the capability to feed up to 3,000 mouths over four restaurants and a banquet facility. But not just anyone can visit; dining at the Harvard Club is by membership or invitation only.

Haviland has headed culinary operations here for the past year, previously cutting his culinary teeth at hotels along the Hudson River near the American Culinary Institute where he first built his cooking acumen. He says that produce has become an irreplaceable element of cuisine to the point where it now vies for menu sovereignty. "For many years, I thought protein was king of the plate.



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"For many years, I thought protein was king of the plate. Now it's produce, which has become just as important."

— Dave Haviland, Harvard Club of New York City



Now it's produce, which has become as just as important." The constant availability and huge selection of produce is key to accommodating the size of his operation. As a result, the Harvard Club kitchen uses "a tremendous amount" of produce. Each week, Haviland estimates using 50 cases of salad greens, 20 cases of Idaho potatoes and 30 cases of asparagus. And this is before he considers the numerous weekly cases of staples like carrots, celery, onions and berries.

Haviland also writes every menu and says that he's seen a strong trend toward seasonality. "More and more establishments are trying to use vegetables at their peak," he says. Lately, he's been working with Brussels sprouts, Russian kale, Swiss Chard, Blue Hubbard squash and escarole. "These hold up well with stronger proteins," he says. He's also seen a rise in vegetarian clientele, which has challenged him to come up with creative way of offering filling options using produce.

Haviland quickly whips up two beautiful dishes — one short rib, the other quail — that feature vegetables. As he cooks, he talks of some of his most succulent and creative recipes in practice today, which include sautéed Russian kale and celeriac purée. He also uses Treviso radicchio, which he sautés with Applewood smoked bacon. He marinates this with apple cider, and serves it with a Watercress salad with cider vinaigrette — an ideal autumnal recipe.

Brushstroke

30 Hudson St., New York, NY 10013 (212) 791-3771 http://brushstrokenyc.com



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rushstroke is the collaboration of American chef and restaurateur, David Bouley, and Yoshiki Tsuji, president of Tsuji Culinary Institute in Osaka, Japan. Their menu, which channels a traditional Japanese cooking style, called kaiseki, aims to "render dishes that meet the highest potential of pure flavor through seasonally sourced products, refinement in execution, and respect for Japanese traditions." Kaiseki focuses on serving numerous small courses that offer a culinary experience through a balanced, seasonal menu. On a typical evening, the warm, deftly decorated restaurant can accommodate 60 covers and seat 50 people at a time.

Responsible for implementing the visionary Bouley-Tsuji menu is Executive Chef Isao Yamada, who has worked with both men, most recently at Bouley Test Kitchen; he's been at Brushstroke for a year and a half. Jamie Graves, the general manager, and Yamada's translator, says that Brushstroke is one of the only restau-



PHOTO COLIRTESY OF IONATHAN 7AI MAN

rants in New York City that showcases kaiseki, and the first to do so on a large scale. Brushstroke offers two main dining choices: a nine-course (\$135) or six-course (\$85) tasting menu. "Items are not available à la carte, says Graves. "The menus are very carefully planned and this is not sushi. It's influenced a lot of restaurants."

Yamada says these culinary adventures often begin with a search for rare produce. "I taste it raw, then blanche it, then fry it

and decide, 'Okay, this is the best way to use this item." At the moment, Yamada has been using Daikon radish, as well as experimenting with malanga, kabu, kabocha, sato-imo, and naga-imo, a type of yam that may be eaten raw; "imo" in Japanese, refers to the potato family. On the menu, diners will find grilled persimmons, cauliflower purée, seaweed and mushroom petal sauce. Yamada tries to let nothing go to waste, and often makes broths from the unused flavorful parts of produce items.

One challenge Yamada has found is that ingredients from Japan are not equivalent to those in America, often because of agricultural elements. "The quality of soil here is very different," he says, "and the produce will taste completely different." There is also an eggplant, "about the size of a baseball," he says, called mizu nasu, which translates to "water aubergine" that he's yet to find. "If they could grow those well in the United States, they'd be very popular."







Hu Kitchen

78 5th Avenue, New York, NY 10011 (212) 510-8919 http://hukitchen.com



ccording to Ben Strogatz, Hu Kitchen's Chief Strategist, the "Hu" in Hu Kitchen stands for a type of food enjoyed before cars and genetic farms ruled the earth. "Hu Kitchen is paleo meets pollen," he says. "It's a way to get back to a time when humans ate like humans pre-agrarian and pre-industrial."

After a long weekend in Las Vegas, one of Hu Kitchen's eventual owners, Jordan Brown, then a real estate developer, began devouring authors like Michael Pollen, Mark Hyman and Mark Bittman. Strogatz

says it created a paradigm shift for him. Along with his sister, Jessica Karp, who was in finance, and who's own impetus at the time was a newborn baby girl, they decided it was time to promote a type of hearty and healthy eating culture. Hu Kitchen, which opened in late September, serves prepared foods, has a small market that sells bottled juices made on-site, as well as a sit-down area to sip a cup of coffee, fresh-squeezed juice, or for a quick nibble on some take-away.

Head Chef Craig Rispoli says that some customers visit Hu Kitchen up to seven or eight times each day and as a result, they can't bring some items in fast enough, like organic kale, spinach, leafy greens, beets, parsnip, pineapples and celery. Rispoli estimates going through nine 25-lb. cases of kale a week — "We can't buy enough," he says - 500 pounds a week of carrots, 250 40-50 lb. cases of organic celery, and a combined 600 pounds of red and white onions each week. He says that for the amount of volume they do, sourcing has become an issue because local producers are too dependent on the weather, which can translate into additional shipping charges and degradation of the product since it's been out of the ground longer. Rispoli makes the most of each shipment, making veggie and chicken stocks out

of stumps and scraps so nothing goes to waste.

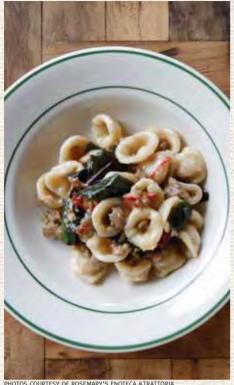
A few of Hu Kitchen's best sellers are its Kale salad; Charred Broccolini with garlic, chili flakes, lemon and olive oil; and its award-winning Rotisserie Pineapple. Hu also offers a lineup of juices that can be made fresh from the juice bar, or taken away by bottle. "Four pounds of vegetables goes into a 16-oz. bottle," says Rispoli, pointing to the Super Duper Greens drink.

Rosemary's Enoteca & Trattoria

18 Greenwich Avenue, New York, NY 10011 (212) 647-1818 http://rosemarysnyc.com



OTO COURTESY OF ROSEMARY'S ENOTECA &TRATTORIA



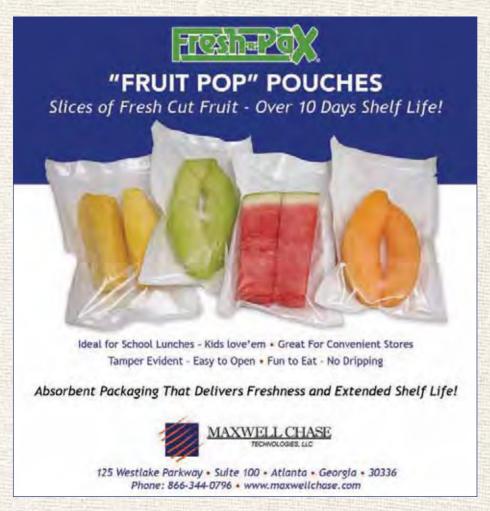
PHOTOS COURTESY OF ROSEMARY'S ENOTECA &TRATTORIA

arlos Suarez, owner and sole proprietor of Rosemary's, which opened in May at a calm intersection in the posh West Village, named his homey restaurant after his mother. "Like all Mom's, she's limitless and full of passion," he says. "I wanted the place to convey that same sort of warmth." At sundown, when throngs of dedicated diners arrive on a first-come-first-serve basis, and step into the candlelit restaurant adorned with modern, rustic trim, that's exactly what they may feel.

Rosemary's is modeled after his parent's house in Italy, where his mother often spends time in the kitchen, preparing what her husband is cultivating in their vegetable garden. Suarez, who is half-Cuban and English, has taken those efforts to heart as well, creating a rooftop garden that sits atop his 2,500-squarefoot dining room, just a staircase away.

Executive Chef Wade Moises brings his near-25 years of culinary experience to







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Head Chef Craig Rispoli says that some customers visit Hu Kitchen up to seven or eight times each day and as a result, they can't bring in some items fast enough, like organic kale, spinach, leafy greens, beets, parsnip, pineapples and celery.



Rosemary's after stints at Eataly and Luda, a Mario Batali restaurant. "We go through a lot of produce," he says. According to Moises, each week Rosemary's uses about 10-14 cases of escarole, 30 cases of beets, 14 cases of eggplant, nine cases of plum tomatoes, three flats of cherry tomatoes, 30 cases of Brussels sprouts, and about 14 flats of Heirloom tomatoes when they're in season. "Brussels sprouts are the biggest selling side dish in New York City," says Moises, even more than potatoes and braised greens (at Rosemary's). During this time of year, Moises is also excited about the specialty citrus that has started to make the rounds. "There are unique varieties like Buddha's hand and Ugli fruit, Tangelos, Pomelos and hybrid citrons," he

One vegetable that Moises raves about

is celery because of its versatility and, of course, its flavor. One of his favorite dishes is the Market Fish, which is prepared in a roasted celery root purée, grapefruit and Aranciata vinaigrette. He also makes a Celery Caesar Salad with shaved root, leaves and hearts of celery, and covers it with traditional Caesar dressing. "It's a humble vegetable," he says, "and you can do a lot of things with it."

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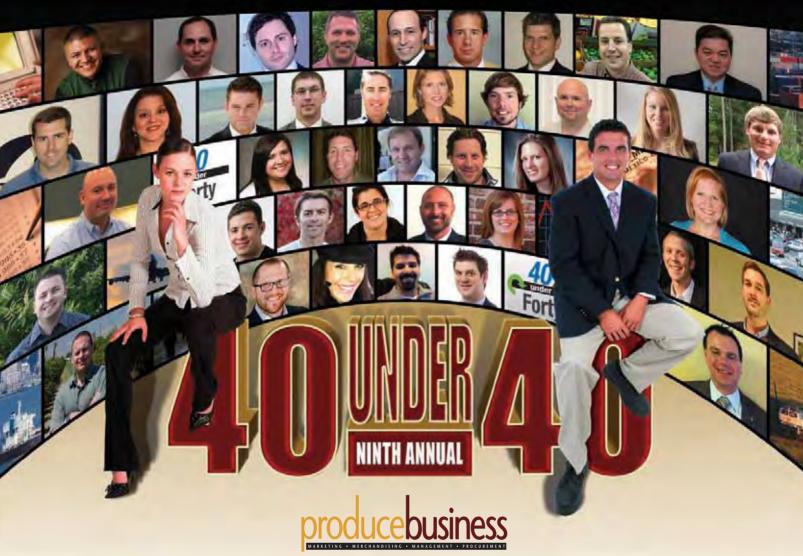
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Honorees will be selected based on their professional accomplishments, demonstrated leadership and industry/community contributions. To be eligible, nominees must be under the age of 40 as of January 1 (People born after January 1, 1973).

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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.

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n 100 words or less, describe why this person should be nominated: You can use a separate sheet for this)		Company		
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A (Few) Days In The Life of...

Alfonso Cano, assistant produce director of Northgate Gonzalez Markets, who shares the highlights of his PMA Fresh Summit experience with Produce Business.

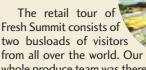
DAY 1: OCTOBER 25

Today is the first day of all-things-Fresh-Summit. I pulled into Store #9 in Santa Ana, and the parking lot was ready for the Idaho Potato Truck Tour. This truck has been bringing its 6-ton Russet all over the country and California is the second to the last stop.

Kent Beesley, with the Idaho Potato Commission, offered this opportunity to us a few months ago and we jumped at the

chance to bring it to our store. Kent took a photo of the team that helped set up the store for today's Fresh Summit retail tour.

We put a lot of effort and energy into the event. We expect our visitors to be inspired by our creativity and innovation.



whole produce team was there to greet them and answer their questions.

Don Miguel, who runs Northgate with his youngest brother, also stood by to offer support and speak to the visitors. This was a great way to introduce our market to the world. Northgate was one of four stops on the tour. The guests were all encouraged to take pictures and videos. Once they left the store, most stopped by the Idaho potato truck to take one last photo.



DAY 2: OCTOBER 26

While exhibitors and attendees are arriving in Anaheim, setting up their displays and getting settled in, I was off to host a Brazilian bus tour and meet the group at our Distribution Center.



The plan was to first tour our coolers and then visit a nearby store. I decided to give attendees a quick Power Point presentation with some information about our company, along with a preview of what they would see at the store. After my presentation, I then opened it up for produce-related questions.

During the DC tour Sal Marcianti and Keith McCarren, DC directors, answered all the technical questions the group had.

From there, I met the bus at Store #14 in Buena Park. There the group saw what was racked up in the DC on the sales floor. They were very impressed, and most, if not all, grabbed shopping carts and started buying!



Friday night was the first of two big party nights. After I picked up my badge, I headed to the House of Blues in Downtown Disney to visit the Chiquita party. There I took a picture with Jack Howell and Ron Jackson, Chiquita guys, and the Chiquita Girl.



After Chiquita party, the plan was to walk about 200 feet to the Index Fresh party at the

Jazz Kitchen. A big group from Northgate was also attending. I managed to get Steve Hattendorf, West merchandiser with the Chilean Avocado Importers Commission, and John Dmytriw, director of sales at Index Fresh, to pose with Abel Meza, Northgate's San Diego district retail merchandiser and me for a picture.



Later that night, one of the best parties of Fresh Summit was just beginning. It was hosted by Wonderful Brands, also known as Paramount Farms. They took over the

band Foreigner close the show. The party was the hot ticket and our company was provided with plenty of passes from Erin Sanchez (pictured). I left early knowing I had a long weekend ahead of me. But the entire Northgate team had a great night.

DAY 3: OCTOBER 27

The opening day of the convention floor has arrived. I began the day extra early in the office getting some last second work done. I was pleased to make it to the general session breakfast on time. The

speaker was Erik Wahl. He was very inspirational. Anyone who saw what he did will never forget it. I was so lucky to be able to shake his hand and get a photo.



We had a large assembly from Northgate visiting the show. I think we had around

30 pass requests in all. Since it was in our hometown, everyone wanted to attend. The show was a monster and we did not make it to see everything the first day. Two booths did get our attention. Beachside Produce had Olympians, Kelly Rulon (left) and Lauren Wenger (right), whom they sponsor, signing autographs at their booth. The two ladies are from the Gold Medal-winning water polo team. Don Miguel and I were able to pose with real gold medals from the London games.



The ALCO Designs booth had an actual Northgate Gonzalez Market table on display. That was a pleasant surprise and a source of pride. Don Miguel enjoyed getting that picture taken.

Soon after, I rushed home to get ready for the night, which started at the PRODUCE BUSINESS 40-Under-Forty Rising Star Reception.





After that, I went to the Hilton for a reception hosted by a group from the Netherlands. De Anna.

my wife, and I attended. Gabrielle Nuytens-Vaarkamp, on the right, invited me. She works out of Mexico City for the Embajado del Reino de los Paises Bajos/Oficina Agricola. She represents the Netherlands in Mexico for the secretary of agriculture. I met her in August when I went to be part of a panel for AMHPAC in Guadalajara.



Right after that we went next door and visited the Cal Poly San Luis Obispo reception. I have hosted tours of our stores and DC for them the past two years. We ended our evening with a delicious meal hosted by Russ Wilderburg and Don Hobson of Boskovich Farms. We drove east to old town Orange and enjoyed some good company and Mexican food.

DAY 4: OCTOBER 28

I began my day early at 7:30 am to meet with a group from the APEAM. Ryan Fukuda brought this group of Mexican avocados growers into our Santa Ana store for a visit. They asked questions and sampled their avocados.



While we were there, I surprised Luis Eulloqui, our Orange County produce merchandiser, with article about our stores that ran in the November issue PRODUCE BUSINESS. This issue was unveiled at Fresh Summit and everyone seemed to have a copy in their hands. I took this picture of Luis as he turned to the page to see his

photo in the magazine.

After the tour, I rushed back to the Anaheim Convention Center to see Frans Johansson speak at the general session about

innovation and diverging ideas He was an amazing talent.



A breakfast meeting followed at the Hilton with Ali and Pedro Batiz of Divine Flavor.



After doing some last minute booth visits, I had the pleasure of being a judge for the Second

Sensory Experience Contest. I sat in the back row with my friend Greg Corrigan from Raley's in Sacramento, CA. It was a very fun event and I got to eat some very good dishes.

My final Fresh Summit activity was meeting the winner of the Sensory Experience Contest: Chef Kenji Tarawaki from the Chilean Fresh Fruit Association. They did what was called a Chilean

Fresh Fruit Pizza. It was my favorite so I am glad they won. Bryan Silbermann, president and CEO of PMA, joined me in a photo with the winning chef.



PHOTO COURTESY



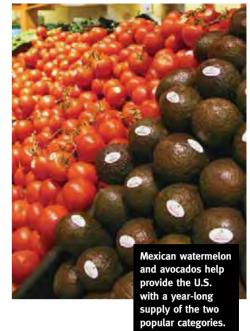


PHOTO COURTESY OF NATIONAL WATERMELON PROMOTION BOAR PHOTO AT RIGHT COURTESY OF AVOCADOS FROM MEXICO

Merchandising Mexican Produce

Promotion of key Mexican produce categories can heat up sales during cold winter months. BY JODEAN ROBBINS

exican-sourced fruits and vegetables are an integral part of the produce department, especially in the winter months. According to the Embassy of Mexico in Washington, D.C., in 2011, U.S. imports of fruits and vegetables from Mexico surpassed \$7.3 billion. As of August, 2012, imports have increased 8 percent over the same period in 2011.

"Retailers benefit because this is Mexico's peak production time and there are multiple promotional opportunities on all the commodities during this timeframe," says Jerry Wagner, director of sales and marketing for Farmer's Best International, in Nogales, AZ.

"Increased and incremental sales are huge benefits of Mexican winter produce," adds Eric Viramontes, CEO of AMHPAC, the Mexican Association of Protected Agriculture, in Culiacan, Mexico. "We believe the 'more is more' strategy works."

The quality and consistency of Mexican produce fit into U.S. market objectives. "Eating fresh is an important part of a bigger push to get Americans healthier," says Wagner. "Offering value on something they need is a plus for the store. Winter is a very important marketing period for the retailer. During the

summer months, consumers have additional options such as farmer's markets, local producers and personal gardens. In the winter, consumers rely on the retailers in a stronger way to provide healthy, affordable, fresh produce for them and their families as less options are available."

"In the summer, chains are focused on buylocal, but come winter they can't source product locally so they're moving to Florida or Mexico," explains Gonzalo Avila, vice president and general manager for Malena Produce, Inc., in Nogales, AZ. "The quality of products from Mexico are outstanding because where we grow has optimal conditions. Retailers can really promote the quality of Mexican products in the winter."

Retailers are encouraged to get behind the plethora of products from Mexico even for specialized markets. "Here in California we have the benefit of year-round supply of produce, but in reality there are always holes during the winter months," says Matt Landi, produce director for New Leaf Community Markets in Santa Cruz, CA, with seven stores. "The majority of consumers are used to having a year-round supply of just about everything. If you support organics, why not enjoy the expanded availability? Supporting organic is supporting organic, regardless of where the

product is coming from."

Quality and consistency are major values related to Mexico's produce exports. "There can be an assumption that items from Mexico are somehow different than domestically produced items," says Alejandro Canelos, director of Apache Produce Imports, LLC, in Nogales, AZ. "That can be misleading. Products should be promoted for their quality and consistency, and Mexican-sourced products deliver on both those counts."

"We farm with the highest technology available resulting in great quality product with good shelf-life and consistent volumes," reports Ami Rozenfeld, director of Mexican operations for Pompano Beach, FL-based Ayco Farms. "This guarantees stability in prices during the winter season. Price stability allows retailers to really promote the product and have the quality and volume they need for ads."

While a large percentage of the produce department consists of Mexican-sourced product, a few key items lead sales. According to U.S. Department of Agriculture Economic Research Service statistics, some of the top-dollar value produce items from Mexico include tomatoes, avocados, peppers, grapes, cucumbers, squash, watermelons, berries, asparagus, onions, limes and mangos.

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"We farm with the highest technology available resulting in great quality product with good shelf-life and consistent volumes. This guarantees stability in prices during the winter season. Price stability allows retailers to really promote the product and have the quality and volume they need for ads."

— Ami Rozenfeld , Ayco Farms.

Though many of these items are already well known by consumers, additional promotional potential exists. "Top produce items from Mexico with great merchandising potential include tomatoes, bell peppers, cucumbers, eggplant and green beans," says Chris Ciruli, chief operating officer of Ciruli Brothers, LLC, in Rio Rico, AZ. "These items are available from the west Mexico region during the winter and spring months. Retailers get the benefit of having large and steady supply of vegetables from Mexico in the winter months."

AMHPAC's Viramontes agrees, adding, "Mexico continues to listen carefully to what retailers say their customers want sweeter varieties of tomatoes, yellow and orange bell peppers and smaller, more tender eggplants, for example."

A little effort in merchandising can drive sales to greater heights. "To boost sales in general, we recommend retailers go with larger displays to move more items during the peak months," says Ciruli. "Retailers can also get creative with displays in bins and baskets, or cross-merchandising with other products. Buyers should have good dialogue with their suppliers to take advantage of ad pricing during peak production periods and holiday promotions. Supplies are steady and abundant from January through April on many of these items."

The Mighty Tomato

Fresh tomato imports from Mexico represent an average import value of over \$1.4 billion. "If you look at top items in terms of volume and market dollars, the tomato is the No. 1 item out of Mexico in the wintertime," says Malena's Avila.

Perhaps the greatest attribute of the tomato category for driving sales is the abundant variety. "Within the tomato category we have a huge product mix," adds Avila. "Variety spurs sales."

"Retailers need to have variety in the tomato category to drive sales," concurs Apache's Canelos. "Mexico produces vine-ripes, vine-ripe

U.S. Produce Imports from Mexico Average Annual Value (2009-2011) Source: USDA/ERS				
Tomatoes, fresh	1,474			
Avocados, fresh or dned	612			
Peppers, fresh	-584			
Grapes, fresh	344			
Cucumbers, fresh	251			
Squash, fresh	210			
Watennelous, fresh	210			
Strawbernes, fresh	201			
Asparagus, fresh	201			
Onions, fresh	197			
Limes, fresh or dried	170			
Mangos, fresh	152			
Blackbernes, mulbernes, and loganhernes, fresh	140			
Lettuce, fresh	113			
Raspbenies, fresh	108			
Cauliflower and broccoli, fresh	101			
Papayas, fresh	- 60			
Bonanas, foesli	- 58			

Romas, grape tomatoes, colored tomatoes, cocktail tomatoes — just about any type you can think of — and Mexico is producing all winter long. Giving customers choices adds to sales."

Successful retailers take advantage of the options. "What we are seeing with chains like Wegmans and Meijer are very large tomato sections with many varieties of tomatoes," points out Viramontes. "They're also doing outstanding cross-merchandising with items such as cucumbers, garlic, and special oils and seasonings."

The affordability and quality of the Mexican tomato lends to promotion. "Only offer ripe, good quality tomatoes on displays," says Tommy Wilkins, produce procurement director for United Supermarkets in Lubbock, TX, currently operating 51 stores. "Promote in ads frequently."

"Two important aspects of Mexican winter tomatoes are that they taste great and are affordable," reports Canelos. "If you give customers something they want to buy and want to eat, it will be profitable. Mexico provides quality product and that means it eats well. The affordability of the product ties into promotion because retailers can get out and promote at a reasonable price point."

Retailers can expect even better tomato vari-

eties in the future. "Significant improvements via new tomato varieties are under development in Mexico," reports Martin Ley, vice president of Nogales, AZ-based Del Campo Supreme. "We're achieving varieties that can carry and sustain better flavor and smell as they move through the distribution channel. We're rising to the challenge of bringing a better tasting, more appealing tomato to the consumer."

"The industry is always trying to better achieve a balance between appearance, shelf-life and flavor," adds Canelos. "A tomato that tastes great but won't make it to the grocery store isn't valuable, and a tomato that lasts for a year but tastes like cardboard isn't valuable either. It's a constant effort moving forward to balance these two needs."

Watermelon: A Bright Spot In Winter

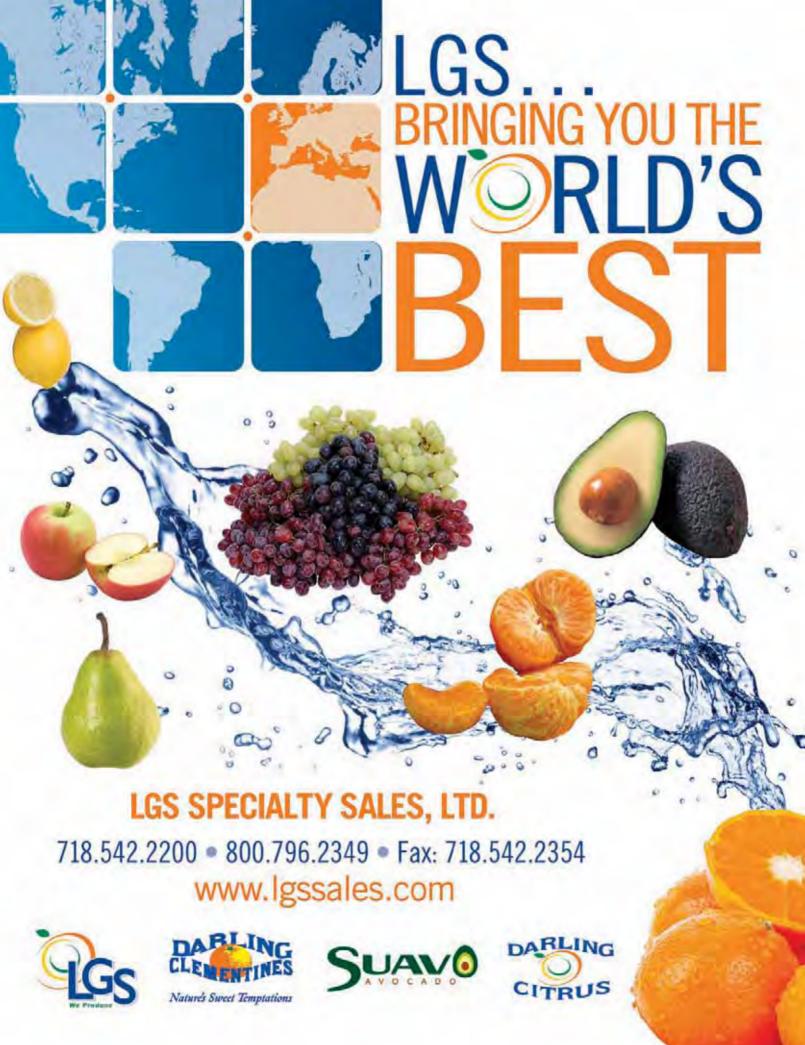
Mexico is the single largest supplier of watermelon to the U.S. market. "It is responsible for well over 90 percent of all imports from late fall through mid spring," reports Gordon Hunt, director of marketing/communications for the National Watermelon Promotion Board (NWPB) in Orlando, FL. "Working closely with U.S. importers and retailers, Mexican grower/shippers provide the same varieties and quality of watermelons that the retail

community now demands on a yearly basis. Watermelon consumption has increased steadily over the past 20 years, primarily due to growing consumer demand during the winter and early spring. The import season now accounts for over 30 percent of total U.S. consumption and is still growing."

Availability is the foundation of watermelon sales. "With watermelon, if you stock it, they will buy!" says Hunt. "Stores need to remind customers it's available and suggest new and innovative ways to prepare and use it."

NWPB's most recent consumer research looked at what drives watermelon consumption during the import season and found health attributes including, "good for my heart," and "contains lots of vitamins," are significantly more important among import season consumers versus their summer counterparts.

Most watermelon sold at retail during the import season is either fresh-cut or one of the mini varieties. "Particularly in the northern region of the continent, harsher weather tends to deter shoppers from larger, whole watermelons," advises Hunt. "People actually need to see the quality of the watermelon during these months. Large, attractive displays of cut water-



CAPITALIZE ON ORGANIC AND GREENHOUSE

he development of premium products like organic and greenhouse -grown from Mexico provides unique opportunities for retailers to reach out to additional market segments. "There's been a fantastic uptick in the availability of a much wider variety of organic produce during the winter months available from other parts of the world," says Matt Landi, produce director for New Leaf Community Markets in Santa Cruz, CA, with seven stores. "While here in California we certainly have access to domestic produce year-round, it's not comprehensive by any means because nature is nature. Mexican-grown produce has helped fill some of that gap."

Organic production in Mexico has helped increase quality and decrease price, both crucial to promotion and growing sales. "Not only has availability gotten better but quality has, too," says Landi. "Price has come down as well. Without produce from Mexico during the winter months, it would be very difficult to offer a full array of organics at all. A few years back, even when you could procure a certain category of organics, say peppers, it was always very, very expensive. The increase in availability of Mexican-grown organics in recent years has really helped close that gap."

Education of the produce team is fundamental. "Focus on creating a connection," suggests Landi. "We've had success partnering up with specific labels through our wholesaler and perhaps telling a bit of their story, so our customers feel more of a connection to the product. Also, focus on

identifying quality."

Organics Unlimited in San Diego, CA, handles primarily organic bananas, but also offers organic Plantains, organic red bananas, and organic coconuts year-round. "Winter is always good for promotion when many other fruits are not as available from local producers around the country," says Mayra Velazquez de Leon, president of the company.

The proximity of Mexico makes for quality and environmental benefits. "Bananas arrive in the United States within four days of harvest, so they are fresher than any other bananas, and therefore, more flavorful," says Velazquez. "This shorter transportation distance also means that Organics Unlimited's bananas brought from Mexico have a lower carbon footprint so they can be promoted as an environmentally conscious option."

Since bananas are the No. 1 seller in the produce department, retailers can boost profits with an organic option. "Retailers can just be happy they're selling bananas or have the option of selling more because they make them more important to shoppers by promoting additional benefits like organic, nutrition or convenience," says Velazquez. "If the retailer does not have a strong organic banana program, our bananas can provide an alternative to customers who are buying conventionally grown bananas."

Promoting greenhouse products may provide additional merchandising opportunity. Sprouting from just about 1,482 acres in 1999, the Mexican Protected Horticulture (greenhouse) industry has made great strides and now boasts more than 40,000 acres of protected production exporting a wide variety of products. "During the winter, the Mexican Protected Agriculture sector provides tomatoes, of course, but also bell and hot peppers, English cucumbers, squash and eggplant," states Eric Viramontes, CEO of AMHPAC, the Mexican Association of Protected Agriculture, headquartered in Culiacan, Mexico.

As consumers seek taste and quality, greenhouse promotion may vield great results. "Just as we are seeing dedicated organic sections with chains like Safeway and Kroger, we see significant opportunity for sales by creating a dedicated hothouse section within the produce department," Viramontes. "We know suggests consumers want to know where and how their food is grown. When retailers educate their consumers about the benefits of protected agriculture methods, the sales will follow."

"Larger dedicated sections of hothouse items cross-merchandised with complementary items are key to driving sales," continues Viramontes. "Using POS to tell the story of the features, advantages and benefits is important, since these are premium products and should command a premium price."

Retailers are encouraged to communicate the hothouse/protected ag story to consumers via QR Codes, Apps, Facebook, and Twitter as well as the store web-site. "AMHPAC can provide customized information for retailers who want to share this story with their customers," reports Viramontes. "A loop DVD in-store is still very effective as well."

melon, ranging from halves and quarters all the way to small clamshells of chunks tend to sell themselves when shoppers see the bright red flesh during cold and gloomy weather. The minis should always be displayed separately with at least one cut mini showing the internal quality and thinner rind."

"Offer cut melons such as halves, quarters, and slices so that guests have a selection to choose from," agrees United's Wilkins. "This also allows guests to see the quality of the melons they could purchase whole."

Watermelon is a well-known product, and thus requires little in the way of POS material. However, the NWPB website provides numerous recipe ideas with visuals that can be downloaded for use in-store at no cost. Crossmerchandising is another great tool. "Because watermelon is not a branded item, it is a perfect partner for cross-merchandising, particularly in the area of recipes," says Hunt.

Aside from the great taste, health benefits and versatility of watermelon, retailers and buyers alike are reminded to consider the value proposition. "Even during the import season, watermelon on a per pound basis is one of the least expensive items in the produce section," points out Hunt. "When sold as either fresh-cut or minis, it is also one of the most convenient as well. Who could ask for more?"

Avocados From Mexico

This winter, Avocados from Mexico will have plenty of fruit to promote with a projected total volume of more than 918 million pounds — an increase of more than 20 percent from last season. Retailers can take advantage of a multitude of ways to tie into integrated marketing programs.

"To support increased volumes, Avocados from Mexico has added \$8 million of incremental funds to expand its marketing campaigns this winter," states Eduardo Serena, marketing director for APEAM, the Mexican avocado association in Michoacán, México. "This is an excellent way to help us further increase usage



and drive in-store demand during the Holiday season," he says. "A few basic tips will also help ensure your avocado sales are maximized."

Ripe avocados can outsell unripe avocados by 2-to-1. "To help consumers find what they want, identify ripe avocados with stickers or signage and display firm avocados on a separate display," suggests Serena. "This will also prevent customers from squeezing the fruit, which causes internal bruising and shortens the shelf-life. Also, give consumers options. Use multiple display stations to promote large and small sizes, different price points, levels of ripeness and bagged fruit."

Create eye-catching displays and crossmerchandise. "Tie them into holidays, entertaining and occasions where families gather," continues Serena. "Create hype with promotional cards and encourage impulse sales with secondary displays. Display avocados next to items they partner with in meals and recipes. For example, merchandise avocados next to tomatoes, onions, lemons and limes, or near the deli or bread aisle to promote use in sandwiches. Avocados from Mexico is providing retailers with a new compact display that fits just about anywhere."

Excellent promotional messages for avocados focus on health attributes without sacrificing great taste and flavor. "Avocados are a great substitute for foods that are higher in saturated fat," says Serena. "With their monoand polyunsaturated good fats, avocados give consumers the same rich creamy texture, but with less saturated fat and calories, regardless of where they were grown, and that is what retailers can leverage."

In December, Avocados from Mexico will

launch a promotion centered around the popular Hispanic celebration of Posadas, featuring celebrity Chef Pepín. "Hispanic consumers will be reached through online and mobile advertising, blogger outreach to influential Latino bloggers, a special online coupon offer on the AFM Spanish website and more," details Serena.

Football season is another great chance to pump up avocados sales. "Leverage our multicampaign to bring home platform championship-sized sales," says Serena. "Avocados from Mexico has a wide variety of POS materials available to retailers year-round so they can display and profit by generating impulse sales in-store. Materials can be ordered online at and include secondary displays, POS Cards, posters and more."

Eggplant: Opportunity Through Education

Eggplant presents a growing opportunity for Mexican trade and winter vegetable sales. "With less than 25 percent of U.S. households buying eggplant, this product represents an excellent growth opportunity for retailers," states Malena's Avila. "Some retailers we have talked to have increased category sales by three or more times using certain promotional tactics."

"Eggplant category sales can increase through proper merchandising or promotion, particularly if those efforts are paired with consumer educational tools that include selection tips and preparation ideas," agrees Ciruli Brothers Ciruli. "Many consumers do not buy eggplant because they do not know how to prepare it. Pairing with the right supplier will help retailers access these types





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UNIQUE, INNOVATIVE PRODUCTS FROM MEXICO

More than 130 Mexican exporters showcased a wide variety of expanding opportunities in Mexican-sourced products at PMA's recent Fresh Summit Exposition. Here is a sampling of some of the more unique or innovative possibilities.

TOMATILLOS

A new-comer into the traditional tomatillo line is the mini-tomatillo known as Tomatillo Milpero. They are sold in bags of one-pound and are more flavorful than the larger tomatillos.

EDIBLE FLOWERS

Combining art and food, Mexico exports close to 46,000 edible flower packs per year. The flowers are dipped in sugar and citrus for natural preservation and have an optimum shelf-life of three to four months. Varieties include pansies, marigolds, nasturtiums, and rose petals.

COCONUT

Mexican exporters presented some exciting new additions to the coconut category. Peeled, vacuum-sealed chucks of coconut

meat in a variety of package sizes offer convenience with a refrigerated 30-day shelf life. Pack sized and labels can be customized to fit the buyer. An innovative whole coconut comes with a perforated hole, a puncher and straw for easy access to the milk. Additionally the coconut is precut so consumers can easily break it open for the meat. This product requires refrigeration and has a 28-day shelf life. Cosco Mexico currently sells these products.

HEALTHY JUICE PACK

Jugo Verde (green juice) consists of chunks of nopal (catus leaf), pineapple, grapefruit, celery, and parsley frozen in a single serve bag. Consumers just thaw and blend for a healthy, tasty juice. Sams Club and WalMart in Mexico currently handle this item

HERBS

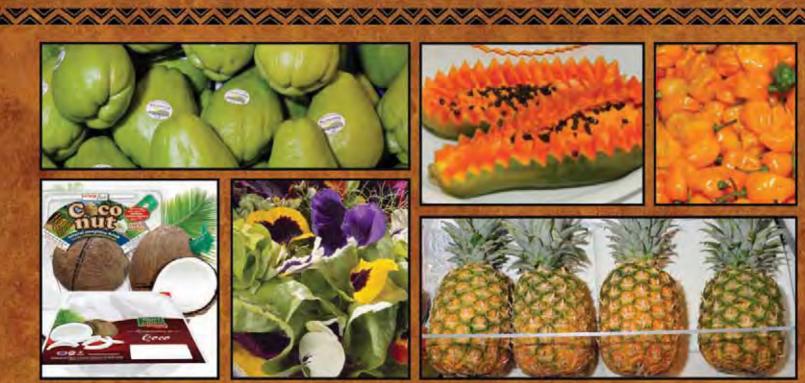
Mexico offers an increasing line of fresh packaged herbs. More than 12 different varieties are available in two-ounce bags.

ROOT VEGETABLES

New on the scene are peeled root vegetables including baby carrots, beets, and radishes. Multiple varieties of radishes and beets offer a colorful addition to the category.

HOT PEPPERS

Mexico is well known for its wide variety of spicy "chiles" and the expo contained multiple displays. Notable new additions included hot-house grown habaneros with a beautiful orange glow, and a newly presented Chiltepín pepper, small but packing major heat.





PAPAYA

After a decrease in exports due to food safety concerns in 2011, papaya exports from Mexico are once again on the upswing. In the past year, demand has grown with current volume around 2500 tons a week and increasing.

CHAYOTE

Mexico exports a high quality chayote year-round. Newly presented at PMA's expo is the Prickly Chayote which has less water, more fiber and is larger than the traditional chayote though use and taste are similar.

PRICKLY PEAR FRUIT & NOPAL (Cactus Leaves)

Exports of prickly pear and nopal are growing as a result of health benefits as well as increased ethnic consumers. Nopal is medically recognized as reducing cholesterol, regulating blood pressure and for diabetics. Prickly pear is an antioxidant, has anti-inflammatory properties and helps with cardio vascular issues.

GUAVA

The Mexican guava industry now exports 20 to 30 loads a week during peak season

(October – January). Guava's shade color can be customized, i.e. greener or more yellow, to fit market specs. Buyers can promote guava's nutritional benefits especially it's high vitamin C content.

PINEAPPLE

Mexico continues to expand production and export of MD-2 or Golden supersweet pineapple. Exporters focus on quality, measuring brix levels to at least 13 or higher and leaving product on the tree as long as possible before cutting to ship to market.

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of resources."

"Offer two sizes, the large size and the baby size," suggests United's Wilkins. "Also offer preparation tips and recipes at the point of sale."

The product has long been a staple with Mediterranean, Asian and Middle Eastern populations, so the ethnicity has been a key part of this category since eggplants achieved regular commercial volumes in the United States around the 1950s. "In contrast to many produce items vying for the profitable ethnic market today, eggplant is already there," says Avila. "Yet, eggplant is a uniquely American food as well. Thomas Jefferson introduced it, and grew it on his famous Monticello Ranch. Today, around 75 percent of eggplant consumed in the U.S. comes from Mexico."

Continued education is important. "Many consumers report not knowing how to cook an eggplant," states Avila. "It's important to include information at point of sale to help consumers better understand how to use the product. Stores should provide consumers with an immediate meal idea while they are standing right in front of the display. This includes recipes and enticing photos of prepared dishes, along with key nutritional information."

Eggplant makes for great merchandising displays. "Only eggplant has the dark hue that provides a dramatic color break for displays," states Avila. "Coupled with other eggplant varieties such as baby (violet) and the white, the eye-popping palette is unique and should be showcased."

Many produce department workers don't realize this dense-looking product is quite light-weight and fragile. "It bruises easily," cautions Malena's Avila. "It should never be stacked more than two high."

"Eggplant should be displayed on the cold rack, and displays should be rotated frequently to remove shriveled and bruised eggplants," directs Ciruli of Ciruli Brothers. "This will ensure the eggplants have a consistent appearance and color while on display."

"You can't just lay eggplant out, have a big display and hope it will hold during the whole day," reports Avila. "Eggplants lose shelf-life because they lose moisture if left out too long. The challenge is to have a significant enough display but ensure turn and restocking. Putting it on the wet rack and using misters really helps. You need high humidity for eggplant — think of it like a sponge."

New developments in packaging aspire to prolong shelf-life for consumers. "We're working on special packaging that will hold the eggplant in the consumers' fridges for a longer



period," reports Avila.

Malena is also developing tools for educating retailers so that they can, in turn, influence their customers. "We provide sales drivers such as food blogs/posts and other handling or profit-maximizing tips for receivers," says Avila. "The 7x11 display header works as an ideal meal solution reminder and should also contain info linking to a dedicated foodie social media site. Malena is creating such a site with eggplant trends and recipes. Take-ones and tags are also recommended, containing both usage and nutritional highlights."

"Among the POS material available are recipes, photos and selection tips," adds Ciruli. "We continue to develop our recipe database on our website where we have photos, information on different varieties, recipes and grilling ideas."

Peppers And Cucumbers Offer Visual Appeal

Bell peppers and cucumbers make up significant value in imports with peppers posting an average imported value of over \$584 million and cucumbers coming in at over \$251 million, according to the ERS statistics. "Bell pepper and cucumbers are very important during the wintertime," says Avila of Malena. "There are varieties within those families that can really be promoted. For example, in the pepper category, there are green bell peppers, red and other coloreds, and even mini peppers."

The newer varieties of peppers and cucumbers, especially the minis, can be used

to add excitement and incremental sales. "Mini or specialty peppers are great additions to a department because they create something new," points out Avila. "There is only so much you can do with some of the staple items that have been in the marketplace for a long time."

"In cucumbers, you have the regular American sliced, the Euro or English style cucumber or the mini cucumber," continues Avila.

The various color combinations of peppers offer visual appeal in merchandising. "We have a nice size program for colored bell peppers in mostly red, yellow and orange," reports Avila." "The colored bell peppers can really create excitement visually in the department."

Diverse presentations help push sales. Avila explains, "Most colored peppers are sold one of two ways — a bulk presentation in the stores with three colors on display, or as a bagged item with a mix of colors in the bag. The more they're promoted as bags the better because it includes the whole mix and we can put more merchandising information on the bag."

Stores are cautioned about particular handling pitfalls with specialty cucumbers. "Mini cucumbers have a little thinner skin than a typical cucumber so you need to rotate them a bit quicker on the shelf," says Avila. "There are independent retailers out there who are moving high volume and turn is good. But if these are products new to your customers and sales are a little slower, it's best to keep them in the back room and bring them out and replenish frequently.



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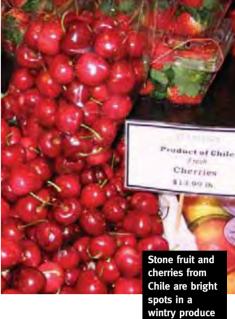
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Avoid Winter Doldrums With Chilean Fruit

Boost profits in Chilean winter fruit by stimulating impulse sales for well known items. BY JODEAN ROBBINS

hilean exporters and their U.S. counterparts have worked long and hard to achieve Chile's leading position as the winter fruit supplier to the U.S. market. "Chilean fruit adds great value to the department," says Dick Rissman, produce director with Dahl's Food Stores in Des Moines, IA, an upscale independent chain with 13 stores. "It keeps variety and continuity with crucial fruit categories throughout the year. It fills a hole in the marketplace and is good for customers and retailers alike."

The availability of products from Chile represents significant business for U.S. retailers. "The key word for Chilean winter fruit is 'continuity," says Manuel Jose Alcaino, president, owner and founder of Decofrut Inc., a company that lists quality control and tracking statistics, in Santiago, Chile. "Chilean production is an excellent complement to domestic production. It allows stores to have popular products of grapes and stone fruit year-round. Continuity means stability in prices and contributes to sales."

"Retailers should pay attention to winter fruit from Chile as it is by far the biggest supplier of deciduous fruit in the winter season to the United States," says Steve Monson, senior sales representative at Eden Prairie, MN-based C.H. Robinson.

According to the Chilean Fresh Fruit Association, Chile is the No. 1 fresh fruit exporter from the Southern Hemisphere and accounts for over 59.3 percent of the Southern Hemisphere fruit exports. Tom Tjerandsen, North American managing director for the Chilean Fresh Fruit Association (CFFA) in Sonoma, CA, says, "Chile is ranked among both the Southern Hemisphere's and the world's top fresh fruit exporters in a number of product categories, including table grapes and plums. In 2011, Chile's agricultural exports reached US\$14.6 billion, and fresh fruit is the largest food exporting sector, representing 28.3 percent."

"Chile ships more than 70 varieties of fruit to North America," reports Ronald Bown, president and chairman of ASOEX, located in Santiago, Chile. "Though the Top Five (grapes at 377,000 metric tons, apples at 135,000, citrus at 86,000, avocados at 60,000, and blueberries at 56,000) account for 82 percent of the total, it still leaves plenty of business-building opportunity for the remaining items."

Beware Of Complacency

Familiarity and availability have led to a stable business. "Chilean fruit helps keep shelf

space filled year-round with the great fruits we have come to love and want," acknowledges Chris Kragie, deciduous fruit manager for Madera, CA-based Western Fresh Marketing. "Most items from Chile sell themselves because of the continuity and the advertising done with the U.S. product."

Gustavo Yentzen, CEO of Freshfruit-portal.com, a branch of the Yentzen Group, a leading provider of marketing and communications solutions for the produce industry, in Santiago, Chile, says, "Blueberries, grapes, avocados and other fruits are no longer linked to a specific season, following decades of supply from the Southern Hemisphere, which has generated year-round consumption."

However, retailers are cautioned not to step back from promotion. "Retailers should aggressively promote winter fruit," says Rissman. "Don't become complacent with well established categories. Create excitement for the customer, especially when the seasons are at peak flavor."

"While there are times where the category sells itself, promotions should be a regular part of winter fruit from Chile," agrees Monson of C.H. Robinson. "Consumers can tend to forget fresh fruit is available from Chile during the U.S. winter, and promotions can help remind



people that excellent quality and great eating fruit can be purchased during our winter."

"Additional promotion on winter products from Chile is definitely a plus," says Paul Kneeland, vice president of produce and floral for Kings Super Markets in Parsippany, NJ. "The right product does sell itself, but highlighting it always helps drive sales."

Chilean fruit provides opportunity to increase retailer sales. Dionysios Christou, vice president marketing of Coral Gables, FL-based Del Monte Fresh Produce, explains, "With Chilean fruit, retailers are able to meet demand for many domestic fruits during the local offseason periods. Chile produces a wide variety of high quality products, and they have best-inclass food safety systems in place."

Core Products

Chile's variety of winter fruit forms a fundamental base for a winter fruit program. "Chile has a wealth of produce commodities to choose from and is the No. 1 exporter of grapes in the world," says Monson. "Deciduous fruit is a big component of the produce department, and having the fruit available helps provide options for consumers — options that might not be available because of growing conditions in the U.S. during that time of the year."

According to the CFFA, winter products include grapes, cherries, kiwis, avocados, plums, nectarines, peaches and pears. "The big sellers from Chile in the winter months are grapes, cherries, peaches, plums, nectarines, and apricots," says Kneeland.

Grapes are one of the most popular products. "A huge benefit of grapes is that you can pick them at the final consuming ripeness point," says Decofrut's Alcaino. "Chilean grapes start arriving by the middle of December with heavy volume in January, February, March and April."

Blueberries are another Chilean success story. "We've seen incredible increasing demand each year," says Alcaino. "The main market for Chilean blueberries is the United States, which takes about 80 percent of the Chilean supply. Through the past three or four years we've seen increasing volume and increasing price. This is explained by the fact that the more the fruit is known, the more demand it creates among consumers. Blueberries from Chile begin shipping in early December and continue through late March/early April," he adds.

The soft fruit or stone fruit category includes nectarines, peaches, plums and apricots. "There are numerous varieties and they start strongly in late November/early December and go through April," reports Alcaino. "There is some good news in these items — initially there were only a few varieties of nectarines and peaches that would eat well after the trip from Chile, but now we have new varieties with better eating attributes after shipping."

Cherries are a more recent development. According to forecasts from FreshFruit-Portal.com, Chile estimates exports of around 78,000 metric tons.

Decofrut's Alcaino states, "Cherries start in small supply in early November via air shipments. Sea shipments start in early December and goes through January. There are some new varieties coming on, which have been bred in Chile and the United States. They are fantastic, crisp and with nice color."

However, all is not sweet in the cherry deal. "One big change happening with the cherries involves competing demand from China," reports Alcaino. "There is high demand for the Chinese New Year, which impacts the volumes delivered to the United States. Last year, there was a 25 percent decrease in Chilean cherries to the United States due to this deviation."

"Because the market for Chilean exports is now a global business, buyers need to know that they are competing with other parts of the world for the same fruit," points out Del Monte's Christou. "North America will always be an attractive destination for Chilean exports; however, there are other parts of the world that are receiving more exports from Chile each year."

Spur The Impulse

The most successful way to increase Chilean winter fruit purchases is through impulse sales.

"People write "'milk, butter, sugar" on their shopping lists, but they don't often write 'fresh fruit from Chile," says ASOEX's Bown. "Our fruit is a high-impulse purchase item, and it is important to let shoppers know that these fresh items are available."

"Create the impulse sale with these products," agrees Kings' Kneeland. "Since it's the off-season for domestics it's a good time for getting it out to the customer. It's like getting something when you don't expect it — like a gift. All of a sudden you see pomegranates or cherries in the off-season. The customer is pleasantly surprised."

Use Chilean products to change up the department. "In the dead of winter, running a berry or soft fruit promotion will pique people's appetites after they're used to apples or oranges for so long," remarks Dahl's Rissman.

"Consumers get bored quickly with whatever commodity is in season, so the entry of the Chilean products, especially items like cherries, has great potential," adds Kneeland. "It also adds value to the store. The customer appreciates that the store can get these products when others don't have them."

Promoting health and nutrition is another great way to spur sales. "Stores should push hard on nutritional value and get knowledge out to the consumer on how to use these products in their daily meals," suggests Kragie of Western Fresh.

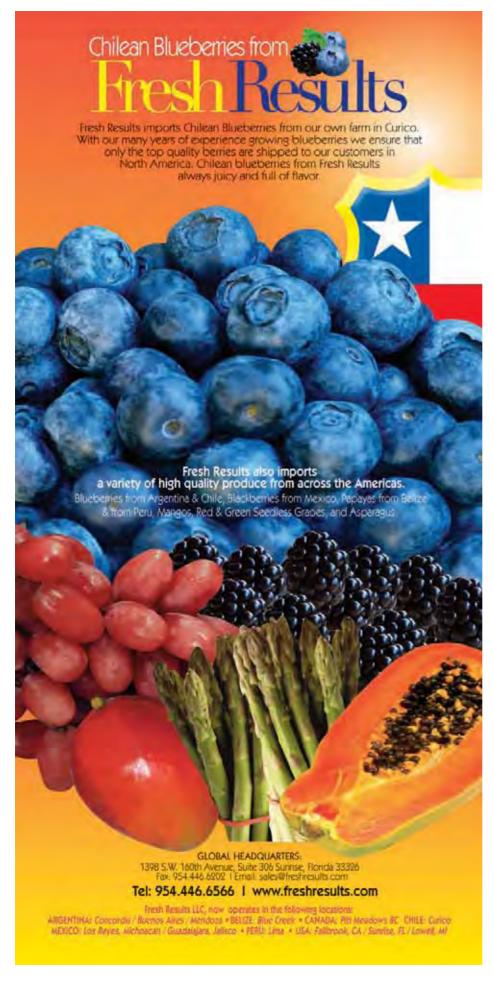
"Retailers can promote the various health benefits of fresh fruits and vegetables, and highlight their effect on children's diets and health," says Christou. "It is important to inform consumers about what each fruit and vegetable can offer. For example, blueberries and black seedless grapes are an excellent source of anti-oxidants."

Since flavor sells, stores can time demos and sampling to coincide with peak flavor periods. "Anytime you can demo something, whether a silent demo or someone sampling, it increases sales," reports Rissman. "Getting the product in people's hands and having them taste it translates to a good chance to sell it."

Eye-Catching Displays

While Chilean winter fruit items may be familiar, busy consumers won't necessarily go out of their way to find it. "Retailers know they have about a fifth of a second to catch the eye of a shopper as they hurry through the store," says ASOEX's Bown. "Anything that quickly shows what the item is, the price, a usage suggestion and a nutrition coefficient, will help to make the sale."

"Merchandising is important," adds Kings' Kneeland. "Product needs to be in front of the consumer in a very visible display."



Size counts in many instances. "Bigger displays move more product," states Dahl's Rissman. "Make sure they're in high-traffic areas of the department. Running promotions with special pricing also drives sales."

Adding creativity to displays also works well. "We like to enhance colors," explains Kneeland. "So, for example, with pomegranates, I take a basket and put it in the middle of a Navel orange or Granny Smith display. The colors contrast and it stands out."

Kneeland continues, "We cross merchandise cherries with cheese, creating a beautiful cheese display and adding in the cherries."

A focus on quality and flavor will bring repeat sales. "Retailers should focus on educating consumers on eating quality rather than just the attractive appearance of Chilean fruit," advises Del Monte's Christou.

Promotion Support

As most of the industry knows, Chile started a marketing and communications campaign in the late 80s to promote its fruit. "Chile is probably one of the oldest countries doing promotions in the United States," says Yentzen of FreshFruitPortal. "Over time, this campaign has evolved into a more product- and category-specific strategy. Nowadays, avocado, blueberries, grapes, stone fruit and citrus campaigns are much more elaborate and provide specific information to the final consumer as well as the trade."

The CFFA makes available a wide range of market-proven POP materials to help retailers call attention to fresh fruits from Chile. "Additionally, CFFA has funds for display contest prizes to help incentivize store level personnel to use their abundant creativity to attract shoppers to their displays," says Bown.

"The Chileans have a huge variety of POS material," reports Kneeland. "They assist with planning ads and providing images and graphics. They provide great support as far as marketing goes."

"We use the POS material offered by the CCFA," says Dahl's Rissman. "Recipe cards, signage, and QR codes are all very helpful to customers. Anything that educates them and makes them aware of the particular attributes and usage of the fruit helps stimulate extra sales."

Individual companies also offer promotional tools. C.H. Robinson has offered produce manager display contests, consumer contests with Chile vacations for the winner and Facebook contests that connect the retailer with their consumers. "All of these were intended to add excitement at the store level as consumers are shopping," says Monson.



lassical evolutionary theory teaches that only the strongest, fastest, most adaptable will survive, and the Boston terminal markets certainly exemplify the theory. As the economy slowly comes back to life, consumer spending remains cautious. Couple this with a rapidly changing retail environment and constantly shifting electronic media universe and you have a formula requiring flexibility and nimbleness.

Produce terminal markets came into being because there was a niche to fill. The neighborhood grocer needed a means of procuring fresh produce. Enter the terminal market, providing a bridge between the grower and the grocer. When supermarkets, the next generation of food suppliers, conquered the landscape, they too relied on the terminal market — until all the major parties transformed into the direct buying/shipping model.

Fortunately, the terminal market has not gone extinct; but it will have to adapt and evolve if it wants to remain relevant in the current climate.

Human Adaptations

Perhaps the easiest — certainly the least costly — means of adapting to this changing environment is by fine-tuning the human interactions behind the commercial dealings.

The wholesalers on the New England Produce Center (NEPC), in Chelsea, MA, and the Boston Terminal Market (BTM), located in Everett, MA, are in complete agreement when it comes to providing service: It's the most basic element, the DNA if you will, of the entire endeavor.

Steven Piazza, president of Community-Suffolk Inc., BTM, proudly asserts, "This building offers one-stop shopping; it adds to Boston's viability. We serve a wide area — from Connecticut to the Canadian Maritimes. Most of the guys on this market are well-seasoned. We have

lots of 75- to 100-year-old companies here. A lot of brokers — even shippers — have a lot of turnover." Speaking of his own company, he adds, "We've stuck with the items we've always had. It's what we know. The staples we sell transcend cuisines."

The customers' changing needs have to predominate. "As much as things change, there are still some unchangeables," acknowledges Kevin Maher, vice president of Coosemans Boston, Inc., NEPC. "You have to know your customers' needs — sometimes even before they do. You have to stay on your toes and keep abreast of new items. It's amazing how many new items there are. I had a guy in here the other day looking for baby kale. I found it for him. You never know which things can start trends."

According to Peter D'Arrigo, president of D'Arrigo Brothers Company of Massachusetts, and president of the New England Produce Council, getting the basics down is crucial to success. "What we've done from Day 1 is get the best product on a daily basis and serve our customers on a daily basis," he says. "We deliver 30 percent of what we sell and we deliver within a 25-mile radius."

Sheldon Borodkin, a sales associate with Mutual Produce Corporation, NEPC, sums it up this way. "You do more business with a person you trust. If you take care of your customers, if you're honest with them, it will all come together," he says. "Don't forfeit a customer — you have to do business 52 weeks a year."

Anthony Sharrino, president and director of Eaton & Eustis Co., NEPC, stresses fundamentals. "You have to stick with what you know; don't reinvent the wheel," he contends. "I see the biggest change as technological communication. We may be communicating in new ways, but it's still economics 101. Product and service are still No. 1. You're only as good as your reputation."

Sharrino continues, "I think the biggest challenge is transportation.



Dana Campos of Wilson Farms



Maurice Trudel of Maurice Trudel



Brian Scolaro of S. Strock



Stephen Condakes of Peter Condakes



Jennifer Noury of USDA Market News

The Wall Street Journal says this country is short 100,000 drivers. The older guys are retiring, and regulations, fees and permits make it prohibitive; young guys aren't interested. Moving goods east to west is half the price of west to east."

If you want to keep taking good care of your customers, you have to take care of your employees, believes Ken Cavallaro, director of John Cerasuolo Co. Inc., located at the NEPC. "We try to hire young people so we have a good mix of youth and experience. You just have to pay attention to the details," he continues. "We have good employees and are sensitive to the fact that they need to make a living. And you also need to recognize you make mistakes. I'm 61 and I still don't know everything about this

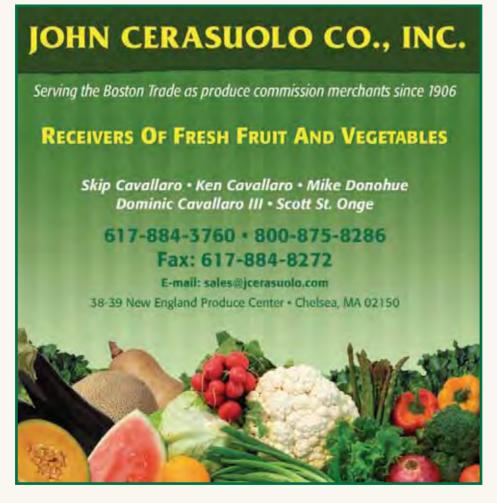
business. You can't get them all right but you try. You have to change with the times," he admonishes. "Sometimes different items become popular as the ethnic groups change."

The Boston produce markets have a long history of adapting to progressive waves of immigrant populations. "Immigrants have been big business for us," says Piazza. "We've made the market user-friendly for immigrants. There are a lot of Vietnamese, Cambodians and Russians shopping here now. The terminal market caters to neighborhood markets since they have no storage or warehousing," he explains.

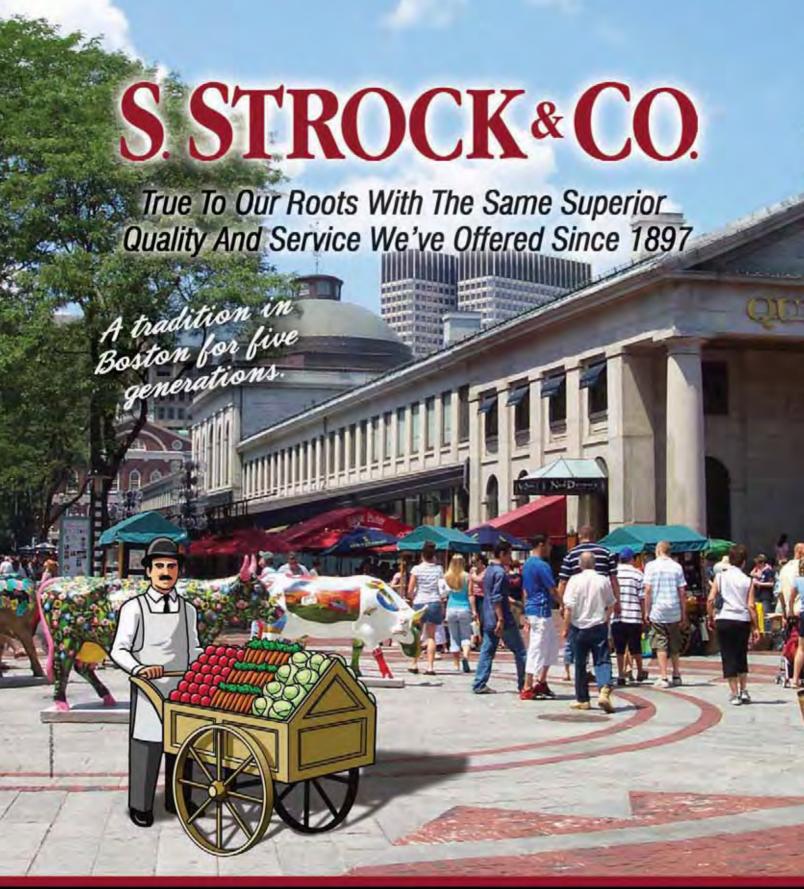
"Ethnic buyers are growing," echoes Gene Fabio, president of NEPC's J. Bonafede Co. Inc. "We have to have the products they want to buy in the quantities they need."

Wholesalers have always had to find new ways of adding value. According to John Bonafede, director of J. Bonafede, "We have a diversified base. We used to sell just bananas, but we had to expand because we couldn't survive with just one item. It's all about adapting. At one time, Chiquita had 5,700 customers — now they have less than 300. It doesn't mean they sell less fruit. It means the chains ripen their own fruit. That action put a lot of wholesalers out of business."

Adapting to the changing vagaries of the supply chain is a given. "Adaptation is us reacting to [the fact that] what was once sourced in New England is no longer sourced in New England," explains Peter John Condakes, president of Peter Condakes Co.

















Jackie Piazza of Community-Suffolk



Alcides Chacon of Olivia's Organics



Dominic Cavallaro III of John Cerasuolo



Dave Patnaude and Sean Murdock
of Coast to Coast Produce

Inc., NEPC. "Many stores from New Jersey are now here and they're still sourcing from New Jersey. Those kinds of stores take market share from the existing base, so there aren't as many shorts as there used to be.

The New England Produce Center has taken steps to strengthen the market's position. "We refinanced and save close to \$200,000 a year," reports D'Arrigo. The market is owned by the businesses on it — it's like a condominium. We stopped doing business with the management company and are doing it ourselves," he adds. "We eliminated an unnecessary layer. The employees work directly for the board of directors. In the past year, the long-standing Produce Center marketing manager retired and we replaced him with two

people. John Lucero is the general manager, and Walter Campbell, who has been around for 30 years, is the market manager.

One thing that sets the Boston market apart from many other terminal markets is the chains still buy on a daily basis. "The chains are here every day," notes D'Arrigo of D'Arrigo Brothers. "We do regular business on some key commodities. They fill in on whatever they're short on. The fact that they're here every day gives us an opportunity to talk to them and develop key relationships through daily contact. A couple of chains have brokers who walk the street every day."

But since the chains are buying primarily fill-ins and shorts, the wholesalers have had to find new customers, many of which have turned out to be foodservice operations. According to Coosemans' Maher, "We had to adjust with foodservice; chain business is less and less a factor on the market. Chains are still buying, but not as much as in the past. Foodservice is consolidating and getting bigger, but there are also lots of little guys offering lower prices. So the big guys have to have all the latest and cutting-edge items."

Jim Ruma, president of Ruma Fruit, located just off the market in Everett, MA, maintains that offering additional service to the chains is important. "We offer store-direct delivery for chain fill-ins; we always say yes," he says. "If you say no, they won't come back. You say yes and figure out how to do it later. This company is 112 years old. My daughter, Andrea, and son,

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In Memoriam

Luigi "Lou" D'Alleva

September 3, 1961 - February 19, 2012



Lou worked his whole life in the family produce business, Garden Fresh Salad Co. The market was a huge part of his world, and it taught him the importance of hard work, dedication and being surrounded by family and friends. Nine years ago he was diagnosed with CNS lymphoma in his brain; as he was enduring the harshest of medical treatments, one of his first concerns was whether the condition was hereditary. He feared he might be passing his condition on to his children. Caring and selfless — that was the kind of man he was, according to those who knew him best.

When he wasn't working, Lou loved taking fishing trips with his friends, as well as father-son trips with his boys. About two years after he finished his stem cell transplant, Lou and his family traveled to Florida, where he achieved a life-long goal of reeling in a hammerhead shark, a 500-pounder no less! Lou was thrilled with his catch, and his family will never forget how happy he was that day. He loved traveling, particularly spending weekends in Maine. There, his favorite time of day was sunset, when he would relax on his patio, vodka tonic in hand, surrounded by those closest to him.

It's those little interactions in both his work and personal life that made Lou such a beloved figure. He leaves behind his high school sweetheart and beloved wife of 28 years, Joanne; his children Melissa, Brian, and Katelyn; his parents Ismaele and Mary; grandmother Maria D'Alleva; and sisters Rita and Lisa. In addition, Lou is survived by many wonderful in-laws, aunts, uncles, nieces, nephews, cousins, and friends.

"He was just a great guy. Sweetheart of a guy from a second-generation family business. He grew up in the business. Worked and built it from the ground up. He was just a wonderful, wonderful person. His family helped me through my own father's death. One of the few good guys. Good for the industry."

- Dave Piazza of Community Suffolk

"When Izzy was plant manager for Forlizzi, he would tell the help coming back from lunch: T've got no time for prima donnas!' So one day, Lou came to me looking for onions for the fresh cut, and I told him, 'Hurry up, I've got no time for prima donnas!' Lou says, 'Where did you get that? My sisters and I grew up with that!' Another memory of Lou is going to his summer home in Maine and he cooked rabbit underground on some rocks."

- Anthony Sharrino of Eaton and Eustis

"Lou and Izzy had the unit next door to us. They were part of our market family. A few years later, they moved down the street. We always remained great friends. Lou was hard working and did everything right. He was good people."

- Ken Cavallaro of John Cerasuolo

"Even though he was younger than me, he was like a father figure to me," said Susan Tavilla of P. Tavilla Co. "He was always there to give me guidance and direction. When my mother got sick, my first call was to Louie. He became less of a friend, and more of a family member. He and my mom became kindred spirits. He became a major support to me even though he was so sick himself. A no-nonsense guy, just a really good man."

- Susan Tavilla of P. Tavilla Co.

He will live in our bearts forever and will never be forgotten.





Glenn Messinger, Tedd Ram of Baldon

Mark, are fourth generation."

The unpredictability of business in general requires a constant shifting of priorities. According to Piazza of Community-Suffolk, "The customers have changed, so the trend of receivables has changed — but the trend of payables hasn't. We're smarter sellers, more value-oriented. Why should our customers buy here? We educate them on origin, cost, what to sell items for. It's important to keep your customers under your wing.

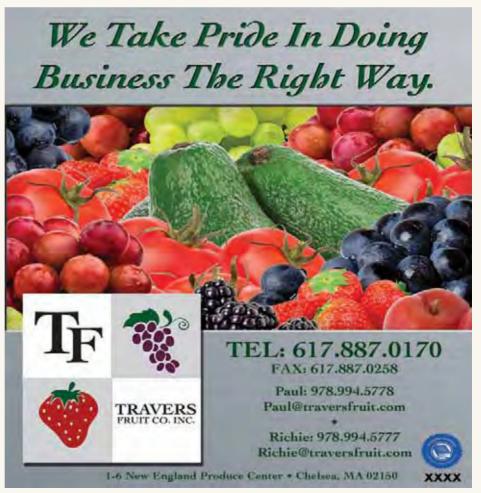
"The economy has changed things," he adds. "In the future, people are going to continue looking for value — on volume and quality. I wouldn't be surprised to see a little more consolidation. Everyone on the market is going to have to offer more one-stop shopping and to keep better control of costs."



George Salis, Peter John Condakes of Peter Condakes

Condakes of Peter Condakes sees issues tied specifically to his role as a tomato repacker. "Repackers of potatoes and onions are doing well, but I don't see it in tomatoes. It amazes me retailers are willing to private-label tomatoes at shipping point, considering their perishability. With everything being price, particularly at foodservice, I try to make 100 percent product — and even then I get some rejections. Would you buy Ore-Ida fries or Campbell soup if it said 85 percent good?"

Condakes sees fundamental changes impacting his business. "Tomato SKUs have gotten out of hand. There's nothing people come chasing for. When prices are good, they say, 'I'll use something else I have.' Foodservice responds better than retail to commodity





Tommy Piazza, Seven Piazza, Joe Gelardi, David Piazza, Mike Patalano, Ronnie Dugas, John De Michealis of Community-Suffolk



Scott St. Onge, Skip Cavallaro, Dominic Cavallaro III, Kara Ruolo, Ren Cavallaro of John Cerasuolo

prices. Many retailers are selling grape tomatoes at one price no matter what the market is. If the terminal market didn't exist," Condakes continues, "chains would have more challenge. Growers wouldn't grow with abandon if they didn't have markets as a backup. The Mexicans haven't yet figured out they don't have to plant as much under protection as in a field to get the same yield. But who's going to be the first not to plant as much? It's a learning curve."

Condakes acknowledges, "We get way more than the market can absorb. When will those in Mexico learn how many other items can be planted indoors? Even with minimum pricing, merchandise crosses borders at the right price, but the prices can be reset by U.S. affiliates. We're not sure what the rules are

going to be. I'd like to see all rates come off. Grow what you want — we'll see what the market can bear," he concludes.

Jackie Piazza, Community-Suffolk's director of citrus sales, runs his units by combining old-fashioned service and pricing with a unique personal approach. Buyers look forward to seeing his creative seasonal displays, stuffed animals, and big screen TV showing movie and music videos. "I do whatever it takes to bring people in — whether it's the display or the price, whatever it takes to write the ticket," says Piazza. To prove his point, he recalls a recent promotion. "I gave 100 TVs to customers. If I sold them a pallet, they got the TV free or for a few dollars. A friend of mine got the TVs from a hotel that was changing out

all its sets. I bought them — and then gave them away."

Underneath the flash is a solid business ethic. "If you're honest, straight up and give what you say, there's never a problem," Jackie Piazza explains. "We give quality and pricing that can't be reached by other sources. Pricing, delivery, availability, everything — the market offers flexibility. Having more than one option on items is a necessity. There are customers for everything. There's foodservice quality, chain quality, quality for guys who want to sell in flea markets. There's something for everyone."

echnological Adaptations

Technology may involve financial outlay, but it's the fastest and surest route to a





Rob Smith, Ned Pierce, Peter D'Arrigo, Mike Lyons, David D'Arrigo, Stephen Katsikas, Stephen D'Arrigo, John McDonald, John Mulhern, Mark Fallon of D'Arrigo Boston

successful transformation. "We're doing a lot more electronic business, more internet orders," relates Bonafede's Fabio. "Email is very helpful on the buying end. Electronic communication makes it easier by doing away with time zones and distance issues. If you call, they may or may not answer, you may or may not have their full attention — but email eliminates that. And you can work at any hour of any day," he continues. "We work seven days a week. I think it's rude to interrupt someone on a Sunday, but I can send a message and they don't have to read or answer until it's convenient."

"We are being challenged on a daily basis, with technological innovation and food safety at the forefront," says Michael Strock, director of business develpment for S. Strock & Co. Inc. "Nevertheless, there is no denying that technology has drastically improved our entire operations. From warehousing and logistics to sales and communications, technology has had a far-reaching effect. I couldnt imagine life without it!"

Businesses need more and more sophisticated systems to compete. Fabio adds, "We have an elaborate inventory control system. We run 80 to 100 different items. We have to have an up-to-date tracking system that allows us to comply with all the legal requirements and certifications. It's going to help with all the certification issues on the horizon."

An Internet presence is a given, but making it user-friendly gains an advantage. According to Andrea Ruma, vice president of sales and marketing at Ruma Fruit, "We're launching a new site for the gift baskets that will be



Tom Ciovacco, Jr., Sheldon Borodkin, P.J. Forester of Mutual Produce

updated. The facelift improves the user-end. It's friendlier for customers."

Ruma Fruit is one of the major players in the fiddlehead business in the Northeast. A specialty item, fiddleheads have shown a steady increase in popularity. "We have a dedicated fiddlehead website — www.rumasfiddleheads.com. I've been blogging about fiddleheads more consistently, Ruma adds. "The more you blog, the higher your Google ranking, so we keep our ranking. It's the idea behind SEO (search engine optimization)."

In addition, Ruma says, "We deliver fruit weekly to corporations - mostly lawyers and accountants, especially during tax time. It provides healthy better-for-you snacks for employees working late. We're expanding this business. We're definitely not stagnant. We're always looking to expand and innovate."

h sical Adaptations

In times of economic uncertainty, those who make huge changes to infrastructure can be seen as extremely brave or as taking a great risk. In Boston, one long-time broker decided to exit its physical office on the market; one entirely new company set up shop on the market; and one newcomer is getting ready to move into a custom-built facility just off the market.

Coast to Coast Produce, headquartered in Cheshire, CT, made the decision to close its BTM office and move to the North Shore town of Beverly, MA. According to Dave Patnaude, sales manager of the Beverly office, "We made the move to be closer to our families and spend less time traveling in traffic each

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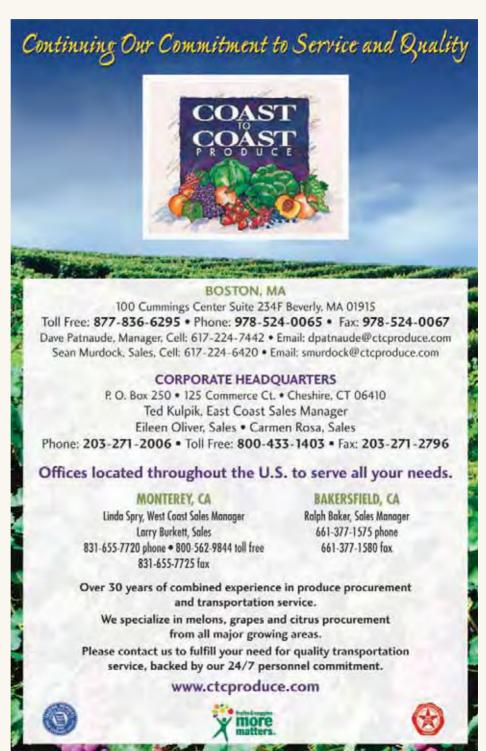
day to Chelsea. Sean [Murdock, in sales and transportation] and I both have young families and instead of one to three hours in traffic, we can be home during rush hours in 30 minutes or less. Plus, being closer to home has allowed us more flexibility in our hours, which has promoted more productivity in our sales. Overall, the move allows us more flexibility and an improvement in our quality of life. One disadvantage is we miss seeing our customers on the market.

The market is a nest of information. But being able to phone pictures of product we received allows us to be more mobile and to spend more time sourcing our resources. With the latest technology, one doesn't have to sit and wait by the phone any longer. Coast To Coast has always provided all its offices with the newest and best technology, making this move to Beverly seamless for our customers, vendors and employees."

Patnaude explains that the move will have a positive impact on growth. "Having our office in Beverly allows us to grow with new office space, if needed," he says. "We can attract individuals who live nearby and enjoy working in an office park location. Parking garage, restaurants, doctors' offices — they're all here. These benefits allow us more flexibility to manage

employees' time."

Travers Fruit Co., Inc. opened its doors on Oct. 14, 2012. Paul Travers and Richie Travers, Jr., brothers with decades of produce terminal market experience between them, had been contemplating striking out on their own, but were hampered by the market's physical constraints. "We wanted to do this years ago, but couldn't find space," explains Paul Travers. "We had to be on the terminal market. When State Garden opened their new facility, the space became available. Six bays is a lot of space, but







Anthony Sharrino of Eaton & Eustis

Ralph DiGiacomo, John DiGiacomo, John Schleicher, Bryan Strock, Bruce Strock, Adam Strock, Michael Strock,
Robert Lee, Pat Rennie of S. Strock

we stepped up; not many people wanted it all."

The brothers renovated the space to their own specifications, adding new refrigerated areas, ceilings and refrigerated bays. The bays maintain cold-chain management with no loss of heat or cold depending on the season. "We needed more space and more refrigeration," says Richie Travers. "The chest is at 33° to 34° at all times. We installed state-of-the-art systems. We upgraded this space to make it user-friendly. It's easy to see the product; it's easy to pick up the product; and it's easy to get in and get out. More efficiency equals more business."

"The renovation took two months," adds Paul, "but we were operating while renovating. Being on the market is a distinct advantage. If you're out of the loop, customers have to make a special stop. When trucks are on a dock, they just take a pack and load. The market is cost efficient for buying, loading and transporting."

Opening a new business may be the ultimate evolution, but the brothers' have spent years adapting to the demands of life on a produce terminal market. "We have new customers and more volume," explains Richie. "We have expanded goods — limes, tomatoes and avocados all the time — and seasonal items such as apples and native products.

"We don't live for today," he continues. "We live for the long run. You do business morally and ethically. One shipper said, 'We checked you out and nobody has anything bad to say about you.' I started in this business in 1988. I worked in the warehouse at Strock when I was in college."

Paul has been in the business for 43 years. "I started in retail, then trucking, back to retail and finally to wholesale in 1979," he shares. "You adapt to the hours. Lew Gussman was a great teacher. He was the owner at Mutual Produce and died at 100. He taught me about the business."

The start-up has proved positive. "I actually smile when I come to work," notes Richie. "We have a great crew; we employ five people full-time and a few part-time. As we grow, we create more jobs."

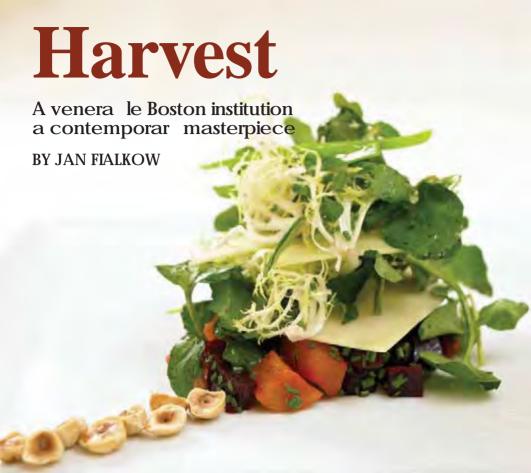
Baldor Boston, an affiliate of Baldor Specialty Foods in New York City, is the newcomer that has found such a lucrative niche in Boston that the company has outgrown its current locale. "We're in a holding pattern now because of space limitations," says Glenn Messinger, general manager/fresh buyer. "Our new building is under construction. It's three times the size of our current facility — and it will be brand new from the foundation up. We're looking to move in January or February."

He continues, "It will have nine loading docks with electronic doors and refrigeration, a tropicals room, a conference room and a locker room for the employees, which is great for morale. It will be more efficient and have more parking. We're hiring more people and that's good for the economy. It will be state-of-the-art and HACCP-compliant. Upstairs, there will be offices and a kitchen. It has wood floors — no carpeting. We added 12 new trucks this year and will have eight more by the end of next year."

Messinger explains Baldor's success in terms of basics. "Restaurants and hotels call us because they know they can get great items at a great price. Produce is unlike any other field. Our end of the business is 24/7 — some restaurants are open every day so the facility is open 24/7.

"We had a really successful local program this past summer with tomatoes, corn, peppers and eggplant form Massachusetts, southern New Hampshire and southern Maine," he continues. "In the fall, we had lots of local apples. We buy about 30 percent off the terminal markets; the other 70 percent is from New York. We're here to stay," Messinger concludes.











n the 1980s, when this writer was living in the Greater Boston area, Harvest was THE place for singles (of some means) to gather on Thursday nights. In the lounge, you could find Fed bankers, TV and stage actors, writers, artists, Harvard professors and professionals of every stripe. The drinks were generous, the lights were dim and the conversations ran the gamut from mundane to esoteric. The lounge crowd seldom strayed into the restaurant on Thursdays, but we certainly ate there on the weekend.

And why wouldn't we? Among the chefs who passed through the kitchen were Lydia Shire, Chris Schlesinger, Barbara Lynch, Frank McClelland and Sara Moulton. I moved out the area over 20 years ago, so it was with great surprise that I saw Harvest had made Boston Magazine's "50 Best Restaurant List" in 2011 and 2012. Restaurants don't usually stay on top for long.

The location is the same. Harvest is still on Brattle Street in Harvard Square, and diners still have to walk down the cobblestone path to get there. But the inside has morphed from then to now. It has a redesigned open kitchen and a warm inviting fireplace, and

the bar is still a meeting place.

The dining room offers a seasonal menu that combines contemporary cooking with traditional New England culinary tradition. That may sound like a hard merger to pull off but Mary Dumant, the current chef, is up to the task. A native of New Hampshire, she is the first chef from that state to be honored by Food and Wine Magazine as a Best New Chef.

Seasonal produce plays an important role in the restaurant's offering. Much of it is sourced locally and the provenance figures prominently on the menu. In early October, when PRODUCE BUSINESS had dinner at Harvest, the appetizers included Creamy Verril Farms butternut squash soup with brandied apples and sage crème fraiche; Verril Farms roasted beet salad with haricot verts, aged Comté cheese and toasted hazelnut vinaigrette; and Hudson Valley Farm smoked Foie Gras torchon with cinnamon and Calvados persimmon chutney, toasted Irish soda bread and Vin Cotto.

Moving on to entrées, produce continues to play a major role. Among those offered of the fall menu are Housemade chestnut and Mascarpone agnolotti with roasted Brussels sprouts, heirloom cranberries, Butternut squash and amaretti cookie; Rooibos tea-marinated Pennsylvania duck breast with baby turnips, Butternut squash, forbidden black rice and Oregon huckleberries; and Cocoa- and coffee-dusted free-range venison with braised Tuscan kale, Kabocha squash, red wine-poached pears and dried red cherry jus.

> Desserts also highlight local produce. Some early fall dishes have summer carryover, such as the delicious Blueberries & Corn — a cornmeal cake accompanied by blueberry sauce, housemade kettle corn and fresh corn ice cream. More noticeably fall is the Devonshire clotted cream Panna Cotta with cranberry pomegranate marmalade and oat streusel. No matter what the time of year, there's a seasonal fruit crisp served with vanilla ice cream.

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Banana Joe's Farmstand And Deli

Witness retail adapta ilit in action

BY JAN FIALKOW







daptability and evolution are as much a part of a small retailer's world as they are a part of a retail produce marketer's world. When each side understands what the other is dealing with, everyone can benefit.

Some retailers face myriad challenges — from small frustrations to major obstructions — that can affect the day-to-day operations of their enterprise. Joe Flagg has had the determination to fight through whatever obstacles have crossed his path.

When he opened Banana Joe's Farmstand and Deli on May 30, 1993, he saw it as the first store in what he hoped to develop into a small chain. And, in fact, it was exactly that. But sometimes getting what one wishes for is not what one needs. "I had four stores," Flagg remarks. "But it was too much for me, so I backed out of three. There were some management issues so I just had to back out. Now I concentrate on this store. Luckily, I own the land."

Banana Joe's is located in a somewhat down-at-the-heels area of Worcester, the second largest city in Massachusetts. "This isn't an affluent area," he points out. "Manufacturing is leaving. The factory behind the store used to employ 6,000 people. Now it's about 1,000. Those people generated a lot of foot traffic."

The clientele skews older with some younger buyers. Most of the customers shop three to four times a week, buying only small quantities at a time. Competition is stiff with a Shaw's, Stop & Shop, Price Chopper, Price Rite and Sam's Club in the immediate area.

The store's customers may not be well-fixed, but they are loyal. "Our prices are good. We have good prices on produce," says Flagg, and that keeps customers coming back. As does one unusual practice that is seldom, if ever, seen in more prosperous areas. "We give away

produce that's edible, but not attractive enough for sale. Customers can take what they want," he reveals. And, he adds, no one takes advantage of his largesse.

The store's shelves are full, but Flagg is buying tight. "I look for deals on the produce terminal markets. I walk the market myself three times a week. I try to buy by the truckload because it's not worth it to drive into Chelsea for small amounts.

The gas it takes and the time it involves mean I have to manage very closely." A round trip is roughly 100 miles, and takes a bit over two hours in perfect traffic conditions.

Flagg wasn't born into the produce business and he didn't inherit his retail store. How, then, did he find his way into this world? "I was 20 years old, just married and had no job," he remembers. "A friend's father had a fruit stand in Worcester so I went to work for him and liked it. I started moving around to different fruit stands and eventually became a manager. Eventually, I went out on my own.

"I drove a truck before I became a manager, so I knew folks on the market. My former boss was from the take-a-number-and-tell-me-what-you-want school but I decided to do self-service. The name came about because a friend returned from vacation with souvenir shirt that said Banana Joe's. I liked it and used the name for my company."

That first marriage failed and Joe became the custodial parent. His second — and successful — marriage means he's now responsible for seven children and a business that provides a livelihood to several people in the neighborhood. Whether he's attending to parental responsibilities or business imperatives, he seems to enjoy the juggling act. A good thing since he's in the store everyday — which is open 364 days year, closing only on Christmas Day.

Flagg has expanded the store six times in the 19 years of its existence. His current plans include developing a ready-to-eat prepared-food department, made possible, in part, thanks to a huge walk-in cooler. The contemplated prepared-food program is in its infancy right now with the store doing its own fresh-cut fruits and vegetables.

The store also offers its own marinated meats. Customers can choose from chicken, beef tips, pork loin, chicken wings and chicken kabobs in

a proprietary marinade. In addition, one of his employees makes humongous chocolate chip cookies — measuring an astonishing eight inches across — that are for sale. The store also carries baked goods made fresh daily from a local bakery.

Flagg has overcome much on his journey so far, but he intends to keep going. "I critique and critique my business so I can make it better and better."

BANANA JOE'S FARMSTAND AND DELI

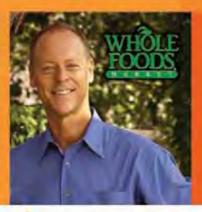
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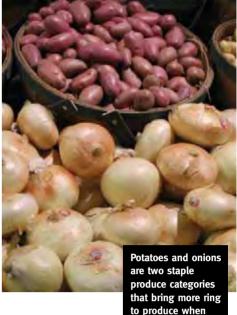
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displayed together.

Grow Potato And Onion Sales By Allowing Them To Complement Each Other

Allow the potato and onion categories to work together to bring more rings to the produce department. BY CAROL M. BAREUTHER, RD

otatoes and onions go together like peanut butter and jelly. That's why retailers such as Bristol Farms, a 13-store chain based in Carson, CA, merchandizes these two vegetables together. According to Raul Gallegos, senior director of produce and floral at Bristol Farms, "Cooking applications are the best reason from a merchandising standpoint."

What's more, these two staples together contribute nearly 10 percent to produce department dollar sales. More specifically, potatoes represented 5.8 percent and the onion category 3.4 percent for the 52 weeks ending August 25, 2012, according to Nielsen Perishables Group, a West Dundee, IL-based fresh-food-consulting firm.

This is an especially ripe time for retailers to synergistically sell both onions and potatoes as onion supplies are ample, and an abundance of potatoes moving through the fresh market means outstanding promotional opportunities.

Good Cents

There are at least five good reasons to

merchandize onions and potatoes together. First, there's the culinary standpoint. John Shuman, president of Shuman Produce Inc., in Reidsville, GA, says, "Potatoes and onions have a natural advantage as staple items on most consumers' shopping lists and benefit from joint merchandising."

Sherise Jones, marketing director for the Parma, ID-based Idaho-Eastern Oregon (IEO) Onion Committee, agrees. "Onions and potatoes are both very versatile and store well," she says. "When consumers are perplexed about what to fix for dinner and all of their more highly perishable items are used up, onions and potatoes are a good go-to to have on hand for a quick meal any time of year."

Secondly, both onions and potatoes often grow in the same region. Seth Pemsler, vice president of retail and international sales for the Eagle-based Idaho Potato Commission (IPC), confirms, "Many of our major potato shippers also grow onions."

"This provides the opportunity to mix loads, and save on freight," points out Jones.

Third, retail buyers today often wear

multiple hats. "This makes them the decision makers for both onion and potato categories with the ability to allocate shelf space and coordinate ads in order to capture incremental purchases," explains Pemsler.

Fourth, Ralph Schwartz, director of category management and value-added marketing at Potandon Produce LLC, in Idaho Falls, ID, acknowledges, "Potatoes and onions provide a department destination, meaning that consumers will seek out these categories, and retailers can use this to build on by merchandising other less popular cooking vegetables around them to drive sales."

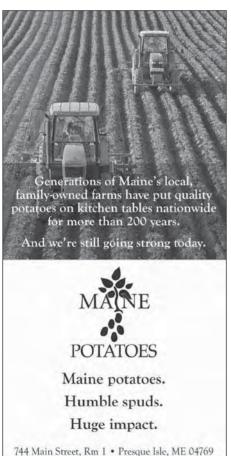
Fifth and finally, the numbers show it can definitely be lucrative to merchandise these vegetables together. According to Nielsen, for the 52 weeks ending September 16, 2012, as provided by the Denver, CO-based U.S. Potato Board (USPB), potatoes are present in 7.5 percent of all purchase transactions, but included in 28 percent of transactions that include onions, for an index of 373. Similarly, onions appear in 7.2 percent of all purchases, but included in 27.1 percent of transactions

WHAT'S WRONG WITH THIS PICTURE?

Yep, you've got it. Idaho is all about potatoes. Growing the world's finest is what we do best. Always has been. Always will be. Simple as that.







that include potatoes, for an index of 377. Don Ladhoff, the USPB's retail marketing consultant, says, "It seems accurate to state that these two categories are nearly four times more likely to be purchased together than on their own, no matter which way we look at it."

Dual Displays

Your customers' time is valuable so they don't appreciate having to search for items, says Ted Kreis, marketing director for the Northern Plains Potato Growers Association (NPPGA), based in East Grand Forks, MN. "They expect to find potatoes and onions displayed in close proximity, so why change it and send them on a scavenger hunt?" he states.

Place both items in a central location in the produce department to capitalize on their quality as staples, suggests Shuman Produce's Shuman. "A purchase of one easily promotes the purchase of the other, especially if it's within immediate reach," he remarks.

Robert Schueller, director of public relations for Melissa's/World Variety Produce Inc., in Los Angeles, CA, recommends using clip strips to display small packs of specialty potatoes and onions above commodity types. "For example," he says, "hang pearl onions above the bulk onion display."

Cindy Elrod, in sales and new market development at Yerington, NV-based Peri & Sons Farms, Inc., suggests, "Give the onion and potato area an inviting rustic, old-world feel by using baskets or wooden bins for display."

Some retailers create eye-catching bulk displays integrating potatoes and onions. The IEO's Jones shares, "I've seen color blocks of red onions, russets, yellow onions and red potatoes. It's something you notice from a distance. The other way I've seen the categories merchandised is with end-caps of potatoes and onions separately. Potatoes and onions may not seem glamorous, but it's all how you put them together," she maintains.

It's best to create secondary displays of potatoes and onions during the weeks leading up to the holidays, "in order to accommodate an increase in volume when meal planning and purchases provide for an incremental sales bump," explains Shuman.

Cross-Merchandise With A Theme And Purpose

"The cross-merchandising of onions and potatoes is best accomplished around a meal occasion or theme," says Sherrie Terry, president and CEO of Fresh Solutions Network, LLC, a Loveland, OH-based partnership of multigenerational potato and onion companies.

Jones agrees, and adds, "Give shoppers ideas of what they can do. For example, an au gratin dish in the fall is a great way to use both vegetables. In addition to the potatoes and onions, cross-merchandise a shelf-stable cheese, seasonings and even a Pyrex bowl along with the recipe. This will boost the entire store ring."

The pairing of potatoes and onions hasn't become as sophisticated as wine and cheese, so the possibilities are endless. Matt Curry, president of Curry & Co., Inc., in Brooks, OR, explains, "There are various color combinations so try advertising a potato salad featuring skinon red potatoes with white onions, or red onions with a yellow Yukon potato so you create some vibrant color combinations. Bagged onions and potatoes are also very popular, and retailers can think about promoting a Back to Basics program featuring yellow onion bags and Russet potato bags at a hot price."

Derrell Kelso, owner and president of Stockton, CA-based Onions Etc., suggests not to mess with shoppers' habits too much. When they are ready to buy spuds or onions, they are going to come to the aisle they have for the past five to 20 years. Does this mean that you can't build displays in the produce aisle with onions and spuds? No, cross-merchandise like crazy but know your consumers' paths in your store," he asserts. "Or in other words, cross-merchandise up stream, not downstream."

Recipes Are Tasty Sales Tools

Show shoppers why it's a good idea to pick up both potatoes and onions by providing recipes, suggests Jim Ehrlich, executive director of the Monte Vista-based Colorado Potato Administrative Committee (CPAC).

Recipes resonate especially well with potato shoppers, agrees Mac Johnson, president and CEO of Category Partners, LLC, in Denver, CO. "According to a USPB segmentation study, 84 percent of regular potato users are cooks and 83 percent prefer fresh potatoes."

Dissemination of recipes at retail can be a challenge. "Therefore, the mode needs to hit all touch points including on-pack and POS materials with QR codes," suggests Terry.

There are more and more on-pack recipes for potatoes, acknowledges Paul Dolan, general manager of Grand Forks, ND-based Associated Potato Growers, Inc. "Plus, there are more website addresses printed on-pack so that customers can find even more recipes," he adds.

New high graphic onion packaging by

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Peri & Sons lists cooking uses for each variety of onion as well as health benefits and storage tips, reports Terri Gibson, director of marketing and customer relations. "It also encourages consumers to log onto our website and become a member of our Onion Obsession Club, which gives them access to our entire database of recipes," she says. "Examples that include onions and potatoes are a Corn and Sausage Chowder with yellow onions and red-skinned potatoes and our Sweet Onion Mashed Potatoes that call for sweet onions and Yukon gold potatoes. Club members also receive monthly email blasts with new recipes and tips to add onions to their meal planning."

In addition to recipes printed right on pack, Shuman says, "Shuman Prouce utilizes the latest technology on our packaging, providing a QR code to allow customers to easily connect with the RealSweet brand through a mobilefriendly website that provides additional product information, including exclusive video content and additional recipes."

Other effective ways to distribute recipes are on cards handed out during in-store sampling sessions, in retail magazines or publications sent to loyalty card customers, and in ad circulars.

Advertise And Promote

Bristol Farm's Gallegos shares, "Ads and temporary price reductions are two ways we promote onions and potatoes."

"Go all out to promote onions and potatoes," recommends Curry & Co.'s Curry, "by placing them together in your ad and follow it up with your display so everything coordinates."

Circulars during the holidays, and certainly in the colder months, would benefit from featuring potatoes and onions together versus potatoes on the front page and onions on the back page. "In addition, says Category Partner's Johnson, "so many circulars have a steak ad, a potato ad, an onion ad. Why not combine the features by providing the consumer with a dinner idea such as a pot roast or crock pot meal with potatoes and onions, or a grilled steak and baked potato served with grilled or sautéed onions."

Similarly, the IEO's Jones tells of a Pacific Northwest retailer who ran a 'Sunday Morning Breakfast' promotion. "They advertised a \$1-off a pound of bacon and 50-cents off a dozen eggs when customers purchased a 5-lb. bag of potatoes and 3-lb. bag of onions," she shares. "There are many commodity groups, such as the U.S. Pork Board, that have funding to share ad costs, so it's important to sometimes reach outside of the produce department for promotional partners."

Employ Seasonal Strategies

Potatoes and onions enjoy year-round availability and consumer demand. Publix Super Markets Inc., in Lakeland, FL, capitalizes on this by suggesting promotions to use both vegetables on the grill and in both warm and cold salads during the summer months, explains Maria Brous, Publix's director of media and community relations. "During the cooler months, attention turns to cooking potatoes and onions with heartier meals," she remarks.

Johnson suggests retailers capitalize on the

season. "Fall holidays are a great time for potato and onion sales for family get-togethers and meals," he states. "Advertise and promote, but it's that time when potatoes and onions are on the shopping list so deep discounts aren't needed. Winter is a great time for comfort foods, crockpot meals, roasts, etc., so offer dinner ideas with recipes and rotate the items you promote. Too often the same circular ad used in December is also used in June," he laments.

This season, and running right up until the Super Bowl in February, the IEO will hold a



Research shows consumers believe red potatoes are a healthier choice. How often do you



USPB PARTNERS WITH NOA IN NEW JOINT MARKETING VENTURE

ccording to Raul Gallegos, senior director of produce and floral for Bristol Farms, a 13-store chain based in Carson, CA, "There are positive results whenever we can communicate ease of use or suggestive uses such as in recipes."

Similarly, Maria Brous, director of media and community relations for Publix Super Markets Inc., headquartered in Lakeland, FL, adds, "Customers appreciate information about the products they purchase. Helping customers by providing product information and meal solution encourages incremental sales."

These two comments speak to the heart of a collaborative marketing venture between the Denver, CO-based U.S. Potato Board (USPB) and the Greeley, COheadquartered National Onion Association (NOA) that is currently in the pilot stage. "The light bulb came on a year ago," explains Don Ladhoff, the USPB's retail program consultant, "when I was in a Delhaize store and saw end-caps of potatoes and onions and thought maybe there was an opportunity to merchandise them together. Then a few months later, I was at a Safeway in Denver that successfully used paper totes printed with the More Matters logo to merchandise produce. This spurred the idea: 'What if totes could become signs to disseminate recipes and other information?' Since potatoes and onions are both sold bulk, and since many potato growers also either grow or ship onions, we decided to team up and explore the idea of creating a unique paper tote."

Kimberly Reddin, the NOA's director of public and industry relations, says, "The onion and potato table often lacks point-of-sale information. Our ambition is to get information to the consumer via



the tote and increase movement of both products."

The new Kraft totes tout the theme, Create Mealtime Magic. The two front panels provide nutrition information and cooking characteristics about potatoes and onions, respectively. Each gusseted side offers a recipe that incorporates both vegetables. One is an entrée, Potato-Onion Lasagna, and the other is a side dish, Bombay Potato-Onion Curry. Both can be prepared in 30 minutes or less. The idea is that a handful of totes will be shipped in each bulk carton of potatoes and onions. Retail staff can then bag approximate 2- to 3-lb. quantities of either vegetable and place them strategically around bulk displays as a convenience purchase.

The USPB's Ladhoff says, "We talked with retailers this fall about participating in the pilot. Everyone is interested; there's been no lack of hand-raisers. Still, the goal is to show the proof of performance and ease of implementation for shippers and retailers alike of this merchandising tool before we roll it out to the industry in early 2013." pb

grilling promotion that incorporates a football tailgating message. Free Weber grills are available to retailers that incorporate the grills into in-store displays. Themed POS materials feature QR codes that take customers to recipes and announce a sweepstakes to win a Weber grill.

Don't 'Tunnel Vision' On Togetherness

Potatoes and onions are often merchan-

dised together due to shelf space constraints. However, Fresh Solutions' Terry, says, "It is important to make sure you optimize each category by providing the right assortment and selection."

It's just as important to support each category on its own as well as together, suggests Curry & Co.'s Curry. "With both items, I think there is more opportunity to market them

separately now," he says. "Onions, for example, have so many options within their own category that can be highlighted, that we want that spotlight for the onions alone. Especially for sweet onions, which need additional emphasis and marketing support to set them apart from not only potatoes, but from other onions. The same is true of potatoes, with so many different types and varieties, they can certainly be their own standalone item."

For this reason, is pays to offer enough variety in both categories. Publix does a good job of this by regularly selling Russets, round whites, round reds, golds, red petites or creamers, extra-large Russets for baking, Petite Honey golds, Petite Enchanted roses, Petite Celebration blend, Petite Fingerlings, Petite Purple Splendors, Petite Dutch Yellows, Sunlight low-carb potatoes, microwave Klondike potatoes, microwave bakers and five varieties of organic potatoes, as well as large white onions, large Italian reds, large sweets, large Spanish onions, small yellows, small whites, 2-lb. bagged small red onions, Cippolinis, pearls, baby Vidalias in season and several organic onion selections. Publix's Brous comments, "Although many recipes call for potatoes and onions to be cooked together, just as many, if not more, use the ingredients independent of each other. Therefore, while potatoes and onions are often displayed together dependent on the department layout, we do not have a merchandising rule that states they should be together."

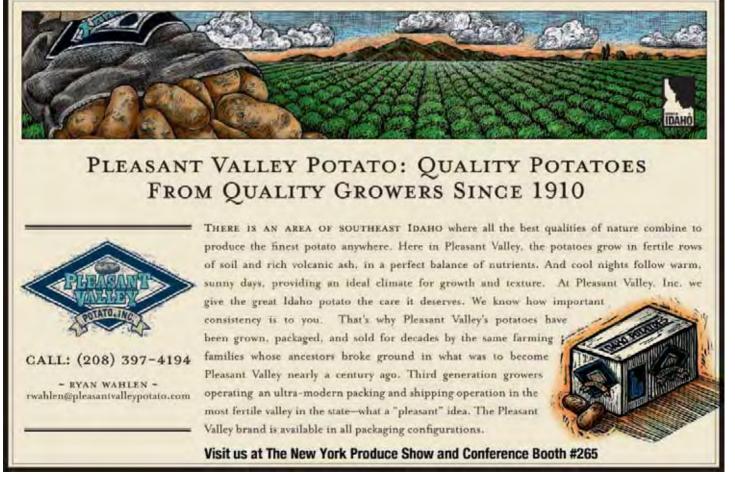
There is a monetary advantage to offering more variety in each category. According to Nielsen, for the 52 weeks ending March 24, 2012, shoppers who put any type of potato in their carts have a basket ring 125 percent above those who don't, while the basket ring of shoppers who buy yellow potatoes or specialty potatoes is 153 and 180 percent, respectively above the non-potato buying

Specifically, what and how much variety to offer depends on retail demographics, says Category Partner's Johnson. "All should carry the core items: Russet, red, yellow and certainly white potatoes in the East, and yellow, sweet, red and white onions, and in appropriate package sizes to match the customer base," he details. "From there, you build to match your customer base, with for example, Fingerlings, C-size potatoes, shallots and boilers. So the question isn't how many to carry, but it's 'how many, and what do my customers want?""

Delbert Bland, president and CEO of Bland Farms, in Glennville, GA, recognizes sweet onions are something consumers want year-round. "Retailers use to carry just a 3-lb. yellow onion. Today, we see a sweet bulk as a staple part of the category, and more often now also a 2-lb. bag of medium-sized sweets."

On the horizon, there are a number of new products and new pack styles that are helping to expand offerings in the potato and onion categories. For example, Peri & Sons has introduced a 3-lb. combo pack of yellow, red and white onions. Elrod adds, "This pack provides customers an easy opportunity to try different types of onions."

Several new varieties of French, Dutch and European origin potatoes are now grown in Colorado and have been introduced by Farm Fresh Direct, reveals Johnson. "One of the varieties is Crimson Sunset, a uniquely new oblong red potato that can be used in a variety of recipes," he says. "They are also expanding distribution of their Jubileez line of petite potatoes in a microwaveable tray. In addition, Wada Farms has introduced a line of sleeve pack onions — a uniquely new and exciting way to display and merchandise onions." **pb**







Florida Strawberries: Summertime Taste In The Winter Cold

Shipping as far north as Canada, Florida strawberries are the country's answer to fresh, tasty fruit throughout the winter months. BY BOB JOHNSON

s the fall passes and the winter holidays approach, Florida strawberries bring a welcome taste of summer to markets everywhere east of the Mississippi all the way up to Canada. Florida strawberries fill an important slot in the winter, when California strawberry fields are largely idle.

This year, the berries are expected to arrive in good quantities early in the season. According to Shawn Pollard, sales manager at Astin Strawberry Exchange, in Plant City, FL, "The strawberries should be a little earlier. By mid-October, we had a third of our berries in the ground already. We should have fruit harvested by early December, and have a good supply for Christmas," she reports. This year, Astin Strawberry is growing a little more than 1,000 acres of strawberries in Florida.

Astin isn't the only Florida grower working to bring its berries to market just a little earlier this year. A greater use of plugs should bring more berries to market in early December than ever before. "Some farms have converted to plug plants instead of bare root, so the deal gets

a little earlier each year," points out Ted Campbell, executive director of the Plant City-based Florida Strawberry Growers Association (FSGA). "The typical start is post-Thanksgiving. However we saw significant volume in December last year," he recollects. "Unfortunately, there was only minimal promotion during that period, and volume exceeded demand. Retailers must remember that although December weather can be a bit unpredictable, resulting in occasional supply interruptions, in-store display promotions create just as much sales lift as an ad during the heavy Christmas traffic, and can be executed very rapidly versus print advertising. Consumers are hungry for strawberries in December, and everyone should capitalize on that market window," he asserts.

Florida Name Travels Well

The Florida strawberry industry has spent decades building a name that carries weight with consumers in a large area of North America. Naturally, Florida-based supermarkets promote their locally grown berries on an

extensive scale. "Our stores do a great job of displaying Florida strawberries and calling out their local factor," says Maria Brous, director of media and community relations at Publix Super Markets Inc., located in Lakeland, FL. "Many stores have secondary displays, including one in the vestibule area. Stores look for items that cross-merchandize naturally with Florida strawberries. We also offer our Florida strawberries at great deals during their peak season."

The Florida strawberry promotion at Publix is part of a more general effort to promote fruits and vegetables when they are at their seasonal peak. "Several years back, Publix instituted a program called At Season's Peak," explains Brous. "We found that our customers had grown accustomed to having high quality fruits and vegetables year-round and may have lost the sense of true seasonality for them, when the fruit was at its ripest, sweetest and juiciest. So this program reminds them. In March, we feature Florida strawberries."

This promotion includes offering substantial information on both the nutritional

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"Retailers must remember that although December weather can be a bit unpredictable, resulting in occasional supply interruptions, in-store display promotion creates just as much sales lift as an ad during the heavy Christmas traffic, and can be executed very rapidly versus print advertising."

— Ted Campbell, Florida Strawberry Growers Association

benefits and delicious uses of Florida strawberries. "We offer customers information on the growing and nutrition facts as well as recipes," details Brous. "They can also sign up for alerts. The information may be found on our website. In addition, we have in-store signage for the program and marketing messages tied around the program as well on billboards and advertising spots."

Most grower-shippers, however, send their Florida berries to a very large area of the country in the winter and find the Florida name still carries weight with consumers. "We've gone as far west as Colorado, but for the most part we ship east of the Mississippi, and Canada is a huge market," reports Tom O'Brien, president of C & D Fruit & Vegetable Inc, based in Bradenton, FL.

Shippers report that the Florida name can be merchandised as far north as Canada. Bob Hinton, vice president at Hinton Farms, based in Plant City, FL, notes, "We go everywhere east of the Mississippi and up into Canada. Everywhere we go, no matter how far it may be from the growing region, we merchandise them as being from Florida," he asserts.

The FSGA continues to offer a variety of materials to help promote the Florida strawberry category. "I don't have individual handler plans, but we at the FSGA have worked extensively on our consumer outreach," says Campbell. "Since we're relatively low budget, the use of our website, social media, and outreach to consumer magazines stimulates awareness of winter strawberries. We have been working with chefs to develop recipes with new and different ways to use strawberries, and these recipes have been popular on our blog. We educate consumers about how the crop is produced, harvested, shipped, etc., and we are trying to stimulate awareness and demand for American grown."

Southern Exposure

For decades, Florida has filled the market slot created in the winter months when Cali-



HOTO COURTESY OF WELL-PICT BERRIES

fornia strawberry production slows to a crawl. "Being the largest southeast strawberry producer, Florida is known as the winter strawberry capital of the world," says Gary Wishnatzki, president and CEO of Wish Farms, headquartered in Plant City, FL. "The mild winters create an ideal climate for strawberry production."

These days, the Florida strawberry industry has to be on its toes, however, because it faces new competition that has decided economic advantages. "Florida used to be the winter king for strawberries because California does not ship east in a big way in November, December and January," explains O'Brien. "However, our biggest competition has become Mexico, which is planting more acreage."

Many in the Florida strawberry industry see success in the competition with Mexico as vital to their future. Peggy Parke, vice president of Dover, FL-based Parkesdale Farms Packing & Cooling, Inc., admits, "Mexico is impacting the Florida strawberry deal tremendously. Mexico is flooding the market with low cost berries. California isn't our competition any more. Mexico is."

O'Brien agrees that some Mexican suppliers are planting strawberries without considering how much fruit the market can take.

Look for increasing promotional efforts to

differentiate Florida strawberries from the competition below the border. "A significant focus amongst Florida producers will be a promotion of domestic strawberries to differentiate from the Mexican competition," Wishnatzki says.

The most important part of the promotional campaign will be, as always, producing the highest quality berries. Astin's Pollard stresses, "It all starts with a quality product, and a good price point."

The Florida brand name goes a long way toward letting consumers know you have quality berries. When asked what to keep in mind when merchandising Florida strawberries, Parke says, "Quality and sweetness. Florida berries are always the sweetest."

Even with the new competition from below the border, Florida remains the most important source of strawberries during the winter months. "The Florida deal is unique due to the winter timing of the crop, which is available from December first through mid-April, and the proximity to East Coast and southeast markets," says Dan Crowley, sales manager at Well-Pict Berries, based in Watsonville, CA.

The Florida Time Of Year

An important part of the Florida strawberry deal is getting to market with an abundant supply of quality berries early in the season. Much, maybe most, of recent plant breeding efforts have been focused on getting Florida berries to market just a little earlier. "Our workhorse is still the Strawberry Festival variety, however it has been well augmented by Florida Radiance because they complement each other's production windows," explains FSGA's Campbell. "That smoothes out some of the production peaks and allows for more rational promotional marketing. This year, we will see our first viable acreage of the newest release. Winterstar. This is the first brand that we have trademarked, and it fruits early with a lower acid ratio, making it taste sweeter."

This newest variety is the latest release in the ongoing effort by the Florida strawberry industry to stay a step ahead of the competition. "Winterstar is another new variety recently released by the University of Florida," details Wishnatzki. "We expect a number of commercial trials of this variety this season. In recent years, Florida has introduced a couple of new strawberry varieties. Radiance, which is a new variety, is expected to be a significant portion of the Florida acreage this year. With earlier production cycles and good shipping characteristics, Radiance is estimated to be 40 percent of the Florida acres this season as



Initiating Industry Improvement



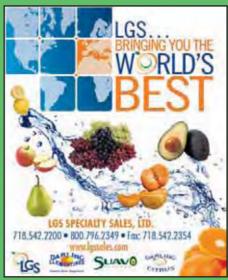
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compared to approximately 5 to 10 percent representation last season."

A handful of growers were pleased with small-scale trials of Winterstar last year, and planted substantial acreage this year. Astin is growing 100 acres of the new Winterstar variety, after trying a smaller amount of this new variety on an experimental basis last year. "It's an early variety with good shape, size and flavor," says Pollard. "We had some experimental acreage last year, and it did well."

The larger national strawberry firms have breeding programs that include efforts to develop varieties particularly suited to specific growing regions, including Florida. Crowley notes, "Well-Pict is continually developing new proprietary varieties of our berries to take advantage of differences in growing areas and harvest timing."

The bottom line of the Florida breeding efforts is to offer the best tasting and best looking berries in the middle of the winter. "The varieties we now grow rival any production area in flavor, size, color, internal quality, and other important attributes," says Campbell. "A large portion of our R&D budget goes to flavor enhancement, and we've been able to speed the process with marker-assisted breeding. The flavor and aroma combination generates our consumer loyalty."

An Abundant Supply This Year

There has been a steady increase in demand for strawberries nationwide in recent years, as industry-financed studies have documented that this delightful treat also happens to be a nutritional powerhuse. Wish Farms' Wishnatzki acknowledges, "Consumer demand for strawberries have increased with the help of retailer promotional efforts. Various marketing campaigns promoting the health benefits of strawberries have helped educate consumers and created a higher demand for fresh produce. Now through the use of social media, growers and marketers are able to reach their consumers at a grass roots level to help promote their brand and create demand for their specific label."

Producers have, over the years, increased their acreage in order to keep pace with this demand. "There should be plenty of them; we've got an abundance of strawberries in Florida," says Hinton Farms' Hinton. "We've been increasing acreage the past five years."

The long-term trend has been for local Florida grower-shippers to increase their strawberry acreage as demand has increased. "The Florida strawberry acreage has experienced a sizable increase over the past 10 years,

"The Florida deal is **unique** due to the winter timing of the crop, which is available from December first through mid-April, and the proximity to East Coast and southeast markets."

— Dan Crowley, Well-Pict Berries

but California marketers have not played a significant role in the increase," remarks Wishnatzki. "Most of the acreage increases have been with local grower/shippers that are vertically integrated and marketing berries under their own brand label to retailers throughout the eastern U.S. and Canada."

For a time last year, this healthy acreage actually contributed to short-term over-supply. FSGA's Campbell reveals, "We saw a significant increase last year, driven by both California companies and expansion by our local producers. Then we had an unusually warm winter where the additional acreage contributed to overproduction and soft markets. With strawberry consumption continually increasing, there is always room for rational growth. We just need to drive consumption faster than production. Since last year was financially challenging for almost every grower, there is little new capital investment ability this season."

The overproduction last year is not likely to be repeated this year. "Last year was probably an aberration due to the unusually warm winter," remarks Campbell. "If Mother Nature cooperates this year, I would expect a modest decrease, or we'll be about equal to last season," Campbell says.

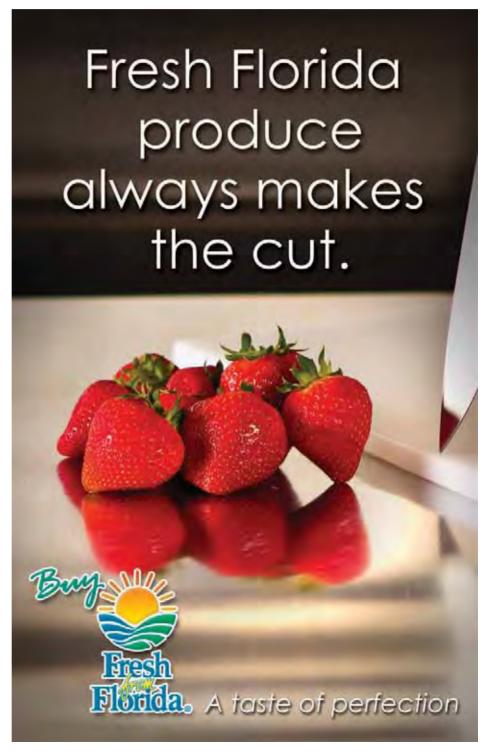
There has been a bit of an adjustment of the industry in the wake of that overproduction. "Some guys have had trouble financing their planting, but we're also hearing companies like Dole are increasing their Florida strawberry acreage," says C & D's O'Brien. By all accounts, the Florida acreage this year will be about the same as it was last year. But even if the acreage is about the same as last year, the amount of strawberries that will be available, and the time they will be available, is entirely up to the weather.

"The Florida acreage should remain similar to last season, but volume is always dependent on weather," agrees Wishnatzki. "Assuming normal weather conditions, we should have similar volumes with timing consistent with historical years. We expect heavy volume in February, March and April."

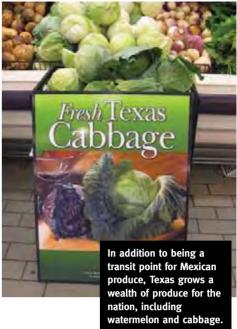
Some growers expect modest yield increases on the same acreage because they have shifted their mix of varieties "But it all depends on the weather," adds Parkesdale's Parke. "We're planting exactly the same acreage as last year with the addition of more Radiance

because it yields better. About 80 percent of our crop will be Radiance, and that should increase the volume."

In addition to better yielding varieties, growers are also using practices that bring more berries to market per acre. "There's been little change in varieties the past five years," admits Hinton Farms' Hinton, "But there will be more early berries this year because of different varieties, and different cultural practices people are trying."







Texas Positions Itself To Be One-Stop Shop For Mexican And Texas Produce

With improving infrastructure and a wide variety of crops, Texas provides the country with high quality items at reduced costs and delivery time. BY MICHAEL FEMIA

articularly in the past five years, the volume of Mexican fruits and vegetables shipped through Texas has risen dramatically, with imports now constituting the clear majority of produce sold through the Lone Star State. Despite this, Texas growers continue to play a substantial role in the state's produce industry, supplying a rich assortment of items revered by consumers in Texas and beyond. As Frank Schuster, president of McAllen, TXbased Val Verde Vegetable Co., explains, "The diversity of the in-state product mix, which includes onions, leafy greens, melons and citrus, along with imports from Mexico, make Texas a one-stop-shop for produce buyers."

Increased Truck Traffic In Texas

John McClung, president of the Mission, TX-based Texas International Produce Association (TIPA), explains, "If you look at the trade prospects for the foreseeable future, the produce industry is strong in Texas, and growing daily. Texas remains the No. 3 shipper

of fruits and vegetables in the United States, but within the past 25 years or so, we've become primarily importers. We currently estimate that 62 to 65 percent of all produce that Texas ships originates in Mexico." According to data collected by the USDA Agricultural Marketing Service, in 2007, 2 million tons of produce entered Texas from Mexico. That volume surpassed 3 million tons for the first time in 2011, and current reports suggest that the same is likely to occur by the end of 2012.

Each year from 2008 to 2011, the Top 10 items crossing into Texas were avocados, limes, tomatoes, watermelons, broccoli, mangos, cucumbers, lettuce, onions and papaya. These principal items have consistently accounted for 70 percent of produce imported through Texas. Items that more than doubled in Texas crossing volume between 2007 and 2011 include peppers (non-bell varieties), papaya, squash, avocados and cabbage. Most of the state's top remaining fresh import items rose by more than 25 percent over the same period.

TIPA's McClung forecasts a continual

increase in business with Mexican suppliers and traffic through Texas ports. "There's no question that given the land and water availability in the United States, we'll have more and more product coming out of Mexico, Central America and South America," he maintains. "This is part and parcel of the globalization of the produce industry that is seen everywhere, but it tends to be most dramatically coming out of Mexico."

McClung points out that many American companies have invested in Mexican production. "In many cases, product coming in from Mexico has been planted with U.S. money," he states. "Mexican business practices have become much more standardized, and U.S. understanding of the produce import-export business with Mexico has evolved."

Val Verde's Schuster reports, "We import several items including carrots, limes and mixed vegetables from various regions in Mexico, maintaining a year-round supply of products for our customers. We're continually expanding our relationships in Mexico,

looking for new growers and products that complement our existing product line. I have personally been to farms and worked with growers in every Mexican state except the Baja, California, area."

Infrastructure improvements have steadily drawn more import businesses to South Texas. McClung reports, "There's already a growth spurt happening in the Rio Grande Valley. There are new cross-docking operations going in all the time. Companies are moving part of their volume from California and Arizona through South Texas because of the financial savings, and the opening up of markets in the eastern United States to Mexican produce."

Jeff Brechler, sales member of J&D Produce, an Edinburg, TX-based grower, packer and shipper, adds, "Companies are opening up new offices and moving product in this direction. Instead of shipping five days from Nogales to New York, they can freight their product through South Texas and be three to four days out."

Landmark highway improvements commissioned by the Mexican government, namely those along the Mazatlán-Durango highway, stand to further incentivize shipping through Texas. "Transportation gains will be amplified when the Mexican infrastructural improvements are finalized, and they're very close now," reveals McClung. "The Baluarte Bridge will enable 18-wheelers to pass through the rugged mountains outside of Durango. Historically, trucks have been unable to travel west to east through this region because they can't handle the switchbacks, but the Baluarte Bridge and other highway improvements are going to change the equation," he adds.

In the Q1, 2012 edition of Agricultural Refrigerated Truck Quarterly, USDA AMS market insight coordinator Adam Sparger projected that the improvements on the Mazátlan-Durango highway would save approximately six hours of drive time between the two cities. McClung clarifies, "On any given day this translates to about \$2,025 in savings per load, which is why Mexican shippers are increasingly intent on shipping through South Texas. We're anticipating a significant increase in the volume of Mexican produce passing through the state in the next year or two."

South Texas may well be evolving into the primary U.S. entry point for Mexican produce. According to USDA AMS, in 2011, the aggregate volume crossings through all Texas ports exceeded the amount brought through Nogales. In the first quarter of 2012, crossings through Texas accounted for 40 percent of all truck shipments to the United States from

"Companies are opening up new offices and moving product in this direction. Instead of shipping five days from Nogales to New York, they can freight their product through South Texas and be three to four days out."

— Jeff Brechler, J&D Produce

Mexico, with the vast majority of shipments made through Pharr, Laredo, and Progreso.

McClung explains that Texas and Nogales have historically specialized in distinct items, adding that while the traditional breakdown still largely stands, certain items are undergoing a volume shift toward Texas. "Tomato importers, for instance, are increasingly moving product through Texas," McClung details. "It all has to do with money."

Joe Bunting, produce business manager at Lubbock, TX-based United Supermarkets, reports that while key in-state ports are slightly closer for his chain than Nogales, the variety of products available from South Texas makes shipping even more efficient. "We still source a lot from Nogales, but Texas has really opened up," he admits. "It's a little easier to load down there because there are several products we can combine to make shipping more efficient. Shipping from the Valley went well last year, and I think it will continue to improve each year.

Variety Grows In The Lone Star State

State production of fruits, vegetables, and nuts was valued at \$455 million last year. In 2011, the state's Top 10 fruit and vegetable items by production value were potatoes, onions, grapefruit, watermelon, cabbage, oranges, chile peppers, peaches, cantaloupe, and carrots. And yet, Val Verde's Schuster adds that optimal growing conditions in the Rio Grande Valley support commercial production of a multitude of crops. "Cabbage, collard greens, mustard greens, herbs, turnip greens, beet greens and associated vegetables, including beets and turnips, continue to be the core of our business for approximately nine months out of the year," he details. "All of these items are grown on our farms in the Rio Grande Valley. Our rich soil and temperate

climate contribute to better quality and taste to our crucifers. For instance, our cabbage is sweeter and denser than cabbage grown in other areas because our land is strong and not pure sand as in Florida."

Broad Market Scope For Texas Watermelon

For some in-state growers, the surge in imports through South Texas might present added market pressure, but others view the Mexican supply as largely complementary to domestic production. While the volume of imported watermelon shipped through Texas has been on the rise in recent years, Jimmy Henderson, president of the Weatherford, TX-based Texas Watermelon Association, explains that maintaining a consistent supply has been advantageous. "Mexican imports have helped us keep watermelon available and in front of consumers year-round," he acknowledges. "Our goal is for consumers to think of watermelon as more of a staple item. It has been a long process, but we're getting to the point where it's always in-store, and people don't think of watermelon as just a summer fruit anymore."

Texas production of watermelon remains strong, with the 2011 harvest yielding 5.25 million cwt valued at \$45 million. While planted acreage has remained relatively stable in recent years, typically around 25,000 acres, Henderson notes that the Texas watermelon industry has undergone substantial consolidation. "Acreage has been concentrated into fewer hands because it takes such a commitment to produce a crop," he explains. "There certainly aren't as many 20to 30-acre patches as there used to be."

At retail, Henderson reports strong relationships with Texas chains, and success with major in-store promotions. "When you're shipping within 600 miles, you can harvest a lot closer to vine-ripened, so especially in-state, we really push the taste and sweetness," he remarks. With the termination of funding for a statewide watermelon promotion program, Henderson hopes consumer loyalty will remain high. "We had great success over the past four years partnering with the Texas Department of Agriculture to promote Texasgrown watermelon. It was wildly successful, but due to budget cuts, we're not going to get funding this year," he admits. "We'll see what kind of residual support we'll have from the promoting we've done in the past four years."

Henderson highlights the broad market scope for Texas watermelon, explaining that shippers help maintain a presence in New York and Chicago, and even as far north as





Toronto. "Out-of-state markets always account for a substantial portion of demand," he recognizes. "Texas watermelons are recognized across the country, especially east of the Rocky Mountains. We do a good job competing against Florida and Georgia watermelons, even in the same markets. Texas watermelons tend to be sweeter."

Texas Citrus: It's What On The Inside That Counts

Last year, total value of grapefruits and oranges harvested in Texas exceeded \$70 million. The majority of Texas citrus is destined for fresh consumption, and retailers across the state enthusiastically attest to its popularity in the produce department. While consumers' urge to support Texas farmers might help promote trial of oranges and grapefruits from the Rio Grande Valley, growers and retailers agree that it is the exceptional sweetness of Texas citrus that keeps customers coming back for more.

According to Paula Fouchek, marketing director for the Edinburg, TX-based Edinburg Citrus Association, the soil and climate of South Texas is exceptionally well suited for citrus production. "We are fortunate in deep, South Texas to have the perfect semi-tropical conditions to grow outstanding grapefruit and oranges," he says. "Our groves have the luxury of being within close proximity to the Gulf of Mexico with its moisture combined with the fertile soils of the Rio Grande River. As a result, our fruit is very thin-skinned, full of juice and, due to a higher sugar-to-acid ratio, extremely sweet."

Rio Grande oranges and grapefruit are heavily promoted throughout Texas and in key out-of-state markets by TexaSweet Citrus Marketing Inc., the Mission, TX-based marketing commodity board for the Texas citrus industry. TexaSweet provides a range of print and digital materials, and works with growers, retailers, and even public schools to bolster demand for Texas citrus. Executive director, Eleisha Ensign, reports that a major promotional effort will soon be underway in several major cities across the United States. "We will be doing a large in-store demo program targeting Chicago, Seattle, Salt Lake City, Detroit and Portland," she details. "We plan to run these demos at select retailers during the peak of our season, which is January and February. These will also tie in nicely to help us celebrate National Grapefruit Month, which is in February."

Although consumers might not celebrate Rio Grande oranges as the most visually

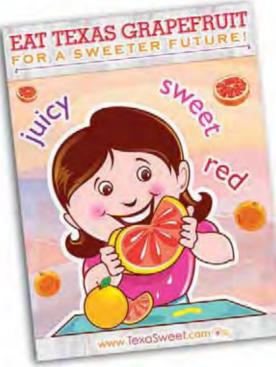


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appealing varieties available throughout the year, they remain a highly popular item. Rick Noeth, senior vice president of fresh products at Houston, TX-based Gerland's Food Fair, a 16-unit chain, reports, "Texas oranges certainly aren't as pretty as those from California, but they're like eating candy. I ate one at our warehouse last week and it tested at 23 percent sugar. They're a hidden secret for people who know good citrus. Unfortunately, most people still buy with their eyes, and Texas oranges don't have the color people are used to seeing," he laments. "We sample oranges during higher traffic times, and once people try a Texas orange, they buy immediately. It's one of the most flavorful pieces of fruit on the market."

Ensign agrees that sampling Rio Grande citrus is key. "Many consumers have the impression that all grapefruit is sour, when in fact, Texas grapefruit is surprisingly sweet," she says. "Tasting Texas Rio Star grapefruit has turned many into grapefruit lovers."

ECA's Fouchek encourages retailers to use the rich color of Texas grapefruit to pique interest and promote trial. "Through our store-level programs, we know that the interior color of our grapefruit when cut and displayed attracts those first sales, but it's the taste that brings them back for more," she states. Noeth remarks that Gerland's has continually relied on that strategy. When in season, a halved Texas grapefruit is wrapped and prominently placed atop a grapefruit display, showcasing the vibrantly colored flesh. He adds that popular ongoing giveaways of grapefruit

"We always highlight in-state items in our ads and promotions so customers know that these products are from Texas. We've also developed our own Texas-grown logo that's displayed on all of our in-state items, both in-store and in our ads. Anything labeled as produced in Texas is well received by our customers."

— Joe Bunting, United Supermarkets

spoons make consumption easier, further strengthening consumer loyalty.

Onions A Leading Texas Produce Item

Onions have been consistently ranked among the leading produce items grown in Texas. According to TIPA's McClung, the Lone Star State is the third largest producing state in the United States, with the 2011 harvest yielding 4.3 million cwt valued at \$61 million. Although Texas onion acreage has declined in the past decade, yields have risen. According to the USDA NASS, the average yield per acre from 2000-2009 was 310 cwt, 24 percent higher than the average yield in the 1990s.

Bruce Frasier, president of Carrizo

Springs, TX-based Dixondale Farms, one of the largest onion plant farms in America, notes that one of the most significant changes he has observed in the Texas onion business is the geographic concentration of production. Grown in six distinct regions when Frasier entered the business in the 1980s, onions are now almost exclusively planted in the Rio Grande Valley and Winter Garden. "Labor, and changes in the New Mexico and California crops drove that," he details. "Both states began producing onions earlier, and developed varieties that could be over-wintered. Now, after June, there's a lot more competition facing Texas growers. There's really no area in Texas growing in July and August because there's so much coming out of New Mexico and California."

A definitively sweet early-harvest variety, the Texas 1015 onion is one of the state's hallmark items. Retailers report that 1015s are well recognized and extremely promotable. "Texas 1015s beat Georgia onions to the punch," shares United's Joe Bunting. "When they become available around March, we get them on display right away and share the grower's story whenever possible. Customers are excited to see something grown in Texas. The 1015s aren't available all year, but when they are, we want our customers to know that we have them. Onion sales always shoot up as soon as 1015s come into the department and drop off once they're gone."

Cantaloupe Continues To Rally

In 2011, Texas cantaloupe production was valued at \$8.8 million, ranking it among the state's Top 10 produce items. Following a longterm decline, state production stayed relatively stable from 2007-2011 according to NASS reports. However, planted acreage appears to be down this year. Growers and distributors cite a mix of matching sweet, productive varieties with Texas growing regions, as well as

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costs and concerns associated with food safety.

With 450-planted acres, Dixondale Farms is one of the only remaining large-scale producers of cantaloupe in Texas. Frasier explains that while the decision to continue producing cantaloupe wasn't initially an easy call, he was encouraged by retailers throughout the Lone Star State, many of whom guaranteed their business. "We were one of the only farms growing cantaloupe this past year because people were afraid of food safety," he admits. "Dixondale decided to forge ahead. We invested \$150,000 into food safety and sani-

tizing equipment, keeping our brand out there. When retailers told me that if I grew it, they'd buy it, that's all I needed to hear." Frasier is confident that Dixondale's investments were well placed. "This year, we had the best quality, yields, and price that we've had in a long time — probably ever."

According to Frasier, maintaining largescale production has earned Dixondale a great deal of brand recognition. "We don't harvest until they're in peak sugar," he remarks. "What puts sugar in cantaloupe is a combination of cool nights and hot days. We get that here in June. When you start getting a Brix of 16, you don't worry about selling. Being a vine-ripened cantaloupe, we try to focus entirely on Texas markets. Ninety percent of our volume never leaves the state. We've worked hard to brand it as Carrizo cantaloupe. Rather than advertising us as Texas cantaloupes like they used to, retailers are now advertising us as Carrizo cantaloupes."

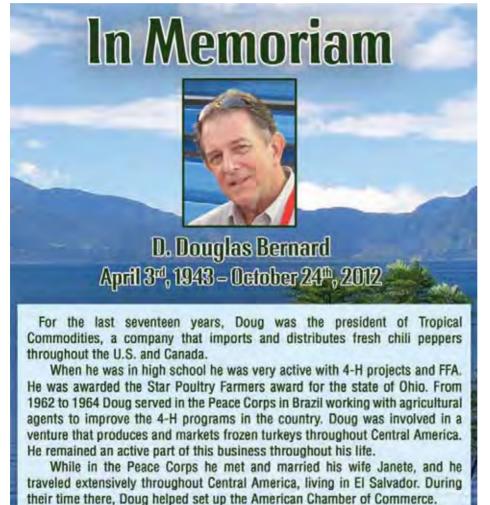
Texans Want Texas-grown

"Texans are loyal and want to buy Texasgrown produce," says Texas Agriculture Commissioner Todd Staples. "The GoTexan marketing program taps into that loyalty and helps to increase sales of Texas products." As part of the initiative to help showcase Texasgrown items, many in-state growers and packers feature the GoTexan mark on their products. In addition, Texas retailers often enthusiastically market in-state items with seasonal promotions and in-store signage.

Bernie Thiel, owner and president of Lubbock, TX-based Sunburst Farms, sells to Texas retailers, but also operates a popular local farmer's market, which is stocked with dozens of his specialty varieties. "I'm not the largest squash grower in the state, but I'm definitely one of them," he says. "We sell zucchini and straight-neck squash for retailers, and also plant purple top turnips in the fall, which we wholesale through March. The rest of our items are for our farmer's market, located at the farm itself. It draws a lot of repeat customers. Many have been doing business with us for more than 10 years. It might be one of the best kept secrets of Lubbock, Texas."

Almost all of Sunburst's squash and turnips are sold in state. Thiel reports longstanding relationships with Texas retailers, who often showcase his items as locally grown. "We harvest a lot of product, and 99 percent stays here in state. I sell all the product myself, usually to wholesale houses or direct to the retailers themselves. We do business with most of the largest chains in Texas. United Supermarkets keeps our boxes on display and has a profile on us to remind customers our products are grown by local farmers."

United's Bunting shares that local products are promoted and merchandised as Texasgrown. "We always highlight in-state items in our ads and promotions so customers know that these products are from Texas," he says. "We've also developed our own Texas-grown logo that's displayed on all of our in-state items, both in-store and in our ads. Anything labeled as produced in Texas is well-received by our customers."



After he left the Peace Corps he began working for a company that imported

fresh-cut flowers from Mexico and South America. Later, Doug moved to

Miami, and he went to work for an airline servicing the Caribbean Islands to

At the age of 57, Doug discovered his life's great hobby, competitive Go-Kart

He is survived by wife Janete and his three sons, Rod - who is the Director

racing. He raced throughout the USA, winning several championships as one of

of QA/Safety at Southern Specialty Produce, Bryan and Dennis. He also leaves

behind daughters-in-law Barbara, Ele and Tracy, as well as grandchildren

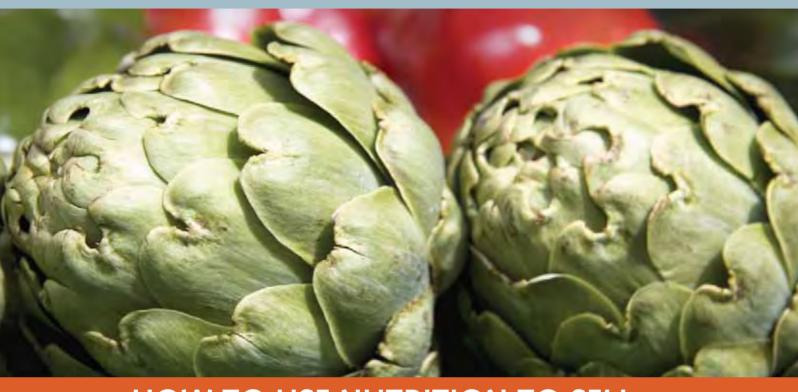
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Interview with Kori Tuggle, director of marketing and business development

Tell us something that consumers may not realize about how eating artichokes can improve their health and well-being?

chocolate.



fat burning.

One interesting attribute about artichokes is that the anti-oxidant levels actually INCREASE when cooked - it's usually the other way around with most vegetables.

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 thought of as being rich in antioxidants, such as cranberries, blueberries, wine and

• What messages can retailers use to promote the health aspect of artichokes?

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. A little known fact is that one artichoke provides four grams of protein.

• What is the most important health attribute retailers can promote for artichokes?

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 an artichoke. One artichoke (120 grams) contains 10.3 grams of dietary fiber, providing a significant contribution to the daily requirement.



What other health benefits are linked to artichokes?

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, baking microwaving an artichoke helps retain these nutrients instead of the common boiling method.

Should retailers target specific demographics or age groups with artichokes because of their health benefits? 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, aids with weight loss and helps rid the body of waste. Eating artichokes has also been promoted in consumer magazines such as InStyle to boost immunity, promote clear skin, reduce wrinkles and enhance hair growth and in Shape to boost

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

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.

• How do you communicate the health message about fresh artichokes to consumers as a company?

We communicate on our website, directly to our 33,000-plus Artichoke Aficionado club members, through social media, on packaging and via consumer new media outlets.

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

A: We have a variety of 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.



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.

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Interview with Jennifer Grossman, senior vice president, Dole Nutrition Institute, and Chris Mayhew, vice president, Dole Fresh Vegetables.

Dole Food Company, Inc. is the world's largest producer and marketer of fresh fruits and vegetables including the DOLE® Salads line of 47 salad blends and all-natural kits. Chairman David H. Murdock started the Dole Nutrition Institute 10 years ago to "feed the world with knowledge." The Institute's main

mission is to educate the public about the benefits of fruit and vegetable consumption.

Thanks to First Lady Michelle Obama and others, the need for Americans to eat more fruits and vegetables is at the forefront of the public conversation. How is Dole contributing to this effort?

JENNIFER: This conversation is at the heart of Dole. More than just getting Americans to eat more fresh fruits and vegetables, we aim to give them compelling new ways to embrace a healthier diet and lifestyle every day.

For the Dole Nutrition Institute, this means a new digital version of our award-winning *Dole Nutrition News*, which now features a platform for bloggers as well as curated content from the web. We are leveraging all social media streams to educate and interact with the public. We continue to publish cookbooks, including our most recent Dole Budget Cookbook, which demonstrates how to cook healthier while saving money. We also recently came out with the Dole Kids' Cookbook, Counting Book, and my personal favorite, the Dole Garden Kit, which lets you learn about nutrition while growing your own food.

CHRIS: For Dole Fresh Vegetables, it means our Salad'tude program of helping vegetable and salad lovers achieve new levels of inspiration and appreciation for packaged salad. We do this through a comprehensive online and social media resource of recipes, serving suggestions and user-generated content; our exclusive Salad Circle community; a network of strong food blogger relationships; and a full calendar of Dole Salad Summits for bloggers, RDs and other influencers.

After years of programs, are we finally witnessing a new appreciation for vegetables? What is behind this growing "veggie love?" **JENNIFER:** Yes! According to experts at Dole, the Center for Culinary Development and elsewhere, vegetables are becoming increasingly fashionable. At the root of this trend are a number of factors that go beyond just health and nutrition to include the huge growth in farmers markets and a new commitment by supermarkets to larger produce sections stocked with more convenience and value-oriented products. The proliferation of celebrity chefs, cooking shows and health-focused restaurants also has helped raise America's vegetable IQ. And, thanks to food bloggers' status as the new culinary rock stars, food is now more photographed, analyzed, and celebrated than ever before.



What can you tell us about this new salad and vegetable lover?

CHRIS: What's notable is that this new breed of vegetable fan isn't motivated just by concerns about health and the environment, but also by culinary and taste factors. It is also one of the trends behind our Salad'tude initia-

tive, which encourages salad fans to see salads, fruits and vegetables as more than just food, and to connect with their salad on a deeper, more emotional level.

JENNIFER: Instead of defining themselves as strict vegans or vegetarians, more consumers are becoming "flexitarians," those that consciously reduce their meat intake for various reasons but still occasionally enjoy animal protein. The growing popularity of the nonprofit Meatless Monday initiative illustrates this — and has helped accelerate the move by salads and vegetables to the center of the plate.

What are the latest trends in salads and veggies? **JENNIFER:** Beyond the latest veggie trends — from kale, farrow, sweet potatoes and sea vegetables to vegetable-based desserts and a reimagining of vegetable juices — one trend remains constant: Taste is central.

Dole is also proud to support the Salad Bar in Every School initiative as part of the ongoing "smart lunchrooms" trend to provide healthier, more nutritious choices in schools and workplace cafeterias

CHRIS: Consumers continue to look to Dole to add a healthier twist to their meals without sacrificing taste. A great example of this is our DOLE Extra Veggie line of salads, which combine our most popular blends with generous helpings of fresh vegetables — including grape tomatoes, snap peas and a medley of carrots, radishes and red cabbage — in a separate Stay Fresh pouch. The line was developed after research indicated that consumers increasingly want fresh veggies in their salads but often don't have the time to prepare them at home or are reluctant to buy smaller quantities just for their salads. The line has been well-received — in fact, Women's Health magazine named Extra Veggie to its list of "125 Best Packaged Foods for Women" for 2012.

What are the most misunderstood facts about salads or Dole's packaged salad line? Are there any myths about (packaged) salads and fresh vegetables you feel you need to clear up?

CHRIS: It's amazing to me the number of people who still think that packaged salads aren't as safe as the salads you make from scratch at home. I really enjoy seeing folks' reaction when they tour our packaging facility and see the extraordinary steps we take to triple-wash our salads and ensure their safety.



Our Latest Award-Winning Product

Extra Veggie™with Garden Vegetables





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For more information, visit salads.dole.com/products/extra-veggie





Thank You

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. PBH looks forward to continuing our work with you in 2013 to encourage and motivate Americans to eat more fruits and vegetables.

The staff of PBH wishes you Happy Holidays and a healthy, prosperous, and bountiful 2013!

FruitsAndVeggiesMoreMatters.org

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Help Sweet Pepper Sales Continue To Grow At Retail

Mini sweet peppers are on the rise, as are sweet bells, especially when cleverly cross-merchandised. BY JENNIFER KRAMER



t's hard not to notice the prevalence of sweet mini peppers. They are popping up at retailers, restaurants and supercenters across the country. While minis are growing in popularity, sweet bells continue to be a strong part of the category, offering retailers and consumers alike a pop of color in their respective displays and home-cooked meals. Whether they are merchandised in bright eye-catching bulk displays, easy-grip clear poly bags, or value-added, fresh-cut, overwrapped trays, peppers make the produce department pop.

PRODUCE BUSINESS spoke with five experts in the industry to examine the category more closely, including Mike Aiton, marketing manager, Prime Time Sales LLC, Coachella, CA; Aaron Quon, greenhouse and vegetable category director, David Oppenheimer & Associates General Partnership, Coquitlam, British Columbia; Gordon Robertson, senior vice president of sales and marketing, Sun World International LLC, Bakersfield, CA; Joe Sbrocchi, vice president of sales and marketing, Mastronardi Produce Ltd., Kingsville, Ontario; and Daniel Whittles, director of marketing and product development, Rosemont Farms, Boca Raton, FL.

Are there any new sweet pepper varieties on the market or expected to

debut at retail soon?

Aiton: New varieties are constantly showing up as growers trial new products looking for improved flavor, appearance and yield. Many of these changes are subtle to consumers and take place over time in different growing locations. The pepper category is exploding, showing consistent growth and expansion for the past 10 years. New colors, sizes, shapes and flavors are being introduced each season.

Quon: We have seen mini bell peppers rebound in popularity recently. Interestingly, this has been driven by a packaging innovation, rather than flavor, usage, or health benefits, from what we can tell. Colorful mini bells fit perfectly into the handle-style bags that are becoming increasingly prevalent in the produce department and popular with consumers. Not only are they eye-catching for impulse buys, usage ideas can be printed on the bag, reducing the risk some might feel with a first-time purchase.

Sbrocchi: New varieties include Sweet Twisters, a red and orange pepper that may be the sweetest pepper in the world. These long peppers are bright and beautiful. It's a European variety pepper with an exotic appearance that is matured on the vine. It has a high Brix level and super sweet taste without any bitter aftertaste. There is a minimal number of seeds and hollow interior, making them perfect for

grilling, snacking, salads and stuffing.

Another new variety is the One Sweet Pepper, which is a sweet variation of the original bell pepper with few seeds. A mix of vibrant colors available, including red, yellow and orange.

Whittles: The mini sweet pepper is what continues to be a growing item in this category and lends itself to many selling options.

What is the best way to merchandise sweet peppers?

Aiton: Peppers' vibrant colors make them a natural consumer magnet when merchandised together in ribbons of bright colors. Additionally, signage should be prominent giving flavor, storage, and usage information.

Quon: With an array of colors from green, red, yellow, orange, and even violet and white, bell peppers naturally showcase beautifully. When produce managers take advantage of the many colors and display all the varieties and pack styles on dry rack tables, peppers can become a high performing category.

Robertson: Our customers are seeing incredible category sales success with our bulk display bins. The 2-ft. bulk bins were introduced about a year ago and come one to a pallet. We also now have a half-bin that ships two to a pallet for smaller format stores or for stores that want to have multiple displays. Both

MERCHANDISING REVIEW

bins are designed for high-volume promotions and give retailers an excellent secondary display and promotional vehicle with no assembly required. The bins are packed and ready to go and can basically unload right onto the store floor

We pack both fancy and choice product in these bins, which can give retailers flexibility on their price point.

This year, we are introducing a new design that touts the sweet and mild flavor profile of our peppers, as well as the many ways they can be served: in salads, stir frys, stuffed or in pasta sauces.

Sbrocchi: Sweet bell peppers naturally differentiate themselves. Be sure to place them amidst the sweet bells and away from the hot varieties when possible.

Whittles: I am not sure that there is a "one-way-fits-all-formats-and-selling-environments" answer. Having the freshest, best quality married to well merchandised bulk product — whether it is wrapped in a film or naked — is key in the eyes of the consumer. In certain selling environments, being able to suggest serving ideas and cross-merchandising with grocery items creates further interest.

Do customers generally prefer bulk or packaged peppers?

Aiton: The majority of peppers are sold in bulk, however heavy pepper users will use bags and value packs to save money and add convenience. Mini peppers are primarily now sold in 1- and 2-lb. bags with multiple colors in each bag.

Quon: That varies by format. Upscale and ethnic retailers tend to offer more bulk displays, while larger box stores tend to carry more packaged bell peppers. Based on the 52 weeks ending September 2012, packaged bell peppers represented about 13 percent of dollars sales in the category. Large tables of bulk multi-colored bell peppers can inspire many consumers to use them in appetizers, stir fry dishes, and salads. But bags of multi-colored peppers offer convenience. Smaller sized bell peppers also are primarily bagged.

Sbrocchi: With food safety issues we are seeing more people who want packaged products that are protected from contamination during shipping and handling of produce. The trend is toward packaged peppers, which also helps them from shrivelling, but lots of bulk is still being sold.

Whittles: It depends on the customer and the plans they have for the peppers. The packaged pepper consumer is frequently looking for a lower price point in order to be induced to buy more at a lower price than per each. In some cases, a bag of value peppers is utilized to chop or cook in a recipe where minor defects in shape or color are not an issue and you create a win for retailers and consumers alike. The best produce departments offer both options and price points in order to cover their bases. As a merchandiser, I would love to work with the color break that these peppers offer to the eye when displayed in a really sharp manner.

What type of packaging sells best: clear bags, tray packs or another kind?

Aiton: Clear bags by far.

Quon: Consumers like to see what they are buying, so clear bags are preferred over trays. Recently, handle bags have become popular for all categories, but especially for mini peppers.

Sbrocchi: Clear, recycled, resealable bags are best for freshness and convenience. The clear laminate poly bags showcase the product best. On-pack high impact graphics and serving suggestions are also highly beneficial.

With what do you recommend sweet peppers be cross-merchandised?

Aiton: Because sweet peppers can be enjoyed raw or cooked, they present excellent opportunities to be cross-merchandised with a variety of products, such as salad vegetables, snack items and cooking vegetables. Sweet colored peppers will generate additional and incremental sales when featured on secondary displays.

Quon: Bell pepper colors and varieties can really liven up vegetable sections that promote salads and stir fry mixes. We recommend displaying bell peppers with fresh herbs, cucumbers and tomatoes in produce. Also consider pre-packs of bell peppers with fajita mixes and cheeses for stuffed pepper ideas.

Robertson: Because of the sweet and mild flavor profile, sweet peppers pair very well with a number of items for cross-merchandising, including olive oil, hummus, cheeses and pasta noodles.

Sbrocchi: Dips and light cream cheeses or light hard cheeses work well as cross-merchandising options.

Whittles: Lots of different meat items, fajita seasonings, mushrooms and seasonings for vegetarian fajitas, and salad dressings are all great options.

What is the best color mix for sweet peppers? Does one color sell better





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- 4. Promotion objectives.
- 5. Description of promotion.
- 6. Promotion results (sales or traffic increases, media attention). 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)

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than another?

Aiton: Prime Time sells red, green, yellow, and orange peppers throughout the year. They are planted and sold in that same order based on customer demand.

Quon: There are regional differences in color preferences. Green bell peppers still are preferred in the southern U.S., while hothouse varieties are preferred in the north. Even though reds are the most popular greenhouse-grown peppers, many consumers enjoy adding more color to their menus with yellow and orange peppers.

Sbrocchi: A tri-color mix of red, yellow and orange works best for us.

Whittles: If we are not talking about green bell peppers, then red peppers outsell yellow and orange by a pretty fair ratio. Yields on yellow and orange peppers can be a little lower than red, and in field production there is very little in the way of orange (mostly greenhouse).

How integral are fresh-cut/value-added peppers to the category?

Quon: Value-added can be a key segment

for time-strapped shoppers, but also for consumers who are not sure how to incorporate more produce into their meals. Whether it is fresh peppers for appetizer trays or diced for stir fry mixes or skewered for shish kabobs, retailers are finding ways to encourage consumption of bell peppers.

Sbrocchi: They are growing quickly both in foodservice and at store-level as they become a mainstream snack of choice. Our One Sweet pepper is perfectly sized for snacking, and being whole, it does not degrade like a cut pepper does.

Are there any particular care-and-handling tips retailers should be aware of when they are merchandising sweet peppers?

Aiton: Sweet peppers should be kept refrigerated at 40-45° Fahrenheit and kept from being directly sprayed by the wet rack sprinkling system. When wrinkling begins to appear, the peppers should be pulled from the display and marked down for quick sale.

Quon: Although bell peppers are often displayed in the wet racks, they should not be subject to moisture or mist. A more optimal display to consider is a vegetable Euro table, where the array of bell colors can really be maximized.

Robertson: Peppers are sensitive to ethylene and should be stored and displayed away from ethylene-producing produce.

Sbrocchi: Be sure to maintain correct temperatures. Do not chill the peppers and be sure to protect them against dehydration.

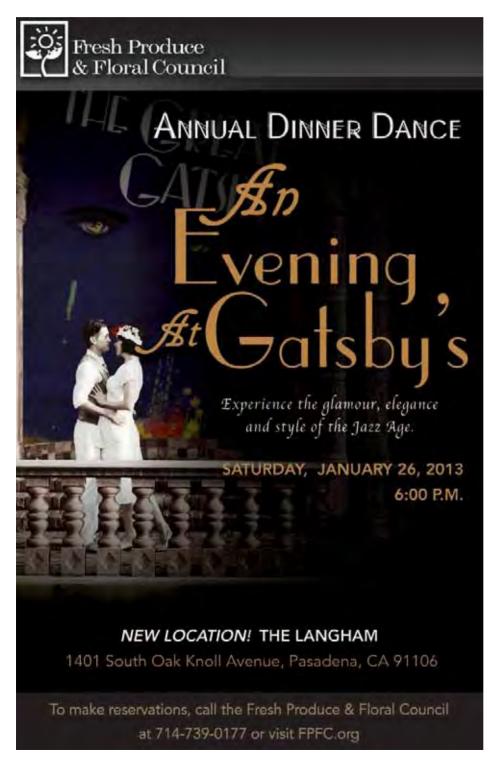
It seems that mini sweet peppers are growing in popularity. What kind of a sales percentage do they contribute to the category?

Aiton: Our winter plantings have more than doubled in the past year, and we work to keep up with the demand. Mini production is a small but rapidly growing portion of our overall product mix.

Quon: Driven by packaging and the fresh snacking trend, mini bell peppers have resurged in popularity. They now represent 6 percent dollar share of the category and have grown 96 percent in dollar share in the past 12 months.

Robertson: Sweet mini peppers and specialty peppers are still a relatively small part of the pepper category. However, they continue to grow as consumer acceptance and familiarity with the product rises. We've continued to grow our acreage year over year to help meet the growing demand for this product.

Sbrocchi: While still a small component of the category for those that create the selling plan behind it, we are seeing significant and sustained growth. **pb**





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Almonds: A Growing Profit Center For Produce

Expanding flavor options and packaging leads to increased sales of this heart-healthy snack. BY BOB JOHNSON



s word has gotten out about the health benefits of almonds, they are no longer just for the holidays, or just for baking. This convenient, healthy snack can be effectively merchandised year-round, and in many areas of the store, most importantly, in the produce department.

According to Robert Rocha, sales manager at P-R Farms Inc., headquartered in Clovis, CA, "The word is getting out about almonds being good for you. That health message is getting to the consumer. It's a win for the consumer who is trying to have a healthy lifestyle and eat better."

The Power Of Packaging

As almonds have emerged as a healthy snack, new flavor profiles and packages have become important. "We are now being introduced to packaged flavored almonds," says Brian Gadwah, produce category manager at Food Lion, headquartered in Salisbury, NC. "Previously, we had cinnamon- or chocolate-covered almonds, but we have recently been receiving flavors like Wasabi and Slightly Salted. Roasted/salted and raw/natural are the biggest sellers, but

anything else you put on top of it is going to drive the category," he explains.

In the produce department, packaged almond products have easily overtaken bulk almonds in sales. "Packaged is a bigger seller in produce than bulk," confirms Gadwah. "It could be a difference of 3-to-1, but bulk attracts a particular consumer. Typically, we put packaged almonds in a tree nut snack

section. In produce, there's more health consciousness, and almonds have a stronger penetration among consumers than walnuts or pistachios."

Gadwah believes brand names including Wonderful, Mariani and Blue Diamond help to promote packaged almond products in the produce department.

Blue Diamond Growers, based in Sacra-





"Packaged is a bigger seller in produce than bulk. It could be a difference of 3-to-1, but bulk attracts a particular consumer."

— Brian Gadwah, Food Lion

mento, CA, has a line of "bold flavored" almonds that includes items like Honey Dijon, Carolina Barbecue, Blazin' Buffalo Wing and Wasabi And Soy Sauce. The company also offers 100-calorie snack packs in a range of flavor profiles.

Most retailers have moved almonds into the produce department, while still maintaining a presence in other parts of the store. Tim Walthall, store manager for 50-unit chain Fiesta Mart Inc., in Austin, TX, shares, "We merchandise almonds in the produce department, as well as in grocery and bulk foods."

Peak Season Continues To Year-Round Staple

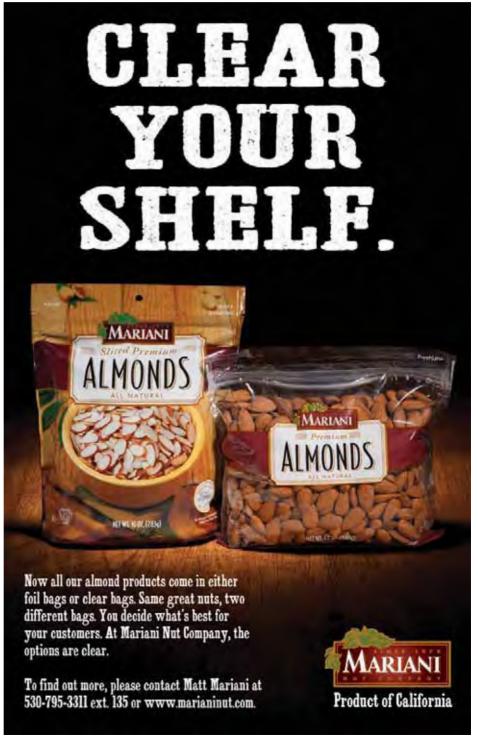
"The peak season begins around early October, because people are looking to bake more, and it lasts around three months," reports Walthall. "We sell almonds yearround in produce. A couple of years ago we promoted almonds early in the fall, before the peak, but lately we have been promoting them out of the peak season, and through peak season as well."

The prime time to merchandise almonds remains the Holiday season, which corre-

sponds closely with the harvest season in California's Central Valley. According to Ron Fisher, president of Fisher Nut Co., head-quartered in Modesto, CA, "The peak season is primarily between the harvest and Christmas. We began harvesting at the end of August, and we will finish at the end of October," he details. Fisher started Fisher Nut Co. more than three decades ago, and the firm now handles almonds from growers extending the 375-mile length of the almond corridor from Bakersfield north to Chico.

While peak almond season may correspond roughly with the Holidays, almonds have become a year-round attraction and there are many possibilities for off-season promotion.

"Since almonds are widely available yearround, great occasions for merchandising almonds are those times of the year consumers are looking to make healthier choices, or new healthy habits, which go hand-in-hand with New Year's resolutions and springtime shape-up time," details Molly



Spence, director of North American marketing for the Modesto-based Almond Board of California. "Other great occasions include those times of the year when people are on the go more than usual and need a quick, easy snack. This could be back-to-school time, the pre-holiday rush, or summertime travel season. And of course, don't forget to merchandise heart-smart almonds in February, which is American Heart Month, with National Almond Day on February 16," she adds.

New Products Enhance Sales Opportunities

As the almond category continues to grow, new products are being introduced on a regular basis.

"There is an ever-growing selection of almond products," asserts Spence. "You've got whole almonds for snacking, which make up the majority of sales and come not only natural and roasted, but also in lots of different flavors. There's almond milk, which is a product whose success is growing by leaps

"We sell almonds yearround in produce. A couple of years ago we promoted almonds early in the fall, before the peak, but lately we have been promoting them out of the peak season, and through peak season as well."

— Tim Walthall, Fiesta Mart Inc.

and bounds, and almond butter. And you can't forget about the many different forms of the almond, like sliced, slivered and chopped for toasting and tossing onto yogurt, salads, vegetable dishes, proteins, and grain dishes. It's great to remind consumers how handy and versatile almonds are, whether it's giving their snack a powerful crunch or adding some toasty flavor."

Offering information or visual enticements can enhance these sales opportunities. "In our experience, consumers love seeing handy tips, recipes, and beautiful photography that conveys quick and tasty ideas," notes Spence. "It's great to include taste appeal, so consumers are reminded that not only are almonds nutritious, they're also appealing and delicious."

A California Crop

The growth of almonds in produce departments nationwide parallels the growth of almond production in California's Central Valley. "We have 85 percent of the world's almond supply grown within the California Central Valley," reports Fisher of Fisher Nut. "It's been a good success story. We have grown from 12 to 15 percent a year for the past five years."

He believes that, of all the different almond products and uses, snack almonds are increasing the fastest. "We only market at the wholesale level, but the snack items are the fastest growing," Fisher says.

Almonds are popular, more popular than ever before, but they are not a 'must-buy' staple on the shopping list yet. "With an item like almonds, the price and the quality are the most important for sales," says Walthall of Fiesta Mart.

According to California Department of Food & Agriculture statistics, California is the domi-



Domestic	12/13 vs. 11/12	12/13	11/12	10/11	09/10	08/09	07/08	06/07	05/06	04/05
August	10.9%	48.28	43.54	45.77	39.06	33.29	34.85	27.27	24.72	29.56
September	-12.3%	37.29	42.50	38.13	34.04	36.54	33.98	32.59	26.94	31.31
October	18.2%	61.10	51.69	49.01	44.38	43.30	41.28	43.99	33.99	34.74
November			53.40	45.17	35.94	31.05	41.80	35.17	28.42	31.47
December			36.64	40.62	33.88	27.75	23.96	29.35	22.40	28.02
January			38.02	37.09	34.12	25.50	29.11	24.64	20.87	24.21
February			38.74	32.36	34.45	35.52	29.25	26.13	18.83	23,57
March			48.49	43.30	36.90	36.30	32.70	28.44	25.63	27.29
April			45.45	39.93	37.27	32.14	33.09	30.11	23.64	21.87
May			53.72	42.79	39.25	33.00	27.89	31.04	26.93	27.52
June			49.61	39.40	39.68	37.21	33.57	32.12	27.86	27.73
July			44.90	36,12	40.53	39.38	33.29	27.48	23.63	24.27
Total			546.7	489.7	449.5	411.0	394.8	368.3	303.9	331.6

SEASONAL TONNAGE ESTIMATES FOR DOMESTIC AND EXPORTED ALMONDS

Export	12/13 vs. 11/12	12/13	11/12	10/11	09/10	08/09	07/08	06/07	05/06	04/05
August	34.4%	91.37	67.99	79.75	84.69	63.39	59.85	31.45	32.72	49.12
September	-4.1%	118.56	123.67	113.00	100.24	100.67	88.01	77.78	54.59	83.37
October	-4.7%	159.93	167.87	140.11	123.67	114.28	118.67	106.39	77.94	95.10
November		-	159.69	128.22	109.52	87.19	87.72	76.30	61.12	71.92
December			120.56	120.35	113.60	65,87	70.58	64.84	53.92	61.16
January			115.66	82.74	88.00	67.10	68.01	60.58	42.46	53.40
February			111.11	83.32	81.05	80.95	56.72	46.95	43.32	45.49
March			124.05	87.14	70.41	69.95	58.32	42.12	55.72	48.00
April			103.07	86.44	68.40	79.64	62.49	41.00	46.50	36.24
May			91.70	87.63	52.72	86.39	60.61	45.67	52.96	39.81
June			91.72	95.60	58.09	81.23	69.15	50.16	52.52	38.38
July			74.82	73.57	71.55	81.71	66.27	54.56	36.61	30.54
Total	The Almond Boa	ard	1,351.9	1,177.9	1,022.0	978.4	866.4	697.8	610.4	652.5

nant global almond producer, with exports exceeding \$2.5 billion. Growers

in California's Central Valley harvest roughly two billion pounds of almonds every fall to satisfy the growing global demand for this healthy, versatile snack.

of California has

recently recorded record breaking

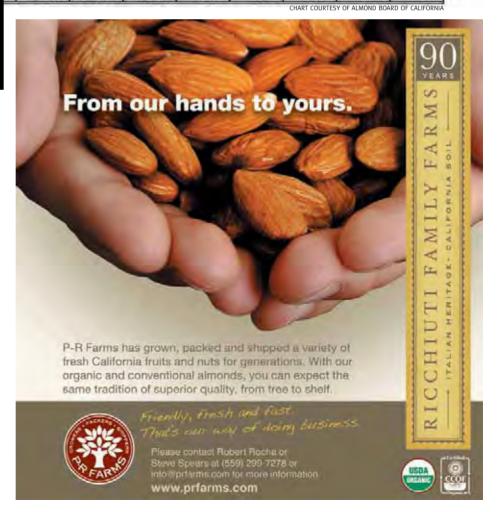
domestic and export

history of both

almond crops.

"We have built up our industry with more acreage, so we have the volume to promote almonds in different parts of the store, which increases sales," remarks P-R Farms' Rocha says. "It's perfect that our product has placement in the produce department."

Because almond production worldwide is concentrated in a narrow stretch of California's Central Valley, even minor surprises in the yields from this area impact prices nationwide. Despite early estimates that indicated otherwise, Spence of the Almond Board of California assures, "Almond shipments are back on track and at recordbreaking levels for October. In the U.S. market, for example, we saw an 18 percent increase in shipments in October after a slow start in September." These remarkably high shipment figures have been welcomed by industry insiders, considering recent high prices and a stretched market.



TROPICAL PLANT INDUSTRY EXHIB

JANUARY 23-25, 2013

BROWARD COUNTY CONVENTION CENTER, FORT LAUDERDALE, FL



TPIE is the trade event that offers everything foliage, floral and tropical, all in one location, at one time, at one place. TPIE's trade show is more than an exhibit area. It is 200,000 square feet of living and vibrant plants creating a virtual indoor garden of show-stopper displays. Educational seminars are a popular part of the annual event. With more than 400 exhibiting companies, TPIE offers wholesale buyers the widest array of resources for foliage and tropical plants in the country. (Booth numbers are subject to change.)

AISLE-BY-AISLE BOOTH REVIEW

Booth #215

FLOWERS CANADA GROWERS CANADIAN GREENHOUSE GROWERS' DIRECTORY & BUYERS' GUIDE

Guelph, Ontario, Canada Flowers Canada Growers represents floriculture greenhouse growers and

industry partners. We produce the Canadian Greenhouse Growers' Directory & Buyers' Guide, a valuable resource tool for the floriculture industry.



Booth #216

PURE BEAUTY FARMS

Miami. FL Pure Beauty Farms is a wholesale



grower catering to mass merchandisers, retail garden centers, landscapers and florists from the Carolinas down to Key West. We grow over 100 varieties of annuals, perennials and holiday plants such as poinsettias. Our Miami and Georgia facilities together provide us with over 250 acres of growing capacity.

Booth #415

KERRY'S NURSERY, INC. Homestead, FL

We create demand with the most fashion-forward products featuring the highest quality orchids, bromeliads and eye-catching pottery from around the world. Visit our booth and discover how our compelling,

value-minded living arrangements can be the solution you have been looking

for to grow your floral department.

Booth #439

BOYNTON BOTANICALS

Boynton Beach, FL Boynton Botanicals is a wholesale nursery offering an extensive selection for the professional. Our exceptional quality



and diversification are a small part of what makes us different. Customer service is always at the forefront of our customer relations and we look forward to providing you a product of beauty and

Booth #645

KOENPACK USA, INC.

Miami, FL

We specialize in containers and vases, films, sleeves, wraps and pot covers. Especially known for our innovative packaging for potted plants and bouquets, we have a large inventory of sleeves, sheets, picks, bags and other accessories to enhance the look of your final product.



Booth #713

DEROOSE PLANTS, INC.

Apopka, FL Quality and strong customer service - these are our areas of



focus at Deroose Plants. Whether you're looking for high quality liners or unusual and highly desirable finished products to boost your profits, we have a line that will fit your business needs. Let us grow along with you.

Booth #912

BAYVIEW FLOWERS

Jordan Station, Ontario, Canada With more than 40 years of experience—we specialize in potted plants,

dish gardens and indoor tropical foliage, along with cut greens and fresh-cut flowers. Our vases, containers and home décor items will entice your cus-

tomers. Count on us for quality and innovation to keep your floral department fresh and inviting.

Booth #923 THE PINERY LLC Escondido, CA



We are growers of living Christmas trees and rosemary for the holidays. Our beautifully sculpted miniature trees add freshness, fragrance and flair to any setting, whether in the home, courtyard, kitchen or workplace. Stop by and experience our aromatic varietals of rosemary, pine and cypress.

Booth #931

PLANTS IN DESIGN, INC. Miami, FL

Plants In Design, Inc. is best known by interiorscapers who demand floristgrade bromeliads at all times. While interiorscape has been our target market

for more than 25 years, we ship significant quantities of these plants directly to upscale garden centers and supermarkets. We are the premier grower of bromeliads for the most discriminating buyers.



Booth #1017

PENINSULA TRUCKING, INC. Sorrento, FL

Established in 1982, Peninsula Trucking is one of the largest LTL & TL carriers in Florida. Servicing 48 states with our multi-decked air ride trailers, plants can be shipped without boxing, arriving in better condition with less impact on the environment.



Booth #1020

WEKIWA GARDENS, INC.

Apopka, FL

For nearly 50 years, family-owned Wekiwa Gardens has gained a reputation for producing florist-quality plants. Known for our



LOWERS

Aphelandra, we also grow Cissus, fragrant Hoya, blooming Lipstick, Spike Moss and Pothos. Let us help you offer unique, decorative plants that will keep your customers coming back. Certified for CA, MS, TX, NC and Canada.

Booth #1031 **PALM TREE PACKAGING**

Apopka, FL

Palm Tree Packaging is a manufacturer of plant and floral sleeves. We make sleeves out of a large



variety of materials including paper, various plastics and breathable fiber. Custom printing can be arranged with photo-quality results. Come see our newest product lines.

Booth #1105 **IGI MARKETING** Sorrento, FL

IGI, a leading producer of indoor foliage in the Apopka area since 1983, is your ultimate resource for quality foliage and exceptional service. We have over 240,000 total square feet of state-of-the-



art growing facilities, specializing in Ivy Hedera, Schlumbergera "Christmas Cactus," assorted 4-inch plants and foliage liners.

Booth #1118 **HAWAIIAN SUNSHINE**

NURSERY, INC.

Waimanalo, HI Hawaiian Volcano Plants are individual and unique pieces of lava, selected from a lava flow on the island of Hawaii. They are planted with Anthuriums,



Ferns, miniature bonsai-style Schefflera trees, and Bromeliads.

Booth #1215

BAY CITY FLOWER COMPANY Half Moon Bay, CA

Family owned Bay City Flower Company — more than 100 years of growing — is known for producing the most diverse assortments of unique, high quality flowering plants in the country. Our aim is to keep our customers' floral displays fresh, interesting and colorful.



Booth #1218 **CUSTOM FOLIAGE SERVICE**

Apopka, FL

For more than 20 years, Custom Foliage Service has provided A-Grade



florist quality indoor tropical foliage to wholesalers, garden centers, supermarkets, florists and interiorscapers. We offer a full line of products from 3-inch to large specimen material.

AISLE-BY-AISLE BOOTH REVIEW

Booth #1231 & #1239

A-ROO COMPANY LLC

Strongsville, OH

For more than 40 years A-ROO has created marketing, merchandising and packaging solutions for the floral industry. We have containers and vases, decorative packaging, display fixtures and accessories, films, sleeves and wraps, pot

covers, ribbons, bows and picks. Offices in Ohio, Florida, Texas and California provide service to North, Central and South America.



Booth #1327

RAZBUTON FERNS, INC.

Winter Garden, FL

Bright, bold and beautiful - our 10inch fern baskets speak for themselves. When you see our ferns you will know

they are for you! For TPIE, we are offering special prices for these 10-inch beauties when shipped to you before Valentine's Day. Visit our booth for full details on pricing.



Booth #1414 **ALPHA BOTANICAL**

Homestead, FL

You won't find a better mix of grade-A interior foliage. With spacing guidelines 11/2 times the industry standard, our finished product is exceptional. Make Alpha Botanical your source for florist quality foliage and exceptional customer service to see how we are capable of satisfying any discerning promotional buyer.

Booth #1425

DELRAY PLANTS CO. Venus, FL

Delray Plants is planting what's next in refreshing décor ideas for plants. We will showcase the latest in foliage fashion while educating on the many benefits of plants. Bring life into your home with houseplants.



Booth #1509

PENANG NURSERY, INC.

Apopka, FL For over 30 years, Penang Nursery has been a top producer of unique bamboo,

bonsai, and tabletop gardens, including the popular braided Pachira tree. We pride ourselves in offering beautifully designed gardens in the latest, trend-setting containers available at an exceptional value.



Booth #1801

BETTER BLOOMING ORCHIDS

Kissimmee, FL

Better Blooming Orchids provides highquality elegance with truly better orchids. We offer one grade of 4-inch and four grades of 6-inch potted orchids with a vast selection of colors in each shipment. Best Blooming grade has three, four or five spikes per plant, many are highly-branched, and all have a high bud count.



Booth #1814

WESTBROOK FLORAL

Grimsby, Ontario, Canada

Westbrook Floral Ltd. is a full-service wholesaler offering floral supplies, home and garden décor, botanicals and potted plants. In our 1.5 million square feet of greenhouses, we specialize in supplying North America with mini roses, Phalaenopsis orchids, Kalanchoes, African violets, ferns, succulents and seasonal potted plant varieties.



Booth #1901

CHRYSAL USA

Miami, FL Chrysal Americas

is an international company offering

a multitude of products for the complete nutrition and care of fresh-cut flowers for growers, wholesalers, florist and supermarkets in the United States, Canada and Latin America.



Booth #1913

HOLMBERG FARMS, INC. Lithia. FL

We are a quality wholesale grower of an excellent selection of container grown citrus, roses, tropical color, liners, palms, and woody ornamentals. In business since 1962, we ship anywhere in the southeast. Visit our booth and see how we can grow

your business.



Booth #1918

PRIDE GARDEN PRODUCTS Ridley Park, PA

Pride Garden Products manufactures innovative hanging baskets, patio containers, pot covers, planters and accessories for supermarkets, mass markets, club stores, greenhouse growers and garden centers. Products include our patented AquaSav™ coco liner, which reduces watering by half and promotes healthy root systems, resulting in beautiful plants.



Booth #1927 PECKETTS, INC. Apopka, FL

We're celebrating our 35th anniversary! Pecketts is a wholesale

foliage growing operation specializing in the production of blooming Spathiphyllum and Holiday Cactus (Schlumbergia). We have approximately 750,000 square feet of greenhouses on 50 acres of land in Central Florida.

pecketts



Deco Wraps is a leading supplier of distinctive packaging options for fresh flowers and potted plans. We offer prompt service, simplified logistics, and competitive pricing. We create products that are always fresh and innovative. Come visit us and see our exciting new items.

Booth #2105

NATURE'S DREAM NURSERY Miami, FL

Nature's Dream Nursery started only seven years ago with a clear vision of

innovating by applying new technologies.

NaTure's Dream Nursery

State-of-the-art automated retractable roof greenhouse and Ellepot machines mark the start with quality liners, and the process continues to produce beautiful tropical ornamentals.

Booth #2224

AMERIGRO FARMS, INC. Apopka, FL

Visit our booth and see what all the fuss is about! Calla Lilies are the next big rage. With more than 20 years of growing expertise you will see why Amerigo Farms is the premier grower of potted



Booth #2227

STEWART'S GREENHOUSE, INC Mount Dora, FL

We are committed to bringing the finest quality of indoor foliage to our customers. We provide a wide array of varieties in the Calathea, Ivy, and Aglaonema families as well as Golden Pothos,

Spathiphyllum and palms. We grow an assortment of sizes ranging from two to 10 inches.



Booth #2425

RECORD BUCK FARMS

Howey-in-the-Hills, FL

Oranges, lemons, limes, grapefruits! Record Buck Farms produces many varieties of containerized citrus in sizes from one to 100 gallons. "Ever-bearing" varieties are available for ship-



ment outside the state of Florida. Visit our booth for more details.







PTI PARTICIPATION VERSUS ISOLATION



In the produce business, this is now truer than it has ever been. And at retail, its importance is increasing, especially when it concerns knowledge of the consumer. Many times in my career I have faced the question of whether it is best to share some information or knowledge or to keep it to myself. All retail organizations have the same dilemma, and approach it in

different ways. During times when I had to confront the question of upper management having a different opinion was one of those key situations where "they just don't get it!" The need for secrecy by upper retail management is a very strong motivator when confronting requests for

information. This is especially true when it comes to sharing information with suppliers.

There are two schools of thought in this area. One is to keep all of your information "close to the vest," and only on rare occasions is a thing shared. The other is to actively cooperate with suppliers, providing them with key information that not only helps their business but also the retailer as well. Having lived in both worlds, one works far better in both the short- and long-term. Many of the most successful retailers in the world today

actively share information with suppliers and the industry to assist in the development and growth of their own business as well as the overall industry. It is only logical that such activity would be advantageous to everyone involved.

While it is true that certain confidential information cannot be shared, there are many things that can benefit all parties. One such area that is becoming more and more evident is a lack of participation in industry affairs by retail companies. Many companies would rather not be involved in providing solutions for key industry challenges. They would rather keep any information or solutions they have developed to themselves as a "marketing advantage," rather than work within the industry to provide an all-encompassing solution. Since we all know there are no secrets in the produce world, these advantages are short-lived and only add to a company's reputation for being closed-mouthed and secretive. Such isolation keeps the industry from moving forward, and ultimately, each company within the industry suffers gridlock on

key issues. Each occasion where I have faced such challenges and where my company had decided to keep the solution "under wraps," eventually a solution became known to the entire industry. Then the advantage was gone. The problem here is that all the time and effort spent to keep the information secret was lost when the new solution appeared. This time could have been better utilized on other pressing retail challenges. By not working collaboratively with the industry and sharing some information of the original solution to speed up the process, everyone ended up a loser.

Time and time again, this same scenario has played out in our industry. One such example is the current Produce Traceability Initiative. It seems that there is no unified drive toward providing a solution to this challenge to our industry's stability. The industry trade organizations have done everything in their power to provide such a forum;

the problem is a lack of participation and direction by the retail industry. Instead of participating in collaborating with other retailers and the rest of the industry, most of the retailers have decided to formulate their own solutions in an attempt to gain a marketing advantage. In the past, many such challenges have been overcome quickly by the collaboration of all sides of the industry, especially retail. This is a classic example of what we have just discussed in terms of participation versus isolation. The industry has a history of

getting a group of retailers, suppliers, and others together to put their personal company interests aside and work to come up with a solution that benefits all parties involved. Retail plays a key role in this problemsolving equation, as they not only represent their own companies, but ultimately, the consumer. And in the end, we all recognize that the consumer is the ultimate beneficiary of our efforts.

As we've seen in the past, another serious produce recall is inevitable and will occur at an inopportune moment. The longer we allow the PTI to remain unresolved, the longer we will remain vulnerable to a lack of consumer confidence, damage to our industry's image and profitability, and the possibility of additional government regulation, which will force an outside solution upon us. As in the past, retailers have the opportunity as well as the responsibility to get together with the rest of the industry and provide a solution to this problem as quickly as possible. Participation, not isolation, by retailers is the key to moving industry forward.

The longer we allow the PTI to remain unresolved, the longer we will remain vulnerable to a lack of consumer confidence, damage to our industry's image and profitability, and the possibility of additional government regulation.

By Don Harris

Don Harris is a 38-year veteran of the produce industry, with most of that time spent in retail. He has worked in every aspect of the industry, from "field-to-fork" in both the conventional and organic arenas. Harris is presently consulting on all subjects of retail, category development and sales strategies, among others. Comments can be directed to editor@producebusiness.com

DON'T PUT YOUR SUPPLY AT RISK

International **Produce** Traceability **Initiative & Food Safety** Seminar

January 22, 2013

Westin Hotels & Resorts Calle Las Begonias 450. San Isidro, Lima, 27 Peru

8:00 a.m. - 6:30 p.m.

Registration fee:

US\$125 before December 14 US\$140 after December 14

(Includes 2 coffee breaks & lunch) (Does not include tax)



For more information and to register:

T. (51 1) 715 2618 N. 423*6818 info@tradetrainingperu.com www.tradetrainingperu.com

Is Your Exporter Prepared for Imminent PTI Implementation?

New standards and requisites in the U.S. market like PTI and FSMA will form a barrier for any business that doesn't comply. In this event, Peruvian exporters will have the opportunity to talk with experts and learn about the newest developments in PTI and food safety for fresh produce.

- Ed Treacy, Vice President of Supply Chain Efficiencies at Produce Marketing Association (PMA) will present the components of PTI and explain implementation dates to help exporters continue operating as reliable suppliers in the marketplace.
- Dan Vaché, Vice President of Supply Chain Management for United Fresh will cover the benefits of PTI from the grower to the consumer.
- Robert Guenther, Senior Vice President of Public Policy at United Fresh will present requirements of supermarkets and buyers with respect to Food Safety, GAP, and the new Food Safety Modernization Act (FSMA).
 - Jorge Barrenechea Cabrera, General Director of Plant Health SENASA

Participants will have the opportunity to exchange ideas and questions with the speakers as well as network with representatives from food safety and traceability companies like:

Platinum Sponsors: HarvestMark







Collaborating Organizations:















GLOBALG.A.P.'S SUMMIT 2012: HIGHLIGHTS FOR NORTH AMERICAN EXPORTERS

orldwide food safety standards leader, GlobalG.A.P., began the opening session of Summit 2012, its 11th International Conference in Madrid, Spain, on November 7, with a heartfelt message from a special guest. As an army paratrooper serving his country in 1965, Dave Sargent survived a harrowing airplane crash. Today, Sargent farms 1,400 acres in Bentonville, AR, and supplies 1,600 Wal-Mart Supercenters. He recently completed his third GlobalG.A.P. Primary Farm Assurance (PFA) standard food safety audit. At 72 years old, Mr. Sargent was so impressed by his experience with GlobalG.A.P. that last week, for the first time in 47 years, he boarded a plane to share his passionate convictions with his fellow growers and the industry at large.

As the first to address the 400-plus Summit 2012 attendees, Sargent affirmed his commitment to Global G.A.P.:

"I am very excited to be here. I am a farmer. That's what I love. That's what I've done all my life. I would like to say that GlobalG.A.P., in my opinion as a farmer, is the best thing that's ever happened to the industry. I think that all farmers benefit from GlobalG.A.P. audits. I know I do. I take full advantage of it, I embrace it...I support GlobalG.A.P. 100 percent. My love has always been produce. It's a challenge. We have to make sure on the farm that we do

an excellent job, and GlobalG.A.P. has helped us there immensely. We have 48 logs that we fill out every day. When I looked back at those records, I realized it's the greatest thing I've ever done. Now if anyone ever has a question about what I did and when I did it, I've got it. And for that, I'm grateful."

With this resounding endorsement, the GlobalG.A.P. Summit 2012 commenced. Over the course of the three-day event, producer, processing and retailer representatives from 49 countries discussed the latest trends in food safety and traceability, environmental sustainability, worker and animal welfare. Ninety speakers offered their insights and led roundtable events attended by a broad spectrum of stakeholder participants from seven continents. Nine hundred people from 63 nations followed the conference streaming live online.

Kristian Moeller, GlobalG.A.P.'s managing director, reported that the producer community has warmly embraced the fourth version of the organization's comprehensive, international flagship standard Integrated Farm Assurance (IFA), which went into effect at the beginning of 2012. Growers continue to be impressed with the ongoing work of GlobalG.A.P.'s National Technical Working Groups (NTWGs), which ensure that IFA and other standards are implemented optimally according to national requirements in over 110 countries. In the

United States, United Fresh Produce Association has played a pivotal role in guiding the U.S. NTWG, especially in the development of the landmark Harmonized Standard.

GlobalG.A.P. recently introduced Produce Safety Standards (PSS) in North America. A subset of IFA, PSS is GlobalG.A.P.'s implementation and extension of the Harmonized Standard, offering produce growers an excellent food safety certification solution with broad industry support that is designed to meet Global Food Safety Initiative benchmarking requirements. PSS helps producers avoid costly audit duplication and provides an upgrade path to GlobalG.A.P.'s full-fledged IFA standard.

The retailer community was well represented at Summit 2012. Traceability is clearly a rising concern. Retailers increasingly want to be able to trace products back to growers throughout the distribution chain. In the GlobalG.A.P. system, all certified growers are identified by a unique number, the GGN (GlobalG.A.P. Number), which is based on GS1. Jim Jeffcoates of Asda, the Wal-mart subsidiary in the United Kingdom, announced that his company is now demanding traceability information from its suppliers, and will ensure that the GGN information is supplied with each delivery, and is verified online by connecting the Asda



Thomas Fenimore interviews Dave Sargent, an American farmer who grows crops for Wal-Mart, at GlobalG.A.P. Summit 2012.

and GlobalG.A.P. database systems.

Retailers also voiced their strong support for GlobalG.A.P.'s localg.a.p. program, which provides entry-level standards for producers in emerging markets and serves as a first step to food safety certification. Localg.a.p. offers a pragmatic, flexible and affordable option to gradually implement full-fledged G.A.P. certification over time. In North America, the PFA standard serves as the localg.a.p. program.

Sustainability was another major trend espoused by retailers at Summit 2012. While sustainability is being demanded more slowly in the North American market than in others, it is clearly on the rise. The past year's devastating and historic drought affecting 60 percent of the farm land in the United States highlighted concerns about water sustainability in particular. GlobalG.A.P. announced that it is finalizing new optional responsible water use add-ons for its standards.

Summit 2012 was a successful and exciting conference. The core message expressed by participants was clear: GlobalG.A.P., with its inclusive stakeholder approach and uncompromisingly high, yet adaptable standards, continues to be the most important and effective platform to promote and implement pre-farm gate food safety worldwide.

To learn more about the conference, visit http://summit2012.org/.

INFORMATION SHOWCASE

DECEMBER 2012

Receive supplier information fast using the Produce Business Information Showcase. Here's How:

Contact the advertiser directly via the Website, e-mail, or phone listed in the ad.

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Babe Farms, Inc	52	800-648-6772	www.babefarms.com
Baero North America, Inc	31	314-692-2270	www.baerousa.com
Baero North America, IncFlor	al 12-13	314-692-2270	www.baerousa.com
Baldor Specialty Foods, Inc	89	718-860-9100	www.baldorfood.com
Big Red Tomato Packers	120	772-466-0700	www.bigredtomatopackers.com
Blanc Industries	33	973-537-0090	www.blancind.com
Blue Book Services	65	630-668-3500	www.producebluebook.com
J. Bonafede Co., Inc	92	617-884-3131	
Capital City Fruit Co., Inc	110	515-981-5111	www.capitalcityfruit.com
John Cerasuolo Co., Inc	84	800-875-8286	
Coast To Coast Produce Co	91	877-836-6295	www.ctcproduce.com
Community Suffolk, Inc	86	617-389-5200	www.community-suffolk.com
CrunchPak	47	509-782-7753	www.crunchpak.com
D'Arrigo Bros. Co. of New York.	45	800-223-8080	www.darrigony.com
DiMare Fresh	56	209-862-2872	www.dimarefresh.com
DNE World Fruit Sales	56	800-327-6676	www.dneworld.com
Dole Fresh Fruit Company	2	818-879-6600	www.dole.com
Dole Fresh Vegetable Co	.116-117	800-333-5454	www.dole.com/saladkits
dProduce Man Software	38	888-PRODMAN	www.dproduceman.com
Duda Family Farms	51	561-804-1477	www.dudafresh.com
Eaton & Eustis Co	90	617-884-0298	
Edinburg Citrus Association	111	956-383-6619	www.txcitrus.com
Edinburg Citrus Association	106	956-383-6619	www.txcitrus.com
			www.farmersbest.com.mx
Fierman Produce Exchange			
Floral Business	42	561-994-1118	www.floralbusinessmagazine.com
			www.freshfromflorida.com
Foxy Produce/Nunes	61	831-751-7570	www.foxy.com
Foxy Produce/Nunes	53	831-751-7570	www.foxy.com
Fresh Produce & Floral Council.	122	714-739-0177	
Fresh Results	82	954-446-6566	www.freshresults.com
Garden Fresh			
Distribution Service, Inc	87	609-582-8515	
The Garlic Company	48	661-393-4212	www.thegarliccompany.com
Giorgio Fresh Co	52	800-330-5711	www.giorgiofoods.com
Growers Express	11	831-751-1379	www.growersexpress.com
Harris Produce Vision	110	269-903-7481	
House Foods America Corporati	on50	714-901-4350	www.house-foods.com
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_			www.johnstonfarms.com
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			www.lgssales.com
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Niagara Fresh Fruit Co	N2N Global	14	407-331-5151	www.n2nglobal.com
Nokota Packers, Inc.	New Limeco LLC	39	800-843-3508 .	www.newlimeco.com
Nokota Packers, Inc.	Niagara Fresh Fruit Co	56	716-778-7631	www.niagarafreshfruit.com
Northern Plains Potato Growers Assn.	_	-		_
Ocean Mist Farms		,,	, ,,	
Ocean Mist Farms		100	218-773-3633	www.redpotatoes.net
Omega Produce Company, Inc				•
Orange Enterprises				
P-R Farms, Inc.				www.omegaproduceco.com
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S. Strock & Co., Inc	Southern Specialties	112	954-784-6500 .	www.southernspecialties.com
Sun-Maid Growers of California	State Garden, Inc./Olivia's	88	617-884-1816 .	www.stategarden.com
Sunlight International Sales, Inc. 37	S. Strock & Co., Inc	85	617-884-0263 .	www.sstrock.com
Tanimura & Antle, Inc	Sun-Maid Growers of California	66	800-786-6243 .	www.sun-maid.com
Travers Fruit Co	Sunlight International Sales, Inc	37	661-792-6360 .	www.dulcich.com
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THE NEXT GENERATION

In 1980, Dana Taback made history as the youngest board member to be inducted into the New York Trade Association. "It was the first opportunity that someone from a different generation got involved in the Hunts Point Market," recollects Taback, who is currently in sales at Fierman Produce Exchange Inc. "Prior to Hunts Point becoming a co-op, the Association ran the affairs of the market," Taback details. "It worked with the credit agencies and was responsible for all the little things that had to be taken care of for the market to run successfully."

Taback was feted at a luncheon attended by other board members of the association. Pictured above are (left to right, back row): Arthur Slavin, an attorney for the Hunts Point Terminal Market; Stephen D'Arrigo, D'Arrigo Brothers Co. of New York Inc.; Chet Levantino, A. Levantino & Son; and Arthur Kreinces, Fruit Co. If you can identify the two men standing far right, please write to us at info@producebusiness.com. Seated left to right are: Alvin Nagelberg, Nagelberg; Dana Taback, Post & Taback; Bob Kelly, Yeckes Eisenbaum; and Lou Sherman, secretary for the Association.

While the New York Trade Association still exists, Taback is no longer a member. "It still takes care of contract negotiations with the union and credit reporting," says Taback. "It acted as the business side of market, and worked on behalf of those companies that were members, as opposed to the singular firms on the market."

The Blast from the Past is a regular feature of Produce Business. We welcome submissions of your old photos, labels or advertisements along with suggested captions. Please send materials to: Editor, Produce Business, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail info@producebusiness.com

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